

# Exhibit #2: FY 2022-23 Fall Supplemental Budget

## General Fund Summary

The Fall Supplemental Budget includes a total increase in FY 2022-23 expenses in the General Fund of \$57.1 million.

|                          | Adopted Budget     | Current Revised Budget | Proposed Adjustments | Total Proposed Revised |
|--------------------------|--------------------|------------------------|----------------------|------------------------|
| Beginning Fund Balance   | 102,204,592        | 102,204,592            | 59,760,258           | 161,964,850            |
| Taxes                    | 329,443,408        | 329,443,408            | -                    | 329,443,408            |
| Licenses & Permits       | 266,319,062        | 266,319,062            | -                    | 266,319,062            |
| Charges for Services     | 16,424,323         | 16,424,323             | 81,250               | 16,505,573             |
| Intergovernmental        | 48,996,360         | 48,996,360             | (7,183,530)          | 41,812,830             |
| Interagency Revenue      | 71,211,513         | 71,211,513             | 817,313              | 72,028,826             |
| Fund Transfers - Revenue | 88,790,451         | 88,790,451             | 3,563,684            | 92,354,135             |
| Miscellaneous            | 4,055,056          | 4,055,056              | 40,000               | 4,095,056              |
| <b>Revenues</b>          | <b>927,444,765</b> | <b>927,444,765</b>     | <b>57,078,975</b>    | <b>984,523,740</b>     |

|                                 | Adopted Budget     | Current Revised Budget | Proposed Adjustments | Total Proposed Revised |
|---------------------------------|--------------------|------------------------|----------------------|------------------------|
| Personnel                       | 532,881,995        | 532,881,995            | 49,716               | 532,931,711            |
| External Materials and Services | 170,945,760        | 170,945,760            | 27,159,677           | 198,105,437            |
| Internal Materials and Services | 91,699,509         | 91,699,509             | (7,175,253)          | 84,524,256             |
| Capital Outlay                  | 3,633,704          | 3,633,704              | 313,028              | 3,946,732              |
| Debt Service                    | 13,474,234         | 13,474,234             | 5,785                | 13,480,019             |
| Fund Transfers - Expense        | 84,983,103         | 84,983,103             | 6,768,386            | 91,751,489             |
| Contingency                     | 29,826,460         | 29,826,460             | 29,957,636           | 59,784,096             |
| <b>Expenses</b>                 | <b>927,444,765</b> | <b>927,444,765</b>     | <b>57,078,975</b>    | <b>984,523,740</b>     |

### Discretionary Changes

What follows are details of changes in General Fund discretionary resources. For line-item detail, see the table in Exhibit 4.

### **Encumbrance Carryover**

Encumbrance carryovers allow bureaus to request unspent resources from the prior year be carried over and reallocated for one-time costs that are not part of the bureau's regular operating budget. Bureaus submit a list of purchase orders that have been "encumbered" in the Accounting system, generally for consulting agreements, one-time furniture purchases, or other contracts. This is a largely technical adjustment that ensures that funding that was contracted out in the prior year is available in the current fiscal year when the services will be delivered, and the corresponding expenses hit bureau budgets.

For the FY 2022-23 Fall BMP, special guidance allowed bureaus to request carryover for non-encumbered costs related to one-time allocations approved by Council. This was included in recognition of the fact that Council allocated a large amount of one-time resources in the prior fiscal year and resources were slower to go out the door due to staffing and procurement capacity issues.

Additionally, per a FY 2022-23 Council-adopted Budget note, Portland Parks & Recreation was directed to pursue a proposed "leveraged funding model" that blends Parks 2020 Local Option Levy resources with General Fund resources in Fund 100 and was directed to be allowed to carryover any FY 2021-22 General Fund account underspending in the FY 2022-23 Fall BMP. As a result of the implemented funding plan, \$22.3 million of Levy resources which were budgeted to support Levy-eligible expenditures in the General Fund were retained in the Levy fund and are available for re-appropriation on Levy-eligible uses.

In total, the FY 2022-23 Fall Supplemental Budget includes \$24.3 million in one-time General Fund encumbrance carryovers.

