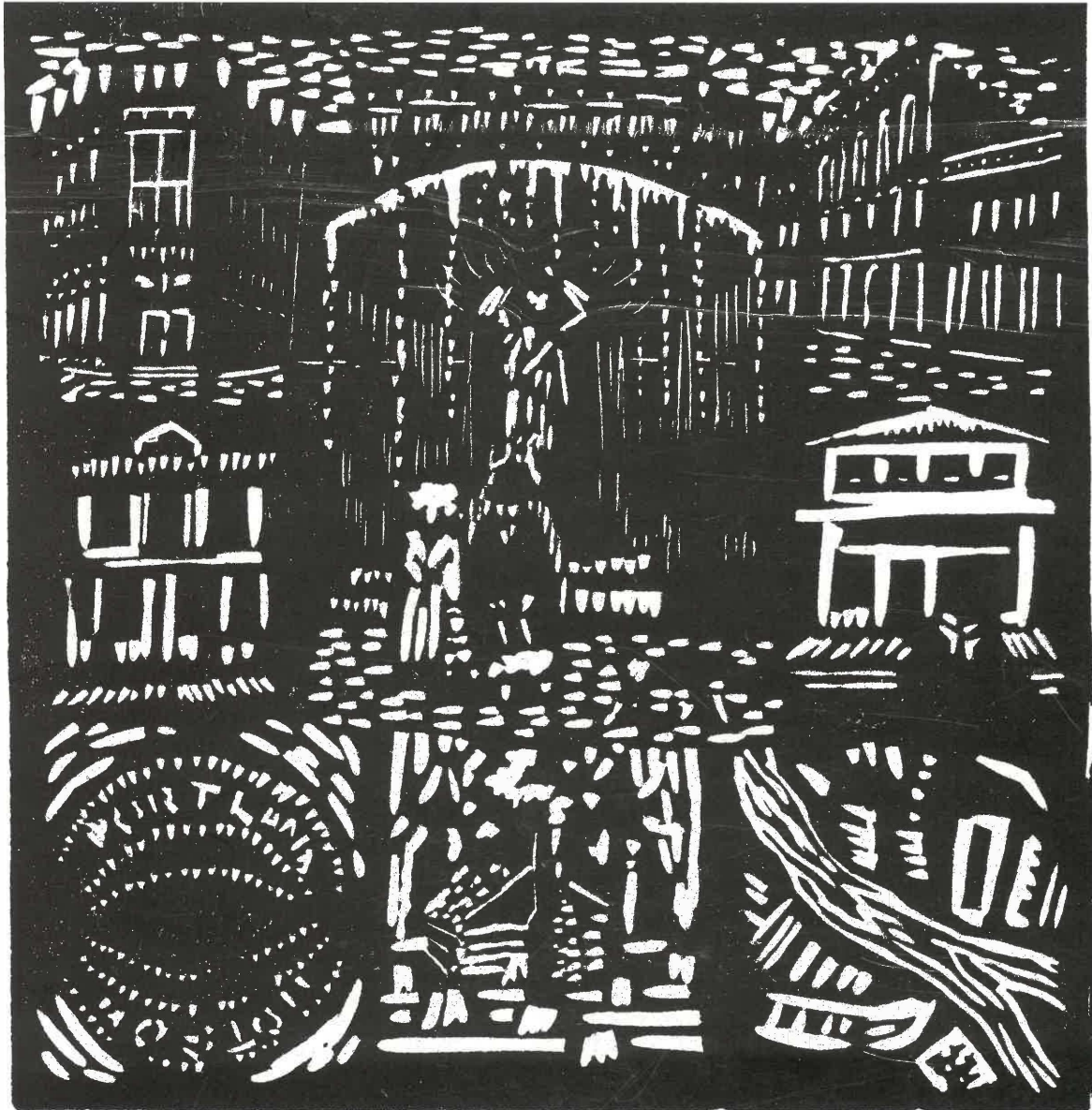


The City Of  
*Portland*



FISCAL YEAR 1999-2000

**ADOPTED  
BUDGET  
SUMMARY**

**“A PORTLAND STORY”**  
**JACK McLARTY, 1997, WOODCUT PANELS**

**Jack McLarty, a lifelong Portlander, grew up within three blocks of Portland’s City Hall and attended the Museum Art School (now the Pacific Northwest College of Art), where he later taught. Since early in his career, when he decided to do what he knew best, his paintings have included Portland imagery.**

**A large mural of colored woodcut panels entitled *A Portland Story* was recently installed on the third floor of City Hall as part of the City’s Percent for Art program. McLarty sees the Willamette River as the heart of the City and made it the central focus of the piece. The side panels (from which the cover detail is taken) represent incidents, people, and buildings important throughout Portland’s history.**

**McLarty’s work is in numerous public collections including Buckman School, the Civic Auditorium, Laurelhurst School, Lewis and Clark College, Mt. Hood Community College, the Portland Art Museum, the Seattle Art Museum, the State of Oregon Capitol Collection, the Visual Chronicle of Portland and the newly renovated City Hall.**

**Adopted Budget**  
**City of Portland, Oregon**  
**Fiscal Year 1999-00**  
**Volume One**

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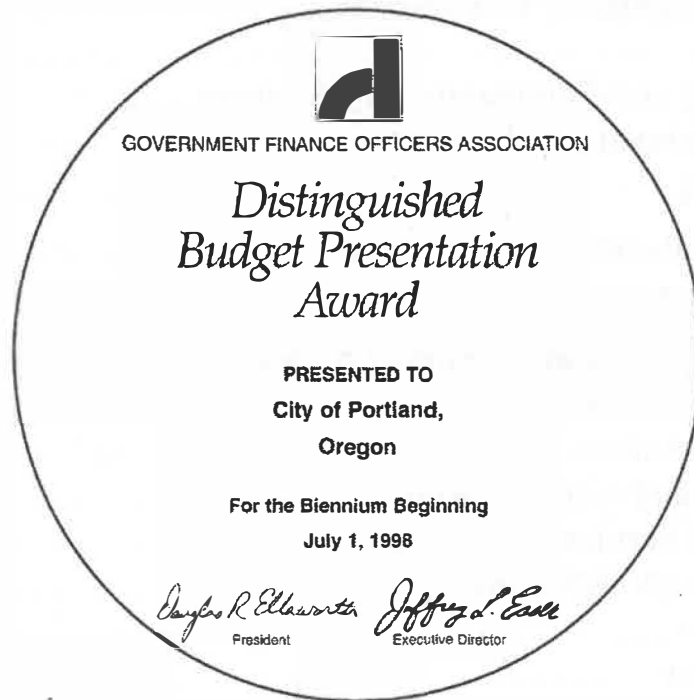
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# Budget Award

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Budget Presentation to the City of Portland, Oregon for its biennial budget for the biennium beginning July 1, 1998.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of two years only. We believe this current budget document for the second year of the biennium, FY1999-00, continues to conform to program requirements.



# Mayor's Budget Message

## INTRODUCTION

In keeping with my ideals that "vision with action can change the world," I am pleased to present this budget for year two of the FY1998-00 biennial budget. It is a budget that I believe will help put into action projects which focus on protecting and improving Portland's quality of life. In developing this package, I have worked closely with the entire Council to deliver budget adjustments based on new situations that arose in both our own bureaus and the city as a whole, which help us achieve the vision and goals we agreed on in December 1998.

These goals are:

- ◆ Ensure decent, affordable housing
- ◆ Build a livable city through good planning and well-managed growth
- ◆ Support quality education to produce well educated citizens
- ◆ Promote economic vitality and access to quality jobs for all
- ◆ Maintain a financially stable City
- ◆ Ensure a safe and peaceful community
- ◆ Maintain and improve our parks, green spaces, water and air sheds
- ◆ Promote the inclusion of under-represented neighborhoods and groups in participation in city activities and services
- ◆ Keep the central city vital
- ◆ Build a multi-modal transportation system
- ◆ Grow as an international city
- ◆ Become a more effective partner in the region

To that end, I am particularly pleased at the steps we have made to making this City more family friendly – from our continued commitment to affordable housing, to our renewed attention to homeless youth, to the disappointing need to once again stretch beyond the traditional functions of the City to support our local schools.

## The Biennial Budget

*This is the second year of a two year budget cycle.*

The Adopted Budget presents the decisions for year two of the FY1998-00 biennial budget. The budget incorporates decisions made in year one of the biennium that were to be implemented in year two, as well as allocation of additional resources available for year two that were identified through the update to the General Fund Five-Year Financial Forecast.

This Adopted Budget continues the City's adherence to adopted financial policies such as the Comprehensive Financial Management Policy, the General Reserve Fund Use Policy, and the General Fund Revenue policy.

*This budget supports many policy and planning documents, such as the Portland Future Focus Strategic Plan, that promote the long-term health of the City.*

The budget supports three major comprehensive policy and planning documents. The major policy documents are the Portland Future Focus Strategic Plan, the Portland-Multnomah Benchmarks, and the Metro 2040 Regional Framework Plan.

Portland Future Focus is the comprehensive strategic plan focused on quality of life issues which has guided the City's policy making and budgetary decisions since its release in August 1991.

Portland-Multnomah Benchmarks track the City's progress in addressing performance according to six clusters: the economy; education; children and families; quality of life; governance; and public safety.

The Metro 2040 Regional Framework Plan addresses how and where growth should take place with a regional perspective rather than a limited jurisdictional perspective.

In addition to these major policy documents the City budget is guided by subordinate policies and plans which bring these overriding policy considerations down to the implementation level. Examples are the Portland Development Commission Five-Year Plan, various neighborhood and community plans, transportation planning documents, bureau specific strategic plans and five-year financial plans, and many others.

All decisions within this budget adhere to and are supportive of those policies, which together promote the long-term health of the City in its efforts to most effectively deliver services to citizens.

*This is the third annual budget that incorporates the impact of voter approved tax limitation measures on tax revenues.*

This FY1999-00 budget is the third annual budget adopted after the passage of major tax limitation measures in FY1996-97. We now have a better understanding of the effects of the measures on assessed values and therefore property tax receipts. The present system has a fixed rate per thousand dollars, \$4.5770, that may be applied to assessed values. Assessed values are allowed to increase by 3% per year, plus any new construction.

In the past the tax rate varied dependent upon assessed values. Local jurisdictions were allowed to increase property tax revenues by 6% per year.

## **FINANCIAL CONSIDERATIONS**

Even with this increased understanding, we have remaining risks and unknowns which affect the construction of the Adopted Budget.

### **Tax Increment Financing**

Lack of clarity on the statutes addressing tax increment financing and application of the methodology selected for each urban renewal area leaves the City with continuing uncertainty regarding resources for the urban renewal areas.

The application of the urban renewal statutes addressing tax increment financing and property taxation has been challenged in court and could result in lower tax increment resources available. Any decision on this legal challenge is not expected to take place until after the beginning of the new fiscal year. We are prepared to adjust the budget of our urban renewal agency, the Portland Development Commission (PDC), if there is an adverse decision.

**Pension Management**

*The Fire and Police Disability and Retirement Fund (FPD&R) has an unfunded liability of \$913,000,000.*

**Fire and Policy Disability and Retirement Fund (FPD&R)**

The most significant long term financial issue from the first year of the biennium budget continues to affect this year's budget, and in fact the issue has been exacerbated. The first year Budget Overview mentioned funding for the Fire and Police Disability and Retirement Fund (FPD&R). This remains a pay-as-you-go system with an unfunded liability as of June 30, 1998 of \$913 million.

The FPD&R funding challenge will be examined by a special group consisting of representatives from the affected unions, City administration, and private citizens. This group will review what options may be used to most effectively address this unfunded liability on both a short and long-term basis.

**Public Employees Retirement System (PERS)**

*The Public Employees Retirement System (PERS) has an unfunded liability of approximately \$300,000,000.*

This fiscal year, PERS added approximately \$300 million in unfunded liability to the City's requirements. (PERS is the retirement system which covers City employees not under the FPD&R system.) The increase in the unfunded liability is primarily due to an updated actuarial study and the increase in retirees selecting the Money Match option of payout.

The updated General Fund Five-Year Financial Plan has built in the capacity to address the PERS issue through the possible issuance of Pension Obligation Bonds, once the final liability figure is determined. The current estimate is \$16 million per year citywide. This is \$16 million per year that would not therefore, be available to spend on services to our citizens.

**State Shared Gas Tax Revenues**

The state legislature has not increased the gas tax in eight years. This has exacerbated the need for road maintenance and improvements. There is discussion on various bills addressing this issue at the state legislative session now in progress.

If an increase is not forthcoming, funding for transportation issues in the city becomes critical. Lack of an increase may drive the need for realignment of city funding priorities.

**Taxation of Centrally Assessed Intangible Property**

Legislative efforts at the state level to exempt intangible personal property continue during this legislative session. Successful passage of this exemption could result in the loss of significant resources to the city. This may have a material impact in the delivery of services to our citizens.

Our Government Relations personnel and others in the City are working at the legislature to address this possible problem.

**Other Financial Considerations**

*Issues such as energy deregulation, slower regional growth, and new federal mandates may all have impact on future City financial obligations.*

Other financial risks are not exclusive to Portland. The possible effects of energy deregulation remain undetermined; local and regional economic growth is slowing down; and, increased mandates from the federal government will affect our costs, specifically the decision to place nine fish runs which pass through the City on the endangered species list.

All of the known uncertainties have been examined and addressed as part of the development of the second year budget and the General Fund Five-Year Financial Forecast which supports it.



Given those uncertainties we have adopted a budget which continues to address Council goals through the application of specific strategies directed toward defined objectives. Some of the major budgetary decisions supporting the goals and strategies are presented in the following section, Major Budget Decisions.

The City of Portland promotes a coordinated approach to the delivery of City services. From a budgetary perspective, this means that any individual budgetary decision may cross bureaus, and will almost certainly support more than one of the Council goals listed at the beginning of this Budget Message.

Within this overview a specific budgetary decision will be highlighted once under the goal it most directly supports.

## MAJOR BUDGET DECISIONS

### **Goal: Ensure decent, affordable housing**

Finding affordable housing unfortunately continues to be a problem for Portlanders. Commissioner Sten, the Council, and I are committed to finding long-range funding solutions that will assist families struggling to afford rising housing prices. In the meantime, this budget will help us preserve what affordable units we currently have, while also putting resources into the Housing Investment Fund to support building new affordable housing.

*Affordable housing efforts are being enhanced.*

#### **Housing Preservation**

Our budget implements funding for the possible purchase of HUD Section 8 housing that expires this fiscal year. If housing units which are currently under the Section 8 umbrella are at risk of being lost as affordable housing, the City may temporarily purchase these properties. The intent is to work with non-profit organizations such as the Housing Authority of Portland to have them become the ultimate owners of these properties. We have budgeted up to \$1,810,000 in General Fund resources which through prudent use of debt financing, may leverage up to \$8.0 million to support this effort.

#### **Housing Investment Fund**

The City continues its efforts to promote the development of new affordable housing throughout the city. We have allocated an additional \$1,272,700 in General Fund resources to support additional development of new affordable housing units. This amount is above the \$6.8 million previously budgeted for FY1999-2000.

This additional General Fund support will leverage \$1.67 million in program income from previous General Fund expenditures on housing programs. Including funds from tax increment financing, federal support, and foregone revenues, we will budget over \$61 million to support housing goals in the next fiscal year.

### **Goal: Build a livable City through good planning and well managed growth**

In my State of the City speech, I described our livability as a fragile thing that needs constant care and nurturing. All around the city, we have taken on ambitious projects to ensure Portlanders get what they want from their city in terms of quality of life where they live, work, and play. I maintain that in order to absorb the pressures of increasing growth, we need to continue to stay focused on efforts in town centers, and along main streets and transit corridors. This package will move forward our efforts to strengthen planning efforts and make them more strategic, and address needs in key local neighborhoods.

**2040 Planning**

*The City is increasing support for 2040 planning efforts.*

Our Adopted Budget adds \$1,043,400 to support planning efforts focused on regional centers, main streets, town centers, and transit corridors. These efforts support the 2040 Regional Framework Plan produced by Metro, the organization responsible for managing overall growth in the region. Specific projects focus on the Gateway area, Hollywood, St. John's, North Macadam, I-405, and Civic Stadium.

This new appropriation augments the \$328,358 identified as a year one decision to be incorporated into this year two budget, for a total of \$1.4 million.

The budget also includes \$521,000 allocated in the first year of this biennium to begin implementation of strategies and objectives identified in the planning phase.

**New Urban Renewal Areas**

The City has established two new urban renewal areas to encourage and facilitate the revitalization and growth of businesses and neighborhoods. For FY1999-00 we may realize as much as \$772,000 to begin improvements in the Lents Town Center and River District urban renewal areas.

**Other Area Plans**

Our Adopted Budget includes \$900,000 in funding for the continuation or start up of five separate area plans. These area plans are:

- ◆ NW Industrial Area
- ◆ Central Eastside
- ◆ West Downtown
- ◆ Pleasant Valley
- ◆ Willamette Greenway

*The City has many geographically focused planning efforts to improve neighborhoods and business districts.*

**Goal: Support quality education to produce well educated citizens**

**Public School Funding**

It is necessary to once again stretch beyond our traditional role to assist our local schools. The City Council and I remain firm believers that to sustain a healthy, vibrant city we cannot ignore their struggles. Good schools are absolutely critical. They act as a magnet to both families and businesses; produce responsible citizens and a well-prepared work force, and; prevent later social problems. I hope this is the last year of our support and that the legislature will do its job this year to fund local schools at the level needed to ensure our children can reach the high standards necessary to compete today.

To demonstrate to the State Legislature that we are serious about turning the operation of the Portland Public School District (PPS) around, we have allocated \$3 million in one-time dollars to fund implementation of selected recommendations from the District's audit we funded last year. The one-time money should be used for projects in the PPS and the other school districts within the City that will result in savings in the years to come.

We have also allocated the \$1 million I promised during my State of the City speech to begin summer school programs that get our children to their grade level and help end the practice of social promotions. All of our children deserve to succeed; we cannot continue to fail them.

We will also take over the supervision of the school police, which will require the addition of one police captain at a cost of \$95,000. This will enhance coordination between the PPS police agency and the Portland Police Bureau and allow reallocation of the funds saved by PPS for other priorities of the school system.

In concert with Commissioner Francesconi we have added \$300,000 per year for three years to expand after-schools programs through the Parks Bureau to fund Schools Uniting our Neighborhoods (SUN).

**Goal: Promote economic vitality and access to quality jobs for all**

Both in the central city and citywide, our actions to create jobs and economic opportunity must also close the gap between the rich and the poor. In today's quick-changing knowledge based economy, training becomes increasingly important, as does maintaining the city's competitive edge worldwide. The workforce development and business retention efforts earmarked in the budget ensure that the city continues to stay in the path of global competition.

*The City promotes economic development, job training and employment growth.*

**Workforce Development**

This effort, previously housed within the Portland Development Commission (PDC), has successfully transitioned to a non-profit status to coordinate all workforce development efforts in the City and Multnomah and Washington counties. City support includes \$700,000 for the Youth Builders program targeted toward at-risk teens.

The PDC will spend over \$2.7 million this year on job related programs in various locations around the city.

**Economic Development**

Through PDC, the Adopted Budget allocates \$54 million for economic development programs including such programs as:

- ◆ Transportation/Transit - \$26 million
- ◆ Business Development - \$9.7 million
- ◆ Business Services/Finance - \$2.2 million
- ◆ Neighborhood Commercial - \$5.1 million
- ◆ Targeted Industries Development - \$1.9 million

**Business Retentions/Recruitment**

We have allocated an additional \$100,000 above the previous commitment in on-going General Fund resources, to the Portland Development Commission to support efforts focused on retaining businesses in the city, and recruiting new businesses to locate in the city.

**Goal: Maintain a financially stable City**

The City of Portland has a national reputation as a financially well-managed City. This budget furthers that reputation through support of proactive approach to addressing on-going financial challenges.

### **Capital Funding**

Our Adopted Budget returns the City to the policy of increasing General Fund supported capital efforts by increasing this resource by \$1.0 million per year for the next five years. At that time the City will have \$8.0 million per year to cash finance capital needs. This cash financing option allows the City more flexibility to ensure the most efficient use of limited resources.

### **Pension Liability Management**

*Pension Liability Management remains the most significant long term financial issue facing the City.*

Working with Council, we will begin to address the unfunded liability issues of the two retirement systems. Options and planning will be finalized in FY1999-00. Financing of the PERS unfunded liability will be addressed before the close of the fiscal year. The FPD&R problem will take longer to process because it will require changes to the City Charter.

### **Legislative and Regulatory support**

We have increased support for the Energy and Cable offices to continue their efforts to ensure proper representation of the City's interests in the emerging field of utility deregulation and the threat of the loss of intangible personal property taxes. This budget allocates an additional \$96,565 in one-time funds to assist with representation at the legislature and Public Utilities Commission as well as the analysis and studies to support the City's positions on these issues.

The Adopted Budget also allocates \$71,366 to our Cable Office. This increase restores reductions made under Measures 50 and 47. The increase is necessitated by the high growth in the number of telecommunications franchises.

### **Water and Sewer rates**

*Water rates are anticipated to increase 4.4%, and Sewer rates are anticipated to increase 9.4%.*

As mentioned earlier, we have had to respond to requirements imposed by others that affect our bureaus and service delivery. Specific examples affecting the utility bureaus include the increased PERS costs and the Endangered Species listings.

Even with these additional requirements the increase in average retail water rate is under the 5 percent originally estimated in the financial forecast. Rates are anticipated to increase 4.4 percent.

The increase in the average single family sewer bill is estimated to increase 9.4 percent, which keeps the rate increase well below the 10 percent threshold.

The water and sewer utilities continue to look for cost reduction and cost control opportunities to reduce rate increases, as well as maintaining the highest water quality standards and addressing environmental issues, such as the Endangered Species Act listings.

### **Information Technology Strategic Plan**

The Adopted Budget continues funding of the Information Technology Strategic Plan (ITSP). Implementation of the ITSP includes \$866,500 plus \$553,000 specifically targeted to the corporate Geographic Information System. These efforts will support the City technology infrastructure, create efficiencies, and expand and improve access to information for our citizens.

*The City will invest in an effort to obtain and leverage grant resources.*

### **Grant Seeker Program**

Our Adopted Budget includes \$95,000 to increase and expand citywide efforts in obtaining grants. This investment will be tested over a two year time period. We will examine the return to the City to ensure this modest investment does indeed bring more funds to the City than the cost of the program.

### **Service Improvement Initiative (SII)**

We have included \$147,376 to continue the efforts of this initiative. SII is a collaborative process between labor and management. Their efforts over the next fiscal year will focus on improving internal capabilities to be able to sustain the SII efforts over the long term using City employees. The areas of development are:

- ◆ Project design
- ◆ Organizational assessment and development
- ◆ Written resources and other media
- ◆ Training teams in problem solving and work practice improvement
- ◆ Work process analysis for improved service delivery

### **Goal: Ensure a safe and peaceful community**

As Mayor and Police Commissioner I am excited that today, Portland is safer than it has been in over a quarter of a century. Violent crimes such as murder, rape, robbery, and aggravated assault dropped 35 percent since the start of community policing in 1988. Not only are we statistically a safer city, but Portlanders feel safer. In the Auditor's 1998 survey of Portland citizens, 88 percent said they feel "safe" or "very safe" walking alone in their neighborhoods during the day, as compared with 71 percent in 1991.

I am pleased that this budget ensures our ability to continue to address problems of juvenile violence, domestic violence, auto theft, and graffiti while also addressing the increased public safety needs of a growing population.

### **Community Policing**

This budget continues funding for all police officer positions at the current level. This includes the continued funding of the 42 officers made possible through the federal COPS MORE grant. The General Fund Five-Year Financial Forecast includes on-going funding for these positions upon expiration of the grant.

### **New Fire Station**

The citizens of Portland passed a \$53.8 million general obligation bond in support of public safety facilities in the fall of 1998. This bond issue is specifically targeted to the construction of two new fire stations, and seismic upgrades to others. Construction on the first new station will begin this calendar year. The five-year financial forest includes the operating and maintenance costs of this new station.

Construction on the second new station will not begin until the City can ensure adequate funding for operations and maintenance of the second facility. This on-going funding requirement remains a priority for future financial forecasts.

### **Youth Gun Anti-violence**

We have included \$100,000 in one-time General Fund resources to continue funding for this program. This program bolsters the efforts surrounding the after school programs for youth within the parks bureau budget.

*The Adopted Budget continues funding for Community Policing positions and the construction and operating costs for one new fire station.*

**Goal: Maintain and improve our parks, green spaces, water and air sheds**

Our parks remain the jewels of Portland – our string of emeralds – and our citizens rightly demand we preserve and cherish them. With the disappointing loss of the Parks bond measure, it was necessary for the City to increase funds to maintain our parks at a level that ensures they will continue to be a source of Portland pride.

The sobering announcement of the expanded Endangered Species Act listings also places new demands on our budget. As last year, we are again investing significant efforts to clean up our rivers and streams. It is our sacred trust to the environment that we do so.

**Parks Basic Infrastructure Support**

Our Adopted Budget allocates \$1.9 million in General Fund support to address some of the highest priority capital needs of our parks. Projects include replacement of roofs and other necessary building repairs.

**Parks Maintenance**

The budget will continue to expand operating and maintenance support for parks by allocating an additional \$400,000 in on-going resources. This allocation will leverage the \$500,000 added in year-one of this biennium budget, \$150,000 added during the fiscal year and the \$198,000 previously identified as a year two decision to be incorporated into this budget. The total increase in Parks operations and maintenance appropriation over the biennium approaches \$1.2 million.

**Endangered Species Act (ESA)**

In response to a federal listing of nine fish species as endangered, we have increased efforts to protect and improve the health of the Willamette and Columbia rivers as they pass through the City. This Adopted Budget includes over \$2.7 million to support this effort, \$721,000 of which is from the General Fund. The anticipated long-term costs of addressing the effects of the listing will be identified as part of this years effort.

The ESA program is in addition to the \$1.0 billion dollar Combined Sewer Overflow project now underway.

**Sustainable Portland Commission**

We have included \$65,173 in the Adopted Budget to increase support to the commission. This effort will allow the City to focus more efforts on promoting the advancement of green industries. The commission's efforts also promote business practices throughout the City, including internal City practices, which promote a sustainable future through the efficient use of limited resources.

**Goal: Promote the inclusion of under-represented neighborhoods and groups in participation in City activities and services**

In my State of the City speech, I spoke of the word “commonweal” - the common welfare, the public good. This Council has made a commitment to promote the inclusion of under-represented neighborhoods and groups in City activities and services. As a City, we must continue to reach out and find new solutions to involve them.

**Mediation Center**

In the Adopted Budget the mediation center, managed by the Office of Neighborhood Involvement, is now restored to full funding through the allocation of \$215,000 in on-going resources. The center supports programs to assist citizens in resolving disputes before the dispute may rise to involvement by public safety officers.

*Support for parks increases in this budget.*

*We continue to partner with Multnomah County in the coordinated delivery of services to our youth.*

### **Homeless Youth**

Council made a mid-year commitment to assist the County in implementing the findings and recommendations of a study on how best to address the problem of homeless youth in Portland. We gave the County \$250,000 in one-time funds in December 1998. This budget contains an on-going allocation of \$350,000 and a one-time expenditure of \$150,000 to continue our commitment.

### **After School Programs**

As mentioned earlier, the Adopted Budget allocates an additional \$300,000 for after school programs. This is a three-year commitment and includes an Asian youth outreach effort. This allocation is added to the \$300,000 one-time allocation made as a year-one decision to be incorporated into this year-two budget.

### **Apprenticeship Program**

Following on the efforts of last year's contractor development program, the Bureau of Purchases will oversee the expenditure of \$200,497 in on-going support for apprenticeship programs in Transportation and Parks. This support is to enhance these bureaus existing efforts.

### **Parks Program Guide**

The budget continues funding in the amount of \$100,000 for a program guide. Distribution of the program guide has been successful in increasing use of parks and parks programs by under-represented citizens who may not have been aware of the opportunities available.

### **Goal: Keep the central City vital**

In November, hundreds of Portlanders came together to envision a healthy central city. With the Willamette River as our focal point, we created a vision of an urban center that flourishes 24-hours a day. To do that, we must continue to enhance our central city and keep it a place where people want to live, work, and play.

*We continue to increase support for our arts organizations through this allocation to the Portland Opera.*

### **Arts Support**

We have included a commitment to the Portland Opera of \$200,000 per year for five years. This follows the year-one budget efforts which previously added \$700,000 for the support of the arts. As is the practice with all City arts funding, the funds will be allocated to the Regional Arts and Culture Council for disbursement to the appropriate arts organizations.

### **Transportation Support**

This budget contains the \$716,000 identified in year one to be incorporated in the year two budget to support central business district sidewalk scrubbing, landscape maintenance, and the abandoned auto program.

### **Goals: Build a multi-modal transportation system**

Everything we work for in terms of livability is quickly forgotten when we're angrily stuck in gridlock and congestion. Despite the defeat of last year's South/North Light Rail bond measure, Commissioner Hales, the City Council, and I remain committed to developing a transportation system that will keep this City moving.



**Central City Streetcar**

The project is now underway. It is intended to further the health of the downtown by efficiently connecting the city from the River District to Portland State University. City expenditures in support of this effort total \$14 million for the FY 1999-00.

**Airport Lightrail**

This project is underway through a cooperative agreement with the City, TriMet, and private developers. The city effort is being managed by PDC. This spur will link the airport to downtown via the Gateway transit mall. The city will expend over \$23 million dollars in FY 1999-2000.

**Goal: Grow as an international City**

Our goods and services now must travel not only around Portland, our state and region, but internationally. With technology changing the way in which we do business, we must realize we are now competing with neighbors not only in adjoining states, but around the globe.

It is my intent and that of Council that all budget decisions and the associated projects further the city's growth and importance as an international city. This is evident in decisions regarding managing our growth, development of economic ties with the pacific rim, pursuit of targeted industries, improvements in transportation systems and economic development, increased support for the arts, workforce development, and continued support to ensure a highly educated citizenry.

Advancement in the attainment of this goal is indicative of the multi-goal approach to our strategies and budget decisions.

**Goal: Become a more effective partner in the region**

Understanding our place in the world also means understanding that we are inherently tied to our state and our region.

Many of the individual budgetary decisions highlighted under the previous goals also support our efforts to become a more effective regional partner. Examples include:

- ◆ Support for Airport Light Rail
- ◆ Support for expansion of the Oregon Convention Center
- ◆ Development of the Central City Streetcar
- ◆ 2040 Planning efforts directed at locations outside the central city core
- ◆ Support for housing, particularly affordable housing
- ◆ Support for addressing the health of fish populations listed under the Endangered Species Act
- ◆ Support for the Regional Water Supply Plan
- ◆ Increased support for the arts and the regional facilities which house arts programs

## CONCLUSION

As we await the new millennium, from celebrations to predictions of technological mayhem, we have to realize how connected we are. We are no longer a small city on the edge of the United States somewhere between Washington and California. Today, we have globally recognized companies who call our city home. We are leaders in international trade, high technology, creative services, environmental technology, and planning.

But we no longer have the luxury of clinging to our past accomplishments. We have to begin taking action now to define what we want Portland to be, and how we keep it a healthy, sustainable community.

There is a saying that opportunity is a moving target. The bigger the opportunity, the faster it moves. On the cusp of a new millennium the opportunities are endless. I am proud that Portlanders are ready to seize them.

A handwritten signature in black ink, reading "Vera Katz". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Vera Katz  
Mayor

# User's Guide

The Adopted Budget document for the City of Portland consists of three (3) separate volumes structured as summarized below.

## VOLUME 1 — OPERATING BUDGET

### **Mayor's Budget Message**

presents Mayor Vera Katz' budget message to the citizens highlighting Council goals, major changes in City services, policies and requirements.

### **User's Guide:**

presents a primer on the budget documents.

### **Overviews**

#### **City Overview**

presents a summary description of the City and its government, an organizational chart of the City government, and general trends in the areas of growth, workforce diversity, positions, and operating budget trends.

#### **Budget Overview**

An overall summary of budget, this section contains an introduction to the budget explaining the major issues affecting budget decisions, a list of major budget decisions by Council goal, a list of additional priority items, a summary of resources and expenditures by service area (Public Safety, Parks, Recreation and Culture, Public Utilities, Community Development and Services, Transportation and Parking, and Legislative/Administrative and Support Services), and an explanation of the City's debt management policies and present debt position.

#### **Financial Overview**

includes summaries of the City financial structure, summaries of financial policies which guide decision making, the financial planning process used in developing the two-year budget and five-year financial plan, and the budget process and time line.

#### **Budget Notes**

express specific City Council direction given to the bureaus as part of the budget development process. Budget Notes are developed and structured to ensure proper attention is given to work items Council identifies as priorities.

### **Financial Summaries**

#### **Financial Tables**

includes various summary financial tables which present the budget from different views, a positions summary, and the tax levy computation table, which details the property taxes to be levied and estimated to be received by the City.

## **Service Areas**

### **Service Area Summary:**

presents a three page summary of a specific service area. The budget and operations of the city are structured around the following service areas: Public Safety; Parks, Recreation and Culture; Public Utilities; Community and Development Services; Transportation and Parking; and, Legislative, Administrative and Support Services

### **Bureau Budgets**

Contained within each service area are bureau specific budgets with summary financial information, a general description of the bureau, a highlight of changes from the FY 1997-98 budget, description of programs, management objectives, performance measures in table and chart format, line item detail and position detail pages, and the Budget Decision page(s) -- which summarize the decisions made through the budget development process to each bureau.

### **Glossary of Terms**

lists of terms and acronyms used in the budget documents.

## **VOLUME 2 — CAPITAL BUDGET AND PORTLAND DEVELOPMENT COMMISSION**

### **The Capital Improvement Plan**

includes an introduction to the City's Capital Improvement Plans, explains the decision process for General Fund projects, an overview of the five-year capital budget, highlights of the FY 1998-99 General Fund capital budget, highlights of the FY 1998-99 capital projects for the 'other' funds, and various tables which present the projects by Service Area, including anticipated changes to operating and maintenance costs.

### **Portland Development Commission (PDC) Budget**

provides a complete budget for PDC, the City's semi-autonomous redevelopment agency, which focuses its efforts in the areas of housing, economic development, and development. Organization of the PDC budget mirrors the City budget document, with many of the same elements -- the Executive Director's Message, guide to the budget, summary tables and graphs, and presentation of the budgets by department.

### **Appendices**

includes the detailed financial plans for the General Fund and 'other' funds, the financial policies and adopting resolutions, budget adoption ordinances, a list of City funds by type, name, or number.

## **VOLUME 3 — CAPITAL BUDGET PROJECT DETAIL**

### **Capital Improvement Plan detail pages**

describes each capital project, its location, five year cost estimates and sources of revenue for the projects, and any change to operating and maintenance costs. These projects are presented by Service Area.

If you have any questions about the use of the document, or the City's budget, please call the Financial Planning Division of the Office of Finance and Administration at (503) 823-5288.

# Overviews

## City Overview

### INTRODUCTION

This section of the FY 1999-00 budget document provides the reader with general information on the city of Portland, its demographics as well as its government management systems. The information will aid the reader in understanding the environment in which decisions are reached during the budget process. It will also assist the reader in examining and understanding other sections of this budget document by placing context around the budget decisions.

*Portland's biennial budget implements Council goals through long range strategic plans.*

Portland's budget document is a reflection of city policies, goals, and priorities. Reviewing how revenues are collected and spent, readers of the budget are actually watching policy at work. The two-year budget implements the city's long range strategic and financial plans and serves as an operations guide for the government and its activities. It is also a communications tool, informing residents of the short and long-term issues and challenges confronting the city. The budget document reflects the goals of citizens and leaders alike.

### DECISION PROCESS

The budget process begins and ends with a policy orientation. The city's strategic plan, Portland Future Focus, continues to provide an overall road map not just for the city, but also for its neighboring governments. It helps ensure that budgetary decisions are consistent with Portland's future vision. This strategic plan will be updated during the upcoming fiscal year.

*Citizen involvement in the budget decision process is extensive.*

At the outset of the biennial budget process, the City Council convenes for purposes of reviewing overall goals and establishing priorities for the forthcoming budget process. As part of this, the Council conducts an extensive public information and survey process, titled "Your City-Your Choice", to obtain direct public input on city service priorities. The information derived from this process is used to finalize the Council's goals, priorities, and action plans for the two-year budget cycle.

Council priorities and how they are incorporated into this year's budget are addressed in the Mayor's Message section of this budget document.

The city's major bureaus also develop strategic plans and present five-year financial plans to assist the Council in weighing short-term decisions against long-range requirements. These plans support the City's strategic plan, Portland Future Focus. Council holds work sessions with key bureaus for purposes of further discussing short and long-term issues that need to be addressed in the budget process.

*Bureau program budgets have a long term perspective.*

The combination of these efforts to establish goals and priorities, to explore issues, and to contemplate long-range financial plans enables the Council to provide direction to the city's major bureaus prior to the submission of formal budget requests. This up front planning ensures that the each biennium budget responds to council priorities not just for the two-year budget period, but also over the long-term.

## **CITY OF PORTLAND CHARACTERISTICS**

### **Basic Statistics**

The City of Portland, with a population of 508,500 comprises an area of approximately 147 square miles in northwestern Oregon. Located astride the Willamette River at the confluence with the Columbia River, Portland is the center of commerce, industry, transportation, finance, and services for an immediate metropolitan area with a population of 1.40 million. Portland is the largest city in Oregon, the county seat of Multnomah County, and the second largest city in the Pacific Northwest.

### **Recreation**

#### **Natural Areas**

Portland is situated in the heart of a vast and diverse recreational area encompassing desert, marine, forest, and mountain environments. The city is a convenient point of departure for Pacific Ocean beaches, located 100 miles to the west, and the forested Cascade mountains to the east.

Among the snow-capped peaks is 11,235-foot Mt. Hood, one of the world's most climbed mountains, and home of the world famous Timberline Lodge, only 60 miles from Portland. There are two major ski resorts on the mountain.

On a clear day, Mt. St. Helens, an active volcano, is visible from the city.

The Columbia River Gorge National Scenic Area is within 20 miles of downtown Portland. The gorge presents opportunities for swimming, hiking, boating, sailing, camping, and is a world center for sail boarding.

#### **Visitor Opportunities**

Because Portland is Oregon's largest city and the center of business and transportation routes in the state, it also attracts many tourist and business visitors. A major symphony, the Rose Festival, art and historical museums, the Oregon Museum of Science and Industry, Western Forestry Center, Japanese Garden, International Rose Garden and the Oregon Park Zoo are only a few of Portland's cultural and recreational attractions.

The city also hosts the Portland Trail Blazers of the National Basketball Association, as well as a professional hockey and baseball team. The city's newest arena, the Rose Garden, a private and public sector joint venture, was opened in October 1995.

The Classical Chinese Garden in the city's Old Town/China Town area, which integrates efforts for community activities and art exhibits through authentic Chinese design, is scheduled to open in 2000.

### **Diversified Economy**

#### **Shipping and Other Port Facilities**

Portland is the leading warehousing and distribution center for the Pacific Northwest, serving a market area of about seven million people. Portland's deep water location on the Columbia River gives it substantial geographic and, therefore, economic advantages for freight shipping. The Columbia River ship channel is maintained at a depth of 40 feet from the Portland Harbor to the Pacific Ocean, 110 miles downstream. Portland is a regular port-of-call for many shipping lines serving major world trade routes. The Port of Portland, a governmental unit responsible for air and marine port facilities, offers outstanding opportunities for expanding export industries, investments, business and travel.

Portland International Airport (PDX) is the fastest growing major airport on the West Coast. To ensure that PDX keeps pace with growth into the next century, more than \$100 million has recently been invested by the Port of Portland, in improving and expanding airport facilities.

### **Manufacturing**

Portland's economy has slowly diversified over the past decades. Steady growth in non-traditional sectors, such as the manufacture of electrical equipment, instruments and related products has placed Portland in an economic structure that shows continued strength, typically exceeding national economic growth. Semiconductor manufacturers, such as Intel and Wacker Siltronic have already established major facilities in the region. Within the last two years Fujitsu, a large semiconductor manufacturer, has expanded its billion dollar facility in Multnomah County and LSI Logic has built a billion dollar facility. Tektronix, Intel, Nike, Boeing, Kaiser Permanente and Fred Meyer, recently purchased by Kroger, are just a few of the other major employers in the Portland Metropolitan area.

### **Strong Downtown Core**

The City's financial commitment to its downtown has resulted in one of the nation's most attractive urban cores. Development activity has balanced well with strong gains in housing, retail and office space. The City also has strong historic preservation and multifamily housing programs. This assistance in the preservation of downtown housing and historic structures has created a unique urban atmosphere. This blending of old and modern facilities enhances the livability of downtown.

### **Mass Transit**

The Tri-County Metropolitan Transportation District (Tri-Met) provides bus service throughout the metropolitan area. The nationally recognized "MAX", Tri-Met's light rail system running on a 15-mile line between downtown Portland and east to the City of Gresham has been operated since 1986. The west side expansion of the light rail system opened September of 1998. Plans for a north/south extension are also being developed.

### **Post-Secondary Education**

Portland State University, one of the three large universities in Oregon, is located on a campus encompassing an area of 26 blocks adjacent to the downtown business and commercial district. Additionally, there are four independent colleges, three community colleges, and three church affiliated colleges in Portland.

These attributes, plus its clean water and air, cultural diversity, architectural beauty and the relative ease of getting around continue to make Portland a popular, livable city. The City of Portland is consistently rated as one of the best cities in the United States in which to live and do business.

### **Well Managed City**

*Portland continues to receive recognition as one of the best financially managed cities in the United States.*

Financial World's March 1995 edition ranked Portland for the fourth consecutive time as the third best financially managed city in the United States. Another publication, City and State Magazine, for three consecutive years, rated Portland amongst the top five cities nationally in the area of financial management; in 1993 the magazine ranked Portland the second best. In 1991 the City won the Excellence in City Financial Management Award presented by the U.S. Conference of Mayors.



For the past sixteen years the City has received the Certificate of Achievement for Financial Reporting and for the past ten years has received the Distinguished Budget Award from the Government Finance Officers Association.

## FORM OF CITY GOVERNMENT

The City of Portland, incorporated in 1851, is a home rule charter city. The City Charter is the basic law under which the City operates and can be amended only by a vote of the people. In 1913, a modified commission form of government was created, rare in cities as large as Portland.

*Portland has a modified commission form of government which is rare in the United States.*

The Charter provides for five non-partisan Council members, called Commissioners, including the Mayor. They are elected at-large to four year terms. The positions are full-time and salaried. The City Auditor is also elected and required by Charter to be a Certified Public Accountant. The Auditor is not part of the Council and has no formal voting authority.

*Mayor and Commissioners act as legislators and administrators.*

The Mayor and Commissioners act as legislators and administrators. Thus, Council members are responsible for enacting City laws, enforcing City laws, and administering bureaus under their supervision. Figure 1 on page 19 depicts the City's current organizational chart.

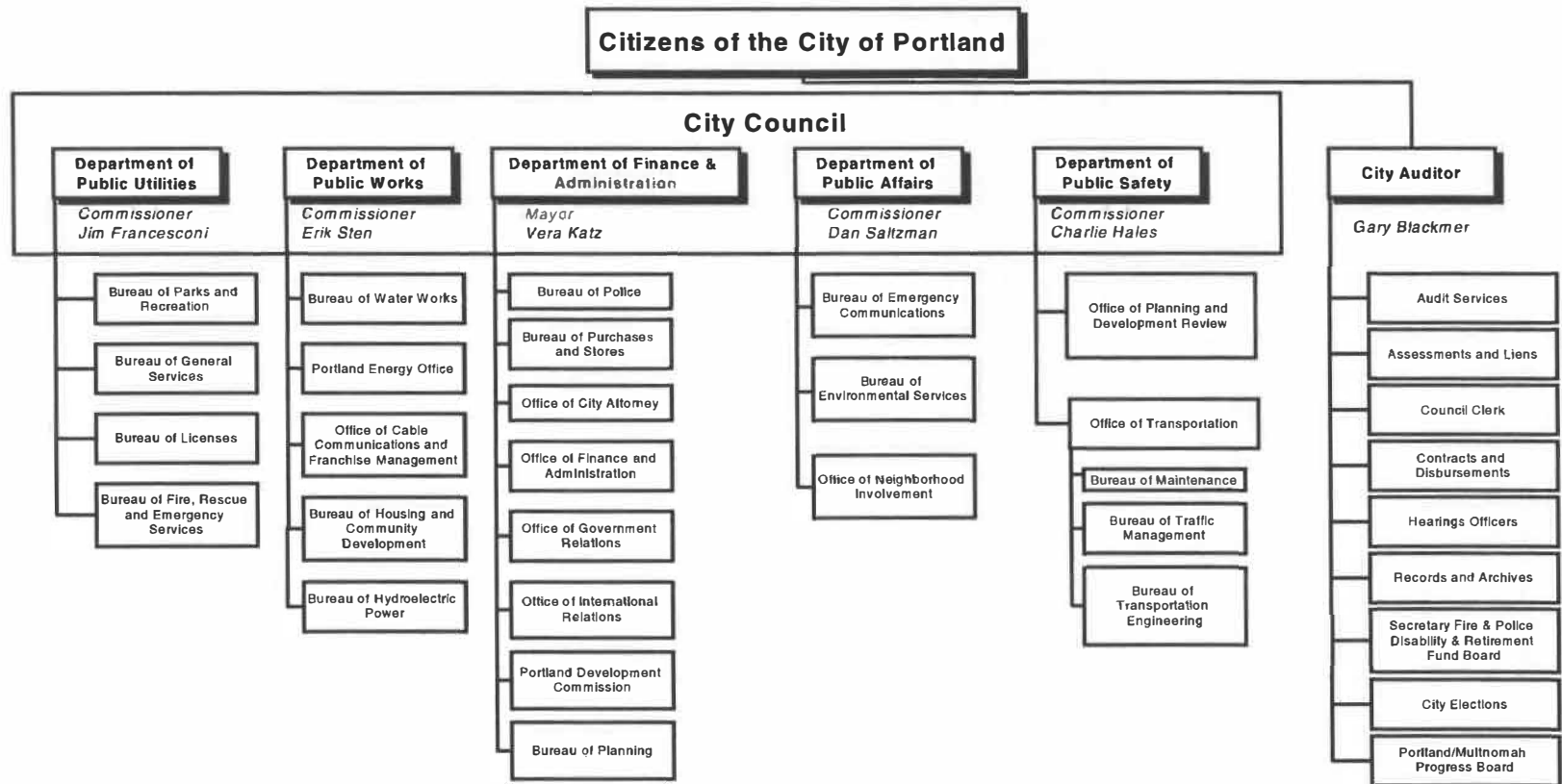
The Mayor is the formal representative of the City, responsible for assigning each of the commissioners responsibilities for one of five departments, or service areas: Finance and Administration, Public Affairs, Public Safety, Public Utilities and Public Works. The Mayor also decides which agencies the commissioners will manage. These assignments can be changed at any time by the Mayor. Traditionally, the Mayor has been the Commissioner of Finance and Administration. Current assignments are shown in Figure 1 on page 19.

*The City Auditor is an elected position.*

The Auditor receives and maintains all documents relating to the accounts and contracts of the City, including its debts, revenues and financial affairs. The position is also responsible for conducting financial and performance audits of City bureaus and their functions. In addition, the Auditor's Office serves as the Council Clerk, responsible for the processing and filing of all official Council actions.

The City operates under the provisions of the City Charter and City Code, which are consistent with the State Constitution and state law (the Oregon Revised Statutes). Ordinances are passed by a simple majority vote of three of the five Council members.

Figure 1: City Organizational Chart



## **CITY TRENDS**

The following trends and Ten Year Comparison charts provide information of importance to city residents and management of the City. A review of these trends indicates:

### **Rapid Growth**

Over the last ten years, primarily as a result of an aggressive annexation program, the city has experienced tremendous growth. The area served has increased by 7.24%, with residents served increasing by over 19.0%. Projections indicate that over the next two decades the Portland metropolitan area can expect 500,000 new residents

### **Improved Efficiency**

The overall number of employees has increased by 13.4% over the last ten years. This growth rate has not kept pace with growth in population. When measured on a "per 1,000" population basis, positions have actually declined by 2.7% over the last ten years. In effect, the organization has become more efficient as the City has experienced growth and city government has responded to the various tax limitation measures. This decline per thousand residents includes the increase in positions, by 85, for FY 1999-00.

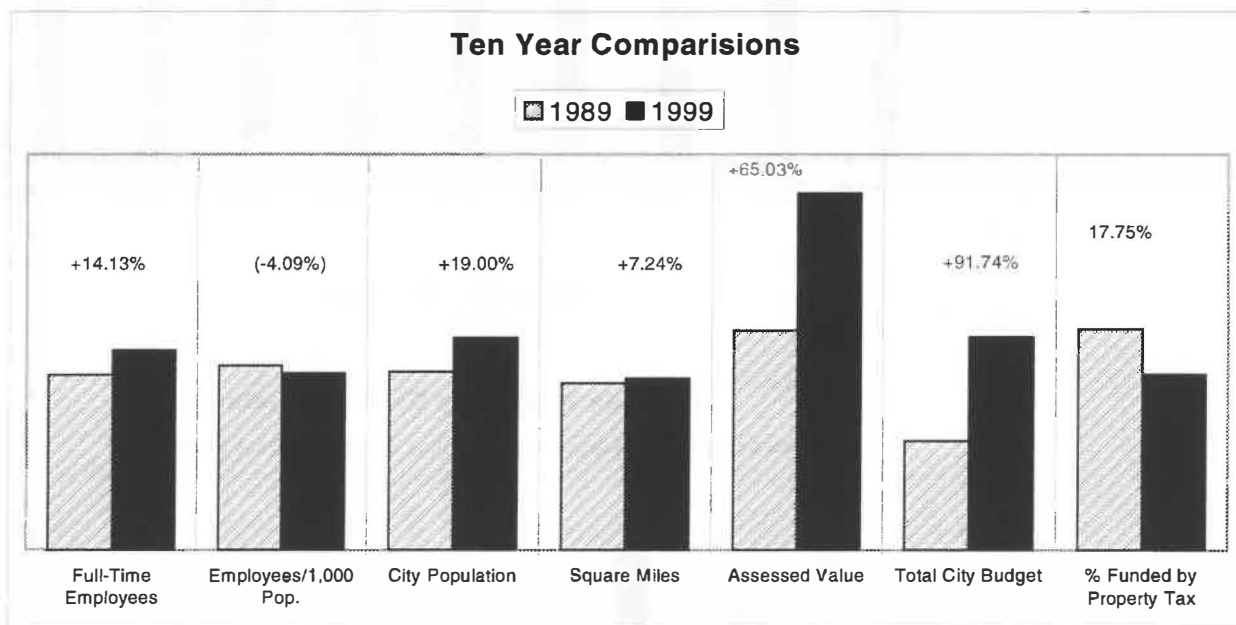
### **Improved Financial Condition**

Budget growth has been fueled by a strong regional economy, an expanding service area, expanding services desired by citizens and improved property values. When adjusted for inflation, the budget has grown over 90% over the last ten years. However, as a result of the tax limitation measures passed by the voters in 1990 and 1996, the percent of the budget supported by property taxes has only increased by 17.7%. Because no sales tax is assessed either at the state or local level, this trend means that the city is becoming more reliant on other revenue sources, such as fees for service, business income tax, utility franchise fees, and lodging taxes.

**Figure 2: General Trends**

**City of Portland - Trends**

	July-98	July-99 (est.)	Change	%Change
Per Capita Income	\$28,447	\$29,414	\$967	3.3%
Unemployment	3.90%	3.80%	-0.10%	-2.63%
CPI (Jan 97-Jan 98)	3.30%	1.10%	-2.20%	-200.00%
Population	512,000	514,281	3,500	0.68%
Square Miles	146.6	146.6	0.0	0.0%
Real Market Value of property in the City of Portland - in billions	\$35.6	\$37.8	\$2.3	6.0%
Total Net Budget	\$1,240,408,216	\$1,267,414,141	\$27,005,925	2.1%



**Figure 3: Ten Year Comparison Table**

	1989	1999
Full-Time City Employees	4,594	5,243
City Employees per 1,000 Population	10.6	10.2
City Population (in thousands)	432,175	514,281
Square Miles in the City	136.7	146.6
Assessed Value of property in the City (in billions)	22.2	36.6
Total City Budget (in millions)	661	1,291
Percent of City Budget Funded by Property Tax	22.4%	17.7%

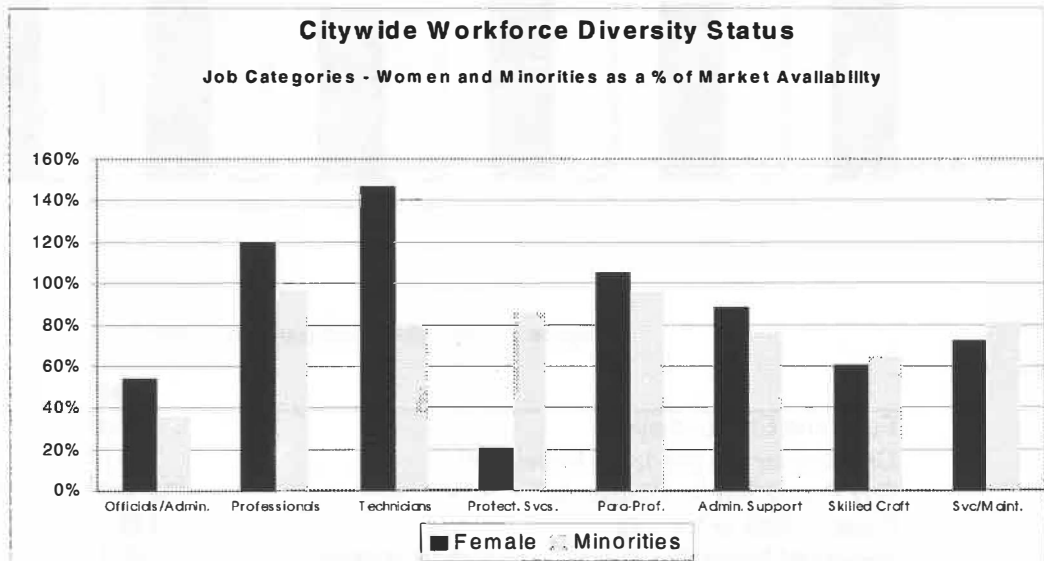
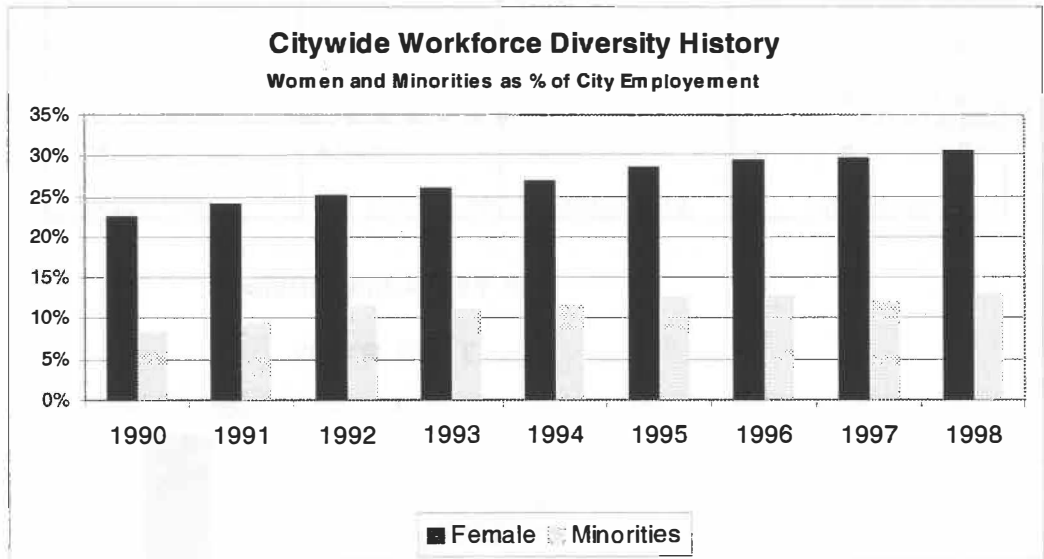
**WORKFORCE DIVERSITY**

The Council has directed that all city organizations develop a workforce reflecting the rich cultural diversity of Portland as a community.

The top chart indicates that both women and minority representation as a percent of total city employment has slowly increased since fiscal year 1989-90.

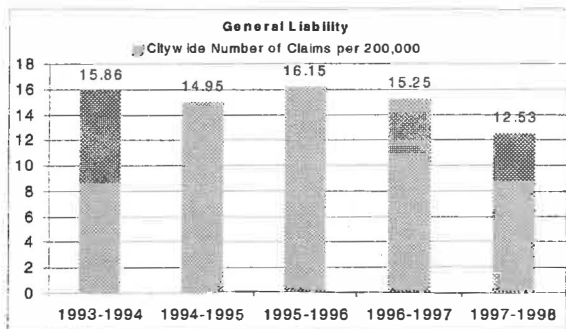
The bottom chart shows that minority representation is now close to exceeding market representation in the para-professionals category and professional categories. This is a significant improvement over past performance, but indicates the need for continued efforts to improve.

**Figure 4: Workforce Diversity Trends**

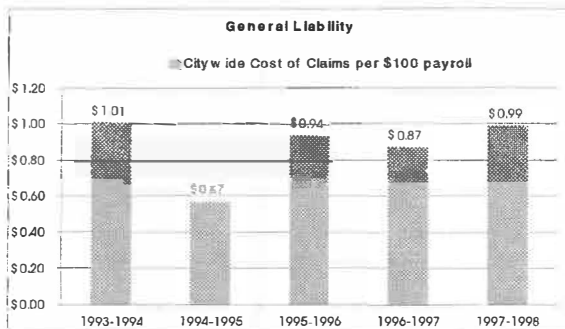


## LIABILITY AND WORKERS'S COMPENSATION

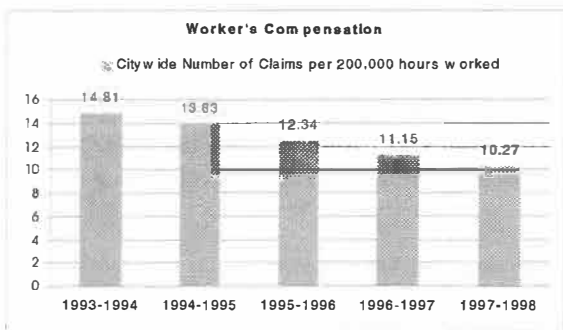
The city is self-insured for liability and worker's compensation claims. For FY1999-00, the city budget, including reserves for future claims, totals just over \$24.6 million for this purpose. Any action to reduce these types of liabilities means reduced costs for City bureaus. This gives Council the opportunity to appropriate more funds to services for citizens. For this reason, Council promotes loss reduction programs as a high management priority.



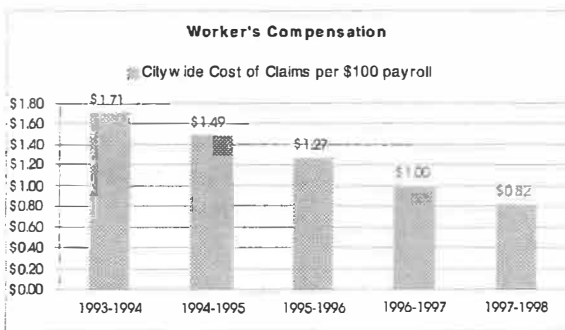
The trends show steady progress in controlling and lowering the number of General Liability claims against the city.



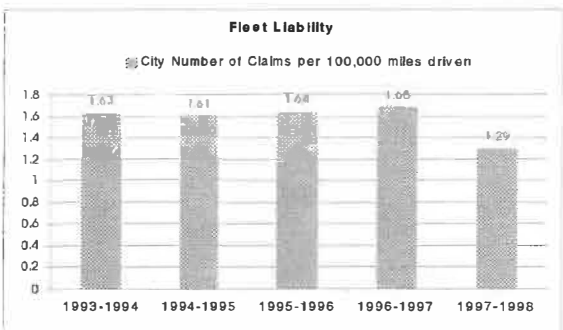
Although the number of claims declines, the cost per claim continues to fluctuate reflecting the individual nature of the liability claims.



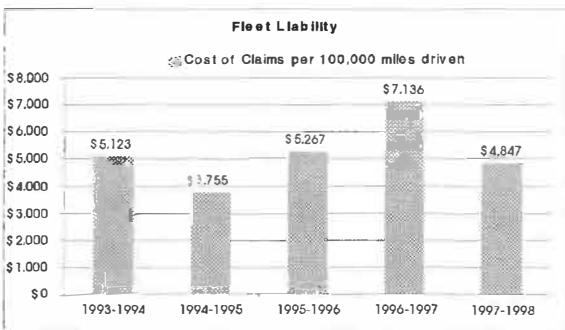
Worker's Compensation claims continue their five year decline, reflecting successful efforts throughout the bureaus.



Paralleling the decline in claims, the cost per claim is also declining through effective management.



Fleet Liability claims continue to fluctuate. They are down significantly for FY1997-98, but are expected to increase for FY1998-99.

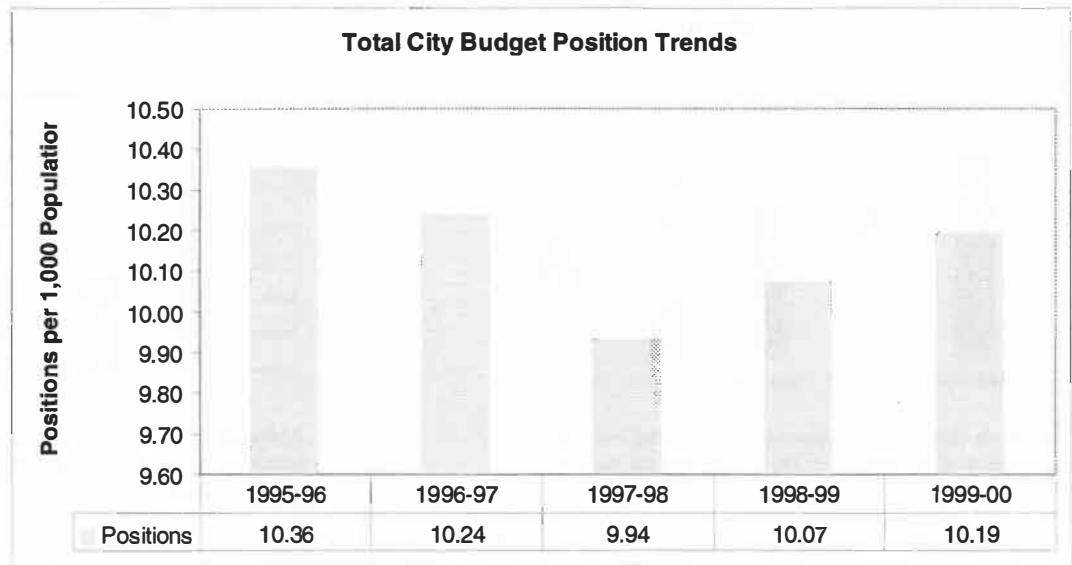


The cost of claims fluctuates based on the type of damage, such as significant damage to police patrol vehicles.

## TOTAL BUDGET POSITION AND OPERATING BUDGET TRENDS

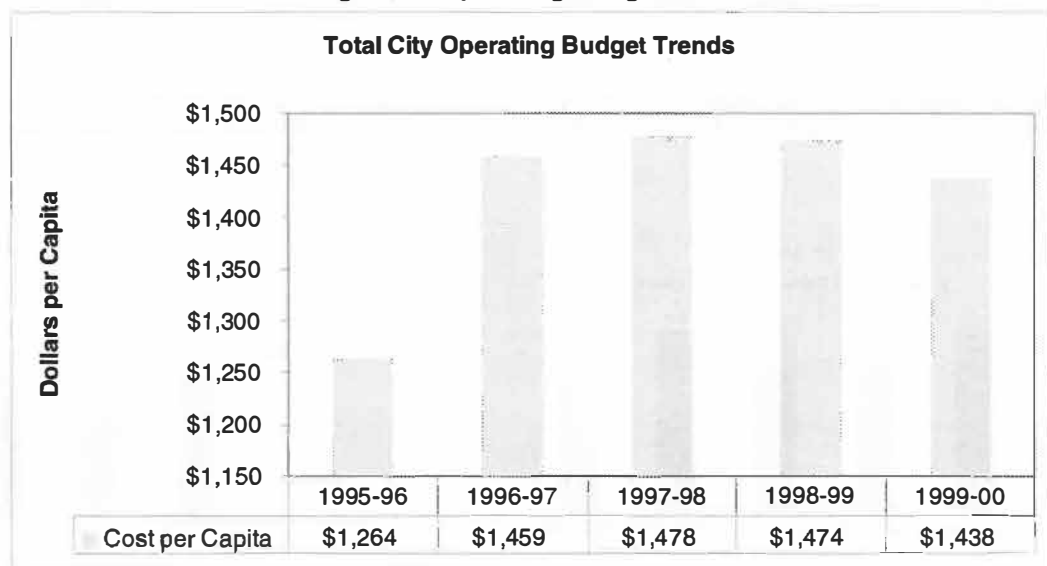
These charts display staffing and budget levels over time, on a per capita basis, and with the effects of inflation removed. The intent of the charts is to track real growth in positions and operating budget as a result of service level changes or expansion of service area.

**Figure 5: City Positions Trends**



Total positions per thousand have increased slightly from FY1998-99, continuing the modest increase since the imposition of Measure 50. The FY1999-00 budget authorizes 5,243 positions, an increase of 85 from FY1998-99 Revised Budget. The major increases are in Planning, Parks, Emergency Communications, and the Portland Development Commission

**Figure 6: Operating Budget Trends.**



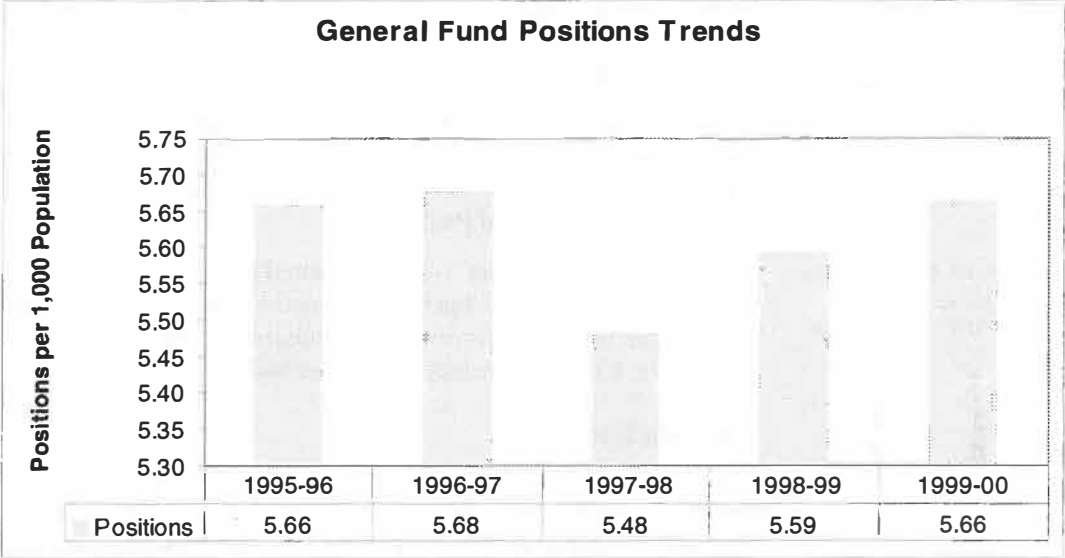
Operating cost per capita, adjusted for inflation, continues to decline from FY1997-98. Bureaus have been able to deliver services more efficiently.



### GENERAL FUND POSITION AND OPERATING BUDGET TRENDS

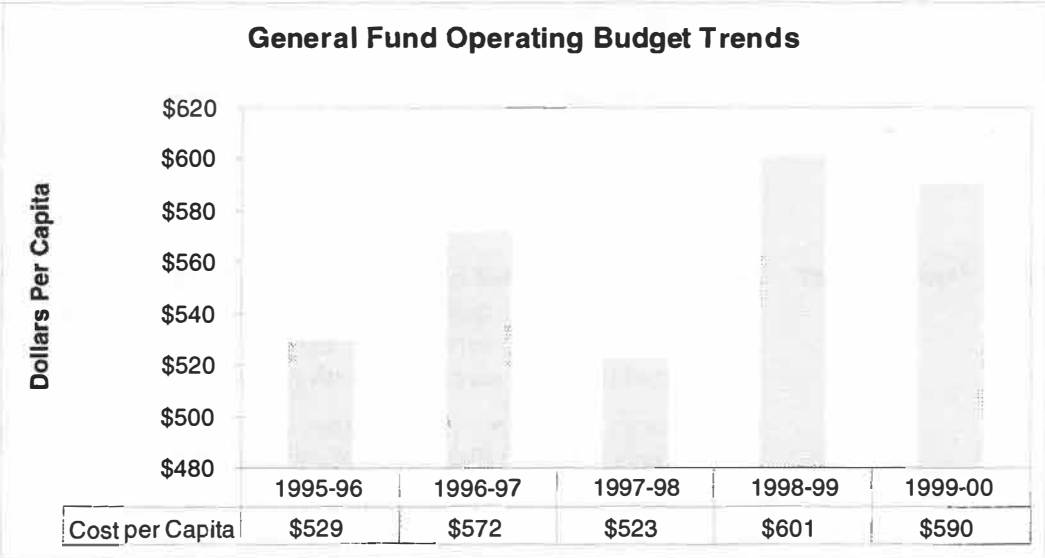
These charts display staffing and budget levels over time, on a per capita basis, and with the effects of inflation removed, for the General Fund only.

Figure 7: General Fund Position Trends



The decrease in FY1997-98 was a result the passage of tax limitation measures. Position increases in FY1998-99 are in response to citizen desires for increased levels of service. Parks has increased by over 40 positions in this biennium, primarily to support maintenance. The FY1999-00 budget authorizes 2,913 positions, and increase of 34. Parks adds 11 positions, Planning adds 8, and Police adds 5.

Figure 8: General Fund Operating Trends.



The operating budget per capita declines reflecting increased efficiency in service delivery.

# Budget Overview

## BUDGET SUMMARY

Financial tables on the budget may be found in the Financial Summaries section of this budget volume. The tables present the financial figures from various perspectives.

### Total City Budget

*The total city budget is down by \$14 million from the FY1998-99 Revised Budget.*

### Total Legal Budget

State of Oregon Local Budget Law requires reporting of the “total budget”, which includes total operating costs and internal transactions between funds. The Adopted Budget for FY1999-00 totals \$1.77 billion dollars, representing a decrease of \$2.6 million dollars from the FY1998-99 Revised Budget.

The “total budget” figure overstates actual program expenditures due to the double counting of internal transactions. Internal transactions between funds are typically the result of one City bureau providing a service to another City bureau. Because this technically inflates the budget, the City often refers to the “net budget”.

### Total Net Budget

Eliminating the double count resulting from the internal transfers, the City’s net budget for operating and capital requirements is \$1.29 billion. This “net budget” amount represents a \$5.7 million dollar decrease from the FY1998-99 Revised Budget. The reduction is primarily due to a decrease in capital expenditures.

For a numerical summary, refer to Table 1 in the Financial Tables section of the budget volume.

	FY1998-99 Revised	FY1999-00 Adopted	Dollar Change	Percent Change
<b>Total City Budget</b>				
Total Budget	\$ 1,770,761,376	\$ 1,768,177,196	\$ (2,584,180)	-0.15%
Less: Tax Anticipation Notes and Interfund Transfers	\$ (473,704,727)	\$ (476,843,949)	\$ (3,139,222)	0.66%
<b>Net Budget</b>	<b>\$ 1,297,056,649</b>	<b>\$ 1,291,333,247</b>	<b>\$ (5,723,402)</b>	<b>-0.44%</b>
<b>General Fund Budget</b>				
Total Budget	\$ 344,333,356	\$ 349,377,196	\$ 5,043,840	1.46%
Less: Tax Anticipation Notes and Interfund Transfers	\$ -	\$ -	\$ -	
<b>Net Budget</b>	<b>\$ 344,333,356</b>	<b>\$ 349,377,196</b>	<b>\$ 5,043,840</b>	<b>1.46%</b>

### General Fund Budget

The City’s General Fund contains the City’s discretionary resources that support such basic services as police, fire, and parks. Discretionary resources are those that Council can allocate to support any service area. In other words, Council allocates these resources without restriction, in accordance with priorities.

Discretionary resources exclude grants, contract revenues, service reimbursements, and other revenues that are dedicated for a specific purpose.

Discretionary resources include property taxes, utility license fees, business license fees, transient lodging taxes, state shared revenues (cigarette and liquor), interest income, and a small amount of miscellaneous revenues and cash transfers into the General Fund.

Like the City’s total budget, the General Fund may be viewed in two different ways.

**Legal General Fund Budget**

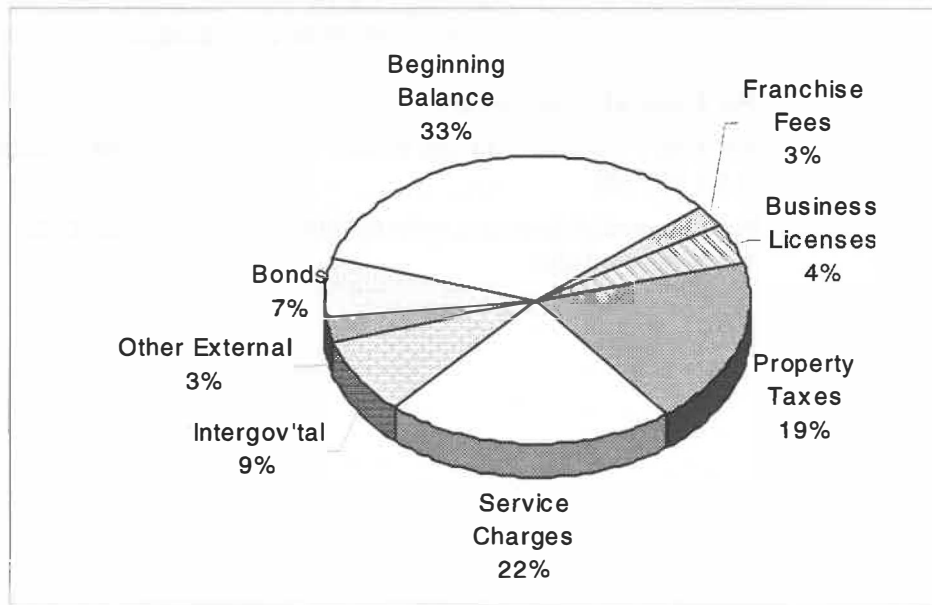
The Legal General Fund budget for FY1999-00 is \$349.4 million, representing a \$5.0 million increase from the FY1998-99 Revised Budget.

**Net General Fund Budget**

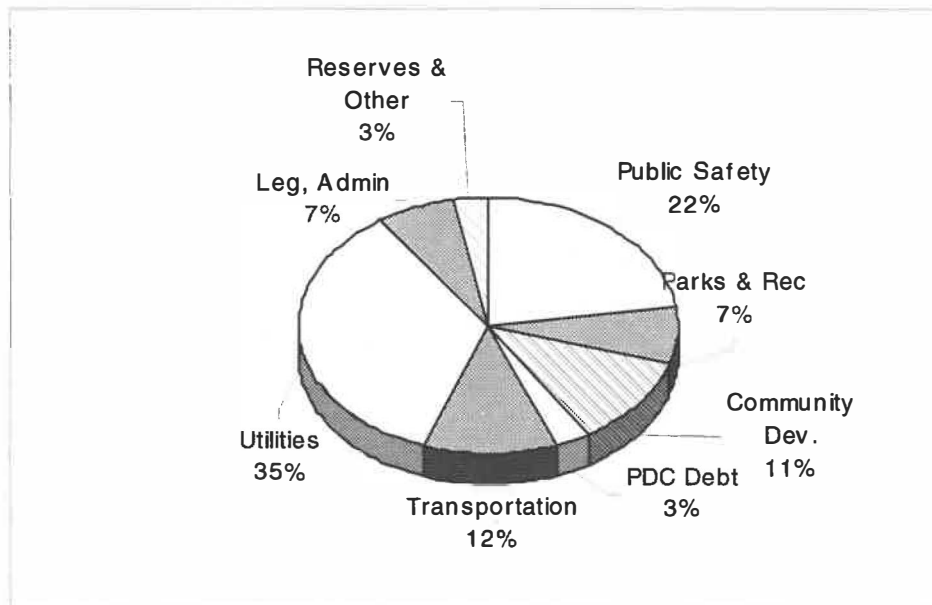
The City's Net General Fund Budget is the same as its legal budget, totaling \$349.4 million in FY1999-00.

