

# Exhibit No. 2 – Fund Changes

Fall Budget Monitoring & Supplemental Budget Exhibit No. 2 | Fiscal Year 2024-25

## Exhibit No. 2a – General Fund Changes

During the Fall Budget Monitoring Process (BMP), City bureaus:

1. Provide updates on current year expenditure and capital projects, and;
2. May request changes to current year budgets.

These changes are primarily technical to better align budgets with actual and projected revenues and spending. This exhibit walks through a summary of those changes.

## General Fund Summary

The Fall Supplemental Budget includes a total increase in FY 2024-25 expenses in the General Fund by \$52.1 million.

### Revenue

Revenue	2024-25 Adopted Budget	Current Revised Budget	Proposed Adjustments	Total Proposed Revised
Beginning Fund Balance	\$55,334,994	\$55,334,994	\$39,971,896	\$95,306,890
Taxes	\$385,078,431	\$385,078,431	\$0	\$385,078,431
Licenses & Permits	\$316,556,248	\$316,556,248	\$0	\$316,556,248
Charges for Services	\$16,291,412	\$16,291,412	(\$533,000)	\$15,758,412
Intergovernmental	\$48,735,043	\$48,735,043	(\$879,912)	\$47,855,131
Interagency Revenue	\$96,921,298	\$96,921,298	\$2,736,657	\$99,657,955
Fund Transfers - Revenue	\$146,497,160	\$146,497,160	\$10,830,224	\$157,327,384
Miscellaneous	\$6,143,505	\$6,143,505	\$10,000	\$6,153,505
General Fund Discretionary	(\$0)	\$0	\$0	\$0
General Fund Overhead	\$0	\$0	\$0	\$0
<b>Sum:</b>	<b>\$1,071,558,091</b>	<b>\$1,071,558,091</b>	<b>\$52,135,865</b>	<b>\$1,123,693,956</b>

### Expense

Expense	2024-25 Adopted Budget	Current Revised Budget	Proposed Adjustments	Total Proposed Revised
Personnel	\$656,464,406	\$656,464,406	\$14,030,459	\$670,494,865
External Materials and Services	\$186,833,594	\$186,833,594	\$26,814,332	\$213,647,926
Internal Materials and Services	\$107,247,572	\$107,247,572	\$1,025,699	\$108,273,271
Capital Outlay	\$7,130,321	\$7,130,321	\$640,858	\$7,771,179
Debt Service	\$14,588,158	\$14,588,158	\$0	\$14,588,158
Fund Transfers - Expense	\$72,698,912	\$72,698,912	\$2,765,327	\$75,464,239
Contingency	\$26,595,128	\$26,595,128	\$6,859,190	\$33,454,318
<b>Sum:</b>	<b>\$1,071,558,091</b>	<b>\$1,071,558,091</b>	<b>\$52,135,865</b>	<b>\$1,123,693,956</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 2024-25 Fall BMP, special guidance from the Mayor's Office directed bureaus to make requests only for purchase orders opened during FY 2023-24 and for which the bureau had sufficient prior year underspending to cover the expenses.

In total, the FY 2024-25 Fall Supplemental Budget includes \$17,669,225 in one-time General Fund encumbrance carryovers

## **Compensation Set-Aside**

As part of budget development, CBO budgets in a central account a portion of the Current Appropriation Level associated with cost-of-living adjustments (COLA) and health benefit increases for General Fund bureaus. These funds are known as the "compensation set-aside" (CSA). This year, bureaus were allowed to request their set-aside calculated for Cost-of-Living Adjustments and Health Benefits in the Fall BMP rather than wait for the Spring BMP, when requests for set-aside have been considered in past fiscal years.