### **Policy Set-Aside Allocations and Adjustments**

- CBO budgeted several allocations from available ending balance as directed in an FY 2022-23 Adopted Budget note; these are all in General Fund contingency policy set-aside:
  - \$3.0 million for Portland Harbor restoration.
  - \$500,000 for future Council transition costs. This will function as a reserve for any Council office transitions that may occur over the next several years.
  - \$1.0 million for an emergency reimbursement fund. This will allow for up-front payments for severe weather activations or other emergency activation costs, for which the City will seek reimbursement from FEMA, the Joint Office of Homeless Services, or other jurisdictions as appropriate.
- CBO also deposited \$89,000 in unspent resources allocated for the Portland Metropolitan Levee System Project and \$670,000 for O'Bryant Square into General Fund policy set-aside for future expenditures.

## Technical Adjustments & True-Ups

Bureaus made a number of changes to better align projected budget and expenditures, match interagency agreement costs, and other changes that don't draw on General Fund contingency. Other notable changes include:

- \$2.6 million is being transferred from the General Fund to the Housing Investment Fund in the Portland Housing Bureau, recognizing actual Short-Term Rental Revenue tax receipts from the prior year.
- \$800,000 in General Fund resources allocated to the Office of Management & Finance's Community Safety Division for Safer Summer PDX, Portland's plan for reducing gun violence, is being transferred to the Portland Bureau of Transportation. This funding will support the Integrated Street Safety Initiative which uses various interventions, including traffic calming strategies to discourage cut-through traffic and slow speeding cars to prevent firearm violence.
- \$200,000 is being transferred from the Office of Management & Finance in the Public Environment Management Office to Special Appropriations for a grant to the Portland Business Alliance.
- The Office for Community Technology (OCT) will join the Bureau of Planning and Sustainability (BPS) to further their common mission and goals and maximize expertise, resources, and deepen collaboration regarding digital justice, equity, and the City's physical environment and public spaces. The Fall Supplemental Budget moves OCT's full FY 2022-23 Revised Budget to BPS.
- Several programs are being realigned between bureaus:
  - Crime Prevention: The Office of Management & Finance's Community Safety Division and the Office of Community and Civic Life are making true-ups between the Adopted Budget realignment for the Community Safety Team.
  - BoyStrength: The Office of Management & Finance's Community Safety Division is transferring \$122,838 in funding for the BoyStrength Program Director to Special Appropriations where the program will be supported by a team of violence prevention professionals in the Office of Violence Prevention.
  - Graffiti Program Transfer: The Office of Community & Civic Life is transferring the Graffiti program to the Bureau of Planning and Sustainability (BPS) to consolidate decision-making and management tasks related to cleaning up the city and addressing livability issues.
  - Policing-Focused Equity Analyst: The Office of Equity & Human Rights is transferring a Policing-Focused Equity Data Analyst to the Portland Police Bureau to reduce bureaucratic barriers, allow the analyst to work directly with the staff they support, and provide a more accurate reflection of the bureau overseeing and directing this position's work. The analyst works with Portland Police Bureau's Equity and Inclusion Office and Strategic Services Division.

## Contingency

With the changes included in this ordinance, total General Fund contingency currently stands at \$59.8 million.

- \$16.9 million in unrestricted contingency
- \$18.7 million in compensation set-aside
- \$10.4 million in policy reserves
- \$13.9 million in capital set-aside

## Current Appropriation Level (CAL) Changes

The FY 2023-24 Current Appropriation Level targets will include the following adjustments:

- Decrease ongoing General Fund discretionary resources in the Office of Equity & Human Rights by an estimated \$136,043 supporting 1.0 FTE Analyst II to reflect the transfer of this position. Likewise, increase ongoing General Fund discretionary resources in the Portland Police Bureau by an estimated \$136,043 and 1.0 FTE Analyst II. This position was originally funded in the FY 2020-21 Fall Supplemental Budget to provide policing-focused equity analysis. In the FY 22-23 Fall Supplemental Budget, this position is being realigned in order to reduce bureaucratic barriers and allow the analyst to work directly with staff they support, subsequently leading to PPB policies and procedures that would better serve systemically excluded and institutionally oppressed Portlanders. This CAL Target adjustment will facilitate the transfer of ongoing resources to support the position in its new bureau.
- Increase ongoing General Fund discretionary resources in the Bureau of Planning & Sustainability and Portland Bureau of Emergency Management to be consistent with the City's General Fund Overhead Model as prescribed in FIN.208.02. This is estimated at \$372,141 in the Bureau of Planning & Sustainability to accommodate the removal of the District Liaison program and \$452,458 in the Portland Bureau of Emergency Management to accommodate the removal of the Community Programs from the City's overhead cost pool.
- Increase ongoing General Fund discretionary resources in various bureaus to reflect the impact of the PROTEC17 Collective Bargaining Agreement. This includes an estimated \$952 in the Office of Community & Civic Life, \$16,811 in Portland Fire & Rescue, \$1,481 in the Office of Management & Finance, \$82,812 in Portland Parks & Recreation, and \$26,160 in the Bureau of Planning & Sustainability.
- Decrease ongoing General Fund discretionary resources in Special Appropriations by an estimated \$2.0 million and increasing ongoing General Fund discretionary resources in the Office of Management & Finance Chief

