

FPD&R SUPPLEMENT FUND (203)

FY 1996-97 Supplemental Budget

Exhibit 7

	Adopted FY 1996-97	Authorized Revisions	Revised Budget (Ap-9)	Supplemental Action	Total Budget
RESOURCES					
External Revenues					
Miscellaneous Revenue					
Interest Other	\$0	\$0	\$0	\$2,520,000	\$2,520,000
Total External Revenues	0	0	0	2,520,000	2,520,000
Proceeds from Bond Sale	0	0	0	80,000,000	\$80,000,000
Cash Transfers from Other Funds					
General	0	0	0	0	0
FPD&R DEBT FUND (304)	0	0	0	0	0
	0	0	0	80,000,000	80,000,000
Beginning Fund Balance	0	0	0	0	0
TOTAL RESOURCES	\$0	\$0	\$0	\$82,520,000	\$82,520,000
REQUIREMENTS					
Bureau Expenses					
External Materials & Services	\$0	\$0	\$0	\$396,694	\$396,694
Internal Materials & Services	0	0	0	40,000	\$40,000
Total Bureau Expenses	0	0	0	436,694	436,694
Contingency					
Cash Transfers to Other Funds					
FPD&R Debt Fund (304)	0	0	0	82,083,306	\$82,083,306
Debt Service			0	0	\$0
Ending Balance/Reserves	0	0	0	0	0
TOTAL REQUIREMENTS	\$0	\$0	\$0	\$82,520,000	\$82,520,000

On November 5, 1996 the voters of the State of Oregon adopted a ballot measure (referred to as "Measure 47") initiated by Oregon's initiative petition process which is expected to have a material adverse impact on the general financial condition of the City, including activities funded from any specific purpose property tax levy of the City such. This includes the tax levy relied upon by the City to annually fully fund the requirements of the Fire and Police Disability and Retirement Fund (The FPD&R Fund") associated with the City's Fire and Police Pension and Disability System (the "FPD&R System") The provisions of Measure 47 became effective on December 5, 1996

The Fire & Police Disability and Retirement Supplement Fund ("FPD&R Supplement Fund") was established in December 1996 as a special supplemental reserve funded in amount sufficient to provide for a period of approximately five years annual contributions to the FPD&R Fund and to pay the costs of issuing and administering the City's Pension Reserve Limited Tax Revenue Bonds (Federally Taxable) Series 1996 A and Series 1996 B (the "Series 1996 Pension Bonds")

In response to some of the potential problems posed by Measure 47, the Oregon State Legislature drafted House Bill 3710 which places the levy to fund the requirements of the FPD&R System outside of the limits of Measure 47 House Bill 3710 was referred to the Oregon voters in the form of Ballot Measure 50 Ballot Measure 50 was approved by Oregon voters on May 20, 1997 Measure 50 will provide funding for the FPD&R System through a specific tax levy thereby eliminating the need for the Series 1996 Pension Bonds Consequently, with the passage of Measure 50 the City will redeem the outstanding Series 1996 Pension Bonds

FPD&R SUPPLEMENT - DEBT SERVICE FUND (304)**35620**

FY 1996-97 Supplemental Budget

Exhibit 8

	Adopted FY 1996-97	Authorized Revisions	Revised Budget (AP-9)	Supplemental Action	Total Budget FY 1996-97
RESOURCES					
External Revenues					
Property Taxes	\$0	\$0	\$0	\$0	\$0
Prior Year	0	0	0	0	0
Miscellaneous Revenue	0	0	0	0	0
Interest Other	0	0	0	0	0
Other Miscellaneous Revenues					
Total External Revenues	0	0	0	0	0
Cash Transfers from Other Funds					
General Fund				629,900	629,900
FPD&R Supplement Fund (203)	0	0	0	82,083,306	82,083,306
Total Cash Transfers				82,713,206	82,713,206
Beginning Fund Balance	0	0	0	0	0
TOTAL RESOURCES	\$0	\$0	\$0	\$82,713,206	\$82,713,206
REQUIREMENTS					
Bureau Expenses					
External Materials & Services	\$0	\$0	\$0	\$113,206	\$113,206
Internal Materials & Services	0	0	0	0	0
Total Bureau Expenses	0	0	0	113,206	113,206
Debt Service					
Debt Retirement	0	0	0	80,000,000	80,000,000
Interest	0	0	0	2,600,000	2,600,000
Total Other Requirements	0	0	0	82,600,000	82,600,000
Ending Balance/Reserves	0	0	0	0	0
TOTAL REQUIREMENTS	\$0	\$0	\$0	\$82,713,206	\$82,713,206

