

City of Portland Budget 101

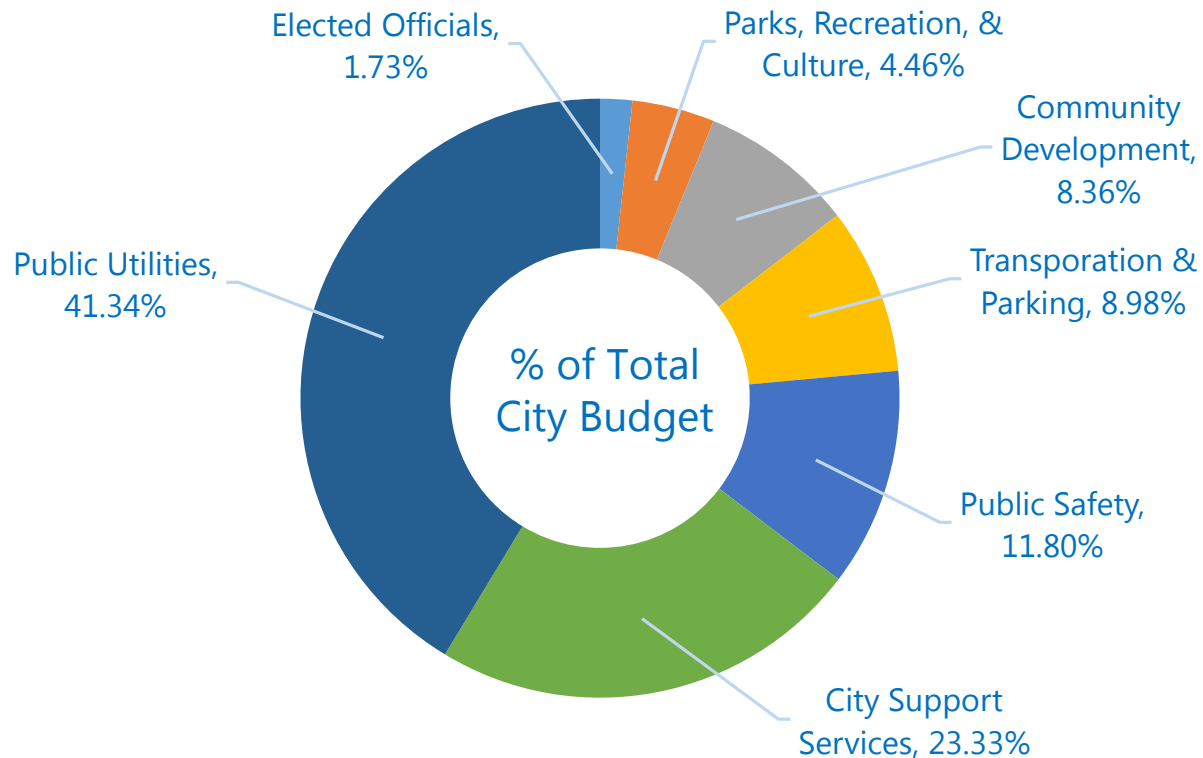
Fiscal Year 2017-18

Presentation to the BBAC

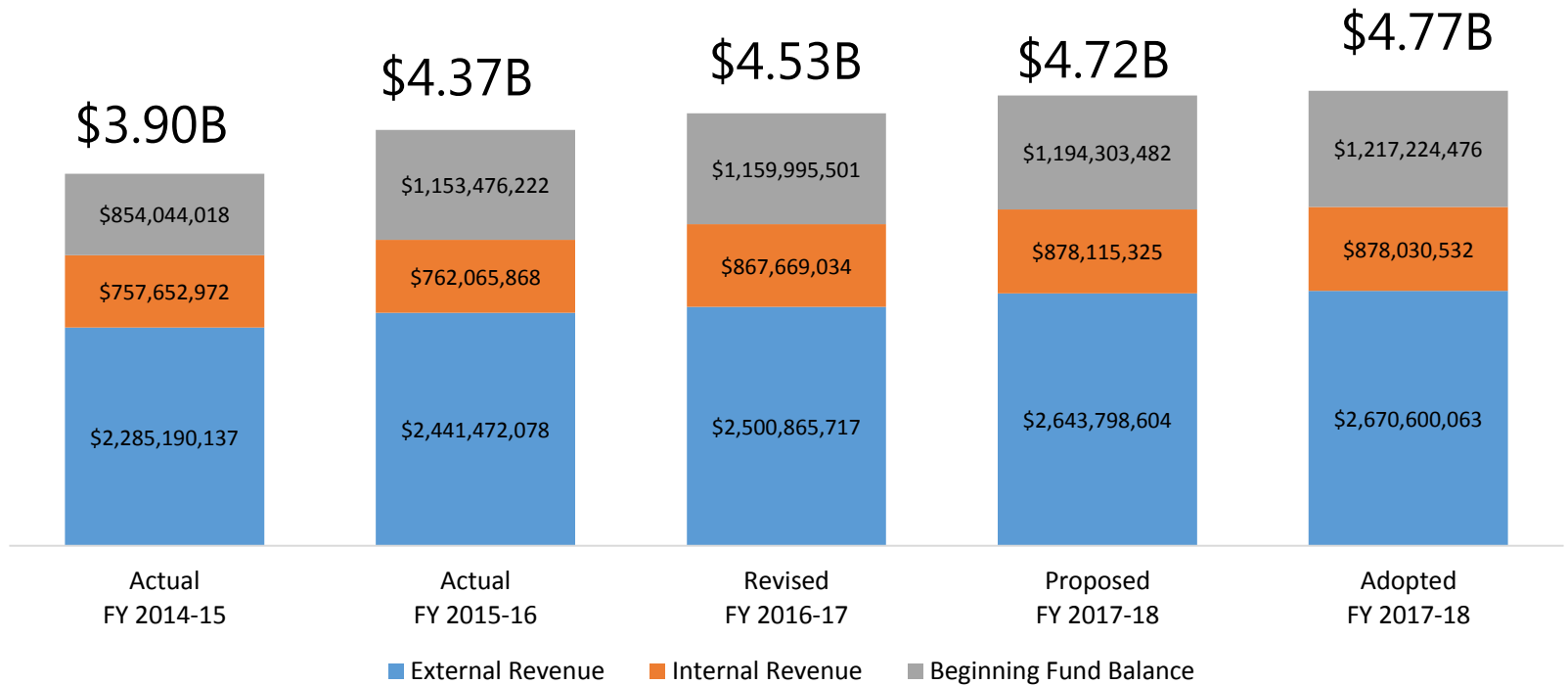