For a numerical summary, refer to Table 3, General Fund, in the Financial Tables section of this budget volume

**Figure 9: Total City Budget — Resources by Major Category**

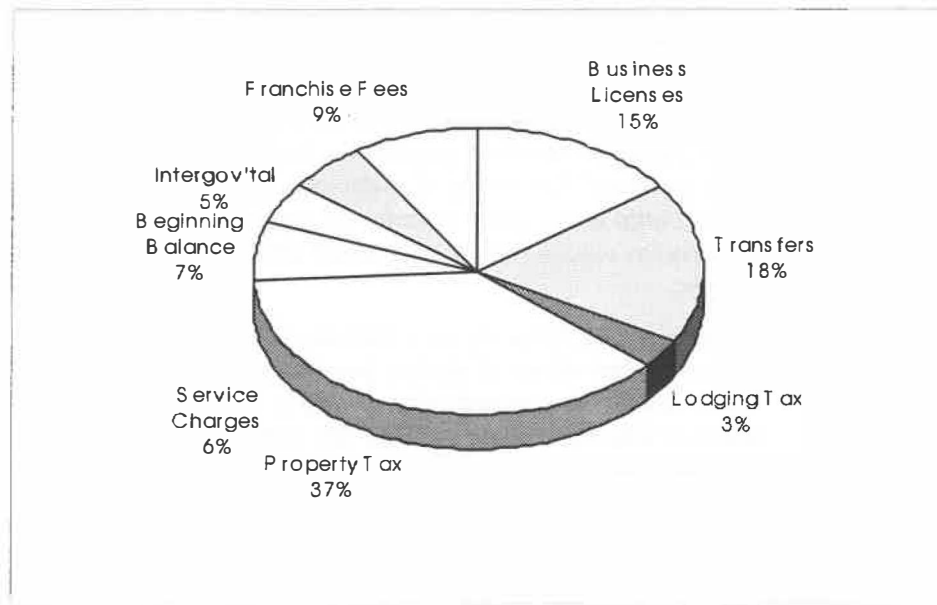


**Figure 10: Total City Budget — Requirements by Service Area**

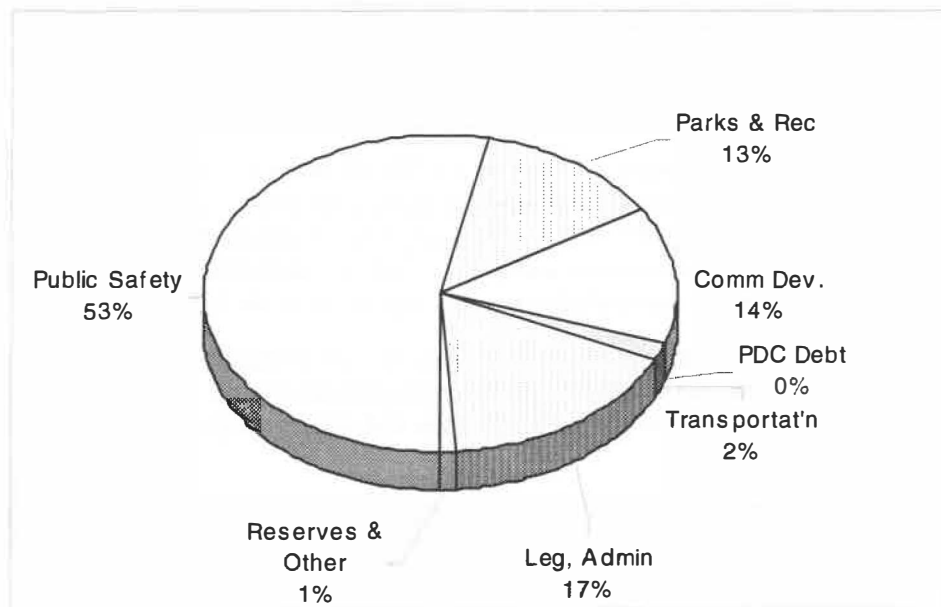


	FY1998-99 Revised	FY1999-00 Adopted	Dollar Change	Percent Change
<b>Total City Budget</b>				
Total Budget	\$ 1,770,761,376	\$ 1,768,177,196	\$ (2,584,180)	-0.15%
Less: Tax Anticipation Notes and Interfund Transfers	\$ (473,704,727)	\$ (476,843,949)	\$ (3,139,222)	0.66%
<b>Net Budget</b>	<b>\$ 1,297,056,649</b>	<b>\$ 1,291,333,247</b>	<b>\$ (5,723,402)</b>	<b>-0.44%</b>

**Figure 11: General Fund — Resources by Major Category**



**Figure 12: General Fund — Requirements by Service Area**



Revised FY1998-99	Adopted FY1999-00	Dollar Change	Percent Change
\$ 344,333,356	\$ 349,377,196	\$ 5,043,840	1.46%

**Revenue Summary**

Financial summaries of resources and expenses are presented in Table 5, Total Revenues and Expenses by Fund by Fiscal Year, in the Financial Tables section of this budget volume.

### Changes from the Previous Year - General Fund

**Resources:** General Fund resources decrease by \$5.0 million which recognizes the effects of the unusually large beginning balance in FY1998-99, which is down \$6.0 million for FY1999-00.

The beginning balance for FY1998-99 was unusually high due to uncertainties surrounding the implementation of the property tax limitation measures, Measures 47 and 50. Because of that uncertainty, Council made a decision not to allocate possible additional property tax revenue until it was clear what the amount of those resources would be, if any. Additional property tax receipts were realized and allocated by Council in the fall Budget Monitoring Process.

*The General Fund resources for FY1999-2000 are \$2.8 million less than the Revised Budget for FY1998-99.*

**Property taxes:** Property taxes increase \$7.0 million, or 5.1%. This modest increase affirms the anticipated effects of the last property tax limitation measure. That measure, Measure 50, limits taxable assessed value growth to 3% per year, plus any new construction. Property taxes are now computed as a fixed rate upon the assessed value. The fixed rate is \$4.5770 per thousand dollars of assessed value.

**Business License:** Revenues increase \$3.6 million. This 7.4% increase is small compared to the previous five years. This low increase is a strong indicator that local and regional economic growth has slowed. The lower rate of increase also reflects the loss of corporate headquarters income from those businesses which relocated their headquarters outside the City of Portland.

**Service charges and fees:** Projected revenues are up \$0.4 million, which is a 3.1% increase. The bulk of this increase, \$1.0 million, is parks and recreation facilities charges. The increased fees will be generated by the new community centers and other new or upgraded recreation facilities which were completed in FY 1998-99 or will be completed in FY1999-00.

This increase is offset by a \$780,000 decrease in budgeted planning fees. The FY1998-99 Revised Budget assumed an aggressive level of planning fee growth that did not materialize. The FY1999-00 Adopted Budget fee revenues have been adjusted downward to reflect the latest projections and trends, include a workload which remains high, but with fewer of the large commercial projects which generate the large fees.

**State shared resources:** State resources shared with local governments are forecasted to increase \$800,000, reflecting higher anticipated cigarette and liquor tax revenues. These taxes are collected by the state and apportioned to the cities and counties based upon a fixed formula.

**Miscellaneous:** Miscellaneous other resource and revenue adjustments result in a net decrease of \$3.3 million to the General Fund from the FY1998-99 Revised Budget.

### One-time versus On-going Resources

*General Fund on-going resources increase \$5.7 million over FY1998-99.*

The General Fund resources are categorized as 'recurring', or on-going, versus one-time. An example of one-time resources is an increase in beginning fund balance. An example of recurring resources is the increase in property tax revenues which is anticipated to be sustained over time.

The net effect of the changes in General Fund resources for FY1999-00 is an increase of \$5.7 million in on-going resources available for allocation by the Mayor and Council. There is also \$2.6 million in one-time resources available for allocation.

### Changes from the Previous Year - Summary of Other Funds

**Transportation:** The major change is an operating fund increase of \$10.6 million. This reflects \$2.4 million decrease in Beginning Fund Balance, and a \$12 million increase from the Parking Facilities Fund to support the Central City Streetcar construction project. The decrease in Beginning Balance reflects the completion of previous capital projects that crossed fiscal years. Transportation also increases the resources from the Local Improvement District Fund (\$4.7 million) to support specific projects in targeted neighborhoods and business districts.

*Construction permits are projected lower for FY1999-00.*

**Buildings:** The Buildings Fund decreases a net of \$1.0 million. The significant change is a reduction in licenses and permit revenues. Construction permit fees are expected to decrease \$800,000 from FY1998-99.

*Capital expenditures decrease in Environmental Services and increase in Water.*

**Sewer Operating Fund:** This enterprise fund declines by \$10 million. The transfer from the capital construction fund decreases by \$6.0 million, reflecting reduced construction activity. An additional decrease is in the beginning balance, which is reduced by \$2.2 million. The expiration of a federal grant decreases resources by \$5.0 million. These decreases are partially offset by a \$4.2 million increase in utility charges. The increase in utility charges will fund continuing operations.

**Water Fund:** This enterprise fund increases \$8.1 million reflecting a higher beginning balance (\$2.1 million), increased construction (\$1.3 million), and a \$3.0 million increase in utility charges to fund continuing operations.

**Water Construction:** This fund increases by a net \$17.5 million reflecting the scheduled issuance of \$27.9 million in revenue bonds in FY1999-00, and a reduction of \$10.9 million in Beginning Fund Balance. The balance drop reflects the completion of previous capital projects. The increase in revenue bond proceeds will fund new capital projects tied to systems improvements and replacement of older facilities.

*The City will use revenue bonds to improve the golf courses.*

**Golf Fund:** The Golf Fund will increase by \$9.1 million. This enterprise fund will issue \$8.3 million in revenue bonds to fund capital improvements at two City owned golf courses.

**Parking Facilities:** This fund increase by \$24 million. The increase is primarily due to a \$20.9 million higher Beginning Fund Balance. This reflects the anticipated carryover of revenue bond receipts. Funds will be used to support part of the Central City Streetcar project and other parking facility capital improvements.

*The City maintains its emergency reserves.*

**General Reserve:** The General Reserve Fund is budgeted at \$36.3 million. This maintains the City commitment to set aside funds for fiscal emergencies. Half of the funds is targeted for emergencies such as natural disasters. The other half is for economic downturns such as a recession or other significant negative impacts to General Fund resources, such as tax limitation measures.

*Construction will begin on a new fire station in FY1999-00.*

**BFRES Facilities GO Bond Construction:** This is a new fund established in response to the successful passage of the GO Bond in the fall of 1998. \$24.0 million in bonds will be sold in FY1998-99 and carried over to FY1999-00. The funds will be used to for capital construction and improvements for the Fire Bureau, and the Bureau of Emergency Communications.

**Parks Bond Construction Fund:** This capital fund drops from \$22.3 million down to \$5.2 million. This reduction is the result of the completion of projects financed by an earlier bond measure. All projects funded by that 1994 measure will be completed by the end of FY1999-2000.

*Facilities Services will finish one major project and begin efforts on the public safety facilities.*

**Facilities Services:** This internal service fund is reduced from \$55.9 million to \$34.9 million. The net reduction recognizes the near completion of the new development building and the beginning of the public safety facility projects.

- ◆ **Development Services Building:** This new building is under construction and will be completed in the summer of 1999. It is part of the Blueprint 2000 effort, a major redesign and reorganization of bureaus and workflows supporting planning and development activities.
- ◆ **Public Safety Facilities:** The public safety facility projects are funded from the \$53.8 million bond measure passed in the fall of 1998. The \$24.8 million in expenditures for FY1999-00 entails the purchase of land and construction of one new fire station and seismic upgrades to other stations.

## Expenditure Summary

The City budget may be presented in a number of different ways. In an effort to aid understanding of the City budget this document presents the budget by service area, by bureau, by fund, by program and by line item. You may access each of these presentation within different areas of the document, such as in the Financial Tables or bureau sections of this budget volume.

A presentation by service area or program is presented in the next major section of the overview, Highlights by Service Area.

This summary presents the expenditures by line item, such as base salary, overtime, benefits, etc. The City budget line item expenditures are summarized by Major Object Category. Table 1 of the Financial Tables summarizes this information.

- ◆ **Personal Services (wages and benefits):** Personal Services total \$367.1 million, which is a 4 percent increase over the prior year. The major increase is in the benefits line item, specifically, the increase necessary to deal with the PERS unfunded liability issue mentioned in the Mayor's Budget Message.
- ◆ **External Materials and Service:** External M&S expenditures are adopted at \$304.6 million, which is a decrease of \$11.1 million from the previous year.
- ◆ **Internal Materials and Services:** Internal M&S, services supplied by one city bureau to another city bureau, increases \$12.6 million.
- ◆ **Capital Outlay:** Capital expenditures which encompasses major capital items such as land and buildings, decreases \$49.1 million. The decrease is due to less capital in Parks, Environmental Services, and General Services.

## EXPENDITURE HIGHLIGHTS BY SERVICE AREA

### Introduction

The highlights of the following section present the budget from the viewpoint of the general service area in which the funds are appropriated. Expenditures can and do cross service areas and bureaus in an effort to most effectively address the goals and priorities of the citizens and elected officials.

*The City employs a coordinated approach across all bureaus to address Citywide goals and objectives.*

For instance, homeless youth programs, after school programs for youth (Schools Uniting Neighborhoods), summer school support, schools audit support, and the Youth Gun Anti-violence program all address a number of goals targeted to a specific population - youth. Goals supported are: support quality education; ensure a safe and peaceful community; inclusion of under represented groups; and become a more effective regional partner.



The actual expenditures for these efforts are budgeted in three different service areas: Public Safety; Parks, Recreation and Culture; and Community Development and Services.

Another example of strategies and objectives which cross service areas in support of Council goals is planning efforts. Although the decision package for 2040 Planning is presented within the Community Development and Services area, actual expenditures will take place in other service areas as well: Transportation and Parking; Parks, Recreation and Culture; and Public Utilities.

The above examples highlight the city's coordinated approach to addressing goals through citywide efforts affecting many bureaus.

### **Public Safety**

- ◆ The budget for police includes increases above inflation or contractual requirements for the lease of a police warehouse, \$178,000, and \$100,000 in support for the Youth Gun Anti-violence program.
- ◆ The Fire Bureau receives no increase above inflation or contractual agreements in its operating budget. Due to the passage of the \$53.8 million bond measure, Fire will begin major capital projects to enhance the safety and reliability of public safety buildings. The \$24.0 million budgeted for FY1999-00 may be found in the capital budget of the Bureau of General Services, Facilities Division.
- ◆ The Emergency Communications facility will also benefit from the passage of the public safety facilities bond measure, but the bureau will receive no operating budget increase beyond inflation and/or contractual requirements.

### **Parks, Recreation and Culture**

- ◆ The Parks Bureau operating budget increases by over \$1.2 million. \$500,000 of this will enhance maintenance efforts for open space and developed parks properties.
- ◆ The General Fund will support \$1.7 million in capital projects for the Parks Bureau. This support is largely driven by the failure of a parks bond measure in the fall of 1998. Recognizing the unmet needs, the Mayor and Council have indicated their support for the parks by supporting this capital allocation.
- ◆ Parks will use a \$300,000 increase over the FY1998-99 allocation for after school programs in support of the overall city strategy to address the needs of our youth. This expenditure is the prevention side of the Youth Gun Anti-violence effort.
- ◆ The City Auditor will complete an audit of parks operations this calendar year. Parks will follow this effort by developing a long range strategic plan to guide their future operations. This budget allocates \$225,000 to support the strategic planning effort.
- ◆ The Regional Arts and Culture Council will receive an increased allocation of \$200,000 to support the Portland Opera. It is anticipated that this commitment will continue for five years.

### **Public Utilities**

- ◆ The Bureau of Environmental Services (BES) will lead citywide efforts to address the listing of several fish species under the Endangered Species Act. The total effort for year two of this anticipated multi-year program is \$2.7 million. The Adopted Budget includes \$721,000 for the participating General Fund bureaus.
- ◆ BES continues its Combined Sewer Overflow program. This program will upgrade the existing system and virtually eliminate the discharge of raw sewage into the rivers as they pass through Portland. Expenditures for FY1999-00 will surpass \$62.8 million.
- ◆ The Water Bureau will continue to address regional water supply needs through cooperative efforts with other jurisdictions. They have also allocated \$27.3 million in capital expenditures to support improvements to existing infrastructure, and other expenditures to improve customer service.

**Community Development and Services**

- ◆ The budget allocates a total of \$1.4 million to planning efforts addressing the Regional Framework Plan. The planning will focus on regional centers, main streets and town centers identified by Metro and the City. These include Gateway, Hollywood, St. John's, North Macadam, and the Civic Stadium area.
- ◆ The 2040 plans above are in addition to other, specific plans tied to distinct geographical areas of the city. The Adopted Budget allocates \$350,000 for planning efforts in the NW Industrial Area, the Greenway along the Willamette River, West Downtown, and Pleasant Valley.
- ◆ \$100,000 will be used to update the existing City strategic plan, Portland Future Focus. The existing document has successfully guided policy and the resulting budgets for a period of ten years.
- ◆ Tax increment resources of \$100,000 will be used to support planning efforts in the Central Eastside, which is in an established urban renewal area. Planning will also begin in the new urban renewal areas, Lents and the River District.
- ◆ The various 2040 planning efforts are backed by an allocation of \$521,000 to begin implementation of the plans.
- ◆ The Adopted Budget continues support for housing throughout the city. The budget allocates General Fund resources of \$1.8 million for the possible interim purchase of expiring Section 8 housing, and \$1.2 million in General Fund support for continued development of new affordable housing.
- ◆ The Portland Development Commission will combine tax increment funding with federal Community Development Block Grant funds for another \$42 million in housing support. This continues the year one allocation, which totaled approximately \$64 million.
- ◆ Another piece of the overall strategy for growth management and workforce development in the city is supported by an increased allocation of \$100,000 to enhance efforts at business retention and recruitment.
- ◆ The City will support the homeless youth programs of Multnomah County by allocating a total of \$500,000 in FY 1999-00. Only \$350,000 of this is on-going support.

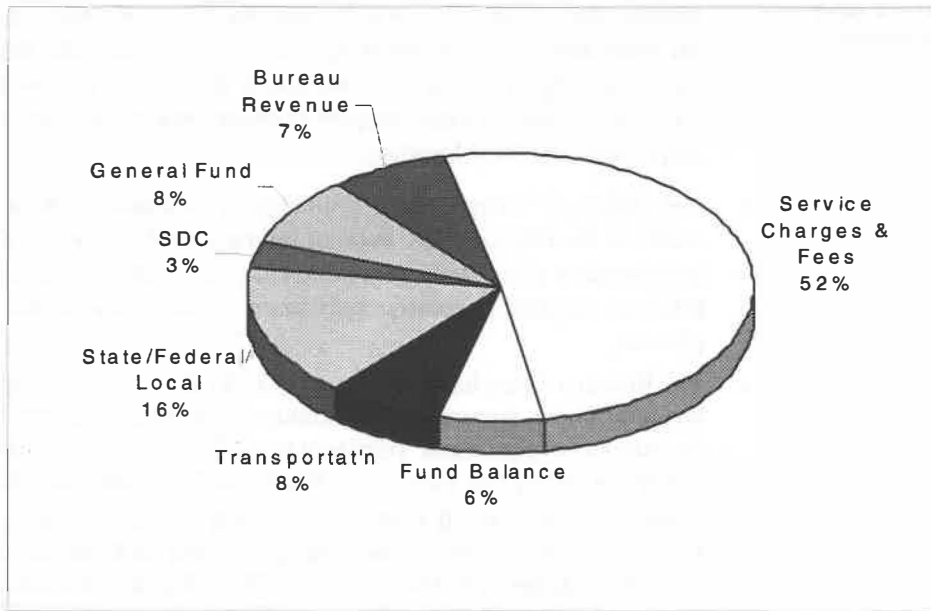
**Transportation and Parking**

- ◆ The Adopted Budget continues a commitment to the transportation needs of the city by allocating \$716,000 in General Fund resources to support programs in danger of being reduced due to the lack of adequate gas tax revenues. These programs include:
  - ❖ Abandoned Auto Program
  - ❖ Central Business District Sidewalk Scrubbing
  - ❖ Landscape Maintenance
- ◆ Assuming the passage of a gas tax increase by the state legislature, Transportation may restore other programs reduced or eliminated over the previous three years. Transportation will use some of the anticipated increase to address the growing road maintenance backlog.

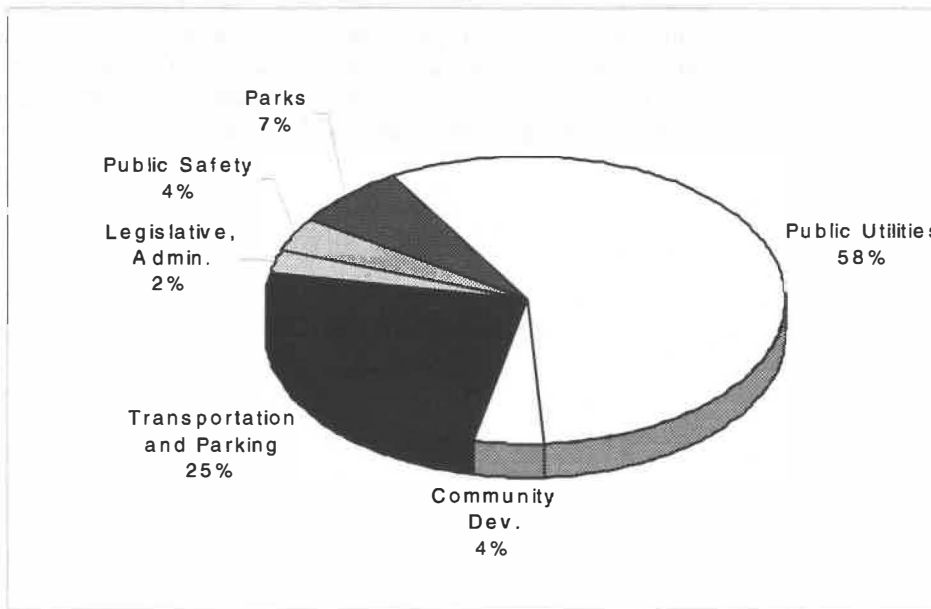
**Legislative,  
Administrative and  
Support Services**

- ◆ This Adopted Budget allocates funds for enhancement of “family friendly” policies by funding the construction of a day care facility on the first floor of the Portland Building, the main administrative building of city government. The budget includes \$210,000 in one-time support for the construction of the facility and an on-going commitment of \$55,000 in General Fund support to ensure that the facility remains affordable to City employees and their families.
- ◆ The Office of Finance and Administration will receive an allocation of \$147,000 to continue the efforts of the Service Improvement Initiative (SII). The SII is a collaborative effort between management and labor to strengthen labor management relations targeted to continuously improve the overall delivery of services to the citizens.
- ◆ The Bureau of Purchases will receive \$200,497 to enhance efforts in the recruitment and hiring of under-represented populations. The funds support apprenticeship programs in the bureaus of Parks and Transportation. This General Fund support augments efforts within the enterprise bureaus of Water and Environmental Services.
- ◆ Support for the schools is budgeted within this Service Area. The allocation includes \$1.0 million for summer school programs and \$4.0 million to assist Portland area schools in support of efficiencies or efforts that lower future costs. The allocation for Portland Public schools will support the implementation of findings from the recently completed audit. The allocation will target findings or suggestions in the audit which require the infusion of one-time support.
- ◆ This budget allocates \$250,000 to assist in outreach efforts addressing citizen concerns about the possible effects of the Year 2000 (Y2K) issue. (This is the possible problem which may affect computers and/or automated systems which use a 2 digit format for the year portion of the date, rather than 4 digits.) The educational outreach will address City provided services. Portland may partner with other agencies and private industries, such as banking, utilities, and the hospitals.

**Figure 13: Capital Projects Funding Source**



**Figure 14: Capital Projects by Service Area**



**Expenditure Summary**

Public Safety	\$ 8,370,718	3.87%
Parks	\$ 14,751,472	6.83%
Public Utilities	\$ 124,555,671	57.65%
Community Dev.	\$ 9,649,510	4.47%
Transportation and Parking	\$ 53,634,524	24.82%
Legislative, Admin.	\$ 5,110,904	2.37%
	<b>\$ 216,072,799</b>	<b>100.00%</b>

## CAPITAL IMPROVEMENT PLAN

**Overview** The FY 1999-00 Adopted CIP totals \$243.9 million including Portland Development Commission (PDC) City-owned assets; the budget excluding PDC City-owned assets is \$216.1 million. This total is \$35.3 million, or 14 percent, less than the Revised CIP budget of \$251.4 million for FY 1998-99.

### Capital Projects of Note

#### Transportation

◆ Central City Streetcar	\$ 25,400,000
◆ City Streets Improvements	\$ 9,200,000
◆ Lovejoy Ramp Removal	\$ 2,900,000
◆ Martin Luther King Boulevard Corridor	\$ 2,400,000
◆ Parking Facilities	\$ 5,900,000

#### Public Safety

◆ Seismic Upgrades to Fire Stations	\$ 3,100,000
◆ New Fire Station	\$ 2,000,000
◆ Expand Emergency Communication Center	\$ 900,000

#### Community Development

◆ Local Improvement Districts	\$ 9,500,000
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#### Legislative, Administrative, & Support Svcs

◆ Portland Communications Center	\$ 400,000
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#### Parks, Recreation and Culture

◆ Mt. Scott Community Center and Pool	\$ 3,100,000
◆ Mt. Tabor Park Improvements	\$ 1,100,000
◆ Progress Downs Golf Course Remodel	\$ 3,100,000

**Project Costs** The reduction from FY 1998-99 is primarily due to reductions of \$24.7 million, or 82.8 percent, in Legislative, Administration, and Support Services and \$15.1 million, or 50.7 percent, in Parks, Recreation and Culture. The former reduction reflects completion of the City Hall remodeling in FY 1998-99 and completion of the new Development Services building in early FY 1999-00. The latter reduction is because the Parks General Obligation Bond spending peaked in FY 1998-99 and diminishes in FY 1999-00. Public utilities CIP spending is about \$11.3 million, or 8.3 percent, lower in FY 1999-00 than in the FY 1998-99 Revised Budget. This reduction occurs because the Combined Sewer Overflow Program work related to the Columbia Slough is nearing completion, but most of the construction on the Willamette River portion of the program has not yet begun.

**Project Management Costs** According to acceptable accounting procedures, the cost of managing capital projects by the Bureau of General Services is not reflected as a project cost; instead it is a fund level cost. For FY 1999-00, these project management costs total \$1.2 million, compared to \$380,930 in FY 1998-99.

**Sources of Funding** Funding for CIP projects, excluding PDC City-owned assets, is primarily provided through debt financing, service charges and rates, bureau revenues, federal/state/local revenues, and the General Fund.

**Debt Financing**

Revenue bonds are the largest source of funding for CIP projects during FY 1999-00, with a total of \$109.7 million, which is 50.8 percent of the total. Total debt financing, which includes revenue bonds, general obligation bonds, LID financing, and other financed resources are budgeted to be about \$140.5 million.

**Service Charges and Rates**

Service charges and rates, which are mainly utility rates, account for approximately \$38.5 million of resources, or 17.8 percent of the total.

**Bureau Revenues**

Other large sources of revenues are bureau revenues which are budgeted to be \$5.5 million (2.6 percent). These include revenues for interagency agreements, cash transfers, service reimbursements, rents, land sales, and partnerships.

**Federal/State/Local Revenues**

Federal, state, and local revenues, which include both grants and intergovernmental resources, are budgeted to be nearly \$12.0 million. General transportation revenues, mainly gas tax revenues, are estimated to be approximately \$5.8 million.

**General Fund**

The General Fund will contribute a total of \$6.3 million for capital projects in FY 1999-00. This includes \$4 million from the General Fund Set aside with the remaining \$2.3 million from General Fund Discretionary.

In 1996, the City Council approved by Resolution 35526, establishment of a General Fund Set aside for capital projects. The Five Year Financial Forecast for the General Fund provides for an increase of \$1 million a year until the Set aside reaches \$8 million.

The process for General Fund Set aside resource allocations is coordinated through the efforts of the Capital Review Committee (CRC). The CRC is an inter-bureau group that was established in FY 1989-90 and which recommends to the Council specific project allocations.

The requests for General Fund resources for capital projects, totaling \$29 million, far exceed the available resources, and this situation has existed for many years especially since Measures 47 and 50 were approved in FY 1996-97. This is due to the fact that the General Fund is often the only available resource for projects by or for General Fund bureaus (primarily in the public safety, administration, and parts of the transportation and parks service areas).

## CAPITAL EXPENDITURE HIGHLIGHTS BY SERVICE AREA

### Public Utilities Service Area

In FY 1999-00 the largest portion of the CIP is for public utilities, which accounts for \$124.6 million, or 57.7 percent of the total. The Bureau of Environmental Services accounts for approximately \$97.3 million of this amount, and the Bureau of Water Works CIP totals almost \$27.3 million.

#### Bureau of Environmental Services

The largest public utilities program expenditures are for the Combined Sewer Overflow Program, which are anticipated to be about \$62.9 million in FY 1999-00. Another \$17.0 million is anticipated to be spent on capital maintenance projects and about \$6.1 million on capital projects for wastewater treatment. Nearly \$5.9 million is budgeted for surface water capital improvements.

#### Bureau of Water Works

The largest area of water utility capital spending is water supply, with a total of about \$14.3 million, followed by \$11.1 million for water distribution improvements.

### Transportation and Parking Service Area

Transportation and Parking is the next largest service area of the FY 1999-00 CIP, accounting for \$53.6 million, or 24.8 percent of the total CIP budget. Transportation is expected to account for about \$47.7 million, and Parking Facilities will comprise the remaining \$6.0 million of the total.

#### Transportation

The largest programs within the Transportation and Parking service area are the Transit Program (\$26.9 million) and the Street Improvement Program (\$14.5 million). The most significant CIP project in this service area is the construction of the Central City Streetcar, which is estimated to be \$25.4 million during FY 1999-00. Examples of other notable projects include \$9.2 million for street improvements, \$2.9 million for work to remove the Lovejoy Ramp, and \$2.4 million of transportation improvements in the Martin Luther King Jr. corridor.

### Parks, Recreation and Culture Service Area

Parks, Recreation and Culture is the third largest service area, with a total CIP of more than \$14.8 million. This amount equals 6.8 percent of the total CIP budget.

#### Parks and Recreation

Dedicated expenditures from the Parks Bond Construction Fund of \$5.2 million are included in this total, as well as \$3.8 million of Golf Fund improvements and \$2.9 million from the Parks Construction Fund. The most significant projects are \$3.1 million for the Mt. Scott Community Center and pool, \$3.1 million for remodeling of the Progress Downs Golf Course, and \$1.1 million for improvements at Mt. Tabor Park. There is also \$1.9 million budgeted in FY 1999-00 for purchase of surplus schools land for future parks.

### Community Development and Services Service Area

Community Development and Services is the next largest service area, with about \$9.6 million of CIP expenditures for LID construction (4.4 percent of the total CIP). This figure represents City-owned assets; it does not include funding provided by the City for support of housing programs that are not City assets, but are a critical component of the City Council's goals.

**Public Safety Service Area**

Public Safety follows with \$8.4 million of CIP expenditures. This spending level accounts for 3.9 percent of the total CIP budget. The budget includes \$3.1 million for seismic upgrades and other improvements to fire stations, \$2.0 million for a new fire station, and \$875,000 for expansion of the Portland Communications Center.

**Legislative, Administrative, and Support Services Service Area**

Finally, Legislative, Administrative, and Support Services accounts for \$5.1 million, or 2.4 percent, of the CIP budget. The budget includes \$1.3 for downtown space requirements, \$452,066 for upgrading of the City's 800 MHz radio system, \$2.7 million for ongoing repair projects in the Portland Building, \$1.3 million for maintenance projects in the Portland Communication Center, and \$240,427 for the major repair and maintenance of the Union Station.



# Financial Overview

## CITY FINANCIAL PLANNING PROCESS

### Background

This budget represents the second year of a two-year budget as well as the second year under Measure 50 property tax limitation. Measure 50 was approved by voters in May, 1997. Over the past two years the City in general and the General Fund in particular have adjusted to Measure 50.

*Property values were rolled back in FY1996-97.*

Briefly, Measure 50 rolled property values back to 90 percent of FY1995-96 values or Real Market Value (RMV), whichever was less. These values were then adjusted by local assessors for new construction. Local government and school property tax levies were then reduced using a complex formula specified by Measure 50 and its implementing legislation.

*The General Fund permanent tax rate is \$4.5770 per \$1,000 of assessed value*

The City's tax base levy was reduced from approximately \$141.1 million to \$121.5 million for FY1997-98. The City's General Fund was given a tax rate of \$4.5770 per \$1,000 of Measure 50 assessed value. This is a fixed, permanent tax rate that was calculated using the Measure 50 reduced levy and rolled back values.

Assessed value growth is limited to 3 percent per year on existing properties plus new construction assessed value. Second year assessed value growth came in at 5.4 percent. This above average growth reflects, in part, a boom in new office construction in the downtown area.

The City is planning, over the long term, on assessed value growth of about four percent per year. In good years, property tax revenue growth may exceed four percent by one to two percentage points. During bad years, revenue growth may slow to zero or may possibly be negative.

### Financial Plan Process

The first step in the budget process involves preparation of an updated financial plan for each major bureau. In addition to the General Fund, specific financial plans are prepared for other major city bureaus, including Transportation, Environmental Services, Buildings, and Water.

*Financial Plans are used by Council to direct budget development.*

These plans, which forecast revenues and expenditure requirements by fund over a minimum of five years, identify long-term service and financial issues requiring attention during the budget process. The plans aid council by placing decisions in a long range financial context for purposes of developing budgets that are balanced for the coming year and subsequent out-years of the five year financial forecast period. Council reviews these plans during work sessions early in the budget preparation process. At that time, bureau managers are given direction on identified issues that provides guidance for preparing and finalizing budgets.

A summary of these plans is included in the following sections. Due to its significance to the City's annual budget, the General Fund five-year financial plan is described in greater detail below.

## GENERAL FUND FINANCIAL FORECAST

### General Fund Discretionary

The Financial Planning Division regularly generates five-year estimates of General Fund discretionary resources and requirements for Council. Discretionary resources are those that Council can allocate to support any service area. In other words, Council allocates these resources without restriction, in accordance with priorities.

Discretionary resources exclude grants, contract revenues, service reimbursements, and other revenues that are dedicated for a specific purpose. Discretionary resources include property taxes, utility license fees, business license fees, transient lodging taxes, state shared revenues (cigarette and liquor), interest income, and a small amount of miscellaneous revenues and cash transfers into the General Fund.

*The forecast assumptions are reviewed by a panel of experts.*

The Council’s financial planning process starts with the preparation of a five year General Fund revenue forecast that is reviewed by the City’s “Economic Conditions Panel,” composed of experts from both the public and private sectors. This group reviews the underlying assumptions that generate the five-year revenue forecast. The Financial Planning Division then issues a five-year revenue forecast document at the conclusion of this process.

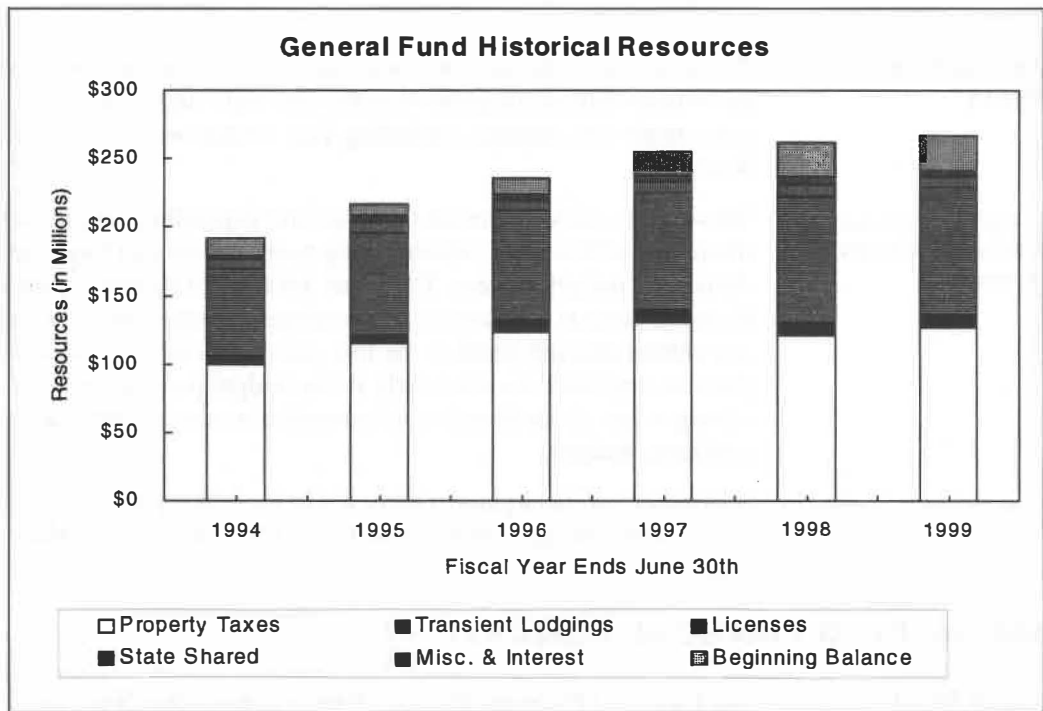
*The financial forecast is adopted by resolution early in the budget process.*

The five-year revenue forecast is used to develop a five-year financial forecast. This forecast compares estimated resources (revenues plus beginning fund balance) with the projected costs of maintaining current service levels.

The initial forecast was published and reviewed by Council on December 8, 1998. Council approved Resolution #35753 adopting the financial forecast on December 23, 1998. The fall financial forecast was updated in conjunction with the Budget Committee’s Approved budget in March and Council’s Adopted Budget in late June.

The beginning balance estimate, a key resource of the General Fund, is updated at the conclusion of each accounting period and published in the Financial Outlook. This report is broadly distributed and provides current information on the General Fund’s financial condition. The financial forecast is used by Council in formulating both Approved and Adopted Budgets.

**Figure 15: Historical Resources**



*Historical growth has slowed considerably since passage of the tax limitation measure, Measure 50.*

As shown in Figure 15 on page 42, the City's General Fund enjoyed steady revenue growth up through FY1996-97. Passage of property tax limitation Measure 50 brought revenue growth to a halt due to a 7 percent decline in property tax revenues in FY1997-98. Discretionary revenue growth was slightly negative, down 0.6 percent, while overall General Fund revenue growth amounted to only 1.8 percent. Revenue growth in most other areas continues, for the most part, unabated.

Moving forward, revenue growth is expected to be lower, reflecting Measure 50 limits on property tax revenue growth, but even with continued good revenue growth in other areas of the General Fund's "revenue portfolio", it is unlikely that year-to-year revenue growth will exceed 5 percent per year.

## **Forecast Assumptions**

The key economic outlook assumption that underpins the General Fund financial forecast calls for moderate regional economic growth at the national, state, and regional levels. Several other key assumptions were made during the course of developing the Approved Budget General Fund five-year resource forecast.

**Assessed Value Growth:** Year-to-year Measure 50 assessed value growth is forecast at about 3 percent on existing values over the five-year forecast period. New construction assessed value growth is assumed to average about 1 percent per year. This growth should generate additional property tax revenues of \$1.5 to \$2.5 million per year and increase property tax revenue growth to about 4 percent a year. This revenue forecast reflects Council's creation of two new urban renewal districts; Lents Town-Center and River District. The creation of these two districts will add an estimated \$800 million to frozen base values and will cost the General Fund about \$250,000 in lost revenues per year over the next five years. In addition, this forecast assumes that the General Fund levy will be reduced by about 1.95 percent due to "property-by-property" Measure 50 compression. This reflects actual FY1997-98 experience with this new property tax system.

**County Levy Authority:** County levy authority is forecast at \$180.3 million, including an estimated \$21.7 million for the County's local option Library Levy.

**Urban Renewal Collections:** Urban renewal collection authority will total about \$35 million. Special levy authority will total \$9.5 million, instead of the \$11.5 million previously estimated. Special levy authority will be lowered \$2 million for FY1999-00 to offset a \$2 million over collection that occurred during FY1998-99 due to confusion that occurred in filling out urban renewal collection forms sent to the Department of Revenue last year. Urban renewal special levy authority will increase as planned after FY1999-00 to \$15 million by FY2002-03.

**State Shared Revenues:** The forecast includes continuation of State liquor and cigarette tax distributions to cities at present levels under existing formulas. These revenues are projected to average about \$8.7 million per year over the next five years.

**Business License Growth:** Slower business license revenue growth is expected over the next two years because of a slower regional economy and the loss of business license taxable headquarters income associated with corporate headquarters leaving Portland.

**Transient Lodging Taxes:** Transient lodging taxes are expected to continue above trend growth for at least another two to three years. Vacancy and room rates appear to be stable to mildly increasing. In addition, there are three large hotels currently under construction, and one large hotel came on line this year out at the airport.

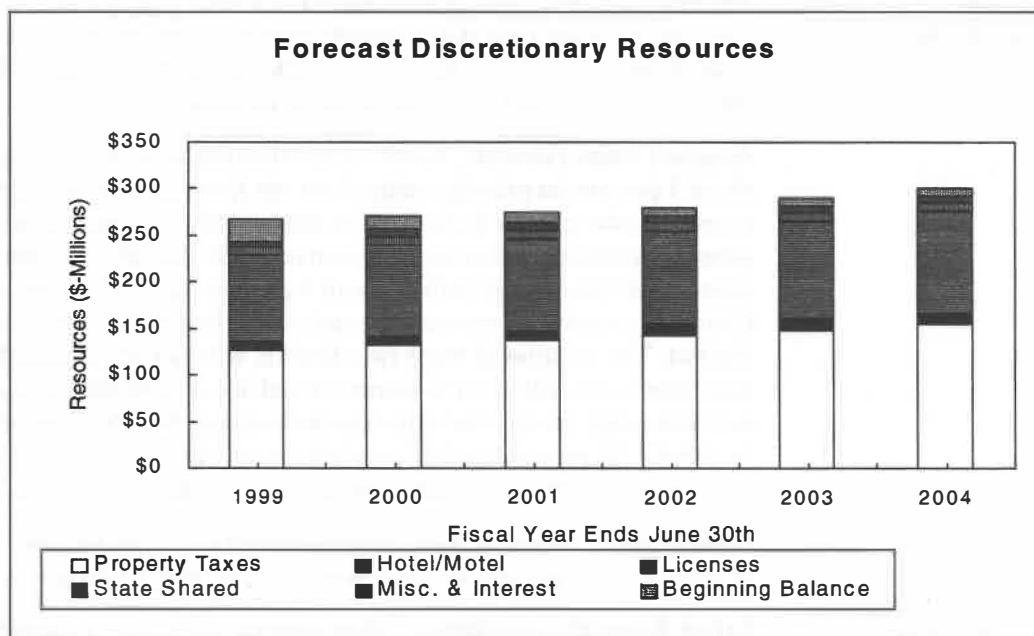
*The City will under collect some urban renewal resources in FY1999-00 to correct for a technical error in the FY1998-99 levy authority.*

*Slower economic growth limits business license revenue growth.*

**Utility License Fees:** The water and sewer license fee rate is assumed to remain at the 7.75 percent level throughout the five-year financial forecast. Energy related franchise fees and privilege taxes are expected to grow more slowly due to the low inflation environment and uncertainty surrounding utility deregulation.

The Adopted Budget resource forecast, presented in Figure 12, identifies FY1999-00 discretionary resources totaling \$270.4 million versus an Adopted FY1997-98 budget of \$262.1 million. This estimate is composed of about \$13.6 million in beginning fund discretionary balance with the remainder as revenues. Figure 16 on page 44 summarizes the five-year discretionary resource forecast and includes the present year.

**Figure 16: Discretionary Resources**



**Five Year General Fund Financial Plan**

The Council takes a five-year approach to developing each budget so that the budget itself is always the first year of a five-year financial plan. This ensures that the long range impact of major decisions is considered in developing the budget.

The Adopted Budget (June) financial forecast indicated that Council had an additional \$2.53 million available over and above the Budget Committee’s Approved Budget financial forecast. In addition, the Approved Budget included about \$768,000 of unbudgeted resources in contingency. Total additional resources available to Council for the Adopted Budget came to \$3.29 million with \$2.38 million on-going and about \$913,000 available as one-time.

Council’s Adopted Budget allocated \$1.5 million of this to on-going technical requirements including about \$540,000 for Planning, \$153,800 for Information Technology cost increases, and about \$907,000 for labor related class and compensation adjustments. An additional \$500,000 (one-time) was made available for affordable housing. About \$917,000 of the \$3.29 million is in contingency pending final year-end results.

In summary, the Adopted Budget includes about \$5.2 million of on-going program increases with about with about \$4.58 million allocated to one-time budgets.

The financial forecast included four very significant assumptions as follows.

*The General Fund capital set-aside will increase annually.*

**Capital Set- Aside:** The forecast assumed that the General Fund capital set-aside would rise from \$4 million for FY1999-00 to \$8 million for FY2003-04 per Council Adopted Resolution No. 35526.

**New Fire Stations:** The forecast assumed, as required by a previous year's budget note, that General Fund current service level estimates would include the operation and maintenance costs associated with two new fire stations. The capital and equipment costs for the new stations will come from voter approved General Obligation (G.O.) bonds. This increased current service level estimates for FY2000-01 by \$1.18 million rising to an estimated \$1.47 million in FY2003-04.

*Pension management remains a major financial challenge.*

**Pension Management:** The forecast also assumes the City will sell somewhere between \$260 and \$300 million of pension obligation bonds (POBs).

This past fall the City was notified by the Public Employee Retirement System (PERS) that new actuarial calculations showed that the City had about a \$260 million deficit on its account. PERS is proposing that the July 1, 1999 employer payroll contribution rate rise from a previously forecast 10.48 percent to 17.4 percent of payroll. The on-going city wide annual costs of this increase are currently estimated at about \$16 million per year and rising with payrolls. The City has opted for a 10.48 percent payroll tax rate for FY1999-00.

*Bonds may be issued to help manage pension cost increases.*

The debt service associated with the POBs will be structured so as to phase-in the higher PERS costs over the next 10 years. First year debt service is currently estimated at \$7.3 million rising to about \$15.5 million in FY2003-04. The General Fund's share is \$2.7 million in FY2000-01 rising to about \$5.8 million in FY2003-04.

The forecast also assumes a 1.1 percent cost-of-living adjustment (COLA). This reflects existing labor contracts and the actual December 1997 to December 1998 increase in the Portland consumer price index (CPI).

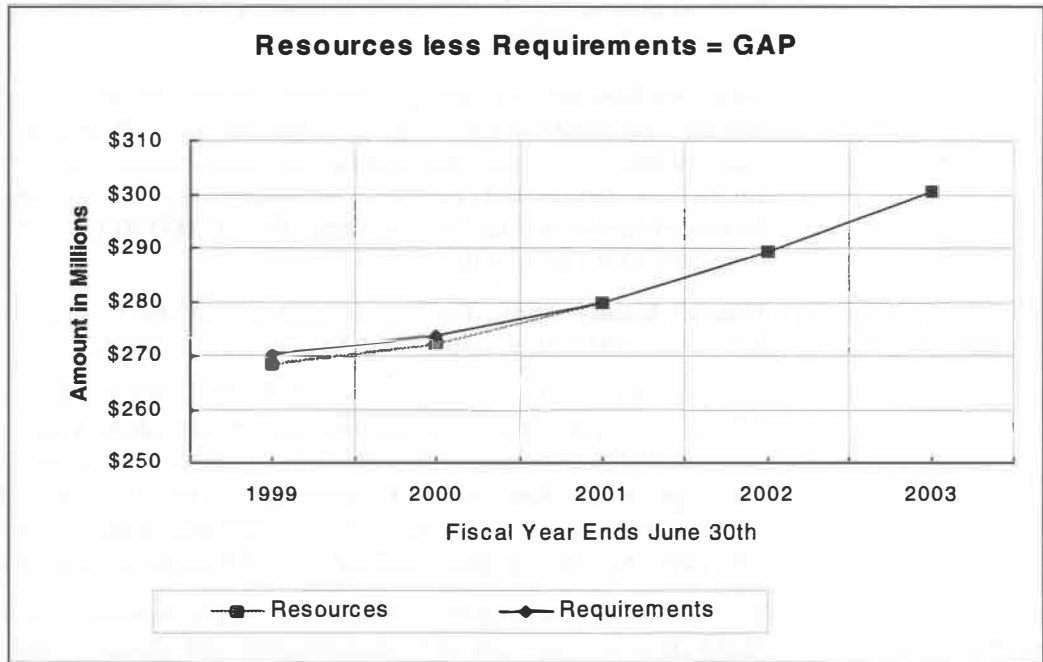
In adopting the financial forecast Council ratified these basic assumptions. Figure 17 on page 46 summarizes the five-year outlook and reflects Adopted Budget spending decisions. The forecast currently shows that very small amounts of on-going and one-time resources may become available to Council during the next two year budget cycle beginning FY2000-01.

*The forecast indicates very limited resource growth for the next three years.*

The Adopted Budget and financial plan manages the increased resources availability as follows:

- ◆ About \$2.8 million of additional resources has been allocated to on-going bureau budgets and programs. This is spread largely between Police, Fire, and Parks with small amounts of on-going resources spread among several bureaus.
- ◆ A total of \$5.2 million of available resources has been committed to one-time bureau budgets in FY1999-00.

**Figure 17: Resources less Requirements Forecast**



Thus, the Adopted Budget and five-year financial plan calls for modest increases in bureau programs and other on-going expenditure requirements. Relatively large increases in on-going program requirements will occur in resources dedicated to increased capital spending, pension costs, and new fire station operations and maintenance costs.

*One-time resources are targeted to enhance the livability of the city.*

The bulk of the one-time resources available in the Adopted Budget have been allocated to Parks (\$1.34 million), Office of Finance and Administration (\$1.03 million), Planning (\$928,000), Portland Department of Transportation-PDOT (\$716,000) and Regional Arts (\$400,000).

Figure 18 on page 46 shows the Adopted Budget five-year plan that should keep on-going program requirements in line with resources. The Adopted Budget and financial plan calls for the use of excess reserves, in excess of the 10 percent level, to help balance the General Fund over the five-year planning period.

**Figure 18: Adopted Five-year Financial Plan**

ITEM	Proposed 2000	Out-Years of Proposed Financial Plan			
		2001	2002	2003	2004
Total Resources.....	\$268,329,224	\$272,284,532	\$279,790,083	\$289,466,451	\$300,442,992
Transfer In From					
General Reserve Fund.....	\$2,100,000	\$1,650,000	\$0	\$0	\$0
<b>Requirements</b>					
CSL Requirements.....	\$217,297,133	\$231,843,047	\$240,514,401	\$248,774,237	\$257,986,427
Est. New On-Going.....	\$5,704,625	\$1,145,294	\$0	\$0	\$0
One-Time Projects.....	\$4,581,817	\$1,634,733	\$1,795,716	\$839,651	\$353,289
Council Set-Asides	\$42,845,648	\$39,311,458	\$37,479,966	\$39,852,563	\$42,103,277
<b>Total Requirements</b>	<b>\$270,429,223</b>	<b>\$273,934,532</b>	<b>\$279,790,082</b>	<b>\$289,466,450</b>	<b>\$300,442,992</b>
<b>Difference</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
Reserve Fund as a Percent of Net Revenues.....	10.1%	10.0%	10.1%	10.3%	10.4%

## Risks To The Forecast

There are four principal risks to the forecast and the accompanying financial plan. They are the regional economy and Y2K problem, pending legislation that might reduce General Fund revenues if it becomes law, pending urban renewal related court case, and labor negotiations.

**Regional and National Economy:** The regional and national economies are well into a long and sustained growth period. During this expansion, and until recently, both the regional and state economies outperformed the national economy. Last year (calendar 1998) the state's economy grew more slowly as did the regional economy. During this period, business license revenues grew from about \$19 million to about \$50 million.

*Changes in the economy have a direct affect on business license revenues.*

It is business license revenue growth that has largely shielded the General Fund from two rounds of voter approved property tax limitation. If the regional economy were to slip into recession either because of the Asian slow down or Y2K disruptions, there is the likelihood that the Adopted Budget five-year financial plan will become unbalanced.

**Legal Challenge to Urban Renewal Collections:** This past fall a property tax payer sued the City over urban renewal divide-the-taxes collections. In urban renewal districts divide-the-taxes collections result from application of a \$20 consolidated tax rate to increment assessed values. This case will be argued in the Oregon Tax Court sometime late this spring or early summer.

An adverse decision could result in property tax refunds and might severely impair the City's ability fund economic development projects using urban renewal tax collections. If this were to happen Council would have to revise its existing five-year plan.

**Legislation on Intangible Property Taxes:** The Oregon Legislature appears to have passed legislation exempting certain centrally assessed utility property from property taxation. If the Governor does not veto this bill, the City will experience a property tax revenue loss of somewhere between \$1 to \$2 million annually, on-going. This situation would require that Council completely revise its Adopted Budget five-year financial plan.

*Any or all of the financial risks may have an affect on the delivery of programs and services to citizens.*

**Labor Negotiations:** Finally, as noted earlier, the forecast and financial plan assumes a 1.1 percent Cost of Living Adjustment (COLA) to labor contracts for FY1999-00. This assumption is consistent with existing labor contracts. The City, however, is in the midst of on going labor negotiations. If labor contracts are negotiated with compensation increases that are materially different from the forecast assumption, Council will have to revise its Adopted Budget five-year financial plan.

## Financial Outlook - Other Funds

Like the General Fund, five-year financial plans are prepared for each of the City's major service bureaus. These financial plans provide a multi-year framework within which revenues, expenditures, and capital financing options are planned. This multi-year process allows the City to test the potential impact of policy, operational and system changes, and to avoid subjecting customers to wide or irregular swings in rates and fees. This budget is based upon bureau financial plans developed using information available through December 1998. The plans were reviewed and adjustments incorporated into the budget.

The following is a brief overview of the updated financial outlook for those funds:

### **Bureau of Environmental Services (BES)**

*The FY 1999-00 budget results in an increase of 9.4% for the average single family customer.*

The five-year financial plan forecasts annual rate increases of 10.8% from FY 1999-00 through FY 2000-01. The forecast for FY 2001-02 through FY 2003-04 is for 10.0%, 7.2% and 6.5% annual rate increases in the respective years. The plan assumed no change in the utility license fees, which are currently at 7.75%. The rate increase contained in FY 1999-00 Adopted Budget results in an increase of 9.4% for the average single family customer. This increase differs from the financial plan because BES undertook cost reduction measures to offset the adverse effects of unanticipated revenue reductions, increased pension obligations, and increased expenditures as a result of Endangered Species Act and other regulatory requirements.

*Operating costs will have an increased impact on rate changes.*

The BES budget contains an operating program that has approximately \$1.7 million lower expenditures than the FY 1998-99 Revised Budget. Personal Services expenditures increase because of cost savings from using bureau staff instead of contract employees. External materials and services decrease as a result of Combined Sewer Overflow (CSO) projects moving from the design phase to construction, which in turn reduces professional services expenditures, and because of fewer contract employees. These decreases are accompanied by cost decreases of \$8.3 million in capital outlays. Capital costs continue to be the prime driver behind the level of forecast rate increases, but operating costs will have an increased impact on rate changes now that the Sewer System Rate Stabilization Fund is nearly depleted, as planned.

The largest category of capital costs will be the CSO program, followed by maintenance and reliability projects, and sewage treatment systems. The CSO program will continue to be the largest capital program throughout the time horizon of the financial plan. The operating programs continue to reflect emphasis on water quality through efforts at pollution prevention, water quality analytical services, drainage system maintenance, watershed improvement programs, and the capital funding mix.

*BES will coordinate the City's response to the listing of nine fish species under the Endangered Species Act.*

The BES budget contains a net increase of three positions for work related to the Endangered Species Act. The five-year CIP has been reduced nearly \$3 million compared to the previous five-year plan.

### **Bureau of Water Works**

*The average water bill for single family residential customers will increase 7.4%.*

The latest financial plan projects a rate increase of 4.9% in FY 1999-00. Modifications during the budget preparation process resulted in an Adopted Budget average rate increase of 4.4% in FY 1999-00. However, the average water bill increase for single family residential customers is 7.4% because of adjustments in cost allocations for fire line customers. The plan forecasts rate increases of 8.1% in FY 2000-01 and 6.1% annually from FY 2001-02 through FY 2003-04. The plan and rates include newly adopted system development charge exemptions for affordable housing.

The capital budget is about \$600,000 lower than in the FY 1998-99 Revised Budget. The operating budget is about \$186,000 higher than the FY 1998-99 Revised Budget. A major undertaking of the bureau is the planned implementation of a new Customer Information System in FY 1999-00. This system will provide opportunities for cost reductions in customer billing, service enhancements, and/or new approaches to structuring utility rates and charges. Other reasons for rate increases include increased costs of pension obligations, citywide Geographic Information System (GIS) requirements, and an anticipated issuance of water revenue bonds in FY 1999-00.



The number of positions in the Adopted Budget is 532, compared to 523 in the FY 1998-99 Revised Budget. The increase of 9 positions includes positions for maintenance, groundwater supply, conservation, and mains flushing activities.

### Office of Transportation

*Transportation shows an increased gap between costs to maintain service levels and anticipated general transportation revenues.*

The Portland Office of Transportation's (PDOT) financial plan for FY 1999-00 to FY 2003-2004 shows a continued and increasing gap between costs to maintain current service levels and anticipated general transportation revenues (GTR). It indicates a deficit of GTR revenues of \$4.78 million in FY 1999-00, increasing to almost \$10.9 million by FY 2003-2004. The cumulative deficit during this period is approximately \$39.7 million. The projected gap is primarily the result of gas tax receipts failing to keep pace with inflation, increasing operation and maintenance costs, and high priority capital needs. It is anticipated that the 1999 Oregon Legislature will vote to increase the gas tax rate for the first time in eight years. Such an increase, if approved, is likely to ease the gap, but not fill it. Although recently passed federal legislation has increased funds allocated to Oregon, Portland is just one of many regional jurisdictions competing for these funds.

The FY 1999-00 Adopted Budget for PDOT is almost \$119.0 million. This budget is nearly \$8.7 million, or 7.9 percent, larger than the FY 1998-99 Revised Budget. The capital budget increased approximately \$9.7 million in FY 1999-00, while the operating budget decreased about \$967,000. The Adopted Budget contains 711 FTEs, which is the same as the Revised Budget for FY 1998-99.

PDOT continues to face an ever-broadening array of demands, such as growth (including development and vehicle miles traveled), livability (including congestion and speeding), mass transit, alternative forms of transportation, and maintenance of an aging infrastructure. These demands are increased by a changing environment, including higher regional density, environmental concerns, and annexation.

*PDOT is expected to face funding pressures for the foreseeable future.*

Demands are made by a variety of constituencies, such as Council; drivers; bicyclists and pedestrians; businesses and residents interested in parking, particularly downtown and in the Lloyd district; neighborhood associations; agreements with other jurisdictions; citizens; and advisory groups. Overall, there is, and will likely continue to be, pressure on PDOT to enhance its service level beyond its current level. With a major revenue source that is not indexed to inflation, PDOT can be expected to face funding pressures for the foreseeable future.

## THE BUDGET PROCESS

### Local Budget Law

Budgeting in Oregon is governed by Local Budget Law, Chapter 294 of the Oregon Revised Statutes. The law has two major objectives:

- ◆ To provide standard procedures for preparing, presenting, and administering local budgets;
- ◆ To ensure citizen involvement in the preparation of the budget.

Budgeting in Oregon is an effort shared by citizens, who receive services funded through the budget, and elected or appointed officials responsible for the provision of the services. Citizens involved in the budget process work to ensure that the services they require and want are adequately funded. City officials are responsible for the biennial budget reflecting public interest and being structurally correct.

The Tax Supervising and Conservation Commission (TSCC), a five member citizen board appointed by the Governor reviews budgets of all governmental jurisdictions in Multnomah County. The Commission, together with the State Department of Revenue, is responsible for ensuring compliance of budgets with local budget law.

**Citizen Involvement Process**

In 1994 the City moved to a two-year budget cycle. This action was taken to continue emphasis on the budget as a long-range plan, to improve the efficiency of the process, and to provide more time for in-depth review of City services.

*Your City - Your Choice*

As part of this two-year budget process, the City Council significantly expanded opportunities for public input. This process, referred to as "Your City-Your Choice," is a community outreach program directed toward identifying needs to be addressed within the budget. The major elements of this effort consist of:

- ◆ Scientific telephone survey
- ◆ Informal, mass mailing survey of citizens
- ◆ Several community forums

The scientific telephone survey is constructed to develop base data on the needs, desires, and priorities for services to be delivered to the citizens. Many of the questions are the same from year to year. This survey allows the City to track changes in these priorities from the initial 1994 effort through the latest iteration. The survey also includes a section which is changed from year to year in an effort to elicit responses to specific issues that the citizens or Council may be concerned about during a particular budget cycle.

The informal, mass mailing survey, distributed as an insert in the largest circulation local newspaper (over 400,000 households), contains the same set of questions as the scientific survey. The purpose is to involve as many citizens as possible in the process. Although the results are not "scientific", they add another check on the citizens' priorities. This survey adds to the information that the Mayor and Council use in constructing the budget.

*Citizens are invited to sit with elected officials and bureau managers to discuss their interests.*

The community forums are designed to engage citizens in small group discussions with Council members and city service managers. Citizens sit with council members and managers to discuss their priorities and ideas for city government.

A "forced choice" survey is administered during these sessions to parallel the types of choices Council must make during budget deliberations. This small survey is constructed to parallel the scientific and informal surveys to further validate data developed on citizen needs, desire and priorities. Evaluations have consistently indicated that citizens felt the forums were an excellent opportunity for face to face interaction with City Council members and bureau management

In addition to the "Your City-Your Choice" public outreach process, other options exist for the public to actively participate in the budget process. The City has a nationally recognized commitment to active participation in its budgetary process. The City uses the following systems to ensure this high level of citizen involvement:

### **Budget Advisory Committees (BAC's)**

The committees are made up of citizens appointed by the Commissioner-in-Charge. These committees monitor bureau budgets and operations and identify issues for Council consideration. Initiated in 1974 with five BAC's, today Portland continues to be served by BAC's in all of the major City Bureaus. Additionally, a Budget Advisory Coordinating Committee (BACC) reviews and advises the Council on policy and budget matters and serves as the steering committee for the BAC process. Each of the committees is provided with time during Council budget hearings to present their reports. The BAC's will be active partners with the Council, bureaus and the public during the City's next two year budget process.

### **Portland Utilities Review Board (PURB)**

The PURB is an appointed body of 15 interested citizens who provide independent and representative customer review of water, sewer and solid waste financial plans, budgets, and rates. The PURB operates in an advisory capacity to the City Council. Council expects the PURB to provide common ground between rate makers and rate payers through analysis of financial plans and budgets. As an advisory board, the PURB has the opportunity to review the City's utility operations. The board and its committees meet monthly to ensure a comprehensive understanding and assessment of the workings of the City's utilities.

### **Direct Public Testimony**

In addition to participating in the budget advisory committees, the PURB and Your City - Your Choice community budget forums described above, citizens have several opportunities to personally testify on bureau budget requests. Specifically, citizens have an opportunity to testify at:

- ◆ Annual Budget Hearings -- The Council, sitting as the Budget Committee, holds several public hearings before the budget is approved. The public may testify on any topic during these hearings.
- ◆ Tax Supervising and Conservation Commission Hearing (TSCC) -- The TSCC holds a public hearing on the City's budget. Public testimony is taken during those hearings.
- ◆ Adopted Budget Hearing -- Testimony is taken at the Council Session for the final adoption of the budget. This typically occurs in mid to late June.

Citizens may also contact any Commissioner's office directly to provide input to the budget.

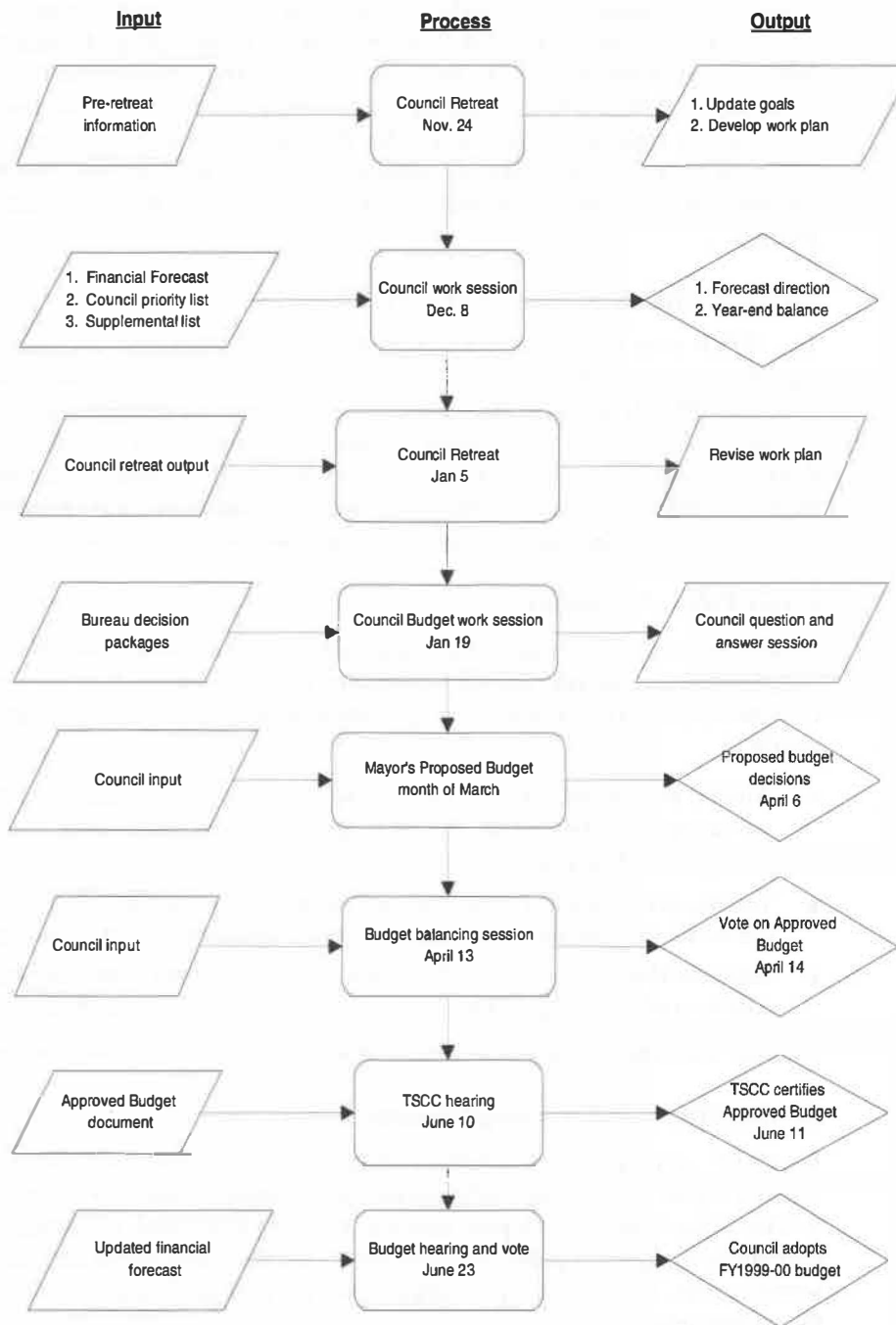
### **Service Efforts and Accomplishments Report**

Each year, as part of the Council's budget planning session, the Office of the City Auditor issues a report identifying workload and performance trends for each of the City's major service areas. Part of the report, entitled Service Efforts and Accomplishments, is a nationally recognized public opinion survey for the City overall and for each of the covered service areas. This report represents another form of public input used by the Council during the budget process.

## **THE BUDGET PROCESS TIME LINE AND FORMAT**

The annual budget schedule is published in the fall of each year. Figure 19 on page 52 outlines the basic budget process and its general time-line used for FY 1999-00.

**Figure 19: Year Two Budget Process**



In order to become more efficient and to encourage a long-range perspective, the City converted its budget process to a two year cycle. The first year is the full budget process with expanded public outreach. The second year of the budget process is normally an abridged process during which Council deliberates and takes public testimony on modifications to the adopted two-year budget.

## GENERAL BUDGET DIRECTIONS

### Financial Plan

By Council direction, a long-range financial plan must be prepared at the outset of the budget process for all major service funds. Council convenes annually to review these plans which are submitted for the General Fund and the City's other major operating funds: Transportation, Water, Sewer, and Buildings. These financial plans provide the Council with a long-range view of the City's expected financial condition for service requirements. Based upon review of the plans, Council issues directives aimed at ensuring sound financial management and service priorities which provide guidance in the development of annual budget requests.

Because of its significance, the General Fund Financial Forecast receives extensive review from the City Council. The forecast defines the financial limits for the budget. The forecast is adopted by resolution early in the budget process. It also:

- ◆ Identifies the shortfall or excess revenue expected for the forthcoming fiscal year
- ◆ Identifies the necessary "set-asides" to cover fund-level needs for service, capital, and compensation increases
- ◆ Establishes funding targets for City bureaus

Because of its significance, the General Fund Forecast is discussed in greater detail within the "Financial Overview" section of this budget document.

### Budget Guidelines and Council Directives

Shortly after issuance of the Financial Forecast each year, budget guidelines are issued. This document provides three different types of directives: process and format directives, guidelines for use in developing budgets, and Council service priorities. The combined intent of these three areas is to outline the rules for budget development to be followed by the bureaus. The following is a brief description of each of these categories:

#### Process and Format Directives

- ◆ Provide guidance on developing budget requests by bureaus.
- ◆ Outline the process for developing a balanced budget. Examples of directives under this category include:
  - ❖ changing to a two year from a one-year budget process.
  - ❖ establish funding targets to be used by bureaus as a starting point in developing budget requests.
  - ❖ use of a program budget format.
  - ❖ inclusion of performance information in all budget requests.
  - ❖ prepare reduction and add packages to give the Council a basis for decisions or plans on service levels.
  - ❖ define the roles of various groups in the budget process including management, labor, citizen budget advisory committees, and the Council.

### **Budget Request Guidelines**

Establish the rules to be followed by organizations in the preparation of budget requests, the "do's and don'ts" of budget preparation

- ◆ a requirement for bureaus to clearly identify the criteria, priorities, and guidelines used in developing their budget request
- ◆ the definition of bureau-specific and overhead revenues as non-discretionary and the requirement that all proposed new fees and charges be of an on-going rather than a one-time nature.
- ◆ the development of quantitative performance measures relevant to the overall evaluation of bureau performance.
- ◆ requirement of trend information in the areas of insurance claims and affirmative action.

## **CITY DEBT MANAGEMENT**

The City of Portland issues a variety of debt to raise capital for construction projects, for the acquisition of equipment and facilities and to refinance existing debt. Most of the City's debt is rated by one or more national rating agencies, including Moody's Investors Service and Standard and Poor's. Bond ratings are based upon an independent analysis by financial market professionals and indicate the confidence that an investor can have in the security of their investment in the City's bonds and other debt obligations. "Aaa" is the highest possible rating, and is based on a thorough analysis of four basic factors: economic condition, debt load, financial condition and overall management of the City. Since 1973 the City's unlimited tax general obligation debt has been rated "Aaa" by Moody's. The City's various revenue bonds are rated between "A" and "Aa1" by Moody's and "A+" by Standard & Poor's.

Moody's currently rates over 36,000 separate debt issues, of which 47% are rated "Aaa", but only 127 issuers, including Portland, have obtained that rating based on their own credit quality and without the use of credit enhancements such as bond insurance. In the 13 Western states there are only 14 "Aaa" credits obtained on their own merit, and Portland is one of only eight cities in the United States with a population over 250,000 holding that rating.

Detailed information regarding the City's Debt Management Policies is contained in the Appendix. The Appendix is in Volume 2 of this Budget Document.

The following is a brief summary of the City's existing debt and debt instruments, projected as of June 30, 1999.

### **General Obligation Debt(GO)**

GO debt is backed by the full faith and credit and unlimited taxing power of the City. Under current Oregon law, all general obligation debt (except for refunding bonds) must be approved by the voters.

- ◆ \$79.5 million in voter-approved general obligation bonds for the Performing Arts Center, Civic Stadium, parks system improvements and for emergency facilities improvements.
- ◆ \$46.9 million in general obligation water bonds. These bonds are repaid from water user charges, but are secondarily backed by the City's general obligation pledge.

**Revenue Bonds**

are debt secured by and payable from specific pledged revenue sources such as water or sewer user fees. The City’s outstanding revenue bonds include:

- ◆ \$643.0 million in sewer system revenue bonds.
- ◆ \$69.6 million in water revenue bonds.
- ◆ \$2.2 million in environmental remediation bonds.
- ◆ \$0.8 million in golf revenue bonds.
- ◆ \$12.7 million in arena gas tax revenue bonds.
- ◆ \$8.9 million in gas tax revenue bonds.
- ◆ \$34.2 million in hydropower revenue bonds.
- ◆ \$9.7 million in parking revenue bonds.
- ◆ \$9.7 million in special assessment bonds.
- ◆ \$62.5 million in urban renewal bonds.

**General Fund backed debt**

Either paid from or secured by the General Fund, includes:

- ◆ \$129.6 million in limited tax revenue bonds, full faith and credit obligations and certificates of participation for building improvements and equipment acquisition.
- ◆ \$22.5 million in arena limited tax and limited tax revenue bonds issued to fund public improvements are the Oregon Arena Project. These bonds are expected to be repaid from user fees and parking revenues derived from the operations of the Arena Project.
- ◆ \$22.0 million in limited tax improvement bonds.
- ◆ \$29.2 million in limited tax revenue bonds issued to fund the Central City Streetcar project. These bonds are expected to be repaid from parking revenues, but are additionally secured by the general fund.
- ◆ \$43.9 million in urban renewal full faith and credit bond anticipation notes and urban renewal lines of credit. It is expected that these interim financing obligations will be retired from the proceeds of long term tax increment bonds.
- ◆ \$13.9 million in lines of credit used to provide short-term and interim financing for local improvement district projects, capital acquisition and construction projects and housing projects.

**Debt Limitation**

Under Oregon law (ORS 287.004), the City’s general obligation debt limit is equal to three percent of the City’s Real Market Valuation (\$39.3 billion), or about \$1.178 billion. Certain self-supporting bonds are exempted from this limitation. Currently the City has outstanding \$79.5 million in general obligation debt that is subject to the debt limitation.

1998-99 Real Market Value	\$	39,286,626,000
Three percent of Real Market Value	\$	1,178,598,780
Outstanding debt subject to limit	\$	79,455,000
Percent of limitation outstanding		6.74 %
Debt margin	\$	1,099,143,780

**Anticipated Debt Issuance in FY 1999-00**

The City anticipates issuing the following debt obligations during FY 1999-00:

- ◆ \$25 million in water revenue bonds to fund water facility improvements.
- ◆ \$8 million in assessment bonds to support Local Improvement District projects.

- ◆ \$300 million in limited tax revenue bonds to support an unfunded pension liability.
- ◆ \$75 million in limited tax revenue bonds to fund the convention center expansion.

The City will likely incur additional indebtedness during FY 1999-00 for urban renewal projects and for other capital needs. Other amounts and specific types of debt instruments to be issued will be determined throughout the course of the fiscal year.

## THE CITY'S FINANCIAL STRUCTURE

### Portland's Fund Structure

Revenues to the City are designated and set aside in "Funds." The fund structure used by the City is detailed below. Fund summaries, which provide revenue and expenditure detail for each fund, are included within the appropriate service area section of this document. For example, all Water bureau-related funds are found in the Utilities Service Area section. General Fund summaries are found in the Financial Summaries section of Volume One.