The FPD&R Supplement - Debt Service Fund was established in order to achieve a proper matching of revenues and debt service associated with financing the costs of funding the Fire and Police Disability and Retirement Supplement Fund (the "FPD&R" Supplement Fund") The FPD&R Supplement Fund was established in December 1996 as a special supplemental reserve, funded in an amount sufficient to provide for a period of approximately five years annual contributions to the FPD&R Fund and to pay the costs of issuing and administering the City's Pension Reserve Limited Tax Revenue Bonds (Federally Taxable) Series 1996 A and Series 1996 B (the "Series 1996 Pension Bonds")

Since establishing this fund, the Oregon State Legislature drafted House Bill 3710 as a potential remedy to the problems posed by Measure 47 House Bill 3710 which places the levy to fund the requirements of the FPD&R System outside of the limits of Measure 47 House Bill 3710 was referred to the Oregon voters in the form of Ballot Measure 50 Ballot Measure 50 was approved by Oregon voters on May 20, 1997 Measure 50 will provide funding for the FPD&R System through a specific tax levy thereby eliminating the need for the Series 1996 Pension Bonds Consequently, with the passage of Measure 50 the City will redeem the outstanding Series 1996 Pension Bonds

The principal, interest and administrative costs associated with the redemption of the Series 1996 Pension Bonds for FY 1996-97 are budgeted, at \$82,713,206

GENERAL FUND

FY 1996-97 Supplemental Budget
Exhibit 10

	Adopted 1996-97	Authorized Revisions	Revised Budget (AP-9)	Supplemental Action	Total Budget
RESOURCES					
Property Taxes	\$129,360,055	\$0	\$129,360,055	\$0	\$129,360,055
Other Taxes	8,620,875	0	8,620,875	0	8,620,875
Licenses & Permits	73,021,334	0	73,021,334	0	73,021,334
Service Charges & Fees	7,687,204	6,500	7,693,704	0	7,693,704
State Sources	7,585,192	0	7,585,192	0	7,585,192
Local Sources	7,005,886	849,389	7,855,275	0	7,855,275
Miscellaneous Revenues	4,620,657	(165,111)	4,455,546	0	4,455,546
Interfund Cash Transfers	10,199,503	0	10,199,503	0	10,199,503
Utility License Fees	9,564,610	0	9,564,610	0	9,564,610
Misc Cash Transfers	4,529,755	6,694,151	11,223,906	130,000	11,353,906
Service Reimbursements	18,486,745	365,846	18,852,591	40,000	18,892,591
Intrafund Service Reim	614,747	135,751	750,498	0	750,498
Beginning Balance	21,047,807	1,642,905	22,690,712	0	22,690,712
Total Resources	\$302,344,370	\$9,529,431	\$311,873,801	\$170,000	\$312,043,801
REQUIREMENTS					
Personal Services	\$177,434,666	\$2,238,891	\$179,673,557	\$170,000	\$179,843,557
Materials and Services -					
External	55,877,811	7,696,699	63,574,510	0	63,574,510
Internal	38,571,012	312,993	38,884,005	0	38,884,005
Total M & S	94,448,823	8,009,692	102,458,515	0	102,458,515
Capital Outlay	9,465,557	1,902,553	11,368,110	0	11,368,110
Cash Transfers - New Equipment	614,556	(614,556)	0	0	0
Other Cash Transfers	545,228	(545,228)	0	0	0
General Operating Contingency	6,785,762	(1,737,491)	5,048,271	(629,900)	4,418,371
Transfers to Other Funds - FPDR	13,049,778	275,570	13,325,348	629,900	13,955,248
Unappropriated Ending Balance	0	0	0	0	0
Total Requirements	\$302,344,370	\$9,529,431	\$311,873,801	\$170,000	\$312,043,801

This supplemental request reduces contingency by \$629,900 and transfers it to the FPD&R Supplement Debt Fund to pay for the cost of redeeming FPDR bonds issued in order to fund pension liability costs resulting from the passage of Measure 47. However, as a remedy to the potential problems posed by Measure 47, the Oregon State Legislature drafted House Bill 3710. House Bill 3710 places the levy to fund the requirements of the FPD&R System outside of the limits of Measure 47. House Bill 3710 was referred to the Oregon voters in the form of Ballot Measure 50. Ballot Measure 50 was approved by Oregon voters on May 20, 1997. Measure 50 will provide funding for the FPD&R System through a specific tax levy thereby eliminating the need for the Series 1996 Pension Bonds. Consequently, with the passage of Measure 50 the City will redeem the outstanding Series 1996 Pension Bonds.

