

Assessment Collections Fund

Managing Bureau: Office of Management and Finance

Statement of Purpose: The purpose of the Assessment Collection Fund (ACF) is twofold: (1) to account for all activities related to the issuance of Assessment Collection Bonds used to finance delinquent special assessments of local improvements, (2) to account for the collection of related assessments or proceeds from the sale of property. The City Charter allows for replenishment of this fund by selling up to \$1.5 million in bonds. Collection activity on the delinquent liens, up to and including foreclosure, would be used to repay outstanding bonds.

Sources of Revenue: Bond proceeds committed to purchase delinquent assessments and related property costs with revenues committed for the repayment of bonds.

Contingency Requirements: Per Financial Policy 2.04, contingency funds should be used to address reasonable but unforeseen requirements within the fiscal year. There are no minimum or maximum contingency requirements for the fund.

Reserve Requirements: There are no reserve requirements for this fund.

Disposition of Funds: In the event the fund is closed, and no outstanding liens or Assessment Collections Bonds exist, all remaining resources shall revert to the General Fund.

Updated Fund Statements of Purpose

Fund Name	Page Number
Assessment Collections Fund	1
Bancroft Bond Interest and Sinking Fund	2
Recreational Cannabis Tax Fund	3
Children's Levy Fund	4
Fire Capital Fund	5
Local Improvement District Fund	6

Bancroft Bond Interest and Sinking Fund

Managing Bureau: Office of Management and Finance

Statement of Purpose: The Bancroft Bond Interest and Sinking Fund is used to achieve a proper matching of revenues and expenditures related to financing public infrastructure improvements requested by property owners. Improvements may include LID streets, sewers, sidewalk repairs, and SDC charges. Specifically, this fund accounts for resources, and the allocation thereof, to pay principal and interest on outstanding debt from financing these improvements.

Sources of Revenue: Assessment principal and interest revenues collect in this fund are restricted (per ORS 223.285) to the payment of special assessment bonds (Limited Tax Improvement Bonds).

Contingency Requirements: Oregon Administrative Rule 150-294.388(7) does not permit contingencies in a debt service fund.

Reserve Requirements: The size of debt service reserve requirements varies by individual bond covenant. Reserves may be funded with bond proceeds, other eligible resources, or with the purchase of a reserve surety policy. The reserve may be drawn upon when there are insufficient resources to pay debt service, but must be replenished in accordance with bonds covenants or surety policy.

Disposition of Funds: In the event the fund is closed, all remaining resources shall revert to the General Fund.

Recreational Cannabis Tax Fund

Managing Bureau: City Budget Office

Statement of Purpose: The purpose of the Fund is to receive gross revenues received from the Recreational Cannabis Tax, to provide funding for the purposes identified in Section 6.07.145 of this Code and costs related to the administration of the tax. Except for those established purposes, in no case shall revenues be transferred from the Recreational Cannabis Tax Fund to the City's General Fund, or any other fund, for any other purpose.

Sources of Revenue: The Recreational Cannabis Tax receives revenues from a three percent tax on recreational cannabis sales in the City of Portland.

Contingency Requirements: Per Financial Policy 2.04, contingency funds should be used to address reasonable but unforeseen requirements within the fiscal year. There are no minimum or maximum contingency requirements for the fund. When appropriate, the City Budget Office will budget contingency to mitigate against the impacts of shortfalls in forecast revenue.

Reserve Requirements: There are no reserve requirements for this fund.

Disposition of Funds: If the tax is sunset at a future date, all funds will be disbursed for the purposes identified in Section 6.07.145 of this Code and costs related to the administration of the tax.