#### Types of Funds

**General Fund:** The General Fund includes all activities of the City supported by property taxes and other "non-dedicated" revenues. These include license and permit fees and state-shared cigarette and liquor tax. Bureaus supported by the General Fund include the Bureaus of Fire, Police, Parks, Community Development, and others.

**Other Operating Funds:** These funds support agencies such as Emergency Communications, Transportation, and Buildings. The Water and Environmental Services funds are commonly referred to as "enterprise" funds because they are self-supporting. Others, such as Building and Transportation receive ongoing General Fund subsidies as well as having dedicated revenue sources.

**Revenue and Reserve Funds:** Revenue funds receive money from specific sources which can be used only for specific purposes. The money must be transferred to an operating fund in order to be spent. Reserve funds hold resources for future use in countering recessionary trends and mitigating mid-year economic downturns or other financial emergencies.

On May 3, 1990 the City Council adopted a General Reserve Fund Use Policy. Based upon a review of historical financial trends, the Policy formally recognizes the need for a 10% General Reserve level. The Policy also provides clear guidelines for the withdrawal of funds based upon economic indicators or an emergency of significant magnitude.

**Bonded Debt Funds:** These funds account for the payment of debt service on general obligation, revenue, assessment improvement, and urban renewal tax increment bonds. These funds are necessary to manage the City's diverse debt portfolio in a manner that insures compliance with security covenants as well as state and federal regulations.

**Construction Funds:** These funds account for major construction projects such as streets, water and sewer improvements. Revenues are received when the City issues bonds and notes for capital projects. revenues are also received from rates and other recurring sources of income to the City.

**Federal Grant Funds:** These funds account for grant revenues received from the federal government, such as Housing and Community Development Block Grant funds.

**Retirement Funds:** The City has only one retirement fund, which supports retirement of police and fire personnel. Revenues are received from a property tax levy authorized by Portland voters in 1940. Other city employees are covered by the state Public Employee Retirement System (PERS).



**Internal Service Funds:** Internal service funds account for the sale of central services such as fleet and printing to other City and/or County agencies. These funds operate solely on revenues received from the agencies using their services.

**City Agency and Trust Funds:** The City occasionally creates accounts for specific purposes that receive revenues such as gifts or bequests to the City. A variety of these small accounts currently exist.

**Portland Development Commission:** The Portland Development Commission (PDC) is the City of Portland's urban renewal, economic development and housing rehabilitation agency. It is a semi-autonomous organization that interacts with various City programs. Revenue for PDC is provided through a combination of tax increment, federal grants, program income, contracts, private funding and transfers from the General Fund. Details on PDC's budget are located in Volume Two of the budget.

### How Funds Interact

City funds interact in a variety of ways. One fund may pay another fund for either goods or services, or to cover operating and capital expenses. Cash transfers also result from the exchange of resources between funds to cover operating and capital expenses. For example, the FY 1999-00 budget includes a transfer from the General Fund to the Transportation Operating Fund to support the operations and maintenance of the street lighting program. Transfers between funds result in the budgeting of the dollars in both participating funds.

### Basis of Budgeting

The City's budget is prepared in a manner consistent with its financial structure and as required by Oregon Revised Statutes. All funds are included within the budget along with the organizations and programs which they support. However, unlike the financial basis of reporting, the City's budget is prepared completely on a modified accrual basis. That means that the budget anticipates revenues based upon when they will be actually received and upon expenditures when they will actually occur.

One exception exists to this general rule for the acknowledgment of revenues. Property tax revenues are acknowledged within the budget for 90 days after the close of the fiscal year. Items which are not fully expended at year end must be re-budgeted in the following fiscal year.

### Budgetary Controls and Change Management

The Council maintains oversight of the City's financial condition through three formal reviews of the annual budget, and various informal reviews and work sessions. At the beginning of the fiscal year, bureaus identify their expected pattern of expenses and revenues, where applicable, which is reviewed and analyzed by Financial Planning and presented to Council. The bureau also includes "performance level" projections for each City program. Formal comparisons between the projected and actual expenditures, as well as performance, are completed three times per year under the direction of the Financial Planning Division, then reported to Council.

Adjustments to bureau budgets generally occur during one of these trimester reporting processes, or if legally necessary, according to State Budget Law, through a Supplemental Budget process, which typically occurs twice a year, in the spring and fall. This requirement allows the Council to closely review the citywide impact of budget adjustments on a trimester basis. It also ensures that the Council's directives are being followed. Bureaus may also request changes to their budget throughout the year through the introduction of ordinances.

The City has a system for monitoring the financial condition of its General Fund. A “Financial Outlook” report is issued at the end of each accounting period or 13 times per year. The report provides Council, bureau managers, and others with information on the status of General Fund revenues and expenditures in comparison to the budget. The report also forecasts the year-end balance for the General Fund.

### **Basis of Accounting and Accounting Structure**

Governmental accounting, governed by state statute and Generally Accepted Accounting Principles (GAAP), differs substantially from private sector accounting. Private sector financial reports measure economic profits, whereas governmental accounting focuses on disclosing how public money is spent, thus controlling the amount spent for any given purpose.

#### **Types of Accounting**

- ◆ Enterprise, internal service, and selected other funds are maintained on an “accrual basis” -- recording revenues at the time they are earned.
- ◆ The General, Transportation, Special Revenue, Debt Service, Capital, and trust funds are maintained on a “modified accrual basis.” That means revenues are recorded when measurable and available. Expenditures are recorded when the liability is incurred, with the following exceptions:
  - ❖ Inter-fund transactions for services are recorded on a cash basis.
  - ❖ Revenues for grants are recorded as earned.
  - ❖ Interest on general long-term debt and special assessment bonds are recorded when due.
  - ❖ Earned, but unpaid, vacations are recorded as expenditures when taken by employees.

#### **Financial Reporting**

The Comprehensive Annual Financial Report (CAFR), of the City presents a picture of the City's finances, including the results of City operations and the changes in the financial position of City funds. The CAFR, required by state statute, is prepared in accordance with Generally Accepted Accounting Principles (GAAP). It reconciles differences between the “budgeting basis” - as presented in the annual Adopted Budget - and the modified accrual method used in the preparation of the CAFR.

The City has received the Government Finance Officers (GFOA) Certificate of Achievement for Excellence in Financial Reporting for the past 16 years. The GFOA is a national organization composed of professionals in the field of public financial management. The group has established stringent criteria for the awards program in order to ensure quality, full-disclosure accounting and reporting systems within the public sector.

#### **Independent Audit Requirements**

The annual financial report of the City is prepared in accordance with Oregon State law. It requires that an annual audit of the fiscal affairs of the City be performed by an independent auditor. Audits are performed in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations.

The City also has an independently elected Auditor responsible by charter for conducting internal financial and performance audits for specific city services.

## BUDGET AND FINANCIAL POLICIES

In addition to Council Goals, the City has many policies that interact with and provide direction in making budgetary decisions. The Comprehensive Financial Management Policy demonstrates City Council's commitment to establishing policies that ensure long term stability for the delivery of City services. Work is presently underway to develop a comprehensive human resources policy as well.

To develop and manage the budget, the City employs the following policies:

### Financial Policies

- ◆ Comprehensive Financial Management Policy
- ◆ Debt Management
- ◆ General Reserve
- ◆ Compensation
- ◆ Bureau Revenue
- ◆ Investment
- ◆ Interagency Policy
- ◆ Local Improvement District Financing Policy

### Planning Policies

- ◆ Future Focus
- ◆ Portland - Multnomah County Benchmarks
- ◆ Comprehensive Plan
- ◆ Community Policing
- ◆ Light Rail
- ◆ Water Plan
- ◆ Environmental Services Plan
- ◆ Prosperous Portland, Economic Development Policy
- ◆ Art 2000+ Plan
- ◆ Consolidated Plan (Housing and Community Development)

### General Budget Directions

- ◆ Financial Plan
- ◆ Council Directives, Guidelines

Together these policies form the foundation for the City's biennial budget. What follows is a brief description of these policies and how they apply to the budget. Many of these policies are also available in the Appendix of Volume Two.

## SUMMARIES OF FINANCIAL POLICIES

### Comprehensive Financial Management Policy

Approved by Council in June of 1992, this policy represents the culmination of City efforts to establish broad guidelines for managing a diverse financial portfolio. The document and its subordinate policies provide guidance in the areas of financial planning, budgeting, accounting, auditing, treasury, and debt management.

**Debt Management Policy**

The Council first adopted a Debt Management Policy in 1984. The policy is directed toward maintaining the City's Aaa (triple A) bond rating issued by Moody's, ensuring prudent debt decisions, and lowering the cost of overall debt management. The policy also places limits on the City's debt, centralizes the management function, and requires the completion of various reports critical to maintaining the City's financial health. These guidelines are used both in constructing the debt portions of the annual budget and in gauging debt-related decisions during the fiscal year.

**General Reserve Policy**

On May 3, 1990 the Council adopted Resolution 34722 which formally recognized City general reserve requirements and provided specific guidelines governing the withdrawal of funds. The policy requires the maintenance of a reserve equivalent to 10% of General Fund resources. Each year, the Council will reaffirm this policy through the adoption of the General Fund Financial Forecast and the biennial budget.

The Council has successfully developed a General Fund cash reserve estimated to total \$36.3 million by the end of FY 1998-99, which is equal to the required 10%. One half of the 10% reserve is for major unanticipated emergencies or significant revenue fluctuations during the fiscal year. The second half is a counter-cyclical reserve, which can only be accessed when key economic indicators point to an upcoming recession, likely to affect City resources.

The counter cyclical reserve is intended to provide the City with a two year period to adjust to slow-downs resulting from economic recession. Any excess reserves over the next two years may be transferred to support one time expenditures.

**Compensation Policy**

The Council has followed a practice of indexing total annual compensation adjustments other than merit increases (wages, salaries, and benefits) to the growth in the Portland CPI. This practice has been used to better anticipate compensation increases and necessary set-asides. This policy also serves as the focus of negotiations with the City's labor organizations. All of the City's major labor contracts now include a cap on health benefit increases.

**Revenue Policy**

Approved as part of the Comprehensive Financial Management Policy document, this policy outlines responsibilities for collecting and monitoring revenues. "Discretionary" resources was redefined. Guidelines were set up that make bureaus responsible for revenue collection. Direction has been provided for the allocation of surplus revenues. The policy establishes guidelines for the completion of cost-of-service studies, monitoring revenues and related expenses, and enhancing revenues where appropriate and consistent with Council service priorities.

**Investment Policy**

For over a decade the City has had a policy governing how cash from its various funds is to be invested. All estimates of fund-level interest earnings have been developed in compliance with that policy.

**Interagency Policy**

This policy provides guidelines for setting service rates between City agencies, establishing billing procedures and the resolution of disputes. Interagency services include printing, vehicle usage, communications, insurance, computer, and facility services and other services.

**Local Improvement District Financing Policy**

Approved by the Council in May 1991, this policy set up criteria and guidelines for starting and administering local improvement districts. These districts provide low interest financing to property owners for capital improvements. The City sells bonded debt to cover the cost of capital improvements. Property owners are annually assessed an amount to retire the debt. The policy is intended to help foster such financing while protecting the City's long-term financial health, by ensuring adequate security for bondholders.

The above policies represent the continued efforts of the City Council to establish guidelines and systems directed at sustaining the City's financial health while providing quality services. The policies also demonstrate the Council's efforts to exercise more control over the City's budget and financial conditions.

**SUMMARIES OF PLANNING POLICIES**

The Council has adopted numerous policies governing the provision of specific services by the City. These policies provide further guidance to bureaus as they develop the biennium budgets.

**Comprehensive Plan**

Comprehensive planning in Oregon was mandated by the 1973 Legislature with the adoption of Senate Bill 100. Under this act the State Land Conservation and Development (LCDC) was created and directed to adopt state-wide planning Goals and Guidelines. These Goals and Guidelines were adopted by LCDC in December 1974 and became effective January 1, 1975. On October 16, 1980, the Portland City Council adopted a Comprehensive Plan for the City, including Goals, Policies, Objectives and a Plan Map, to guide the future development and redevelopment of the city. The Goals and Policies of the Comprehensive Plan provide the context and guidance for future City programs, major capital projects and other funding decisions. The Comprehensive Plan establishes policies for how and where development occurs in the city. It includes policies which address such issues as citizen involvement, land use, environmental protection, and affordable housing.

**Portland Future Focus**

In August of 1991 the City issued its first community strategic plan called "Portland Future Focus." It was designed to plan for Portland's future in the face of the community's changing role in the state and the region. The planning process leading to the completion of the plan was led by a policy committee of 55 citizens including representatives for the City, business, neighborhoods, education, neighboring governments and other interests.

The future goals contained within document were directed at achieving a future vision for Portland. They provided a filter against which to gauge decisions, including those considered during the annual budget process. The City will undertake an update to this strategic plan within this two-year budget cycle.

**Portland - Multnomah County Benchmarks**

During 1993, a public process including several hundred people was conducted for purposes of developing measurements to gauge how well the community is progressing toward its shared vision as articulated in "Portland Future Focus" and other community strategic plans. These benchmarks provide another tool for elected and community leaders to use in guiding future actions. An annual report is issued on the adopted benchmarks. This report will continue to be an important document for use by the Council in establishing goals and priorities for the budget process.

**Community Policing**

Resolution 34670, approved by Council on January 26, 1990, adopted the original five-year plan for the Police Bureau transition to a "Community Policing" philosophy. Included were the goals and objectives of community policing. The plan called for the addition of 200 positions in order to implement community policing.

In 1994, Council further committed to the Community Policing philosophy with the passage of Resolution 35264 which adopted the Community Policing Strategic Plan. The strategic plan defines the mission, five year goals and objectives, strategies, and performance measures. The plan was updated in the spring of 1999.

**Regional Light Rail**

Resolution 34690, approved by Council on March 14, 1990, formalized the Council's commitment to development of a regional light rail plan. This action resulted from the successful installation and operation of a light rail line connecting downtown with the City of Gresham, east of Portland. The west-side rail line extending to Hillsboro was opened in August of 1998.

Planning is also underway for a proposed future North-North line to extend from the area transit area on the east side of the Willamette north to the Expo Center, which is near the Columbia River. A vintage trolley system is also in operation on the light rail line, with plans under development for its expansion.

The city has begun construction on a streetcar system which will run north to south through the central city. Light rail will be the focus of the region's future transportation system, and a key in responding to the significant growth the area is expected to experience over the next two decades.

**Regional Water Supply Plan (RWSP)**

The RWSP provides a comprehensive, integrated framework of technical information, resource strategies and implementing actions to meet the water supply needs of the cities, counties, and water districts in the Portland metropolitan area to the year 2050. (The metropolitan region is made up of 3 counties and 24 cities with a population of approximately 1.2 million.)

In 1991-92, at the direction of City Council, the Water Bureau worked with other water providers in the metropolitan area on a series of studies which analyzed the potential demand for water in the region and identified supply options. These studies were followed by public input and eventually formed the foundation of the final RWSP report. In early 1997, the City Council approved an inter-governmental agreement of regional water providers consortium which supports the final RWSP report.

Building on the RWSP, the Water Bureau is working with the other water purveyors in the region to identify long-term water need, develop strategies for meeting those needs, and determine specific facility requirements for the future.

**Environmental Services Policy**

The FY 1998-99 Budget for the Bureau of Environmental Services reflects a number of policies:

**Clean Water**

The budget ensures compliance with the amended of the Clean Water Act, associated federal and state regulations, and the City's Clean River Program. Like other cities, Portland is facing regulatory requirements that call for increasing water quality protection through the control of pollution at its source. Substantial investments are needed in sewage collection and treatment systems. Investment of this nature will include programs to monitor

and manage storm water, combined sewer overflows (CSO), and industrial waste. It is estimated that compliance with just the CSO abatement mandate will cost approximately \$1.0 billion over the next 12 years. The FY 1999-00 Budget addresses these issues by continuing the emphasis on pollution prevention, water quality analytical services within the industrial waste program, and drainage systems maintenance.

### **Solid Waste**

The Council adopted Ordinance 162497 on September 26, 1990 which directed the Bureau of Environmental Services to establish garbage collection franchise areas, expand neighborhood-based recycling programs, and to assess a garbage collection franchise fee. In January 1996, a commercial recycling program was implemented. In FY 1996-97 the City Council approved renewal of the franchise contracts with private haulers for the residential solid waste and recycling collection services. The FY 1999-00 budget supports the continuation of this franchise collection system as well as an extensive recycling and yard debris program.

### **Prosperous Portland**

The City's economic development policy was adopted in FY 1994-95 and represents an integrated set of policies relating to the City's economic development and workforce development strategies and efforts.

### **Arts Plan 2000 +**

Presented to Council in July of 1991, this plan culminated an eighteen-month planning process launched by the City of Portland, the Metropolitan Service District, other regional governments and private sector entities. The study reviewed the regional art industry and established goals and priorities for cultural development. The plan now serves as the City's cultural policy. In FY 1994-95 the Metropolitan Arts Commission converted to a regional non-profit organization renamed the Regional Arts and Culture Commission.

# Budget Notes

## **PUBLIC SAFETY**

- ◆ Police Bureau: purchase of an airplane, along with any additional equipment and modifications, will come from shared forfeiture funds only. The FY 1999-2000 annual budget allowed for all operations, insurance, and maintenance costs for the air unit and airplane will be limited to the amount spent for rental costs during 1998, plus the appropriate inflation adjustment.

## **PUBLIC UTILITIES**

- ◆ Water bureau: The Water bureau will identify the cost savings and improvements anticipated due to the new billing information system and call center technology enhancements and present this information for Council review within six months of project completion.
- ◆ Transfer of Bureau of Environmental Services owned property to the Parks bureau: Environmental Services (BES) and Parks will investigate the possible transfer of properties purchased by BES to Parks. The investigation shall highlight the costs of on-going maintenance for subject properties and options for how the costs may be funded.

## **COMMUNITY DEVELOPMENT AND SERVICES**

- ◆ Schools Support: Portland area schools will receive \$4.0 million in City General Fund support. The funds will be released upon Council approval of the contract.
  - ❖ The contract shall require the submission of a spending plan.
  - ❖ The contract shall specify funds appropriated to Portland Public Schools shall be used to address findings identified in the audit performed by KPMG. This may include funding one-time investments in operational or management efficiencies that improve the delivery of services to students; and/or support achievement of higher academic standards.
  - ❖ The school districts receiving City funds will provide the City with a semi-annual report on progress in achieving improvements to student performance and efficiencies gained through use of City dollars.
- ◆ Housing approach: The city will continue its efforts to increase the stock of affordable housing units. Commissioner Sten will continue his efforts to develop and implement a multi-faceted approach to fulfilling the affordable housing goals of the city.

## **LEGISLATIVE, ADMINISTRATIVE AND SUPPORT SERVICES**

- ◆ Pension Management: The Office of Finance and Administration (OF&A) will continue efforts to effectively manage the increasing costs of pensions for city employees by analyzing options in managing and funding the retirement systems. This effort includes the Public Employees Retirement System (PERS), and the Fire and Police Disability and Retirement Fund. OF&A will report progress quarterly to the Council.



# Financial Summaries

## Guide to the Financial Summaries

### Introduction

The "Financial Summaries" section contains a variety of tables intended to help the reader view the FY 1999-00 Adopted Budget as a whole, consolidating the budget figures across all the City's funds and bureaus.

With the exception of Table 4, Summary of Authorized Full-Time Positions, the tables in this section do not include figures for the Portland Development Commission (PDC). PDC is a semi-autonomous agency that operates under City charter but is budgeted separately.

### Total City - Revenues and Expenses

The first summary (Table 1) offers the broadest picture; the entire City Budget condensed onto one page, comparing FY 1998-99 with FY 1999-00. This summary shows that for the City as a whole, as well as for any individual fund, resources must always equal requirements. That is, the amount of money planned to be spent from a fund, plus the dollars reserved for contingencies or reserves ("requirements") must be equal to the total amount of money flowing into the fund plus its beginning balance ("resources"). For simplicity, the Financial Summaries use the terms "revenue" and "expense," even though those terms have more specialized meanings in the world of accounting. The detailed budget pages for individual funds, however, do use the more formally correct terms "resources" and "requirements" to signify what a fund has (or expects to get) versus what it needs.

### Major Types of Expenditures

Table 1 also shows the budget broken down into its major revenue classes and expense classes. On the requirements side of the budget, there are two types of major expenses classes. The bureau expenses (or "bureau requirements" in the individual fund pages) refer to those types of expenditures - either operating or capital - that result from the programs or services provided by the City's bureaus. These categories are personal services, internal materials and services, external materials and services, capital outlay, and a less-frequently used category, equipment cash transfers. The other type of major expense class, fund expenses (or "fund requirements") refers to financial requirements needed in order to keep a fund healthy and meet its obligations - such as contingencies, debt retirement, and most interfund transfers - but may not be associated with the operations of any particular bureau. This distinction is important because the bureau requirements, the "service" part of the budget, is used in some of the financial summaries instead of the total requirements at the fund level.

### Net Budget

The citywide totals in Table 1 and other summaries contain not just the sum of the various funds but also a "net budget" figure. The net budget subtracts the "double count" that results from interfund transfers and tax anticipation notes. Tax anticipation notes (TAN's) are short term debt sold early in some years to provide cash until property tax revenues are received. The net budget removes the double count caused by budgeting for both TAN's and property tax revenues.

**Summary by Service Area**

Table 2, Operating and Capital Budget by Service Area, summarizes the operating and capital expenditures included in bureau budgets for each fiscal year, by service area and bureau. It does not include fund requirements, such as contingencies, reserves, debt principal, or interfund transfers.

**General Fund Revenues and Expenses**

Table 3 summarizes the budget for the General Fund, the City's largest, most visible, and most flexible fund. It shows the different sources of revenue, the expense budgets for individual bureaus, and the fund-level expenses, and compares the FY 1998-99 Budget to the FY 1999-00 Budget.

**Discretionary vs. Non-Discretionary**

Table 3 also shows how much of a bureau's budget comes from "discretionary" General Fund resources. Some of the General Fund revenues ("non-discretionary" resources) are restricted by contract or policy to be spent only for certain purposes, or the Council has decided to dedicate them to a particular bureau because the revenues are generated by that bureau's operations. For instance, TriMet (the regional transit authority) contracts with Police Bureau for police services. Those dollars can only be spent by the Police Bureau for activities related to that contract. Or, the Parks Bureau generates fee income from its recreation programs that the Council has decided, by policy, to dedicate to Parks Bureau functions.

The major types of non-discretionary resources are: grants and donations; contract revenues; interagency service agreements with another City bureau; revenues from services provided to the public for which there is a charge or fee; and overhead charges, which recover from other funds the cost of services provided by central administrative bureaus based in the General Fund.

The bureau's discretionary budget subtracts revenues restricted to certain activities and therefore represents the bureau's allocation of those dollars over which the City Council exercises discretion, such as property taxes, business licenses, or utility license fees.

The total General Fund FY 1999-00 Adopted Budget is \$349,377,196. After subtracting the cost of those activities tied to non-discretionary funding sources, the flexible part of the General Fund is actually \$270,429,225. The City Council can choose to dedicate discretionary resources to any service area, bureau or program.

**Summary of Authorized Full-Time Positions**

Table 4 is a straightforward summary of the regular full-time positions authorized in the budget, along with a comparison between fiscal years. These positions are broken out by bureau (including PDC). They do not include limited-term, or part-time positions.

**Summaries by Fund**

Tables 5, 6 and 7 are lengthier tables that show different aspects of the City's budget by individual fund.

**Total Revenues and Expenses by Fund by Fiscal Year**

Table 5, the "Total Revenues and Expenses by Fund By Fiscal Year," shows the total expenses (or the total revenues, since they are equal) in any fund, not only for the FY 1999-00 Adopted Budget, but also in past years.

**Bureau Expenses by Fund**

Table 6 looks at the "Bureau Expenses by Fund". It provides detail on the bureau expenses, showing how much is budgeted for personnel costs, capital purchases, or the other major expense categories.

### **Revenues by Fund**

Table 7 looks at "Revenues by Fund". It provides a more detailed view of the major revenue types received by each fund.

### **Tax Levy Computation**

Table 9 outlines City property tax levy calculations. Table 9 reflects Measure 5 and Measure 50 tax limitations. The General Fund calculation shows expected General Fund tax base operating property tax revenues and pension obligation bond debt service property tax revenues. Tax calculations allow only a levy amount that is justified by a fund's budgeted requirements or statute. The table states total requirements for each tax-supported fund less non-tax revenues. This leaves an amount the fund receives in current-year tax revenue. This amount is factored up for delinquencies and Measure 5 and Measure 50 losses (if applicable). The result is a certified property tax levy for each fund.

### **Appropriation Schedule**

Table 10, the "Appropriation Schedule" is a legally required summary of expenditures at the total fund appropriation level. Appropriation is divided into bureau program expenses, and fund requirements. Bureau program expenses are detailed on Table 6. Fund requirements are divided into contingency, interfund cash transfers, debt retirement, and inventory increases.

### **Historical Funds**

Table 11, the "Historical Funds and Appropriations" shows fund total information for City Funds and for General Fund Special Appropriations which have been closed in the past three fiscal years. This information is also required by State budget law.

### **General Fund/ General Reserve Summaries**

Tables 12 and 13 provide fund summaries of the General Fund and the General Reserve Fund. They are included in this section because services provided by these funds fall into many service areas.

# Total City Budget – Revenues and Expenses

TABLE 1

This table summarizes the City budget as a whole according to the major categories of expenses and revenues. The figures on this page combine all of the City's funds except those of the Portland Development Commission, a semi-autonomous agency that operates under City charter but is budgeted separately. All subsequent budget tables follow this format.

	Revised FY 1998-99	Adopted FY 1999-00
<b>RESOURCES</b>		
<b>External Revenues</b>		
Property Taxes	221,820,506	229,160,303
Other Taxes	12,187,979	12,986,933
Licenses and Permits	103,186,375	107,096,377
Service Charges	256,070,605	266,923,812
Intergovernmental	131,509,730	110,105,320
Miscellaneous	55,700,346	57,045,702
Debt Proceeds	148,774,800	86,273,000
<b>Total External Revenues</b>	<b>929,250,341</b>	<b>869,591,447</b>
<b>Transfer from Other Funds</b>		
Service Reimbursements	108,431,510	119,959,210
Cash Transfers	345,273,217	336,884,739
<b>Total Transfers from Other Funds</b>	<b>453,704,727</b>	<b>456,843,949</b>
<b>Beginning Fund Balances</b>	<b>387,806,308</b>	<b>441,741,800</b>
<b>Total Budget</b>	<b>1,770,761,376</b>	<b>1,768,177,196</b>
<b>Less Interfund Transfers and Tax Anticipation Notes</b>	<b>(473,704,727)</b>	<b>(476,843,949)</b>
<b>TOTAL NET BUDGET</b>	<b>\$ 1,297,056,649</b>	<b>\$ 1,291,333,247</b>
<b>REQUIREMENTS</b>		
<b>Bureau Expenses</b>		
Personal Services	351,609,178	367,136,969
External Materials & Services	315,755,076	305,104,315
Internal Materials & Services	107,189,038	119,781,210
Capital Outlay	212,549,407	163,388,144
Equipment Cash Transfers	1,242,472	178,000
<b>Total Bureau Expenses</b>	<b>988,345,171</b>	<b>955,588,638</b>
<b>Fund Level Expenses</b>		
Debt Service	167,413,979	173,562,040
Fund Level Cash Transfers	345,273,217	336,884,739
Inventory Increases	140,000	140,000
Contingency	224,258,053	243,633,486
<b>Total Fund Level Expenses</b>	<b>737,085,249</b>	<b>754,220,265</b>
<b>Total Appropriated Budget</b>	<b>1,725,430,420</b>	<b>1,709,808,903</b>
<b>Unappropriated Ending Balance</b>	<b>45,330,956</b>	<b>58,368,293</b>
<b>Total Budget</b>	<b>1,770,761,376</b>	<b>1,768,177,196</b>
<b>Less Interfund Transfers and Tax Anticipation Notes</b>	<b>(473,704,727)</b>	<b>(476,843,949)</b>
<b>TOTAL NET BUDGET</b>	<b>\$1,291,056,649</b>	<b>\$ 1,291,333,247</b>

# Operating and Capital Budget by Service Area

TABLE 2

This table summarizes the operating and capital expenditures included in bureau budgets for each fiscal year, by service area, and by bureau. It does not include fund requirements such as contingencies, reserves, debt principal, or interfund transfers.

	Revised FY 1998-99			Adopted FY 1999-00		
	Operating Budget	Capital Improvements	Total Expenditures	Operating Budget	Capital Improvements	Total Expenditures
<b>Public Safety</b>						
Police	109,811,319	107,760	109,919,079	111,224,400	229,000	111,453,400
Fire	58,488,545	2,809,578	61,298,123	60,095,020	1,050,000	61,145,020
Fire & Police Disability & Retirement	56,421,055	0	56,421,055	59,277,514	0	59,277,514
Emergency Communications	12,781,076	0	12,781,076	13,230,303	0	13,230,303
Public Safety Capital	1,435,461	0	1,435,461	1,016,170	0	1,016,170
Other Public Safety	10,921,064	1,422,803	12,343,867	9,704,829	7,091,718	16,796,547
<b>Total Public Safety</b>	<b>249,858,520</b>	<b>4,340,141</b>	<b>254,198,661</b>	<b>254,548,236</b>	<b>8,370,718</b>	<b>262,918,954</b>
<b>Parks, Recreation &amp; Culture</b>						
Parks & Recreation	34,224,754	1,933,867	36,158,621	37,318,618	650,000	37,968,618
Parks Bond Construction Fund	0	23,286,493	23,286,493	0	5,233,356	5,233,356
Parks Construction Fund	0	2,678,564	2,678,564	0	2,938,950	2,938,950
Golf	4,308,463	1,319,829	5,628,292	4,526,453	3,815,000	8,341,453
Portland International Raceway	854,975	0	854,975	868,567	40,000	908,567
Other Parks, Recreation & Culture	15,249,900	682,558	15,932,458	8,882,007	2,074,166	10,956,173
<b>Total Parks, Recreation &amp; Culture</b>	<b>54,638,092</b>	<b>29,901,311</b>	<b>84,539,403</b>	<b>51,595,645</b>	<b>14,751,472</b>	<b>66,347,117</b>
<b>Public Utilities</b>						
Water	50,844,237	29,609,790	80,454,027	52,767,558	27,275,000	80,042,558
Hydropower	509,709	0	509,709	518,742	0	518,742
Environ Svcs-Sewer System	65,808,262	105,301,371	171,109,633	64,470,289	96,645,635	161,115,924
Environ Svcs-Refuse Disposal	2,039,261	0	2,039,261	2,245,549	0	2,245,549
Other Public Utilities	7,311,458	973,207	8,284,665	8,820,882	635,036	9,455,918
<b>Total Public Utilities</b>	<b>126,512,927</b>	<b>135,884,368</b>	<b>262,397,295</b>	<b>128,823,020</b>	<b>124,555,671</b>	<b>253,378,691</b>
<b>Community Development &amp; Services</b>						
Planning	8,801,125	0	8,801,125	10,631,401	0	10,631,401
Bureau of Community Develop	8,275,206	0	8,275,206	8,173,692	0	8,173,692
Office of Neighborhood Involvement	4,025,719	0	4,025,719	4,076,327	0	4,076,327
Cable & Franchise Management	1,586,740	0	1,586,740	1,717,565	0	1,717,565
Energy	1,156,537	0	1,156,537	953,906	0	953,906
Buildings	22,436,531	0	22,436,531	23,712,498	0	23,712,498
Cable Fund	2,546,072	0	2,546,072	2,850,600	0	2,850,600
LID Construction	1,528,830	8,901,174	10,430,004	1,521,952	9,649,510	11,171,462
Housing & Community Development	28,912,137	0	28,912,137	22,829,922	0	22,829,922
Other Community Develop & Svc.	28,637,975	0	28,637,975	29,045,638	0	29,045,638
<b>Total Community Development/Svcs</b>	<b>107,906,872</b>	<b>8,901,174</b>	<b>116,808,046</b>	<b>105,513,501</b>	<b>9,649,510</b>	<b>115,163,011</b>
<b>Transportation &amp; Parking</b>						
Transportation & Street Lighting	70,905,433	39,382,364	110,287,797	71,275,449	47,683,963	118,959,412
Parking Facilities	4,266,824	1,678,120	5,944,944	4,606,238	5,950,561	10,556,799
Autoport	0	0	0	0	0	0
Other Transportation & Parking	3,541,253	1,491,979	5,033,232	4,445,456	0	4,445,456
<b>Total Transportation &amp; Parking</b>	<b>78,713,510</b>	<b>42,552,463</b>	<b>121,265,973</b>	<b>80,327,143</b>	<b>53,634,524</b>	<b>133,961,667</b>
<b>Legislative/Admin/Support Svcs</b>						
City Attorney	4,242,719	0	4,242,719	4,370,120	0	4,370,120
City Auditor	4,577,519	0	4,577,519	5,205,262	0	5,205,262
Office of Finance & Administration	24,561,231	0	24,561,231	26,613,511	0	26,613,511
Mayor & Commissioners' Offices	3,813,040	0	3,813,040	3,862,128	0	3,862,128
Purchases & Stores	2,486,962	0	2,486,962	2,798,080	0	2,798,080
Licenses	3,039,286	0	3,039,286	3,214,814	0	3,214,814

# Operating and Capital Budget by Service Area

**TABLE 2**

This table summarizes the operating and capital expenditures included in bureau budgets for each fiscal year, by service area, and by bureau. It does not include fund requirements such as contingencies, reserves, debt principal, or interfund transfers.

	Revised FY 1998-99			Adopted FY 1999-00		
	Operating Budget	Capital Improvements	Total Expenditures	Operating Budget	Capital Improvements	Total Expenditures
Office of Governmental Relations	654,243	0	654,243	674,523	0	674,523
General Services-Administration	1,436,840	0	1,436,840	1,426,900	0	1,426,900
Capital Improvement Fund	45,681	0	45,681	0	0	0
Communications Services	8,854,963	1,603,500	10,458,463	8,742,943	452,066	9,195,009
Facilities Services	9,317,496	28,197,453	37,514,949	11,624,583	4,658,838	16,283,421
Fleet Services	24,428,383	0	24,428,383	18,099,294	0	18,099,294
Printing & Distribution Services	6,502,448	0	6,502,448	6,727,014	0	6,727,014
Insurance & Claims	5,055,987	0	5,055,987	5,472,738	0	5,472,738
Workers' Compensation	4,224,887	0	4,224,887	4,578,093	0	4,578,093
Governmental Bond Redemption	0	0	0	10,000	0	10,000
Computer Services	5,390,708	0	5,390,708	5,692,314	0	5,692,314
Other Legislative/Admin/Support	10,687,447	0	28,802,685	9,580,977	0	32,350,002
<b>Total Legislative/Admin/Support</b>	<b>119,319,840</b>	<b>29,800,953</b>	<b>149,120,793</b>	<b>118,693,294</b>	<b>5,110,904</b>	<b>123,804,198</b>
<b>PDC Urban Renewal Debt</b>						
Tax Increment Debt (Interest Only)	15,000	0	15,000	15,000	0	15,000
<b>Total Expenditures</b>	<b>736,964,761</b>	<b>251,380,410</b>	<b>988,345,171</b>	<b>739,515,839</b>	<b>216,072,799</b>	<b>955,588,638</b>
<b>FUND REQUIREMENTS</b>						
Contingency			224,258,053			243,633,486
Interfund Cash Transfers			345,273,217			336,884,739
Debt Retirement			167,413,979			173,562,040
Inventory Increases			140,000			140,000
Unappropriated Ending Fund Balance			45,330,956			58,368,293
<b>TOTAL CITY BUDGET</b>	<b>\$</b>	<b>\$</b>	<b>\$1,770,761,376</b>	<b>\$</b>	<b>\$</b>	<b>\$1,768,177,196</b>
<b>Subtract "double count" caused by internal transfers and tax anticipation notes</b>			(473,704,727)			(476,843,949)
<b>TOTAL NET CITY BUDGET</b>	<b>\$</b>	<b>\$</b>	<b>\$1,297,056,649</b>	<b>\$</b>	<b>\$</b>	<b>\$1,291,333,247</b>

Note 1: General Fund set-aside for compensation adjustments is allocated to the service areas in proportion to their budgeted personal service expense.

Note 2: The differences between the Capital Improvements figures for the Adopted Budget and the CIP Summary section by Bureau are as follows:

A. The Adopted Budget is \$1,177,109 less than the CIP Summary due to the exclusion of the overhead charges, contingency and cash transfers for projects undertaken by the Bureau of General Services.

B. The Adopted Budget is \$1,493,561 greater than the CIP Summary for the Bureau of Environmental Services due to the fact that the capital activities associated with completing projects once they are turned over to operations are not included in the CIP section.

C. The Adopted Budget for the LID construction projects reflects the \$7,612,410 in transfers associated with projects. These requirements are not included in the CIP Summary.

D. The Approved Budget does not include the \$27,840,892 associated with the PDC projects. These projects are contained in the CIP Summary.

# General Fund Revenues and Expenses

TABLE 3

This table summarizes the type of revenues into the General Fund, as well as the bureau expense budgets, with a comparison between fiscal years.

	Discretionary Budget		Total Budget	
	Revised FY 1998-99	Adopted FY 1999-00	Revised FY 1998-99	Adopted FY 1999-00
<b>RESOURCES</b>				
Property Taxes	125,493,241	131,767,225	125,493,241	131,767,225
Lodging Taxes	10,158,649	10,794,799	10,158,649	10,794,799
Business Licenses	48,840,073	52,409,103	48,840,073	52,409,103
Utility License Fees	42,957,613	44,244,205	42,957,613	44,244,205
Service Charges and Other	5,320,406	4,615,156	20,097,739	19,612,683
Intergovernmental	9,625,208	10,249,567	28,974,187	27,432,481
Transfers from Other Funds/Agencies	2,190,737	2,764,400	37,880,381	40,190,379
Beginning Fund Balance	21,912,686	13,584,770	29,931,653	22,926,321
<b>TOTAL GENERAL FUND RESOURCES</b>	<b>\$ 266,498,613</b>	<b>\$ 270,429,225</b>	<b>\$ 344,333,536</b>	<b>\$ 349,377,196</b>
<b>EXPENSES</b>				
City Attorney	424,731	1,467,578	4,242,719	4,370,120
City Auditor	1,193,333	1,324,997	4,577,519	5,205,262
Cable & Franchise Management	1,336,691	1,416,505	1,586,740	1,717,565
Commissioner #1	280,675	289,509	606,711	624,589
Commissioner #2	280,675	289,334	598,711	632,414
Commissioner #3	280,675	289,481	598,711	624,561
Commissioner #4	280,675	289,319	598,711	624,399
Community Development	2,382,875	2,822,579	8,275,206	8,173,692
Energy	357,515	365,921	1,156,537	953,906
Finance & Administration	6,656,000	5,519,578	24,466,445	26,613,511
Fire	55,570,933	58,040,552	61,294,635	61,145,020
General Services	0	0	1,436,840	1,426,900
Governmental Relations	264,789	266,450	654,243	674,523
Licenses	1,886,474	2,018,936	3,039,286	3,214,814
Mayor	586,898	514,870	1,410,196	1,356,165
Neighborhood Involvement	2,999,359	3,572,522	4,025,719	4,076,327
Parks & Recreation	24,300,733	27,559,106	36,127,613	37,968,618
Planning	4,704,671	6,594,443	8,834,221	10,631,401
Police	94,117,010	98,871,324	109,411,655	111,453,400
Purchases & Stores	721,674	725,694	2,531,962	2,798,080
Special Appropriations	28,598,500	20,427,470	29,245,493	23,254,019
<b>Total Bureau Expenses</b>	<b>227,224,886</b>	<b>232,666,168</b>	<b>304,719,873</b>	<b>307,539,286</b>
Transfers To Other Funds	34,848,968	33,446,115	34,848,967	33,446,114
Contingency-Operating & Unforeseen	4,424,759	4,316,942	4,764,696	4,316,942
Contingency-Encumbrance Carryover	0	0	0	4,005,020
<b>TOTAL GENERAL FUND EXPENSES</b>	<b>\$ 266,498,613</b>	<b>\$ 270,429,225</b>	<b>\$ 344,333,536</b>	<b>\$ 349,307,362</b>

## Summary of Authorized Positions

TABLE 4

This table summarizes the number of regular full-time positions authorized in each bureau or fund, including the Portland Development Commission (PDC). Limited-term or part-time positions are not included.

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Adopted FY 1999-00	Change
<b>General Fund</b>					
City Attorney	36	35	39	39	0
City Auditor	56	53	53	56	3
Cable Communications	5	5	6	6	0
Commissioner of Public Affairs	7	7	7	7	0
Commissioner of Public Works	6	8	8	8	0
Commissioner of Public Utilities	7	7	7	7	0
Commissioner of Public Safety	7	6	6	6	0
Energy Office	8	8	8	11	3
Finance and Administration	176	176	186	189	3
Bureau of Fire, Rescue and Emergency Services	746	704	729	730	1
BGS-Admin	16	16	18	17	-1
Government Relations	5	4	5	4	-1
Community Development	17	17	18	18	0
Licenses	37	38	40	40	0
Mayor	17	16	16	16	0
Neighborhood Involvement	24	37	36	36	0
Parks Division	309	283	314	325	11
Planning	105	103	109	117	8
Police	1,246	1,248	1,252	1,257	5
Purchases	21	21	24	25	1
Special Appropriations	0	0	0	0	0
<b>Total General Fund</b>	<b>2,850</b>	<b>2,792</b>	<b>2,880</b>	<b>2,913</b>	<b>33</b>
<b>Other Funds</b>					
Buildings	201	213	225	229	4
Communications	27	27	33	33	0
Emergency Communications	152	152	155	165	10
Environmental Services	453	448	452	452	0
Facilities	30	27	31	34	3
Fleet	76	76	80	80	0
Golf Division	28	27	27	31	4
Hydroelectric Power Division	3	3	3	3	0
Parks Bond Construction	18	18	18	10	-8
Parks Construction Division	0	0	0	3	3
PIR Division	6	6	6	6	0
Printing & Distribution	28	28	29	30	1
Refuse Disposal Division	10	10	10	10	0
Transportation	733	730	716	711	-5
Water Division	513	515	524	532	8
<b>Total Other Funds</b>	<b>2,278</b>	<b>2,280</b>	<b>2,310</b>	<b>2,330</b>	<b>20</b>
<b>Total City</b>	<b>5,129</b>	<b>5,072</b>	<b>5,189</b>	<b>5,243</b>	<b>54</b>
Portland Development Commission	127	100	101	111	10
<b>TOTAL CITY, INCLUDING PDC</b>	<b>5,256</b>	<b>5,172</b>	<b>5,290</b>	<b>5,354</b>	<b>64</b>



# Total Revenues and Expenses by Fund By Fiscal Year

TABLE 5

In each fund total revenues, including beginning fund balances, must equal total expenses, including ending fund balances. This table states the total revenues and expenses for each City fund.

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Proposed FY 1999-00	Adopted FY 1999-00
<b>Operating Funds</b>					
Spectator Facilities Fund	53,231,685	12,851,539	12,778,875	10,710,057	10,760,057
Assessment Collection	142,200	89,946	37,206	43,091	43,091
Buildings	25,299,933	27,212,521	28,293,231	27,343,766	27,343,766
Cable	4,001,150	3,603,171	3,161,835	3,362,181	3,362,181
General Fund	316,874,381	327,651,534	344,333,536	341,879,351	349,377,196
Emergency Communications	12,710,686	13,944,984	15,133,304	16,097,702	16,160,015
Golf	5,752,371	6,442,891	6,697,865	15,802,745	15,802,745
Hydropower Operating	1,082,297	1,347,517	1,134,300	1,029,867	1,029,867
Parking Facilities	12,069,382	14,271,345	21,492,948	45,477,889	45,477,889
Portland International Raceway	946,117	1,007,658	975,208	1,003,710	1,003,710
Property Management License	2,306,599	2,647,699	2,795,742	2,811,256	2,811,256
Public Safety	1,977,394	1,724,683	1,645,500	1,486,321	1,486,321
Refuse Disposal	5,672,278	6,421,223	6,078,949	6,992,317	6,992,317
Sewage System Operating	221,322,888	205,548,082	252,788,255	242,846,693	242,858,439
Transportation Operating	95,481,969	103,369,202	123,661,207	134,811,624	134,275,209
Water	106,584,259	113,359,841	116,214,062	124,366,334	124,361,452
<b>Total Operating Funds</b>	<b>865,455,589</b>	<b>841,493,836</b>	<b>937,222,023</b>	<b>976,064,904</b>	<b>983,145,511</b>
<b>Internal Service Funds</b>					
Communications Svcs Operating	13,053,031	14,595,364	16,179,186	15,288,182	15,288,182
Information Technology Fund	5,597,138	5,597,771	6,530,168	6,644,888	6,964,560
Facilities Services	50,868,403	67,318,981	55,983,526	44,930,589	34,802,759
Fleet Services Operating	31,322,680	33,331,537	32,635,048	28,995,108	29,011,947
Health Insurance	45,255,064	50,714,998	54,415,484	55,930,993	58,853,983
Insurance and Claims Operating	13,380,334	12,547,809	12,514,337	13,268,428	13,268,428
Printing/Distribution Services	6,973,223	6,597,383	7,791,218	7,657,916	7,645,836
Workers' Compensation Operating	17,044,798	16,969,068	16,980,254	16,227,765	16,227,765
<b>Total Internal Service Funds</b>	<b>183,494,671</b>	<b>207,672,911</b>	<b>203,029,221</b>	<b>188,943,869</b>	<b>182,063,460</b>
<b>Agency and Trust Funds</b>					
Environmental Remediation	2,740,272	2,393,597	2,384,103	2,453,435	2,453,435
Housing Investment	3,412,384	13,815,602	7,490,502	7,601,635	8,101,635
Hydropower Renewal & Replacement	7,744,279	7,742,425	7,829,750	8,083,524	8,083,524
Portland Parks Memorial Trust	3,658,483	4,360,037	4,447,419	4,491,711	4,491,711
Sewer Revolving Loan	1,448,894	1,657,774	1,519,076	2,080,708	2,080,708
Sewer System Rate Stabilization	30,765,482	20,024,142	13,050,984	13,985,277	13,985,277
Sewer System Safety Net	3,314,512	2,695,284	2,490,019	1,959,930	1,959,930
Water Growth Impact Charge Trust	1,242,897	1,316,364	1,386,459	1,461,339	1,461,339
<b>Total Agency and Trust Funds</b>	<b>54,327,203</b>	<b>54,005,225</b>	<b>40,598,312</b>	<b>42,117,559</b>	<b>42,617,559</b>
<b>Construction Funds</b>					
Capital Improvement Fund	9,746,337	10,342,273	2,974,901	204,133	204,133
LID Construction Fund	8,693,899	15,957,011	28,102,532	24,530,689	24,530,689
Parks Bond Construction	60,165,243	45,587,411	27,504,541	5,271,403	5,271,403
Parks Construction	0	0	2,678,564	3,203,800	3,408,454
Sewer System Construction	169,306,861	359,507,901	156,353,392	127,654,748	127,654,748
Water Construction	34,641,058	54,265,340	42,149,636	59,643,341	59,656,943
<b>Total Construction Funds</b>	<b>282,553,398</b>	<b>485,659,936</b>	<b>259,763,566</b>	<b>220,508,114</b>	<b>220,726,370</b>
<b>Debt Service Funds</b>					
Airport Way Debt Service	2,383,025	8,340,020	6,742,630	6,865,915	6,754,077
BFRES Facilities Bond Fund	0	0	0	0	24,050,000
Bancroft Bond	30,088,885	24,562,545	11,715,221	11,749,728	11,749,728

# Total Revenues and Expenses by Fund By Fiscal Year

TABLE 5

In each fund total revenues, including beginning fund balances, must equal total expenses, including ending fund balances. This table states the total revenues and expenses for each City fund.

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Proposed FY 1999-00	Adopted FY 1999-00
Bonded Debt Interest and Sinking	9,903,782	6,778,081	6,252,821	7,576,124	7,959,485
Central Eastside Industrial Debt	2,809,440	7,148,863	3,466,269	3,579,936	3,579,936
Convention Center Area Debt Svc	5,665,740	18,708,314	6,102,838	5,437,064	5,437,064
Parking Facilities Debt Fund	0	0	287,250	354,000	354,000
Gas Tax Bond Redemption	241,966	3,673,488	826,584	786,887	786,887
Golf Revenue Bond	546,327	537,685	536,097	537,845	537,845
Governmental Bond Redemption	6,098,272	6,396,521	4,095,039	6,422,892	3,107,484
Hydropower Bond	7,763,852	7,852,535	7,976,901	7,944,443	7,944,443
Lents Urban Renewal Debt Fund	0	0	0	0	623,444
Morrison Park East Bond	809,888	862,819	867,683	796,028	796,028
Morrison Park West Bond	690,319	703,297	698,111	676,793	676,793
Old Town Parking Bond	682,901	677,650	677,106	667,040	667,040
River District Debt Fund	0	0	0	0	473,356
Parking Facilities Bond	0	0	0	0	0
Sewage Disposal Debt	43,567,767	314,199,178	51,200,410	55,971,406	55,971,406
South Park Renewal Debt Service	3,982,694	8,616,238	8,120,795	6,402,862	6,402,862
Washington County Supply Bond	2,525,247	2,961,581	3,161,420	3,362,812	3,362,812
Water Bond Sinking	9,592,333	10,679,245	11,356,221	11,563,253	11,563,253
Waterfront Renewal Bond Sinking	11,677,327	17,117,092	18,819,440	17,814,309	17,814,309
<b>Total Debt Service Funds</b>	<b>139,029,765</b>	<b>439,815,152</b>	<b>142,902,836</b>	<b>148,509,337</b>	<b>170,612,252</b>
<b>Federal and State Funds</b>					
Federal Grants	16,765,936	19,002,141	30,616,229	17,406,314	17,408,044
Home Grant	5,070,300	2,611,125	9,330,758	4,576,000	4,576,000
Housing & Community Development	19,853,531	16,647,989	29,301,521	21,803,400	23,189,130
<b>Total Federal and State Funds</b>	<b>41,689,767</b>	<b>38,261,255</b>	<b>69,248,508</b>	<b>43,785,714</b>	<b>45,173,174</b>
<b>Retirement Funds</b>					
FPD&R	62,662,206	82,001,436	80,418,444	83,622,883	83,622,883
FPD&R Retirement Reserve	750,000	750,000	750,000	750,000	750,000
Supp Retirement Program Trust	454,848	474,977	469,184	349,664	349,664
<b>Total Retirement Funds</b>	<b>63,867,054</b>	<b>83,226,413</b>	<b>81,637,628</b>	<b>84,722,547</b>	<b>84,722,547</b>
<b>Revenue and Reserve Funds</b>					
Convention and Tourism	1,927,083	2,051,205	2,097,027	2,208,701	2,208,701
General Reserve	31,416,505	33,438,039	33,676,368	36,351,023	36,339,533
Sewer System Debt Proceeds	0	0	0	0	0
Transportation Reserve	3,416,173	3,466,317	585,887	568,089	568,089
<b>Total Revenue and Reserve Funds</b>	<b>36,759,761</b>	<b>38,955,561</b>	<b>36,359,282</b>	<b>39,127,813</b>	<b>39,116,323</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 1,667,177,335</b>	<b>\$ 2,189,090,389</b>	<b>\$ 1,770,761,477</b>	<b>\$ 1,743,779,857</b>	<b>\$ 1,768,177,196</b>

# Summary of Bureau Expenses by Fund – FY 1999–00

TABLE 6

This table summarizes the major categories of expenditures included in bureau budgets by fund and by bureau. Fund-level requirements such as contingencies and interfund transfers are summarized in Table 10.

	Personal Services	External Mat'l & Svcs	Internal Mat'l & Svcs	Capital Outlay	Equip Cash Transfers	Total Bureau Expenses
<b>General Fund</b>						
City Attorney	3,704,513	301,933	363,674	0	0	4,370,120
City Auditor	3,731,902	698,333	775,027	0	0	5,205,262
Cable Communications	472,409	793,155	452,001	0	0	1,717,565
Commissioner of Public Utilities	511,388	21,870	91,331	0	0	624,589
Commissioner of Public Works	540,833	12,008	79,573	0	0	632,414
Commissioner of Public Affairs	506,999	30,779	86,783	0	0	624,561
Commissioner of Public Safety	505,679	34,816	83,904	0	0	624,399
Community Development	1,256,595	6,651,844	265,253	0	0	8,173,692
Energy Office	682,388	189,660	81,858	0	0	953,906
Finance and Administration	13,808,683	7,849,675	4,955,153	0	0	26,613,511
Fire, Rescue & Emergency Service	53,465,855	4,007,628	2,599,136	1,072,401	0	61,145,020
BGS-Admin	1,167,870	103,741	155,289	0	0	1,426,900
Government Relations	352,567	262,290	59,666	0	0	674,523
Licenses	2,446,871	267,127	500,816	0	0	3,214,814
Mayor	1,090,896	37,142	228,127	0	0	1,356,165
Neighborhood Involvement	2,406,601	1,402,641	267,085	0	0	4,076,327
Parks Division	24,769,506	8,820,038	3,811,074	568,000	0	37,968,618
Planning	7,554,503	1,253,280	1,823,618	0	0	10,631,401
Police	86,112,620	7,883,489	16,958,714	320,577	178,000	111,453,400
Purchases	1,801,689	692,746	303,645	0	0	2,798,080
Special Appropriations	0	20,408,419	912,600	1,933,000	0	23,254,019
<b>Total General Fund</b>	<b>206,890,367</b>	<b>61,722,614</b>	<b>34,854,327</b>	<b>3,893,978</b>	<b>178,000</b>	<b>307,539,286</b>
<b>Operating Funds</b>						
Spectator Facilities Fund	0	668,470	370,994	100,000	0	1,139,464
Assessment Collection	0	0	0	0	0	0
Buildings	16,801,284	2,401,934	4,178,753	330,527	0	23,712,498
Cable	0	2,533,575	317,025	0	0	2,850,600
Emergency Communications	11,181,082	898,562	1,150,659	0	0	13,230,303
Golf	2,414,339	1,505,900	576,214	3,845,000	0	8,341,453
Hydropower Operating	239,310	113,400	166,032	0	0	518,742
Parking Facilities	0	3,353,108	2,203,691	5,000,000	0	10,556,799
Portland International Raceway	420,648	382,200	65,719	40,000	0	908,567
Property Management License	0	2,782,247	0	0	0	2,782,247
Public Safety	0	188,000	1,122	827,048	0	1,016,170
Refuse Disposal	655,640	1,360,467	229,442	0	0	2,245,549
Sewage System Operating	33,485,408	25,423,208	22,946,906	79,260,402	0	161,115,924
Transportation Operating	47,874,484	22,574,034	14,532,868	33,978,026	0	118,959,412
Water	34,910,497	21,333,153	9,337,664	14,461,244	0	80,042,558
<b>Total Operating Funds</b>	<b>147,982,692</b>	<b>85,518,258</b>	<b>56,077,089</b>	<b>137,842,247</b>	<b>0</b>	<b>427,420,286</b>
<b>Internal Service Funds</b>						
Communications Svcs Operating	2,318,125	5,338,916	872,968	665,000	0	9,195,009
Information Technology Fund	0	495,239	5,197,075	0	0	5,692,314
Facilities Services	2,349,451	12,954,929	1,209,575	1,756,390	0	18,270,345
Fleet Services Operating	5,118,097	6,384,284	991,253	5,605,660	0	18,099,294
Health Insurance	0	25,719,037	845,294	0	0	26,564,331
Insurance and Claims Operating	0	3,225,957	2,246,781	0	0	5,472,738
Printing/Distribution Services	1,713,517	3,948,954	655,543	409,000	0	6,727,014
Workers' Compensation Operating	0	2,495,577	2,082,516	0	0	4,578,093
<b>Total Internal Service Funds</b>	<b>11,499,190</b>	<b>60,562,893</b>	<b>14,101,005</b>	<b>8,436,050</b>	<b>0</b>	<b>94,599,138</b>
<b>Agency and Trust Funds</b>						
Environmental Remediation	18,944	145,571	145,521	325,000	0	635,036
Housing Investment	0	7,924,709	0	0	0	7,924,709
Hydropower Renewal & Replacement	0	0	0	0	0	0
Portland Parks Memorial Trust	0	1,005,780	554,412	0	0	1,560,192
Sewer Revolving Loan	0	600,000	0	0	0	600,000
Sewer System Rate Stabilization	0	0	0	0	0	0
Sewer System Safety Net	0	1,959,930	0	0	0	1,959,930
Water Growth Impact Charge Trust	0	0	0	0	0	0

# Summary of Bureau Expenses by Fund – FY 1999–00

TABLE 6

This table summarizes the major categories of expenditures included in bureau budgets by fund and by bureau. Fund-level requirements such as contingencies and interfund transfers are summarized in Table 10.

	Personal Services	External Mat'l & Svcs	Internal Mat'l & Svcs	Capital Outlay	Equip Cash Transfers	Total Bureau Expenses
<b>Total Agency and Trust Funds</b>	18,944	11,635,990	699,933	325,000	0	12,679,867
<b>Construction Funds</b>						
Capital Improvement Fund	0	0	0	0	0	0
LID Construction Fund	0	75,000	9,059,362	2,037,100	0	11,171,462
Parks Bond Construction	551,729	75,600	368,965	4,237,062	0	5,233,356
Parks Construction	194,047	238,251	22,545	2,484,107	0	2,938,950
Sewer System Construction	0	0	0	0	0	0
Water Construction	0	0	0	0	0	0
<b>Total Construction Funds</b>	745,776	388,851	9,450,872	8,758,269	0	19,343,768
<b>Debt Service Funds</b>						
Airport Way Debt Service	0	0	0	0	0	0
BFRES Facilities Bond Fund	0	0	1,023,560	4,122,400	0	5,145,960
Bancroft Bond	0	0	0	0	0	0
Bonded Debt Interest and Sinking	0	0	0	0	0	0
Central Eastside Industrial Debt	0	0	0	0	0	0
Convention Center Area Debt Svc	0	0	0	0	0	0
Parking Facilities Debt Fund	0	0	0	0	0	0
Gas Tax Bond Redemption	0	0	0	0	0	0
Golf Revenue Bond	0	0	0	0	0	0
Governmental Bond Redemption	0	10,000	0	0	0	10,000
Hydropower Bond	0	0	0	0	0	0
Lents Urban Renewal Debt Fund	0	0	0	0	0	0
Morrison Park East Bond	0	0	0	0	0	0
Morrison Park West Bond	0	0	0	0	0	0
Old Town Parking Bond	0	0	0	0	0	0
River District Debt Fund	0	0	0	0	0	0
Parking Facilities Bond	0	0	0	0	0	0
Sewage Disposal Debt	0	0	0	0	0	0
South Park Renewal Debt Service	0	0	0	0	0	0
Washington County Supply Bond	0	0	0	0	0	0
Water Bond Sinking	0	0	0	0	0	0
Waterfront Renewal Bond Sinking	0	15,000	0	0	0	15,000
<b>Total Debt Service Funds</b>	0	25,000	1,023,560	4,122,400	0	5,170,960
<b>Federal and State Funds</b>						
Federal Grants	0	0	0	0	0	0
Home Grant	0	4,319,812	212,756	0	0	4,532,568
Housing & Community Development	0	20,358,224	2,471,698	0	0	22,829,922
<b>Total Federal and State Funds</b>	0	24,678,036	2,684,454	0	0	27,362,490
<b>Retirement Funds</b>						
FPD&R	0	58,430,311	837,003	10,200	0	59,277,514
FPD&R Retirement Reserve	0	0	0	0	0	0
Supp Retirement Program Trust	0	10,000	0	0	0	10,000
<b>Total Retirement Funds</b>	0	58,440,311	837,003	10,200	0	59,287,514
<b>Revenue and Reserve Funds</b>						
Convention and Tourism	0	2,132,362	52,967	0	0	2,185,329
General Reserve	0	0	0	0	0	0
Sewer System Debt Proceeds	0	0	0	0	0	0
Transportation Reserve	0	0	0	0	0	0
<b>Total Revenue and Reserve Funds</b>	0	2,132,362	52,967	0	0	2,185,329
<b>TOTAL ALL FUNDS</b>	<b>\$ 367,136,969</b>	<b>\$ 305,104,315</b>	<b>\$ 119,781,210</b>	<b>\$ 163,388,144</b>	<b>\$ 178,000</b>	<b>\$ 955,588,638</b>

# Summary of Revenues by Fund – FY 1999–00

TABLE 7

This table summarizes the major categories of estimated revenues that will be received by each fund.

	Property Taxes	Svc Charges, Licenses, & Permits	Other External Revenue	Interfund Revenues	Beginning Balances	Total Revenues
<b>Operating Funds</b>						
General Fund	131,767,225	97,966,431	33,523,161	63,194,058	22,926,321	349,377,196
Spectator Facilities Fund	0	4,030,680	498,176	0	6,231,201	10,760,057
Assessment Collection	0	0	3,750	0	39,341	43,091
Buildings	0	15,738,000	2,229,000	1,924,593	7,452,173	27,343,766
Cable	0	798,321	1,459,610	426,419	677,831	3,362,181
Emergency Communications	0	50,000	4,913,172	9,183,325	2,013,518	16,160,015
Golf	0	5,540,800	8,427,800	0	1,834,145	15,802,745
Hydropower Operating	0	0	600,500	98,000	331,367	1,029,867
Parking Facilities	0	9,047,624	8,814,000	652,628	26,963,637	45,477,889
Portland International Raceway	0	875,000	8,000	0	120,710	1,003,710
Property Management License	0	2,766,247	16,000	0	29,009	2,811,256
Public Safety	0	0	70,000	0	1,416,321	1,486,321
Refuse Disposal	0	1,983,109	555,843	17,393	4,435,972	6,992,317
Sewage System Operating	0	124,045,273	901,661	113,370,134	4,541,371	242,858,439
Transportation Operating	0	14,589,912	51,543,176	50,199,175	17,942,946	134,275,209
Water	0	62,486,183	2,650,784	34,981,043	24,243,442	124,361,452
<b>Total Operating Funds</b>	<b>131,767,225</b>	<b>339,917,580</b>	<b>116,214,633</b>	<b>274,046,768</b>	<b>121,199,305</b>	<b>983,145,511</b>
<b>Internal Service Funds</b>						
Communications Svcs Operating	0	1,430,538	204,000	8,495,339	5,158,305	15,288,182
Information Technology Fund	0	0	468,699	5,377,078	1,118,783	6,964,560
Facilities Services	0	1,277,480	2,664,787	24,683,492	6,177,000	34,802,759
Fleet Services Operating	0	5,000	602,000	16,707,486	11,697,461	29,011,947
Health Insurance	0	21,935,002	3,763,029	0	33,155,952	58,853,983
Insurance and Claims Operating	0	0	343,736	6,086,041	6,838,651	13,268,428
Printing/Distribution Services	0	80,250	1,520,196	5,321,390	724,000	7,645,836
Workers' Compensation Operating	0	0	681,613	2,769,254	12,776,898	16,227,765
<b>Total Internal Service Funds</b>	<b>0</b>	<b>24,728,270</b>	<b>10,248,060</b>	<b>69,440,080</b>	<b>77,647,050</b>	<b>182,063,460</b>
<b>Agency and Trust Funds</b>						
Environmental Remediation	0	1,194,187	53,653	0	1,205,595	2,453,435
Housing Investment	0	0	0	8,034,262	67,373	8,101,635
Hydropower Renewal & Replacement	0	0	356,600	0	7,726,924	8,083,524
Portland Parks Memorial Trust	0	1,350,830	186,450	0	2,954,431	4,491,711
Sewer Revolving Loan	0	400,000	35,000	200,000	1,445,708	2,080,708
Sewer System Rate Stabilization	0	0	646,071	0	13,339,206	13,985,277
Sewer System Safety Net	0	0	80,000	0	1,879,930	1,959,930
Water Growth Impact Charge Trust	0	0	69,588	0	1,391,751	1,461,339
<b>Total Agency and Trust Funds</b>	<b>0</b>	<b>2,945,017</b>	<b>1,427,362</b>	<b>8,234,262</b>	<b>30,010,918</b>	<b>42,617,559</b>
<b>Construction Funds</b>						
Capital Improvement Fund	0	0	0	0	204,133	204,133
LID Construction Fund	0	879,000	22,750,600	210,698	690,391	24,530,689
Parks Bond Construction	0	0	103,346	0	5,168,057	5,271,403
Parks Construction	0	892,000	116,754	2,077,000	322,700	3,408,454
Sewer System Construction	0	1,250,834	4,235,379	17,848,632	104,319,903	127,654,748
Water Construction	0	1,496,180	29,372,649	12,716,290	16,071,824	59,656,943
<b>Total Construction Funds</b>	<b>0</b>	<b>4,518,014</b>	<b>56,578,728</b>	<b>32,852,620</b>	<b>126,777,008</b>	<b>220,726,370</b>
<b>Debt Service Funds</b>						
Airport Way Debt Service	6,214,395	0	20,274	0	519,408	6,754,077
BFRES Facilities Bond Fund	0	0	906,000	0	23,144,000	24,050,000
Bancroft Bond	0	0	7,509,500	0	4,240,228	11,749,728

## Summary of Revenues by Fund – FY 1999–00

TABLE 7

This table summarizes the major categories of estimated revenues that will be received by each fund.

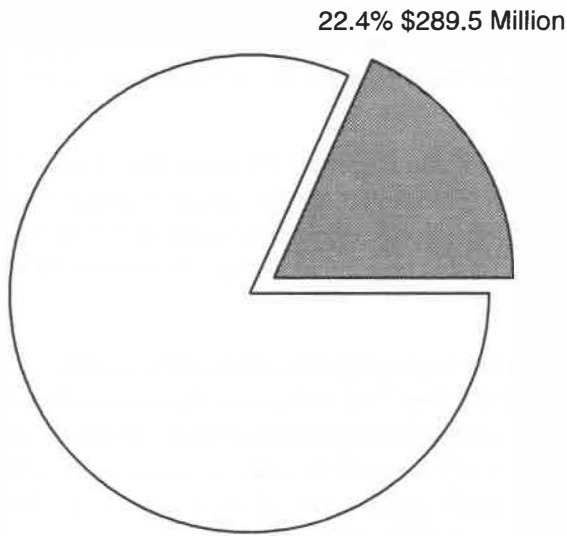
	Property Taxes	Svc Charges, Licenses, & Permits	Other External Revenue	Interfund Revenues	Beginning Balances	Total Revenues
Bonded Debt Interest and Sinking	7,428,361	0	50,000	0	481,124	7,959,485
Central Eastside Industrial Debt	3,559,936	0	20,000	0	0	3,579,936
Convention Center Area Debt Svc	5,412,064	0	25,000	0	0	5,437,064
Parking Facilities Debt Fund	0	0	0	354,000	0	354,000
Gas Tax Bond Redemption	0	0	0	786,887	0	786,887
Golf Revenue Bond	0	0	13,000	292,000	232,845	537,845
Governmental Bond Redemption	0	0	0	3,070,439	37,045	3,107,484
Hydropower Bond	0	0	3,557,500	200,000	4,186,943	7,944,443
Lents Urban Renewal Debt Fund	611,844	0	11,600	0	0	623,444
Morrison Park East Bond	0	0	16,570	319,013	460,445	796,028
Morrison Park West Bond	0	0	14,167	302,750	359,876	676,793
Old Town Parking Bond	0	0	0	657,502	9,538	667,040
River District Debt Fund	464,549	0	8,807	0	0	473,356
Parking Facilities Bond	0	0	0	0	0	0
Sewage Disposal Debt	0	0	100,000	53,070,924	2,800,482	55,971,406
South Park Renewal Debt Service	5,172,919	0	50,142	0	1,179,801	6,402,862
Washington County Supply Bond	0	1,794,108	0	188,025	1,380,679	3,362,812
Water Bond Sinking	0	0	0	11,543,758	19,495	11,563,253
Waterfront Renewal Bond Sinking	11,885,746	0	213,563	690,000	5,025,000	17,814,309
<b>Total Debt Service Funds</b>	<b>40,749,814</b>	<b>1,794,108</b>	<b>12,516,123</b>	<b>71,475,298</b>	<b>44,076,909</b>	<b>170,612,252</b>
<b>Federal and State Funds</b>						
Federal Grants	0	0	17,408,044	0	0	17,408,044
Home Grant	0	0	4,576,000	0	0	4,576,000
Housing & Community Development	0	117,200	23,071,930	0	0	23,189,130
<b>Total Federal and State Funds</b>	<b>0</b>	<b>117,200</b>	<b>45,055,974</b>	<b>0</b>	<b>0</b>	<b>45,173,174</b>
<b>Retirement Funds</b>						
FPD&R	56,643,264	0	20,807,220	794,921	5,377,478	83,622,883
FPD&R Retirement Reserve	0	0	0	0	750,000	750,000
Supp Retirement Program Trust	0	0	16,000	0	333,664	349,664
<b>Total Retirement Funds</b>	<b>56,643,264</b>	<b>0</b>	<b>20,823,220</b>	<b>794,921</b>	<b>6,461,142</b>	<b>84,722,547</b>
<b>Revenue and Reserve Funds</b>						
Convention and Tourism	0	0	2,208,034	0	667	2,208,701
General Reserve	0	0	1,311,821	0	35,027,712	36,339,533
Sewer System Debt Proceeds	0	0	0	0	0	0
Transportation Reserve	0	0	27,000	0	541,089	568,089
<b>Total Revenue and Reserve Funds</b>	<b>0</b>	<b>0</b>	<b>3,546,855</b>	<b>0</b>	<b>35,569,468</b>	<b>39,116,323</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 229,160,303</b>	<b>\$ 374,020,189</b>	<b>\$ 266,410,955</b>	<b>\$ 456,843,949</b>	<b>\$ 441,741,800</b>	<b>\$1,768,177,196</b>

# Public Safety

Bureau of Emergency Communications  
Bureau of Fire, Rescue and Emergency Services

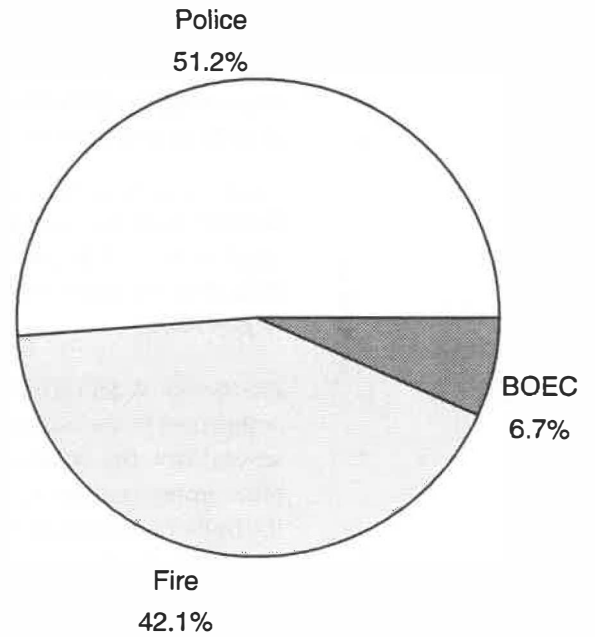
Fire & Police Disability & Retirement  
Bureau of Police

**Percent of City Budget**



City Budget = \$1.29 Billion

**Bureau Pie Chart**



## Service Area Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	249,858,520	254,548,236	4,689,716	-2.5%
Capital	4,340,141	8,370,718	4,030,577	84.7%
Allocated City Overhead Costs	4,949,200	5,305,539	356,339	2.6%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 259,147,861</b>	<b>\$ 268,224,493</b>	<b>\$ 9,076,632</b>	<b>-0.9%</b>
Authorized Full-Time Positions	2,137	2,144	7	-3.9%

Note: Per capita change values are adjusted for inflation and population growth.

# Service Area Highlights

## MAJOR THEMES

### Police Bureau

*Facilities:* The Police Bureau continues to need additional permanent or improved facilities for a training facility, property warehouse, additional precincts in outlying areas of Portland, the Mounted Patrol Unit, and the Traffic Division. A long range facilities plan will be developed in the next fiscal year to prioritize projects and explore financing options.

*School Police:* The Police Bureau has created a new captain's position to act as supervisor of the Portland School Police. Command control of the school police will now be a responsibility of the Portland Police Bureau. The officers of the Portland School Police will remain as employees of School District #1.

*Youth Gun Anti-Violence Task Force:* The Youth Gun Anti-Violence Task Force, formed in 1998, receives continued funding to help combat violence by targeted youth offenders aged 16 to 24. The goals of the task force are to track youth gangs and violent incidents, reduce or eliminate violence in neighborhood hot spots, and disrupt the flow of illegal guns to juveniles.

### Fire Bureau

*Facilities:* A \$53.8 million bond measure for improving city emergency facilities was authorized in the November 1998 general election. This will allow the construction of several new fire stations, and the seismic retrofit of the remaining fire facilities. In addition, other improvements to emergency facilities will be made to address issues such as female firefighter accommodations, Americans with Disability Act (ADA) access, drug storage, pathogen cleanup, and combined community facility uses.

*Fire Apparatus:* Fire apparatus replacement funding has been continued at the rate of \$1 million per year from the capital set aside.

*Fire Training Program:* The Fire Training Program has made significant strides toward recruiting women and minority candidates. Since implementation three years ago, this program has increased the employment of women and minority employment of firefighters 139%.

### Emergency Communications

*Expansion of the Portland Communications Center:* The bond measure approved in the November 1998 general election included a provision for expansion of the Emergency Communications Center. This expansion will allow the facility to handle the increased workload already being experienced by the 9-1-1 call center.

### Fire and Police Disability & Retirement Fund

*Administrative Expenses:* The Fire and Police Disability and Retirement Fund administrative expenses are increasing by \$163,771 above the current service level to a total of \$1,505,315. This is primarily due to an addition of nurse case management to the Administration Program. The cost for this program is estimated at \$62,400. This is a new pilot program established in order to relieve increasing workload in the area of disability/medical claims management.

*Funded Pension System:* FPD&R continues to explore the possibility of becoming a fully funded pension plan. The current system relies on a tax levy authorized in 1948 which provides up to \$2.80 per \$1000 assessed value on property in the city.



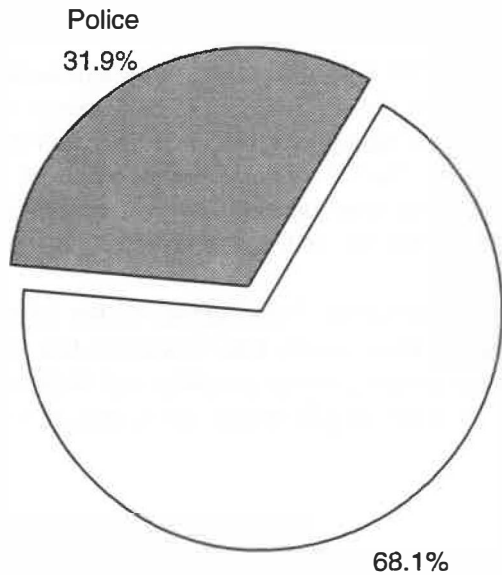
# Bureau of Police

Public Safety Service Area

Mayor Vera Katz, Commissioner-in-Charge

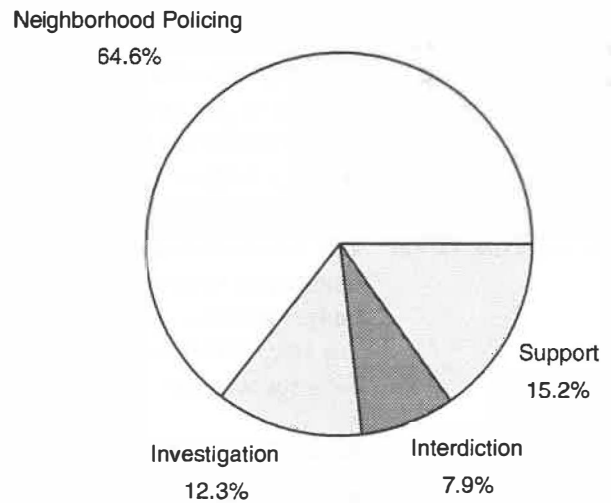
Charles Moose, Chief of Police

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	109,811,319	111,224,400	1,413,081	-3.0%
Capital	107,760	229,000	121,240	103.5%
Allocated City Overhead Costs	3,018,555	3,283,570	265,015	4.1%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 112,937,634</b>	<b>\$ 114,736,970</b>	<b>\$ 1,799,336</b>	<b>-2.7%</b>
Authorized Full-Time Positions	1,252	1,257	5	-3.9%

Note: Per capita change values are adjusted for inflation and population growth.

