

# CITY BUDGET OFFICE

Ted Wheeler, Mayor  
Chloe Eudaly, Commissioner  
Nick Fish, Commissioner  
Amanda Fritz, Commissioner  
Dan Saltzman, Commissioner  
Mary Hull Caballero, Auditor



Andrew Scott, Director  
(503) 823-6925  
1120 SW 5<sup>th</sup> Ave, Suite 1300  
Portland, Oregon 97204-1912  
[www.portlandonline.com/citybudgetoffice](http://www.portlandonline.com/citybudgetoffice)

## CITY OF PORTLAND, OREGON

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TO: Mayor Ted Wheeler  
Commissioner Chloe Eudaly  
Commissioner Nick Fish  
Commissioner Amanda Fritz  
Commissioner Dan Saltzman  
City Auditor Mary Hull Caballero

FROM: Andrew Scott, Budget Director *AS*

DATE: May 25, 2018

SUBJECT: Adoption of the FY 2018-19 Budget for the City of Portland  
- Conduct a Proposed Use Hearing on State Shared Revenue (Hearing)  
- Budget Documents

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With this memo, the City Budget Office conveys a package of information to aid the Council in considering changes to the Approved Budget and moving to an Adopted Budget for FY 2018-19.

The package includes one resolution, four ordinances, and five attachments. Each ordinance and the resolution are either required under local budget law or City Financial Policies.

- **Attachment A:** A step-by-step description of the process for consideration of and deliberation on all Council actions necessary to adopt the FY 2018-19 budget
- **Resolution #1:** Certifies eligibility for State Shared Revenues
- **Ordinance #1:** Accepts State Shared Revenues
- **Ordinance #2:** Opens and renames various funds and creates and updates fund statements of purpose for various funds
  - **Exhibit 1:** Updated fund statements of purpose
- **Ordinance #3:** Adopts the budget
  - **Attachment B:** Descriptions of adjustments to the FY 2018-19 Approved Budget
  - **Attachment C:** Summary report of all adjustments by bureau and fund
  - **Attachment D:** Adopted Budget Notes
  - **Attachment E:** Appropriation Schedule
- **Ordinance #4:** Levies taxes

**In order for staff to be adequately prepared for Council discussion and action, the City Budget Office would appreciate receiving any contemplated amendments in advance of June 7<sup>th</sup>.** CBO will present these significant adjustments and budget note changes to be incorporated into the Adopted Budget subject to the vote of the Council on Thursday, June 7, 2018.

**ATTACHMENT A**  
**COUNCIL SESSION**

Thursday, June 7, 2018

Time Certain, 3:00 p.m., Council Chambers

1. Council conducts a Proposed Use Hearing on State Shared Revenue.

Explanation: State law requires this action. ORS 221.770 requires municipalities to hold two separate hearings on State Shared Revenue. The first hearing on possible uses of State Shared Revenue was held on May 16, 2018. The second hearing, this one, is to hear testimony on the proposed uses of State Shared Revenue.

**Mayor's Statement for the Record:**

THIS HEARING IS BEING HELD BY THE CITY COUNCIL OF PORTLAND, OREGON IN COMPLIANCE WITH THE PROVISIONS OF THE STATE REVENUE SHARING REGULATIONS (ORS 221.770).

IT IS TO ALLOW CITIZENS TO COMMENT ON THE PROPOSED USE OF THESE FUNDS IN CONJUNCTION WITH THE ANNUAL BUDGET PROCESS. AS PROPOSED FOR COUNCIL ADOPTION, THE FISCAL YEAR 2018-19 BUDGET ANTICIPATES RECEIPTS TOTALING **\$20,031,436** FROM STATE REVENUE SHARING UNDER ORS 221.770.

AS HAS BEEN THE CASE IN PRIOR YEARS, IT IS PROPOSED THAT THIS REVENUE BE ALLOCATED IN EQUAL PARTS TO SUPPORT FIRE PREVENTION AND POLICE PATROL SERVICES.

IS THERE ANYONE HERE TODAY WHO WISHES TO BE HEARD ON THIS SUBJECT?

2. After testimony (if any), the Mayor closes the hearing to discuss proposed uses of State Revenue Sharing.

I AM NOW CLOSING THIS HEARING TO DISCUSS PROPOSED USES OF STATE REVENUE SHARING

3. Council considers Resolution to Certify that the City Meets Eligibility Requirements for State Shared Revenue.

Explanation: State law requires this action. ORS 221.760 requires municipalities in counties of over 100,000 population to certify certain services are provided to be eligible to receive State Shared Revenue. The services certified by the City of Portland are: police protection; fire protection; street construction, maintenance and lighting; sanitary sewers; storm sewers; planning, zoning and subdivision control; and water.

4. Council considers Ordinance to Accept State Shared Revenue.

Explanation: State law requires this action. ORS 221.770 states that municipalities must adopt an ordinance electing to receive State Shared Revenue for the upcoming fiscal year.

5. Council considers Ordinance to Create and rename various funds and update the fund statements of purpose for various funds.

Explanation: Approve the following fund closures and creations:

- Create the Cannabis Licensing Special Revenue Fund to allow for more transparent tracking of these fees and penalties in relation to program costs, allow for multi-year management of the resources by the fund manager, and facilitate the overall management of the program.
- Rename the Recreational Marijuana Tax Fund to the Recreational Cannabis Tax Fund
- Adopt and make changes to the funds statements of purpose for these two funds and several OMF funds to reflect a reorganization of the Bureau of Internal Business Services.

City Comprehensive Financial Management Policy 2.04 states that each fund shall have a statement of purpose. This ordinance updates those statements for various funds.

6. Council considers Ordinance to Adopt the FY 2018-19 Budget.

- The City Budget Office describes the various Adopted Budget changes as filed.
- The Mayor entertains motions from Council to amend Attachments B, C, D, and E. Each amendment should note the amount, bureau, purpose, and funding source.
- Each amendment needs to be moved and seconded for consideration and discussion. After discussion, the amendment must be voted on by Council.
- The Mayor calls for public testimony.
- At the conclusion of testimony, Council votes to adopt the budget (as amended).

7. Council considers Ordinance to Levy Taxes for the City of Portland for the fiscal year beginning July 1, 2018, and directs the City Budget Director to submit said tax levy and other certifications to the County Assessors of Multnomah, Clackamas, and Washington Counties.

Explanation: This action includes the levy amounts for property taxes accruing to the General Fund, Children's Investment Fund, and the Fire and Police Disability and Retirement Fund. It also includes property tax levies for General Obligation bonded debt and 16 urban renewal areas.

Conduct a Proposed Use Hearing on State Shared Revenue (Hearing introduced by Mayor Wheeler)

JUN 07 2018

PLACED ON FILE

Filed MAY 29 2018

**Mary Hull Caballero**  
**Auditor of the City of Portland**

By *Austin Parsons*  
Deputy

| COMMISSIONERS |  |
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|               |  |
| 1. Fritz      |  |
| 2. Fish       |  |
| 3. Saltzman   |  |
| 4. Eudaly     |  |
| Wheeler       |  |