<b>Bureau</b>	<b>Requested</b>
Office of the City Attorney	\$280,695
Office of the City Auditor	\$213,780
City Budget Office	\$102,823
City Administrator	\$1,692
Office of City Operations	\$271,502
Bureau of Emergency Communications	\$192,900
Portland Fire & Rescue	\$3,248,341
Office of Government Relations	\$63,397
Portland Housing Bureau	\$41,784
Bureau of Human Resources	\$349,558
Office of the Deputy City Administrator of Budget & Finance	\$283,132
Office of Community and Civic Life	\$110,424
Office of Equity	\$77,990
Commissioner of Public Affairs	\$42,897
Portland Parks & Recreation	\$1,799,125
Portland Police Bureau	\$5,156,987
Bureau of Planning & Sustainability	\$319,594
Commissioner of Public Safety	\$43,282
Commissioner of Public Utilities	\$41,925
Commissioner of Public Works	\$42,453
Office of the Public Safety DCA	\$492,000
<b>Compensation Set-aside Total</b>	<b>\$13,176,281</b>

\$13,279,183 was made available in the Fall BMP to be requested by bureaus, of which all allocations were requested by bureaus except the Mayor's Office (\$102,903). After the Fall BMP, there is \$1,823,795 left in the CSA contingency for bargaining costs.

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

CBO budgeted several allocations from available ending balance; these are all in General Fund contingency policy set aside:

- \$1,000,000 to replenish the Emergency Fund per an FY 2022-23 Adopted Budget Note.
- \$4,415,000 to address overtime and other cost pressures in the Public Safety Bureaus. This set-aside is made up of \$915,000 remaining from the FY 2023-24 Public Safety Set-Aside plus an additional \$3.5 million, which is equivalent to the Police Bureau's General Fund exception request for overtime but can be used to address any overspending in the Public Safety service area.
- \$2,770,751 to address the additional five percent funding gap for health benefit increases. These resources can be drawn upon in the Over-Expenditure Ordinance to offset health benefit costs that cannot be absorbed by the bureau through vacancy savings.

### **Capital Set-Aside (not according to FIN-2.03)**

- \$6,173,720 to support ADA Compliance liabilities for the Portland Bureau of Transportation and Portland Parks & Recreation.
- \$3,397,000 to support the General Fund portion of the rate increase to support the City Fleet Headquarters relocation cost.

- \$2,279,000 to support the General Fund portion of the Urban Flood Safety & Water Quality District Flood Safety Benefit Fee.

### Contingency

With the changes included in this ordinance, total General Fund contingency currently stands at \$33.4 million.

- \$3.0 million in unrestricted contingency
- \$1.8 million in compensation set-aside
- \$16.8 million in policy reserves
- \$11.8 million in capital set-aside

Commltem - Name	2024-25	Fall BMP Changes	2024-25 FALL
	Adopted Budget		Proposed Total
571100 - Unrestricted Contingency	\$3,000,000	\$0	\$3,000,000
571110 - Salary Adjustment Contingency	\$15,000,076	(\$13,176,281)	\$1,823,795
571130 - Policy Reserves	\$8,595,052	\$8,185,751	\$16,780,803
571140 - Major Maintenance/Replacement Reserves	\$0	\$11,849,720	\$11,849,720
<b>Sum:</b>	<b>\$26,595,128</b>	<b>\$6,859,190</b>	<b>\$33,454,318</b>

### Current Appropriation Level (CAL) Changes

The FY 2025-26 Current Appropriation Level targets will include the following adjustments:

#### City Administrator to City Council Realignment

- Decrease ongoing General Fund discretionary resources in City Administration by \$1,555,504 to reflect a transfer of resources currently residing in Council Operations.
- Likewise, increase ongoing General Fund discretionary resources in City Council, City Council Operations by \$1,555,504.

#### Office of the Deputy City Administrator of Budget & Finance

- Include \$5,194,566 in the General Fund Overhead Model in the Office of the Deputy City Administrator of Budget & Finance to fund the Flood Safety Benefit Fee charged by the Urban Flood Safety & Water Quality District (UFSWQD)
- Increase ongoing General Fund discretionary resources in the Office of the Deputy City Administrator of Budget & Finance by approximately \$2,238,858.
- Increase ongoing General Fund overhead resources in the Office of the Deputy City Administrator of Budget & Finance by approximately \$2,955,708.