In addition, this supplemental request increases Miscellaneous Cash Transfers by \$130,000 and Service Reimbursement by \$40,000. This increase reflects \$10,000 in overhead costs and \$120,000 in personal service costs for management of the Arena Operating Fund. In addition, \$40,000 is included for the management of the Fire Police Disability & Retirement Supplement Fund. The supplemental action is budgeted in the OFA.

APPROPRIATION SCHEDULE

FY 1996-97 Supplemental
Exhibit 26

35620

Fund/Appropriation Unit	Personal Services	Materials & Services	Capital Outlay	Other	Total
<u>GENERAL FUND (101)</u>					
Contingency				(629,900)	(629,900)
Cash Transfer to FPDR SD				629,900	629,900
Office Finance Administration	170,000				170,000
Fund Total	170,000			0	170,000
<u>ARENA OPERATING FUND (160)</u>					
External M&S		(690,000)			(690,000)
Facilities Services		50,000			50,000
Contingency				(688,064)	(688,064)
Overhead				10,000	10,000
Cash Transfer OFA				120,000	120,000
Cash Transfer GBRF				930,810	930,810
Principal				(1,458,358)	(1,458,358)
Interest				190,081	190,081
Carryover			1,765,000	0	1,765,000
Fund Total		(640,000)	1,765,000	(895,531)	229,469
<u>CAPITAL IMPROVEMENT FUND (503)</u>					
External M&S		980,000			980,000
Capital			(6,200,000)		(6,200,000)
Cash Transfers to Arena Op-				3,170,000	3,170,000
Cash Transfers to GBRF-				3,300,000	3,300,000
Fund Total				3,170,000	1,250,000
<u>CENTRAL EASTSIDE DEBT FUND (310)</u>					
Principal				45,200	45,200
Interest				322,800	322,800
Fund Total				368,000	368,000
<u>CONVENTION CENTER AREA DEBT FUND (312)</u>					
Principal				482,241	482,241
Interest				364,759	364,759
Fund Total				847,000	847,000
<u>CONVENTION AND TOURISM FUND (201)</u>					
External M&S		201,039			201,039
Fund Total		201,039			201,039
<u>FACILITIES SERVICES FUND (704)</u>					
External M&S		50,000			50,000
Fund Total		50,000			50,000
<u>FPD&R SUPPLEMENT FUND (203)</u>					
External M&S		396,694			396,694
Internal Services		40,000			40,000
Cash Transfers to FPD&R Debt Fund-		82,083,306			82,083,306
Fund Total		82,520,000			82,520,000
<u>FPD&R SUPPLEMENT DEBT FUND (304)</u>					
External		113,206			113,206
Debt Retirement				80,000,000	80,000,000
Interest				2,600,000	2,600,000
Fund Total		113,206		2,600,000	82,713,206
<u>GAS TAX BOND REDEMPTION FUND (749)</u>					
Debt Service				240,866	240,866
Fund Total				240,866	240,866

APPROPRIATION SCHEDULEFY 1996-97 Supplemental
Exhibit 26

Fund/Appropriation Unit	Personal Services	Materials & Services	Capital Outlay	Other	Total
GOVERNMENTAL BOND REDEMPTION FUND (702)					
Principal				4 156,486	4,156,486
Interest				74,324	74,324
Fund Total				4,230,810	4,230,810
HEALTH INSURANCE FUND (701)					
External Materials & Services		2,275,308			2 275,308
Contingency				(2,275,308)	(2,275,308)
Fund Total		2,275,308		(2,275,308)	0
HOUSING INVESTMENT FUND (209)					
External Materials & Services		1,009,393			1,009,393
Fund Total		1,009,393			1,009,393
INSURANCE AND CLAIMS (708)					
External Materials & Services		1,562,709			1,562,709
Contingency				(1,562,709)	(1,562,709)
Fund Total		1,562,709		0	0
PRINTING//DISTRIBUTION SERVICES FUND (706)					
External Materials & Services		4,785			4,785
Capital Equipment Cash Transfer			215		215
Fund Total		4,785	215		5,000
SEWER CONSTRUCTION FUND (552)					
External Materials & Services		500,000			500,000
Internal Services		5,000			5,000
				(505,000)	(505,000)
Fund Total		505,000		(505,000)	0
SEWER REVOLVING LOAN FUND (636)					
External Materials & Services		50,000			50,000
Contingency				(50,000)	(50,000)
Fund Total		50,000		(50,000)	0
SEWER SYSTEM OPERATING FUND (151)					
Contingency				(3,877,700)	(3,877,700)
Interest				3,877,700	3,877,700
Fund Total				3,877,700	0
SOUTH PARK BLOCKS BOND REDEMPTION FUND (306)					
Principal				146,600	146,600
Interest				73,400	73,400
Fund Total				220,000	220,000
TRANSPORTATION OPERATING FUND (112)					
Contingency				(463,747)	(463,747)
Cash Transfers to Arena Fund-				222,881	222,881
Cash Transfers to GTBR Fund-				240,866	240,866
Fund Total				0	0
TOTAL - CITY OF PORTLAND	170,000	87,651,440	1,765,215	11,828,537	174,054,783