Responsibilities of the City Budget Office are as follows:

- Forecast revenues and communicate forecast updates to Council and bureaus that are funding activities with recreational cannabis tax revenues
- Manage all budgetary and financial activity within the Recreational Cannabis Tax parent fund (i.e., 227000)
- Establish and manage budgeted contingency for the legal fund
- Establish a unique bureau-specific sub-fund within Recreational Cannabis Tax legal fund in SAP for every bureau that is funding activities with recreational cannabis tax revenues

Responsibilities of bureaus that are funding activities with recreational cannabis tax revenues are as follows:

- Budget and record activities funded with recreational cannabis tax revenues within bureau-specific sub-fund (e.g., 227001)
- Make mid-year budget adjustments as necessary in response to revenue shortfalls
- Establish and maintain financial controls to ensure only eligible activities are recorded within bureau-specific sub-fund. Eligible activities are defined in PCC 6.07.145
- Take prompt corrective action to resolve issues concerning ineligible activity posted to bureau-specific sub-fund

Children's Levy Fund

Managing Bureau: Portland Children's Levy

Statement of Purpose: The purpose of the Portland Children's Levy is to prevent childhood hunger, to help children arrive at school ready to learn, to provide safe and constructive after-school alternatives for students, to prevent child abuse and neglect, and to help children in foster care succeed.

Sources of Revenue: The funding comes from the proceeds of a five-year property tax levy most recently approved by voters in 2018. The funding categories as provided in the ballot measure language are: early childhood, child abuse prevention and intervention, after school, mentoring, foster care, and hunger relief.

Contingency Requirements: Per Financial Policy 2.04, contingency funds should be used to address reasonable but unforeseen requirements within the fiscal year. There are no minimum or maximum contingency requirements for the Children's Investment Fund.

Reserve Requirements: There are no reserve requirements for this fund.

Disposition of Funds: In the event the fund is not renewed, all remaining resources shall be disbursed following authorizing legislation.

Fire Capital Fund

Managing Bureau: Portland Fire & Rescue (PF&R)

Statement of Purpose: The Fire Capital Fund supports the repair, replacement and renewal of PF&R's capital assets, including facilities, apparatus, and equipment. The bureau's facilities include 31 stations, a training center, a logistics center, and fire prevention offices. PF&R also operates and maintains approximately 50 frontline engines, trucks, and specialty apparatus. The bureau also provides specialized personal protective equipment for firefighters such as self-contained breathing apparatus and turnout gear.

Sources of Revenue: The primary funding is General Fund discretionary resources. This fund may receive other external resources for the capital costs including bond and note proceeds.

Contingency Requirements: Per Financial Policy 2.04, this fund shall budget contingency adequate to address reasonable but unforeseen requirements within the fiscal year. There are no minimum or maximum contingency requirements for the Fire Capital Fund.

Reserve Requirements: There are no reserve requirements for this fund.

Disposition of Funds: In the event the fund is closed, all remaining balances in that fund shall revert to the City's General Fund. However, in no case shall any funds be transferred to the City's General Fund until all outstanding debt is repaid according to terms and conditions of related bond and note ordinances.

Local Improvement District Fund

Managing Bureau: Office of Management and Finance

Statement of Purpose: The purpose of the Local Improvement District (LID) Fund is twofold: (1) to account for all revenue, expenditure and debt activities of council approved local improvement district projects, (2) to account for all operational and funding activities of the Assessments, Finance and Foreclosure program, which is responsible for maintaining the official City Lien Docket and administering the city's assessment program for the benefit of various city bureaus.

Sources of Revenue: The restricted fund balance is made up of assessment lien principal and interest revenues collected on outstanding LID liens. Revenues restricted to repay outstanding debt that financed LID project. The unassigned fund balance includes assessment fees, billing costs, collection charges, and billing penalty revenues collected from property owners in the administration of the City's assessment program.

Contingency Requirements: Per Financial Policy 2.04, contingency funds should be used to address reasonable but unforeseen requirements within the fiscal year. There are no minimum or maximum contingency requirements for the LID Fund.

Reserve Requirements: There are no reserve requirements for this fund.

Disposition of Funds: In the event the fund is closed, all remaining resources shall revert to the General Fund.