#### Special Appropriations

- Decrease ongoing General Fund discretionary resources for the Levee Ready Columbia Intergovernmental Agreement (IGA) payments in Special Appropriations to \$0 to reflect the ending of the \$290,388 IGA.

#### General Fund Bureaus

- Increase ongoing General Fund discretionary resources for bureaus by \$3,953,375 and General Fund overhead resources for bureaus by \$537,379 to cover health benefit cost increases.

- See below for an estimated table of adjustments by bureau, subject to change with an updated overhead model:

Bureau	General Fund	
	Discretionary (CAL)	Overhead
Office of the City Attorney	\$37,527	\$49,550
Office of the City Auditor	\$36,496	\$48,854
City Budget Office	\$15,877	\$20,964
City Administrator's Office	\$15,286	\$3,619
City Council	\$48,469	\$77,107
City Operations Office	\$77,681	\$61,002
Office of Community and Economic Development	\$7,750	\$7,616
Portland Bureau of Emergency Management	\$22,039	\$25,414
Portland Fire & Rescue	\$1,242,107	\$914
Office of Government Relations	\$11,569	\$15,275
Portland Housing Bureau	\$179,716	\$0
Office of Human Relations	\$78,880	\$112,066
Office of Management & Finance	\$110,843	\$49,689
Office of the Mayor	\$18,480	\$24,402
Office of Community & Civic Life	\$34,711	\$1,503
Office of Equity & Human Rights	\$12,277	\$26,881
Office of Community-Based Police Accountability	\$14,294	\$0
Portland Parks & Recreation	\$786,735	\$0
Portland Police Bureau	\$576,188	\$0
Bureau of Planning & Sustainability	\$232,754	\$5,394
Office of Public Safety	\$183,220	\$3,651
Office of Vibrant Communities	\$14,857	\$1,154
Office of Public Works	\$1,760	\$2,324
Bureau of Emergency Communications	\$193,858	\$0
	<b>\$3,953,375</b>	<b>\$537,379</b>

### Portland Fire & Rescue

- Increase ongoing General Fund discretionary resources in Portland Fire & Rescue by \$40,000 supporting premium pay and overtime related to Public Order.

### Non-General Fund Changes

Following is a summary of changes for all funds.