Administrator's Office Community Safety Division by an estimated \$2.0 million to reflect transfer of the Office of Violence Prevention budget.

- Decrease ongoing General Fund discretionary resources in the Office for Community Technology by an estimated \$3.0 million and increasing ongoing General Fund discretionary resources in the Bureau of Planning & Sustainability by an estimated \$3.0 million to reflect the merging of these two bureaus.

## Non-General Fund Changes

Following is a summary of changes for all funds.

| Fund | Fund Name                              | Bureau Program Expenses | Interfund Cash Transfers | Debt Service | Contingency  | Explanation  |
|------|--|-------------------------|--------------------------|--------------|--------------|--|
| 200  | Transportation Operating Fund          | 29,545,645              | -                        | -            | 36,111,097   | The bureau has carryover of over \$30 million for various operating, maintenance, and capital projects. Other notable changes include a \$2.2 million reduction in contingency due to technical adjustments, including interagency adjustments and budget transfers across cost centers, as well as a \$2,325,468 allocation of beginning fund balance.  |
| 202  | Emergency Communication Fund           | -                       | -                        | -            | 2,688,929    | The bureau is increasing contingency to balance an increase in beginning fund balance generated by unspent project funds and vacancy savings in the prior year.  |
| 203  | Development Services Fund              | 2,449,087               | -                        | -            | (1,480,862)  | These changes reflect a rollover of \$962,291 of unspent resources from the Shelter Permit Reimbursement Fund into the current year. The bureau is also adjusting interagency agreements with Bureau of Technology Services (BTS) and Portland Fire and Rescue based on changes to the number of parking spaces. The net change is \$5,934.  |
| 204  | Property Management License Fund       | 744,233                 | -                        | -            | -            | Beginning balance is trued up by \$523,676, while interest revenues are reduced by \$6,500, and other revenues are trued up by \$227,057.  |
| 209  | Convention and Tourism Fund            | 5,121,886               | -                        | -            | -            | Most (\$4,732,538) of the adjustments in bureau expenses are due to a true-ing up of lodging taxes, while beginning balance is trued up by \$409,348, and interest income is reduced by \$20,000.  |
| 210  | General Reserve Fund                   | -                       | (116,945)                | -            | 116,945      | This is a reduction in a planned cash transfer expense from the Build Portland Sub Fund of \$116,945 based on the actual debt sale held in the Summer of 2022. The funds are placed in a contingency account for future use.   |
| 211  | Special Finance and Resource Fund      | (8,640)                 | 1,900,000                | (104,200)    | (20,538,890) | Adjustments are made to address the results of actual bond sales, with adjustments to beginning fund balance and bond sales revenues accounting for most of the changes on the revenue side. On the expense side, the largest adjustments are a \$20,538,890 reduction in policy reserves and a \$1.9 million transfer of bond proceeds to the Parks Construction Fund. Smaller adjustments are made to debt issuance costs (decrease of \$104,200) and miscellaneous services (reduction of \$8,640)                                      |
| 212  | Transportation Reserve Fund            | -                       | -                        | -            | 27,431       | The change in Transportation Reserve funds reflect the allocation of \$27,431 from budgeted beginning fund balance.  |
| 213  | Housing Investment Fund                | 4,541,735               | -                        | -            | 2,608,524    | The \$4.5 million increase in program expenses consists of: 1) \$910,777 carried over from the prior year for outgoing loan disbursements for the Westwind project; 2) \$3.5 million of program expenses carried over for HIF land acquisition; and 3) \$130,958 of Rental Registry revenues appropriated to add a Housing Program Specialist position in the Rental Services Office. \$2,608,524 is transferred from the General Fund and placed in contingency to true-up Short-term Rental revenues that are due to the Housing Bureau. |
| 214  | Public Election Fund                   | 807,857                 | -                        | -            | -            | This recognizes beginning fund balance. This fund is fully supported by transfers from the General Fund, but unspent resources fall to balance and are trued-up in the Fall Supplemental Budget.   |
| 217  | Grants Fund                            | 9,470,788               | -                        | -            | -            | This is a Citywide fund, and the increase in bureau program expenses reflects adjustments across many bureaus. This includes recognition of new grant revenue and carryover from prior year awards.  |
| 218  | Community Development Block Grant Fund | 676,837                 | -                        | -            | -            | \$676,837 of grant revenues are carried over from the prior year to be granted out for COVID relief Rental Assistance.   |

