

ATTACHMENT A
TRANSPORTATION FUNDING POLICY

Actions To Be Taken In FY 87-88

1. A portion of the current reserves held in the Transportation Revenue Funds shall be transferred to the General Reserve Fund in order to reflect the past practice of using the Transportation Revenue Funds as a means of holding general City reserves. The Office of Fiscal Administration shall return to Council with a basis and recommended amount for this transfer.
2. The FY 87-88 budgeted transfer from General Fund to Transportation shall be reduced to reflect Transportation's proportional share of the Utility License Fee collections that are less than projected in the Financial Plan.

Long-Term Transportation Funding Policy

The Council adopts a long-term policy regarding Transportation Funding that has the following components:

1. The Office of Transportation will submit a program budget for all its activities each year that specifically includes those programs or activities proposed to be funded with General Fund discretionary dollars. The General Fund portion of the budget will be divided into two parts: 1) an amount equal to the current year's transfer, and 2) if the amount is less than 28% of the budgeted Utility License Fee receipts, a supplemental amount equal to the difference between the current year transfer and 28% of the projected Utility License Fee receipts in the next budget year.

The General Fund portion of the proposed Transportation budget will be reviewed each year along with other General Fund program needs. This policy provides a target amount of 28% of projected utility license fee receipts for the program to be submitted by Transportation. However, depending upon the financial condition of the General Fund and the other service needs of the City, the Council might adjust the actual transfer in any given year.

2. When actual Utility License Fee receipts fall below budgeted levels, the Transportation and General Funds will share the shortfall proportionately.
3. Transportation reserves will continue to be counted as part of the City's reserves for purposes of financial reports. However, the City will rely first on its General Reserve Fund to meet unexpected financial emergencies.

**Transportation Fund Policy
Page Two**

4. Other City revenues currently available for transportation funding will continue to support transportation programs.
5. The Office of Transportation should continue to seek additional funding that will be dedicated to transportation needs.

RESOLUTION No. 34423

WHEREAS, the City of Portland recognizes a need to meet the funding needs of the City's transportation system; and

WHEREAS, the City's Transportation Funds rely on General Fund revenues in addition to dedicated revenues in order to meet program requirements; and

WHEREAS, the City has a backlog of 476 miles of streets which will cost \$37 million to repair and repave; and

WHEREAS, the Federal Interstate program which has provided funds used for major new construction over the last decade is about to expire; and

WHEREAS, transportation program activities are capital intensive in nature and require considerable lead time in planning; necessitating reasonably predictable funding; and

WHEREAS, General Fund support for transportation programs must be put in the context of funding needs of other General Fund programs and the financial condition of the General Fund; and

WHEREAS, the Offices of Transportation and Fiscal Administration have presented the City Council with a Proposed Transportation Funding Policy, dated March 3, 1988;

NOW, THEREFORE, BE IT RESOLVED that the City Council adopts the recommendations contained in the proposed Transportation Fund Policy, as outlined in Attachment A to this Resolution, and directs their immediate implementation; and

BE IT FURTHER RESOLVED, that policy elements of Attachment A shall be included in the City's Comprehensive Financial Policy.

Adopted by the Council, **APR 27 1988**

Mayor Clark
SCB:jt
April 19, 1988

BARBARA CLARK
Auditor of the City of Portland
By 
Deputy

Calendar No. S-641

RESOLUTION No. 34423

Title

Adopt the Transportation Funding Policy, direct immediate implementation and inclusion in the City's Comprehensive Financial Policy (Resolution)

INTRODUCED BY
MAYOR CLARK

NOTED BY THE COMMISSIONER
Affairs
Finance and Administration JWC/CS
Safety
Utilities
Works
City Auditor

Bureau: Office of Fiscal Admin
Prepared By: S. Bauer Date: 4/19/88
Bureau Head: Stephen C. Bauer

CALENDAR	
Consent	Regular x

THE COMMISSIONERS VOTED AS FOLLOWS:		
	Yeas	Nays
BLUMENAUER	✓	
BOGLE	✓	
KOCH	✓	
LINDBERG	✓	
CLARK	✓	

Filed APR 25 1988

BARBARA CLARK
Auditor of the CITY OF PORTLAND

By Mary L. Howard
Deputy

1153