Fund	Fund Number Name	Bureau Program Expenses	Interfund Cash Transfers	Debt Service	Contingency	Explanation
200	Transportation Operating Fund	\$42,674,921	\$83,952	\$0	\$761,334	A majority of fund change includes budgeting capital project expenditures carried over from the fiscal year FY 2023-24. Other expenditures include addition of FTE, including 3 facilities maintenance technicians, 2 utility workers, one automotive equipment operator, and one street sweep operator. Other changes include an \$83,952 transfer to the General Fund for funds errantly transferred.
202	Emergency Communication Fund	\$617,486	\$0	\$0	(\$1,893,203)	Most of the draw from contingency (\$1,468,617) was an adjustment to the beginning fund balance to align with year end balances and a further \$424,586 was moved to cover projected overages in overtime costs. The \$424,684 from contingency and \$192,900 from compensation set-aside comprise the \$617,486 moved into personnel expenses.
203	Development Services Fund	(\$1,903,254)	\$0	\$0	\$1,174,420	The contingency is a sum of various adjustments. It includes \$452,575 received from the Cannabis Licensing Fund (228) to allocate an appropriation for overhead, and \$3,860,994 adjusting the beginning fund balance. An additional \$9,315 reflects changes to PP&D interagency agreements with Parks, Fire, and Council Offices, based on revised parking space needs. A total of -\$239,507 is being transferred to personnel, while -\$2,908,957 is designated to support technology and process improvement work related to permitting, along with transferring the Permit Improvement Team to the Office of Community & Economic Development DCA.  The bureau program expense reflects a series of adjustments. It includes \$452,575 from the Cannabis Licensing Fund to allocate an appropriation for overhead, a \$1,701,026 reduction in the interagency expense agreement for construction costs between PP&D and PBOT, and \$239,507 adjustment to add position authority for 1.0 FTE Manager II within PP&D.
210	General Reserve Fund	\$0	\$0	\$0	\$4,332,171	Increased beginning fund balance to reflect audited actual ending fund balance from Fiscal Year 2024-25.
211	Special Finance and Resource Fund	\$2,375,000	\$2,049,289	\$0	\$558,711	Technical adjustments: beginning fund balance increased by \$2,608,000 to adjust for actual ending fund balance, bond proceed revenue adjusted by \$2,375,000 for higher than expected du jour amounts. Cash transfer of \$2,049,289 to adjust for estimated higher transfer to Parks for Mt. Scott project funded with Build Portland proceeds. To balance fund, \$558,711 drawn from contingency.
213	Housing Investment Fund	\$130,000	\$0	\$0	\$2,069,980	Increased funding for an Interagency Agreement with Budget & Finance for services to the Rental Registration program accounts for the increase in Bureau Program Expenses. Most of the \$2.1 million increase in contingency results from the true-ing up of Short Term Rental revenues transferred from the General Fund.
214	Public Election Fund	\$740,000	\$0	\$0	\$0	Increased budgeted beginning fund balance to recognize additional underspending that was not accounted for in the Adopted Budget.
216	Children's Investment Fund	\$0	\$0	\$0	\$0	The Children's Levy has a technical adjustment transferring \$30.3 million of grant budget to a more appropriate general ledger account.
217	Grants Fund	\$41,644,641	\$0	\$0	\$0	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. Significant adjustments include rebudgeting of \$16.5 million of American Rescue Plan Funds, \$13.9 million in other Federal Grants, and \$8 million of grant passthrough from Multnomah County for shelter services.
218	Community Development Block Grant Fund	\$0	\$0	\$0	\$0	Loan repayment revenues are trued up by a decrease of \$934,633, with a corresponding increase in grant revenues.
219	HOME Grant Fund	(\$2,237,187)	\$0	\$0	\$0	Grant and loan repayment revenues are trued up, with a corresponding adjustments in funding to grant and outgoing loan disbursements.
220	Portland Parks Memorial Fund	(\$1,217,685)	\$0	\$0	\$91,769	A true-up of beginning fund balance accounts of most of the decrease in program expenses. Other revenues, such as donations and interest revenues, are also trued up, resulting in a small increase in contingency.
221	Tax Increment Financing Reimbursement Fund	(\$11,066,804)	\$0	\$0	\$0	The budgets of multifamily housing projects are adjusted to reflect current projections of year end spending, particularly for miscellaneous services and outgoing loan disbursements, with corresponding decreases in local cost sharing revenues.
222	Police Special Revenue Fund	\$11,449	\$0	\$0	\$0	This is adding Rose City Self Defense special revenue fund balance that was unspent in FY24.
223	Arts Education & Access Fund	\$1,577,339	\$0	\$0	\$0	Most of the increase in program expenses is for outgoing grants which the Fund is able to grant out due to a truing up of beginning fund balance.
224	Community Solar Fund	\$0	\$0	\$0	\$0	No adjustments in this fund.
227	Recreational Marijuana Tax Fund	\$821,645	\$3,622,904	\$950,000	\$3,085	The Recreational Marijuana Tax Fund recognized \$4.6m of additional beginning fund balance, primarily due to invoices that were intended for this fund that were paid for by the General Fund. \$3.6m is budgeted as a Cash Transfer to the General Fund to correct for these erroneous invoices. \$821,645 are budgeted in Prosper Portland as carryover from the prior fiscal year. \$950,000 is budgeted to cover repayment of an interfund loan taken in Fiscal Year 2023-24.