## Bureau Summary

### BUREAU MISSION

The mission of the Portland Police Bureau is to maintain and improve community livability by working with all citizens to preserve life, maintain human rights, protect property, and promote individual responsibility and community commitment.

### BUREAU HIGHLIGHTS

#### Overview

The primary goal of the Bureau of Police is to reduce crime and fear of crime. To accomplish this goal, the bureau implemented community policing through ongoing strategic planning. This plan provides neighborhood policing, criminal investigation, crime prevention and community education services to the citizens of the City of Portland.

#### Funding

The Adopted Budget for the Police Bureau totals \$111,453,400. The Police Bureau will receive \$98,889,446 in General Fund Discretionary dollars. Included in this amount is \$229,000 from the capital set aside. In addition, the bureau will receive \$6,767,034 in Federal Grants and \$5,796,920 in bureau revenue. The FY 1999-00 Adopted Budget of \$111.4 million is \$1,534,321 higher than the current year Revised Budget. Federal Grants are \$1.3 million more than Adopted Budget FY 1998-99, and bureau revenue is up slightly.

#### Current Service Level

The Adopted Budget increases the bureau's current service level funding for the following ongoing program additions or target adjustments, as set out by City Council in last year's budget process. The Adopted Budget continues existing service priorities and deployment practices which concentrate police resources in basic neighborhood patrol, and emergency calls for service.

#### Increased Program Support

**Mounted Patrol:** The Police Bureau will received a target increase to cover the increased cost of the Mounted Patrol facility (\$17,361).

**Fleet Operations:** The bureau will receive additional fleet operation and maintenance costs (\$158,000) to cover the increased cost of the vehicles approved for purchase in the bureau's Fleet Capital Improvement Project (CIP).

**COPS MORE Grant:** The bureau will receive an additional \$963,944 to cover the bureau's match and ongoing cost increases associated with the COPS MORE 1996 Grant. This federal grant funds 42 desk clerks positions. These positions were previously staffed by police officers, that have since been reassigned to patrol duty. This ongoing program adjustment will continue the funding of the desk clerk positions, but at a reduced staffing level (38).

*38 police desk clerks receive continued funding to keep 42 more officers on the street*

#### One-time Funding

In early spring of 1998, Mayor Katz announced the formation of an area wide task force that addresses the issue of youth and guns. From her vision the Police Bureau formed YGAT, the Youth Gun Anti-Violence Task Force, which was funded using existing bureau resources and augmented with \$100,000 from a federal grant. The Police Bureau has identified the need to continue funding in order to keep this successful task force and its mission on track. The \$100,000 in one time funding within the Adopted Budget will support \$51,000 in overtime and \$49,000 in vehicle lease costs.

**Capital Outlay**

The City's Capital Review Committee approved a scaled down request of the bureau's Fleet Capital Improvement Project. This budget reflects a package amount of \$229,000, which will purchase six, two-wheel drive Chevrolet Tahoes and the related communication equipment.

**Bureau Adds**

*The Traffic Division has relocated to a new facility.*

**Individual Add Packages:**

**Traffic Facility:** The Traffic Division relocated in the early part of FY 1998-99. This was necessary due to the overcrowded conditions at Northeast Precinct. They are currently leasing space at 1305 SE MLK Boulevard. The bureau identified existing dollars to cover the cost of the move and the lease payment for one year. The Adopted Budget provides funding (\$178,000) to continue this lease until such time the Police Bureau is able to obtain funding to provide the Traffic Division with a permanent home.

*A new Captain position will command the Portland School Police Force.*

**School Police:** The Adopted Budget adds one new position to the Police Bureau's budget in FY 1999-00. The bureau will assume the supervision of Portland Public School Police Force. This new captain position (\$95,000) will bring the total number of sworn officer positions to 965; combined with 289 non-sworn positions, the bureau will have a total staffing level of 1,254.

**BIT Interagency Agreement:** The bureau also has received an ongoing appropriation for the increased costs incurred through the interagency with the Bureau of Information Technology (\$46,466).

*Tri-Met adds two officers*

**Tri-Met Contract Increase:** Tri-Met increased its contract with Police by \$147,404 for FY 1999-00. There will be an addition of two officers to the Tri-Met detail.

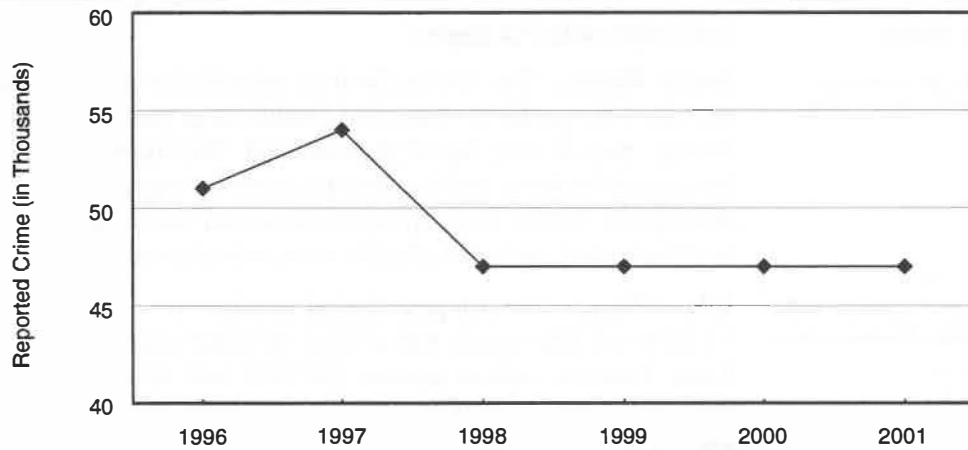
**Unfunded Bureau Requests**

The Police Bureau submitted an add package that has not been included in the Adopted Budget for FY 1999-00. With the upcoming presidential election and primary, the Police Bureau will have an increased duty to help protect visiting dignitaries. Historically, the Police Bureau has been able to absorb these additional cost through personnel savings of vacant positions. The bureau anticipates that personnel savings will be very limited due to recent hiring efforts, hence the need for the \$100,000 dollars requested.

# Performance Measures

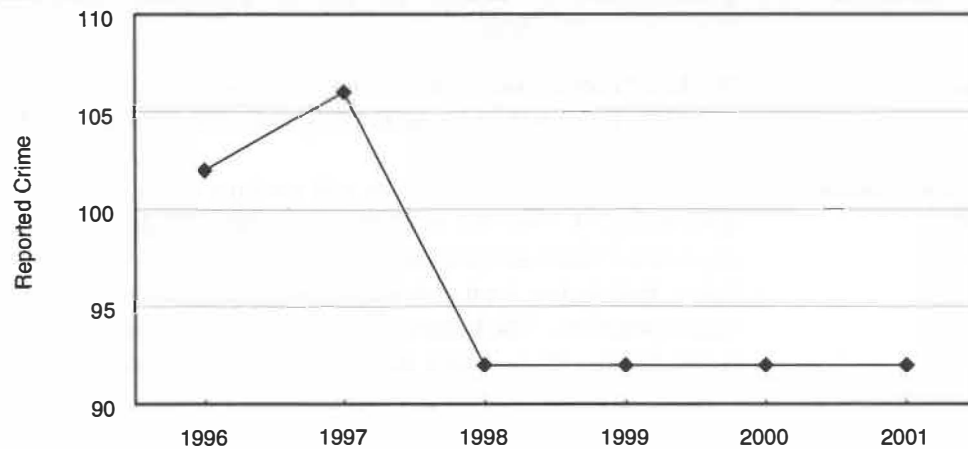
### Part 1 (major) Crimes

- ◆ Reported serious crimes decreased in 1996 due to reductions in burglary and auto theft.
- ◆ In 1997, reported serious crimes increased from 1996, but are still lower than 1994 and 1995.
- ◆ In 1998, serious crime decreased even further



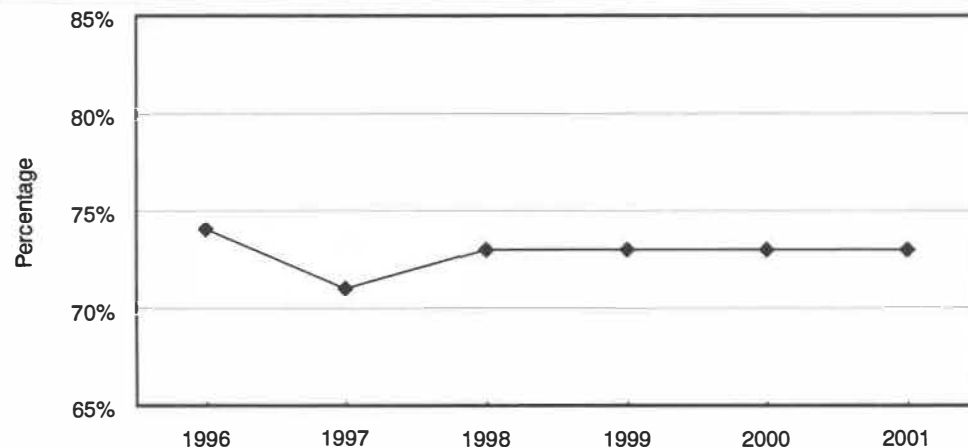
### Part 1 Crimes per 1000 population

- ◆ Compared to the years from 1989-1995, reported Part 1 crime/1000 population in 1997 are lower.
- ◆ Reported serious crimes per 1000 citizens showed a slight increase over 1996, mostly due to increased auto theft.



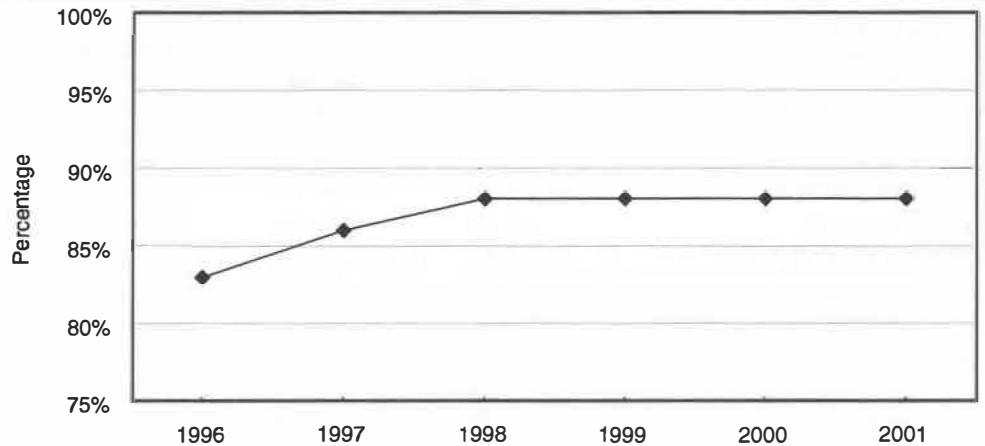
### Citizens Rating Service as Good or Better

- ◆ The percentage of citizens rating police services good or better has stayed within four percentage points of 70% since 1992.



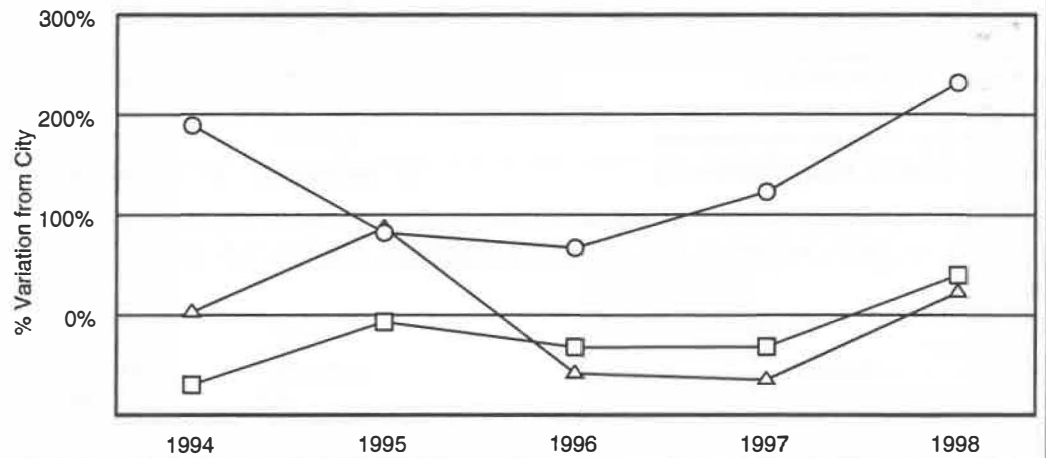
**Citizens Who Feel Safe Walking Alone in Their Neighborhood-Days**

◆ The percentage of citizens who report feeling safe walking alone in their neighborhood during the day has increased from 77% in 1990 to 86% in 1997



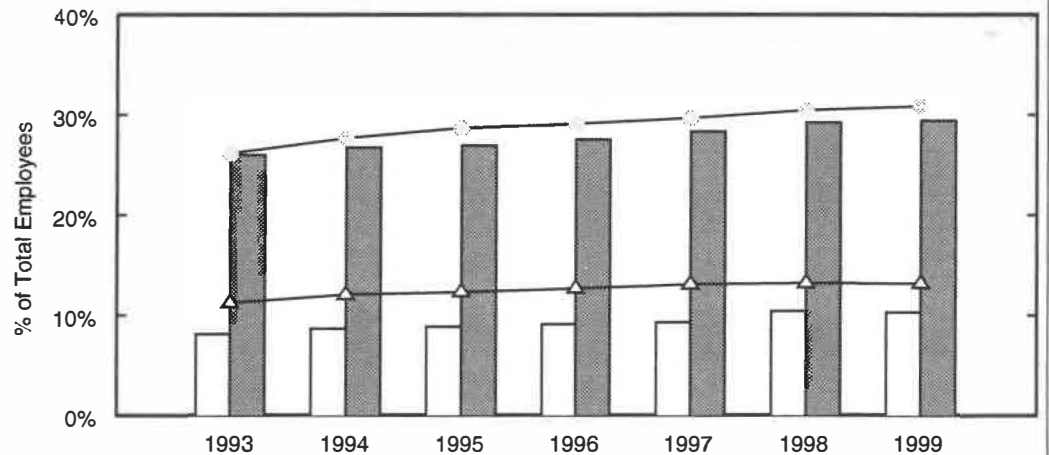
**Bureau Loss Experience vs. Citywide Loss Experience**

▲ Fleet Liability  
 ○ General Liability  
 □ Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

□ Bureau % Minority  
 ■ Bureau % Female  
 ▲ City % Minority  
 ● City % Female



	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	73,148,506	76,010,687	83,657,694	85,922,204	86,112,620
External Materials and Service	3,830,082	5,275,881	8,792,530	7,841,967	7,883,489
Internal Materials and Service	22,334,153	19,816,987	16,559,661	16,907,714	16,907,714
Minor Capital Outlay	153,641	228,531	112,944	0	320,577
Equipment Cash Transfers	81,789	488,857	688,490	0	0
<b>Total Operating Budget</b>	<b>99,548,171</b>	<b>101,820,943</b>	<b>109,811,319</b>	<b>110,671,885</b>	<b>111,224,400</b>
Capital Improvements	297,405	678,559	107,760	229,000	229,000
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 99,845,576</b>	<b>\$ 102,499,502</b>	<b>\$ 109,919,079</b>	<b>\$ 110,900,885</b>	<b>\$ 111,453,400</b>
Allocated Overhead Costs			3,018,555	3,252,223	3,283,570
<b>Total Cost with Allocated Overhead</b>			<b>112,937,634</b>	<b>114,153,108</b>	<b>114,736,970</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	1,208	1,208	1,212	1,213	1,214
<b>TOTAL POSITIONS</b>	<b>1,246</b>	<b>1,248</b>	<b>1,252</b>	<b>1,254</b>	<b>1,257</b>
<b>RESOURCES</b>					
Discretionary General Fund		92,930,401	95,931,647	98,804,912	98,889,446
<b>Non-Discretionary Revenues</b>					
Grants & Donations		3,909,700	8,258,109	6,767,034	6,767,034
Contract Revenues		3,256,465	2,738,438	2,894,001	2,894,001
Interagency Revenues		714,184	155,323	157,420	157,420
Bureau Program Revenues		1,688,752	2,962,771	2,277,518	2,745,499
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>9,569,101</b>	<b>14,114,641</b>	<b>12,095,973</b>	<b>12,563,954</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 102,499,502</b>	<b>\$ 110,046,288</b>	<b>\$ 110,900,885</b>	<b>\$ 111,453,400</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Neighborhood Policing Services		65,020,107	69,161,002	71,877,801	72,043,327
<i>Positions</i>		<i>811</i>	<i>811</i>	<i>812</i>	<i>814</i>
Investigative Services		13,453,689	13,648,902	13,668,011	13,668,011
<i>Positions</i>		<i>164</i>	<i>166</i>	<i>164</i>	<i>165</i>
Crime Interdiction Services		8,017,585	8,635,585	8,778,041	8,778,041
<i>Positions</i>		<i>94</i>	<i>92</i>	<i>94</i>	<i>94</i>
Support Services		16,008,121	18,473,590	16,577,032	16,964,021
<i>Positions</i>		<i>179</i>	<i>183</i>	<i>184</i>	<i>184</i>
<b>TOTAL PROGRAMS</b>		<b>\$ 102,499,502</b>	<b>\$ 109,919,079</b>	<b>\$ 110,900,885</b>	<b>\$ 111,453,400</b>
<i>Positions</i>		<b>1,248</b>	<b>1,252</b>	<b>1,254</b>	<b>1,257</b>

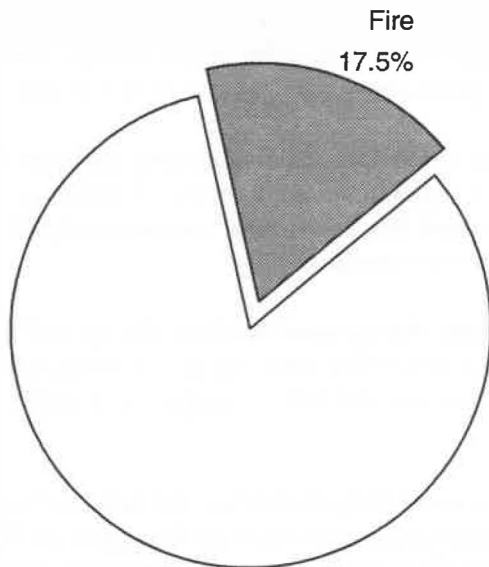
# Bureau of Fire, Rescue and Emergency Services

Public Safety Service Area

Jim Francesconi, Commissioner-in-Charge

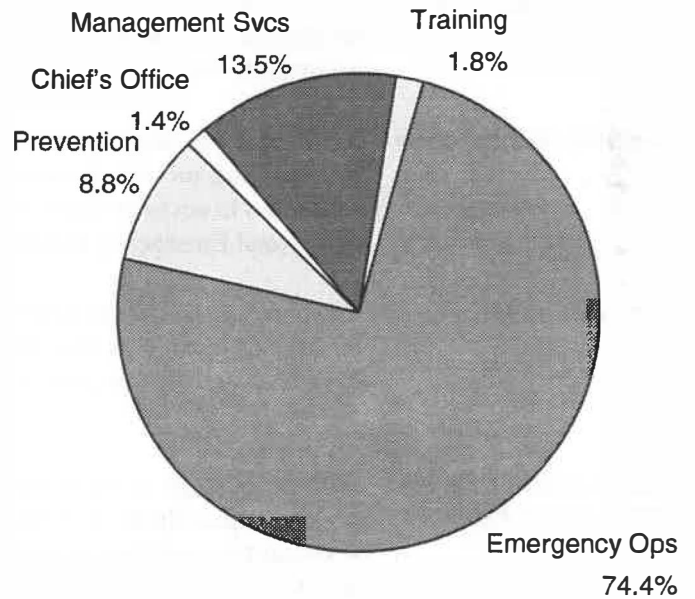
Robert Wall, Fire Chief

**Percent of General Fund**



82.5%  
General Fund = \$349.4 Million

**Bureau Programs**



**Bureau Overview**

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	58,488,545	60,095,020	1,606,475	-1.6%
Capital	2,809,578	1,050,000	(1,759,578)	-64.2%
Allocated City Overhead Costs	1,465,141	1,579,170	114,029	3.2%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 62,763,264</b>	<b>\$ 62,724,190</b>	<b>\$ (39,074)</b>	<b>-4.3%</b>
Authorized Full-Time Positions	729	730	1	-4.1%

Note: Per capita change values are adjusted for inflation and population growth.

## Bureau Summary

### BUREAU MISSION

The mission of the bureau is to promote a safe environment for all areas protected by the Portland Bureau of Fire, Rescue and Emergency Services, to respond to fire and other emergencies, and to provide related services that benefit the public.

### BUREAU HIGHLIGHTS

The FY1999-00 Budget for Portland Fire and Rescue contains several initiatives that the bureau will focus on during the next budget period. They include the following:

#### Paramedic Service

Deliver Paramedic Service from all Portland fire stations in FY 1999-00. The bureau has developed a plan to provide paramedic services from each of the 26 fire stations. The bureau is currently the largest and best provider of pre-hospital care in the State of Oregon.

#### Regional Approaches

The bureau has developed and implemented a model for regional training academy and is experiencing success at every level. The first regional academy for Fire Training is scheduled to occur in 1999. In addition, Portland Fire and Rescue conducts and participates in regional Emergency Preparedness classes and exercises.

#### Labor/Management

The chief of the bureau serves on the Citywide Management Advisory Group, and the bureau has revived its internal Labor Management Committee. To date, two major issues have been resolved prior to arbitration, and a successful labor management retreat was held in February of 1999.

#### Fire Station Location Plan/Capital Projects

With the passage of the Seismic Upgrade General Obligation Bond, the bureau shares project responsibility with the Bureau of General Services Facilities Management Division. Portland Fire and Rescue's duties include communication with impacted neighborhoods and logistical support to the affected fire stations. Site planning for the West Hills and East (82nd/Prescott) stations is scheduled for completion during 1999.

#### Computer Technology

The Bureau has implemented the Fire Incident Reporting System and supports Citywide ITSP. During FY 1999-00 the bureau will further develop and implement additional modules of the Fire Information System, as well as work to provide timely response maps to all of the fire companies.

#### Bureau Planning

The recent reorganization, prevention enhancement, station based program management and regional paramedic engine plan all support the bureau's goal of organizational excellence. During FY 1998-99 the bureau is updating its Strategic Plan and plans to apply for an Oregon Quality Initiative Award in FY 1999-00.



**Successful Workforce Diversity Program**

The FY 1999-00 Budget contains another cycle of the highly successful Trainee/Apprenticeship Program. The bureau has hired its fourth class of trainees, is in the process of recruiting the fifth class, and will be hiring an additional 16 Trainees during FY 1999-00. The program provides four months of training prior to the individuals' being sworn in as Firefighter/EMTs. The bureau's workforce diversity has improved 154% in the last five years, which is reflective in the following diversity numbers for sworn employees:

- ◆ 66 Males
  - ❖ 16 African American
  - ❖ 18 Asian/Pacific Islander
  - ❖ 21 Hispanic
  - ❖ 11 Native Americans
- ◆ 18 Females
  - ❖ 1 African American

**Station Based Program Management**

The FY1999-00 budget continues the bureau's focus on programs carried out at the neighborhood fire station. The following functions are being performed by 53-hour personnel, that were transferred from 40 hour support staff positions in FY 1997-98 and assigned to various fire stations: pre-fire building surveys, EMS training, Traffic Calming Liaison, and Juvenile Firesetter program. Additionally, the Community Emergency Services (CES) program works with stations to implement programs to benefit the communities of the 26 fire stations.

**Capital Projects**

Implementation of the GO Bond program is a top priority for the bureau in FY 1999-00 and the years beyond that. Portland Fire and Rescue staff is working closely the Bureau of General Services and the Office of Finance and Administration on the implementation. Station remodeling Requests for Proposals and station site location identifications are currently underway.

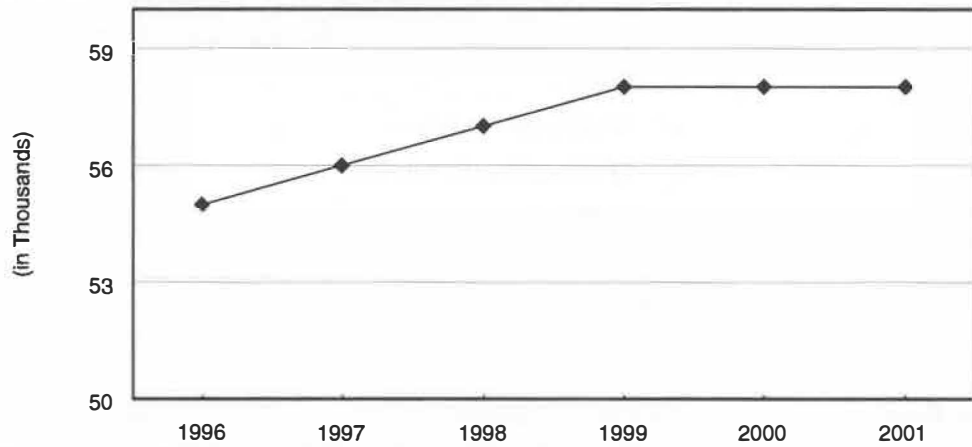
**Enhanced Fire Prevention (EFP)**

This budget continues a major initiative started in FY 1998-99 that generates resources to meet the prevention division's code enforcement goals. A National Fire Protection Association study found jurisdictions that conduct regular fire code inspections, experience significantly fewer fires than those which do not. Portland Fire and Rescue is empowered to inspect approximately 32,000 commercial and multi-family residential structures of 3 or more units. Due to lack of resources, inspectors were able to inspect only 5,006 structures in FY 1995-96 and 5,094 in FY1996-97. The enhanced prevention program provides the resources to conduct inspections of all inspectable occupancies on a regular basis through modest user fees. During FY 1999-00, EFP program revenue is \$250,000 more than the budgeted revenue for FY 1998-99.

# Performance Measures

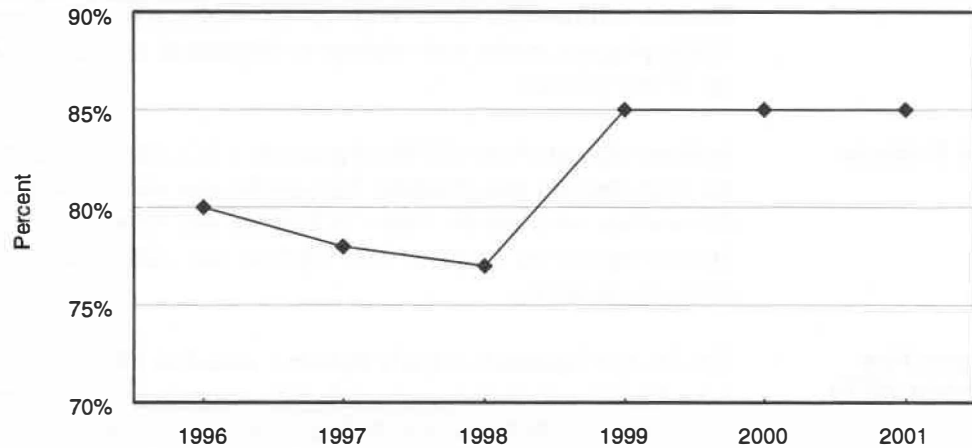
**Number of Emergency Response Calls**

- ◆ The bureau has seen a constant increase in the number of emergency response calls, in direct correlation to the rise in population.
- ◆ 75% of the calls responded to are medical in nature.
- ◆ Portland Fire and Rescue serves a population of 510,000 and provides coverage to 149.5 square mile.



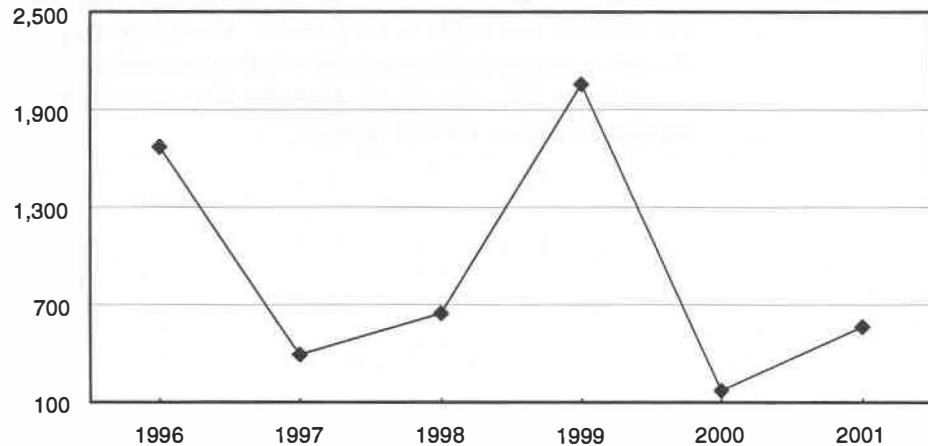
**Response Time under 5 minutes 20 seconds**

- ◆ Study findings indicate that getting medical help within the first few minutes of a trauma or medical emergency can make a dramatic difference in a patient's recovery.
- ◆ Four additional fire stations will be built within the next few years to ensure that the Bureau continues to be provide an adequate level of emergency response.



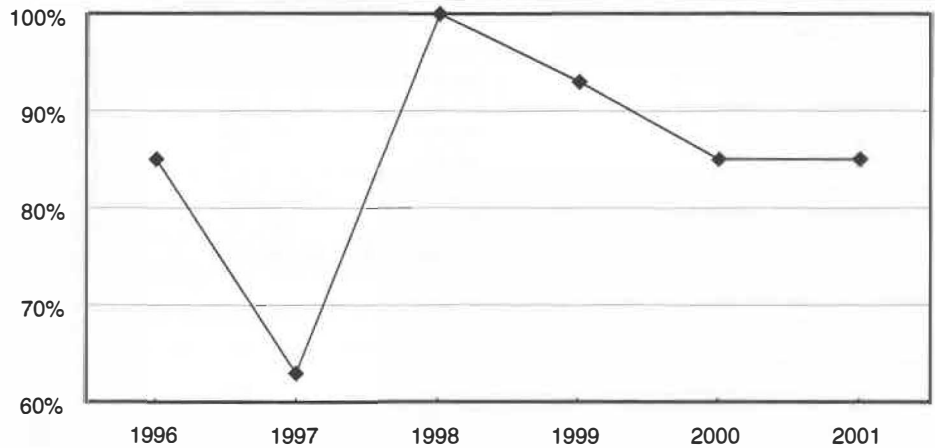
**Number of Applicants for Positions**

- ◆ Depending on the fiscal year, various exams are given for uniform positions. The chart shows how the total number of applicants fluctuates, depending on the type and number of exams being given.
- ◆ Lieutenant, Captain and Chief positions usually have fewer applicants than the entry level positions of Firefighter and EMT.



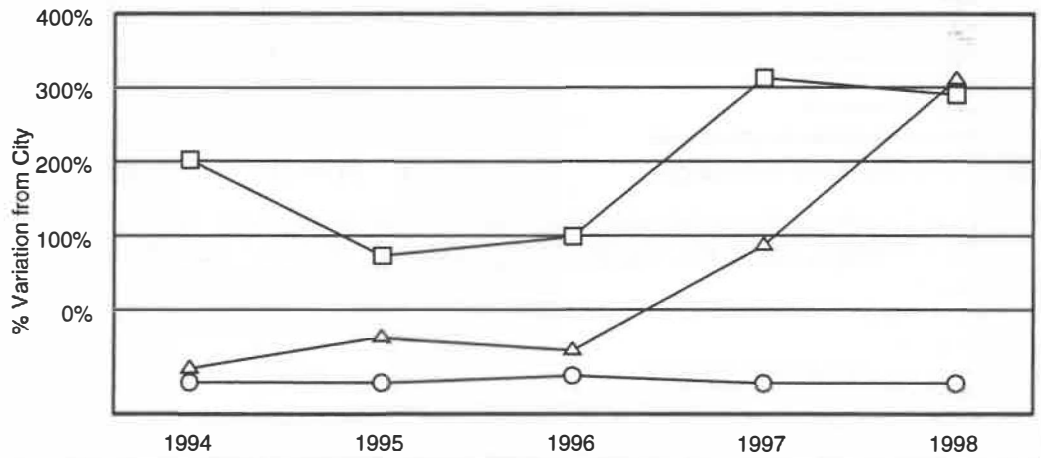
**Percent of Recruits Trained Successfully**

◆ Portland Fire and Rescue's Training Academy provides an extensive program through classroom training, Training Station shift work; and continued learning and evaluation at an assigned station.



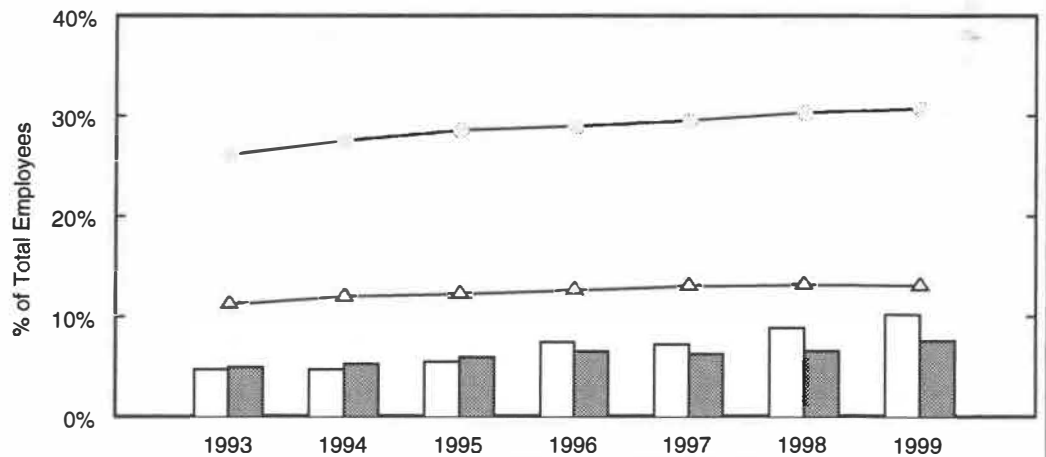
**Bureau Loss Experience vs. Citywide Loss Experience**

▲ Fleet Liability  
 ○ General Liability  
 □ Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

□ Bureau % Minority  
 ■ Bureau % Female  
 ▲ City % Minority  
 ◆ City % Female



	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	49,154,446	48,142,878	51,668,841	53,423,923	53,465,855
External Materials and Service	3,930,374	3,625,027	4,133,979	4,000,977	4,007,628
Internal Materials and Service	4,693,250	4,710,814	2,410,725	2,599,136	2,599,136
Minor Capital Outlay	133,302	124,568	50,000	22,401	22,401
Equipment Cash Transfers	60,825	0	225,000	0	0
<b>Total Operating Budget</b>	<b>57,972,197</b>	<b>56,603,287</b>	<b>58,488,545</b>	<b>60,046,437</b>	<b>60,095,020</b>
Capital Improvements	1,548,788	1,541,465	2,809,578	1,000,000	1,050,000
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 59,520,985</b>	<b>\$ 58,144,752</b>	<b>\$ 61,298,123</b>	<b>\$ 61,046,437</b>	<b>\$ 61,145,020</b>
Allocated Overhead Costs			1,465,141	1,570,557	1,579,170
<b>Total Cost with Allocated Overhead</b>			<b>62,763,264</b>	<b>62,976,994</b>	<b>62,724,190</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	724	682	682	682	682
<b>TOTAL POSITIONS</b>	<b>746</b>	<b>704</b>	<b>729</b>	<b>730</b>	<b>730</b>
<b>RESOURCES</b>					
Discretionary General Fund		55,543,129	56,752,380	57,991,969	58,090,552
<b>Non-Discretionary Revenues</b>					
Grants & Donations		82,629	83,922	0	0
Contract Revenues		259,116	270,000	270,000	270,000
Interagency Revenues		60,140	29,873	30,940	30,940
Bureau Program Revenues		2,199,738	4,161,948	2,753,528	2,753,528
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>2,601,623</b>	<b>4,545,743</b>	<b>3,054,468</b>	<b>3,054,468</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 58,144,752</b>	<b>\$ 61,298,123</b>	<b>\$ 61,046,437</b>	<b>\$ 61,145,020</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Chief's Office		0	765,439	875,448	875,448
<i>Positions</i>		0	7	7	7
Emergency Management & Planning		745,976	4,691	0	0
<i>Positions</i>		7	0	0	0
Emergency Operations		43,261,286	44,267,166	45,471,420	45,471,420
<i>Positions</i>		581	593	594	594
Logistics		83,900	0	0	0
<i>Positions</i>		0	0	0	0
Management Services		8,441,422	9,458,723	8,174,902	8,273,485
<i>Positions</i>		44	43	44	44
Prevention		3,891,816	5,668,319	5,400,469	5,400,469
<i>Positions</i>		48	66	66	66
Training		1,720,352	1,133,785	1,124,198	1,124,198
<i>Positions</i>		24	21	20	20
<b>TOTAL PROGRAMS</b>		<b>\$ 58,144,752</b>	<b>\$ 61,298,123</b>	<b>\$ 61,046,437</b>	<b>\$ 61,145,020</b>
<i>Positions</i>		<b>704</b>	<b>729</b>	<b>730</b>	<b>730</b>

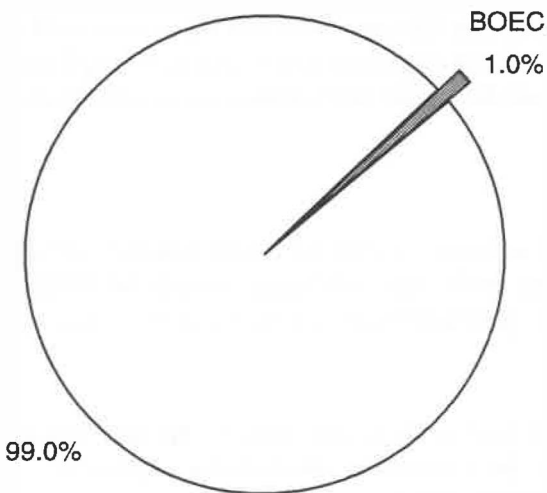
# Bureau of Emergency Communications

Public Safety Service Area

Dan Saltzman, Commissioner-in-Charge

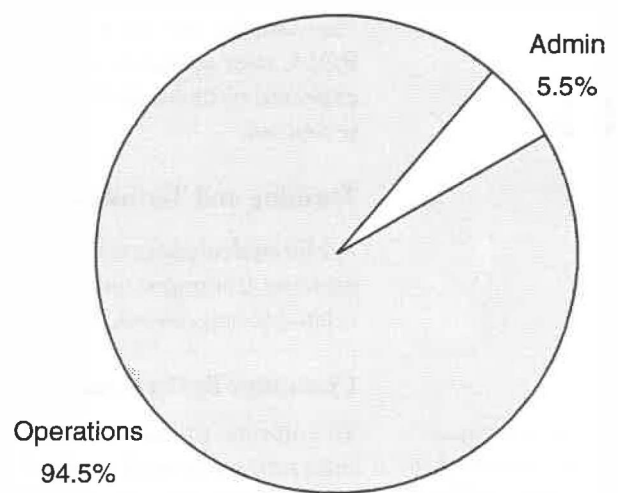
Sherrill Whittemore, Director

Percent of City Budget



City Budget = \$1.29 Billion

Bureau Programs



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	12,781,076	13,230,303	449,227	-0.9%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	377,488	351,627	(25,861)	-10.8%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 13,158,564</b>	<b>\$ 13,581,930</b>	<b>\$ 423,366</b>	<b>-1.2%</b>
Authorized Full-Time Positions	155	165	10	1.9%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The mission of the Bureau of Emergency Communications is to provide exemplary, quality, and timely 9-1-1 call taking services to the citizens of Portland and Multnomah County, and to provide the best possible dispatch services to BOEC's police, fire and medical user agencies.

## BUREAU HIGHLIGHTS

### Trends

*Continued population growth is projected to further increase call volume.*

### Growth in Demand for Services

Forecast of continued call volume and population growth for the BOEC service area is projected at 4% per annum. This growth continues to drive the need for additional staff each year. This budget includes the addition of five ECO II staff for increased call volumes to maintain the service levels agreed to in the City Intergovernmental Agreement with the BOEC user agencies. Additional funding is not requested at this time as the staff are expected to be hired during FY 99-00, and the partial year salaries can be paid from current resources.

### Training and Technical Support

Additional support staff for training and technical support have been added to address the ongoing training requirements established by the State of Oregon through the DPSST and related to ongoing skill maintenance for operational staff responding to 9-1-1 calls.

### Computer Systems and 9-1-1 System

*Maintenance of computer systems and optimization of the 9-1-1 system continue to be a high priority.*

To continue to maintain the bureau's computer systems and optimize the functionality and integration required by the 9-1-1 system, the bureau has added contract dollars in professional services, equipment replacement, and personnel support.

Continued technology changes and the sophistication of the integrated BOEC computer systems have required additional expenditures to assure ongoing operation and support of the 9-1-1 system.

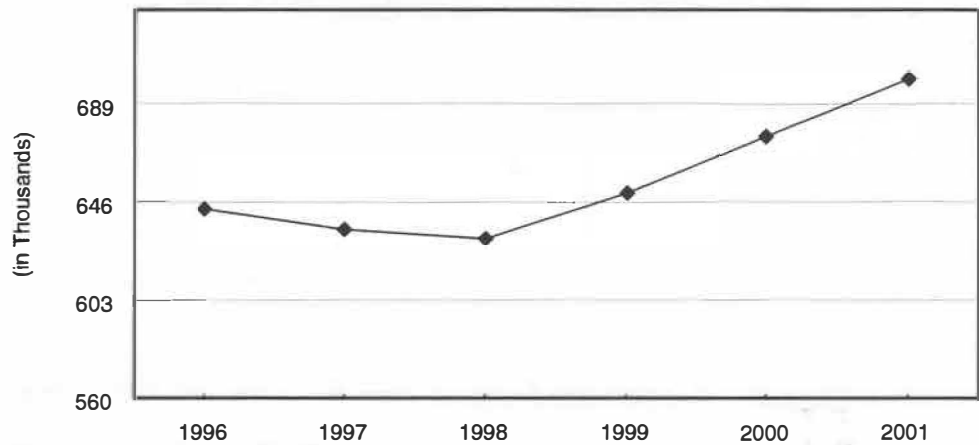
BOEC continues to strive to meet the goal of answering incoming 9-1-1 calls from citizens in a timely manner. The bureau has seen an increase in trained staff due to the recruiting and training strategies adopted through this biennium.

Support staff training and staff requirements have increased due to these changes and additions to the 9-1-1 system.

# Performance Measures

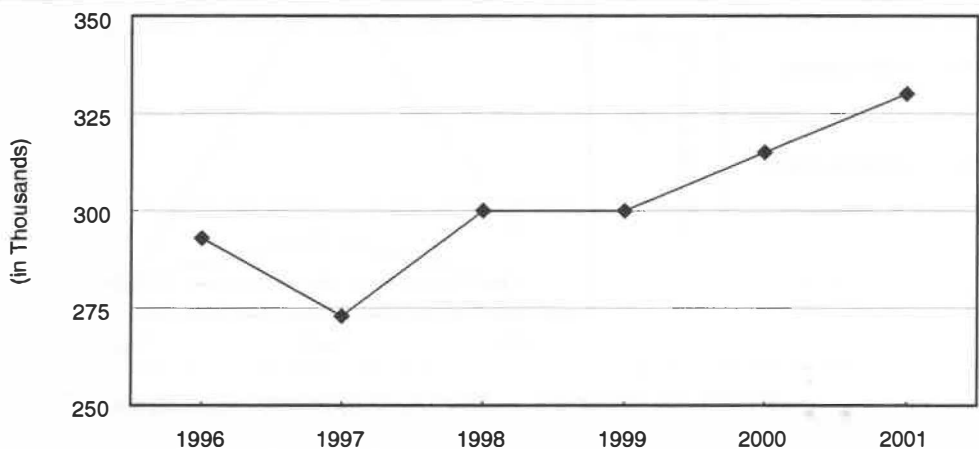
### Emergency 9-1-1 Calls

- ◆ The volume of 9-1-1 emergency calls varies with the change in population of Multnomah County.
- ◆ An improved call tracking system identified a higher number of calls starting in FY 1994-95.



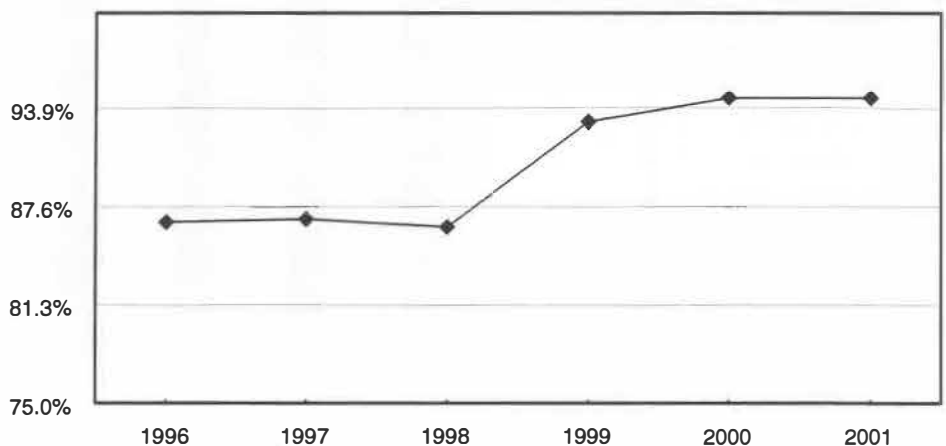
### Non-Emergency Calls

- ◆ The volume of calls to the non-emergency number varies with the usage of the non-emergency phone number, and the overall call volume to the Bureau.
- ◆ Implementation of the public education program should create a sharp increase in non-emergency calls.



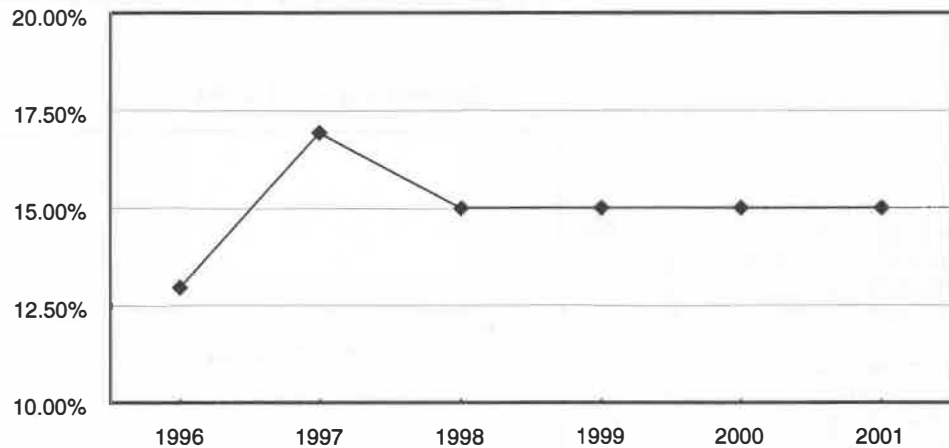
### % Calls Answered Within 20 Seconds

- ◆ As current recruitment efforts lead to a full staffing level of certified emergency communications operators, BOEC expects performance to improve.



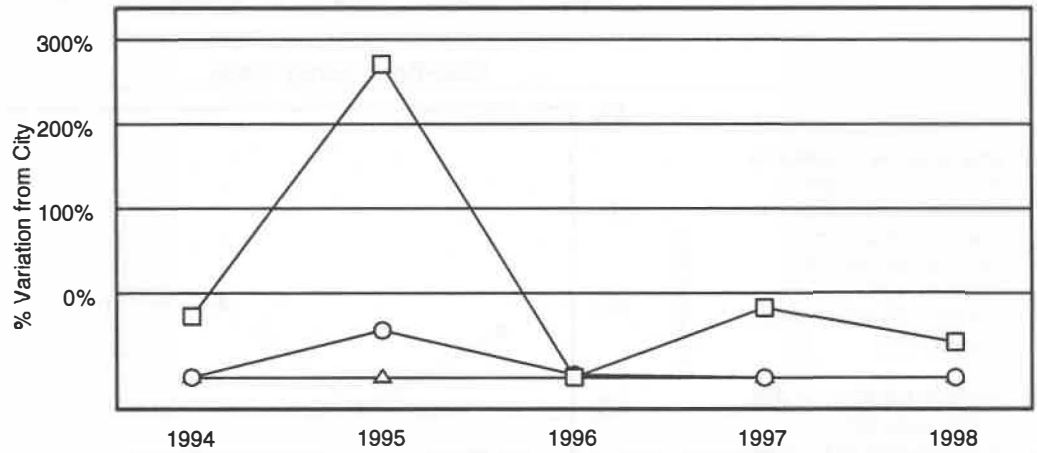
**Administrative Cost as a % of Total Budget**

◆ The objective is to manage administrative costs to 15% or less of the total BOEC budget.



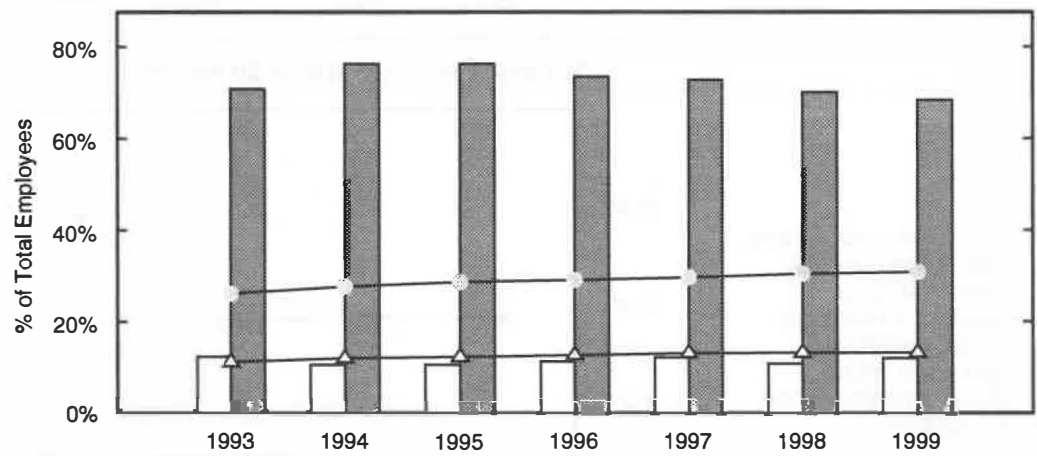
**Bureau Loss Experience vs. Citywide Loss Experience**

▲ Fleet Liability  
 ○ General Liability  
 □ Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

□ Bureau % Minority  
 ■ Bureau % Female  
 ▲ City % Minority  
 ● City % Female





**Bureau of Emergency Communications AU 620**

**SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	8,543,485	9,915,654	11,074,913	11,181,082	11,181,082
External Materials and Service	652,458	743,119	639,282	959,707	898,562
Internal Materials and Service	966,657	1,003,900	1,066,881	1,150,659	1,150,659
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	31,500	17,493	0	0	0
<b>Total Operating Budget</b>	10,194,100	11,680,166	12,781,076	13,291,448	13,230,303
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 10,194,100</b>	<b>\$ 11,680,166</b>	<b>\$ 12,781,076</b>	<b>\$ 13,291,448</b>	<b>\$ 13,230,303</b>
Allocated Overhead Costs			377,488	356,880	351,627
<b>Total Cost with Allocated Overhead</b>			13,158,564	13,648,328	13,581,930
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary					
<b>TOTAL POSITIONS</b>	<b>152</b>	<b>152</b>	<b>155</b>	<b>165</b>	<b>165</b>
<b>RESOURCES</b>					
Bureau of Emergency Communication		0	0	0	0
Discretionary General Fund		7,593,055	8,826,476	9,121,012	9,183,325
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		3,982,054	3,849,100	4,040,436	3,916,978
Interagency Revenues		0	0	0	0
Bureau Program Revenues		105,057	105,500	130,000	130,000
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		4,087,111	3,954,600	4,170,436	4,046,978
<b>Total General Fund Resources</b>		11,680,166	12,781,076	13,291,448	13,230,303
<b>TOTAL RESOURCES</b>		<b>\$ 11,680,166</b>	<b>\$ 12,781,076</b>	<b>\$ 13,291,448</b>	<b>\$ 13,230,303</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Administration		746,195	877,236	792,264	731,119
<i>Positions</i>		7	6	9	9
911 Operations		10,933,971	11,903,840	12,499,184	12,499,184
<i>Positions</i>		145	149	156	156
<b>TOTAL PROGRAMS</b>		<b>\$ 11,680,166</b>	<b>\$ 12,781,076</b>	<b>\$ 13,291,448</b>	<b>\$ 13,230,303</b>
<i>Positions</i>		<b>152</b>	<b>155</b>	<b>165</b>	<b>165</b>

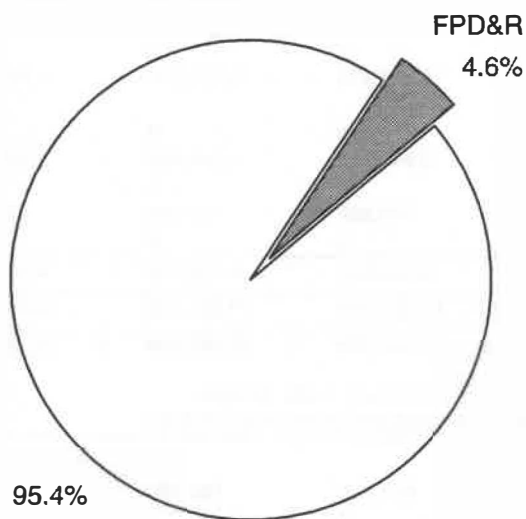
# Fire & Police Disability & Retirement

Public Safety Service Area

Auditor Gary Blackmer, Commissioner-in-Charge

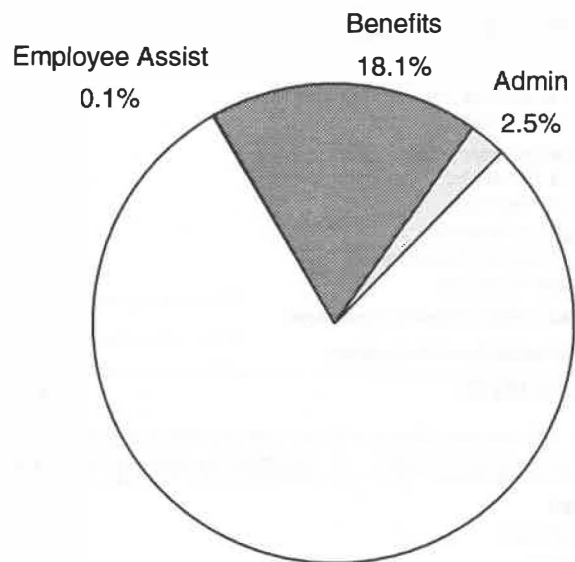
Babette Means, Director

Percent of City Budget



City Budget = \$1.29 Billion

Bureau Programs



Retirement Payments

79.3%

## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	56,421,055	59,277,514	2,856,459	0.6%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	88,016	79,185	(8,831)	-13.9%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 56,509,071</b>	<b>\$ 59,356,699</b>	<b>\$ 2,847,628</b>	<b>0.6%</b>
Authorized Full-Time Positions	0	0	0	0.0%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

## BUREAU HIGHLIGHTS

**General Description** The Fire and Police Disability and Retirement (FPD&R) Fund was created to provide disability and retirement benefits to the sworn employees of the fire and police bureaus. Chapter 5 of City Charter establishes the level of benefits and the method of administering benefits, and provides for separate property tax levy authority of up to \$2.80 per \$1,000 on taxable assessed value within the City of Portland.

Originally authorized in 1948, Chapter 5 has been amended five times, most recently in 1989. The plan is administered by the Fire and Police Disability and Retirement Board.

*The plan has 1,428 active and 1,511 retired or disabled participants.*

As of June 30, 1998, there were 1,428 active, working fire and police personnel that were participants in the Fire and Police Disability and Retirement Plan, a defined benefit plan. In addition, there are 1,511 retirees, beneficiaries, and participants with permanent disabilities currently receiving benefits, and 17 terminated employees who are vested but not yet receiving benefits under the plan.

## Programs

The bureau is divided into four programs:

- ◆ **Retirement and System Payments:** Includes the direct costs of pensions or refunds of contributions to members and beneficiaries;
- ◆ **Disability and Death Benefits:** Includes all direct benefit costs for time lost due to disability, medical claims, and death benefits;
- ◆ **Administration:** Includes all other fund expenses which are non-direct costs of providing benefits, including staffing costs, actuarial expenses, legal fees and other office expenses; and
- ◆ **Employee Assistance Program (EAP):** Includes the expenses paid by FPD&R associated with management of the Employee Assistance Program for the Police Bureau and Fire Bureau.

## Changes from Prior Year

*Growth in the number of pensioners and a cost of living adjustment increased the pension benefits budget.*

### Retirement and System Payments

Overall expenditures for FY 1999-00 total \$59,277,514, an increase of \$2.86 million over the FY 1998-99 Revised Budget. Of this increase, \$885,232 is budgeted in Pension Benefits Program. The changes from prior year in Pension Benefits include an estimated net increase of 29 pension recipients during FY1999-2000, and increases in benefits for the annual cost of living adjustment, which are estimated at 2% cost of living adjustment for both the old plan retirees and the new plan retirees. The total number of retirees and beneficiaries estimated by fiscal year end 2000 is 1,404.

### **Disability and Death Benefits**

*There has been a recent upward trend in short-term disability and medical expenses.*

The cost increase from the prior year is significant in the area of disability benefits. Approximately \$1.8 million increase is budgeted in this area. After the revision of the Fire and Police Disability and Retirement Plan in 1990, the expenditures in the disability program steadily declined until FY1995-96. However, the trend has been reversed in recent years. The upward trend has been most visible in short-term disability benefits and medical expenses. It is projected that there will be an increase of 1.5% per pay period in short-term disability benefits, and an increase of 2.5% per month in medical expenses in FY 1999-00. In addition, the annual cost of living increases of 2% is estimated for disability benefits.

### **Administration**

In FY 1999-00, administrative expenses are increasing by \$163,771 above the current service level to a total of \$1,505,315. This is primarily due to an addition of Nurse Case Management to the Administration Program.

*Nurse Case Management is intended to relieve workload.*

**Nurse Case Management:** The cost for the nurse case management is estimated at \$62,400. This is a new pilot program established in order to relieve increasing workload in the area of disability/medical claims management, as well as to increase the quality of services provided to disabled members.

**Other:** Other cost increases in the Administration Program include increased education and computer equipment expenses to become Y2K compliant and meet Citywide computer hardware/software standards, increased legal and actuarial expenses of \$53,000 related to the continued study of becoming a funded pension system, and expenses for work related to putting a City Charter amendment on the November 2000 ballot.

### **Employee Assistance Program**

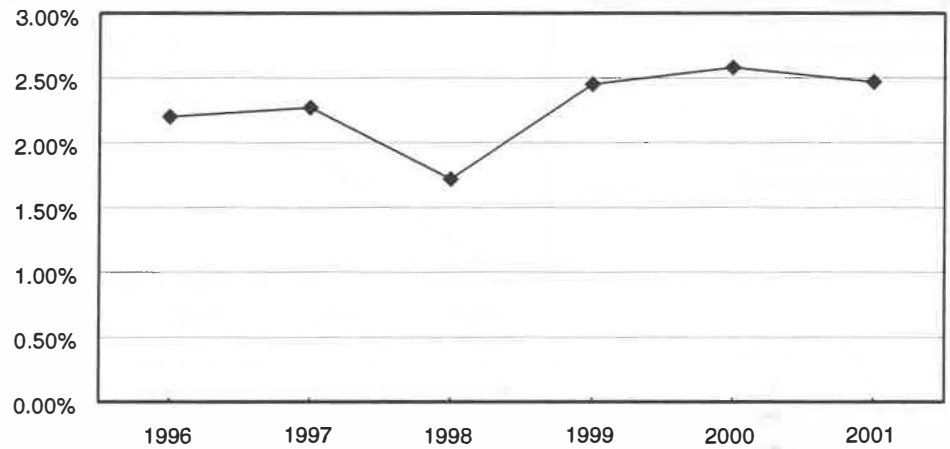
*The Fire Bureau established an employee assistance program in FY 1998-99.*

Expenditures in the Employee Assistance Program (EAP) area show a slight increase mainly because of an addition to the established Bureau of Police program. The Bureau of Fire, Rescue & Emergency Services (Fire Bureau) established an employee assistance program under the management of the FPD&R during FY 1998-99. As is the case for police EAP, all costs associated with fire EAP will be reimbursed by the Fire Bureau.

# Performance Measures

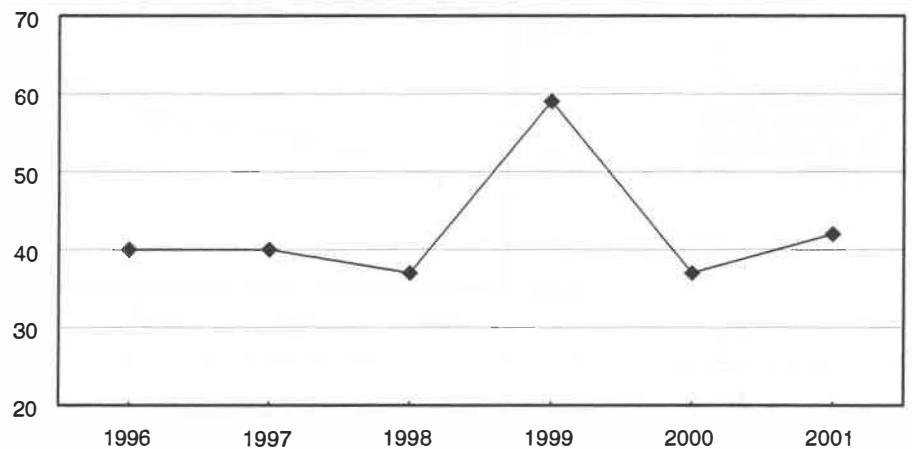
### Administrative cost as a percentage of total budget

- ◆ Administrative costs have historically been about 2.2% of the total budget or less
- ◆ The decrease in 1998 was due to the one-time increase in total costs for retroactive payments

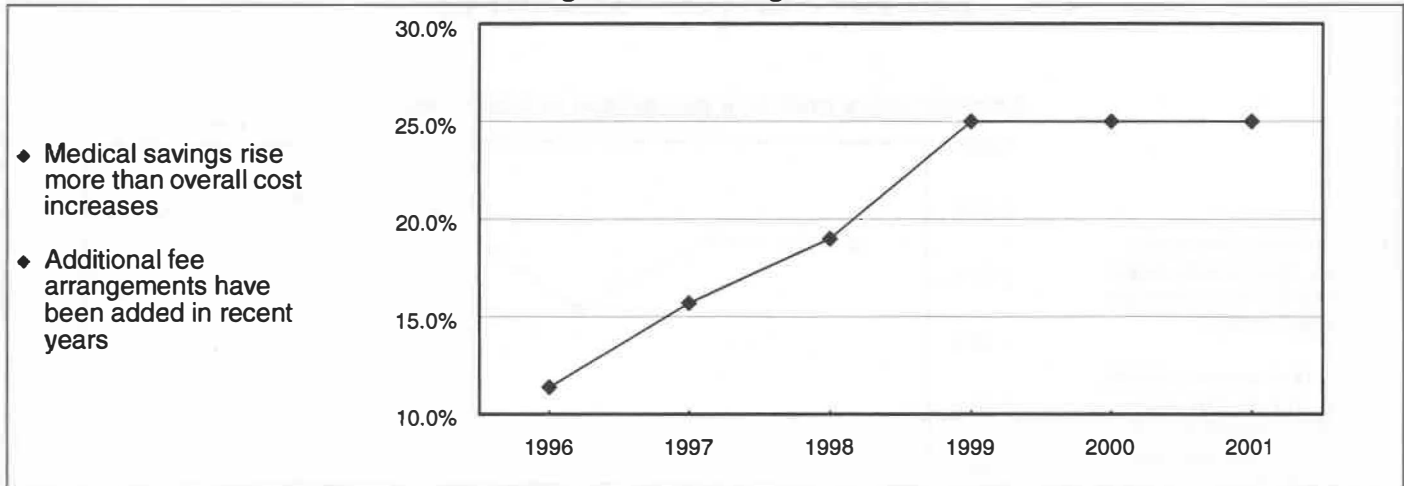


### Number of Retirements from Active Service

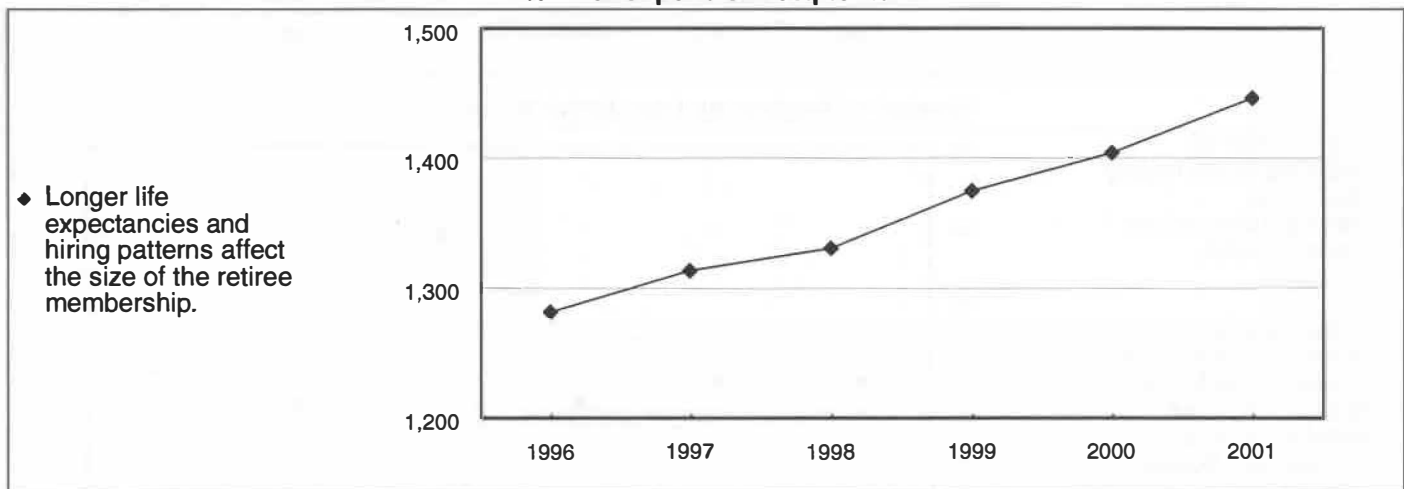
- ◆ The number of retirements are largely due to the demographics of the fire and police bureaus.
- ◆ Other factors influencing retirement choices include the economics, work satisfaction and morale, and bureau policies.
- ◆ Fiscal year 1999 includes a budgeted "cushion" of 10 extra retirements per bureau.



### Medical Cost Savings as a Percentage of Total Medical Costs



### Number of pension recipients



**Fire & Police Disability & Retirement AU 337**

**SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	0	0	0	0	0
External Materials and Service	45,841,021	64,510,351	55,596,149	58,430,311	58,430,311
Internal Materials and Service	726,790	713,255	814,906	837,003	837,003
Minor Capital Outlay	5,295	12,100	10,000	10,200	10,200
Equipment Cash Transfers	10,000	0	0	0	0
<b>Total Operating Budget</b>	<b>46,583,106</b>	<b>65,235,706</b>	<b>56,421,055</b>	<b>59,277,514</b>	<b>59,277,514</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 46,583,106</b>	<b>\$ 65,235,706</b>	<b>\$ 56,421,055</b>	<b>\$ 59,277,514</b>	<b>\$ 59,277,514</b>
Allocated Overhead Costs			70,541	81,568	79,185
<b>Total Cost with Allocated Overhead</b>			<b>56,491,596</b>	<b>59,359,082</b>	<b>59,356,699</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>RESOURCES</b>					
Fire & Police Disability & Retirement Fund		62,662,206	80,418,444	83,622,883	83,622,883
Discretionary General Fund		0	0	0	0
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		0	0	0	0
Bureau Program Revenues		0	0	0	0
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total General Fund Resources</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL RESOURCES</b>		<b>\$ 62,662,206</b>	<b>\$ 80,418,444</b>	<b>\$ 83,622,883</b>	<b>\$ 83,622,883</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Administration		1,091,058	1,341,544	1,490,489	1,490,489
<i>Positions</i>		0	0	0	0
Retirement System Payments		55,704,219	46,150,003	47,036,135	47,036,135
<i>Positions</i>		0	0	0	0
Disability & Death Benefits		8,408,111	8,907,989	10,713,169	10,713,169
<i>Positions</i>		0	0	0	0
Employee Assistance		32,318	21,519	37,721	37,721
<i>Positions</i>		0	0	0	0
<b>TOTAL PROGRAMS</b>		<b>\$ 65,235,706</b>	<b>\$ 56,421,055</b>	<b>\$ 59,277,514</b>	<b>\$ 59,277,514</b>
<i>Positions</i>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

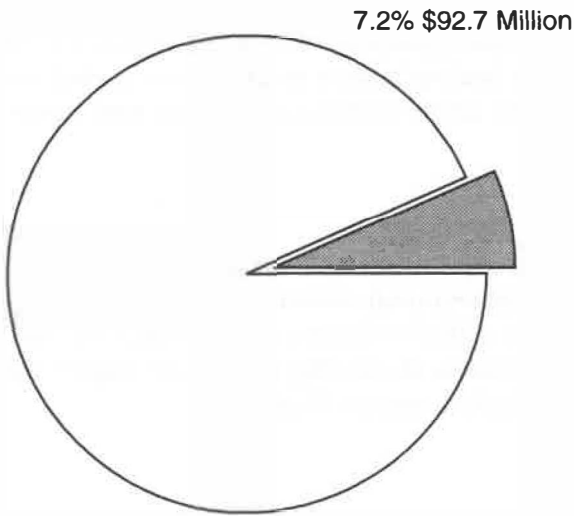




# Parks, Recreation and Culture

Portland Parks and Recreation

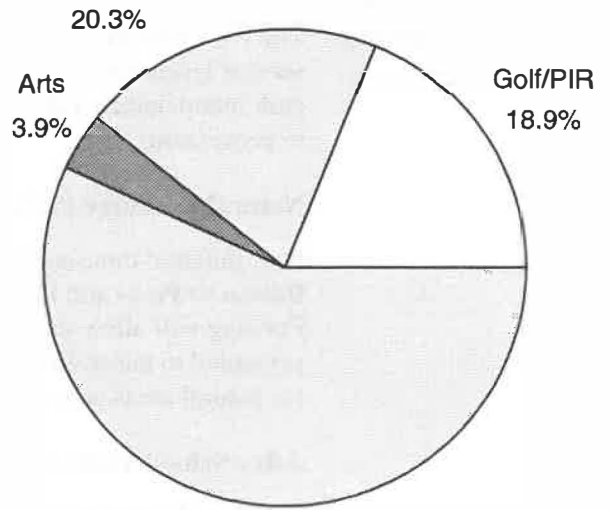
**Percent of City Budget**



City Budget = \$1.29 Billion

**Bureau Pie Chart**

Spectator Facilities



## Service Area Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	54,638,092	51,595,645	(3,042,447)	-9.6%
Capital	29,901,311	14,751,472	(15,149,839)	-52.8%
Allocated City Overhead Costs	2,534,532	2,226,544	(307,988)	-15.9%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 87,073,935</b>	<b>\$ 68,573,661</b>	<b>\$ (18,500,274)</b>	<b>-24.6%</b>
Authorized Full-Time Positions	365	375	10	-1.6%

Note: Per capita change values are adjusted for inflation and population growth.

# Service Area Highlights

## DESCRIPTION

The Parks, Recreation and Culture Services Area includes services for Parks, Golf, Portland International Raceway, Regional Arts and Culture Council, Spectator Facilities funds, and Parks construction funds.

## MAJOR THEMES

### Parks and Recreation

The FY 1999-00 Adopted Budget for Portland Parks & Recreation continues FY 1998-99 service levels while providing additional funding in three program areas: natural resource park maintenance, pilot programs for after school youth recreation, and park capital improvements.

#### Natural Resource Park Maintenance

Four hundred thousand of ongoing funds and \$100,000 of one-time funds will allow the Bureau of Parks and Recreation to provide improved stewardship of natural resource parks. Funding will allow the bureau to hire two skilled ecologists and additional seasonal personnel to maintain natural areas. In addition, the funding will provide improved planning for natural areas and management of volunteer support for parks.

#### After-School Youth Recreation

One time funds of \$300,000 per year for three years will allow the development of pilot "full service school" programs to support youth and families, offering a variety of recreational and social services at school during non-school hours. This funding compliments efforts by the State, Multnomah County, and Portland Public School District, and additional funding from the Annie Casey Foundation.

#### Parks Capital Projects

Increased General Fund dollars for parks capital projects in FY 1999-00 will support renovations/major repairs at

- ◆ Multnomah Art Center (\$269,500).
- ◆ Pittock Mansion (\$205,000).
- ◆ Ankeny Dock (\$104,000).
- ◆ Fulton Community Center (\$55,000).
- ◆ Delta Park Maintenance Headquarters (\$80,500).
- ◆ University Park Community Center (\$711,000).
- ◆ Landslide repairs (\$452,000).
- ◆ Second of three (\$200,000) payments to OMSI for the purchase of its Washington Park building, which will become the new location of the Children's Museum.

### Golf Fund

#### Progress Downs

A major renovation is planned in FY 1999-00 funded by golf debt.

**RACC**

In the FY 1999-00 Adopted Budget, funding of \$200,000 is included for year two of a five year commitment to arts stabilization. In addition, \$200,000 is included for year two of a five year commitment to the ballet, and \$200,000 for year one of a five year commitment to the opera.

**Spectator Facilities  
Operating Fund**

**Parking Revenue System**

An electronic parking revenue control system has been implemented to verify parking usage in order to account for parking revenues in the public garages located at the Rose Quarter.

**Electronic Signs**

The FY 1999-00 Approved Budget includes a \$200,000 cash transfer to the Transportation Fund for two message sign installations on the I-5 ramp to the Rose Quarter area. Adding these new signs will help the City to manage traffic during events at the Rose Quarter by providing real-time parking information and alternative parking choices to I-5 drivers.

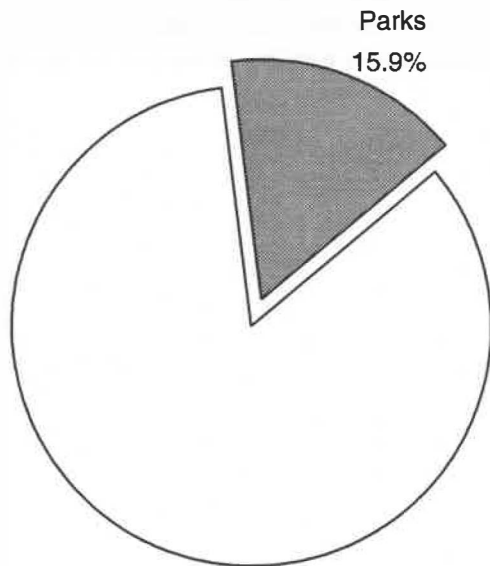
# Portland Parks and Recreation

Parks, Recreation and Culture Service Area

Jim Francesconi, Commissioner-in-Charge

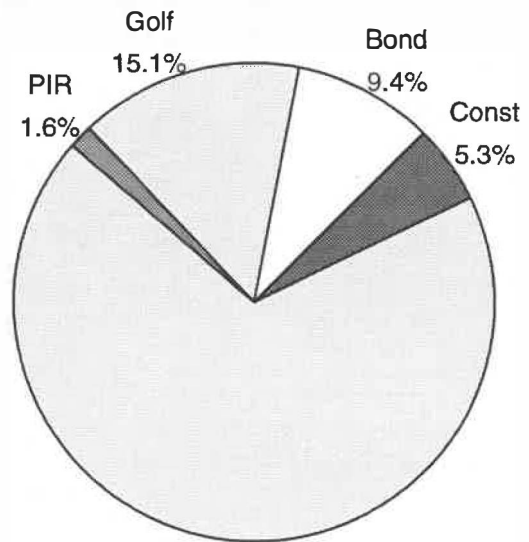
Charles Jordan, Parks Director

**Percent of City Budget**



84.1%  
City Budget = \$1.29 Billion

**Bureau Divisions**



Parks  
68.5%

## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	39,388,192	42,713,638	3,325,446	3.8%
Capital	29,218,753	12,677,306	(16,541,447)	-58.5%
Allocated City Overhead Costs	2,534,532	2,226,544	(307,988)	-15.9%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 71,141,477</b>	<b>\$ 57,617,488</b>	<b>\$ (13,523,989)</b>	<b>-22.5%</b>
Authorized Full-Time Positions	365	375	10	-1.6%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The mission of Portland Parks & Recreation is to ensure access to leisure opportunities and enhance Portland's natural beauty.