| Fund | Fund Name                                  | Bureau Program Expenses | Interfund Cash Transfers | Debt Service | Contingency | Explanation   |
|------|--|-------------------------|--------------------------|--------------|-------------|---|
| 219  | HOME Grant Fund                            | 300,000                 | -                        | -            | -           | \$300,000 of grant revenues are carried over from the prior year for outgoing loan disbursements as a part of the Garden Park Estates project.  |
| 220  | Portland Parks Memorial Fund               | 1,094,817               | -                        | -            | (204,880)   | The bureau requested appropriation change in the Parks Memorial Fund to recognize audited fund balances and revise external revenue projections. To balance the bureau is budgeting \$1,025,862 in current year materials and services costs and \$68,955 in personnel costs and reducing fund contingency by \$204,880.  |
| 221  | Tax Increment Financing Reimbursement Fund | -                       | -                        | -            | -           | Technical adjustments are made for various projects, mostly adjusting allocations for local cost sharing revenues and outgoing loan disbursements.  |
| 223  | Arts Education & Access Fund               | (1,367,000)             | -                        | -            | 1,457,113   | Beginning balance and other resources are trued up, with most of the adjustments in bureau expenses consisting of a reduction in miscellaneous expenses, and a \$1,457,113 increase in policy reserves.   |
| 225  | Inclusionary Housing Fund                  | 750,000                 | -                        | -            | -           | \$700,000 of Construction Excise Tax (CET) funds are carried over from the prior year to be transferred to Oregon Housing and Community Services, while \$50,000 in beginning balance is being trued up and carried over for CET refunds.   |
| 226  | Housing Property Fund                      | 200,000                 | -                        | -            | -           | \$200,000 of additional rental income is appropriated to conduct a redevelopment feasibility planning analysis for the Ellington Apartments.  |
| 227  | Recreational Marijuana Tax Fund            | 2,312,285               | -                        | -            | (568,270)   | These changes reflect true-up of beginning fund balance, repurposing of resources for SEED projects, and one-time requests for technical assistance and extension for grant opportunities   |
| 228  | Cannabis Licensing Fund                    | 54,779                  | -                        | -            | 1,200,121   | These changes reflect a true-up of beginning fund balance and account for inappropriate General Fund charges for bureau rent costs.   |
| 229  | PDX Clean Energy Community Benefits Fund   | 57,881,873              | -                        | -            | -           | Bureau program expenses increased by \$57.9 million to fund encumbrance carryover requests, awarded grants not yet encumbered (authorized by ordinance #190343, 190670 and 190806), and advance recovery-related expenses.  |
| 230  | Affordable Housing Development Fund        | -                       | -                        | 625,000      | 1,500       | Balanced by bond sales revenues, adjustments are being made to the budget for bond issuance costs for the PDX Bond (\$625,000). \$1,500 from the Housing Capital Fund is placed in policy reserves to prepare for the closing of the GO Affordable Housing bonds 2019B subfund.   |
| 231  | Citywide Obligations Reserve Fund          | 239,065                 | 4,101,278                | -            | 4,207,560   | The budget for miscellaneous services is increased by \$239,065 due to a reallocation of funds that were originally intended for debt services for the Integrated Tax System (ITS). Cash transfer expenses are increased by a net amount of \$4.1 million due to various reasons, mainly: 1) \$2,481,051 is being transferred to the Environmental Remediation Fund for Portland Harbor Superfund expenses, and 2) \$1,877,500 is being transferred to the General Fund for the Portland Water Bureau and the Bureau of Environmental Services' portions of Community Opportunities and Enhancements Program (COEP) funding. Contingency is increased by a net of \$4.2 million, mainly due to: 1) \$3.0 million transferred from the General Fund and placed in the reserve for Portland Harbor Superfund, 2) \$2,527,859 placed in the ITS rate stabilization contingency after truing up various revenue sources for the project, and 3) a draw of \$1,320,299 from the COEP contingency to be transferred to Prosper Portland as a part of the cash transfer to the General Fund mentioned above. |