							This adjustment allocates an appropriation for overhead within the Recreational Cannabis Fund. The total allocation is \$452,575. The package also realigns the appropriation previously budgeted to a different cost object.
228	Cannabis Licensing Fund	\$452,575	\$0	\$0		(\$452,575)	
229	PDX Clean Energy Community Benefits Fund	\$237,277,845	\$0	\$0		(\$218,046,752)	For the Parks bureau, \$3.7 million of the \$7.6 million increase in program expenses is accounted for by the addition of 20 new positions to work on PCEF funded initiatives approved in the current year's Adopted Budget but which the bureau did not add during the budget development process (and this also accounts for the \$3.7 million draw from contingency), as well as the carrying over of PCEF resources (\$2.5 million) for capital projects in progress.  In Vibrant Communities, \$1.0 million in PCEF resources are appropriated to be issued to Metro for a project to replace the roof and cooling tower at the Arlene Schnitzer Concert Hall, accounting for the increase in program expenses.  In the Portland Housing Bureau, \$12.8 million of PCEF resources are carried over from the prior year for energy efficiency projects in Affordable Rental Housing, accounting for the increase in program expenses.
230	Affordable Housing Development Fund	\$0	\$0	\$0	\$0	\$0	Technical adjustment transferring budgets for outgoing loan disbursements between various multifamily housing projects to reflect current projects of year end spending.
231	Citywide Obligations Reserve Fund	\$2,197,530	\$3,009,138	\$0	\$2,630,917		Various technical adjustments and true-ups. Multiple updates to beginning fund balance and contingency as well as budgeting for anticipated earned interest income. Increase in program expenses is due to increasing IA with business solutions as well as County IGA portion of LARDRCLTBT due to a balloon payment initiated by a provision triggered in the IGA. These changes also include a net-zero adjustment in the legal priorities subfund to budget a cash transfer expense to the Attorney's Office and additional cash transfer revenue of \$781,701 from Special Appropriations to set-aside one-time resource for the Columbia River Levee that are not anticipated to be spent down in the current year. Additional interfund cash transfers include \$223,196 for budgeting Prosper IGA contingency and \$869,470 transferred to GF that was underbilled in FY 2023-24, to be billed in FY 2024-25. Finally, another \$1.8 million in interfund cash transfer and a reduction of contingency was made to accommodate higher-than-anticipated expenses for Portland Harbor.
232	2020 Parks Local Option Levy Fund	\$0	\$1,464,525	\$0		(\$1,459,944)	Carryovers of funding for uncompleted work last year accounts for the great majority of the decrease in contingency, with the funds transferred to the Parks bureau's General Fund budget.
304	Interstate Corridor Debt Service Fund	\$240,000	\$0	\$0	\$0	\$0	Technical adjustments in preparation for closure of Tax Increment Funds: beginning fund balance increased by \$200,000, property tax revenue increased by \$10,000, and prior year property tax revenue increased by \$30,000 to reflect prior year actuals.
309	Lents Town Center URA Debt Redemption Fund	\$82,000	\$0	\$0	\$0	\$0	Technical adjustments in preparation for closure of Tax Increment Funds: property tax revenue increased by \$65,000, and prior year property tax revenue increased by \$17,000 to reflect prior year actuals.
310	Central Eastside Ind. District Debt Service Fund	\$8,000	\$0	\$0	\$0	\$0	Technical adjustments in preparation for closure of Tax Increment Funds: property tax revenue increased by \$1,000, and prior year property tax revenue increased by \$8,000 to reflect prior year actuals.
313	North Macadam URA Debt Redemption Fund	\$0	\$0	\$2,025,000	\$0	\$0	True up for prior year ending balances: beginning fund balance increased by \$175,000, prior year property tax revenue increased by \$75,000, and interest revenue increased by \$200,000 to reflect prior year actuals.
314	Special Projects Debt Service Fund	\$25,000	\$0	\$50,000	\$0	\$0	Transfer from Prosper Portland to the Special Projects Debt Service fund to pay interest and fees on a line of credit for the Johnson Kearney Streets Local Improvement District as authorized by an IGA.
315	Gateway URA Debt Redemption Fund	\$0	\$0	\$300,000	\$0	\$0	True up for prior year ending balance: beginning fund balance increased by \$300,000 to reflect prior year actuals.
401	Local Improvement District Fund	\$0	\$0	\$3,150,000		(\$150,000)	Budgets a new line of credit for the Johnson and Kearney Local Improvement District, including \$3,000,000 in bond proceeds. Interest on the line of credit will be paid via Fund 314.
402	Parks Capital Improvement Program Fund	\$31,326,659	\$0	\$0		(\$31,724,572)	Most of the increase in program expenses is for work on Non-Central City Park Development and the Mt. Scott Community Center. The reduction in contingency reflects draws for the mentioned expenses, as well as minor adjustments to beginning fund balance and other revenues.
404	Housing Capital Fund	\$0	\$0	\$0	\$0	\$0	No adjustments in this fund.
600	Sewer System Operating Fund	\$10,271,200	\$100,089,200	\$0		(\$20,813,807)	Reduce fund contingency by \$20 million to address fund balance true up due to higher than anticipated cash transfer to the Sewer Construction Fund; Recognize \$50 million cash transfer to Sewer Construction Fund; Recognize \$50 million cash transfer to Sewer Rate Stabilization Fund; Increase OpEx by \$10.2 million to recognize capital and M&S costs associated with PBOT work; make other true-ups as needed.