In pursuing this mission, Portland Parks & Recreation has three interrelated responsibilities:

To establish and protect parks, natural areas, and the urban forest;

To develop and maintain places where citizens can pursue recreational activities on their own initiative; and

To organize recreational activities that promote positive values in the community.

## BUREAU HIGHLIGHTS

### Funding

With a total budget of \$57.3 million and 375 full-time employees, Portland Parks & Recreation maintains nearly 200 parks and 150 buildings, while providing supervised recreation programs at more than 120 locations across the City.

In FY 1999-00, these services will continue to be funded by a mixture of public and private sources:

*The Golf program and Portland International Raceway (PIR) are fully self-supporting enterprises with operating budgets of \$4.5 million and \$869,000, respectively.*

- ◆ Parks and Recreation funding from the General Fund will total \$27.9 million for current operating expenses and \$2.1 million for capital investments.
- ◆ Voter-approved bond funds will provide \$5.3 million for capital improvements to parks and recreation facilities.
- ◆ Recreation program user fees from participants are projected to be \$12.2 million. Of this total, \$6.3 million will come from customers of General Fund recreation programs or park permits, with the remainder coming from golfers or motor sports customers at PIR.
- ◆ Debt proceeds of \$3.8 million will support the golf capital budget.
- ◆ Other sources total \$6.6 million. These include grants, donations, internal charges to other City bureaus, external contractual reimbursements, and property lease income.

### What's New in the General Fund Parks budget?

Within the General Fund, the FY 1999-00 Adopted Budget for Portland Parks & Recreation continues the FY 1998-99 service levels while providing enhanced funding in three primary areas: natural resource park maintenance, pilot programs for after school youth recreation, and park capital improvements.

#### Natural Resource Park Maintenance

Two hundred and fifty thousand dollars of ongoing funding will allow improved stewardship of natural resource parks. This will allow the bureau to

- ◆ Hire two skilled ecologists and additional seasonal personnel to maintain and protect the natural areas.
- ◆ Improve planning for natural areas.
- ◆ More effectively attract and manage volunteer support of natural area parks.

*The "full service schools" pilot program sites are also referred to as "SUN schools" (Schools Uniting Neighborhoods).*

### **After-School Youth Recreation**

A one-time funding commitment of \$300,000 per year for three years will allow the development of pilot "full-service school" programs to support youth and families, offering a variety of recreational and social services at school sites during non-school hours. This funding complements efforts by the State, Multnomah County, and Portland School District, with additional funding coming from the Annie Casey Foundation.

### **Parks Capital Projects**

Increased General Fund support for parks capital projects in FY 1999-00 will allow renovations or major repairs at:

- ◆ Multnomah Art Center (\$269,500).
- ◆ Pittock Mansion (\$205,000).
- ◆ Ankeny Dock (\$104,000).
- ◆ Fulton Community Center (\$55,000).
- ◆ Delta Park Maintenance Headquarters (\$80,500).

The FY 1999-00 General Fund capital funding also supports

- ◆ The first stage of renovation work needed at the University Park Community Center (\$711,000).
- ◆ Landslide or flood repairs at Crystal Springs (\$221,000) and Lower MacLeay Park (\$86,000).
- ◆ The second of three \$200,000 payments to OMSI for the purchase of its Washington Park building, which will become the new location of the Children's Museum.
- ◆ Repair of a landslide in Washington Park (\$145,000).

### **Other Funding Changes for FY 1999-00**

The FY 1999-00 Parks General Fund budget also provides:

- ◆ Operation and maintenance of the new East Delta Park sports complex (\$150,000).
- ◆ Continued staffing for the University Park computer lab that was developed two years ago in partnership with the Intel Foundation (\$35,000).
- ◆ One-time support for a mailing of the recreation program guide (\$100,000); park maintenance costs (\$70,000), and Y2K computer costs (\$40,000), and the Neighborhood Tree Liaison Program (\$30,000).
- ◆ A major "2020 Parks" strategic planning effort and audit (\$225,000 per year for two years).

### **What's New in Other Parks Funds?**

*The addition of a new aquatics center to the Mt. Scott Community Center is one of the G.O. bond-funded projects scheduled to be complete in FY 1999-00.*

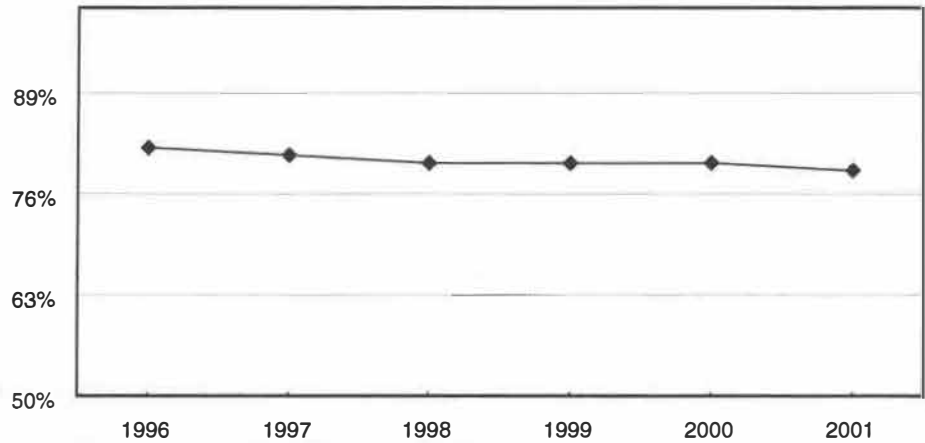
Outside the General Fund, the FY 1999-00 Portland Parks & Recreation budget reflects

- ◆ The final year of park capital projects funded by the 1994 General Obligation Bond Issue.
- ◆ A major renovation of Progress Downs golf course, funded by golf debt.
- ◆ The purchase of land for future parks, funded by the parks systems development charge on newly developing residential property.

# Performance Measures

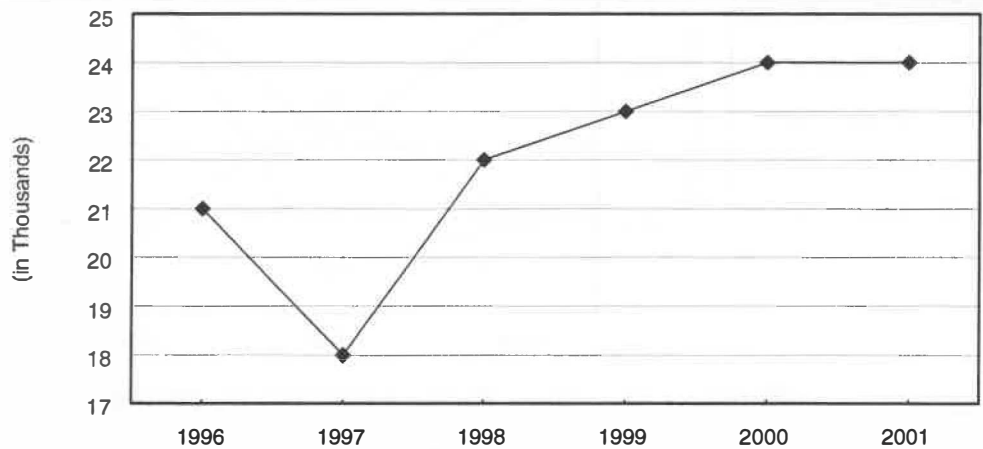
**Parks Grounds Maintenance - Citizen Satisfaction**

- ◆ The citizen satisfaction with park maintenance is expected to remain fairly stable over the next few years.



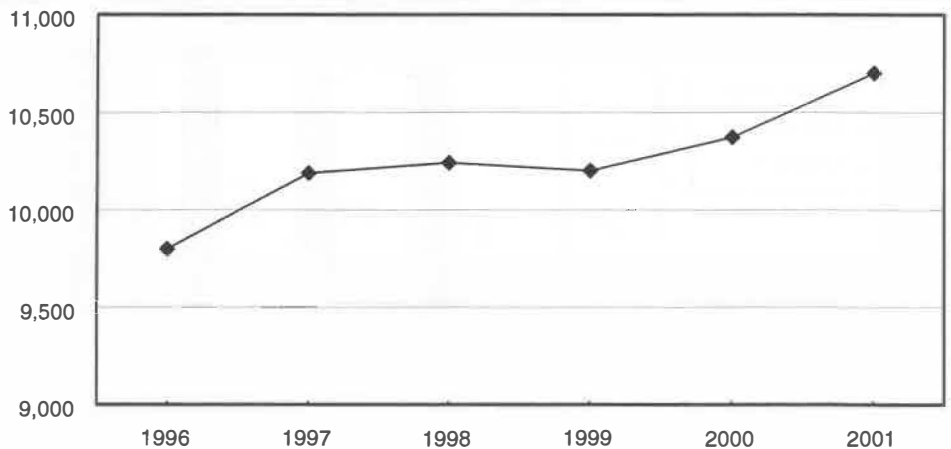
**Number of Summer Swim Lessons Taught**

- ◆ The number of summer swim lessons taught should increase as more pools are built or remodeled, assuming good weather.

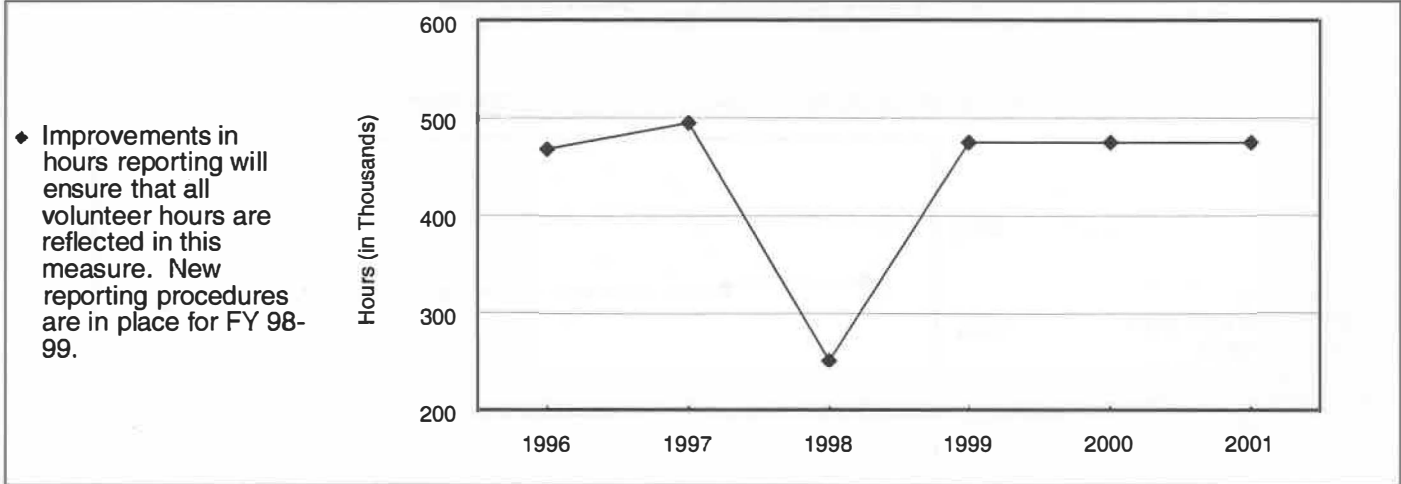


**Number of Trees Inspected**

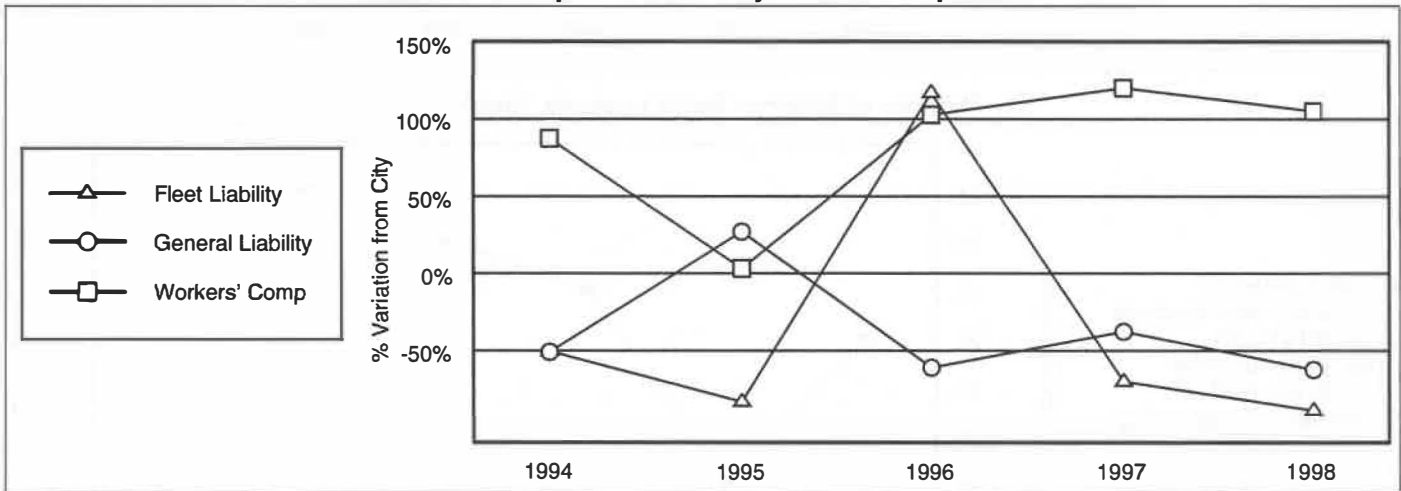
- ◆ The demand for inspections will be constant or increase slightly. Improvements in the information system or an increase in the number of inspectors would allow a faster turnaround time.



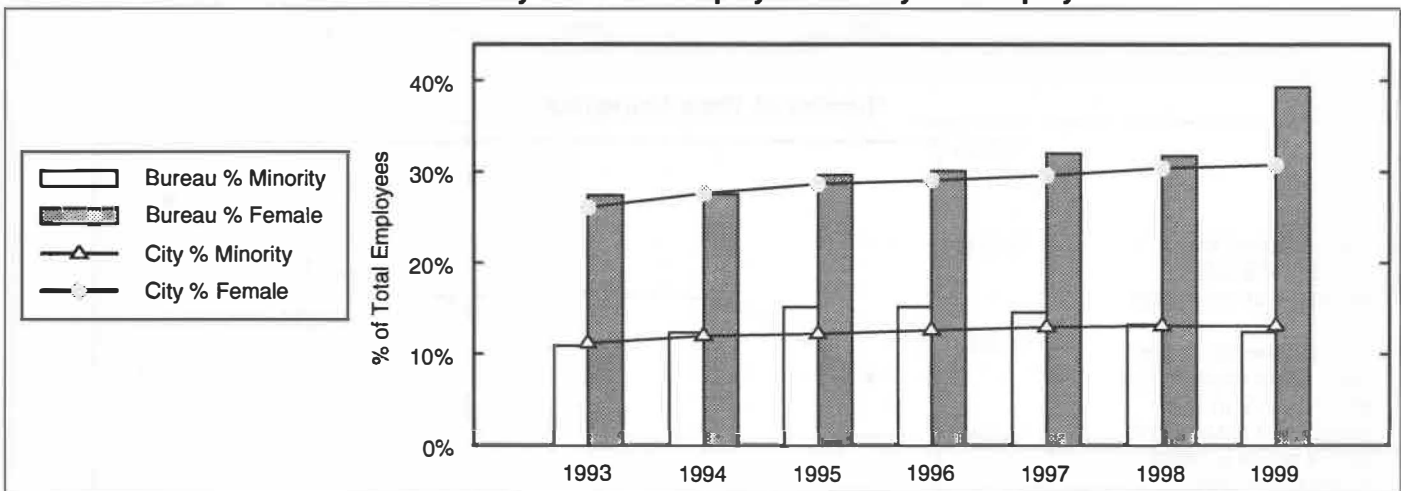
**Volunteer Hours Documented**



**Bureau Loss Experience vs. Citywide Loss Experience**



**Workforce Diversity — Bureau Employees vs. Citywide Employees**





**Portland Parks and Recreation AU 130, 325, 608, 617, 765, 766 SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	23,200,970	22,473,065	25,172,693	27,509,697	27,512,199
External Materials and Service	10,476,861	9,850,669	9,319,262	10,168,134	10,561,586
Internal Materials and Service	4,630,053	4,173,180	4,431,437	4,449,407	4,451,507
Minor Capital Outlay	4,731,816	2,098,096	237,500	248,000	248,000
Equipment Cash Transfers	30,935	335,930	137,300	0	0
<b>Total Operating Budget</b>	43,070,635	38,930,940	39,298,192	42,375,238	42,773,292
Capital Improvements	15,898,934	24,082,658	29,308,753	12,532,306	12,617,652
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 58,969,569</b>	<b>\$ 63,013,598</b>	<b>\$ 68,606,945</b>	<b>\$ 54,907,544</b>	<b>\$ 55,390,944</b>
Allocated Overhead Costs			2,534,532	2,187,481	2,226,544
<b>Total Cost with Allocated Overhead</b>			71,141,477	65,172,995	57,617,488
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	279	256	282	295	295
<b>TOTAL POSITIONS</b>	<b>361</b>	<b>334</b>	<b>365</b>	<b>375</b>	<b>375</b>
<b>RESOURCES</b>					
Discretionary General Fund		25,306,894	26,431,794	27,525,456	27,863,856
<b>Non-Discretionary Revenues</b>					
Beginning Fund Balance		44,591,177	27,651,342	7,445,612	7,445,612
Contract Revenues		416,180	1,238,863	1,036,111	1,036,111
Interagency Revenues		7,607,360	3,764,320	3,060,598	3,060,598
Bureau Program Revenues		13,323,546	13,346,908	21,985,737	21,985,737
Cash Transfers		0	1,595,564	1,932,000	2,077,000
<b>Total Non-Discretionary Revenues</b>		65,938,263	47,596,997	35,460,058	35,605,058
Less: Fund Level Expenses		28,231,559	5,421,846	8,077,970	8,077,970
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 63,013,598</b>	<b>\$ 68,606,945</b>	<b>\$ 54,907,544</b>	<b>\$ 55,390,944</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>DIVISIONS</b>					
Parks Bond Construction Division		18,833,602	23,286,493	5,233,356	5,233,356
<i>Positions</i>		18	18	10	10
Golf Division		5,155,840	5,628,292	8,341,453	8,341,453
<i>Positions</i>		27	27	31	31
Parks and Recreation Division		38,194,632	36,113,621	37,630,218	37,968,618
<i>Positions</i>		283	314	325	325
Portland International Raceway Division		851,869	854,975	908,567	908,567
<i>Positions</i>		6	6	6	6
Parks Construction Division		0	2,678,564	2,793,950	2,938,950
<i>Positions</i>		0	0	3	3
Parks Stores Division		(22,345)	45,000	0	0
<i>Positions</i>		0	0	0	0
<b>TOTAL DIVISIONS</b>		<b>\$ 63,013,598</b>	<b>\$ 68,606,945</b>	<b>\$ 54,907,544</b>	<b>\$ 55,390,944</b>
<i>Positions</i>		<b>334</b>	<b>365</b>	<b>375</b>	<b>375</b>

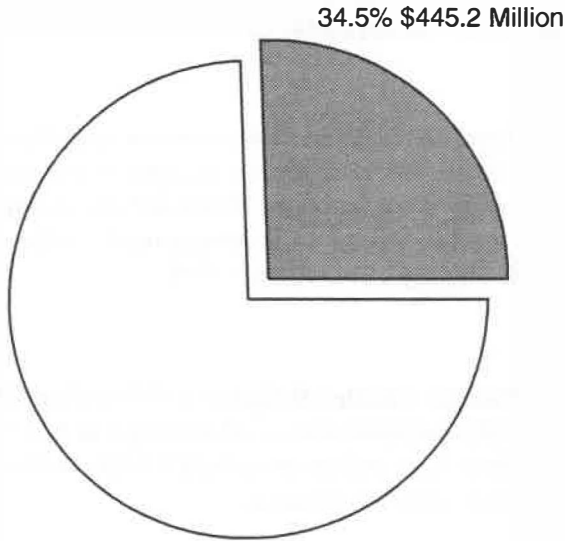


# Public Utilities

Bureau of Environmental Services

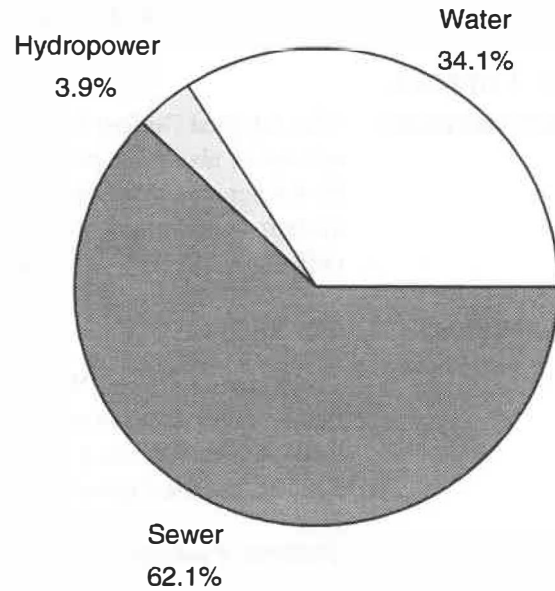
Bureau of Water Works

Percent of City Budget



City Budget = \$1.29 Billion

Bureau Pie Chart



## Service Area Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	126,512,927	128,823,020	2,310,093	-2.5%
Capital	135,884,368	124,555,671	(11,328,697)	-12.2%
Allocated City Overhead Costs	4,562,407	5,173,897	611,490	8.6%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 266,959,702</b>	<b>\$ 258,552,588</b>	<b>\$ (8,407,114)</b>	<b>-7.3%</b>
Authorized Full-Time Positions	979	987	8	-3.5%

Note: Per capita change values are adjusted for inflation and population growth.

# Service Area Highlights

## DESCRIPTION

The Public Utilities Service Area includes utility services provided by the City. These services include water and sewer service, and stormwater management functions. In addition, this service area includes administration of the Solid Waste Collection and Recycling Program, which is operated by private companies under franchise and permit systems for residential and commercial service, respectively.

## MAJOR THEMES

### Utility Rate Increases

The Adopted Budget for FY 1999-00 includes an average effective rate increase for water service of about 4.4 percent. The average single family sewer rate increase is anticipated to be 9.4 percent. The sewer rate increases, unlike those for water, do not include provision for system development charge exemptions for affordable housing development. Solid waste collection and recycling rates will increase slightly effective July 1999.

### Bureau of Water Works

#### The Budget

The Bureau of Water Works' (the Water Bureau) Adopted Budget is \$80.0 million. This budget consists of an operating budget of \$52.7 million and a capital budget of \$27.3 million. The operating budget increased about \$2.1 million over the FY 1998-99 Revised Budget, but the capital budget decreased more than \$2.3 million.

#### Decision Packages

The five Water Bureau decision packages that have been approved include an addition of seven positions. The packages include funding for call center technology enhancements, conservation enhancements, staffing for wellfield maintenance and future aquifer storage and recovery, main flushing, and a new laboratory information management system. The cost of these decision packages in FY 1999-00 is about \$836,000.

#### Bond Credit Rating

The Water Bureau continues to be assigned an Aa1 revenue bond credit rating from Moody's Investor's Service. This rating, which is the highest achievable, is only held by six water utilities nationally.

### Bureau of Environmental Services

#### Position Changes

The Adopted Budget for the Bureau of Environmental Services (BES) includes the elimination of 15 operating positions and the creation of 12 new operating positions. Six of the new positions are to accomplish new work, and three will support the Endangered Species Act programs.

**Budget Changes**

There are operating budget increases of \$1.2 million to remove and dispose of biosolids associated with sludge lagoon renovation, \$489,000 for additional retirement obligations, \$200,000 for increased maintenance, and \$190,000 for additional GIS support. Offsetting these increases are reductions of \$500,000 for professional services, \$300,000 for utilities, \$250,000 for minor equipment, and \$200,000 for operating supply contracts.

**Combined Sewer Overflow Program**

The Combined Sewer Overflow Program will continue to be the largest capital program, with surface water management, treatment, and maintenance and reliability being other significant areas of capital spending.

**Solid Waste Collection and Recycling Program**

The Solid Waste Collection and Recycling Program anticipates the implementation of a commingled curbside recycling system to achieve increased recycling and to help lower recycling collection costs.

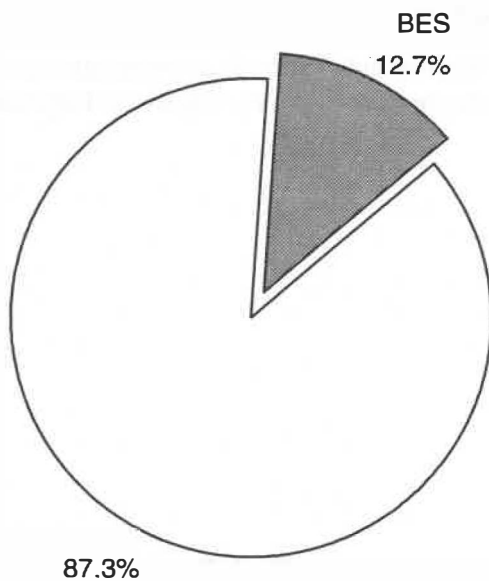
# Bureau of Environmental Services

Public Utilities Service Area

Dan Saltzman, Commissioner-in-Charge

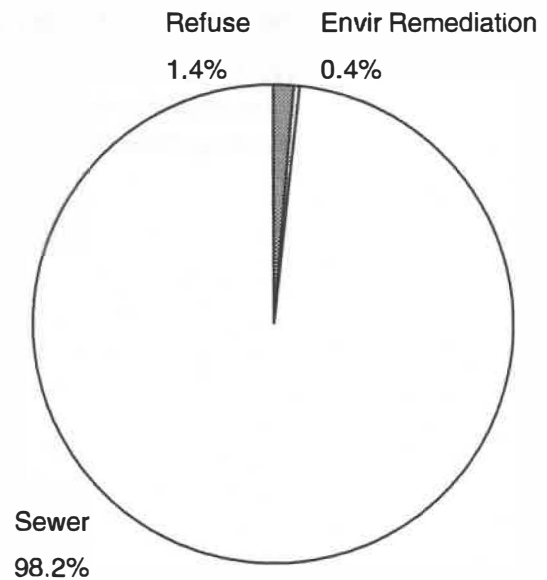
Dean Marriott, Director

**Percent of City Budget**



City Budget = \$1.29 Billion

**Bureau Divisions**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	67,847,523	66,715,838	(1,131,685)	-5.9%
Capital	106,027,078	97,280,671	(8,746,407)	-12.2%
Allocated City Overhead Costs	2,944,578	3,273,161	328,583	6.4%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 176,819,179</b>	<b>\$ 167,269,670</b>	<b>\$ (9,549,509)</b>	<b>-9.4%</b>
Authorized Full-Time Positions	452	452	0	-4.3%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The Bureau of Environmental Services serves the Portland community by protecting public health, water quality, and the environment.

We protect the quality of surface and ground waters and conduct activities that promote healthy ecosystems in our watersheds.

We provide sewage and stormwater collection and treatment services to accommodate Portland's current and future needs.

We promote solid waste reduction and manage the recycling and solid waste collection programs of the City.

## BUREAU HIGHLIGHTS

### Sewer Funding

*Average residential sewer rates will increase 9.4%.*

The FY 1999-00 Adopted Budget requires an increase in the average residential sewer bill of 9.4%, which is 0.2% higher than the 9.2% rate increase forecast within the bureau's FY 1999-04 financial plan. The higher rate of increase is the result of unanticipated financial requirements, such as the Endangered Species Act (ESA) compliance requirements, increased retirement obligations, and larger than anticipated reductions in billed sewer volumes, particularly among commercial and industrial customers. These reductions reflect water conservation by these customers and the anticipated closure of a local brewery, one of the bureau's largest customers. Forecast average sewer usage has been reduced by 15% for commercial accounts and 2.5% for residential accounts.

The FY 1999-00 Adopted Budget reflects bureau efforts to diversify its revenue base and to mitigate rate increases. Included are forecast increases in industrial waste permit fees (\$300,000).

### Sewer Requirements

*Environmental Services is coordinating the City's response to the Endangered Species Act fish listings.*

### Endangered Species Act

The FY 1999-00 Adopted Budget includes \$1.5 million in funding for the City's response to the ESA listing of certain fish runs as threatened. Funding by the General Fund and other bureau agreements will provide reimbursement for work performed on behalf of other City bureaus; the net funding requirement for BES will be \$580,000.

### Combined Sewer Overflow (CSO)

*Significant capital expenditures are planned to address the combined sewer overflow requirements and watershed needs.*

The majority of planned capital expenditures continue to be in the CSO Program, with lesser amounts planned for maintenance and reliability, surface water management, and treatment plant capital improvements. Several stormwater quality projects along the Columbia Slough will reduce pollutants entering through existing storm drainage systems. Pre-design activity will continue for the Johnson Creek watershed, which will lead to specific capital projects for dealing with water quality and flooding issues.

**Refuse Disposal**

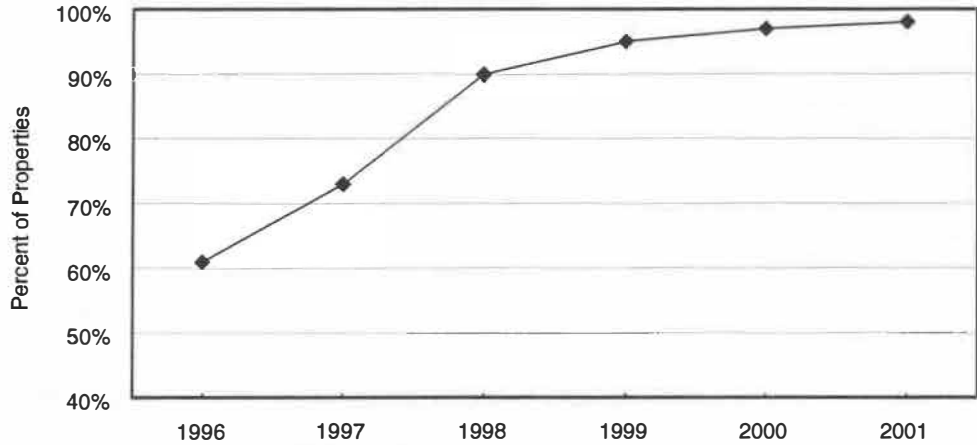
During 1998, City Council directed BES to assume responsibility for the City Trash Can Program from the Bureau of Maintenance. Funds from the commercial tonnage fee, currently at \$2.80 per ton, will pay for the \$270,000 program and will provide for the collection of over 600 public trash cans with collection frequency ranging from two to six times a week.



# Performance Measures

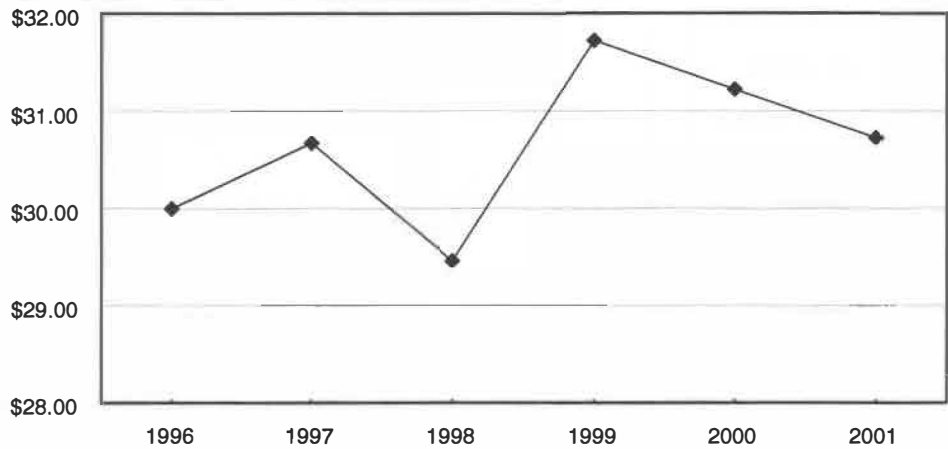
**Mid-County Properties with Cesspools Disconnected**

- ◆ Construction in Mid-Multnomah County has been completed, thus slowing the rate at which cesspools are disconnected and sewer connections are made.
- ◆ By 2003, all Mid-County properties will be connected to the sewer system.



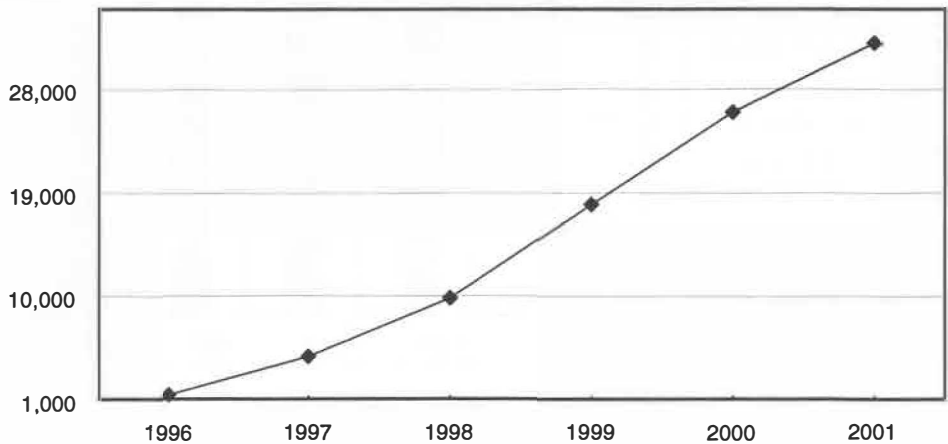
**Annual Wastewater Program Unit Cost**

- ◆ Costs per sewage population equivalent is a benchmark for measuring average system costs.
- ◆ The one-time increase in FY 1998-99 reflects shifts of existing budgeted amounts, from overhead accounts previously budgeted centrally, to the budget for the Wastewater Program.



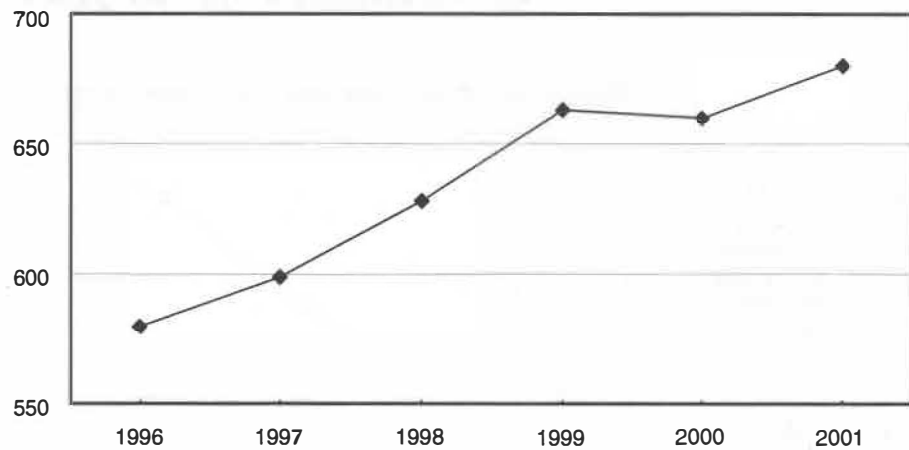
**Number of Roof Drains Disconnected (cumulative)**

- ◆ Roof drain disconnections will proceed in accordance with CSO program schedules.
- ◆ Projections for FYE 2001 reflect completion of the Columbia Slough portions of the Disconnect Program and progress on the Willamette River portions.

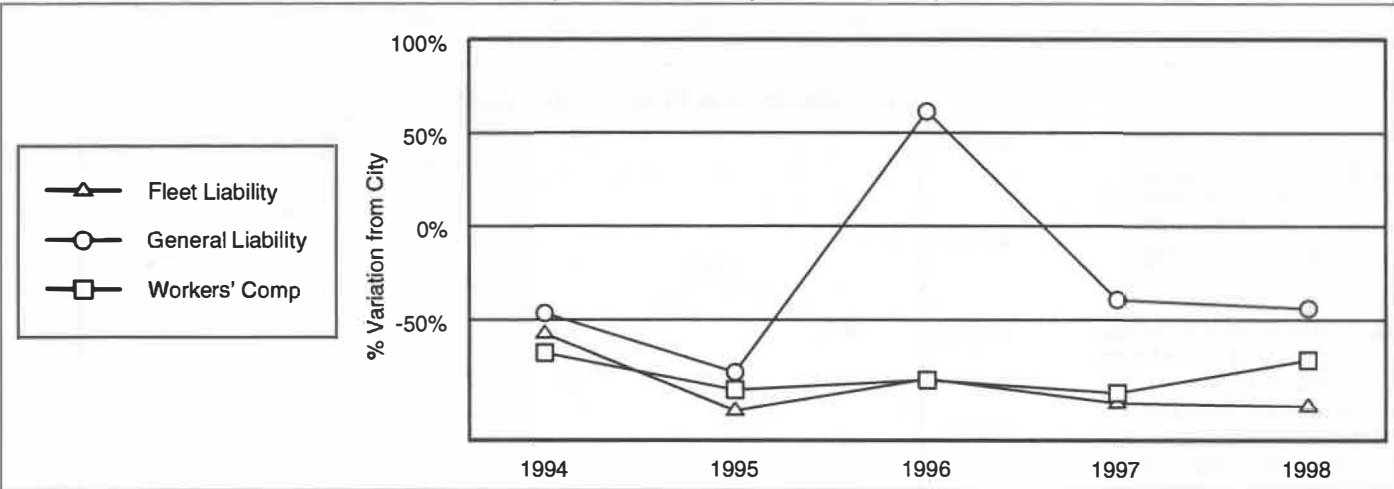


**Pounds of Solid Waste per Household Recycled**

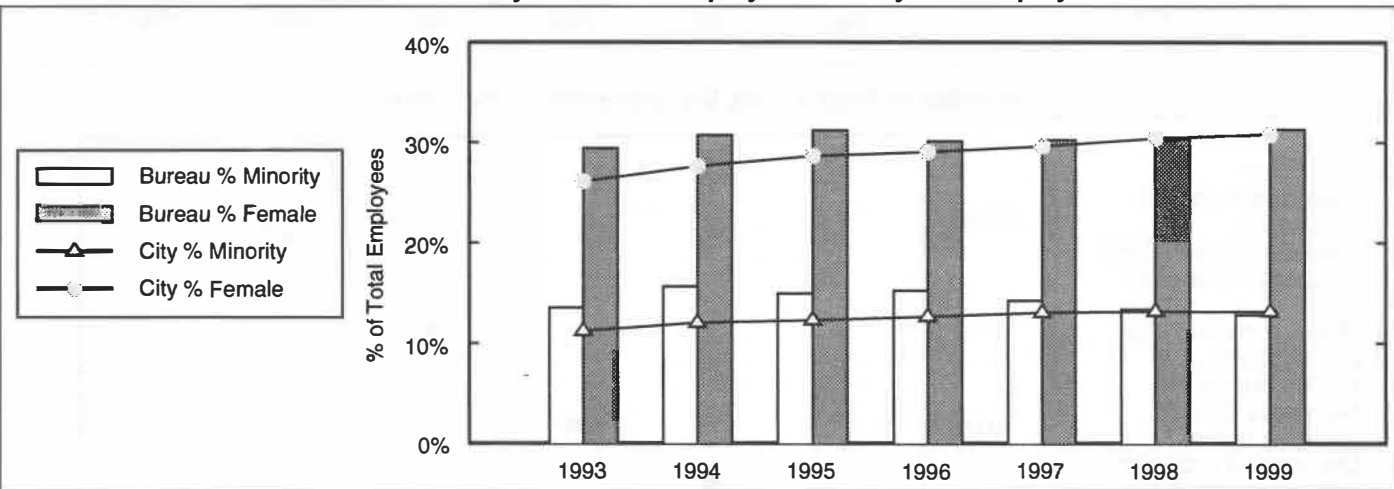
- ◆ The curbside recycling program reflects the commitment of Portland's citizens in keeping recyclables out of the waste stream.
- ◆ Future years reflect small increases due to the new commingling system; however further increases will be because of additional educational efforts directed toward low participation neighborhoods.



**Bureau Loss Experience vs. Citywide Loss Experience**



**Workforce Diversity — Bureau Employees vs. Citywide Employees**



**Bureau of Environmental Services AU 145, 150, 155**

**SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	22,742,121	22,778,506	24,981,296	25,721,041	25,721,041
External Materials and Service	18,157,809	15,864,847	18,696,569	17,469,048	17,430,528
Internal Materials and Service	19,704,890	17,777,244	19,571,630	20,752,591	20,791,110
Minor Capital Outlay	98,744	596,919	4,476,444	2,773,159	2,773,159
Equipment Cash Transfers	7,000	83,365	0	0	0
<b>Total Operating Budget</b>	60,710,564	57,100,881	67,725,939	66,715,839	66,715,838
Capital Improvements	90,784,134	77,728,180	106,148,662	97,280,671	97,280,671
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 151,494,698</b>	<b>\$ 134,829,061</b>	<b>\$ 173,874,601</b>	<b>\$ 163,996,510</b>	<b>\$ 163,996,509</b>
Allocated Overhead Costs			2,944,578	3,177,406	3,273,161
<b>Total Cost with Allocated Overhead</b>			176,909,179	167,173,916	167,269,670
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>447</b>	<b>440</b>	<b>452</b>	<b>452</b>	<b>452</b>
<b>RESOURCES</b>					
Sewer Operating Fund		134,829,061	173,874,601	163,272,421	163,272,420
Discretionary General Fund		0	0	0	0
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		0	0	0	0
Bureau Program Revenues		0	0	724,089	724,089
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		0	0	724,089	724,089
<b>Total General Fund Resources</b>		0	0	724,089	724,089
<b>TOTAL RESOURCES</b>		<b>\$ 134,829,061</b>	<b>\$ 173,874,601</b>	<b>\$ 163,996,510</b>	<b>\$ 163,996,509</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>DIVISIONS</b>					
Sanitary Sewer and Stormwater Division		133,346,897	171,109,633	161,115,924	161,115,924
<i>Positions</i>		438	442	442	442
Environmental Remediation Division		222,750	725,707	635,036	635,036
<i>Positions</i>		0	0	0	0
Refuse Disposal Division		1,259,414	2,039,261	2,245,550	2,245,549
<i>Positions</i>		10	10	10	10
<b>TOTAL DIVISIONS</b>		<b>\$ 134,829,061</b>	<b>\$ 173,874,601</b>	<b>\$ 163,996,510</b>	<b>\$ 163,996,509</b>
<i>Positions</i>		<b>448</b>	<b>452</b>	<b>452</b>	<b>452</b>

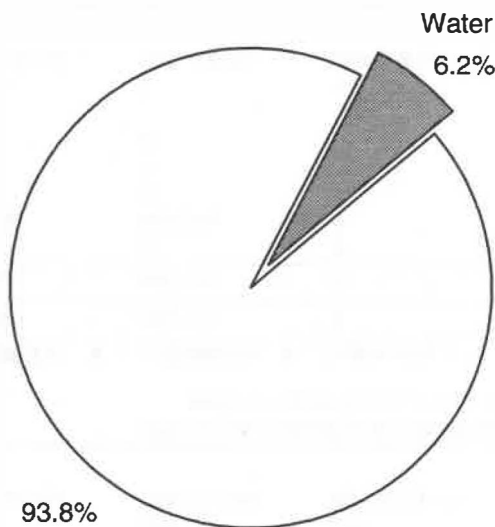
# Bureau of Water Works

Public Utilities Service Area

Erik Sten, Commissioner-in-Charge

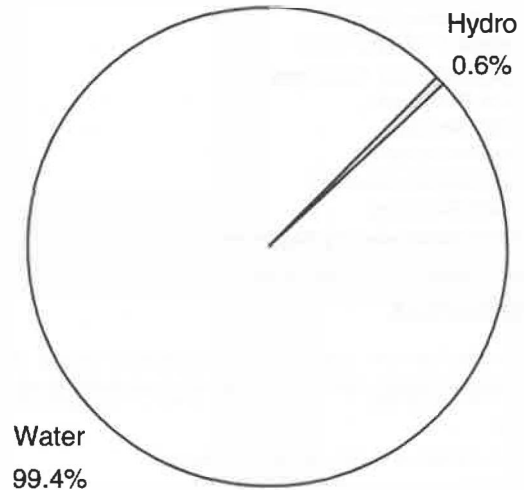
Michael Rosenberger, Director

Percent of City Budget



City Budget = \$1.29 Billion

Bureau Divisions



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	51,354,446	53,286,300	1,931,854	-0.7%
Capital	29,609,290	27,275,000	(2,334,290)	-11.8%
Allocated City Overhead Costs	1,617,829	1,900,736	282,907	12.5%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 82,581,565</b>	<b>\$ 82,462,036</b>	<b>\$ (119,529)</b>	<b>-4.4%</b>
Authorized Full-Time Positions	527	535	8	-2.8%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The Water Bureau's mission is to act as stewards of our resource, our water system, and our personnel in a manner consistent with the values of the community.

## BUREAU HIGHLIGHTS

The Bureau of Water Works (the Water Bureau) ensures that the water system can provide a sufficient quantity of high quality water to satisfy the existing and future needs of the community. For budgetary presentation purposes, the bureau will contain two divisions: Water and Hydroelectric Power.

## Bureau Objectives

In the fall of 1998, the management team, managers, and labor updated the bureau objectives. These goals provided direction in completing budget proposals:

- ◆ Be stewards of the City's land, water, and human resources, and protect the environment, in order to ensure the continuous provision of a safe, reliable, and adequate supply of water.
- ◆ Anticipate, understand, and meet the needs of the bureau's external and internal customers. External customers are all persons who rely on any services the bureau provides and who are not employees of the Water Bureau. Internal customers are all employees of the Water Bureau.
- ◆ Sustain a culture of continuous improvement.
- ◆ Improve the bureau's competitive position in a manner that ensures its ability to offer the best quality of service at the best price to its customers.

## Water Division

The Water Division is responsible for construction, maintenance, and operation of the municipal water system.

*800,000 people (more than one-quarter of the State's population) are served by the Water Bureau.*

Approximately 800,000 people (more than one-quarter of the State's population) are served by the Water Division. The division's 159,800 retail customers consume about 60% of the water demand. The other 40% of water demand is provided on a wholesale contract basis to 19 water purveyors, which include cities, water districts, and private water companies. Water sales revenue is comprised of 80% from retail customers and 20% from wholesale contracts.

## FY 1999-00 Budget

The Water Division's FY 1999-00 Adopted Budget is \$80,042,558. The budget consists of an operating budget of \$52,767,558 and a Capital Improvement Program (CIP) budget of \$27,275,000.

**Water Operating Budget:** The operating budget increased \$2,172,051 over the FY 1998-99 Revised Budget. Of this increase, \$1,336,101 allows the bureau to maintain its current service level. This amount, which is 2.1% over the Revised Budget, is the net of several budgetary adjustments. The remaining \$835,950 allows the bureau to increase its service level as reflected in five decision packages, including seven positions.

**Water CIP Budget:** For the CIP, there is a \$2,334,790 decrease from the FY 1998-99 Revised Budget. However, the bureau anticipates significant increases in the CIP in future years due to an aging water system, the need for increased reliability, and regulatory requirements. The bureau's 10-year Capital Improvement Plan (CIP) includes the philosophy of the program, summaries of each year's costs and financing plan, and a description of each project.

### Rate Increases

*The average effective retail rate increase is 4.4% for FY 1999-00.*

The overall average effective retail rate increase is 4.4% for FY 1999-00. Included in this total are two mandated items (PERS at 0.9% and Citywide GIS at 0.7%) and the bureau's discretionary requests (decision packages at 1.3%, CIP at 1.7%). Also included is the equivalent of 0.2% for the system development charge waiver for affordable housing. These increases have been partially offset by a 0.4% decrease in current service level requirements because surplus fund balances were returned to rate payers.

### Decision Packages

The following decision packages have been approved for the FY 1999-00 Adopted Budget:

**Call Center Technology:** Funds will be used to acquire hardware and software that will provide computer/telephone integration, interactive voice response, and interactive web response.

*New positions will support programs that help large water customers use water more efficiently and enhance wellfield maintenance.*

**BIG Conservation Program Enhancement:** Funds will add two positions to begin implementing the recommendations in the recently completed consultant report entitled Study of BIG Program Conservation, Alternative Use, Direct Use and Re-Use Potential. The program will improve the level of service offered through the Business, Industry and Government (BIG) Conservation Program. This program identifies ways that large water customers can use water more efficiently.

**Groundwater / Aquifer Storage and Recover (ASR) Program:** Funds will add three positions for wellfield operation and maintenance and ASR development. Initially the positions will concentrate on wellfield maintenance. Over time ASR will be studied and may be developed with these positions acquiring the expertise needed by the bureau.

**Flushing Program:** Funds will add two positions to implement a comprehensive water main flushing program. An effective flushing program is needed to reduce water quality problems and enhance customer satisfaction.

**Laboratory Information Management System (LIMS):** Funds will be used to acquire a LIMS computer system. The current system can no longer meet the needs of the Water Quality Laboratory and other key users of data.

### Continuing Projects

**Monthly Meter Reading:** In addition to these approved decision packages, the bureau will continue conducting a feasibility study to implement monthly meter reading and billing for all quarterly billed customers. This project has a planned implementation date of about April 1, 2001.

**Staffing level**

*Over the last 25 years, the bureau's staffing level has increased about 9%.*

Over the last 25 years, the bureau's staffing level has increased about 9% (from 489 in FY 1974-75 to 532 in FY 1999-00). During this period, the service area has grown by one-third, and the number of retail customers has increased by about 30,000, or 24%, through growth and annexation.

**Hydroelectric Power Division**

The Hydroelectric Power Division manages all aspects of the ongoing operation of the City's Portland Hydroelectric Power Project.

The Hydroelectric Power Division's FY 1999-00 Adopted Budget is \$518,742, a \$9,033 increase over the FY 1998-99 Revised Budget. This budget supports the City's administrative and operational costs associated with the Portland Hydroelectric Project and maintains the current service level with a staff of three full-time positions. This staffing level has remained unchanged for the past ten years.

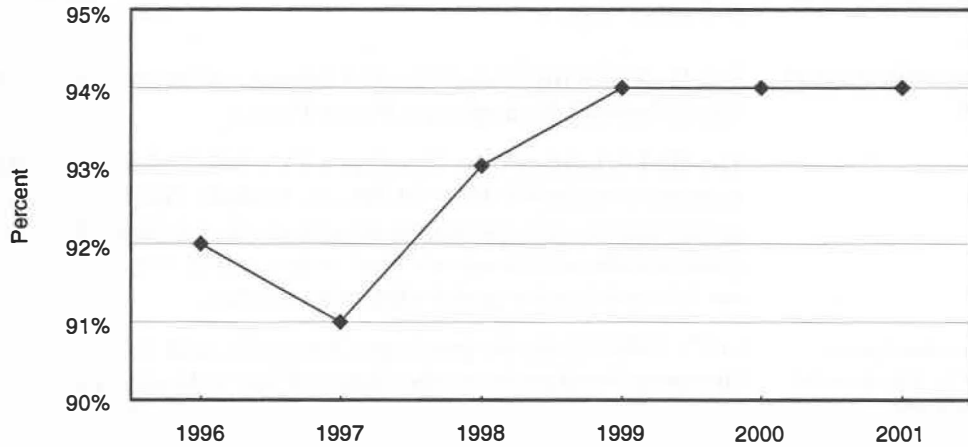
*\$250,000 of Hydropower profits will be transferred to the General Fund.*

In FY 1999-00, the Hydroelectric Power Division will transfer \$250,000 in Hydropower Operating Fund profits to the General Fund to be used for other City needs.

# Performance Measures

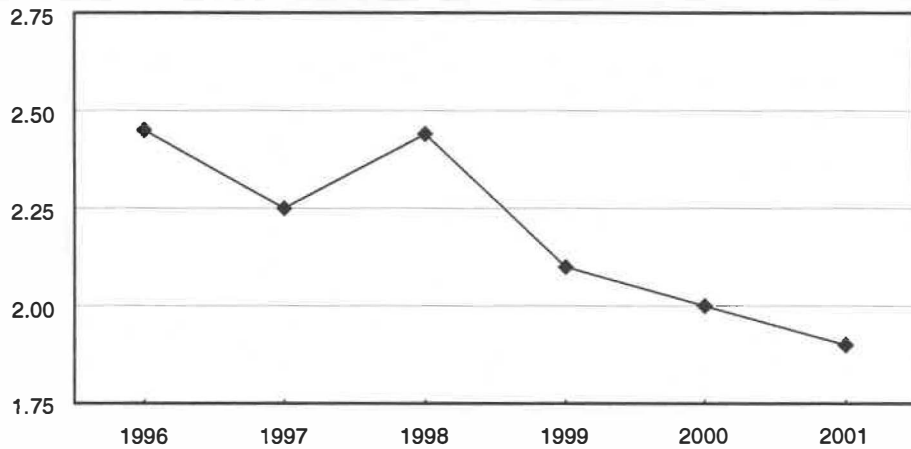
**Customer Water Service Rating**

- ◆ The actual percentage in 1997 was 91% and 1998 was 93%. Projected percentage for 1999 is 94%.
- ◆ The bureau anticipates a consistent rate of 94% in future years.
- ◆ Figures are derived from the City Auditor's annual S.E.A. Report.



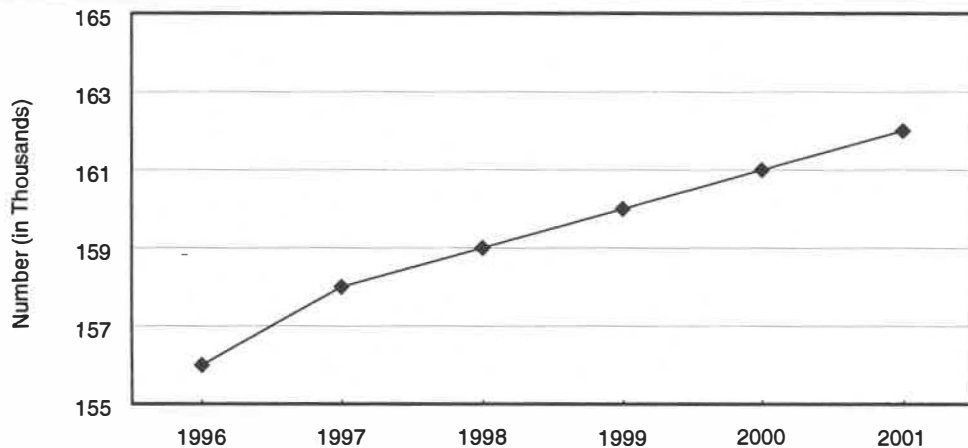
**Debt Coverage Ratio maintained**

- ◆ Historical Debt Coverage has performed better than the plan of 1.9. This is due to expenditure savings and higher than anticipated revenue.
- ◆ Forecast coverage is targeted at not less than 1.9.



**Number of active accounts**

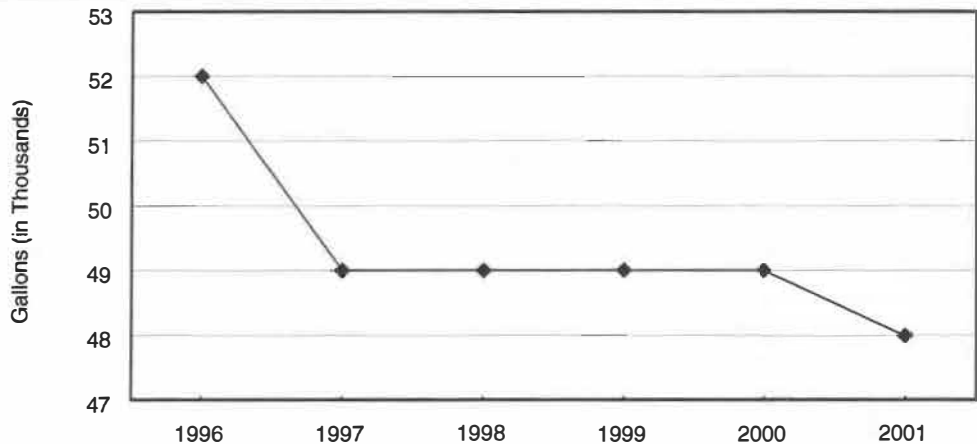
- ◆ The number of accounts have increased from 157,800 in 1997 to 159,000 in 1998 and is projected to be 159,800 in 1999. This represents a 1.3% increase over the two year period.
- ◆ Future years are projected to increase at a rate of 0.5% per year. This increase is consistent with the bureau's Financial Plan.





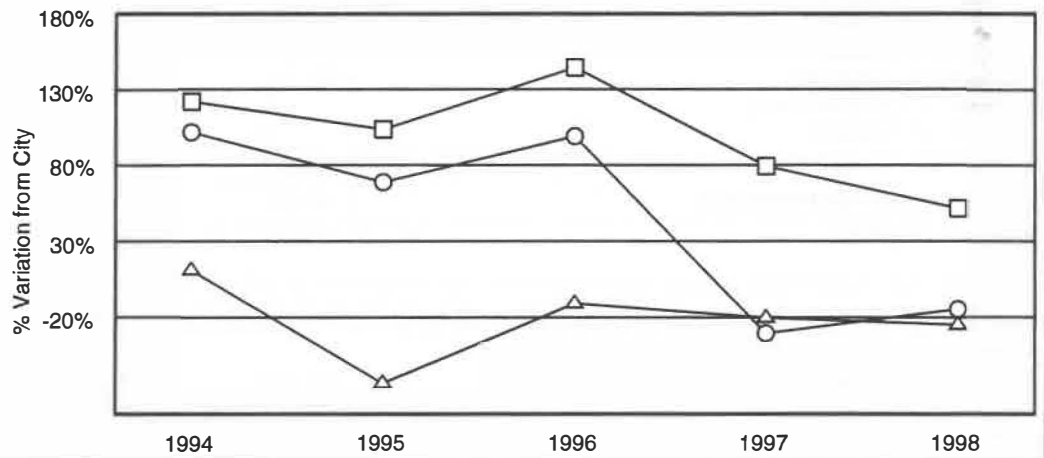
**Annual per capita water usage**

- ◆ The actual per capita water consumption went up from 49,079 gallons in 1997 to 49,477 in 1998.
- ◆ Future year's consumption is anticipated to decrease 0.7 percent per year.
- ◆ Figures are derived from the City Auditor's annual S.E.A. Report.



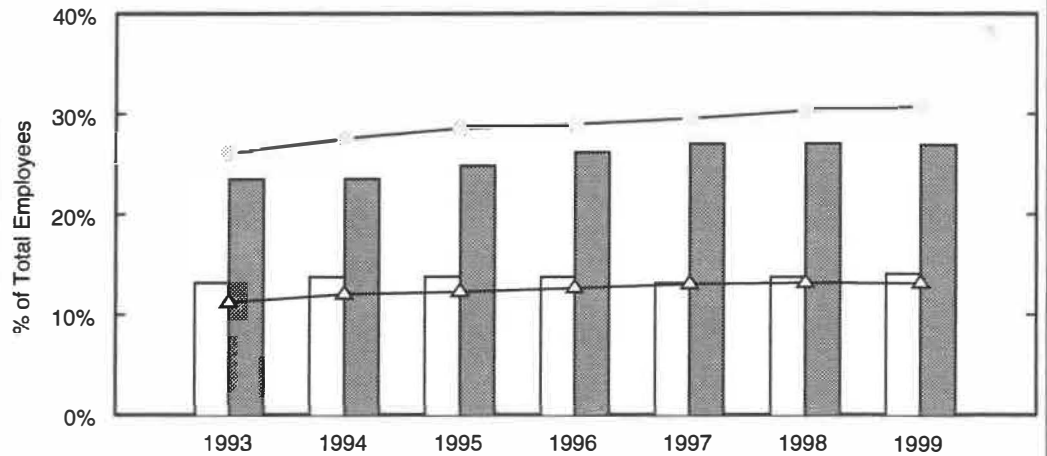
**Bureau Loss Experience vs. Citywide Loss Experience**

- ▲ Fleet Liability
- General Liability
- Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

- Bureau % Minority
- Bureau % Female
- ▲ City % Minority
- ◆ City % Female



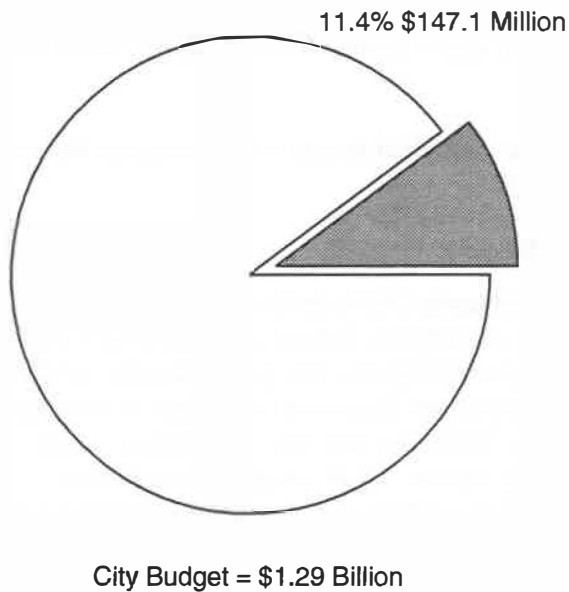
	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	25,355,361	26,513,961	27,638,264	30,352,507	30,352,507
External Materials and Service	8,138,034	9,497,947	13,563,328	12,628,279	12,788,279
Internal Materials and Service	7,392,907	7,031,854	7,214,102	8,233,927	8,304,470
Minor Capital Outlay	757,571	988,985	2,923,392	1,841,044	1,841,044
Equipment Cash Transfers	168,065	5,000	15,360	0	0
<b>Total Operating Budget</b>	<b>41,811,938</b>	<b>44,037,747</b>	<b>51,354,446</b>	<b>53,055,757</b>	<b>53,286,300</b>
Capital Improvements	21,790,555	17,240,974	29,609,290	27,275,000	27,275,000
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 63,602,493</b>	<b>\$ 61,278,721</b>	<b>\$ 80,963,736</b>	<b>\$ 80,330,757</b>	<b>\$ 80,561,300</b>
Allocated Overhead Costs	1,636,463	1,451,509	1,617,829	1,873,468	1,900,736
<b>Total Cost with Allocated Overhead</b>	<b>65,238,956</b>	<b>62,730,230</b>	<b>82,581,565</b>	<b>82,204,225</b>	<b>82,462,036</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>516</b>	<b>518</b>	<b>527</b>	<b>535</b>	<b>535</b>
<b>RESOURCES</b>					
Water / Hydropower		55,288,259	74,578,482	74,006,221	73,606,764
Discretionary General Fund		0	0	0	0
<b>Non-Discretionary Revenues</b>					
Grants & Donations		91,906	347,500	337,500	337,500
Contract Revenues		1,217,311	1,196,789	1,225,646	1,225,646
Interagency Revenues		4,681,245	4,840,965	4,761,390	5,391,390
Bureau Program Revenues		0	0	0	0
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>5,990,462</b>	<b>6,385,254</b>	<b>6,324,536</b>	<b>6,954,536</b>
<b>Total General Fund Resources</b>		<b>5,990,462</b>	<b>6,385,254</b>	<b>6,324,536</b>	<b>6,954,536</b>
<b>TOTAL RESOURCES</b>		<b>\$ 61,278,721</b>	<b>\$ 80,963,736</b>	<b>\$ 80,330,757</b>	<b>\$ 80,561,300</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>DIVISIONS</b>					
Hydroelectric Power Division		560,545	509,709	518,742	518,742
<i>Positions</i>		<i>3</i>	<i>3</i>	<i>3</i>	<i>3</i>
Water Division		60,718,176	80,454,027	79,812,015	80,042,558
<i>Positions</i>		<i>515</i>	<i>524</i>	<i>532</i>	<i>532</i>
<b>TOTAL DIVISIONS</b>		<b>\$ 61,278,721</b>	<b>\$ 80,963,736</b>	<b>\$ 80,330,757</b>	<b>\$ 80,561,300</b>
<i>Positions</i>		<i>518</i>	<i>527</i>	<i>535</i>	<i>535</i>

# Community Development

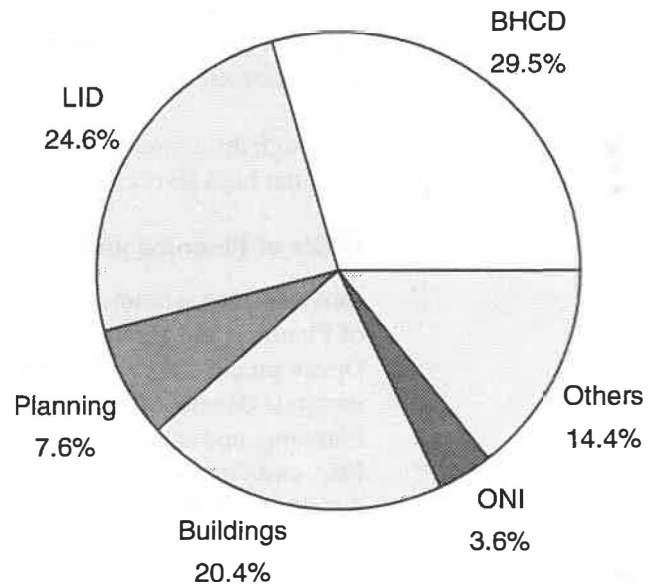
Bureau of Housing and Community Development  
 Bureau of Buildings  
 Cable Communications and Franchise Management  
 Energy Office

Mt. Hood Cable Regulatory Commission  
 Office of Neighborhood Involvement  
 Bureau of Planning

**Percent of City Budget**



**Bureau Pie Chart**



## Service Area Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	107,906,872	105,513,501	(2,393,371)	-6.4%
Capital	8,901,174	9,649,510	748,336	3.8%
Allocated City Overhead Costs	2,300,495	1,622,375	(678,120)	-32.5%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 119,108,541</b>	<b>\$ 116,785,386</b>	<b>\$ (2,323,155)</b>	<b>-6.1%</b>
Authorized Full-Time Positions	394	417	23	1.3%

Note: Per capita change values are adjusted for inflation and population growth.

# Service Area Highlights

## DESCRIPTION

The Community Development Service Area includes services for Housing and Community Development, Buildings, Cable, Energy, Mt. Hood Cable Regulatory Commission, Office of Neighborhood Involvement and Planning.

## MAJOR THEMES

### Housing and Community Development

Housing and Community Development (BHCD) manages federal funds channeled to the City by the U. S. Department of Housing and Urban Development. Entitlement grants including Community Development Block Grant, HOME, Housing for People with Aids (HOPWA), and Emergency Shelter Grant will total \$17,667,000 for FY 1999-00. In addition, the bureau manages City General Funds appropriated to support youth, homeless, and public safety issues.

### Buildings

Although the economy remains strong, the number of permits and inspections has decreased from the high levels achieved in recent years.

#### Office of Planning and Development Review

Based on the recommendations from the Blueprint 2000, the City Council created the Office of Planning and Development Review by merging the Bureau of Buildings and the Development Review Section of the Bureau of Planning. The goal is to improve and integrate development review, building permit and inspections functions of Building and Planning, and other review functions from Environmental Services, Transportation, Water, Fire, and Forestry through interagency agreements. Upon completion of the new development building, these functions will be collocated along with the Permit Center.

### Cable

The Cable Office enforces cable service franchises, manages community use of the cable system, and works to maximize City franchise revenues. In FY 1999-00 the office will continue to oversee the Paragon and TCI Cablevision cable system merger and construction of the community institutional network, establish a franchise compliance program, and advocate for local government's role in receiving fair compensation for and managing the right-of-way.

### Energy

The Energy Office continues to pursue options to protect the City's economic, environmental and public interest goals within the framework of a changing electric utility environment. The City is working with local utilities, public interest groups and energy service providers to create new, market-based mechanisms to promote energy efficiency.

### Mt. Hood Cable Regulatory Commission

As a result of franchise notations, over \$2 million in revenues from cable companies will be used to fund capital projects that enhance the cable and communications systems of public, educational, and governmental entities.

**Office of  
Neighborhood  
Involvement**

The office continues to provide a wide range of programs and services related to citizen participation, neighborhood, and community livability. The Adopted Budget includes an increase in support for the neighborhood network, increased staff in crime prevention and the Neighborhood Mediation Center, and continues the successful Graffiti Abatement Program.

**Planning**

In 1999, the City Council adopted the recommendations from the Blueprint 2000 Stakeholders Team to reorganize the Bureau of Planning. Planning's Development Review Section will be merged with the Bureau of Buildings, and the long range planning activities will remain in Planning. In FY 1999-00 planning activities will focus on the Willamette River Greenway, NW Industrial Area Transition Study, West Downtown Planning, Pleasant Valley Urban Reserve Area, and an update to the City's existing strategic plan, Portland Future Focus.

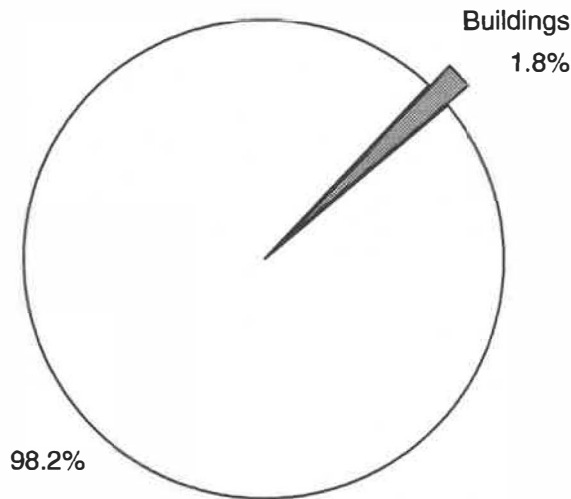
# Bureau of Buildings

Community Development Service Area

Charlie Hales, Commissioner-in-Charge

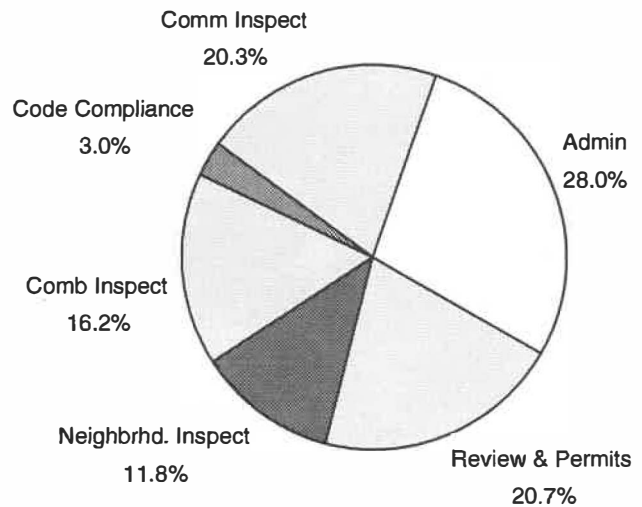
Margaret Mahoney, Director

**Percent of City Budget**



City Budget = \$1.29 Billion

**Bureau Programs**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	22,436,531	23,712,498	1,275,967	1.2%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	723,704	767,515	43,811	1.5%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 23,160,235</b>	<b>\$ 24,480,013</b>	<b>\$ 1,319,778</b>	<b>1.2%</b>
Authorized Full-Time Positions	225	229	4	-2.6%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The Bureau of Buildings' mission is to ensure a safe and healthful built environment and to assist in the preservation of housing and the improvement of neighborhoods.

## BUREAU HIGHLIGHTS

### Current Trend

For the past several years, the Bureau of Buildings has been responding to booming construction, and the number of building permits issued and inspections performed has grown. However, during FY 1998-99, there has been a slight decrease in the number of permits and inspections. The projected number of building permits for FY 1998-99 is 7,706 which is a 7% decrease from the 8,242 permits issued in FY 1997-98. There has been a corresponding decrease in the number of inspections. The projected 169,000 inspections for FY 1998-99 is a 4% decrease from the FY 1997-98 level of 175,753.

### Blueprint 2000

*The bureau will implement Blueprint 2000 process improvements.*

The bureau will implement improvements to the Citywide development review process in FY 1999-00. This initiative, called Blueprint 2000, was devised to explore and integrate the City's review process for development. The ultimate goal is a review process that is seamless from start to finish - one that will enhance customer service and make more efficient use of City staff. The bureau has piloted Blueprint 2000 concepts and is planning for a full transition to the new processes. Full implementation of Blueprint 2000 concepts is scheduled to coincide with the opening of the new Development Services Building.

### New Location

*The bureau will move to a new building at Fourth Avenue and Harrison Street.*

In August 1999, the bureau will move to a new building at Fourth Avenue and Harrison Street. The new space will accommodate the new processes being implemented under Blueprint 2000 and will consolidate many of the City's development review functions in one space. Staff from other development review bureaus will be co-located in the new permit center to enable the City to better serve development review customers. Additional customer space and the availability of customer parking will improve service to the public. Records which are relevant to permit customers will be available in the Permit Center.

### TRACS Computer Program

*TRACS will serve as the City's tracking and reporting tool for development review.*

In FY 1999-00, the bureau will implement the new TRACS computer program to record and track development services provided by City bureaus. TRACS will serve as the City's project management, tracking, and reporting tool requested as part of the Blueprint 2000 business process re-engineering efforts. This software will record all reviews related to building permits, house all land use review folders, report on numerous performance measures, display historical records that have been converted from paper to electronic image, and display GIS map layers. As the GIS system grows, TRACS will display more map-based data, and staff will rely less on bulky and sometimes outdated paper resources. TRACS will also provide an automated inspection request line to customers who request inspections for their construction work.

### **Facilities Permit Program**

*The Facilities Permit Program will fast track major tenant improvement process.*

The Commercial Inspections Program's Facilities Permit Program will be in its second year of operation during FY 1999-00. This program has been designed to fast-track tenant remodeling projects in large commercial, industrial and government facilities. There are many innovations in this program, including on-site plan review and around-the-clock inspector availability to accommodate construction schedules.

### **Office of Planning and Development Review**

*The Bureau of Buildings and the Development Review Section of the Bureau of Planning have merged.*

On March 19, 1999, the City Council created the Office of Planning and Development Review (OPDR) by merging the Bureau of Buildings and the Development Review Section of the Bureau of Planning. The Development Review Section is responsible for administering the City's planning and zoning codes through the review of proposed development. It provides staff for the planning function of the Permit Center and for land use case reviews.

#### **Role of OPDR**

The creation of OPDR was one of the recommendations resulting from Blueprint 2000, the City's initiative to improve and integrate its development review system and to "provide a clear point of accountability for the performance of review responsibilities." OPDR will consolidate the development review, building permit and inspections functions of Buildings and Planning, and integrate the development review functions from Environmental Services, Transportation, Water, Fire, and Forestry through interagency agreements.