**Jessica Kinard, Principal Analyst,
City Budget Office**

City Service Areas

Portland's City budget is divided among 7 service areas:



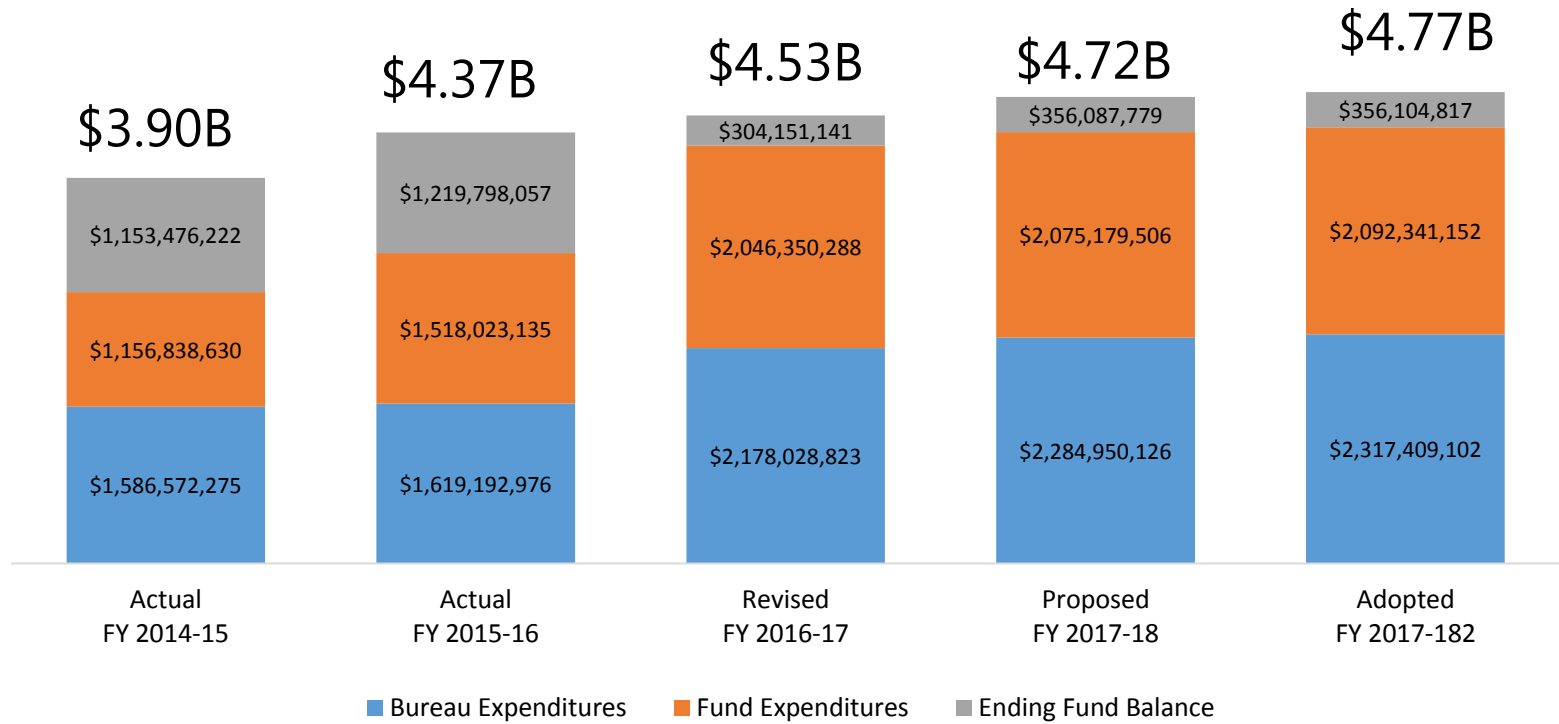
The City's Budget Is Growing!



