

FY 2021-22 Budget Overview & Work Session Outline

Budget Director Jessica Kinard

March 9, 2021



City Budget Office

Financial Analysis for the City of Portland



Agenda

Work Session Outline and Process

Budget Calendar Milestones

Budget Outlook & Strategies

General Fund Overview



City Budget Office

Financial Analysis for the City of Portland

Shared Council Priorities



COVID Response Values: Equity and Climate Action



Developing a new model for community safety



Addressing houselessness



Supporting economic recovery

City Adopted Core Values: Equity, Anti-Racism, Collaboration, Transparency, Communication, and Fiscal Responsibility



City Budget Office

Financial Analysis for the City of Portland

Budget Work Sessions

Structure & Process

- ✓ Series of multi-bureau collaborative and aligned presentations
- ✓ Budget issues and packages meant be discussed in the context of core values and priority issues
- ✓ Less time for bureau-specific detailed operational and budgetary issues than in the past
- ✓ Presentations are meant to prompt work session participant questions and discussion
- ✓ CBO will facilitate Q&A follow-up as necessary



Budget Work Sessions

Schedule & Topics



March 9th: Budget Overview and COVID-19 Response



March 11th: City Support Services



March 16th: Addressing the Urgent Houseless Crisis



March 18th: Community Safety



March 23rd: Laying the Groundwork for Stimulus & Recovery: Infrastructure, Permitting and Development



March 30th: Cross-Issue Bureaus



April 1st: Economic Survival and Stabilization: Community and Business Support; Recreational Cannabis Work Session

Budget Work Sessions

This Week

Session 1 – Budget Overview & COVID-19 Response

March 9th from 9am-12pm

Presentations

9:05-9:30 - Budget & Process Overview: Budget Director Jessica Kinard

9:30-10:20 - Leading with Equity: Dr. Markisha Smith

10:20-10:35 - Employee Update: Chief Human Resource Officer Cathy Bless

10 Minute Break

10:45-11:35 - Leading with Climate Action: Director Andrea Durbin

11:35-12:00 - Emergency Coordination Center Update

Session 2 – City Support Services

March 11th from 2pm-4pm

Presentations

9:00-9:30 - Auditor's Office

9:30-10:10 - Small Bureau Central Services (CBO, OEHR, Attorney, OGR)

10:10-11:00 - Office of Management and Finance

FY 2021-22 Budget Calendar



Budget Outlook

The City's budget outlook is nuanced. Crisis impacts vary by revenue source.



Forecasted Resource Declines

Development Revenues

supporting the Bureau of Development Services, System Development Charge bureaus, and construction excise tax

Portland Bureau of Transportation Revenues,
especially Parking revenues

Certain **General Fund Revenues,**
especially lodging tax revenue

Water and Environmental Services

water and sewer bill payments; system development charge revenue

Other fund impacts

including Solid Waste Management Funds, Spectator Venues, risk mitigation impacts

New and Increased Resources

Metro Tax for Supportive Housing Services

\$100M annually for Multnomah County & the Joint Office of Homeless Services (\$52M estimated in FY22)

Portland Parks Levy

\$45M annually estimated for Parks

Portland Clean Energy Fund

\$98.4M currently unallocated balance; annual revenues of \$44M-\$61M.

Recreational Cannabis Tax Fund

\$3M forecasted available

State of Oregon 9-1-1 tax

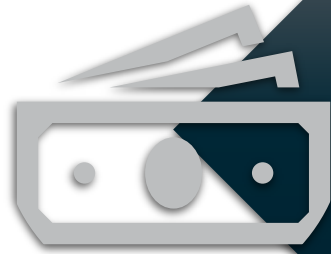
\$1.4M estimated increase for Bureau of Emergency Communications