| Fund | Fund Name                               | Bureau Program Expenses | Interfund Cash Transfers | Debt Service | Contingency | Explanation   |
|------|---|-------------------------|--------------------------|--------------|-------------|---|
| 232  | 2020 Parks Local Option Levy Fund       | -                       | 1,424,392                | -            | 12,769,291  | The Parks 2020 Local Option Levy Fund is adjusting appropriation by recognizing \$14.2 million in beginning fund balance resource. The majority of this funding (\$12.76 million) is being budgeted in fund contingency for future programming, while \$1.42 million is being transferred to the General Fund for current-year levy-eligible program costs.   |
| 301  | River District URA Debt Redemption Fund | 6,475,000               | -                        | -            | -           | Estimated remaining resources and funds for transfers (\$6,475,000) to the counties are budgeted in this tax increment finance fund where maximum indebtedness has been reached and no further tax increment revenues will be received. Once resources are transferred to the counties, the fund may be closed.   |
| 302  | Bonded Debt Interest and Sinking Fund   | -                       | -                        | 7            | -           | \$7 is received from the Housing Capital Fund; this excess GO Bond proceed is being moved to pay debt service, specifically bonded debt interest.   |
| 305  | Pension Debt Redemption Fund            | -                       | -                        | 500          | -           | \$500 is being drawn from debt service reserves to cover debt issuance costs associated with a new US Bank contract.  |
| 315  | Gateway URA Debt Redemption Fund        | -                       | -                        | 3,691,000    | -           | The City's Gateway Urban Renewal and Redevelopment Bonds, 2022 Series A, have been issued so actual revenues and expenditures are known and the budget is being trued up with a \$3,340,000 adjustment to bonded debt retirement and a \$351,000 adjustment to bonded debt interest.  |
| 317  | Governmental Bond Redemption Fund       | -                       | 14,038                   | (667,271)    | -           | The City has issued its Limited Tax Revenue Bonds and is amending the budget to address the results of actual bond sales, resulting in a \$667,271 net reduction in Debt Service expenses. \$14,038 is being transferred to the Facilities Fund to correct an error where a Moody's invoice for 2021B bonds were paid. The error resulted in more dollars paid by the Facilities Fund than should have been.  |
| 322  | Rosewood NPI Debt Service Fund          | 25,000                  | -                        | -            | -           | Estimated remaining resources and funds for transfers (\$25,000) to the counties are budgeted in this tax increment finance fund where maximum indebtedness has been reached and no further tax increment revenues will be received. Once resources are transferred to the counties, the fund may be closed.  |
| 402  | Parks Capital Improvement Program Fund  | 628,093                 | -                        | -            | 22,138,434  | The Parks Capital Improvement Fund (also known as the "Parks Construction Fund" is increasing appropriation in the fund by \$22,766,527. The bureau recognized a fund balance increase of \$30,563,600 driven by a combination of external revenues above forecast and capital project underspending in the prior year. The bureau is also reducing bond and note proceed revenue budget by \$4,994,215 to align with internal loan forecasts. To balance, the bureau is allocating \$22,138,434 to fund contingency and allocating \$3,399,701 to materials and services costs related to current year capital projects. Lastly, the bureau is receiving \$1,900,000 in Build Portland revenue (a portion of the \$15 million originally allocated) in the fund to allocate to the Mt. Scott Community Center for seismic compliance work. |
| 404  | Housing Capital Fund                    | -                       | 1,507                    | -            | -           | Beginning fund balance is adjusted by \$1,507, with \$7 to be transferred to the Bonded Debt Interest and Sinking Fund to prepare the GO Housing 2017 A subfund for closing, and \$1,500 to be transferred to the Affordable Housing Development Fund to prepare the GO Affordable Housing bonds 2019B subfund for closing.   |