Where does the money come from?

- **Bond and Note Proceeds**
 - Bonds and notes are sold to the public to fund major infrastructure projects.
- **Beginning Fund Balance**
 - The remaining balance of City resources each year, after liabilities are deducted. This represents a major portion of resources that will be spent in the next year.
- **Service Charges and Fees**
 - Fees and charges collected for services such as water, sewer and parks usage.
- **Taxes**
 - The City gets a portion of property taxes. Other taxes include the Lodging Tax, Business Income Tax and Gas Tax.
- **Grants**
 - Assistance provided by other organizations to help fund specific programs.
- **Licenses and Permits**
 - The City sells licenses and permits that regulate activities such as construction, business and use of public spaces.
- **Miscellaneous Revenue**
 - Includes investment interest, Capital Asset Sales, Assessment Collections, Misc. Sales, Private Grants and Donations, Loan Repayments and Refunds.

Bureau Expenditures Comprise \$2.3B



Allocating Resources

- Many funds are dedicated to specific uses
 - Water and sewer fees pay for water and sewer system maintenance and improvements
 - Permit fees pay for development services
 - Parks fees pay for recreation services
- The General Fund can be used for anything allowed by City Charter
 - GF primarily comes from property, business, utility, lodging and liquor taxes
 - Allocated based on City Council priorities
 - FY 2017-18 Adopted Budget includes ~\$630M GF

Preliminary Budget Calendar

DATE	ACTION
January 29	Bureau Requested Budgets Due
March 5	CBO Reviews Released
March 12-30	Council Budget Work Sessions
April TBD	Community Budget Forums (Public Hearings)
April 30	Mayor Announces Proposed Budget Decisions
April 30	General Fund Forecast Released
May 8	Approved Budget Work Session
May 10	Budget Committee Public Hearing
May 16	Budget Committee Approves Budget
June 6	TSSC Public Hearing on Approved Budget
June 7	Council Action to Adopt Budget

The Build Portland Initiative

An Overview

City Needs and Funding Options

New Infrastructure (Transportation, Parks, Water, Wastewater)

- System Development Charges

Existing Infrastructure (Water, Wastewater)