Forthcoming American Rescue Plan Act resources

~\$201M initially estimated



Strategies to address budget shortfalls



Leverage new and available resources to advance priorities



Consider urgency in prioritizing limited resource allocations

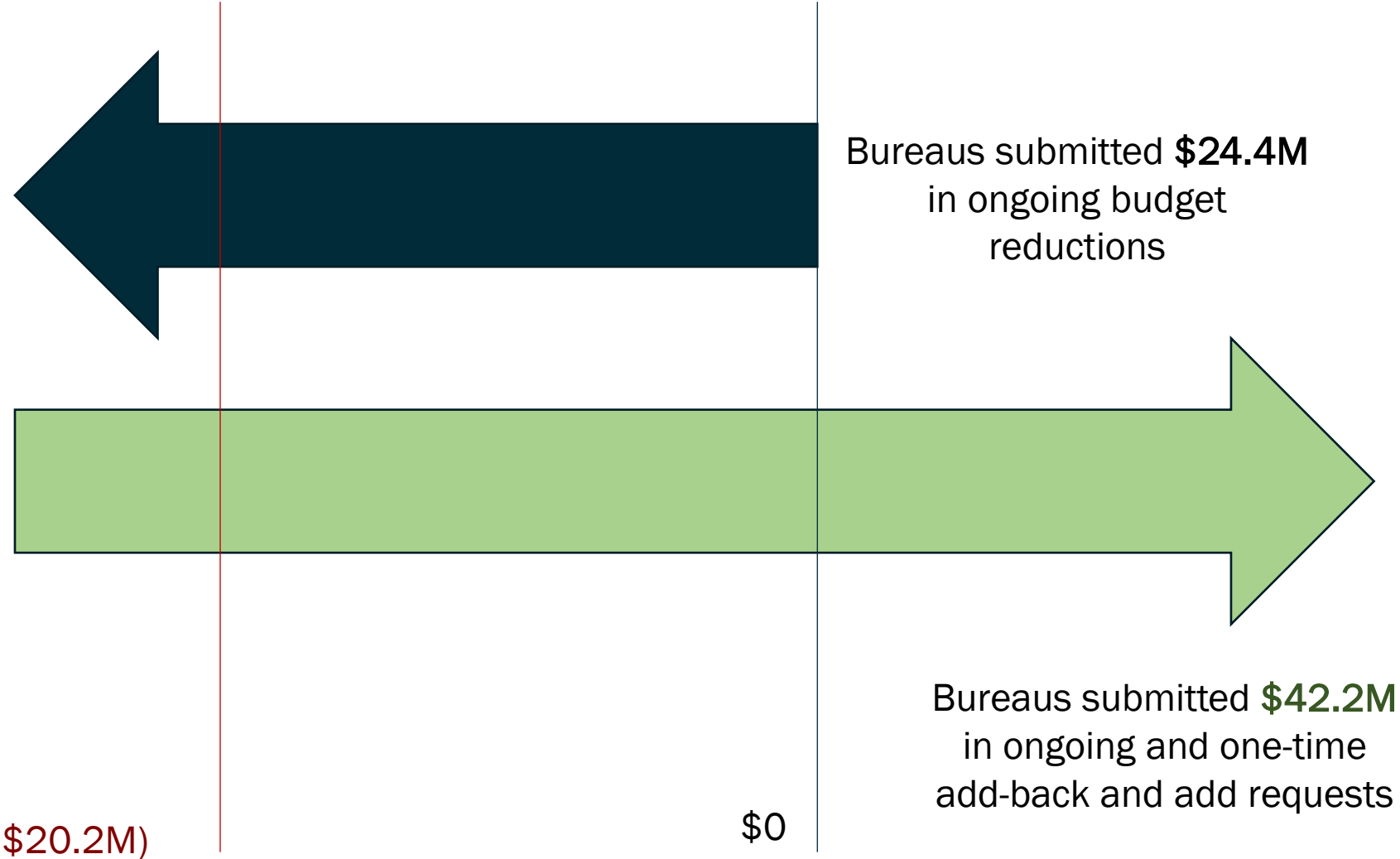


Lay groundwork to address medium-term and long-term needs, system changes, and liabilities

General Fund Overview

Bureau Requested Budget Submissions

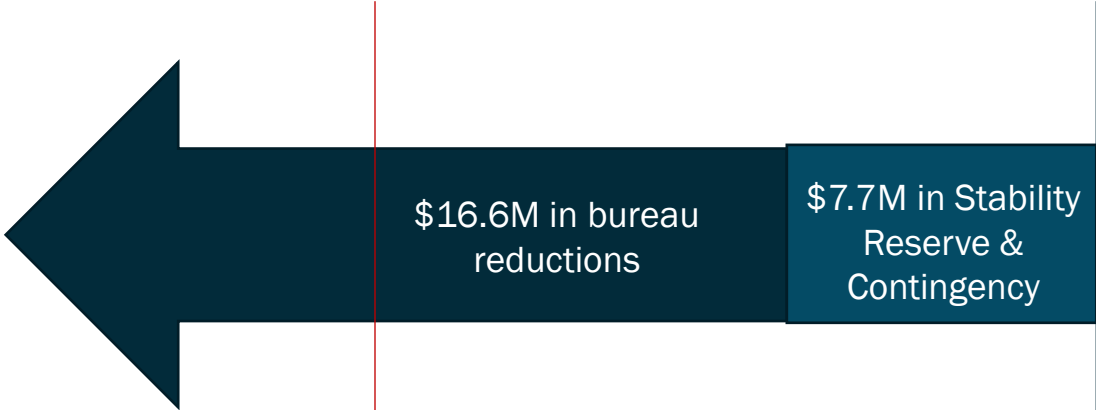
\$20.2 Million General Fund Shortfall
(\$6.8 million ongoing, \$13.4 million one-time)



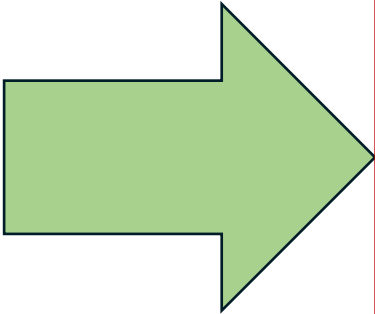
General Fund Overview

Balanced CBO Recommendations

\$20.2 Million General Fund Shortfall
(\$6.8 million ongoing, \$13.4 million one-time)