| Fund | Fund Name                                  | Bureau Program Expenses | Interfund Cash Transfers | Debt Service | Contingency | Explanation  |
|------|--|-------------------------|--------------------------|--------------|-------------|--|
| 405  | Fire Capital Fund                          | -                       | -                        | -            | 830,578     | Recognizing beginning fund balance based on prior year underspending and a planned transfer that did not occur before fiscal close.  |
| 500  | Parks Endowment Fund                       | 878                     | -                        | -            | -           | Recognizing \$284 in beginning fund balance and \$809 in interest on investment income in the current year, and balancing by budgeting \$878 in current-year materials and services costs with the remaining \$215 allocated to unappropriated ending fund balance.  |
| 600  | Sewer System Operating Fund                | 5,416,059               | (28,000,000)             | 1,905,519    | 9,869,788   | Bureau program expenses include encumbrance carryovers and urgent and unforeseen expenses. The change in contingency is mostly due to a true-up to the beginning fund balance. They also made a \$28 million transfer to the Sewer System Construction Fund. \$1.9 million are expected to cover issuance expenses reflected in the 2022 bond sale.  |
| 601  | Hydroelectric Power Operating Fund         | -                       | -                        | -            | -           | Net \$0 adjustment to correct Bonded Debt Retirement and Bonded Debt Interest budgets  |
| 602  | Water Fund                                 | (8,882,253)             | 2,057,378                | -            | 3,226,478   | Bureau program expenses reduced CIP by \$9.65 million to move to contingency but also include carryover requests. Received \$2 million from the Water Construction Fund via cash transfer. Contingency adjustments true-up the beginning fund balance. Also includes net \$0 adjustment to correct Bonded Debt Retirement and Bonded Debt Interest budgets   |
| 603  | Golf Fund                                  | 1,872,666               | -                        | -            | (271,451)   | PP&R is increasing appropriation in the Golf Fund by \$1,601,215 by decreasing beginning fund balance by \$435,785 to match audited actuals and increasing service charge revenue by \$2,037,000 as a result of changes to the structure of the contract managing the operators at 4 of the PP&R golf facilities. To balance the bureau is budgeting \$1.87 in materials and services costs in the current year, and reducing fund contingency by \$271,451. |
| 604  | Portland International Raceway Fund        | -                       | -                        | -            | 106,665     | The Portland International Raceway Fund is recognizing an increase in fund balance of \$106,665 to match audited prior year actuals and is increasing fund contingency to balance.   |
| 605  | Solid Waste Management Fund                | 301,664                 | -                        | -            | -           | Bureau program expenses increased by \$301,664 to fund encumbrance carryover requests.   |
| 606  | Parking Facilities Fund                    | 4,056,979               | -                        | -            | (685,775)   | Notable changes in the Parking Facilities fund includes a \$2.2 million in technical adjustments that net to zero financial impacts and a \$1,171,204 for projects budgeted from beginning fund balance.   |
| 607  | Spectator Venues & Visitor Activities Fund | -                       | -                        | -            | 2,930,874   | Beginning balance is being trued up, with the funds placed in contingency on the expenses side.  |
| 608  | Environmental Remediation Fund             | -                       | -                        | -            | 6,977,867   | Contingency adjustment mostly attributed to beginning fund balance true up, \$2.5 million set aside for Portland Harbor Carryover CORF   |
| 614  | Sewer System Construction Fund             | -                       | -                        | -            | 56,470,215  | Contingency adjustments true up the beginning fund balance. The bureau also expects \$53 million in revenue from a projected bond sale this Fall to support the CIP and cover the cost of issuance.  |
| 615  | Water Construction Fund                    | -                       | (3,765,295)              | -            | -           | \$3.7 million cash transfer from the Water Construction Fund to the Water Fund   |
| 617  | Sewer System Rate Stabilization Fund       | -                       | -                        | -            | (144,713)   | Contingency is reduced to true-up the beginning fund balance.  |