#### **Transition Plan**

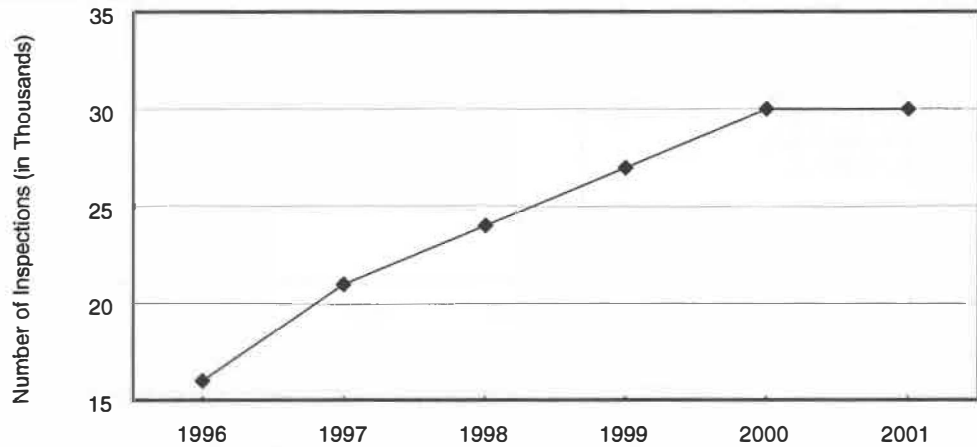
Changes in management responsibilities in OPDR were implemented immediately after Council created OPDR. However, the administrative details of the new organization are still being refined. A team formed of representatives from OPDR, the Bureau of Planning, and the Bureau of Financial Planning is preparing accounting, budget, and procedural transition plans. Complete reorganization and consolidation may not occur until after the beginning of the new fiscal year in July and until all staff have moved to the new Development Services Building in late summer of 1999.



# Performance Measures

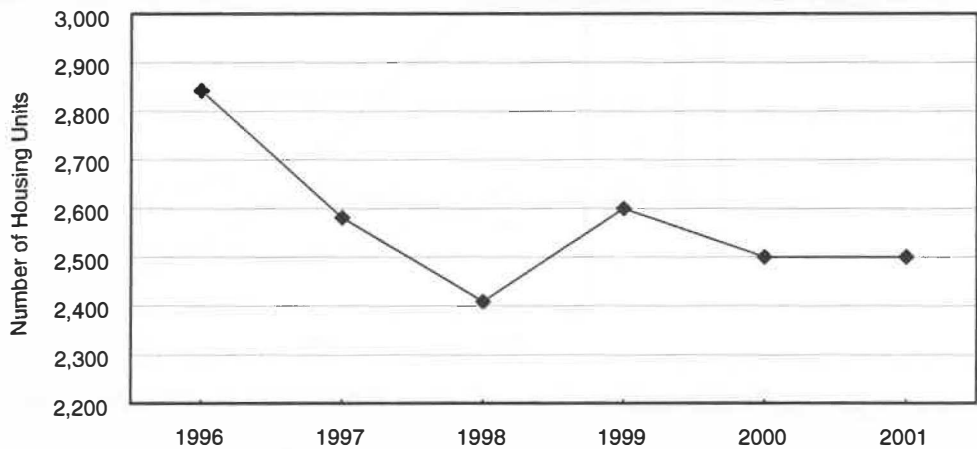
**Number of Inspection Trips Reduced**

- ◆ Inspection trips for one and two family inspections are being reduced due to the increasing efficiency of the combination inspections. program.
- ◆ By 2000, most of the inspectors in this program will possess four certifications (structural, electrical, mechanical, and plumbing).



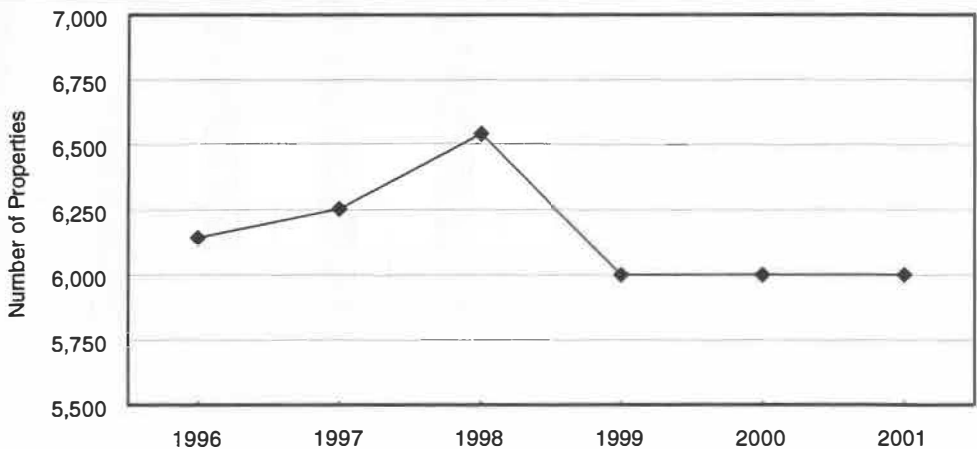
**Number of Housing Units Brought Up To Code**

- ◆ The number of housing units brought up to code has been relatively stable and will remain so as long as funding is stable.



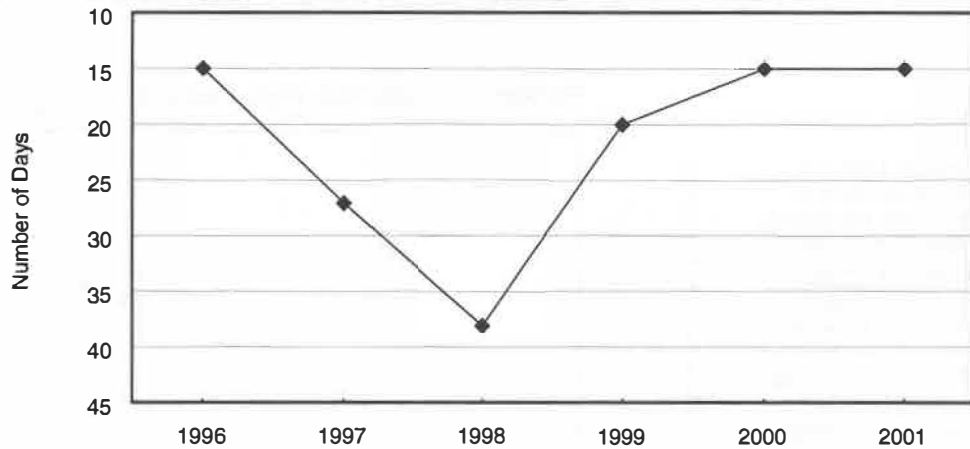
**Number of Properties Cleaned Up**

- ◆ The number of properties cleaned up has been stable and will remain so as long as funding is stable.



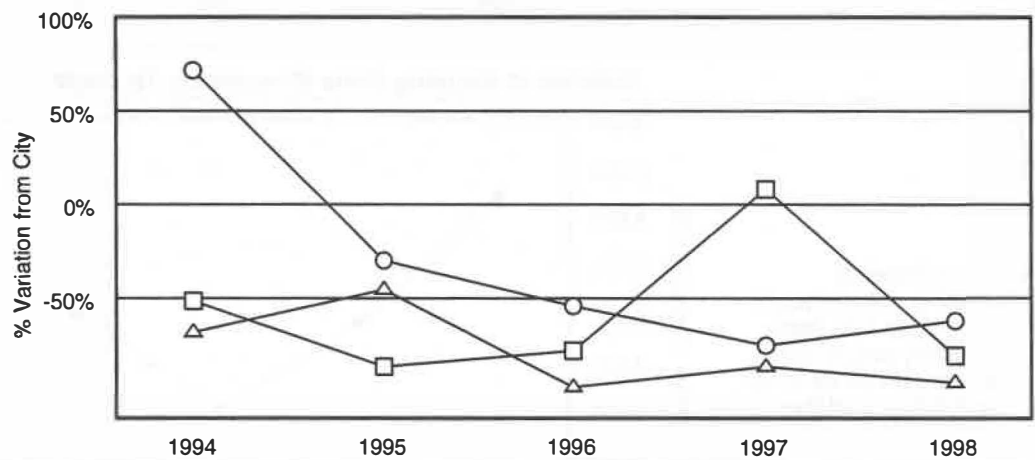
**Average Number of Days for First Plan Review of Single Family Residences**

◆ The number of days to first review took a dramatic jump in 1997 because of the huge increases in plans and inadequate staffing levels.



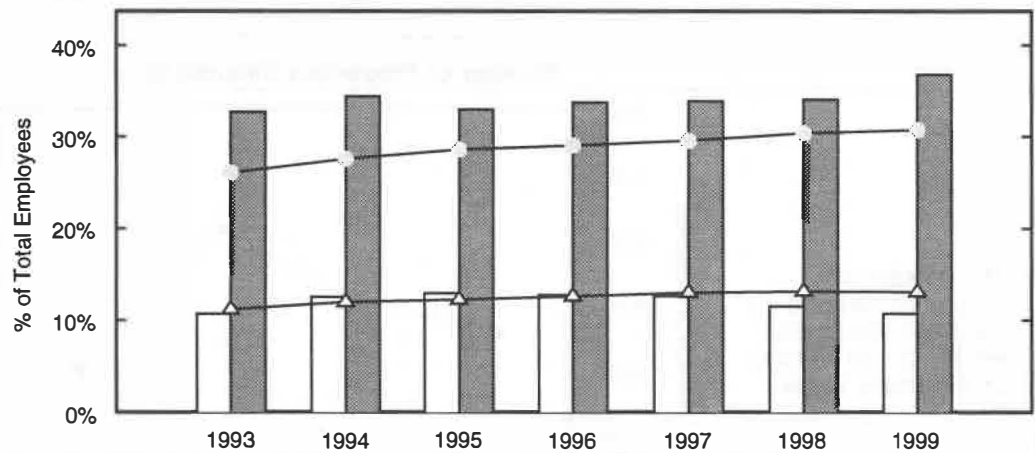
**Bureau Loss Experience vs. Citywide Loss Experience**

▲ Fleet Liability  
○ General Liability  
□ Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

□ Bureau % Minority  
■ Bureau % Female  
▲ City % Minority  
● City % Female



**Bureau of Buildings AU 520**

**SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	12,371,521	13,184,832	15,687,419	16,724,468	16,801,284
External Materials and Service	1,542,160	2,233,485	2,888,799	2,399,334	2,401,934
Internal Materials and Service	2,267,567	2,444,973	2,951,791	4,178,753	4,178,753
Minor Capital Outlay	22,217	0	832,492	330,527	330,527
Equipment Cash Transfers	91,489	45,500	76,030	0	0
<b>Total Operating Budget</b>	<b>16,294,954</b>	<b>17,908,790</b>	<b>22,436,531</b>	<b>23,633,082</b>	<b>23,712,498</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 16,294,954</b>	<b>\$ 17,908,790</b>	<b>\$ 22,436,531</b>	<b>\$ 23,633,082</b>	<b>\$ 23,712,498</b>
Allocated Overhead Costs			723,704	770,519	767,515
<b>Total Cost with Allocated Overhead</b>			<b>23,160,235</b>	<b>24,403,601</b>	<b>24,480,013</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	14	12	12	12	12
<b>TOTAL POSITIONS</b>	<b>201</b>	<b>213</b>	<b>225</b>	<b>228</b>	<b>229</b>
<b>RESOURCES</b>					
Buildings Operating Fund		17,908,782	22,436,531	23,633,082	23,712,498
Discretionary General Fund		1,089,402	1,126,269	1,144,824	1,144,824
<b>Non-Discretionary Revenues</b>					
Grants & Donations		5,818	10,000	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		384,539	464,018	443,877	443,877
Bureau Program Revenues		16,328,593	20,716,989	21,931,489	22,010,905
Overhead Revenues		100,438	119,255	112,892	112,892
<b>Total Non-Discretionary Revenues</b>		<b>16,819,388</b>	<b>21,310,262</b>	<b>22,488,258</b>	<b>22,567,674</b>
<b>Total General Fund Resources</b>		<b>1,089,402</b>	<b>1,126,269</b>	<b>1,144,824</b>	<b>1,144,824</b>
<b>TOTAL RESOURCES</b>		<b>\$ 17,908,790</b>	<b>\$ 22,436,531</b>	<b>\$ 23,633,082</b>	<b>\$ 23,712,498</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Administration Program		3,853,902	5,928,620	6,623,786	6,628,765
<i>Positions</i>		<i>30</i>	<i>34</i>	<i>38</i>	<i>38</i>
Commercial Inspections Program		3,806,634	4,648,686	4,744,795	4,819,232
<i>Positions</i>		<i>53</i>	<i>56</i>	<i>55</i>	<i>56</i>
Code Compliance Program		584,467	669,275	705,287	705,287
<i>Positions</i>		<i>9</i>	<i>10</i>	<i>10</i>	<i>10</i>
Combination Inspections Program		3,483,009	3,805,771	3,851,093	3,851,093
<i>Positions</i>		<i>45</i>	<i>47</i>	<i>47</i>	<i>47</i>
Neighborhood Inspections Program		2,393,174	2,724,655	2,794,256	2,794,256
<i>Positions</i>		<i>32</i>	<i>31</i>	<i>30</i>	<i>30</i>
Plan Review and Permits Program		3,787,604	4,659,524	4,913,865	4,913,865
<i>Positions</i>		<i>45</i>	<i>48</i>	<i>49</i>	<i>49</i>
<b>TOTAL PROGRAMS</b>		<b>\$ 17,908,790</b>	<b>\$ 22,436,531</b>	<b>\$ 23,633,082</b>	<b>\$ 23,712,498</b>
<i>Positions</i>		<b>213</b>	<b>225</b>	<b>228</b>	<b>229</b>

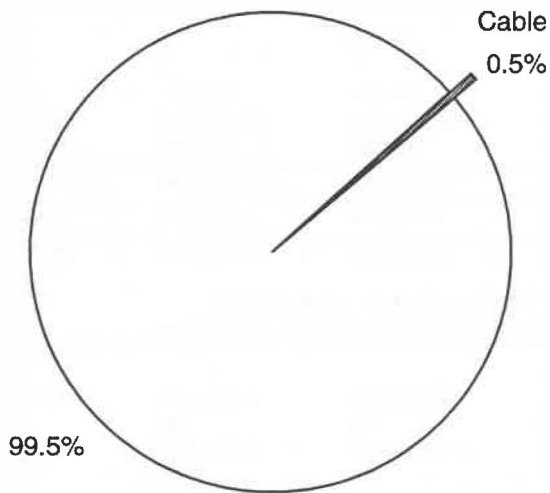
# Cable Communications and Franchise Management

Community Development Service Area

Erik Sten, Commissioner-in-Charge

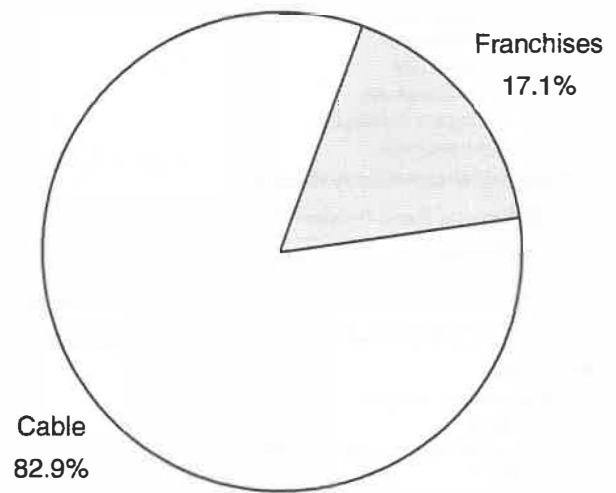
David Olsen, Director

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



### Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	1,586,740	1,717,565	130,825	3.6%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	118,608	170,834	52,226	37.9%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 1,705,348</b>	<b>\$ 1,888,399</b>	<b>\$ 183,051</b>	<b>6.0%</b>
Authorized Full-Time Positions	5	6	1	14.9%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The Office of Cable Communications and Franchise Management's mission is to effectively negotiate and administer utility and cable communications programs, to ensure that the City of Portland and its citizens are fairly compensated for private use of the public right of way, and to regulate and advocate on matters related to cable communications for the Mt. Hood Cable Regulatory Commission, its jurisdictions and the citizens of Fairview, Gresham, Multnomah County, Portland, Troutdale, and Wood Village.

## BUREAU HIGHLIGHTS

The Office of Cable Communications and Franchise Management has two primary areas of operation: cable communications and franchise management.

### Cable Communications

This office serves as staff to the Mt. Hood Cable Regulatory Commission (MHCRC) and works with the six jurisdictions of that commission to advocate for and protect the public interest in the regulation and development of cable communications systems and to resolve cable subscribers' concerns.

*The six jurisdictions of the MHCRC are Multnomah County, Fairview, Wood Village, Troutdale, Gresham, and Portland.*

The office enforces cable service franchises, manages community use of the cable system, and maximizes City franchise revenues. The office also provides cable consumer protection, holds down rate increases, and administers over \$1 million in grant funds. In addition, the office provides oversight of and funding for Portland Cable Access and Multnomah Community Television. These public television organizations promote broad participation in civic and cultural life by encouraging effective use and understanding of community media.

### Franchise Management

The office negotiates and manages 30 franchises and oversees utility audits. The office is a leader in developing the City's policy and legal interests regarding the development of advanced telecommunications infrastructure by participating in appropriate federal, state and PUC proceedings. The office is developing and will implement a Telecommunications Ordinance to help protect the City's interests in right-of-way management. The office plays a significant role in monitoring and protecting City and consumer interests as a new era of competition and de-regulation of the energy and telecommunications industries begins.

### Revenues

Revenues have increased steadily from both cable and utility franchises, and are projected to exceed \$43 million in FY 1999-00. The office continues to identify potential new revenue sources that arise from the City's franchising authority and to collect and monitor existing franchise revenues. About 0.1% of the revenues that this office administers are allocated to its operating budget.

### 1999-00 Objectives

The short-term objectives of the office include the following:

- ◆ Oversee the upgrade of the Paragon and TCI Cablevision (TCI) cable systems and construction of the community institutional network.
- ◆ Negotiate franchises with IXC, Level 3 Communications, AT&T, Pacific Telecom, Union Pacific Railroad (RR), and Air Liquide.
- ◆ Establish a franchise compliance program and conduct financial review of telecommunications franchises.

- ◆ Defend City franchise and utility revenues (over \$43 million in General Fund revenue) and advocate for local government's role in receiving fair compensation for and managing the right-of-way.
- ◆ Complete and implement the Telecommunications Ordinance.

**Ongoing Objectives**

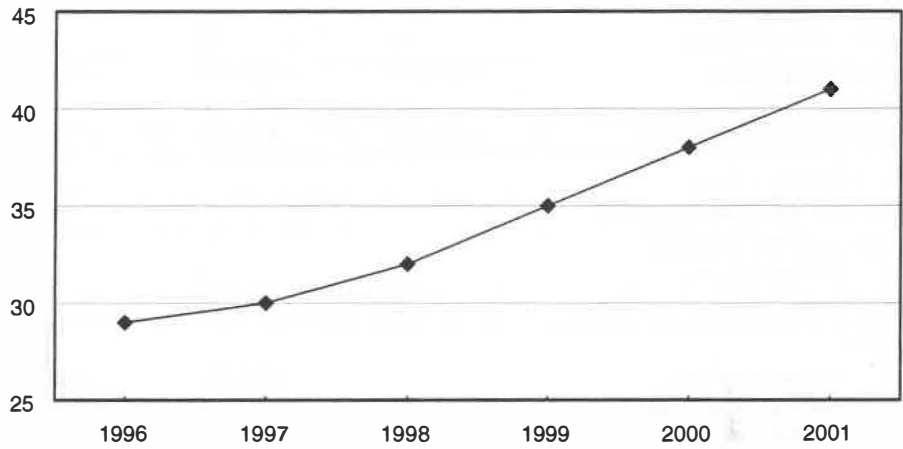
The ongoing objectives of the office include the following:

- ◆ Administer 30 utility, telecommunication, pipeline, railroad and cable franchises/ contracts, oversee audits and collect and monitor revenues from existing franchises.
- ◆ Monitor and advocate for the fiscal and legal interest of the City of Portland and the MHCRC jurisdictions on the utility and cable-related issues at the PUC, the State Legislature, the Federal Communications Commission (FCC), and Congress.
- ◆ Promote development of City fibers and institutional cable communications systems required under various franchises.
- ◆ Oversee access services including Portland Cable Access (Citywide), Multnomah Community Television, Portland Public Schools and Portland Community College. Administer three dedicated funds for cable access and institutional capital.
- ◆ Conduct the annual rate regulation proceedings, enforce the Commission's customer service standards including recording and responding to cable subscriber complaints, and issue quarterly reports.
- ◆ Provide general information on cable issues to City Council, other City agencies, other jurisdictions, and the general public.
- ◆ Continue to build responsive and effective relationships with the jurisdictions participating on the intergovernmental Mt. Hood Cable Regulatory Commission.

# Performance Measures

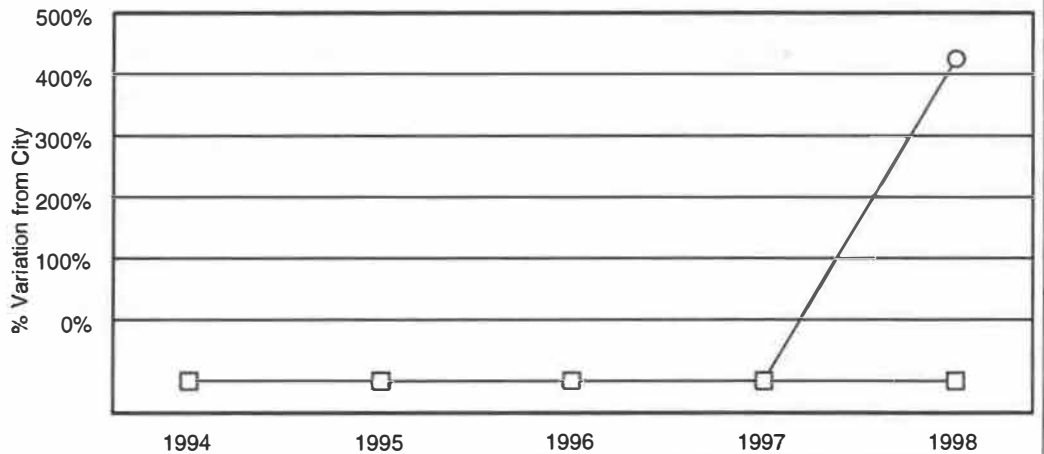
**Franchises Administered**

◆ The office currently administers 35 franchises and expects this number to rise in the upcoming years.



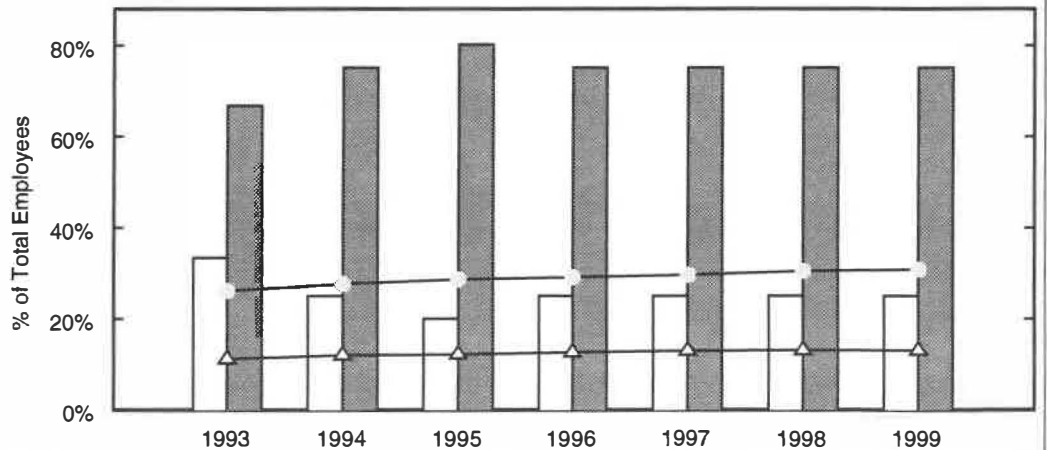
**Bureau Loss Experience vs. Citywide Loss Experience**

▲ Fleet Liability  
 ○ General Liability  
 □ Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

□ Bureau % Minority  
 ■ Bureau % Female  
 ▲ City % Minority  
 ● City % Female



**Cable Communications and Franchise Management AU 300 SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	366,719	386,824	402,810	472,409	472,409
External Materials and Service	655,279	869,032	768,003	758,155	793,155
Internal Materials and Service	465,740	396,219	415,927	452,001	452,001
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>1,487,738</b>	<b>1,652,075</b>	<b>1,586,740</b>	<b>1,682,565</b>	<b>1,717,565</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 1,487,738</b>	<b>\$ 1,652,075</b>	<b>\$ 1,586,740</b>	<b>\$ 1,682,565</b>	<b>\$ 1,717,565</b>
Allocated Overhead Costs			118,608	166,065	170,834
<b>Total Cost with Allocated Overhead</b>			<b>1,705,348</b>	<b>1,848,630</b>	<b>1,888,399</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	5	5	6	6	6
<b>TOTAL POSITIONS</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>RESOURCES</b>					
Discretionary General Fund		1,421,738	1,346,691	1,416,505	1,451,505
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		230,337	240,049	266,060	266,060
Bureau Program Revenues		0	0	0	0
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>230,337</b>	<b>240,049</b>	<b>266,060</b>	<b>266,060</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 1,652,075</b>	<b>\$ 1,586,740</b>	<b>\$ 1,682,565</b>	<b>\$ 1,717,565</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Cable Communications		1,431,733	1,347,260	1,423,402	1,423,402
<i>Positions</i>		<i>3</i>	<i>3</i>	<i>3</i>	<i>3</i>
Utility Franchises		220,342	239,480	259,163	294,163
<i>Positions</i>		<i>2</i>	<i>3</i>	<i>3</i>	<i>3</i>
<b>TOTAL PROGRAMS</b>		<b>\$ 1,652,075</b>	<b>\$ 1,586,740</b>	<b>\$ 1,682,565</b>	<b>\$ 1,717,565</b>
<i>Positions</i>		<i>5</i>	<i>6</i>	<i>6</i>	<i>6</i>



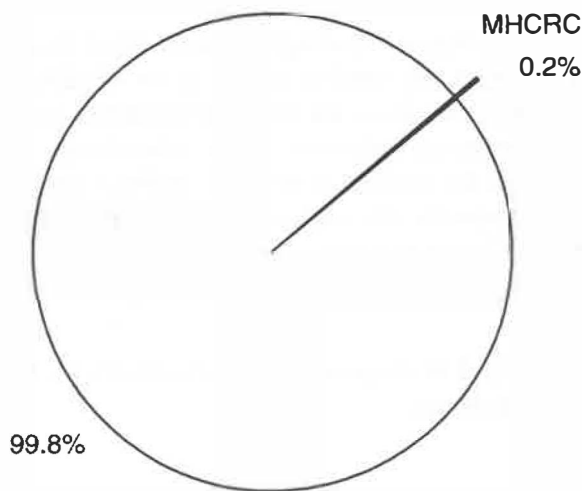
# Mt. Hood Cable Regulatory Commission

Community Development Service Area

Erik Sten, Commissioner-in-Charge

David Olsen, Director

Percent of City Budget



City Budget = \$1.29 Billion

## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	2,546,072	2,850,600	304,528	7.2%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	19,432	14,882	(4,550)	-26.7%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 2,565,504</b>	<b>\$ 2,865,482</b>	<b>\$ 299,978</b>	<b>6.9%</b>
Authorized Full-Time Positions	0	0	0	0.0%

Note: Per capita change values are adjusted for inflation and population growth.

## Bureau Summary

### BUREAU HIGHLIGHTS

#### Purpose

*The six jurisdictions of the MHCRC are Multnomah County, Fairview, Wood Village, Troutdale, Gresham, and Portland.*

The Mt. Hood Cable Regulatory Commission (MHCRC) was formed by Multnomah County and the cities of Fairview, Gresham, Portland, Troutdale, and Wood Village for the following purposes:

- ◆ Advocating for and protecting the public interest in the regulation and development of cable communications systems.
- ◆ Monitoring and helping resolve cable subscribers' concerns.
- ◆ Participating in the planning and implementation of community uses of cable communications technologies which make use of the public right of way.

#### Grant Funds

In its franchise negotiations, the MHCRC has obtained funding for capital grants from the revenues of the cable companies. In FY 1999-00, this funding equates to 3% of cable company revenues, more than \$2 million. These revenues are intended to support capital projects that enhance the cable and communications systems of public, educational, and governmental entities. As a result, these funds are referred to the PEG (public, education, government) grants. There are three grant recipients: the cable companies themselves, public access organizations, and the MHCRC grant process.

#### Cable Company Capital

Cable companies retain approximately one-third of the grant revenues for their own PEG related capital projects in the MHCRC jurisdictions.

#### Public Access Organizations

The public access organizations, MCTV and PCA, receive approximately one-third of the grant funds for their PEG related capital projects. Public access organizations provide community and non-profits access to broadcasting over the public cable channels.

#### MHCRC Grant Process

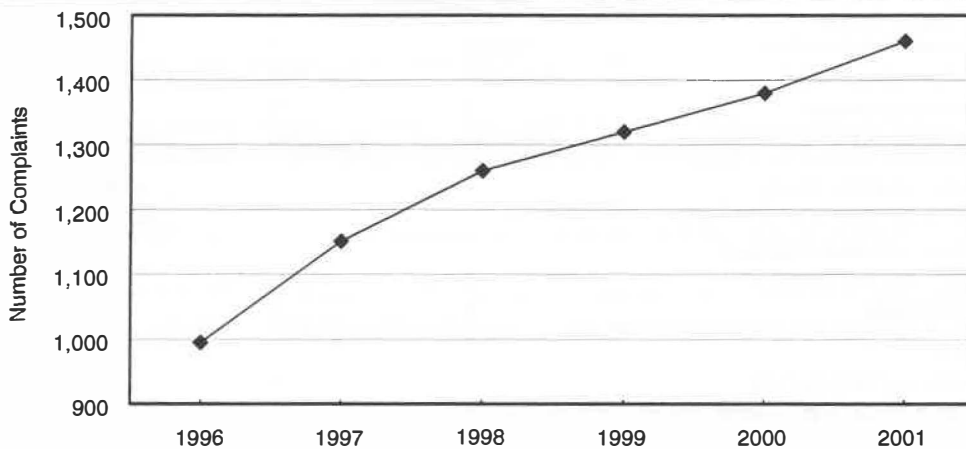
*The MHCRC will administer nearly \$800,000 in grants.*

Approximately one-third of the grant funds is managed by the MHCRC, which allocates funding to regional PEG organizations that request support for cable and related capital projects. As the size of the funds available to the MHCRC has increased dramatically in recent years, the MHCRC has recently designed a formal process for application, evaluation, and award of capital grants. In FY 1999-00, the MHCRC plans to administer nearly \$800,000 in grants.

# Performance Measures

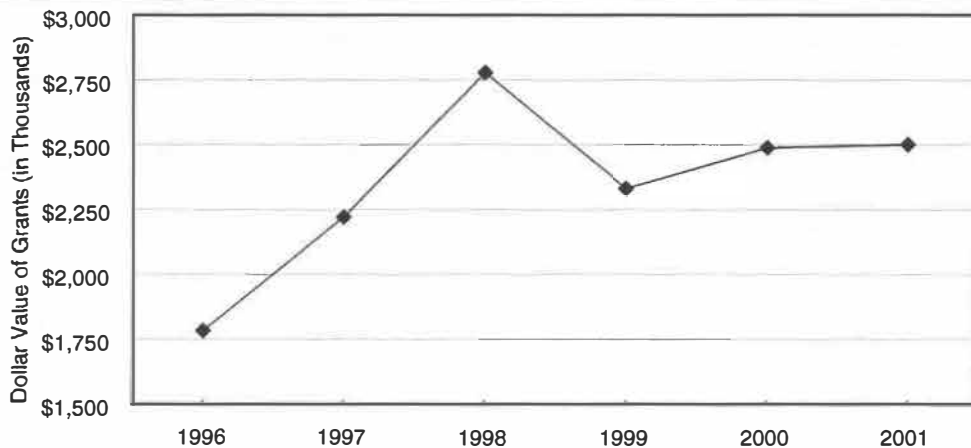
**Cable Complaints Handled**

- ◆ The bureau is responsible for handling cable subscribers complaints.
- ◆ The turn around time for responding to over 90% of complaints is two days.



**PEG Grants Administered**

- ◆ PCA and MCTV promote broad participation in civic and cultural life by encouraging effective use of community TV.
- ◆ The PEG fund provides funding to non-profit, educational, community, and local government organizations to acquire capital equipment for programs with public benefit.



**Mt. Hood Cable Regulatory Commission AU 304**

**SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	0	0	0	0	0
External Materials and Service	2,141,574	2,617,123	2,259,220	2,533,575	2,533,575
Internal Materials and Service	277,963	304,116	286,852	317,025	317,025
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	45,000	0	0	0	0
<b>Total Operating Budget</b>	<b>2,464,537</b>	<b>2,921,239</b>	<b>2,546,072</b>	<b>2,850,600</b>	<b>2,850,600</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 2,464,537</b>	<b>\$ 2,921,239</b>	<b>\$ 2,546,072</b>	<b>\$ 2,850,600</b>	<b>\$ 2,850,600</b>
Allocated Overhead Costs			19,432	15,636	14,882
<b>Total Cost with Allocated Overhead</b>			<b>2,565,504</b>	<b>2,866,236</b>	<b>2,865,482</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>RESOURCES</b>					
Discretionary General Fund		0	0	0	0
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		0	0	0	0
Bureau Program Revenues		2,921,239	2,546,072	2,850,600	2,850,600
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>2,921,239</b>	<b>2,546,072</b>	<b>2,850,600</b>	<b>2,850,600</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 2,921,239</b>	<b>\$ 2,546,072</b>	<b>\$ 2,850,600</b>	<b>\$ 2,850,600</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Community Access Capital		369,666	327,600	0	0
<i>Positions</i>		0	0	0	0
MHCRC		2,551,573	2,218,472	2,850,600	2,850,600
<i>Positions</i>		0	0	0	0
<b>TOTAL PROGRAMS</b>		<b>\$ 2,921,239</b>	<b>\$ 2,546,072</b>	<b>\$ 2,850,600</b>	<b>\$ 2,850,600</b>
<i>Positions</i>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

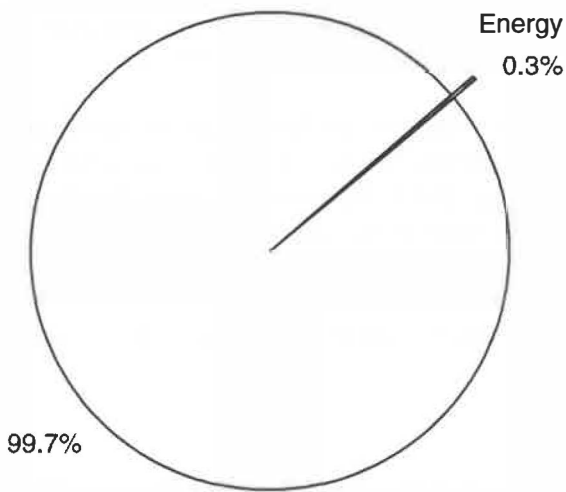
# Energy Office

Community Development Service Area

Erik Sten, Commissioner-in-Charge

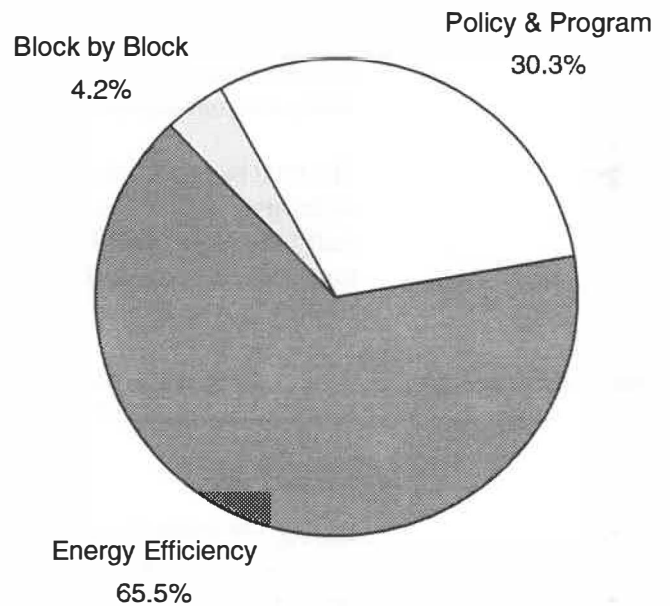
Susan Anderson, Director

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	1,156,537	953,906	(202,631)	-21.0%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	101,544	116,662	15,118	10.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 1,258,081</b>	<b>\$ 1,070,568</b>	<b>\$ (187,513)</b>	<b>-18.5%</b>
Authorized Full-Time Positions	8	11	3	31.6%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The mission of the Energy Office is to enhance the livability, stability and economic vitality of the City of Portland through programs and policies that promote energy and natural resource efficiency and the use of renewable resources.

## BUREAU HIGHLIGHTS

### Revenues

The Energy Office's revenues are comprised of General Fund support, interagency agreements, federal and state grants, and contracts with local utilities and other non-profit agencies. General Fund support to the Energy Office budgeted for FY 1999-00 is \$365,921. Existing grants and contracts budgeted for FY 1999-00 total approximately \$393,478.

The Energy Office will continue to leverage its General Fund support with grants, utility contracts and state and local interagency agreements. The bureau anticipates receiving an additional, unbudgeted, \$300,000 in new grants and contracts in FY 1999-00.

### Budget

The total budget for the Energy Office is \$953,906. General Fund support funds the director, a part-time assistant and all office expenses (\$192,150). It also includes funds for full-time staff for the Sustainable Portland Commission (\$65,173), and one-time funding for part-time staff and consultants to address electric utility policy and deregulation issues (\$96,565). The Energy Office will have a total of eleven staff in FY 1999-00.

### Decision Packages

Two decision packages in the FY 1999-00 budget relate to electric utility policy and the Sustainable Portland Commission.

#### Utility Policy

During FY 1998-99 the Energy Office pursued options to protect the City's economic, environmental and public interest goals within the framework of a changing electric utility environment. PGE was purchased by Enron. Pacific Power attempted to purchase a British utility, and now will likely be bought by ScottishPower or another large utility.

*City Council wants to protect public benefits, such as conservation programs and low-income assistance, from elimination or reduction as the energy industry consolidates.*

**Reduction in public benefits:** Public benefits such as conservation and low income services have been largely discarded and cut by 90 percent by Pacific Power and 60 percent by PGE. This has meant a cut in local employment related to energy efficiency, higher bills for residents and businesses, and increases in related air pollution and carbon dioxide emissions. In addition, beginning in FY 1997-98, utility contracts with the City were cut by more than 80 percent due to decisions by PGE and Pacific Power to drastically reduce their conservation programs. In spite of these cuts, the Energy Office sought and received more than \$500,000 in state and federal funding to expand its residential and small business conservation efforts.

City Council has indicated a strong desire to protect these public benefits and consumer interests through a City of Portland aggregation group or other appropriate mechanisms. In addition, there is an interest in pursuing partnerships with local utilities, public interest groups, and energy service providers to create new, market-based mechanisms to promote energy efficiency to businesses and residents throughout our community. The Energy Office will pursue legislation, grants, contracts and other partnerships to ensure more sustainable energy options and lower costs for local consumers.

### Sustainable Portland Commission

Another new budget component is staffing for the Sustainable Portland Commission. The Sustainable Portland Commission provides leadership and advice to City Council on policies and programs to enhance the economic vitality and livability of the City, provide for the efficient use of natural resources and protect environmental quality. In particular, the 15 member, citizen's commission will focus on the following efforts in FY 1999-00:

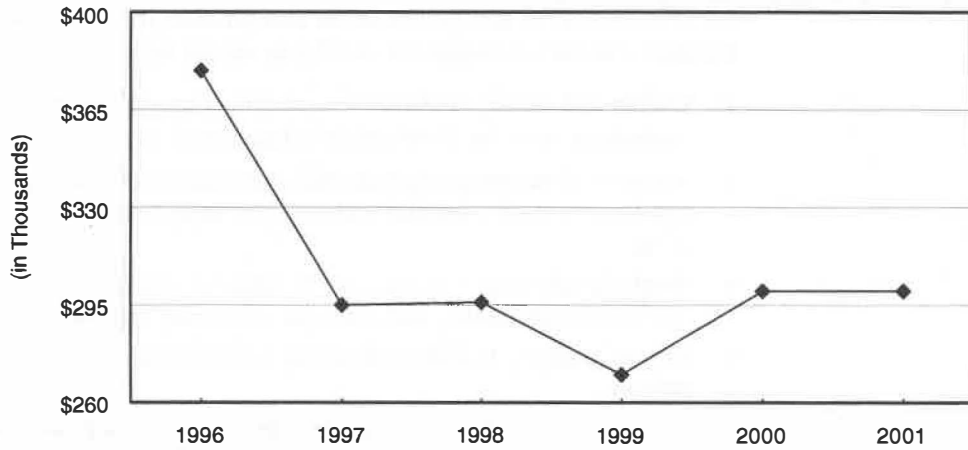
- ◆ Define and pursue sustainable economic development activities through a joint committee with the Portland Development Commission.
- ◆ Assist in developing international opportunities for industries and service providers involved in environmental technologies and mitigation, resource efficiency and related areas.
- ◆ Work closely with City bureaus to improve government operating practices to enhance environmental quality and resource efficiency and to reduce costs.
- ◆ Report annually to City Council on savings and opportunities for improvement for each bureau.
- ◆ Develop a green building options paper and action plan to identify what the City can do to promote environmentally sustainable building practices for residential, commercial and government facilities.
- ◆ Partner with local businesses and public interest groups to enhance the environment and livability of the Hollywood/Cully neighborhood and improve resource efficiency for local residents and businesses through the Green Neighborhood Network.
- ◆ Work closely with the Office of Neighborhood Involvement, other City bureaus, state agencies and environmental organizations to continue to promote neighborhood-based efforts to reach hundreds of households annually through the EcoTeam Program. Several City bureaus intend to focus on using this unique citizen network to communicate with residents on a variety of City-related issues.
- ◆ Hold a series of workshops for public interest and government service providers on the following:
  - ❖ Individual Actions: How can public agencies help residents take individual actions that will make a difference to the local environment and the planet?
  - ❖ Sustainable Business Practices: What are businesses doing to increase their participation in sustainable business practices? What can growing sustainable/ environmental industries mean to Portland's economy?
  - ❖ Environmental issues and social equity: How are environmental factors affecting health and who is most affected?
  - ❖ Nature in the City: What is happening to local vegetation, local habitat, and watersheds?
  - ❖ Global warming and climate change: How can residents and businesses reduce greenhouse gas emissions?

*The Energy Office works with many constituencies to promote and improve energy efficiency, other resource conservation, and sustainable practices for all sectors of the community.*

# Performance Measures

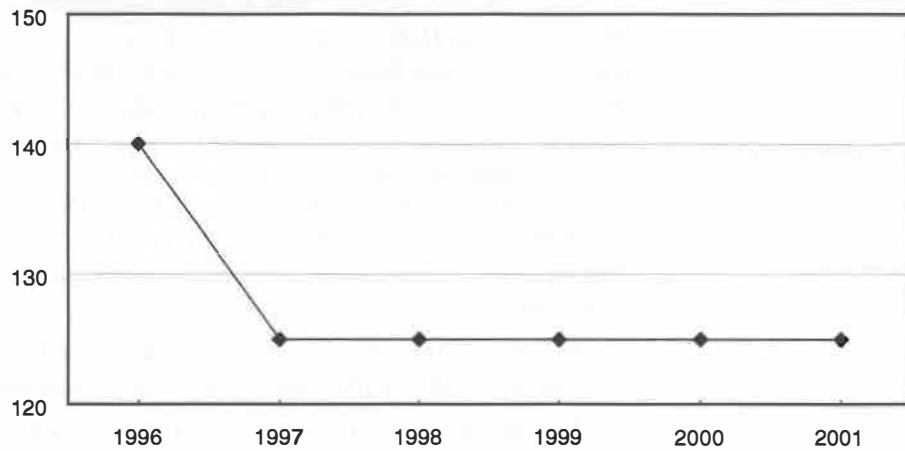
**Grants & Contracts Awarded**

◆ The Energy Office anticipates an additional \$300,000 in new grants and contracts in FY 1999-2000.



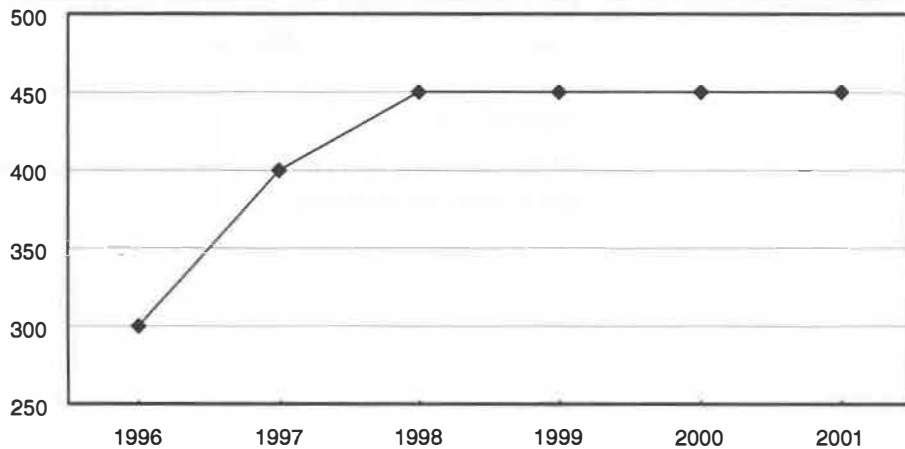
**Low-Income Homes Weatherized**

◆ The Block-By-Block Weatherization Program has weatherized 2,343 homes and saved \$1.616 million in energy bills.



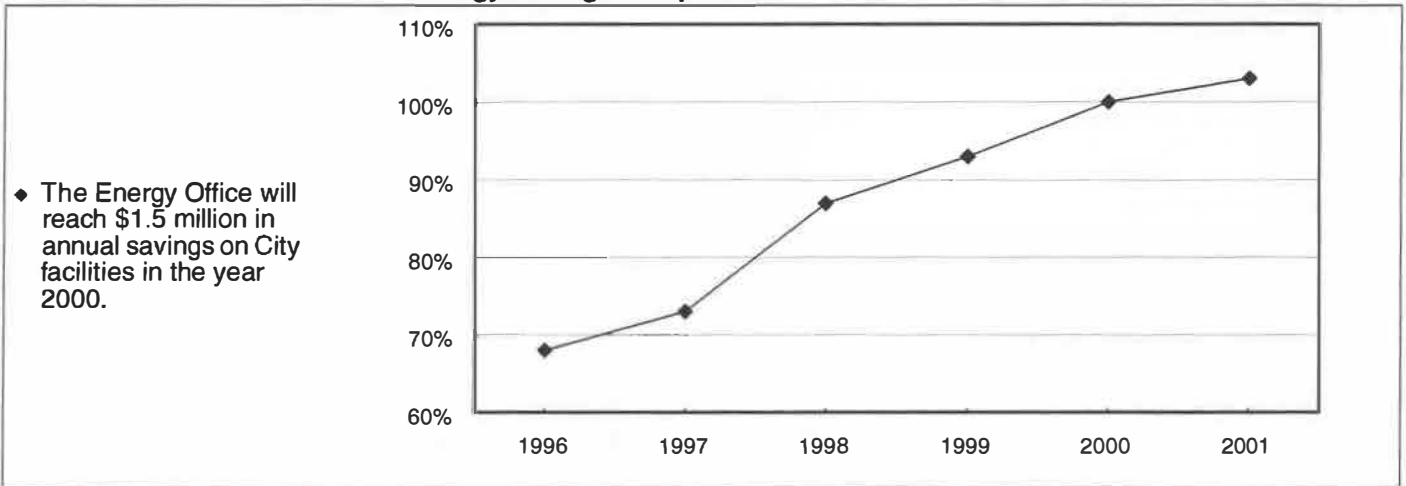
**Attendees Per Fair**

◆ In FY 1998-99, more than 900 residents came to two Neighborhood Fix-It-Fairs.

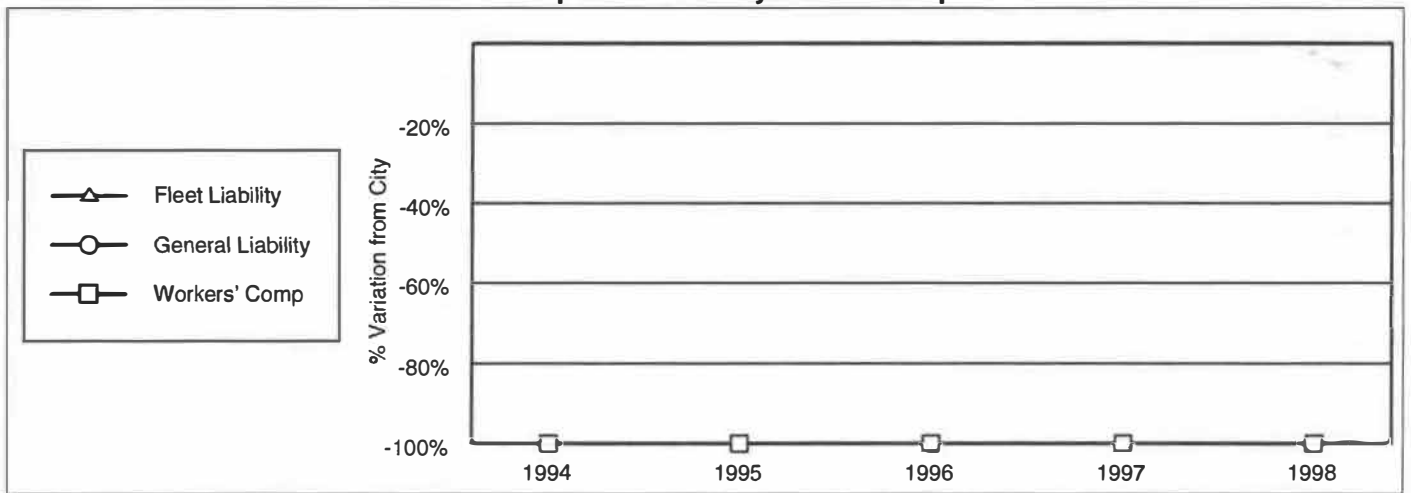




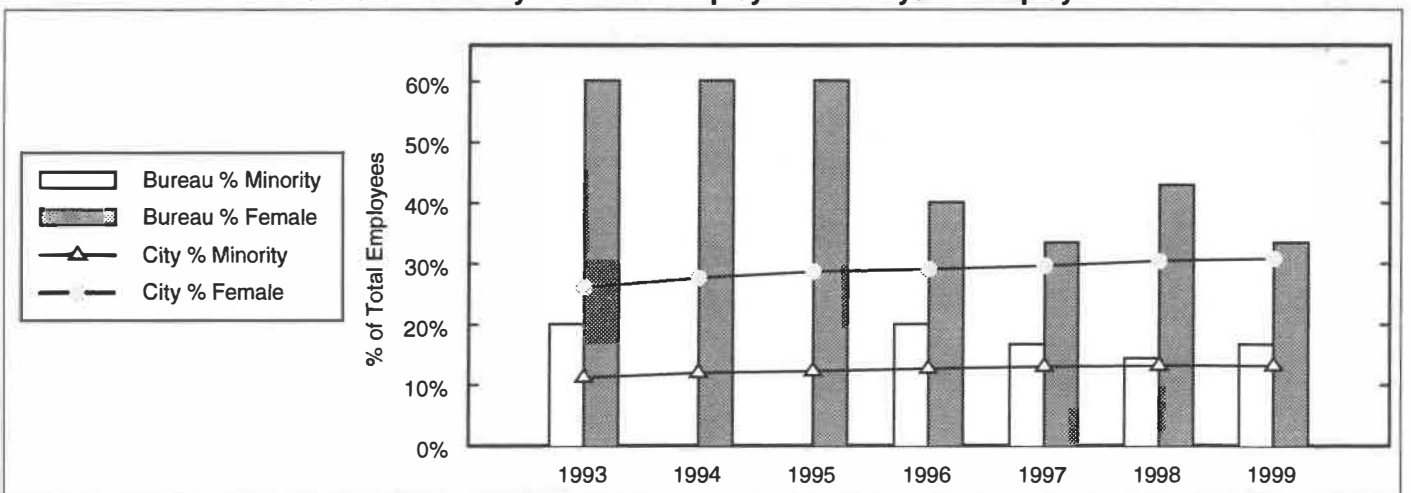
**Energy Savings Completed Toward Year 2000**



**Bureau Loss Experience vs. Citywide Loss Experience**



**Workforce Diversity — Bureau Employees vs. Citywide Employees**



	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	469,841	542,510	669,284	682,388	682,388
External Materials and Service	239,751	144,595	419,090	189,660	189,660
Internal Materials and Service	73,925	64,735	68,163	81,858	81,858
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>783,517</b>	<b>751,840</b>	<b>1,156,537</b>	<b>953,906</b>	<b>953,906</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 783,517</b>	<b>\$ 751,840</b>	<b>\$ 1,156,537</b>	<b>\$ 953,906</b>	<b>\$ 953,906</b>
Allocated Overhead Costs			101,544	112,581	116,662
<b>Total Cost with Allocated Overhead</b>			<b>1,258,081</b>	<b>1,066,487</b>	<b>1,070,568</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	1.0	1.3	2.7	3.2	3.2
<b>TOTAL POSITIONS</b>	<b>8.0</b>	<b>8.0</b>	<b>8.0</b>	<b>11.0</b>	<b>11.0</b>
<b>RESOURCES</b>					
Discretionary General Fund		232,990	357,515	365,921	365,921
<b>Non-Discretionary Revenues</b>					
Grants & Donations		267,091	604,597	393,478	393,478
Contract Revenues			0	0	0
Interagency Revenues		251,424	194,425	194,507	194,507
Bureau Program Revenues		0	0	0	0
Other Miscellaneous		335	0	0	0
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>518,850</b>	<b>799,022</b>	<b>587,985</b>	<b>587,985</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 751,840</b>	<b>\$ 1,156,537</b>	<b>\$ 953,906</b>	<b>\$ 953,906</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Policy & Program Develop		227,386	301,515	288,715	288,715
<i>Positions</i>		<i>1</i>	<i>2</i>	<i>2</i>	<i>2</i>
Block By Block Admin		27,000	27,500	40,000	40,000
<i>Positions</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Energy Efficiency		497,454	827,522	625,191	625,191
<i>Positions</i>		<i>6</i>	<i>5</i>	<i>8</i>	<i>8</i>
<b>TOTAL PROGRAMS</b>		<b>\$ 751,840</b>	<b>\$ 1,156,537</b>	<b>\$ 953,906</b>	<b>\$ 953,906</b>
<i>Positions</i>		<b><i>8</i></b>	<b><i>8</i></b>	<b><i>11</i></b>	<b><i>11</i></b>

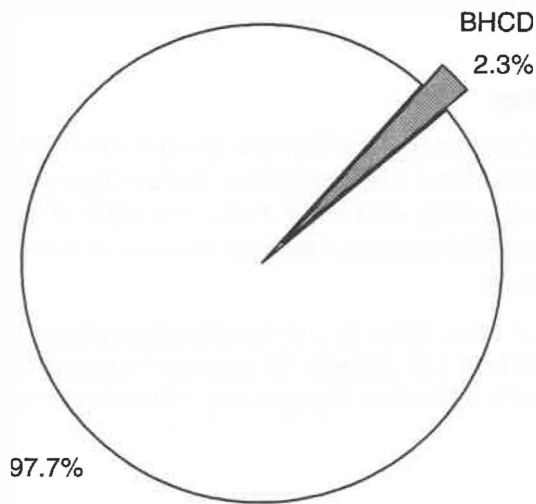
# Bureau of Housing and Community Development

Community Development Service Area

Erik Sten, Commissioner-in-Charge

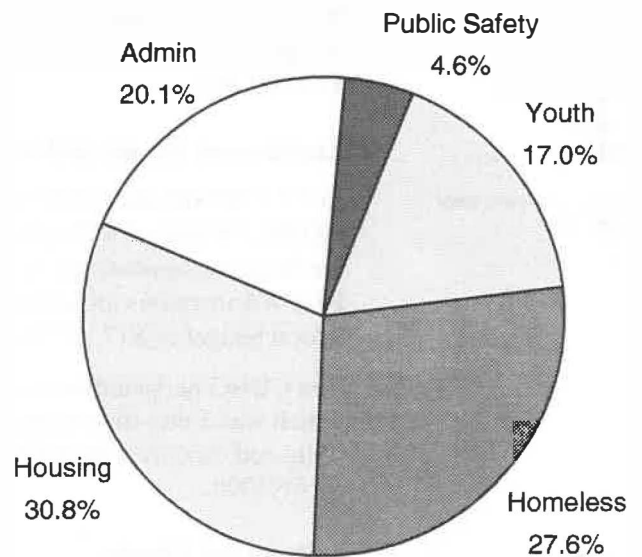
Steve Rudman, Director

Percent of General Fund



General Fund = \$349.4 Million

Bureau Programs



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	8,275,206	8,173,692	(101,514)	-5.4%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 8,275,206</b>	<b>\$ 8,173,692</b>	<b>\$ (101,514)</b>	<b>-5.4%</b>
Authorized Full-Time Positions	18	18	0	-4.3%

Note: Per capita change values are adjusted for inflation and population growth.

## Bureau Summary

### BUREAU MISSION

The mission of the Bureau of Housing and Community Development is to work as a professional team in partnership with the community to effectively steward the community development resources of the City of Portland and to serve as a catalyst in order to stabilize and improve neighborhoods and enable people to improve the quality of their lives.

### BUREAU HIGHLIGHTS

#### Introduction

BHCD manages federal funds channeled to the City by the U. S. Department of Housing and Urban Development. The bureau centralizes the planning, reporting, and evaluation of these federal grant funds. The bureau administers four entitlement grants as well as a variety of categorical HUD programs. In addition, the bureau manages City General Funds appropriated to support the areas of Youth, Homeless and Public Safety. The BHCD Adopted Budget is increased by \$2.2 million in FY 1999-00 for a total budget of \$32,960,244.

#### Funding

*Entitlement grants total  
\$17,667,000.*

#### Entitlement Grants and Related Funding

In FY 1999-00, the entitlement grants - Community Development Block Grant (CDBG), HOME, Housing for People with Aids (HOPWA), and Emergency Shelter Grant (ESG) - are funded at approximately the same level as they were in FY 1998-99. CDBG, HOME and HOPWA increases are somewhat offset by ESG decreases for a net increase of \$394,000, to a total budget of \$17,667,000 in FY 1999-00.

The CDBG budgeted income totals reflects loss of the \$1,581,000 Revolving Loan Fund, which was a one-time resource in FY 1998-99 that affected the Housing Program. CDBG's obligated carryover from FY 1998-99 to FY 1999-00 is increased by \$750,000 for a total of \$1,065,000.

#### Categorical Grants

*New categorical grants will  
be received.*

Two categorical grants are included for the first time in the annual budget process: the Youthbuild Program and the Lead Based Paint Hazard Control. Youthbuild is an annual grant and Lead Based Paint is a one-time grant which provides funding for three years. Categorical grants increase \$2.1 million for a total of \$2,204,265 in FY 1999-00.

#### General Fund Discretionary

General Fund discretionary budget totals \$2,822,579. This budget includes an addition of \$500,000 for services for homeless youth.

#### Programs

The bureau provides a balance of services meeting both safety net and neighborhood revitalization functions within seven program areas. In FY 1999-00 cost of living adjustments have been provided for all projects except for the loan pools and capital projects.

## Housing

**Revolving Loan:** A one time revolving loan of \$1.5 million closed in FY 1998-99 and is no longer available in FY 1999-00, causing decreases in the Homebuyer, Homeowner, and Affordable Rental Housing programs.

**Housing Investment Fund:** An obligation of \$233,000 was completed in FY 1998-99, and HOME funds previously appropriated for the HIF are now included in the affordable rental housing loan pool.

**Request For Proposal:** Additional funding of \$175,000 is included to fund projects resulting from a Request For Proposal process conducted last year for small rehabilitation projects, siting staffing, and a new tenant hotline project.

**Total Funding:** Overall funding for the Housing Program is increased to \$18,699,401 with the inclusion of the Lead Based Paint grant.

## Economic Development

**New Programs:** This budget funds the implementation of *operating project support* for community economic development activities and the development and initiation of an ongoing Citywide microenterprise program.

**Business Outreach:** Increased funding is provided for the Portland State University Business Outreach project.

## Neighborhood Improvements

**East County:** The budget sets aside capital funds for infrastructure supporting housing development and future work in East County.

## Homeless

\$500,000 is added for  
Homeless Youth.

**Youth Services:** Council approved an add package of \$500,000 for homeless youth services. Of this amount, \$350,000 is ongoing and \$150,000 is one-time funding.

**MultiFamily Housing:** The Bureau of Buildings' Multi Family at Risk Code Enforcement Program is not included in this budget. This program was completed in FY 1998-99 and is no longer funded by BHCD.

## Youth Employment and Involvement

**Minimum Wage Increase:** Funding is included to offset the minimum wage increase for subsidized employment for youth.

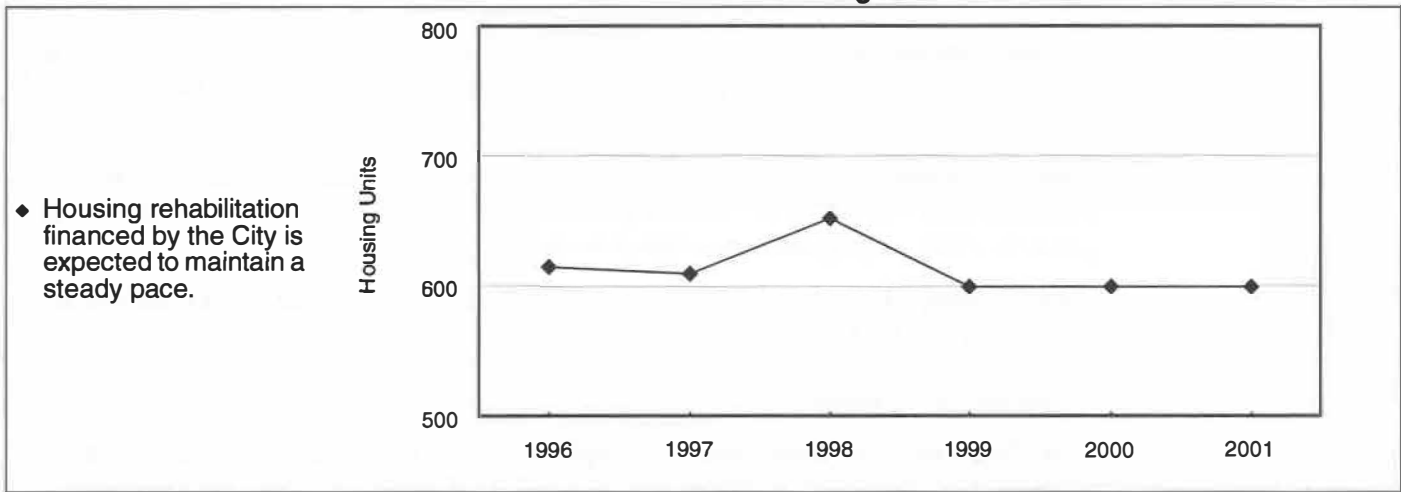
**Youth Employment Partnership:** Several projects are funded in the Youth Employment Partnership Program. Under this design, YEP will expand to a year around Citywide program to assist youth in acquiring unsubsidized employment. This program is receiving additional funds from the Youthbuild Categorical grant in the FY 1999-00 budget process.

## Targeted Initiatives

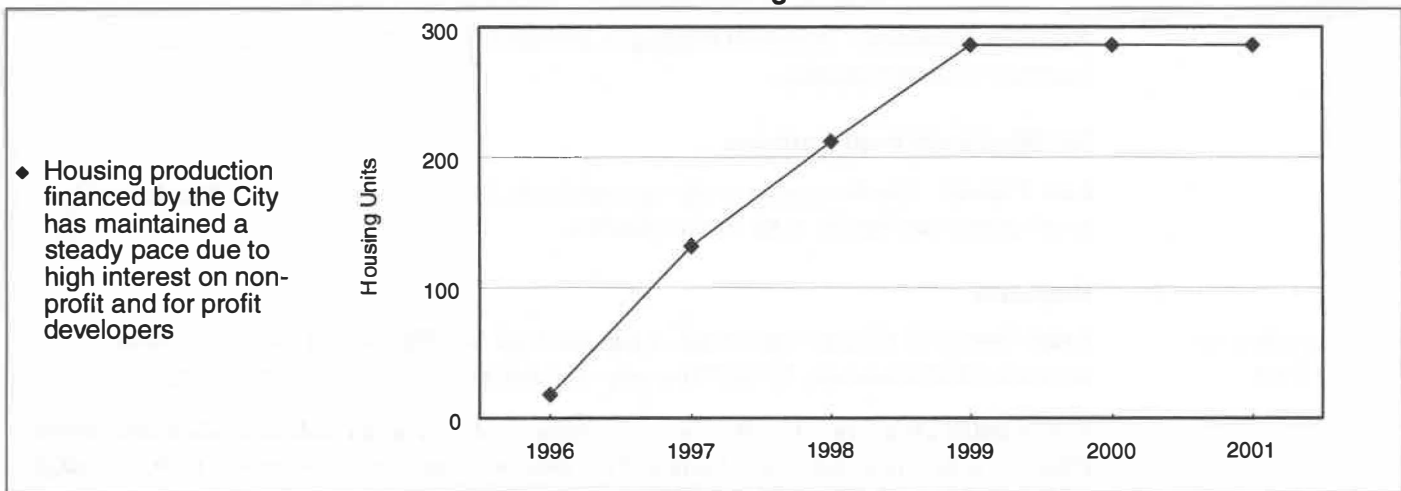
This budget includes funding for nine target areas and provides for a project fund for each target area. This budget also funds the development of a target area training program.

# Performance Measures

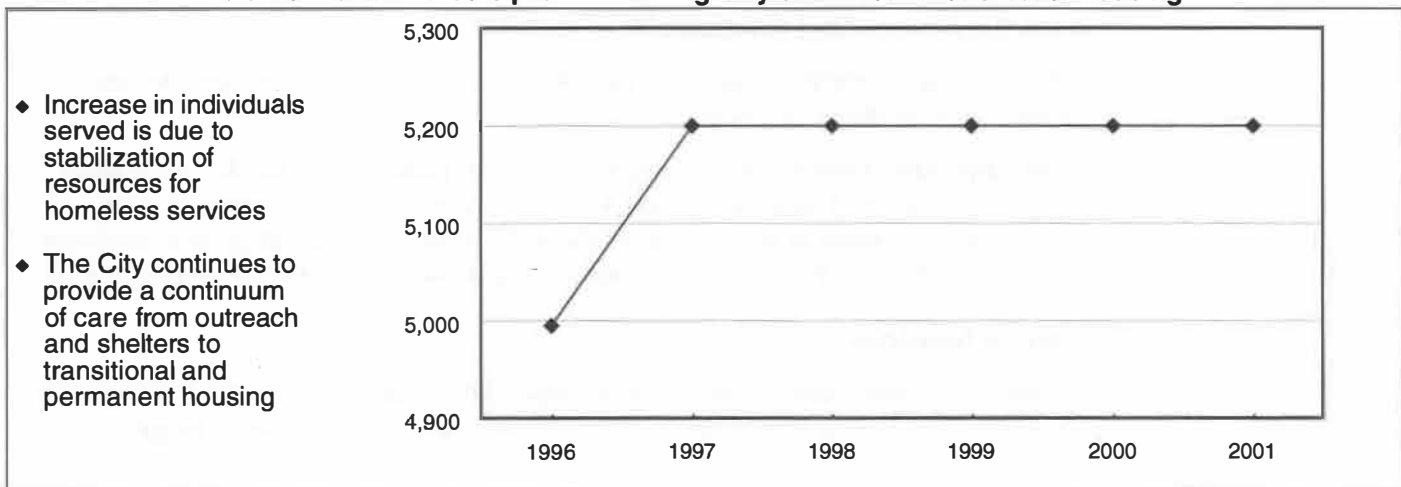
**Number of rehabilitated housing units**



**Number of new housing units built**

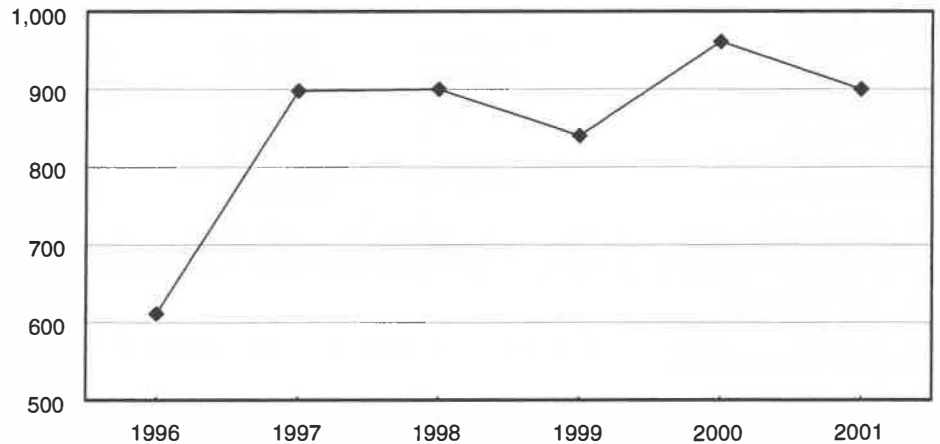


**Number of individuals provided emergency shelter and transitional housing**



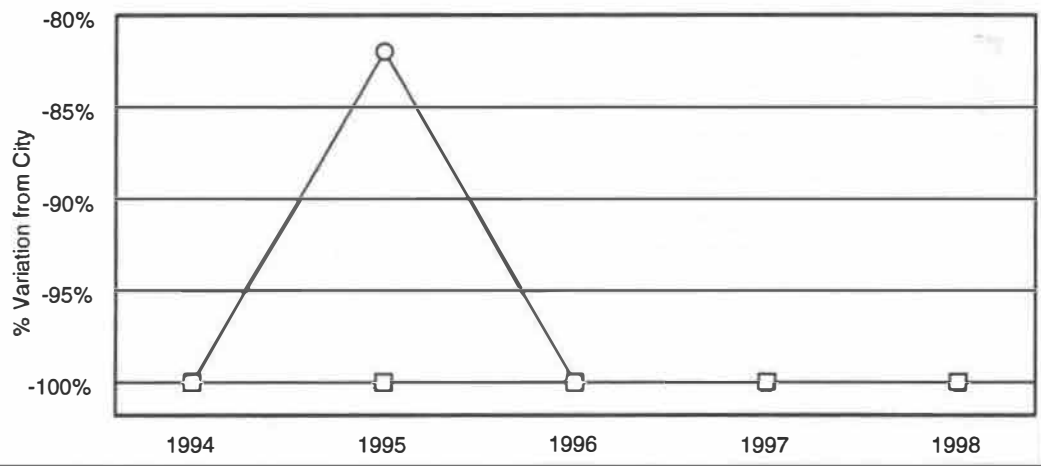
**No. of youth placed in summer or year round employment**

- ◆ Higher risk youth require more labor intensive staffing and deeper wage subsidies
- ◆ Larger numbers of lower to moderate risk youth can be served with equivalent resources
- ◆ Programs integrating employment and education are more expensive and more effective



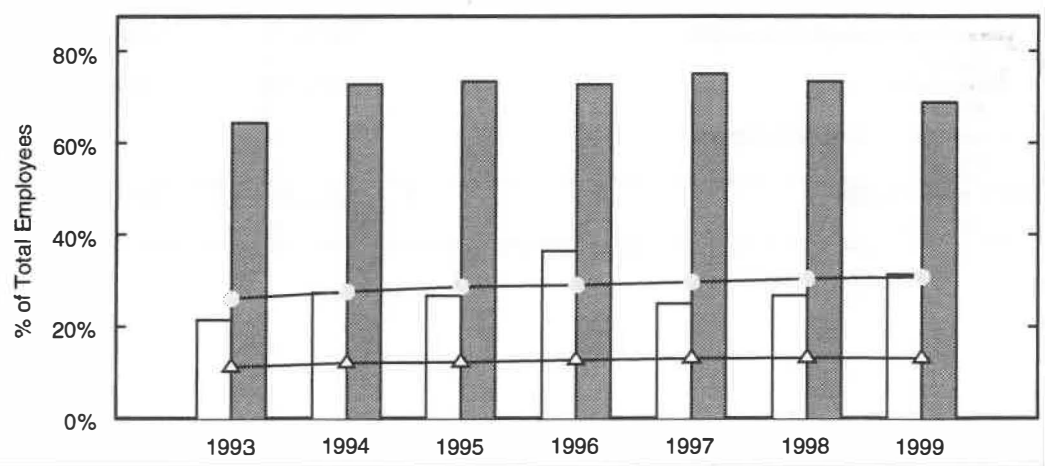
**Bureau Loss Experience vs. Citywide Loss Experience**

- ▲— Fleet Liability
- General Liability
- Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

- Bureau % Minority
- Bureau % Female
- ▲— City % Minority
- City % Female



Bureau of Housing and Community Development AU 540

SUMMARY OF BUREAU BUDGET

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	1,020,441	1,030,422	1,187,883	1,256,595	1,256,595
External Materials and Service	4,045,815	5,129,150	6,979,676	6,650,114	6,651,844
Internal Materials and Service	79,327	80,804	107,647	265,253	265,253
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	5,145,583	6,240,376	8,275,206	8,171,962	8,173,692
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 5,145,583</b>	<b>\$ 6,240,376</b>	<b>\$ 8,275,206</b>	<b>\$ 8,171,962</b>	<b>\$ 8,173,692</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			8,275,206	8,171,962	8,173,692
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>17</b>	<b>17</b>	<b>18</b>	<b>18</b>	<b>18</b>
<b>RESOURCES</b>					
Discretionary General Fund		2,277,753	2,606,497	2,822,579	2,822,579
<b>Non-Discretionary Revenues</b>					
Grants & Donations		2,281,679	3,824,187	3,438,265	3,439,995
Contract Revenues		415,305	410,394	320,000	320,000
Interagency Revenues		1,265,638	1,434,128	1,591,118	1,591,118
Bureau Program Revenues		0	0	0	0
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		3,962,622	5,668,709	5,349,383	5,351,113
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 6,240,375</b>	<b>\$ 8,275,206</b>	<b>\$ 8,171,962</b>	<b>\$ 8,173,692</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
BHCD Administration		1,265,641	1,453,620	1,639,518	1,639,518
<i>Positions</i>		17	18	18	18
Housing Programs		1,265,671	2,938,940	2,514,847	2,514,847
<i>Positions</i>		0	0	0	0
Economic Development		20,000	0	0	0
<i>Positions</i>		0	0	0	0
Neighborhood Improvements		0	20,000	0	0
<i>Positions</i>		0	0	0	0
Homeless Facilities & Services		1,426,413	1,792,687	2,250,208	2,251,938
<i>Positions</i>		0	0	0	0
Youth Employment & Involvement		1,841,873	1,699,159	1,388,617	1,388,617
<i>Positions</i>		0	0	0	0
Public Safety		420,778	370,800	378,772	378,772
<i>Positions</i>		0	0	0	0
Community & Targeted Initiatives		0	0	0	0
<i>Positions</i>		0	0	0	0
<b>TOTAL PROGRAMS</b>		<b>\$ 6,240,376</b>	<b>\$ 8,275,206</b>	<b>\$ 8,171,962</b>	<b>\$ 8,173,692</b>
<i>Positions</i>		<b>17</b>	<b>18</b>	<b>18</b>	<b>18</b>



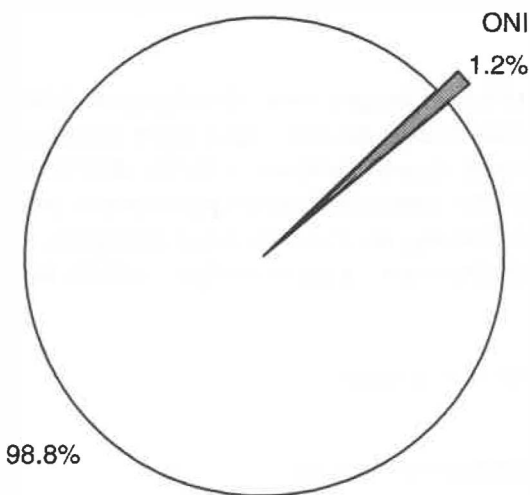
# Office of Neighborhood Involvement

Community Development Service Area

Dan Saltzman, Commissioner-in-Charge

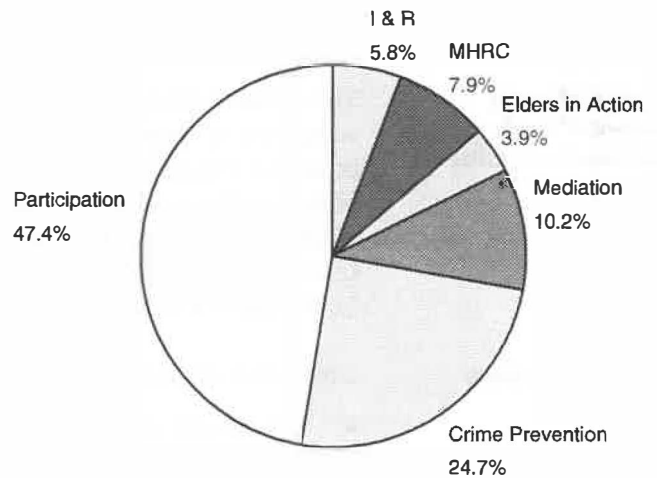
David Lane, Director

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	4,025,719	4,076,327	50,608	-3.1%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	109,888	158,341	48,453	38.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 4,135,607</b>	<b>\$ 4,234,668</b>	<b>\$ 99,061</b>	<b>-2.0%</b>
Authorized Full-Time Positions	32	36	4	7.7%

Note: Per capita change values are adjusted for inflation and population growth.