CBO identified **\$28.3M** in one-time and ongoing sources



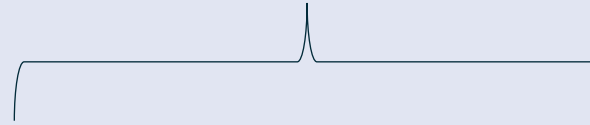
CBO recommends **\$8.1M** in high-priority adds

(\$20.2M)

\$0

FY 2021-22 Budget Calendar

Economic Relief & Stimulus
Coordinating Council meets
on ARPA allocations



**December
3**

Mayor's
Budget
Guidance
Released

**December
31**

General
Fund
Forecast
Released

**January
29**

Bureaus
submit
requested
budgets

March 4

CBO
Reviews to
Council

**March 9 –
April 1**

Council
Work
Sessions

**March 29 –
April 17**

Budget
Outreach
Events

April 29

Mayor's
Proposed
Budget
Released

May 13

Approved
Budget
Work
Session

June 16

Council
Action to
Adopt
Budget



Spring BMP (Current Year
Budget Changes)



City Budget Office

Financial Analysis for the City of Portland

Supplemental Slides



FY 2021-22 Budget Development - Summary of General Fund Add Decision Packages and CBO Recommendations

Decision Packages		Recommended General Fund or Non-General Fund Support*	Potential Use of American Rescue Plan Resources**	Decision Packages		Recommended General Fund or Non-General Fund Support*	Potential Use of American Rescue Plan Resources**
City Attorney	Attorney Add Back	✓		Office of	Add back - Constructing Civic Dialogues Realignment		
City Budget Office	Add-back Financial Analyst	✓		Community & Civic Life	Add-back E. Portland Community Office Rent Realignment	✓	
	Add-Back Hatfield Fellow				One-time additional Graffiti Funds	✓	✓
	Community Connections in Budgeting	✓			Capital Major Maintenance	→	
Office for Community Technology	Add 1.0 Financial Analyst FTE			Portland Parks & Recreation	Operations and Maintenance - New Parks		
	Community Broadband Planner				Major Maintenance Construction Fund	✓	
	Cyber Security and Personal Data Protection Training		✓		Parks' constraint Add-Back	✓	
	Digital Inclusion Fund		✓	Police Bureau	Add-Back Package - Personnel Allocation	✓	
Bureau of Development Services	Add-back of 5% General Fund Cut	→		Bureau of Planning & Sustainability	Implementing the Climate Emergency Declaration	✓	
	Equity Program Community Engagement Specialist				Maintaining Core Planning Capacity	✓	
	FY 2021-22 Bridge Funding and Technology Request		✓		Smart City PDX Community Leads		✓
	Land Use Services General Fund Request		✓	Special Appropriations	Charter Commission Months 6-18	✓	
	Neighborhood Inspections Program	✓	✓		MFS-Cash Oregon Free Tax Help 5% add-back		✓
	Signs Program General Fund Request		✓		MHCRC 5% Add Back Request	✓	
Portland Fire & Rescue	Portland Street Response	✓		Portland Bureau of Transportation	Portland Community College Future Connect		✓
	Restore Portland Fire & Rescue Stations	✓	✓		Peninsula Drainage District #1 Decision Package	✓	✓
	Restore Rapid Response Vehicle 11	✓	✓		ADA-Compliant Corners Add Back	✓	
	Restore Rapid Response Vehicle 19	✓	✓	Healthy Business Program		✓	
	Restore Rapid Response Vehicle 23	✓	✓	Lighting Portland for Safety Add Back	✓		
Joint Office of Homeless Services	Restore Rapid Response Vehicle 31	✓	✓	Prosper Portland	Street Cleaning Add Back		
	JOHS Continuation of One-Time Funding		✓		Local Small Business Relief Repair Grants		✓
Housing Bureau	JOHS Shelter Capital		✓		Portland Film Office – Economic Recovery Engine		✓
	N/NE Preference Policy	✓			Inclusive Business Resource Network add-back	✓	✓
Office of Management and Finance	BHR Consistent Pay Equity Practices and Tools	✓			Neighborhood Prosperity Network add-back		✓
	Facilities Services Core Operating/Asset Management Needs	✓			Traded Sector Program add-back		✓
	Impact Reduction Program - Campsite Cleanups	✓	✓	Venture Portland add-back		✓	
	OMF Equity Manager	✓		Workforce Development Program add-back	✓	✓	
	Add-back Deputy Controller	✓		Fund & Debt Management	Line of Credit payment	✓	
					Police Community Oversight Board	✓	

*Lighter green checkmark indicates partial recommendation. Circle with arrow indicates that CBO's recommendation for this year differs from next year--taking ongoing funding back on a one-time basis for FY 2021-22, or in the case of the Police Bureau, allocating some one-time resources for an ongoing request.

**Assumes current bill language, which allows for replacing lost revenue. ARP resources would be one-time, so if allocated for ongoing requests it would represent a single-year enhancement of services or--in the case of the Fire Bureau requests--would signal an intention to change service models in future years.