| Fund | Fund Name                                       | Bureau Program Expenses | Interfund Cash Transfers | Debt Service | Contingency  | Explanation  |
|------|---|-------------------------|--------------------------|--------------|--------------|--|
| 700  | Health Insurance Operating Fund                 | 130,990                 | -                        | -            | (7,036,915)  | The fund's contingency was decreased by \$7,036,915 which is the sum of two adjustments: a \$130,990 draw from contingency to appropriate the unspent balance from the American's with Disabilities Act (ADA) allocated in FY 2019-20 balanced with an increase to program expenses; and a \$6,905,925 reduction to the fund's beginning fund balance which is balanced with a corresponding decrease in contingency.  |
| 701  | Facilities Services Operating Fund              | 9,292,937               | 200,000                  | -            | 14,480,648   | The fund's contingency increased by a total of \$14,480,648. The net increase is a the result of the following changes: \$23,853,006 increase to contingency as a result of a \$23,547,656 true up to beginning fund balance; a \$14,038 increase in contingency from an increase in cash transfer revenue to correct a billing error from Moody's; and a \$291,312 increase to contingency balanced by a corresponding reduction to personnel services for two limited term FTE mistakenly included in the FY 22-23 Adopted Budget. The various increases to contingency are offset by the following: a \$4.2 million reduction to contingency (carried over from the prior year) to continue the expanded clean-up operations throughout the City as part of the Impact Reduction Program; a \$3.9 million draw from contingency (also carried over from the prior year) to create the budget for the Public Environment Management Office (PEMO), including the addition of 4.0 limited term FTEs balanced with an increase to program expenses; and a \$1,286,546 decrease in contingency for the BDS relocation project which is balanced with an increase in program expenses. The adjustment also include a \$211,891 increase in interagency revenue balanced with an increase to program expenses. The additional revenue is due to square footage adjustments that impacted rent costs and requests for service. Finally, \$200,000 is being |
| 702  | CityFleet Operating Fund                        | 11,244,681              | -                        | 7,400        | (11,687,783) | Adjustments include a \$11,687,783 reduction in contingency which is made up the following: a \$10,371,551 reduction to CityFleet's Fund reserves for vehicle replacements which is offset with a corresponding increase in capital outlay expenses; a \$1,308,832 decrease in contingency to balance \$1,308,832 true up to beginning fund balance. Adjustments also include a \$7,400 increase in debt service expenses for fuel management which is balanced with a corresponding decrease in contingency. Finally, the Fund's capital outlay expenses increased by \$873,130 for requests for service from Parks and PBOT which are balanced with a corresponding increase in interagency revenue.   |
| 703  | Printing & Distribution Services Operating Fund | 353,899                 | -                        | -            | 113,870      | Beginning fund balance is trued up with an increase of \$447,769, all budgeted in the fund's policy reserve contingency, while \$333,899 is drawn from contingency for cost of living and healthcare increases. A net increase of \$20,000 in revenues are appropriated from various bureaus for IA changes.   |

| Fund | Fund Name                                    | Bureau Program Expenses | Interfund Cash Transfers | Debt Service | Contingency | Explanation   |
|------|--|-------------------------|--------------------------|--------------|-------------|---|
| 704  | Insurance and Claims Operating Fund          | 178,337                 | -                        | -            | 1,556,491   | Due to an increase in claims workload, Risk Management is drawing \$160,000 from the fund's contingency to fund a limited term Analyst II position, accounting for most of the increase in program expenses. \$18,337 is also drawn from the fund's contingency for cost of living and healthcare increases. In addition, beginning fund balance is increased by \$1,734,828 to match the actual balance, with the funds placed in contingency.       |
| 705  | Workers' Comp. Self Insurance Operating Fund | 16,219                  | -                        | -            | (509,510)   | Beginning fund balance is being reduced by (\$493,291) to true up the budgeted beginning fund balance, with a corresponding adjustment made in contingency on the expenses side. \$16,219 is also drawn from the fund's contingency budgeted for cost of living and health care increases.  |
| 706  | Technology Services Fund                     | 9,785,110               | -                        | -            | (1,723,828) | Beginning fund balance is trued up with an increase of \$7.9 million. This is partially offset by a \$2.8 million draw on contingency for cost of living and healthcare increases. In addition, \$6.9 million is drawn from the fund's Technology Reserve contingency to offset changes to projects, with the majority of the adjustments being carryovers of funding for projects where BTS did not fully spend project appropriation in FY 2021-22. |
| 707  | Portland Police Assoc Health Insurnc Fund    | -                       | -                        | -            | (782,321)   | Reducing contingency by \$782,321 to true up a reduction to beginning fund balance. This change was driven by service charges and fees falling short due to lower number of PPA employees, which fell by 15.4% compared to FY 2020-21.  |
| 800  | Fire & Police Disability & Retirement Fund   | 56,904                  | -                        | -            | (56,904)    | This transfer from contingency will support a new Disability Claims Analyst I, as voted on by the FPDR Board of Trustees. The position will be paid for by a tax levy in future fiscal years.   |