## Bureau Summary

### BUREAU MISSION

The Office of Neighborhood Involvement is the service bureau that ensures opportunities for all Portland citizens to interact with their City government in building safe and livable neighborhoods. Citizen involvement results in more shared responsibility, more open and responsive government, and better decisions and policies.

ONI works to engage area residents in actions which build mutual respect among all people, improve the livability of neighborhoods, and increase the sense of community.

### BUREAU HIGHLIGHTS

#### Overview

The FY 1999-00 Office of Neighborhood Involvement budget reflects a continuation and strengthening of a range of programs and services related to citizen participation, neighborhood and community livability.

#### Neighborhood Network and Outreach to Citizens

The citizen participation programs of the Office of Neighborhood Involvement (ONI) are comprised of support to the neighborhood association network and to three centralized programs. Funds for the neighborhood network support contracts with five district coalition offices and two neighborhood offices. The three centralized citizen participation programs of ONI are Outreach Coordination/Citizen Training, the City's Refugee/Immigrant Coordinator, and the Downspout Disconnection Project, a partner project with the Bureau of Environmental Services.

#### Other Programs

ONI's other programs help build community and include:

- ◆ City Information and Referral.
- ◆ Crime Prevention, including Graffiti Abatement Program.
- ◆ Metropolitan Human Rights Center.
- ◆ Neighborhood Mediation Center.
- ◆ Elders in Action, via contract.

#### Changes from Prior Year

The Adopted Budget represents current service levels in most program areas with some exceptions.

#### Citizen Participation

Support for the neighborhood network is increased by \$50,000 of one-time funding to enhance the five coalition offices' upgrade of computer-related equipment and training. This effort mirrors the FY 1998-99 upgrade to the two City employee-based neighborhood offices, the cost of which was borne by the City's Information Technology Strategic Plan (ITSP). The goal is to ensure roughly comparable technology and training to all seven of the offices that directly support the neighborhood association network.

#### Crime Prevention

Crime prevention staff is increased by 1 FTE as part of the second year of the two-year budget cycle. This increase only returns staffing to the previously approved level of 10 FTE, as ONI had to cut a position mid-year to cover unanticipated overtime costs.

**Neighborhood Mediation Center**

The budget request for the Neighborhood Mediation Center provides full funding of the current service level for the City employee-based program. This represents the final steps of decision-making and closure after 18 months of an uncertain future for the Center.

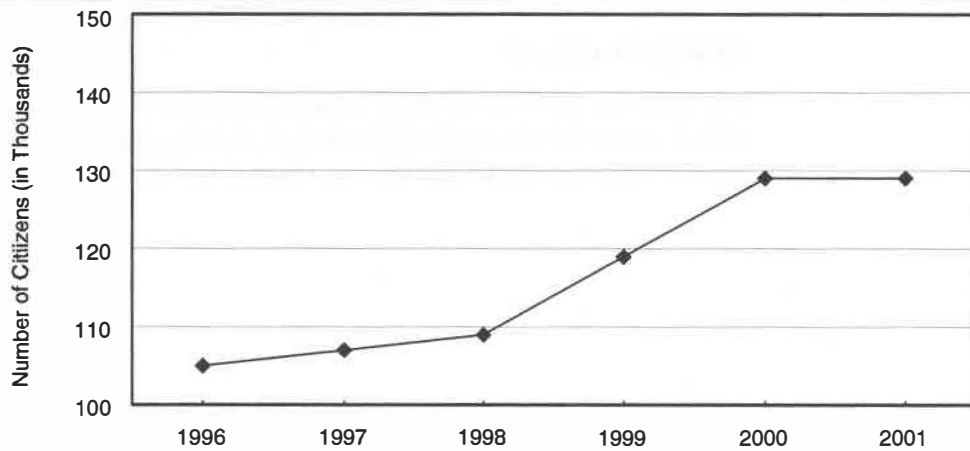
**Graffiti Abatement**

The budget request also reflects the second year of the City's Graffiti Abatement Program in ONI. In the FY 1998-99 Adopted Budget, funding for this program was allocated under Special Appropriations, and was later moved into ONI's budget.

## Performance Measures

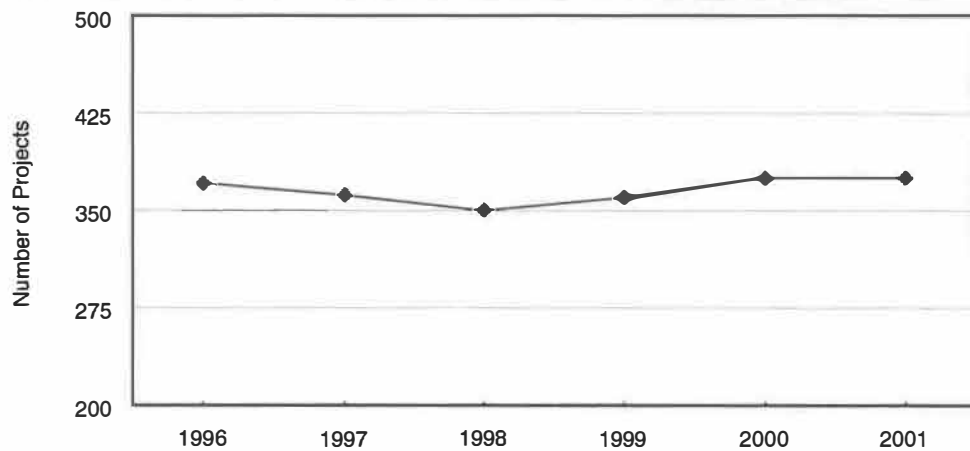
### Number of Citizens Involved

- ◆ The neighborhood association network is a vital way for citizens to become involved in neighborhood-based organizations and projects.
- ◆ Increasing numbers of involved citizens help to improve neighborhood livability and build community.



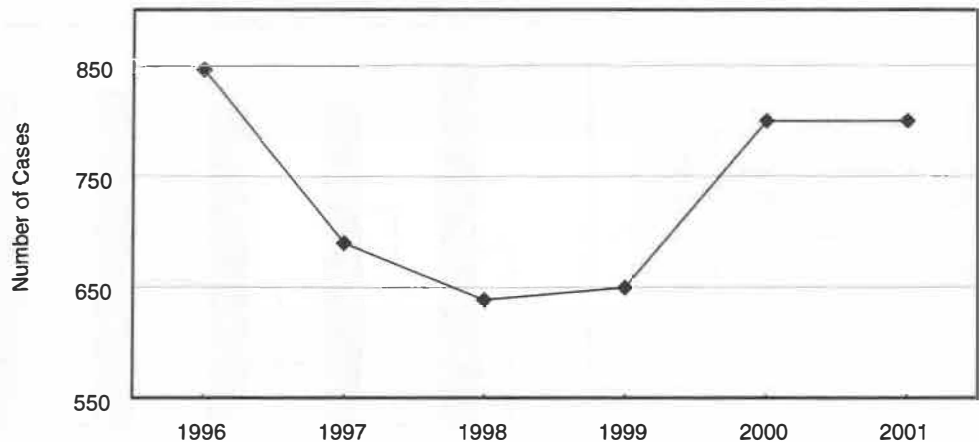
### Number of Crime Prevention and Community Policing Projects

- ◆ Reductions in the centralized Crime Prevention staff in FY 96-97 resulted in a short-term reduction in the number of crime prevention projects.
- ◆ Increased staff collaboration and increased citizen awareness of crime prevention resources have resulted in an increasing number of projects.
- ◆ The Council has authorized an additional crime prevention representative for East Portland starting in July of 1999.



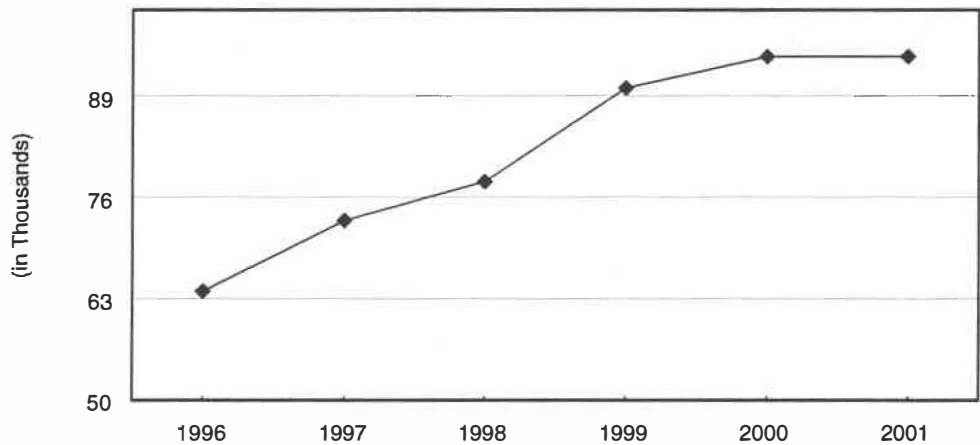
**Number of New Cases Receiving Mediation Services**

- ◆ The Center's caseload dropped significantly in FY 97-98 due to the community discussion about center funding and continuance as a City program. For a time the Center declined new cases.
- ◆ City Council has reinstated the program and restored its budget for the current and future years. This will result in an increase in the number of new cases receiving mediation services.

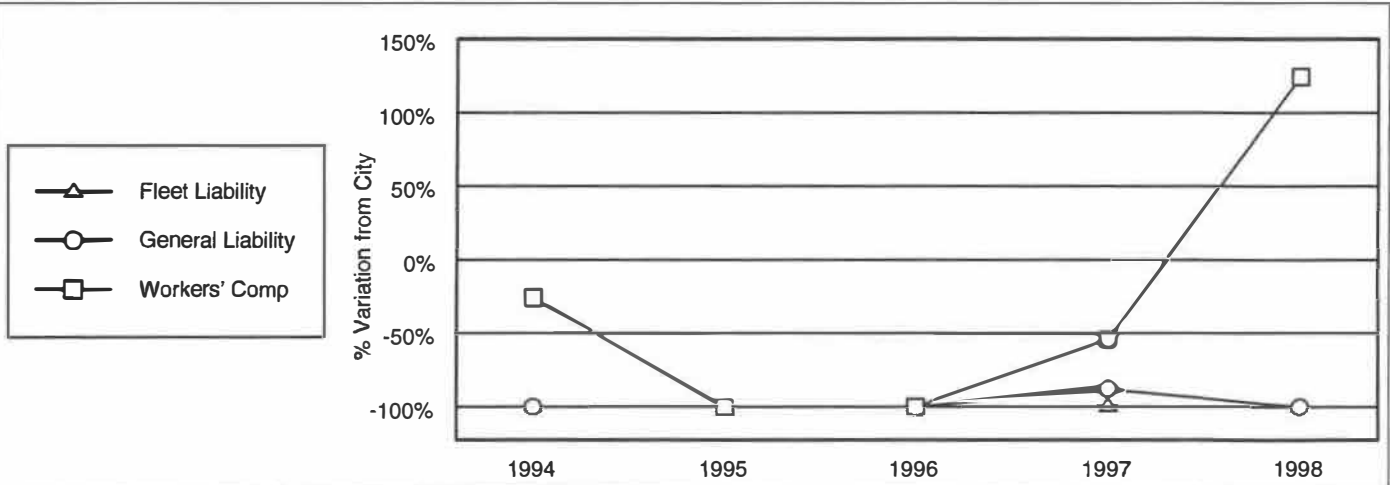


**Number of Information and Referral Calls and E-mail Inquiries Received**

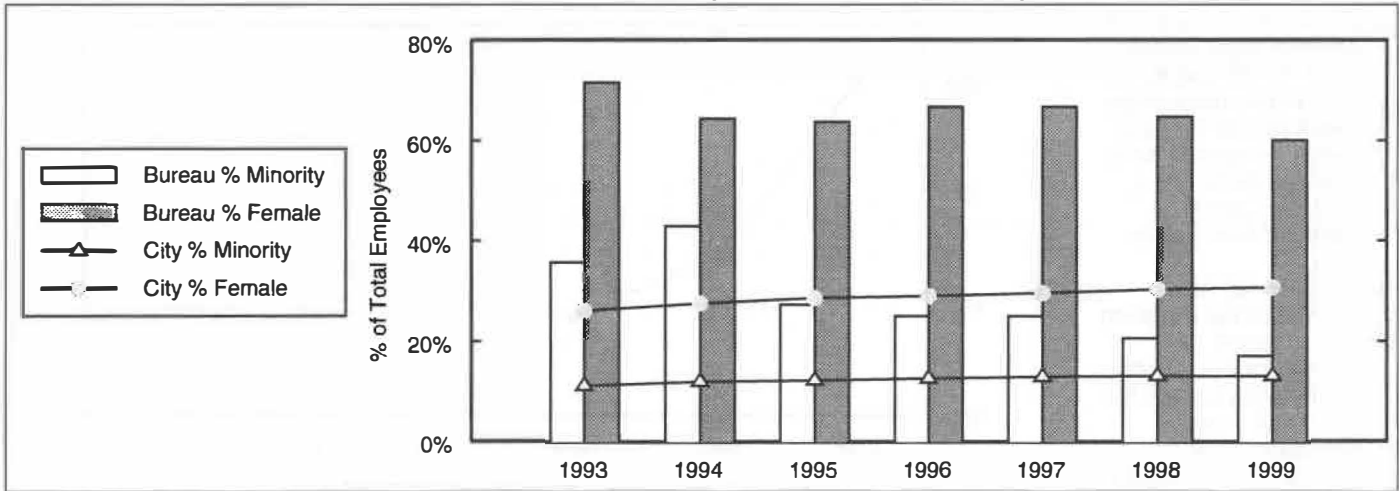
- ◆ Calls and E-mail inquiries continue to increase as citizens become more familiar with City Information and Referral services.



**Bureau Loss Experience vs. Citywide Loss Experience**



### Workforce Diversity — Bureau Employees vs. Citywide Employees



## Office of Neighborhood Involvement AU 342

## SUMMARY OF BUREAU BUDGET

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	1,452,398	2,145,211	2,220,553	2,406,601	2,406,601
External Materials and Service	1,450,624	434,724	1,514,918	1,332,263	1,402,641
Internal Materials and Service	180,563	255,972	290,248	267,108	267,085
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	8,376	0	0	0
<b>Total Operating Budget</b>	<b>3,083,585</b>	<b>2,844,283</b>	<b>4,025,719</b>	<b>4,005,972</b>	<b>4,076,327</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 3,083,585</b>	<b>\$ 2,844,283</b>	<b>\$ 4,025,719</b>	<b>\$ 4,005,972</b>	<b>\$ 4,076,327</b>
Allocated Overhead Costs			109,888	162,292	158,341
<b>Total Cost with Allocated Overhead</b>			<b>4,135,607</b>	<b>4,168,264</b>	<b>4,234,668</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	20	31	31	31	31
<b>TOTAL POSITIONS</b>	<b>24</b>	<b>29</b>	<b>32</b>	<b>36</b>	<b>36</b>
<b>RESOURCES</b>					
Discretionary General Fund		2,571,036	3,616,704	3,530,210	3,587,077
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	80,000	80,000
Contract Revenues		0	121,440	128,674	128,897
Interagency Revenues		133,094	147,010	115,340	115,340
Bureau Program Revenues		15,092	0	6,000	20,555
Overhead Revenues		125,061	140,565	145,748	144,458
<b>Total Non-Discretionary Revenues</b>		<b>273,247</b>	<b>409,015</b>	<b>475,762</b>	<b>489,250</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 2,844,283</b>	<b>\$ 4,025,719</b>	<b>\$ 4,005,972</b>	<b>\$ 4,076,327</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Citizen Participation		1,170,045	2,152,885	1,917,991	1,932,546
<i>Positions</i>		10	11	10	10
Crime Prevention		536,612	773,572	952,955	1,008,755
<i>Positions</i>		11	10	12	12
Neighborhood Mediation Center		384,960	368,000	417,000	417,000
<i>Positions</i>		5	5	5	5
Elders in Action		213,596	193,617	160,347	160,347
<i>Positions</i>		2	2	1	1
Metropolitan Human Rights Center		358,157	303,600	322,243	322,243
<i>Positions</i>		5	4	4	4
Information & Referral		180,913	234,045	235,436	235,436
<i>Positions</i>		4	4	4	4
<b>TOTAL PROGRAMS</b>		<b>\$ 2,844,283</b>	<b>\$ 4,025,719</b>	<b>\$ 4,005,972</b>	<b>\$ 4,076,327</b>
<i>Positions</i>		<b>37</b>	<b>36</b>	<b>36</b>	<b>36</b>

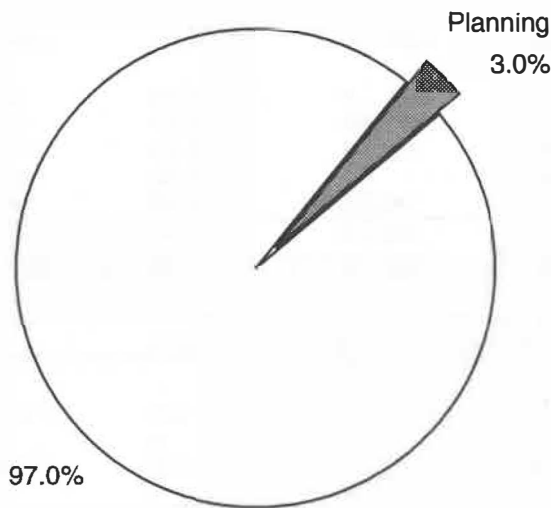
# Bureau of Planning

Community Development Service Area

Charlie Hales, Commissioner-in-Charge

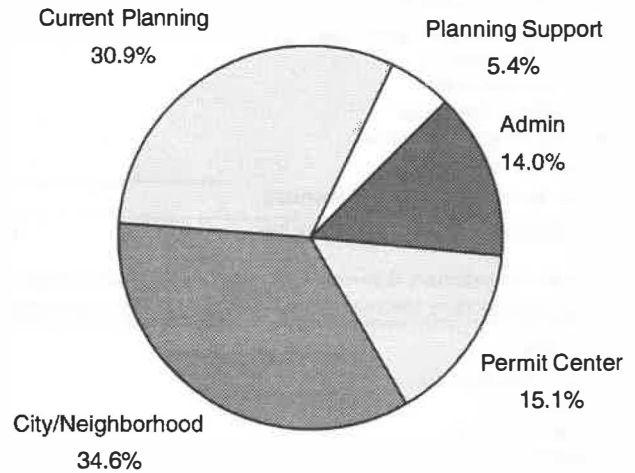
Deborah Stein, Interim Director

Percent of General Fund



General Fund = \$349.4 Million

Bureau Programs



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	8,801,125	10,631,401	1,830,276	15.6%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	1,246,751	1,009,981	(236,770)	-22.4%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 10,047,876</b>	<b>\$ 11,641,382</b>	<b>\$ 1,593,506</b>	<b>10.9%</b>
Authorized Full-Time Positions	106	117	11	5.7%

Note: Per capita change values are adjusted for inflation and population growth.



# Bureau Summary

## BUREAU MISSION

The Bureau of Planning assists the people of Portland in achieving a quality urban environment through comprehensive planning which responds to neighborhood needs, embraces community values, and prepares the City for the future. The bureau acts to assure that all plans and policies are consistent with the City's Comprehensive Plan and strategic plan. The bureau promotes a fair and open process for citizen involvement planning.

## BUREAU HIGHLIGHTS

### Blueprint 2000 Implementation

The City Council implemented amended provisions of the Phase II Report of the Blueprint 2000 Stakeholders Team by adopting Ordinance #173114 which established the Office of Planning and Development Review (OPDR) on February 17, 1999. As of March 19, 1999 the Bureau of Planning's Development Review and Permit Center Programs were merged with the Bureau of Buildings to become the OPDR. The program budgets for these programs are still reflected in the Bureau of Planning's Adopted Budget.

### Long Range Planning Programs

The Bureau of Planning's remaining programs are City and Neighborhood Planning, Planning Support Group, the Director's Office, and Administration. The bureau also has GIS and graphic functions. The programs support long range planning for the City. The strategies for the organization of the new Bureau of Planning were presented to the City Council and affected stakeholders for review, and Council adopted one of the recommendations for the bureau's structure on May 12, 1999. A total of \$300,000 is set aside for transition costs associated with the new Bureau of Planning. This also serves as gap funding for loss of fee revenues from Development Review and Permit Center, which historically supported a portion of the Director's Office and general bureau administration.

## Add Packages

*The Greenway Team will produce a discussion draft in Spring 2000.*

### Willamette River Greenway

Initial work on this project began in FY 1998-99 and was funded by a special appropriation of \$250,000. The Adopted Budget contains \$269,000 to continue the bureau's work.

In FY 1999-00, the Bureau of Planning Greenway Team will bring a process report to City Council that will outline the roles and responsibilities of the bureaus involved in the project (Parks, PDOT, BES, PDC, OPDR). It will also describe the scope of work which, due to a less than anticipated budget, will be significantly narrower than Council directed through their resolution in November 1998. The BOP Greenway Team will enter into consulting contracts to update the natural resource inventories and assessments for the Willamette River. These may result in changes to the Greenway's natural overlay and the bank treatment options outlined in the Design Guidelines. The Parks Bureau will be undertaking a recreational needs assessment that will fold into the Greenway Plan.

The BOP Greenway Team will form and convene a Green Ribbon Committee comprised of stakeholders and relevant agency staff. This group will review the Background Report, the natural resource components of the project, and help process the public comments provided at the open houses and other review sessions. The BOP Greenway Team anticipates producing a discussion draft in Spring 2000.

*The Northwest Industrial Neighborhood Association has requested City action to strengthen protections for the industrial sanctuary.*

### **NW Industrial Area Transition Study**

The Adopted Budget includes \$150,000 of one-time funding, to support the development and implementation of a strategy for the transition from industrial zoning to mixed use or residential zoning in the northwest Portland industrial area.

The study area is bounded by NW Vaughn on the north, NW 12th Avenue on the east, NW Lovejoy on the south and NW 23rd Avenue on the west. The area is currently characterized by low and medium intensity industrial uses, principally Consolidated Freightways, and the offices that are accessory to those uses. Property owners and the Northwest District Association (NWDA) have requested that the City undertake a project to move the area towards uses that are more compatible with the character of the surrounding neighborhood. The Bureau of Planning will review the zoning code changes proposed by the Northwest Industrial Neighborhood Association (NINA). Since 1996, NINA has requested City action to strengthen protections for the industrial sanctuary.

### **West Downtown Planning**

This project, funded by \$50,000 in a one-time appropriation, will formulate strategies for the west end of downtown. The project is aimed at creation of a thriving mixed use neighborhood with a strong residential core, employment, cultural and educational institutions and amenities. These amenities include the Central City Streetcar. The study area is bounded by Market Street on the south, Tenth Avenue on the east, Couch on the north and I-405 on the west. Property owners and the Association for Portland Progress have begun work on a vision statement for the area. The City will need to take the lead in refining that vision and the implementation of any zoning and urban design changes.

### **Pleasant Valley Urban Reserve**

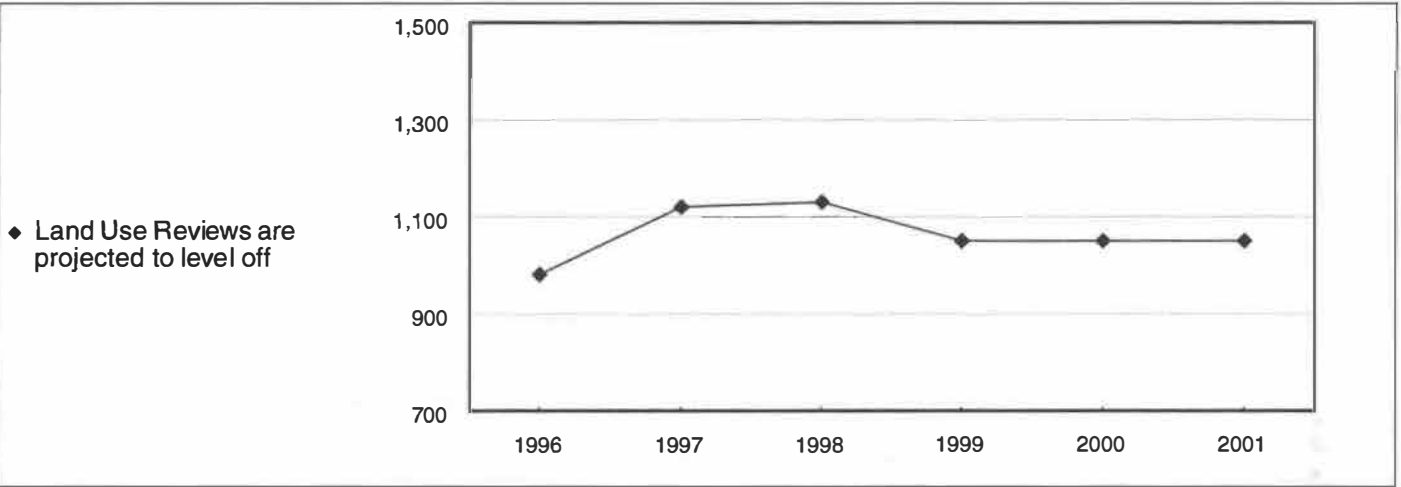
A one-time \$50,000 appropriation funds the City's participation in planning for the Pleasant Valley Urban Reserve Area. This area was added to the urban growth boundary in 1998. Under State and Regional law, a master plan must be completed before development can occur. The master plan must comply with the standards of Metro's Urban Growth Management Functional Plan with respect to density, access, and protections for environmental resources. The City of Gresham will be the lead planning entity and will assume governance of the majority of the area. The City of Portland must participate in planning for those parts of the urban reserve that will be governed by the City.

### **Capital Technology Funding**

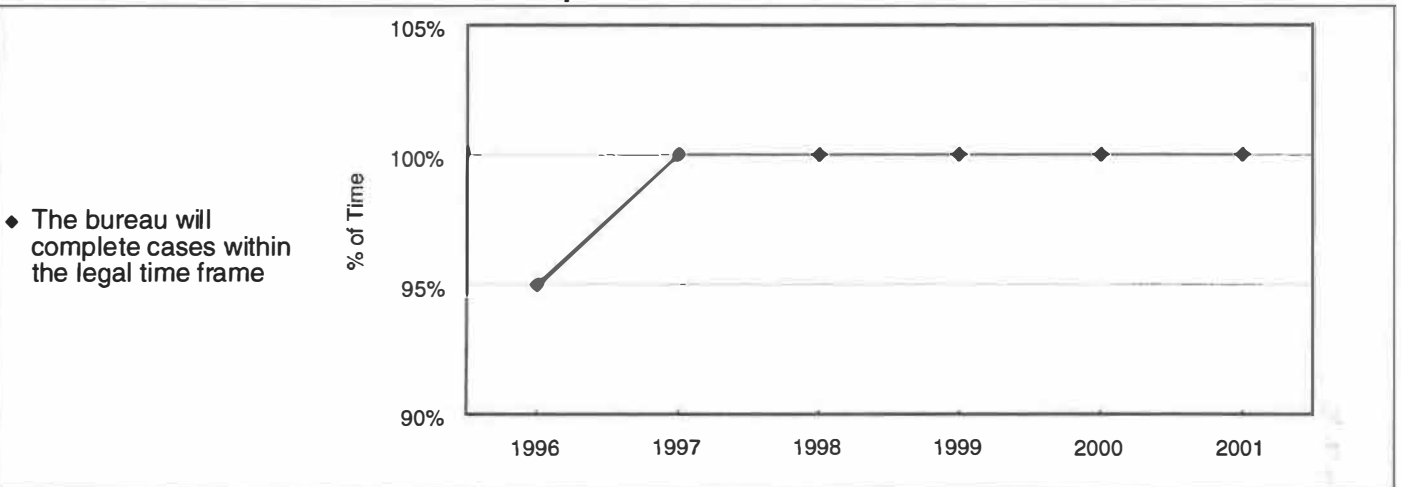
In prior years, the bureau has had capital requests funded through the CIP process. Due to OF&A's decision in the FY 1998-99 budget cycle to not use the General Fund capital budget for technology purposes, the Bureau of Planning requested funding of \$79,420 through the General Fund. This request was approved by Council. This funding focuses on elements identified in year two of the Bureau of Planning's Technology Plan for FY 1998-99 to FY 2002-03.

# Performance Measures

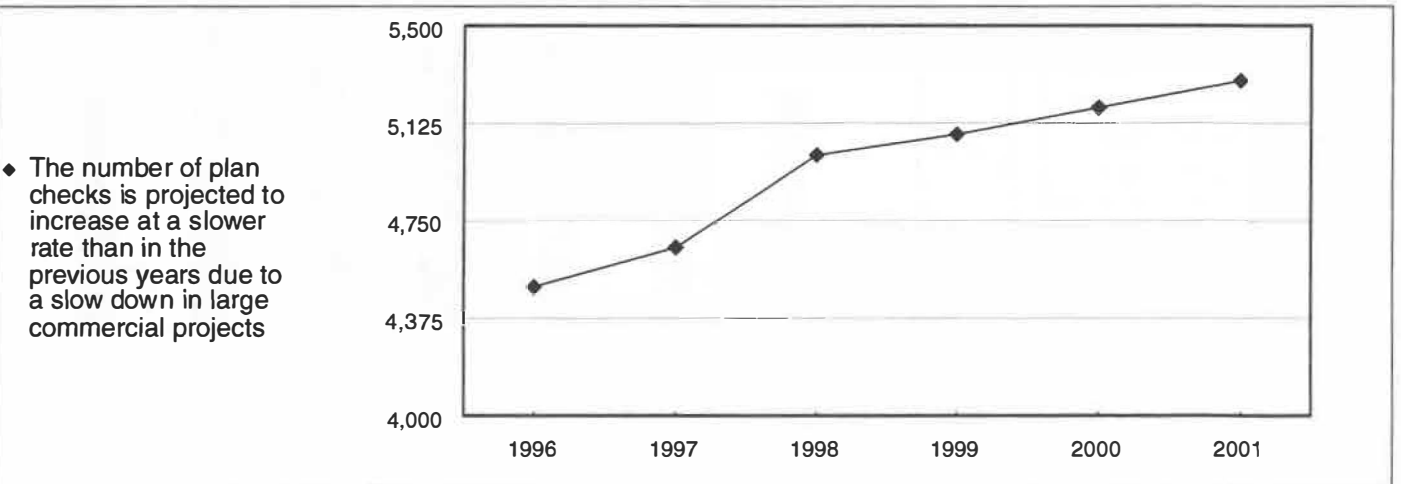
**Land Use Reviews**



**Completion of Cases on Time**

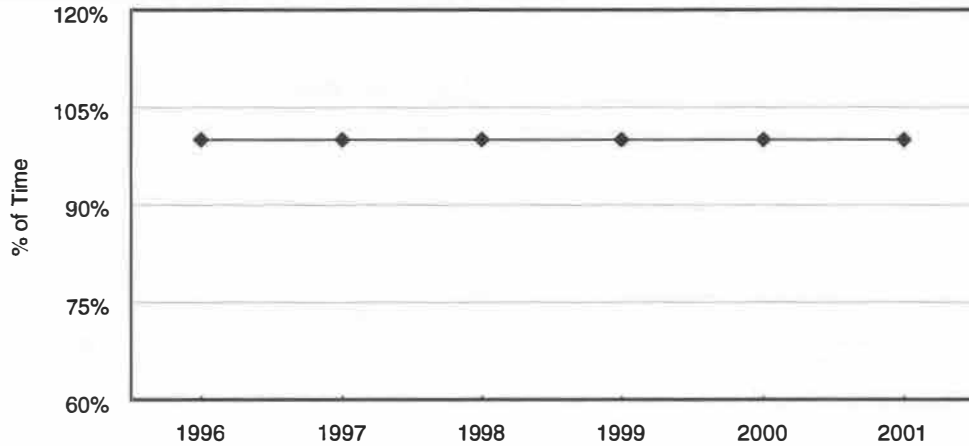


**Plan Checks**



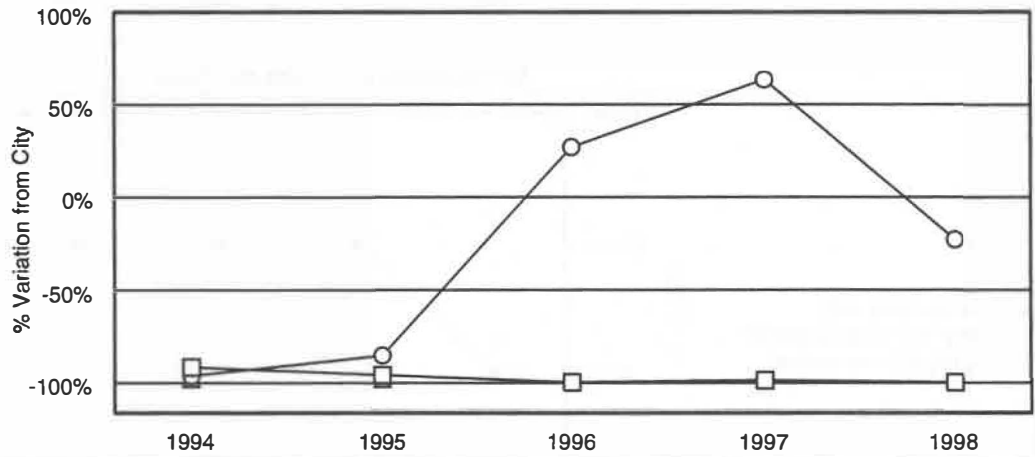
**Turn Around on Information Calls**

◆ The planners are expected to continue to respond to requests for information within 24 hours after receiving the request



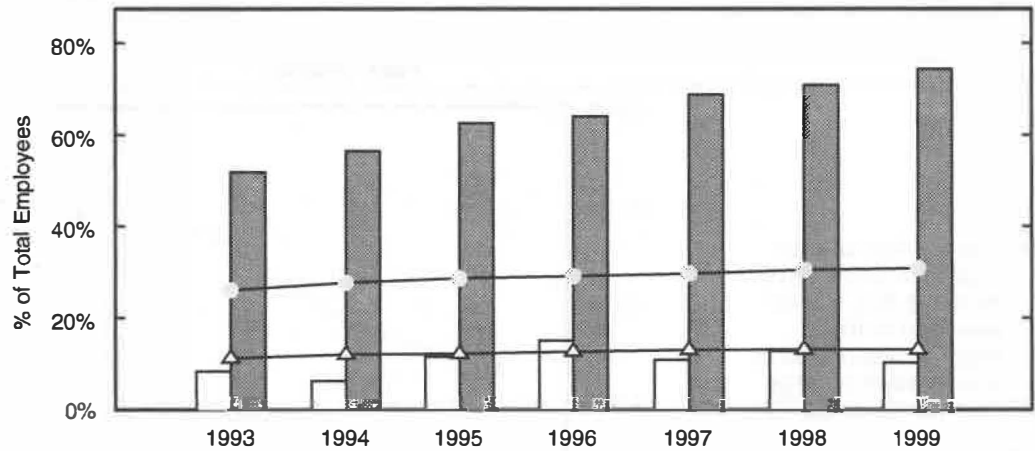
**Bureau Loss Experience vs. Citywide Loss Experience**

▲ Fleet Liability  
 ○ General Liability  
 □ Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

□ Bureau % Minority  
 ■ Bureau % Female  
 ▲ City % Minority  
 ● City % Female



**Bureau of Planning AU 510**

**SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	5,399,120	6,144,487	6,820,340	7,689,158	7,554,503
External Materials and Service	776,609	634,323	916,945	938,238	1,253,280
Internal Materials and Service	1,288,756	1,123,518	1,063,840	1,653,961	1,823,618
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>7,464,485</b>	<b>7,902,328</b>	<b>8,801,125</b>	<b>10,281,357</b>	<b>10,631,401</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 7,464,485</b>	<b>\$ 7,902,328</b>	<b>\$ 8,801,125</b>	<b>\$ 10,281,357</b>	<b>\$ 10,631,401</b>
Allocated Overhead Costs			1,246,751	1,050,348	1,009,981
<b>Total Cost with Allocated Overhead</b>			<b>10,047,876</b>	<b>11,365,529</b>	<b>11,641,382</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	74	68	71	74	76
<b>TOTAL POSITIONS</b>	<b>105</b>	<b>103</b>	<b>106</b>	<b>120</b>	<b>117</b>
<b>RESOURCES</b>					
Discretionary General Fund		3,740,889	4,715,571	6,027,220	6,848,443
<b>Non-Discretionary Revenues</b>					
Internal Revenues		1,406,727	541,588	661,241	726,241
Fee Revenues		2,885,792	3,466,831	3,611,720	2,848,440
Local Revenues		20,969	95,231	0	0
Miscellaneous Revenues		21,254	15,000	15,000	28,280
Reserve Revenue		0	0	0	179,997
<b>Total Non-Discretionary Revenues</b>		<b>4,334,742</b>	<b>4,118,650</b>	<b>4,287,961</b>	<b>3,782,958</b>
<b>Less: Cash Transfers</b>		<b>(173,303)</b>	<b>(33,096)</b>	<b>(33,824)</b>	<b>(0)</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 7,902,328</b>	<b>\$ 8,801,125</b>	<b>\$ 10,281,357</b>	<b>\$ 10,631,401</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Administration		1,115,491	1,130,283	1,549,371	1,490,626
<i>Positions</i>		<i>10</i>	<i>12</i>	<i>15</i>	<i>14</i>
Current Planning		2,455,411	3,046,893	3,326,895	3,287,126
<i>Positions</i>		<i>34</i>	<i>38</i>	<i>43</i>	<i>39</i>
City/Neighborhood Planning		2,116,932	2,619,390	3,231,463	3,674,204
<i>Positions</i>		<i>33</i>	<i>31</i>	<i>36</i>	<i>35</i>
Permit Center		1,175,090	1,397,064	1,570,238	1,608,392
<i>Positions</i>		<i>13</i>	<i>19</i>	<i>21</i>	<i>22</i>
Planning Support Group		494,537	607,495	603,390	571,053
<i>Positions</i>		<i>9</i>	<i>8</i>	<i>7</i>	<i>7</i>
City Wide GIS		544,867	0	0	0
<i>Positions</i>		<i>4</i>	<i>1</i>	<i>0</i>	<i>0</i>
<b>TOTAL PROGRAMS</b>		<b>\$ 7,902,328</b>	<b>\$ 8,801,125</b>	<b>\$ 10,281,357</b>	<b>\$ 10,631,401</b>
<i>Positions</i>		<i>103</i>	<i>109</i>	<i>120</i>	<i>117</i>

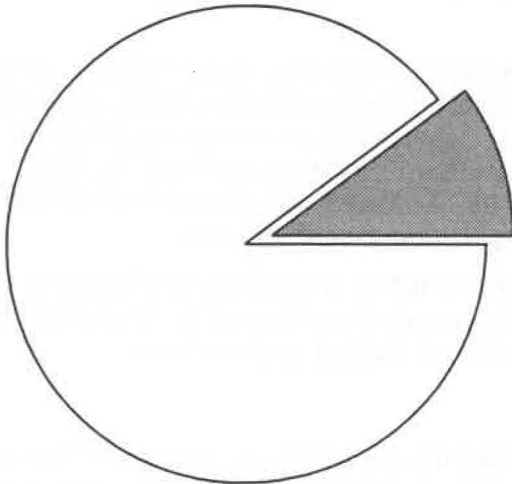


# Transportation and Parking

Office of Transportation

**Percent of City Budget**

11.6% \$149.3 Million

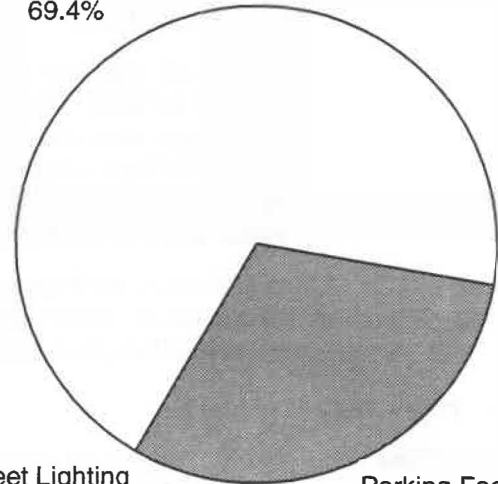


City Budget = \$1.29 Billion

**Bureau Pie Chart**

Transportation

69.4%



Street Lighting

0.0%

Parking Facilities

30.6%

## Service Area Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	78,713,510	80,327,143	1,613,633	-2.3%
Capital	42,552,463	53,634,524	11,082,061	20.7%
Allocated City Overhead Costs	2,951,517	3,130,327	178,810	1.5%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 124,217,490</b>	<b>\$ 137,091,994</b>	<b>\$ 12,874,504</b>	<b>5.7%</b>
Authorized Full-Time Positions	716	711	(5)	-4.9%

Note: Per capita change values are adjusted for inflation and population growth.

# Service Area Highlights

## DESCRIPTION

The Transportation and Parking Service Area includes those funds and bureaus that plan, build, manage, maintain, and facilitate an effective and safe transportation system and provide access and mobility throughout the City.

The service area includes one bureau, the Office of Transportation, and its related funds, the Transportation Operating Fund, the Transportation Reserve Fund, and the Gas Tax Bond Redemption Fund.

The service area also includes several parking funds which are managed by the Bureau of General Services. There is one operating fund, the Parking Facilities Fund, which accounts for the operation and maintenance of six of the seven City owned parking garages in downtown Portland (the Smart Park system). The six locations are Third and Alder (Morrison Park East), 10th and Yamhill (Morrison Park West), 4th and Yamhill, Naito (or Front) and Davis (Old Town), O'Bryant Square, and 1st and Jefferson.

In addition to the Parking Facilities Fund, there are four bond redemption funds that account for the fee revenues and debt service for the construction of four of the Smart Park garages: Morrison Park East, Morrison Park West, 4th and Yamhill, and Old Town.

## MAJOR THEMES

### Parking Facilities Fund

In FY 1998-99, the Autoport Fund was folded into the Parking Facilities Fund. The Parking Facilities Fund issued a revenue bond for \$29 million that will support the construction of the Central City Streetcar.

### Bond Redemption Funds

In FY 1999-00 the 4th and Yamhill Bond Redemption Fund will be renamed the Parking Facilities Debt Redemption Fund, which will house all debt service associated with parking facilities.

### The Office of Transportation (PDOT)

#### Budget Deficit

In FY 1999-00, PDOT faces a funding deficit of \$4.8 million, which results from the combined effects of age, usage, increasing size, decreasing purchasing power, and declining revenues.

#### Balancing the Budget

PDOT balanced its Adopted Budget at \$118.96 million with the following:

- ◆ \$716,000 one-time support from the General Fund as directed by Council in the FY 1998-99 Adopted Budget.
- ◆ \$1.8 million in one-time savings from a reduction in PDOT's savings plan (\$1 million), and a reduction in PDOT's year-end carryover, primarily of CIP (\$0.8 million).
- ◆ \$2.3 million of operating and CIP reductions.

**Reallocations:** The \$2.3 million in reductions above allow PDOT to shift funding to other projects or programs that were reduced or supported by one-time General Fund support in prior years, for example, reduction of the paving backlog.



***PDOT Charter:*** In FY 1998-99, PDOT's management team developed the PDOT Charter which establishes a foundation for the prioritization and funding decisions that result in budget reductions and reallocations to core activities.

**Change from Prior Year**

In FY 1999-00, PDOT will begin charging fees for development reviews consistent with a Citywide effort at cost recovery. This new revenue, projected at \$250,000, will allow PDOT to shift General Transportation Revenues which previously supported this program to other programs/services.

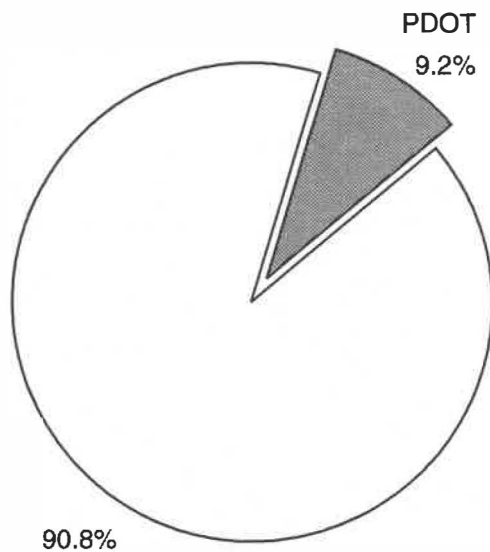
# Office of Transportation

Transportation and Parking Service Area

Charlie Hales, Commissioner-in-Charge

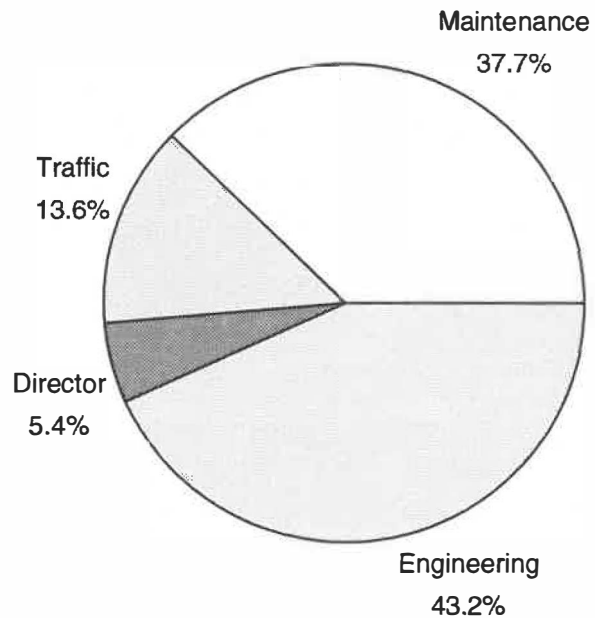
Vic Rhodes, Director

**Percent of City Budget**



City Budget = \$1.29 Billion

**Bureau Divisions**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	70,905,433	71,275,449	370,016	-3.8%
Capital	39,382,364	47,683,963	8,301,599	15.9%
Allocated City Overhead Costs	2,768,416	3,048,945	280,529	5.4%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 113,056,213</b>	<b>\$ 122,008,357</b>	<b>\$ 8,952,144</b>	<b>3.3%</b>
Authorized Full-Time Positions	716	711	(5)	-4.9%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The Portland Office of Transportation is a community partner in shaping a livable city. We plan, build, manage and maintain an effective and safe transportation system that provides access and mobility.

## BUREAU HIGHLIGHTS

### Summary

In FY 1999-00, as in previous years, the Portland Office of Transportation (PDOT) faces a deficit in meeting current service levels (CSL). The combined effects of age, usage, increasing size, decreasing purchasing power, and declining revenues have resulted in repeated funding shortfalls. This year's Adopted Budget includes \$2.3 million in reductions, \$1.8 million in one-time savings, and \$716,000 one-time General Fund support as approved in the FY 1998-99 budget cycle.

### Major Issues/ Trends **Increased Demands**

**Age:** Portland is no longer a young city; in fact, much of its infrastructure is well beyond middle age. Things are simply beginning to wear out and wear out at an accelerated rate as backlogs in maintenance continue to grow.

**Use:** The transportation system is being used in ways it was not built to accommodate. In the past 20 years Oregon's population has grown 20%, and the vehicle miles traveled on the system in the same period have increased by 40%. Traffic continually causes our roads to bend, and, just like a paper clip, bent enough times, they break.

**Size:** As the City has grown, so has the inventory of things to maintain. In 1979 Portland had 695 traffic signals; today it has 956, a 38% growth. Since 1985 the City has added 414 lane miles to its pavement inventory. Adding bike lanes, parking signs, traffic calming devices, and signs, such as *Fines Double in School Zones*, has increased the demand for maintenance dollars.

**Purchasing Power:** Due to inflation, transportation dollars have lost 16% of their purchasing power since 1993. In fact, it would require a 30 cent Oregon state gas tax in 1998 to equal the purchasing power of the 1968 gas tax. Oregon's current tax is 24 cents. Revenue from gas taxes is also in decline, as vehicle fuel efficiency has nearly doubled since 1970. In addition, Oregon has one of the lowest vehicle registration fees in the country. The combined effect is that in 1970 automobile drivers paid 2.7 cents in taxes for each mile driven while in 1998 they pay only 1.3 cents per mile, in constant dollars.

### FY 1999-00 Budget

For FY 1999-00, PDOT's costs to maintain CSL exceeded its projected resources by \$4.8 million. PDOT's management team developed the PDOT Charter which sets forth a series of operating principles and standards crafted around PDOT's mission. A matrix was developed to prioritize programs and activities and identify appropriate funding levels, as a foundation for making budget reductions and reallocations to core activities.

### Reductions

**Savings Plan:** PDOT is reducing the savings rate for its General Transportation Revenue (GTR) savings plan, resulting in a one-time cash infusion of \$1 million.

**Carryover:** The office is targeting a carryover reduction, primarily for CIP, of \$0.8 million in the current year. By reducing carryover, PDOT, in essence, increases its ending fund balance for FY 1998-99, which in turn increases the beginning fund balance for FY 1999-00. This increase in beginning fund balance is available to support the FY 1999-00 budget.

**Reduction Packages:** In FY 1999-00, PDOT is making \$2.3 million in operating and CIP cuts:

- ◆ Reduce Traffic Operations services (\$100,000).
- ◆ Eliminate Emergency Response Overtime (\$379,000).
- ◆ Eliminate New Guardrail Installation (\$50,000).
- ◆ Reduce Curb Ramp installations by one-third (\$500,000).
- ◆ Reduce CBD Sidewalk Posting frequency (\$80,000).
- ◆ Eliminate GTR support for the Regional Rail Program (\$105,000).
- ◆ Eliminate LID Subsidies for one year (\$60,000).
- ◆ Eliminate LID Marketing for one year (\$35,446).
- ◆ Eliminate S/N Light Rail FEIS (\$50,000).
- ◆ Eliminate spot safety, pedestrian and bike improvements (\$100,000).
- ◆ Reduce GTR support for road rehabilitation by 50% (\$500,000).
- ◆ Eliminate GTR support for the Greeley Bikeway (\$160,000).

### **Reallocations**

PDOT's budget reductions allow the office to provide funding for projects and programs that were either reduced in prior years' budget reductions or were continued because they received one-time General Fund support. The following projects are receiving reallocated funding:

- ◆ Continue PDOT's stewardship of the community's assets by making a \$1.5 million commitment to the pavement maintenance program without requesting additional General Fund dollars.
- ◆ Fund selected CIP projects including SE Flavel Street traffic calming for \$79,650, signal design for SW Garden Home and Multnomah for \$50,000, traffic safety/pedestrian improvements on SE 60th at Mt. Tabor Park for \$100,000, and traffic signal replacements for \$750,000.

### **Additions**

PDOT is initiating the practice of charging fees for its development reviews consistent with the cost recovery policy adopted for the Bureau of Planning. These fees are budgeted to provide \$250,000 in new revenues, freeing an equal amount of GTR that previously supported the costs of reviews.

In total, PDOT is allocating \$300,000 of GTR to two programs.

- ◆ Provide \$200,000 to reduce the sign and pavement marking backlog.
- ◆ Provide \$100,000 to provide partial funding for the LID Program and the Brownfields Showcase Project.

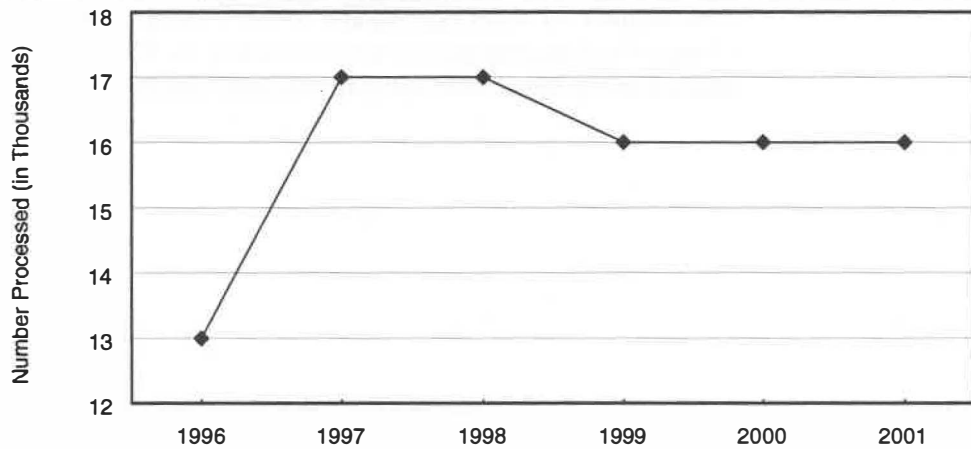
**Total Appropriation, FTEs, and General Fund Support**

PDOT's FY 1999-00 Adopted Budget includes \$118.96 million in appropriation: \$71.3 million operating and \$47.7 million CIP appropriations. PDOT has 24 budget programs in four bureaus, with 711 FTE. The Adopted Budget includes \$5.6 million ongoing General Fund support for street lighting and street cleaning. It also includes \$716,000 in one-time General Fund support approved by Council in the FY 1998-99 budget process for downtown streetcleaning, the abandoned auto program, and landscape maintenance.

# Performance Measures

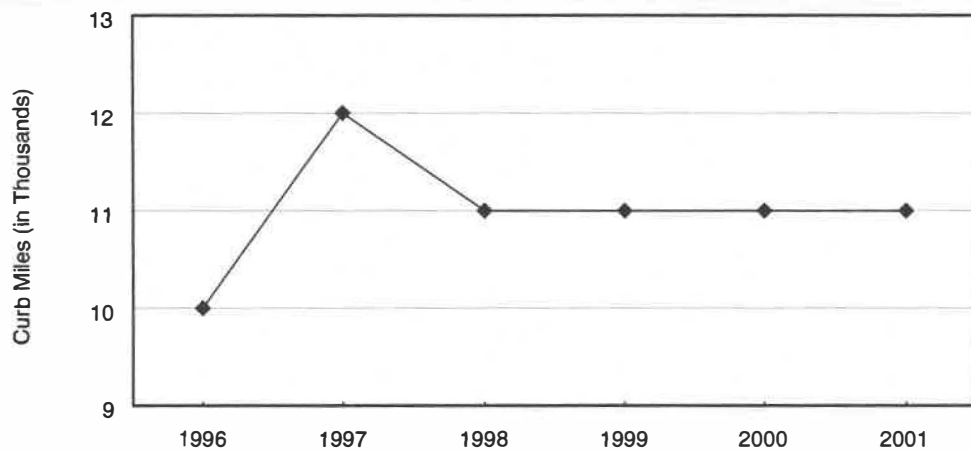
**Applications, Permits, and Acquisitions Processed**

- ◆ Gross number of permits was down slightly; however, those issued were of larger scope and complexity.
- ◆ Telecommunication installations required fewer actual permits, yet total dollar volume was equivalent to prior year (indicating growth in project size).



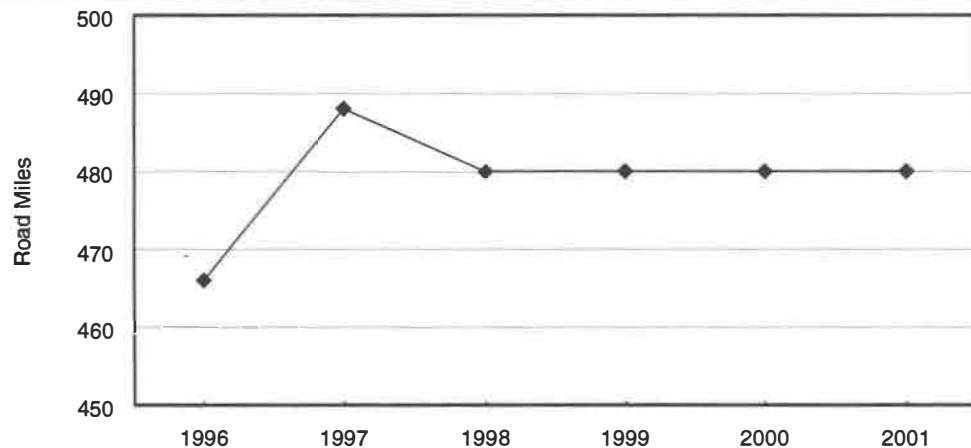
**Curb Miles Street Cleaned**

- ◆ Curb miles cleaned is maintaining at a constant level.



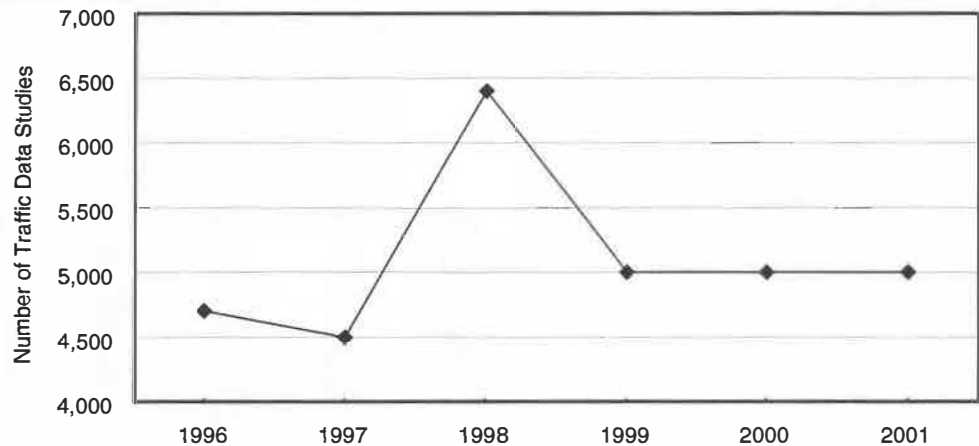
**Pavement Backlog**

- ◆ Additional funds have been redirected to Street Preservation to keep the backlog from increasing.

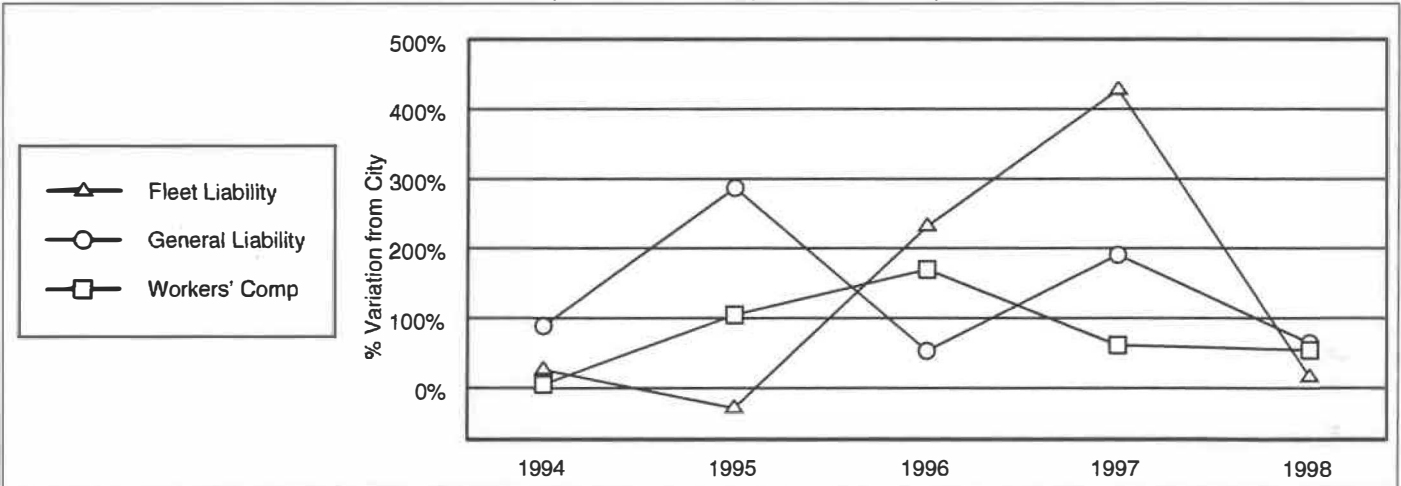


**Traffic Data Studies Performed**

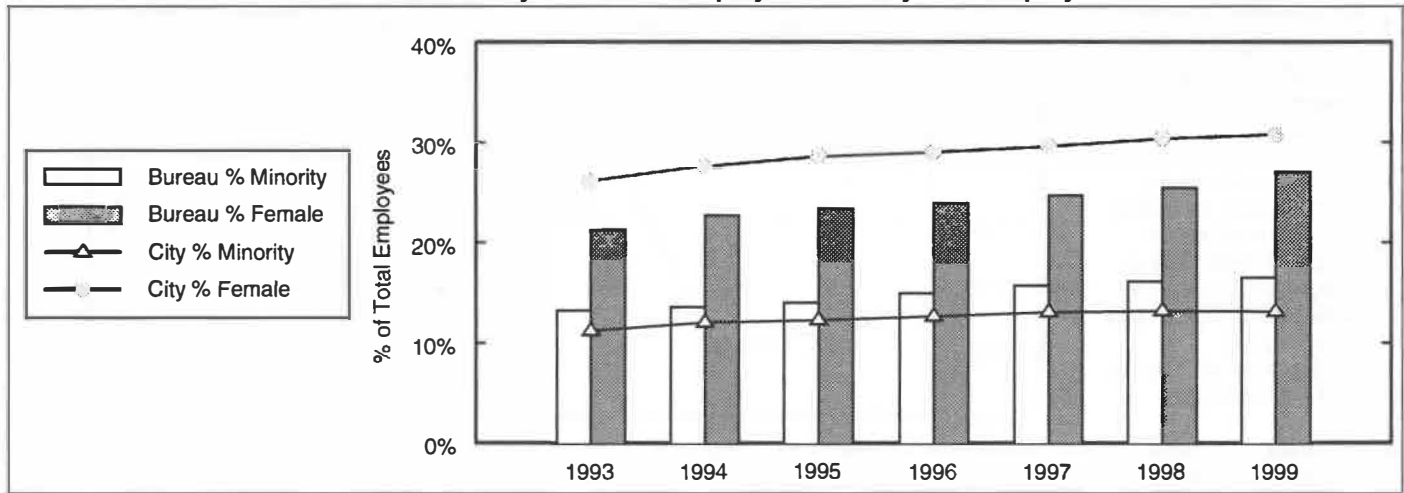
- ◆ Typical data studies include making counts of traffic volumes, speeds and turning movements.
- ◆ In FY98, new tasks were added, including inspection of newly installed traffic signs, minor tree pruning to clear traffic signs, and video taping intersection activity for traffic movement.
- ◆ By assigning these new tasks to traffic data staff already in the field, the City realizes cost savings through efficient use of staff across bureaus.



**Bureau Loss Experience vs. Citywide Loss Experience**



### Workforce Diversity — Bureau Employees vs. Citywide Employees





	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	39,346,687	38,799,300	41,242,570	41,992,744	42,031,264
External Materials and Service	13,985,461	14,428,805	16,688,481	15,747,305	15,747,305
Internal Materials and Service	12,702,825	12,262,221	12,109,693	13,258,893	13,258,893
Minor Capital Outlay	2,540,601	1,795,685	824,397	238,317	238,317
Equipment Cash Transfers	271,668	124,644	40,292	0	0
<b>Total Operating Budget</b>	<b>68,847,242</b>	<b>67,410,655</b>	<b>70,905,433</b>	<b>71,237,259</b>	<b>71,275,779</b>
Capital Improvements	13,703,104	17,254,201	39,382,364	47,053,633	47,683,633
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 82,550,346</b>	<b>\$ 84,664,856</b>	<b>\$ 110,287,797</b>	<b>\$ 118,290,892</b>	<b>\$ 118,959,412</b>
Allocated Overhead Costs			2,951,517	2,969,480	3,048,945
<b>Total Cost with Allocated Overhead</b>			<b>113,239,314</b>	<b>121,260,372</b>	<b>122,008,357</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	8	16	28	23	23
<b>TOTAL POSITIONS</b>	<b>733</b>	<b>730</b>	<b>716</b>	<b>711</b>	<b>711</b>
<b>RESOURCES</b>					
<b>Discretionary Revenue</b>					
Discretionary General Fund		5,965,095	9,707,113	6,721,027	6,721,027
General Transportation Discretionary		50,795,549	66,842,255	74,709,845	75,339,845
<b>Total Total Discretionary Resources</b>		<b>56,760,644</b>	<b>76,549,368</b>	<b>81,430,872</b>	<b>82,060,872</b>
<b>Non-Discretionary Revenues</b>					
Grants & Donations		4,265,074	6,996,245	2,368,047	2,368,047
Contract Revenues		4,127,142	5,810,744	7,367,115	7,367,115
Interagency Revenues		14,851,759	16,183,387	21,583,070	21,621,590
Bureau Program Revenues		4,660,237	4,748,053	5,541,788	5,541,788
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>27,904,212</b>	<b>33,738,429</b>	<b>36,860,020</b>	<b>36,898,540</b>
<b>Total General Fund Resources</b>		<b>84,664,856</b>	<b>110,287,797</b>	<b>118,290,892</b>	<b>118,959,412</b>
<b>TOTAL RESOURCES</b>		<b>\$ 84,664,856</b>	<b>\$ 110,287,797</b>	<b>\$ 118,290,892</b>	<b>\$ 118,959,412</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>DIVISIONS</b>					
Bureau of Maintenance		45,699,861	46,152,421	44,860,095	44,860,095
<i>Positions</i>		<i>436</i>	<i>428</i>	<i>424</i>	<i>424</i>
Bureau of Traffic Management		16,018,628	17,552,913	16,236,576	16,223,358
<i>Positions</i>		<i>122</i>	<i>118</i>	<i>114</i>	<i>114</i>
Office of Transportation Director		3,940,830	5,001,281	6,428,398	6,460,559
<i>Positions</i>		<i>36</i>	<i>34</i>	<i>47</i>	<i>47</i>
Bureau of Transportation Engineering & Development		19,005,537	41,581,182	50,765,823	51,415,400
<i>Positions</i>		<i>136</i>	<i>136</i>	<i>126</i>	<i>126</i>
<b>TOTAL DIVISIONS</b>		<b>\$ 84,664,856</b>	<b>\$ 110,287,797</b>	<b>\$ 118,290,892</b>	<b>\$ 118,959,412</b>
<i>Positions</i>		<i>730</i>	<i>716</i>	<i>711</i>	<i>711</i>

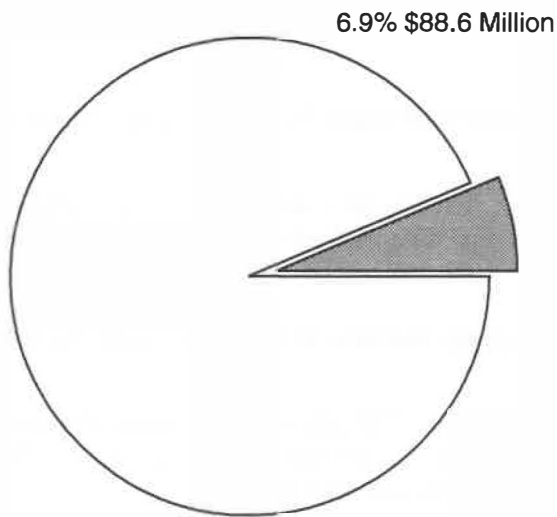
*(The following table contains extremely faint and illegible text, likely representing budgetary data. The content is too light to transcribe accurately.)*

# Legislative, Administrative and Support Services

Office of the City Attorney  
 Office of the City Auditor  
 Bureau of General Services  
 Commissioner of Public Affairs  
 Commissioner of Public Safety  
 Commissioner of Public Utilities  
 Commissioner of Public Works

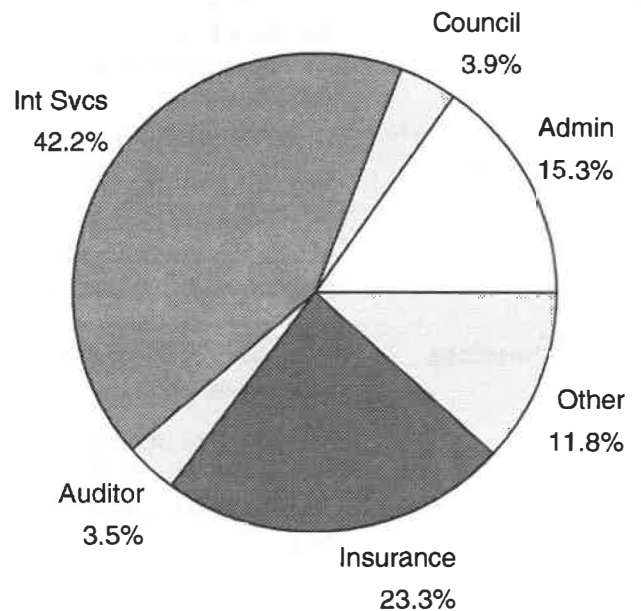
Office of Government Relations  
 Bureau of Licenses  
 Office of the Mayor  
 Office of Finance and Administration  
 Portland Development Commission  
 Bureau of Purchases  
 Special Appropriations

**Percent of City Budget**



City Budget = \$1.29 Billion

**Bureau Pie Chart**



## Service Area Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	119,319,840	118,693,294	(626,546)	-4.8%
Capital	29,800,953	5,110,904	(24,690,049)	-83.6%
Allocated City Overhead Costs	1,845,740	2,812,261	966,521	45.9%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 150,966,533</b>	<b>\$ 126,616,459</b>	<b>\$ (24,350,074)</b>	<b>-19.7%</b>
Authorized Full-Time Positions	581	594	13	-2.1%

Note: Per capita change values are adjusted for inflation and population growth.

# Service Area Highlights

## DESCRIPTION

The Legislative, Administrative and Support Services service area includes the bureaus which provide general internal support on a Citywide basis to all City bureaus (Attorney, Auditor, Finance & Administration, General Services, Government Relations, and Purchases), the offices of the Mayor and the four Commissioners, the Bureau of Licenses, and all Special Appropriations.

## MAJOR THEMES

### City Attorney

The office continues to shift non-legal or quasi-legal work away from lawyers to non-attorney support personnel including paralegals, thus allowing staff to devote themselves to legal work.

### Auditor

The Portland Multnomah County Progress Board has become part of the Auditors Office. The Board identifies, monitors, and reports on indicators (named Benchmarks) for important community-wide goals.

### Finance & Administration

OF&A is relocating various divisions within the Portland Building as part of the Portland Building re-stack project.

Publication of the annual City budget document has been automated using a data base management system which draws information directly from the Citywide mainframe computer which stores data for the City.

### General Services

BGS will finish the new Development Services Building at 1900 SW Fourth street in the summer of 1999.

Management of the Emergency Facilities General Obligation Bond construction projects will be done by BGS. Projects will include new fire stations, seismic retrofitting of existing stations, and expansion of the Portland Communications Center.

A new day care facility for City employees will be constructed on the first floor of the Portland Building at a cost of approximately \$400,000.

### Purchases

Purchasing will be enhancing an existing apprenticeship program to provide apprentices to BES, Water, Parks, and Transportation.

### Special Appropriations

Portland Area Schools will receive \$4 million in General Fund support.

Endangered Species will receive over \$700K in General Fund support.

Ballet and opera in Portland will each receive \$200K in General Fund support this year as part of a multi-year commitment to each.

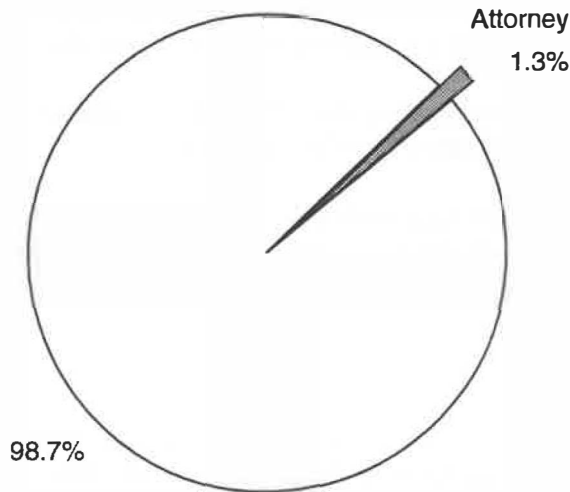
# Office of the City Attorney

Legislative, Administrative and Support Services Service Area

Mayor Vera Katz, Commissioner-in-Charge

Jeffrey Rogers, City Attorney

## Percent of General Fund



General Fund = \$349.4 Million

## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	4,242,719	4,370,120	127,401	-1.4%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 4,242,719</b>	<b>\$ 4,370,120</b>	<b>\$ 127,401</b>	<b>-1.4%</b>
Authorized Full-Time Positions	39	39	0	-4.3%

Note: Per capita change values are adjusted for inflation and population growth.

## Bureau Summary

### BUREAU HIGHLIGHTS

**Role** The City Attorney's Office prepares legal work generated by citizens, the City Council, and City bureaus and agencies, and provides legal services and programs to the community. Legal requirements include defending the City in court, initiating legal actions when appropriate in the public interest, handling other judicial and quasi-judicial actions, reviewing policies and programs, providing legal advice and counsel, producing formal legal opinions, and performing any other services required by the City of Portland.

**Workload** The City's legal needs and workload have remained consistently high. Tort litigation cases filed against the City have the largest impact in terms of liability exposure and potential money damages, and they represent the largest quantity and complexity of cases filed and being handled. Constitutional challenges to the City's code and legislative authority are increasing. The City's non-litigation, consultative legal advice workload is also increasing.

**Revenues** The Adopted Budget provides for these current legal services. The budget contains General Fund target-level funding only along with interagency retainer agreements.

**Cost Control** The office continues to shift non-legal or quasi-legal work away from lawyers to non-attorney support personnel including paralegals, thus allowing staff to devote themselves to legal work. This shift accords with City Council's directive during the last budget process to make additional use of paralegals.

#### **Cost Control Program**

The office maintains an effective cost control program. Financial management combined with a flat and anti-bureaucratic office organization helps keep overhead and administrative costs low compared to similar legal organizations. The office's fully loaded hourly costs are up to 60% less than most comparable law offices and firms.

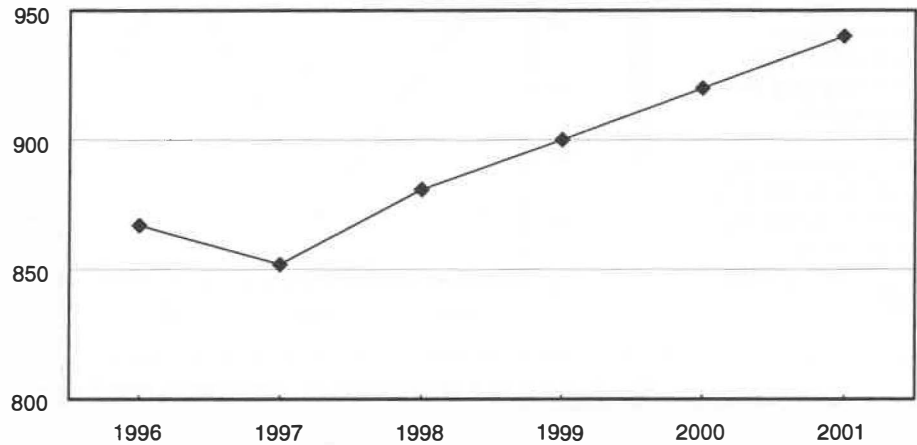
#### **Other Cost Control Options**

City Attorney staff continue to pursue cost management options such as expanded use of paralegal to perform work on behalf of lawyers, intensified use of computer-assisted legal research technology, and other actions to restrict costs. The office has developed and monitored over fifteen performance and fiscal indicators as part of these efforts. Some administrative actions have been suspended or decreased in order to focus available office resources on legal work and services to City agencies.