RESOLUTION No.**35620**

Amend FY 1996-97 Spring Supplemental Budget to the Multnomah County Tax Supervising and Conservation Commission (Resolution, Amend Resolution No 35613)

WHEREAS, the City of Portland has submitted a budget for fiscal year 1996-97 to the Multnomah County Tax Supervising and Conservation Commission, and

WHEREAS, the Multnomah County Tax Supervising and Conservation Commission will hold a public hearing on the FY 1996-97 Spring Supplemental Budget on June 12, 1997, and

WHEREAS, the City Council adopted Resolution No 35613 on May 21, 1997 authorizing submission of the FY 1996-97 Spring Supplemental Budget to the Multnomah Tax Supervising and Conservation Commission, and

WHEREAS, Ballot Measure 50 was approved by voters on May 20, 1997, and

WHEREAS, Measure 50 provides funding for the Fire and Police Disability and Retirement System through a specific tax levy, thereby eliminating the need for the Series 1996 Pension Bonds, and

WHEREAS, it is now prudent for the City to redeem the outstanding Series 1996 Pension Bonds, it is necessary to amend the FY 1996-97 Spring Supplemental Budget for the three funds impacted by redemption of the Series 1996 Pension Bonds, and

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland that the Council does hereby direct the Budget Officer of the City of Portland to submit to the Multnomah County Tax Supervising and Conservation Commission on June 11, 1997 an amended FY 1996-97 Spring Supplemental Budget, and

BE IT FURTHER RESOLVED THAT the Fire and Police Disability and Retirement Supplement Fund, the Fire and Police Disability and Retirement Supplement-Debt Service Fund and the General Fund be amended in accordance with the revised Exhibits 7, 8, 10 and 26, attached hereto, and

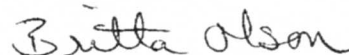
BE IT FURTHER RESOLVED that Resolution No 35613, adopted by Council May 21, 1997, is hereby amended

General Fund	\$ 170,000
FPD&R Supplement Fund	\$ 82,520,000
FPD&R Supplement Debt Fund	\$ 82,713,206
TOTAL CITY OF PORTLAND	\$165,403,206

Adopted by the Council,
Mayor Vera Katz
Office of Finance and Administration
TG DA LN
June 4, 1997

JUN 11 1997

BARBARA CLARK
Auditor of the City of Portland
By



Deputy

= 873

Agenda No

RESOLUTION NO

35620

Title

Amend FY 1996-97 Spring Supplemental Budget to the Multnomah County Tax Supervising and Conservation Commission
(Resolution Amend Resolution 35613)

INTRODUCED BY	Filed JUN 6 1997
Mayor Vera Katz	Barbara Clark Auditor of the City of Portland
NOTED BY COMMISSIONER	
Affairs	
Finance and Administration <i>OK JLI</i>	By <u>Cay Kershner</u> Deputy
Safety	For Meeting of _____
Utilities	
Works	ACTION TAKEN
BUREAU APPROVAL	
Bureau Office of Finance and Administration	
Prepared by Date	
L. Nelson June 4, 1997	
Budget Impact Review	
<input checked="" type="checkbox"/> Completed <input type="checkbox"/> Not Required	
Bureau Head <i>Tim Grewe</i> Tim Grewe <i>grewe</i>	

AGENDA		FOUR-FIFTHS AGENDA	COMMISSIONERS VOTED AS FOLLOWS		
				YEAS	NAYS
Consent	Regular <input checked="" type="checkbox"/>	Hales	Hales	✓	
NOTED BY		Francesconi	Francesconi	✓	
City Attorney		Kafoury	Kafoury	✓	
City Auditor		Sten	Sten	✓	
City Engineer		Katz	Katz	✓	