							\$104,628,102 - \$100,650,000 increase due to revised cash flow for Bull Run Filtration, remainder mostly due to COEP IMS adjustments with OMF & contract carryover; \$1,686,350 - Adjust cash transfers between Water Division funds for capital revenue received in the prior year that will be transferred to the Construction Fund and capital expenditures incurred in the prior year that will be transferred to the Operating Fund; \$2,902,747 - Contingency adjustments include \$650,000 for PCEF EV offset.
602	Water Fund	\$104,628,102	\$1,686,350	\$0		(\$2,902,747)	
603	Golf Fund	\$1,300,000	\$0	\$0		(\$269,959)	Expenses in the Golf program are increased by \$1.3 million due to needs that were not foreseeable during the development of the FY 24-25 budget and are funded by a corresponding draw from contingency. However, the contingency is also increased by about \$1.0 million due to a truing up of beginning fund balance, resulting in the net decrease of \$269,959.
604	Portland International Raceway Fund	\$530,000	\$0	\$0		(\$226,658)	Expenses in the Portland International Raceway Fund are increasing by \$530,000 due to needs that were not foreseeable during the development of the FY 24-25 budget and are funded by a draw from contingency as well as beginning fund balance. However, contingency is also increased due to a truing up of beginning fund balance (about \$303,000), resulting in the net decrease of \$226,658.
605	Solid Waste Management Fund	\$1,351,712	\$0	\$0		\$1,347,812	Beginning Fund balance is being trued up to reflect actuals with adjustments placed in contingency.
606	Parking Facilities Fund	\$2,989,992	\$0	\$0		\$0	Increase service charge revenue by \$3 million, reduce space rent by \$16,683 and increase parking management expenses by \$6,795.
607	Spectator Venues & Visitor Activities Fund	\$7,210,000	\$0		(\$4,723,241)	(\$4,071,833)	Most of the increase in program expenses is for the purchase of the Kosei parcel authorized by ordinance. The reduction in debt service is due to the removal of the debt service allocations for the VMC renovation project, as this activity is already budgeted in the Special Projects Debt Service Fund. The almost \$4.1 million net decrease in contingency reflects draws for the parcel purchase combined with a truing up of beginning fund balance.
608	Environmental Remediation Fund	\$2,000,836	\$150,836	\$0		\$7,799	Change reflects a \$540,000 increase to beginning fund balance, a \$335,182 decrease in Brownfield subfund beginning fund balance, a \$200,836 allocation of Monsanto settlement funds. Program expenses also increased by \$1.8 million to pay for higher-than-anticipated Portland Harbor expenses.
609	Sewer System Debt Redemption Fund	\$0	\$0	\$0		\$0	Recognize \$3.3 million in prior YE fund balance revenue; increase debt service reserves (not an appropriation category) to balance.
614	Sewer System Construction Fund	\$0	\$50,000,000	\$0		\$18,928,530	An increase of \$50 million in interfund cash transfers reflected a temporary transfer from the Rate Stabilization Fund to ensure fund liquidity until BES debt issuance is complete. There is also a \$18.9 increase in contingency reflecting technical adjustment to beginning fund balance resulting from larger than anticipated transfer to the construction fund at year end and less than anticipated capital expenditures.
615	Water Construction Fund	\$0	\$103,383,225	\$0		\$0	Increase cash transfer from Water Construction Fund to Water Operating fund by \$103.4 million to recognize bond sale revenue.
617	Sewer System Rate Stabilization Fund	\$0	\$50,000,000	\$0		\$737,010	An increase of \$50 million in interfund cash transfers reflected a temporary transfer from the Rate Stabilization Fund to ensure fund liquidity until BES debt issuance is complete. There is also a \$737,010 increase in contingency reflecting technical adjustment to beginning fund balance.
618	Hydroelectric Power Renewal Replacement Fund	\$0	\$0	\$0		\$111,457	Recognize \$111,457 in prior YE fund balance, increase fund contingency to balance.
700	Health Insurance Operating Fund	\$14,318,873	\$0	\$0		(\$4,496,901)	Bureau Program Expense adjustments to align the budget for Health Insurance Operating Fund based on current enrollment levels and rates; \$4,496,901 - contingency adjustments for potential unanticipated large medical claims
701	Facilities Services Operating Fund	\$11,897,121	\$5,035,918	\$0		\$5,898,583	Most of the change to contingency comes from a true-up of the beginning fund balance (\$21 million) offset by draws for major maintenance, carryover, salary contingency, and other projects. Fund transfers include \$1.7 million to CityFleet for the Kerby Garage and \$3.3 million to the General Fund for the IRP and PEMO programs. Program expenses are largely attributed to \$8.3 million in major maintenance and carryover project capital funds, as well as \$2 million in EMS to cover any unanticipated FY costs.
702	CityFleet Operating Fund	\$23,534,384	\$0	\$0		(\$23,140,346)	Draws on contingency are largely represented by CityFleet carryover (\$18.4 million), a beginning fund balance true-up (\$2.5 million), and \$2.9 million to cover any unanticipated EMS and IMS expenses. Program expenses largely follow the contingency draws, covering carryover capital expenses for vehicle and equipment replacement (\$18.4 million), other capital expenses related to IA adjustments, personal services, and preparing for FYE EMS and IMS costs.
703	Printing & Distribution Services Operating Fund	\$135,675	\$0	\$0		(\$657,084)	The increase to program expenses includes appropriating salary contingency to personal services. The other adjustments to contingency reflect changes to rightsize copier reserves (\$31,209) and policy reserves (\$492,700) in alignment with a trued-up beginning fund balance.