- Utility Rates

Harbor Restoration, Columbia River Levee

- State and Regional Funding

Affordable Housing

- CDBG, Housing Bonds, General Fund

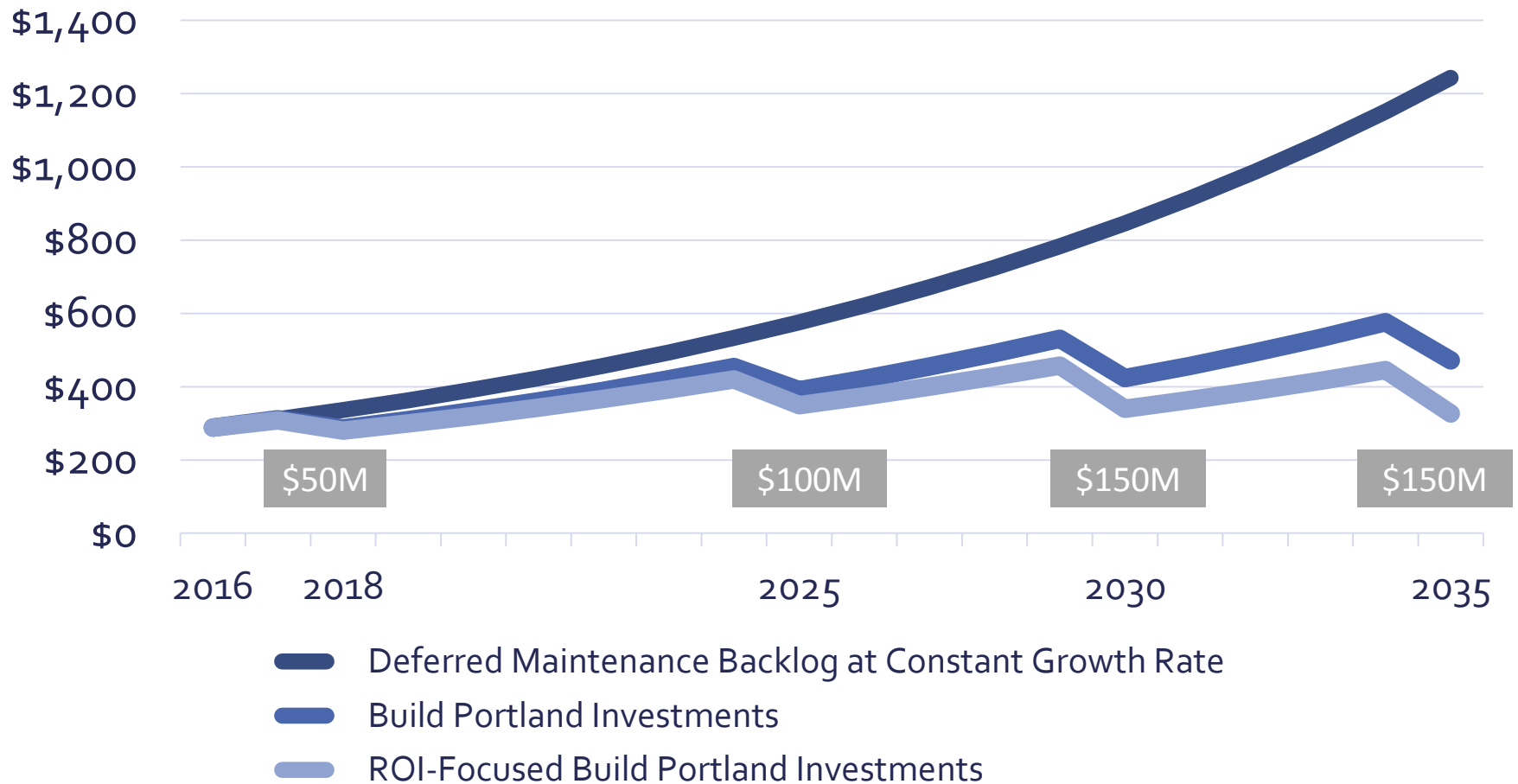
Prosper Portland program sustainability

- Private sector partnerships, Enterprise Funds, General Fund

Asset Maintenance (Parks, Transportation)

- Build Portland

Conceptual impact of Build Portland on the annualized funding gap (in millions)



Current Financing Assumptions

- Initial investment of \$50 million over next 7 years
- Borrow or cash finance depending on size and scope of available projects
- If borrowing, likely be interest-only payments for first 3-5 years



Build Portland Criteria

Build Portland Projects will:

- Maximize the City's ROI
- Minimize risk
- Consider equity and the priorities of the Portland Plan



What would it build?



- 3-4" Grind & Pave Work
- Community Center Reconstruction
- Safety and capacity improvements
- Seismic and resiliency enhancements
- ADA improvements

Build Portland: Next Steps

**Establish Council
commitment
through Resolution**

**Form Advisory
Committee**

**Determine
financing plan**



**September
2017**

**November
2017**

**Jan-March
2018**



Thank You!

Questions?

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