

THE CITY OF  
**PORTLAND**



**OREGON**

NEIL GOLDSCHMIDT, MAYOR

OFFICE OF  
MANAGEMENT SERVICES

XXXXXXXXXXXXX  
DIRECTOR

J.M. SETTERBERG  
ASSISTANT

BUREAU OF  
FINANCIAL AFFAIRS

BUREAU OF  
MANAGEMENT & BUDGET

BUREAU OF PERSONNEL

1220 S.W. FIFTH AVE.  
PORTLAND, ORE. 97204  
503/248-4039

February 20, 1975

MEMO

RECEIVED

FEB 20 11 01 AM 1975

GEORGE YERKOVICH, AUDITOR  
CITY OF PORTLAND, ORE.

BY *Ueb*

TO: Mayor Neil Goldschmidt  
Commissioner Charles Jordan  
Commissioner Francis Ivancie  
Commissioner Mildred Schwab  
Commissioner Connie McCready  
City Auditor George Yerkovich

FROM: Art Goodman, Acting Director  
Office of Management Services *Art Goodman*

SUBJECT: Calendar Item #503 - February 20, 1975

Some question has arisen about Council Calendar Item #503, which is an ordinance amending Chapter 3.02 of the Code of the City.

This proposed amendment is an addition to the Code for the purpose of eliminating the technical need for an amending ordinance whenever the detailed designation of an appropriation account in an ordinance should be changed, and the change does not affect appropriations at the level of control exercised by the Council. This, generally, is the level of control exercised by the Council for many years.

The proposed amendment is a vehicle for administrative compliance with Council control of appropriations now in effect or to be established in the future. It does not, in itself, change Council control.

The need for the amendment surfaced during a discussion in the City Attorney's Office on the administrative procedures being developed for the preparation of ordinances.

The annual budget for the Council is presently controlled by the annual budget ordinance, by Appropriation Unit and by the following major categories, each of which cannot be exceeded, nor can transfers be made among them without specific approval from the Council. These categories are:

Personal Services  
Materials and Services  
Capital Outlay

In addition, certain line item control is established by the budget ordinance for Personal Services -- positions and salary

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rates are controlled by the Council. Under Materials and Services, expenditures for Out-of-Town Travel are controlled by line item, and appropriations for Other Services - Internal, Equipment Rental, Facilities Rental, Printing Services, Distribution Services, and Communications Services can only be utilized to obtain services from the City of Portland, unless otherwise authorized by the City Council.

For Capital Outlay, expenditures are limited to the projects listed in the budget, or as authorized by the Council.

Appropriations are designated in ordinances in greater detail than required for Council control, in order to provide administrative and accounting detail. Technically, an amending ordinance would be required for any change in the supplemental detail.

Without this housekeeping ordinance, the Office of Management Services would, technically, be required to control those budget items designated by the Council during the year in greater detail than is required for budget items authorized in the annual budget ordinance.

The Office of Management Services does not now have that capability and would not have such capability without additional resources.

If the City Council were to decide to change the level of detail of control of expenditures, it would appear that the appropriate time to make such a change would be when reviewing the regular 1975-76 budget.

If I can be of any further assistance on this Council Calendar item, please contact me.

AG/ht



## ORDINANCE NO. 139499

An Ordinance amending chapter 3.02 of the Code of the City by retitling the chapter, renumbering present paragraphs and adding a new paragraph relating to the designation of appropriations in ordinances.

The City of Portland ordains:

Section 1. The Council finds:

1. City funds are appropriated for each fiscal year in the budget ordinance by major category of object of expenditure such as personal service, materials and services etc., with additional limitations on certain specific objects of expenditures;
2. Appropriations are controlled by the Council at the level appropriated;
3. The budget document contains both estimates of expenditures by sub-account at a greater level of detail than appropriated and summaries of this detail, which provide the amounts appropriated;
4. The designation of an appropriation in an ordinance by sub-account furnishes the necessary detail for the accounting system and also identifies the appropriation at the level of control;
5. Modification of a sub-account which causes no change at the level of control established in an ordinance should be an administrative action not requiring an amending ordinance;
6. Section 3.02.035 of the City Code should be amended accordingly.

NOW, THEREFORE, the Council directs:

1. Section 3.02.035 of the City Code is amended by retitling the section to read "Ordinance Wording", by renumbering as paragraph "(a)" the section now numbered 3.02.035, by renumbering as subparagraphs (1) and (2) the paragraphs now numbered (a) and (b) respectively and by adding a new paragraph (b) to read as follows:
  - b. Appropriation designation. When the directive section of an ordinance except the budget ordinance, which makes the annual appropriation, includes a reference to an

# ORDINANCE No.

appropriation, the ordinance shall control the appropriation at the accounting level which the annual appropriations are made in the budget ordinance subject to limitations on specific appropriations or types of expenditure stated in budget ordinance. The designation of an appropriation in an ordinance by a sub-account below the level of control may be adjusted administratively without an amending ordinance provided there is no change in the appropriation at the level of control, unless the ordinance directs otherwise.

ORDINANCE No. 139499

CONTINUED TO FEB 20 1975

FEB - 2 1975

Title

An Ordinance amending chapter 3.05 of the Code of the City by redefining the chapter, renumbering present paragraphs and adding a new paragraph relating to the designation of appropriations in ordinances.

Filed JAN 31 1975

GEORGE YERKOVICH

*George Yerkovich*  
Mayor of the City of Portland

Passed by the Council,

FEB 20 1975

Mayor Goldschmidt  
JMS/jm  
1/31/75

Attest:

GEORGE YERKOVICH

Auditor of the City of Portland  
By *Charles Spear*

Chief Deputy

Calendar No. **503**  
**348**

# ORDINANCE No. 139499

## Title

An Ordinance amending chapter 3.02 of the Code of the City by retitling the chapter, renumbering present paragraphs and adding a new paragraph relating to the designation of appropriations in ordinances.

FEB - 5 1975

CONTINUED TO FEB 20 1975

THE COMMISSIONERS VOTED AS FOLLOWS:		
	Yeas	Nays
<del>JORDAN</del>	1	
Ivancie	1	
McCready	1	
Schwab	1	
Goldschmidt	1	

FOUR-FIFTHS CALENDAR	
Anderson	
Ivancie	
McCready	
Schwab	
Goldschmidt	

INTRODUCED BY
Mayor Goldschmidt

DRAWN BY
J.M. Setterberg/jm
Date 1/31/75

NOTED BY THE COMMISSIONER
Affairs
Finance and Administration
Safety
Utilities
Works

City Attorney
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NOTED BY THE CITY AUDITOR

APPROVED
Date
By
City Engineer
Date
By

Filed JAN 31 1975

GEORGE YERKOVICH  
Auditor of the CITY OF PORTLAND

By Gordon Croell  
Deputy

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