						Several adjustments, including a true up of beginning fund balance to prior year end actuals (\$2,938,378). Adjustment to transfer \$4,000,000 in appropriation from contingency to claims payments EMS to prevent overexpenditure. Increase to program expenses also includes increased IA's with Water, BES, and Parks for marine insurance (\$12,738).
704	Insurance and Claims Operating Fund	\$4,012,738	\$0	\$0	(\$361,622)	
705	Workers' Comp. Self Insurance Operating Fund	\$2,000,000	\$0	\$0	(\$2,399,407)	Several adjustments include a true up of beginning fund balance to prior year end actuals (-\$399,407) and transfer of \$2,000,000 in appropriation from contingency to claims payments EMS to prevent overexpenditure.
706	Technology Services Fund	\$5,171,902	\$1,113,787	\$0	\$2,417,039	Most of the increase to program expenses comes from appropriating salary contingency to personal services (\$4.5 million) and EMS for bureau services agreed to on projects too late in the FY2024-25 budget process to be included. The cash transfers include \$1 million to the Portland Police Bureau for equipment replacement and \$114,000 to Procurement Services as part of a cyber security project. The change in contingency is a net number including adjustments to major maintenance reserves (\$6.4 million) and policy reserves (\$517,418), as well as the salary adjustment contingency.
707	Portland Police Assoc Health Insurnc Fund	\$1,722,310	\$0	\$0	(\$504,488)	Adjustments include a draw from contingency to program expense to fund potential unanticipated large medical claims, a subsidy from the General Fund for \$607,310 to reduce the impact of increased Portland Police Association health plan rate increases on a one-time basis, and true-up of beginning fund balance.