# Performance Measures

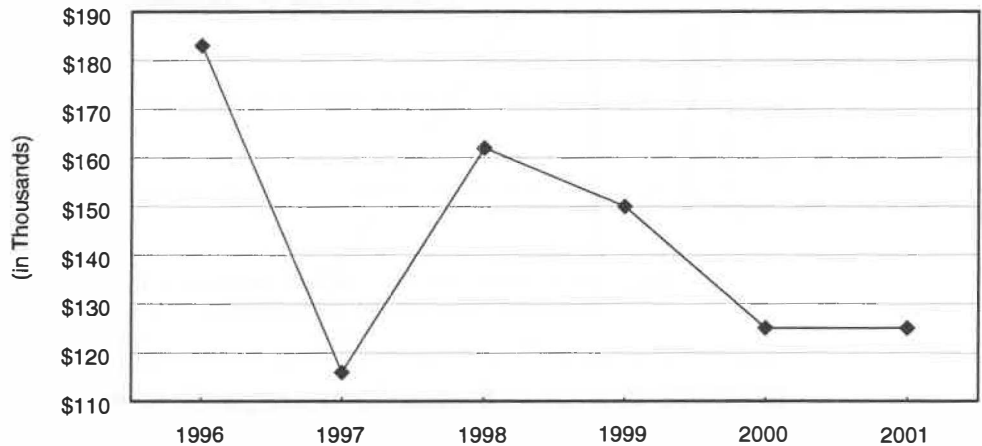
**Litigation Cases Handled**

- ◆ This performance measure shows the number of cases handled by the City Attorneys Office each fiscal year
- ◆ Litigation has increased for the City despite efforts to avoid claims and court cases



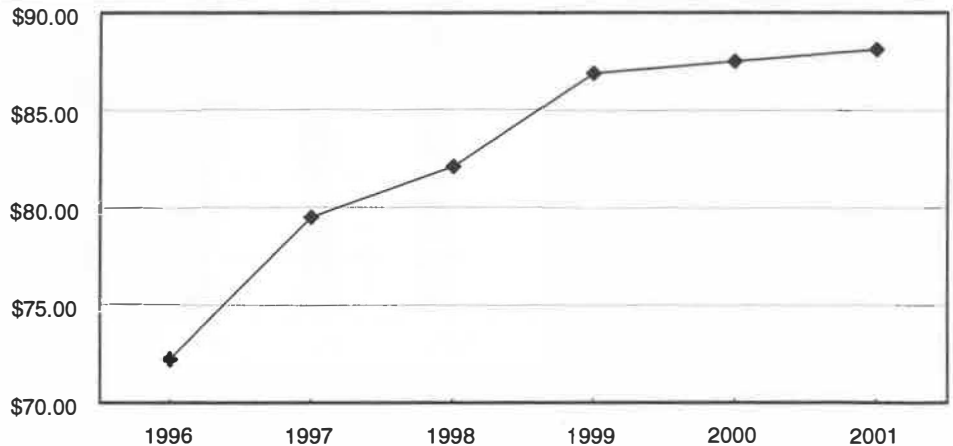
**Outside Legal Expense**

- ◆ The City Attorney's limits expenditures for outside legal counsel. Legal work can be handled more efficiently and economically in-house.
- ◆ This program has been successful in that use of outside lawyers is now limited to bond counsel, conflicts of interest, or where lack of resources warrants it.



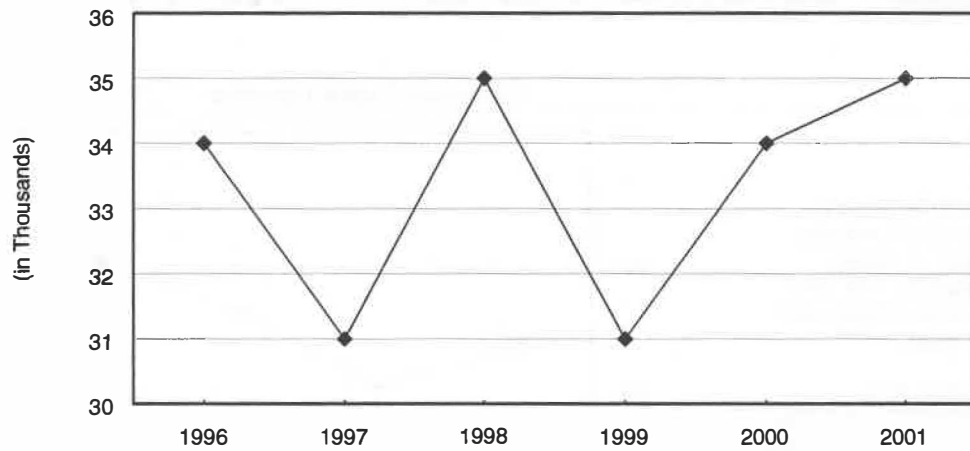
**Fully Loaded Hourly Rate**

- ◆ A law office's fully loaded hourly rate includes direct expenses for staff and materials necessary to produce legal work, and also both indirect and direct overhead costs.
- ◆ The City Attorney's Office hourly costs are lower than local law firm billing rates.

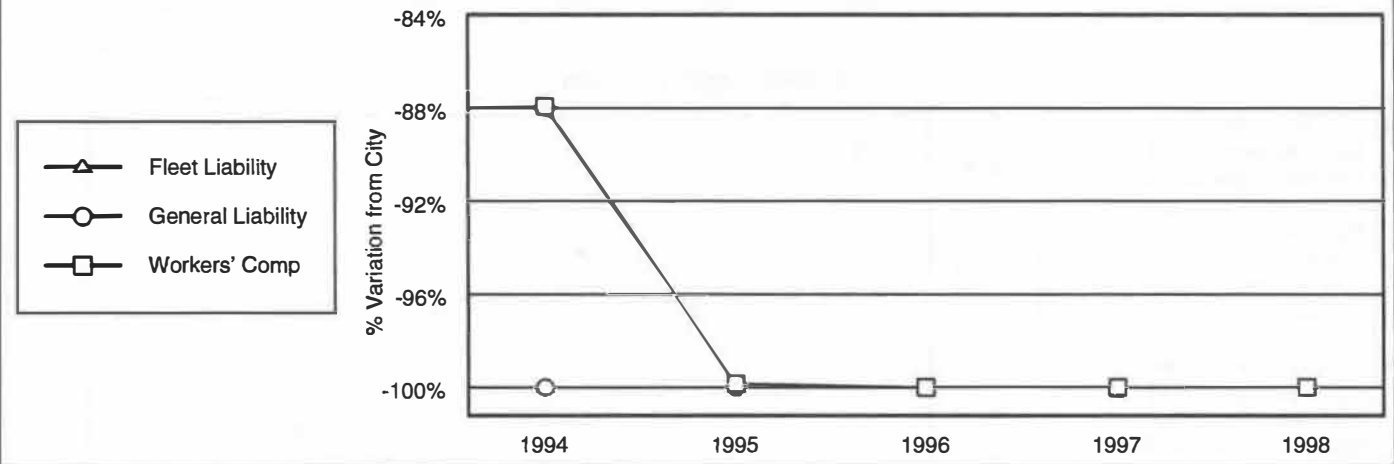


**Legal Document Pages**

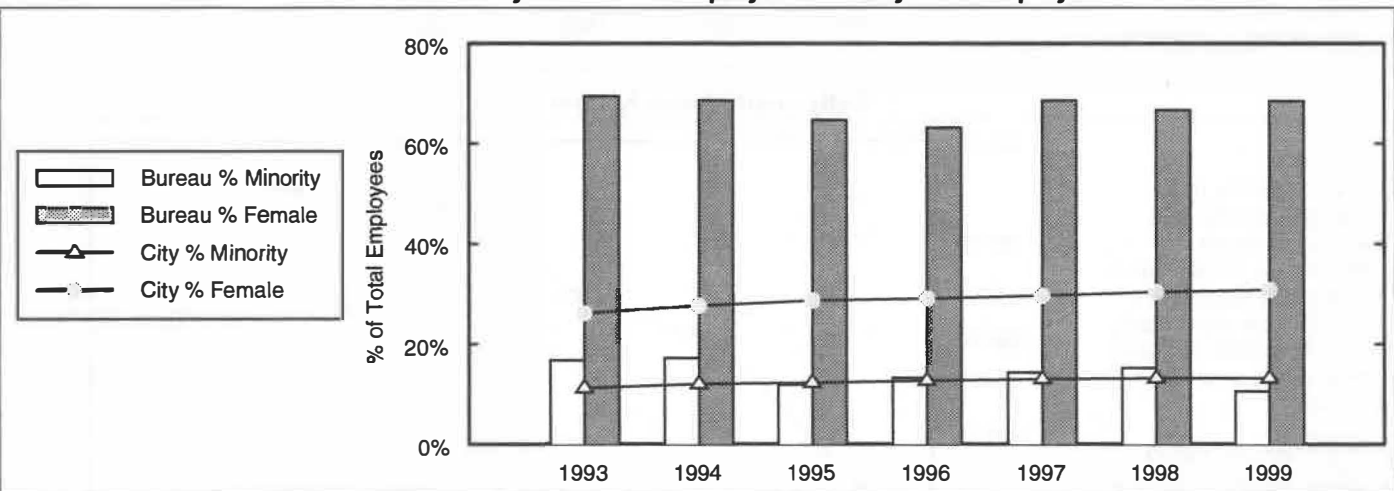
- ◆ Legal work results in large amounts of written materials, both in court litigation and in providing legal advice to the City through analysis and legal research.
- ◆ As this graph shows, while all legal work is document-intensive, actual printing requirements greatly fluctuate.



**Bureau Loss Experience vs. Citywide Loss Experience**



**Workforce Diversity — Bureau Employees vs. Citywide Employees**





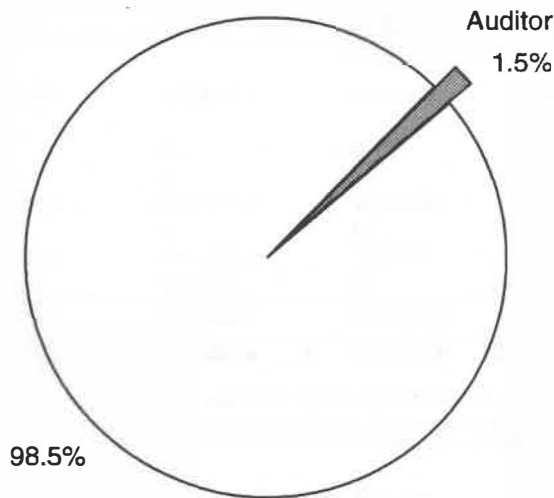
	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	3,214,528	3,275,143	3,603,586	3,704,513	3,704,513
External Materials and Service	202,358	267,247	296,282	297,430	301,933
Internal Materials and Service	348,871	354,611	342,851	363,674	363,674
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	9,200	0	0	0
<b>Total Operating Budget</b>	<b>3,765,757</b>	<b>3,906,201</b>	<b>4,242,719</b>	<b>4,365,617</b>	<b>4,370,120</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 3,765,757</b>	<b>\$ 3,906,201</b>	<b>\$ 4,242,719</b>	<b>\$ 4,365,617</b>	<b>\$ 4,370,120</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>4,242,719</b>	<b>4,365,617</b>	<b>4,370,120</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	13.6	11.6	12.6	13.2	13.2
<b>TOTAL POSITIONS</b>	<b>36.0</b>	<b>35.0</b>	<b>39.0</b>	<b>39.0</b>	<b>39.0</b>
<b>RESOURCES</b>					
Discretionary General Fund		1,324,628	1,511,444	1,413,872	1,418,375
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		1,824,251	1,908,328	1,776,715	1,776,715
Bureau Program Revenues		0	0	0	0
Overhead Revenues		757,322	822,947	1,065,083	1,065,083
Budget Decisions		0	0	109,947	109,947
<b>Total Non-Discretionary Revenues</b>		<b>2,581,573</b>	<b>2,731,275</b>	<b>2,951,745</b>	<b>2,951,745</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 3,906,201</b>	<b>\$ 4,242,719</b>	<b>\$ 4,365,617</b>	<b>\$ 4,370,120</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Administration		658,558	690,076	0	0
<i>Positions</i>		<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
Legal Services		3,247,643	3,552,643	4,365,617	4,370,120
<i>Positions</i>		<i>35</i>	<i>39</i>	<i>39</i>	<i>39</i>
<b>TOTAL PROGRAMS</b>		<b>\$ 3,906,201</b>	<b>\$ 4,242,719</b>	<b>\$ 4,365,617</b>	<b>\$ 4,370,120</b>
<i>Positions</i>		<b><i>35</i></b>	<b><i>39</i></b>	<b><i>39</i></b>	<b><i>39</i></b>

# Office of the City Auditor

Legislative, Administrative and Support Services Service Area

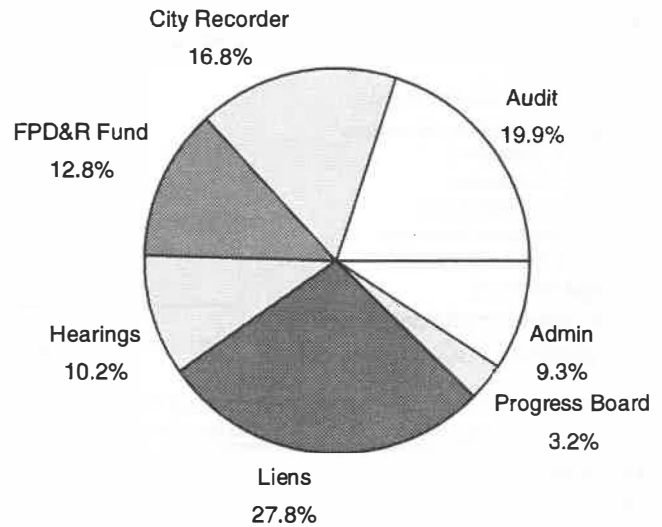
Gary Blackmer, Commissioner-in-Charge

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	4,577,519	5,205,262	627,743	8.9%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 4,577,519</b>	<b>\$ 5,205,262</b>	<b>\$ 627,743</b>	<b>8.9%</b>
Authorized Full-Time Positions	53	56	3	1.2%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The mission of the City Auditor's Office is to promote open and accountable government by providing independent and impartial reviews, public access to information, and service for City government and the public. To that end, the Auditor's Office performs audits, maintains City records, and provides financial services with integrity, sensitivity, and efficiency.

## BUREAU HIGHLIGHTS

### Budget Summary

The Auditor's Office FY 1999-00 Adopted Budget supports all ongoing activities and services provided to citizens, other City bureaus, and agencies. These services continue to be provided with a reduced staffing level and an increased span of control effected last fiscal year. This budget contains two organizational changes that occurred during the last fiscal year as well as the addition of one and a half positions for the Fire and Police Disability Fund Program and an increase for the annual external audit. The Auditor's Office will continue its efforts to provide important Citywide information in an electronic medium. Staff is currently developing an Information Technology Strategic Plan that will focus on increasing operational efficiencies and better citizen access to information.

### Portland Multnomah Progress Board

The most important structural change to the organization is the addition of the Portland Multnomah Progress Board. This program was established in 1994 as a program funded jointly by the City and Multnomah County and was housed in the Mayor's Office. The Progress Board physically moved in 1996 to the County Auditor's Office and retained partial funding from the Mayor's Office. As of January 4, 1999, the Progress Board is now housed within the City Auditor's Office. The City Auditor's Office FY 1999-00 Adopted Budget recognizes the physical move of the program, the transfer of two staff members from Multnomah County to the City of Portland, and related changes in funding. Funding consists of transfer of appropriation from the Mayor's budget to the Auditor's Office and revenues from Multnomah County.

### Progress Board Function

The Portland Multnomah Progress Board identifies, monitors, and reports on indicators (named benchmarks) for important community-wide goals. The Board identifies major trends in the community and acts as a catalyst for government, business, and community groups to improve the performance of benchmarks. The Progress Board established benchmarks to determine the health and vitality of the community. The annual benchmarks report tracks and reports on 76 separate indicators. The Progress Board is co-chaired by the Mayor and County Chair, and staff report directly to the City Auditor.

### Elections Function

The second organizational change is the transfer of the elections function and its related activities and duties from the City Recorder Program to the Administration Program. Due to organizational changes made last year, there were more resources in the Administration Program to handle this function than in the City Recorder program.

**FPD&R Staff Additions**

The Auditor's Office FY 1999-00 budget contains one new legal advisor position and a one half-time legal assistant for the Fire and Police Disability and Retirement Fund program. These positions were formerly funded through an interagency agreement with the City Attorney's Office, but due to concerns of a possible conflict of interest, it was decided that these positions should report directly to the City Auditor and the Board of Trustees. The Auditor's Office will be fully reimbursed for these positions through an interagency service agreement with the Fire and Police Disability and Retirement Fund.

**CAFR and Single Audit**

The Auditor's Office FY 1999-00 Adopted Budget contains an increase of \$35,150 for the outside auditor, KPMG Peat Marwick LLP, to conduct the Comprehensive Annual Financial Report and the Single Audit for the City of Portland. The requirements for these audits have increased since the original agreement was written due to the complexity of the City's funding structure, the continued decentralization of the accounting functions, and the Y2K concerns. In addition, the original contract specified that KPMG would audit five major programs; during this last year KPMG was required to audit eight major programs.

**Citizen Access**

The Auditor's Office will continue its efforts to provide easy citizen access to important Citywide information. The office has been successful in making the entire City Code and Charter accessible to citizens by the use of Internet technology. The City Code will also be available in a CD-ROM format for citizens who prefer this medium.

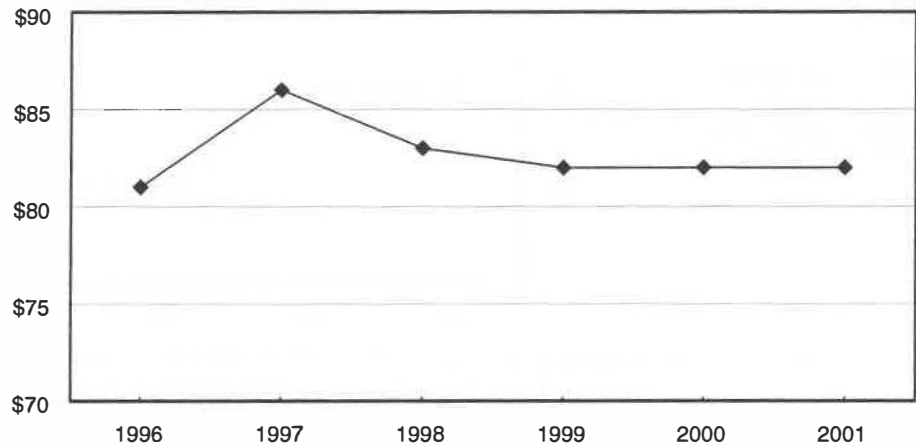
**Information Technology Strategic Plan**

The Auditor's Office is currently developing an Information Technology Strategic Plan for the entire office and separate plans for the City Recorder and Assessment and Liens program. The Strategic Plan for the City Recorder make more City information available to citizens in the most efficient manner. The Assessment and Liens Plan will focus on analyzing the cost effectiveness of operating its database system on the City's mainframe computer. The plan will also focus on methods to provide access to this information for the City's customers. These strategic plans will be completed in October, 1999 and may have budgetary implications for the next two-year budget cycle.

# Performance Measures

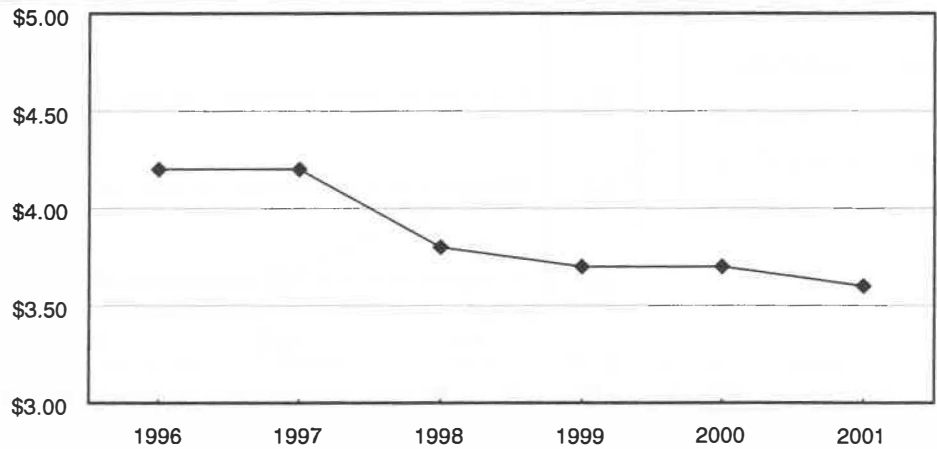
**Full cost per Audit Hour**

◆ The full costs per Audit Hour have decreased since FY 1997.



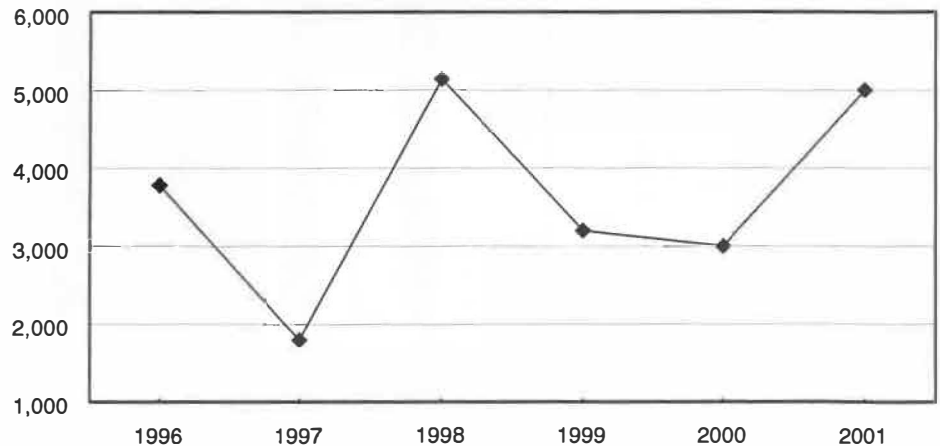
**Direct cost per retrieval and delivery of record**

◆ Direct costs have decreased since FY 1996.

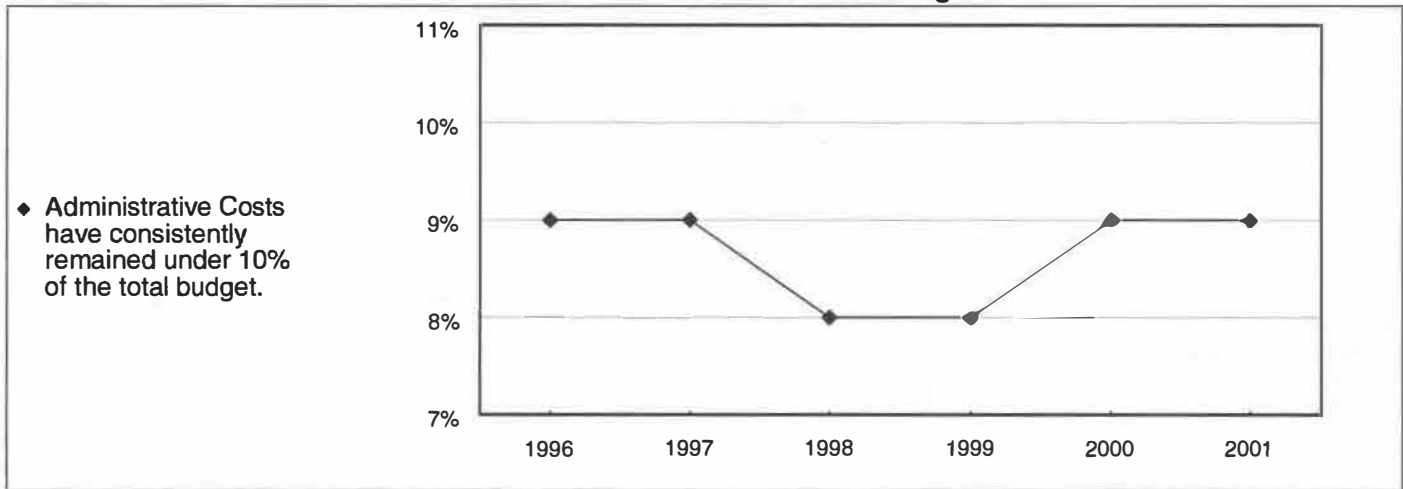


**New Liens recorded**

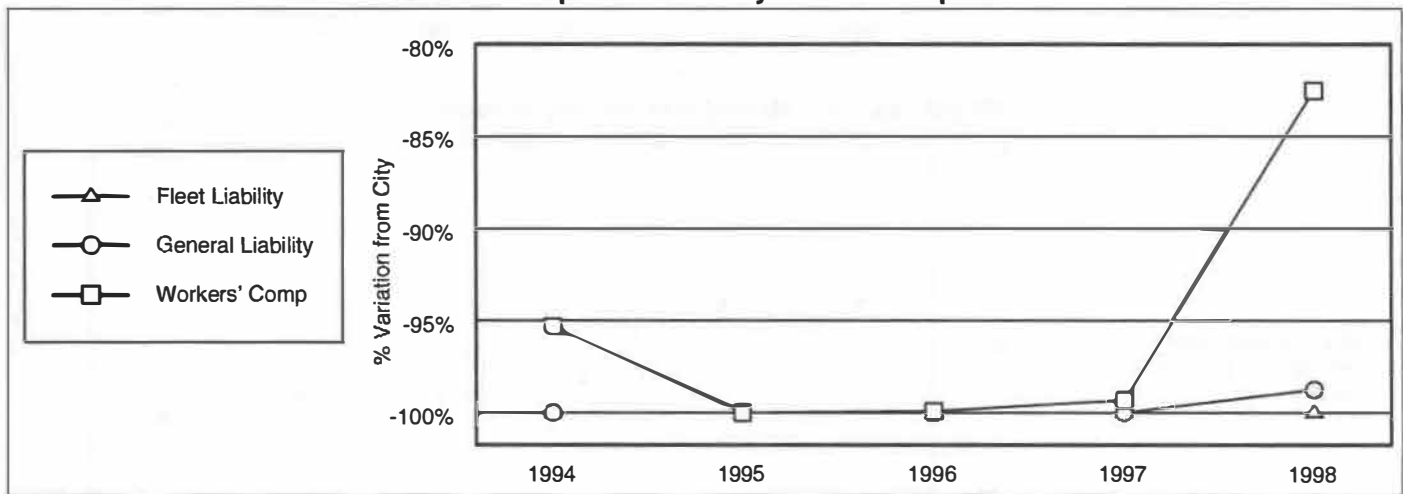
◆ The number of new liens recorded has increased substantially since FY 1997.



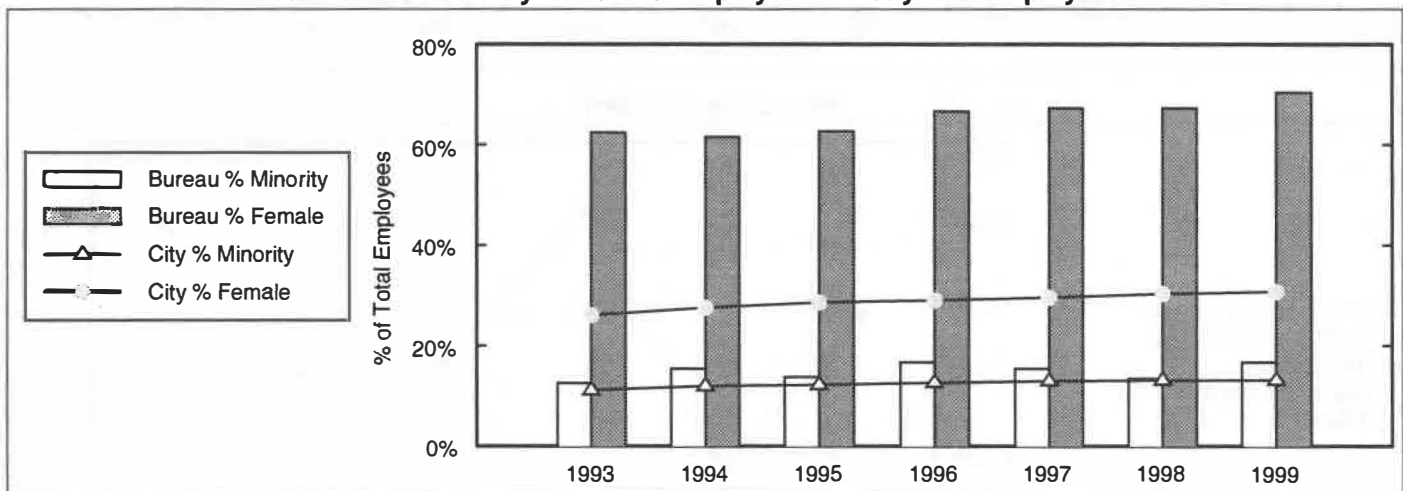
**Administrative costs as a % of total budget**



**Bureau Loss Experience vs. Citywide Loss Experience**



**Workforce Diversity — Bureau Employees vs. Citywide Employees**



	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	3,170,204	3,105,794	3,295,839	3,684,638	3,731,902
External Materials and Service	448,511	374,333	595,871	609,052	698,333
Internal Materials and Service	627,491	606,301	685,809	775,027	775,027
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	4,700	0	0	0
<b>Total Operating Budget</b>	<b>4,246,206</b>	<b>4,091,128</b>	<b>4,577,519</b>	<b>5,068,717</b>	<b>5,205,262</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 4,246,206</b>	<b>\$ 4,091,128</b>	<b>\$ 4,577,519</b>	<b>\$ 5,068,717</b>	<b>\$ 5,205,262</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>4,577,519</b>	<b>5,068,717</b>	<b>5,205,262</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	30	27	27	28	28
<b>TOTAL POSITIONS</b>	<b>56</b>	<b>53</b>	<b>53</b>	<b>56</b>	<b>56</b>
<b>RESOURCES</b>					
Discretionary General Fund		1,336,056	1,206,935	1,296,986	1,349,997
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		10,613	9,700	76,594	76,594
Interagency Revenues		1,608,389	1,983,647	2,188,683	2,201,728
Bureau Program Revenues		133,991	156,000	152,000	152,000
Miscellaneous Revenue		11,680	8,500	8,500	8,500
Overhead Revenues		990,399	1,212,737	1,345,954	1,416,443
<b>Total Non-Discretionary Revenues</b>		<b>2,755,072</b>	<b>3,370,584</b>	<b>3,771,731</b>	<b>3,855,265</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 4,091,128</b>	<b>\$ 4,577,519</b>	<b>\$ 5,068,717</b>	<b>\$ 5,205,262</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Audit Services		950,908	962,916	987,091	1,037,241
<i>Positions</i>		9	9	9	9
City Recorder		857,815	841,561	876,336	876,336
<i>Positions</i>		12	11	11	11
Fire & Police Disability & Retirement Fund		441,469	516,354	664,168	664,168
<i>Positions</i>		7	8	9	9
Hearings Officers		418,660	480,562	510,676	532,807
<i>Positions</i>		5	5	5	5
Liens & Assessments		1,102,917	1,361,108	1,446,188	1,446,188
<i>Positions</i>		16	16	16	16
Progress Board		0	0	155,325	165,325
<i>Positions</i>		0	0	2	2
Administration		319,359	415,018	428,933	483,197
<i>Positions</i>		4	4	4	4
<b>TOTAL PROGRAMS</b>		<b>\$ 4,091,128</b>	<b>\$ 4,577,519</b>	<b>\$ 5,068,717</b>	<b>\$ 5,205,262</b>
<i>Positions</i>		<b>53</b>	<b>53</b>	<b>56</b>	<b>56</b>

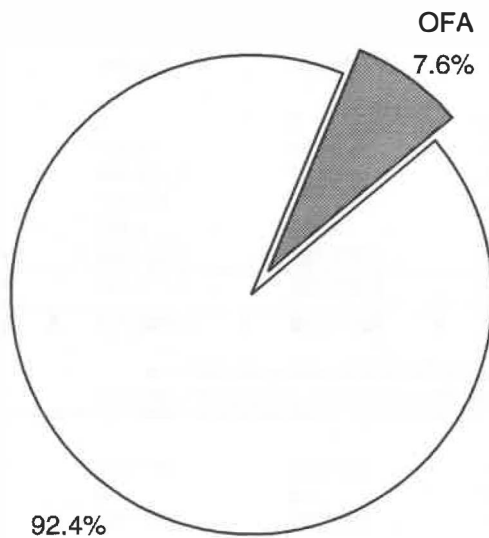
# Office of Finance and Administration

Legislative, Administrative and Support Services Service Area

Mayor Vera Katz, Commissioner-in-Charge

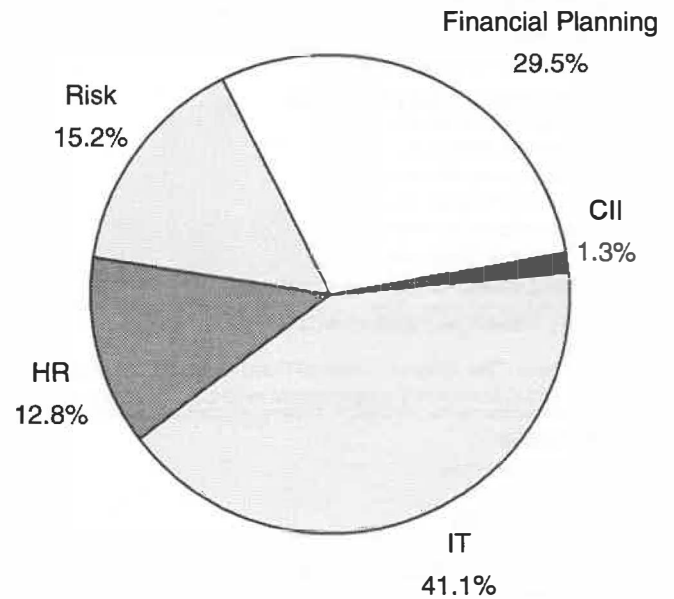
Timothy Grewe, Director

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



**Bureau Overview**

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	24,561,231	26,613,511	2,052,280	3.7%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 24,561,231</b>	<b>\$ 26,613,511</b>	<b>\$ 2,052,280</b>	<b>3.7%</b>
Authorized Full-Time Positions	186	189	3	-2.7%

Note: Per capita change values are adjusted for inflation and population growth.



# Bureau Summary

## BUREAU MISSION

We strive to provide visionary stewardship of the City's human, financial and information resources to enable the City to provide quality services to its citizens.

## BUREAU HIGHLIGHTS

### Overview

The Office of Finance and Administration (OF&A) provides services to the Mayor, Council and bureaus in the following areas:

*OF&A supports Council's strategic goals and strategies through its wide array of services.*

- ◆ Financial planning; budget development; investment of the City's funds' debt issuance and management; and federal, state and foundation grant compliance and reporting.
- ◆ Human resources management and affirmative action.
- ◆ Intergovernmental collaboration in growth and service delivery policy issues.
- ◆ Corporate information technology strategic planning and services, including the Geographic Information System (GIS).
- ◆ Management and administration of the City's self-insurance programs (workers' compensation, liability, and employee benefits).
- ◆ Leadership in developing and implementing a Citywide approach to service improvement and labor-management partnerships.

The Office of Finance and Administration provides leadership in the development and implementation of City policies which guide the City in managing its financial, human resources and information systems. These policies include the Financial Plan, Comprehensive Financial Policy, General Reserve Policy, Investment Policy, Debt Management Policy, Information Technology Strategic Plan, GIS Strategic Plan, Affirmative Action Plan, Personnel Rules, Compensation Policy, and Collective Bargaining Agreements.

The Office of Finance and Administration has made significant contributions to the financial, human resources and information technology operations of the City. The City has consistently been recognized as one of the nation's best financially managed cities as well as a leader in innovation.

### Accomplishments

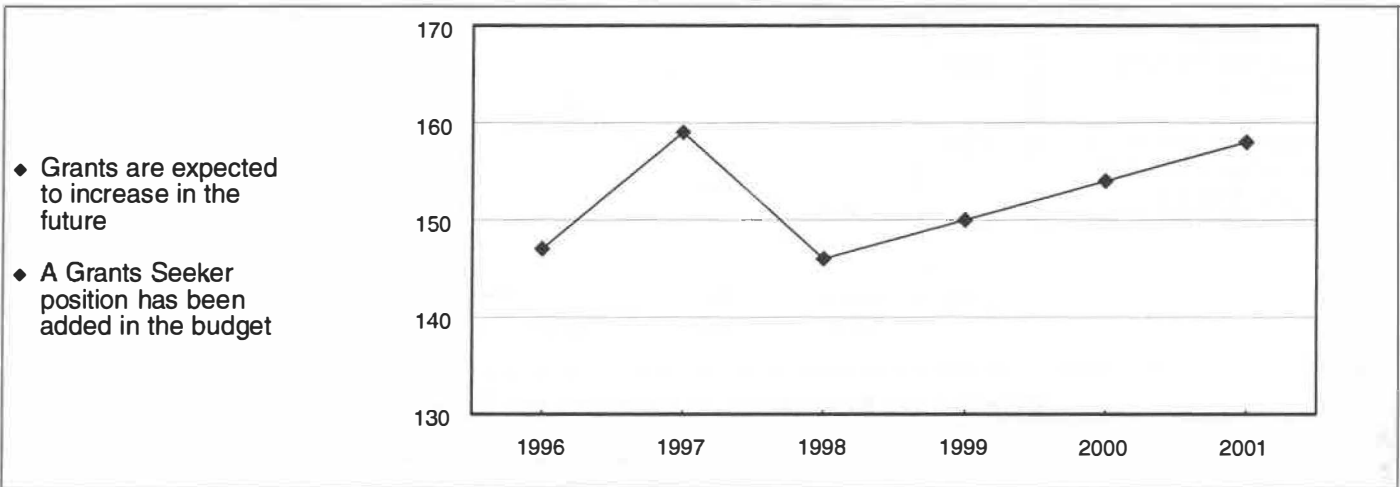
OF&A programs boast a number of accomplishments during the past year.

- ◆ Council adoption of Citywide policies related to use of City resources, inclement weather and violence in the workplace.
- ◆ Streamlined recruitment and selection processes resulting in an increased number of recruitments and improved turnaround.
- ◆ Continued progress on the District Council of Trade Unions (DCTU) classification and compensation study. The classification structure has been adopted by Council. The compensation component is currently being negotiated.
- ◆ Implementation of the Information Technology classification/compensation study.
- ◆ Preparation of an updated City Affirmative Action Plan and bureau Affirmative Action Compliance Strategies.
- ◆ Continued leadership in the Citywide Service Improvement Initiative efforts to promote improved efficiency and productivity through labor management collaboration.
- ◆ Continued emphasis on loss prevention and wellness.

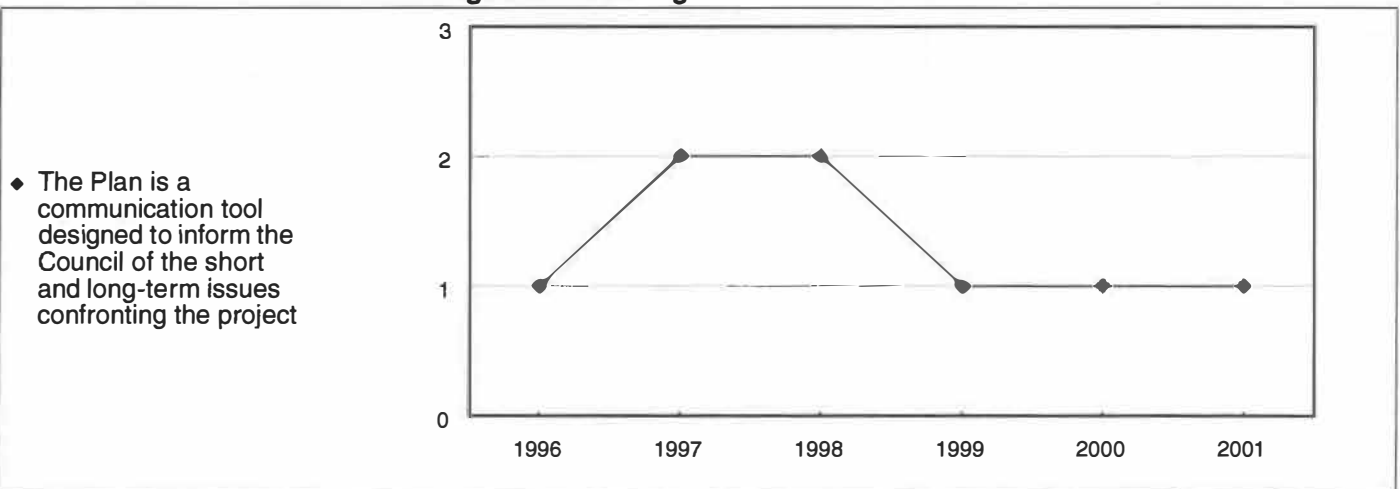
- ◆ Development and implementation of the budget automation publishing software.
- ◆ Continued oversight of the Oregon Arena project to ensure the City's interests and investments are protected.
- ◆ Leadership in issues surrounding the future of Civic Stadium.
- ◆ Leadership in the Public Employees' Retirement (PERS) and Fire & Police Disability & Retirement Board (FPD&R) liability issues.
- ◆ Continued leadership in maintaining the City's Aaa credit rating and financial reporting as evidenced by the annual receipt of the Government Finance Officers Association Certificate of Achievement in Governmental Financial Reporting and the Distinguished Budget Presentation Award.
- ◆ Completion of the Federal Single Audit and Federal Indirect Cost Plan.
- ◆ Continued partnerships with regional jurisdictions in 2040 growth and ORS 195 service delivery policy issues.
- ◆ Leadership in the Transportation Growth Management grant project to determine fiscal and service impacts of projected City growth and the development of a strategic financial plan in response to the findings.
- ◆ Financial leadership and/or active participation in a variety of economic development projects, such as North Macadam, light rail, Oregon Convention Center, River District and the Central City Streetcar.
- ◆ Continued leadership in corporate information technology strategic planning and implementation, GIS, and readiness for Year 2000. Citywide standards have been established and are well into the implementation phase.
- ◆ Development of a Request for Proposal and contract award for the backbone for Development Services Building.
- ◆ Initiation of a cost of service study for Bureau of Information Technology services. The study will provide the framework for establishing rates in the next two year budget cycle and beyond.
- ◆ Proactive Year 2000 preparedness planning for City bureaus and coordination with external business and infrastructure partners.
- ◆ Formation of the City of Portland Year 2000 Council with representatives of organizations and agencies which provide critical public services.

# Performance Measures

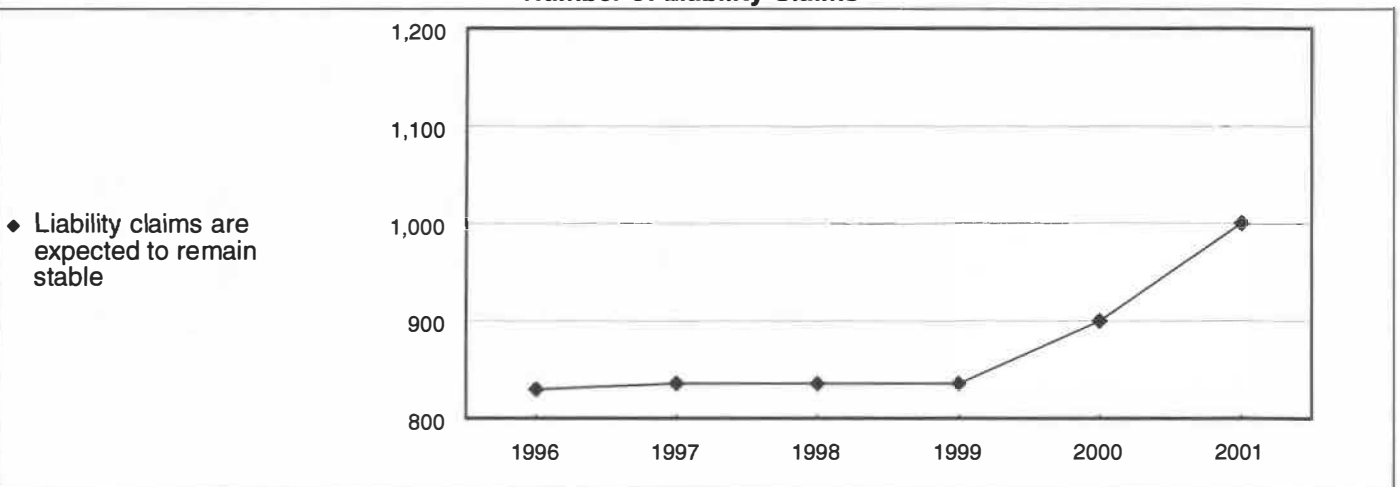
### Number of Active Federal Grants



### Oregon Arena Management Financial Plans

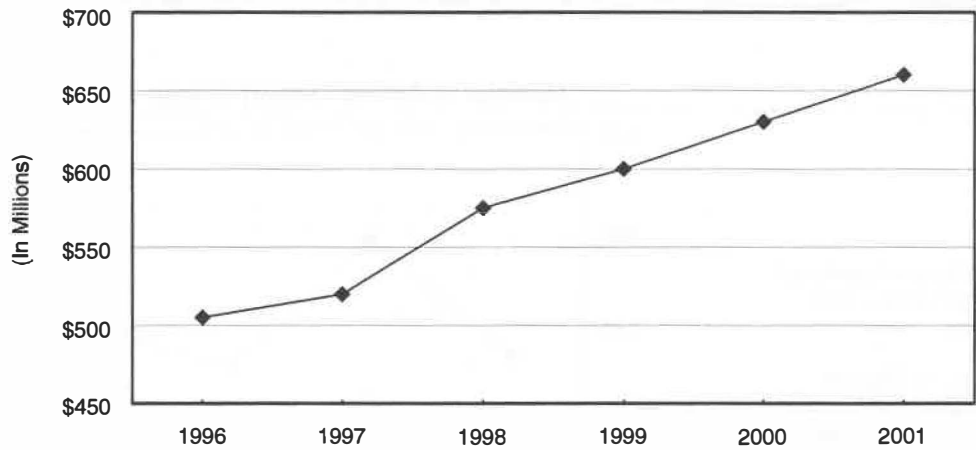


### Number of Liability Claims



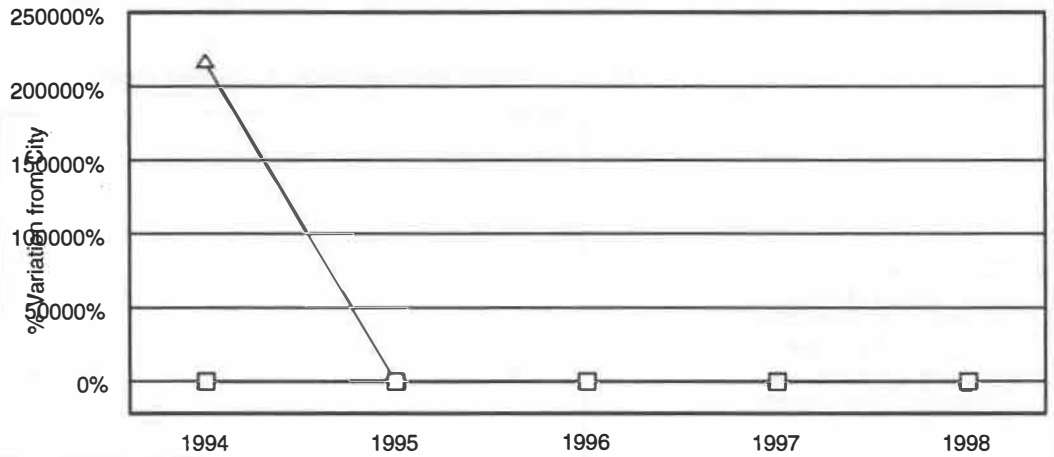
**Investment Portfolio Managed**

- ◆ The Investment Portfolio continues to increase.
- ◆ The portfolio size is impacted by City fund balances and the issuance of debt.



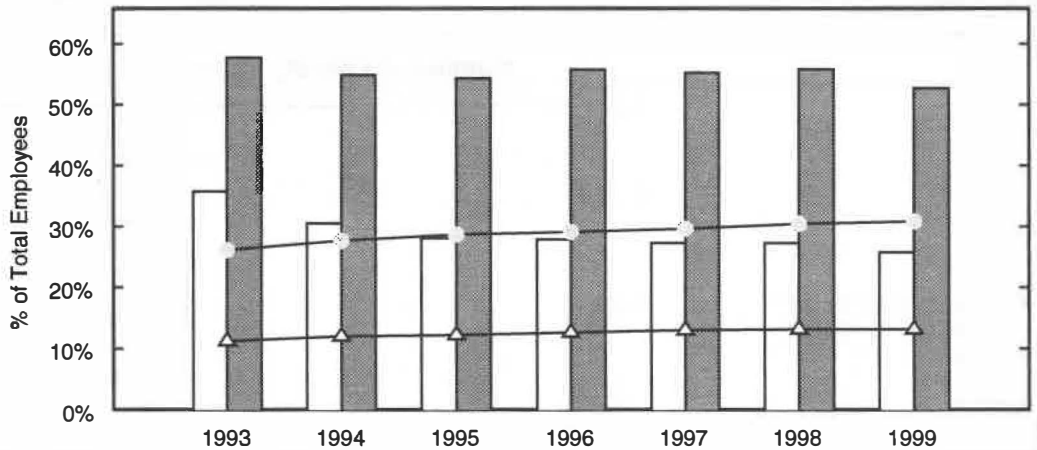
**Bureau Loss Experience vs. Citywide Loss Experience**

- ▲ Fleet Liability
- General Liability
- Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

- Bureau % Minority
- Bureau % Female
- ▲ City % Minority
- City % Female



	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	10,479,187	11,007,103	12,734,099	13,808,683	13,808,683
External Materials and Service	2,670,786	3,068,242	7,745,921	5,868,351	7,849,675
Internal Materials and Service	3,331,156	2,881,717	4,056,211	4,890,153	4,955,153
Minor Capital Outlay	25,453	16,288	25,000	0	0
Equipment Cash Transfers	0	2,500	0	0	0
<b>Total Operating Budget</b>	<b>16,506,582</b>	<b>16,975,850</b>	<b>24,561,231</b>	<b>24,567,187</b>	<b>26,613,511</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 16,506,582</b>	<b>\$ 16,975,850</b>	<b>\$ 24,561,231</b>	<b>\$ 24,567,187</b>	<b>\$ 26,613,511</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>24,561,231</b>	<b>24,567,187</b>	<b>26,613,511</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	47	43	44	44	44
<b>TOTAL POSITIONS</b>	<b>176</b>	<b>176</b>	<b>186</b>	<b>189</b>	<b>189</b>
<b>RESOURCES</b>					
Discretionary General Fund		4,456,714	7,433,295	5,435,826	7,565,901
<b>Non-Discretionary Revenues</b>					
Grants & Donations		11,986	177,707	66,675	66,675
Contract Revenues		168,550	151,012	152,512	152,512
Interagency Revenues		7,151,254	11,341,837	12,909,753	12,909,753
Bureau Program Revenues		575,721	361,642	396,219	396,219
Overhead Revenues		4,611,625	5,095,738	5,606,202	5,522,451
<b>Total Non-Discretionary Revenues</b>		<b>12,519,136</b>	<b>17,127,936</b>	<b>19,131,361</b>	<b>19,047,610</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 16,975,850</b>	<b>\$ 24,561,231</b>	<b>\$ 24,567,187</b>	<b>\$ 26,613,511</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Financial Planning and Management		6,589,205	7,511,129	7,577,871	7,862,871
<i>Positions</i>		69	67	67	67
Risk Management		2,827,709	3,419,099	4,046,007	4,046,007
<i>Positions</i>		36	37	37	37
Human Resources		2,887,416	3,766,965	3,178,345	3,408,142
<i>Positions</i>		31	33	33	33
Information Technology Planning and Operations		4,427,527	9,417,416	9,413,926	10,945,453
<i>Positions</i>		41	48	49	49
Citywide Service Improvement Initiative		243,993	446,622	351,038	351,038
<i>Positions</i>		0	2	3	3
<b>TOTAL PROGRAMS</b>		<b>\$ 16,975,850</b>	<b>\$ 24,561,231</b>	<b>\$ 24,567,187</b>	<b>\$ 26,613,511</b>
<i>Positions</i>		<b>176</b>	<b>186</b>	<b>189</b>	<b>189</b>

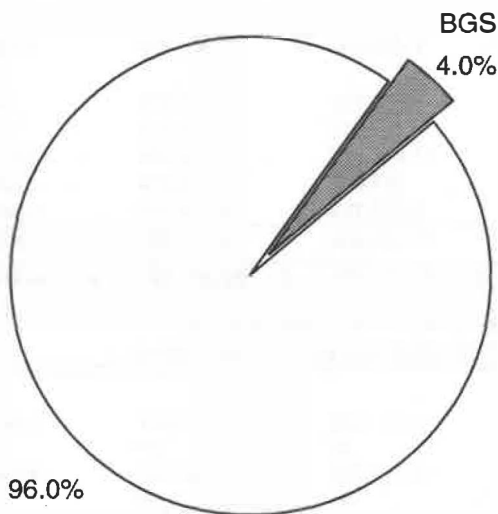
# Bureau of General Services

Legislative, Administrative and Support Services Service Area

Jim Francesconi, Commissioner-in-Charge

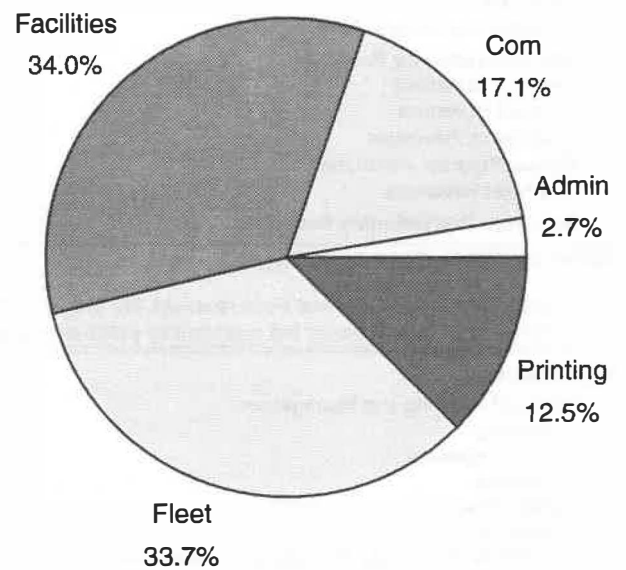
David Kish, Director

**Percent of City Budget**



City Budget = \$1.29 Billion

**Bureau Divisions**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	50,540,130	46,620,734	(3,919,396)	-11.7%
Capital	33,009,472	5,110,904	(27,898,568)	-85.2%
Allocated City Overhead Costs	1,616,727	1,796,883	180,156	6.4%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 85,166,329</b>	<b>\$ 53,528,521</b>	<b>\$ (31,637,808)</b>	<b>-39.8%</b>
Authorized Full-Time Positions	193	194	1	-3.8%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The mission of the Bureau of General Services is to provide communications, facilities, fleet, printing & distribution, and parking services to City bureaus, other government agencies and, on a limited basis, to the public, while promoting City goals.

## BUREAU HIGHLIGHTS

### Budget Overview

The Bureau of General Services budget is based on service levels requested by its customer bureaus, and not a set target based on the prior year. Bureaus have requested higher service levels than in FY 1998-99, and the budget reflects these increases. The bureau is also attracting new customers, such as the addition of Union Station, into its buildings operations and maintenance portfolio.

The bureau has budgeted for a number of large capital projects, most notably the Bureau of Fire, Rescue, and Emergency Services facility improvements and a new Smart Park downtown parking garage.

The Adopted Budget for FY 1999-00 is about 20% less than the FY 1998-99 Revised Budget due to completion of the development building construction project.

The bureau continues to maintain its overall rate increases at, or below, the rate of inflation.

### Add Packages

Council approved several add packages for the FY 1999-00 budget.

- ◆ **Development Services Building:** Interagencies will support operations and maintenance of the new office building at 1900 SW 4th Avenue for City development bureaus. The building will permit a more efficient use of space for all City bureaus located in downtown.
- ◆ **Union Station:** This package supports operations, maintenance, and property management of Union Station. This work was previously done by the PDC and a contract property management firm. The package is supported by rental rates charged to tenants of the facility.
- ◆ **Fiber Optic Link:** The installation of a fiber optic link between the new Development Building and Portland Building/City Hall will significantly improve communications. This package is supported by interagency agreements with the Development Building tenants.
- ◆ **Livable Wages Policy:** This package provides support for the implementation of the Council's Livable Wages Policy, primarily in the Parking Facilities Fund.
- ◆ **G.O. Bond Projects:** This bond, which was approved by voters in November 1998, will support major facility improvements for the Bureau of Fire, Rescue, and Emergency Services and expansion of the Portland Communications Center.
- ◆ **New Parking Garage:** A bond sale will finance construction of a new Smart Park parking garage for the downtown area.
- ◆ **Daycare Center:** Interagency revenues will provide for construction of a daycare center in the Portland Building.

### Other Additions

In addition to the add packages, BGS has other bureau driven additions.

- ◆ **Operations Expenses:** There are increased additional operations and maintenance expenses associated with customers requesting additional pieces of communications equipment, fleet vehicles, copy machines, and office and building space.
- ◆ **Pass through expenses:** There are additional pass through expenses associated with customers requesting additional services, such as quality printing, leased data lines, leased vehicles, and janitorial services.

**Reductions/  
Efficiencies**

No existing services were eliminated; however, the BGS budget for FY 1999-00 includes the following major reductions:

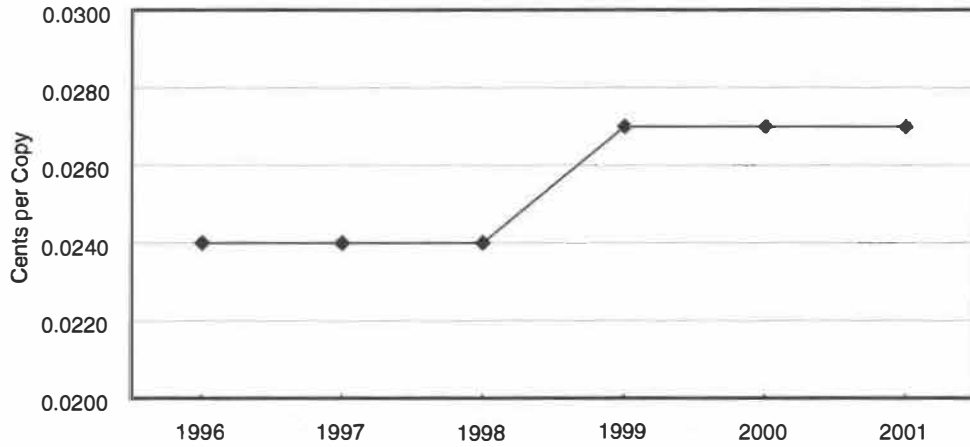
- ◆ Expenses for leased office space have been greatly reduced because the new development building will be available in August 1999. Owning the office building, rather than leasing office space, will save the City a great deal of money.
- ◆ The bureau has evaluated its performance measures by looking at production versus number of employees. It has seen important increases in productivity in recent years.
- ◆ Capital spending has been reduced due to completion of major projects, such as the Development Building.



# Performance Measures

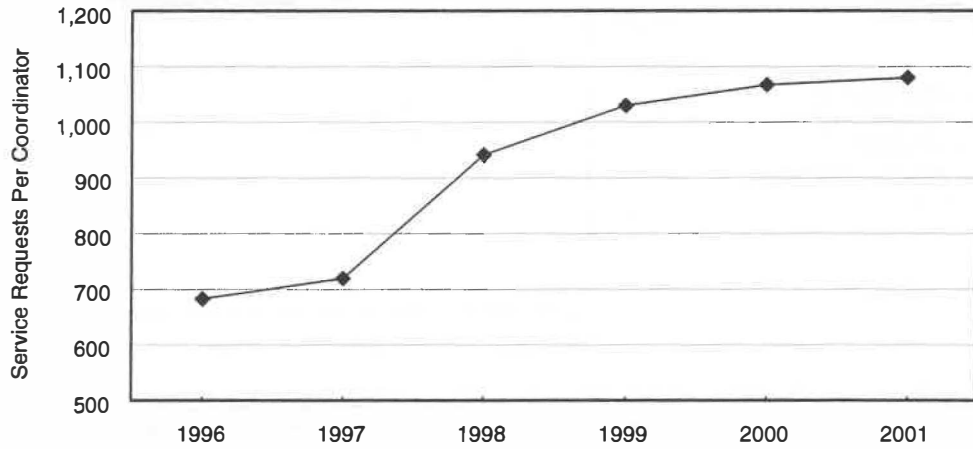
### Basic Copy Center Rate

- ◆ Through efficiencies and increased volume, Printing and Distribution has only had one rate increase in the last eight years.
- ◆ Over the eight year period, inflation has averaged 3.9% and the basic copy center rate has only increased at an equivalent average rate of 1.7%.



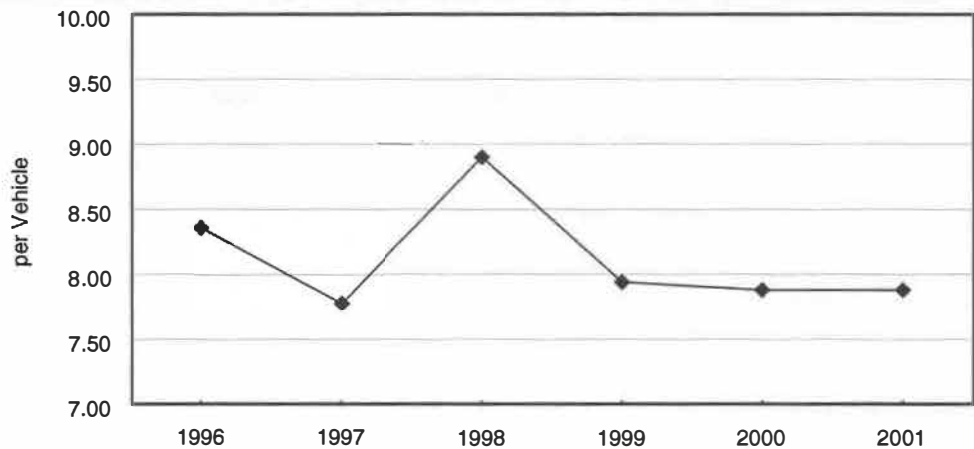
### Service Requests per Telephone Coordinator

- ◆ The number of service requests processed per telephone coordinator



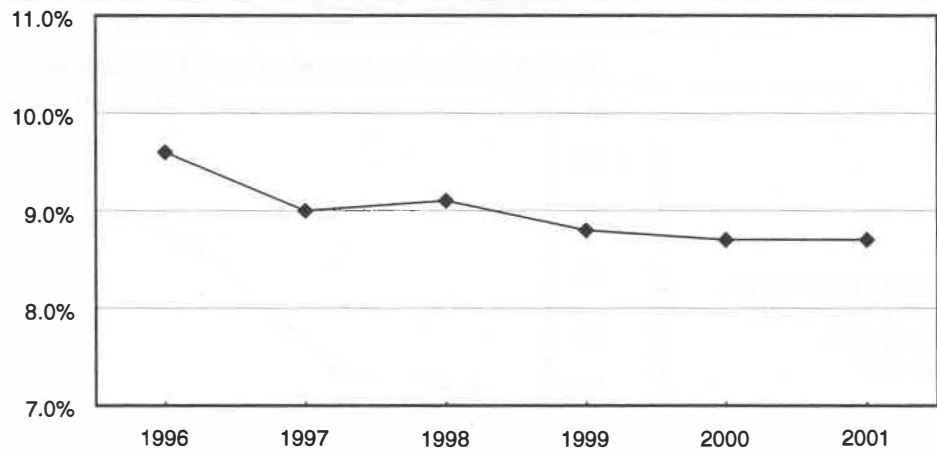
**Number of Work Orders per Vehicle**

- ◆ Over time, because of more thorough repairs and preventive maintenance, vehicles are becoming more reliable.
- ◆ Employees are better trained and more proficient.
- ◆ During 1997-98, replacement of police car ball-joints and a very large number of manufacturer recalls necessitated a large number of Work Orders.



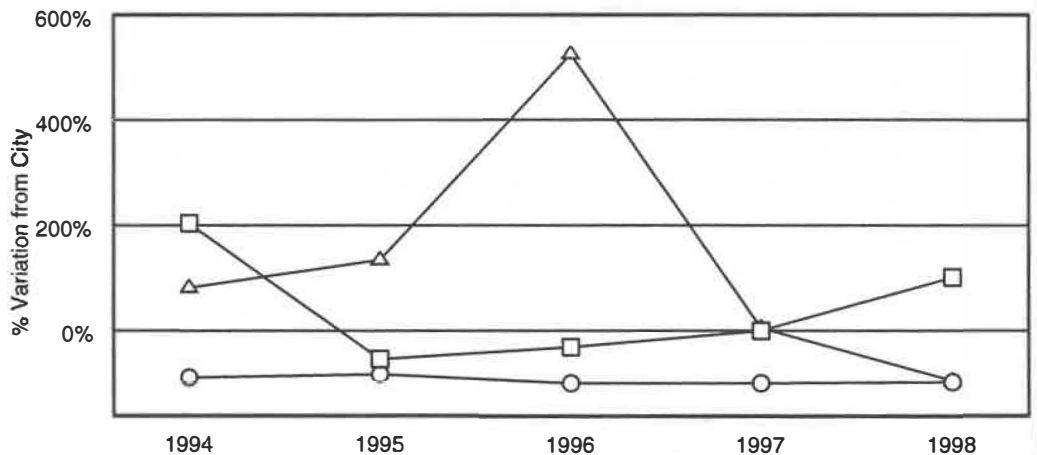
**Administrative Employees as a Percentage of Total BGS Employees**

- ◆ The percentage of administrative staff as a % of all BGS employees has been declining

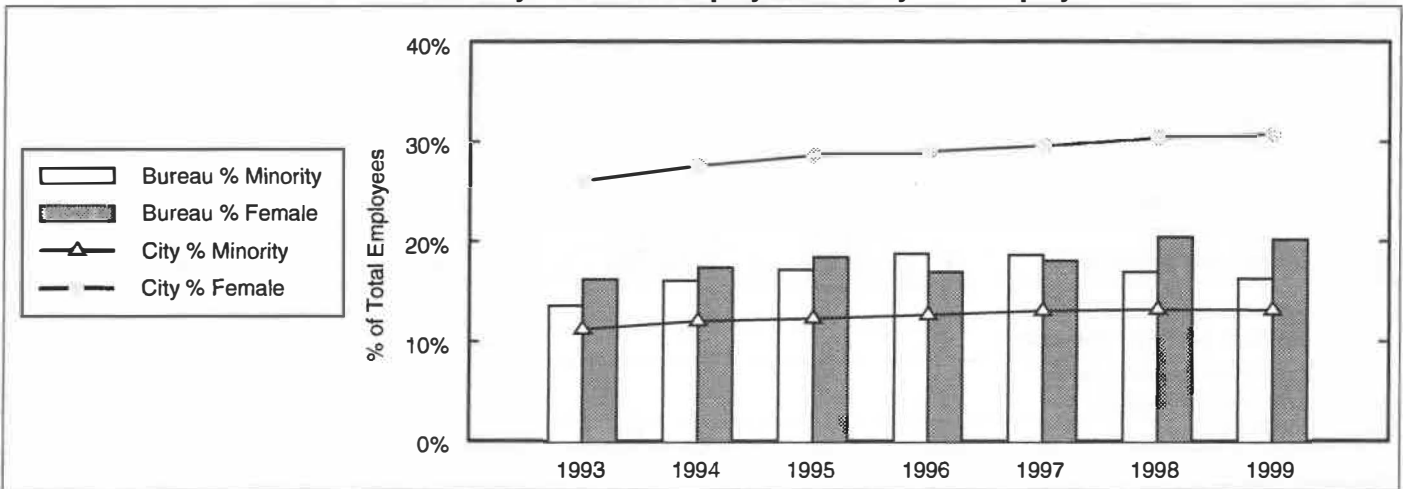


**Bureau Loss Experience vs. Citywide Loss Experience**

- ▲— Fleet Liability
- General Liability
- Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**



**Bureau of General Services AU 346, 354, 360, 562, 732**

**SUMMARY OF BUREAU BUDGET**

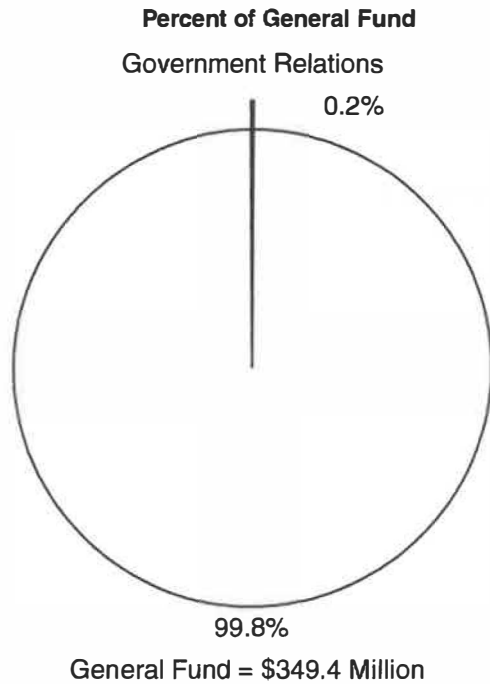
	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	9,877,168	10,116,533	11,567,017	12,217,363	12,407,018
External Materials and Service	18,771,446	18,715,935	22,604,795	22,722,599	24,181,929
Internal Materials and Service	3,627,872	3,069,163	3,843,623	3,670,584	3,680,627
Minor Capital Outlay	5,043,017	5,143,327	12,489,175	6,304,660	6,304,660
Equipment Cash Transfers	39,088	0	0	0	0
<b>Total Operating Budget</b>	<b>37,358,591</b>	<b>37,044,958</b>	<b>50,504,610</b>	<b>44,915,206</b>	<b>46,574,234</b>
Capital Improvements	18,965,732	21,753,427	33,009,472	8,769,533	7,144,328
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 56,324,323</b>	<b>\$ 58,798,385</b>	<b>\$ 83,514,082</b>	<b>\$ 53,684,739</b>	<b>\$ 53,718,562</b>
Allocated Overhead Costs			1,364,628	1,809,478	1,796,883
<b>Total Cost with Allocated Overhead</b>			<b>84,878,710</b>	<b>55,494,217</b>	<b>55,515,445</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>177</b>	<b>174</b>	<b>191</b>	<b>194</b>	<b>194</b>
<b>RESOURCES</b>					
Discretionary General Fund		0	0	0	0
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Administration Op. Budget		1,255,561	1,436,840	1,426,900	1,426,900
Communications Op. Budget		8,229,117	10,458,463	9,195,009	9,195,009
Fleet Operations Budget		14,852,542	24,392,863	18,099,294	18,099,294
P&D Operations Budget		5,435,981	6,502,448	6,739,094	6,727,014
Facilities Services Op. Budget		29,013,913	40,723,468	18,224,442	18,270,345
Interagency Revenues		0	0	0	0
Bureau Program Revenues		0	0	0	0
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>58,787,114</b>	<b>83,514,082</b>	<b>53,684,739</b>	<b>53,718,562</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 58,787,114</b>	<b>\$ 83,514,082</b>	<b>\$ 53,684,739</b>	<b>\$ 53,718,562</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose. Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>DIVISIONS</b>					
Administrative Services Division		1,255,561	1,436,840	1,426,900	1,426,900
<i>Positions</i>		16	18	17	17
Communication Services Division		8,229,117	10,458,463	9,195,009	9,195,009
<i>Positions</i>		27	33	33	33
Facilities Services Division		29,106,914	40,723,468	18,224,442	18,270,345
<i>Positions</i>		27	31	34	34
Fleet Services Division		14,770,728	24,392,863	18,099,294	18,099,294
<i>Positions</i>		76	80	80	80
Printing & Distribution Services Division		5,435,981	6,502,448	6,739,094	6,727,014
<i>Positions</i>		28	29	30	30
<b>TOTAL DIVISIONS</b>		<b>\$ 58,798,301</b>	<b>\$ 83,514,082</b>	<b>\$ 53,684,739</b>	<b>\$ 53,718,562</b>
<i>Positions</i>		<b>174</b>	<b>191</b>	<b>194</b>	<b>194</b>

# Office of Government Relations

Legislative, Administrative and Support Services Service Area

Mayor Vera Katz, Commissioner-in-Charge

Marge Kafoury, Director



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	654,243	674,523	20,280	-1.3%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 654,243</b>	<b>\$ 674,523</b>	<b>\$ 20,280</b>	<b>-1.3%</b>
Authorized Full-Time Positions	5	4	(1)	-23.4%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU HIGHLIGHTS

### Overview

This budget reflects continued representation of City Council issues by Government Relations in advancing City objectives with local government, State, and Congress. Government Relations continues to administer the City's Washington, D.C. lobbying contract. Government Relations will continue working with BIT to enhance and improve the Legislative Tracking System, making it user-friendly for bureaus. The bureau provides information and assistance with grants and appropriation for the City, monitors federal initiatives, and is liaison with national member associations.

### Funding

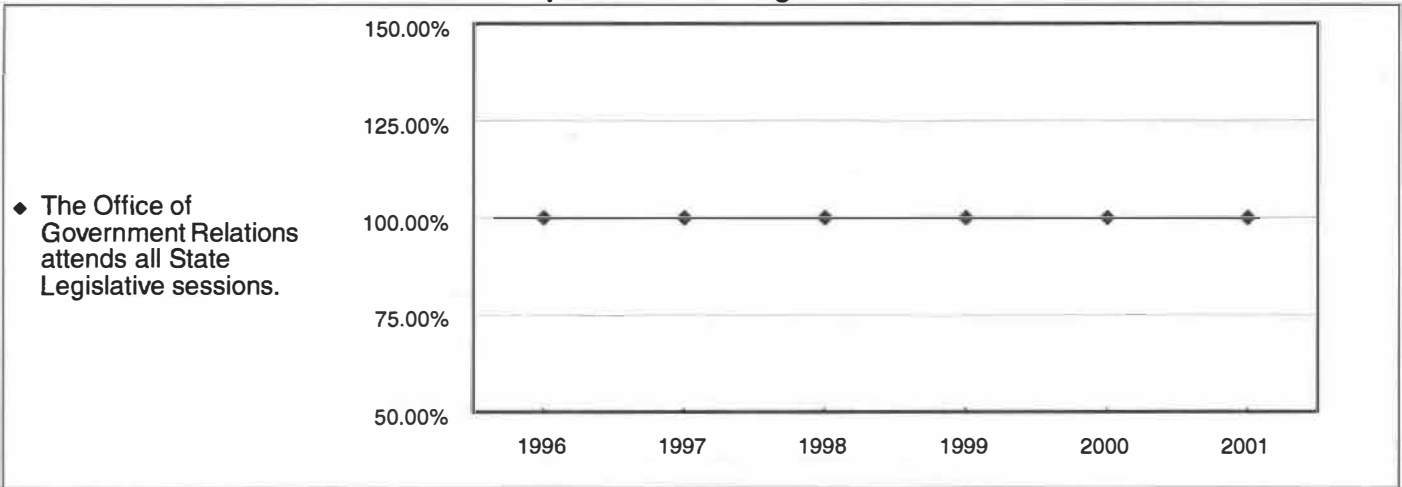
Government Relations is a General Fund bureau, funded primarily by the General Fund. In addition, the bureau receives interagency funding from Transportation, Environmental Services and Water.

### Changes in FY 1999-00

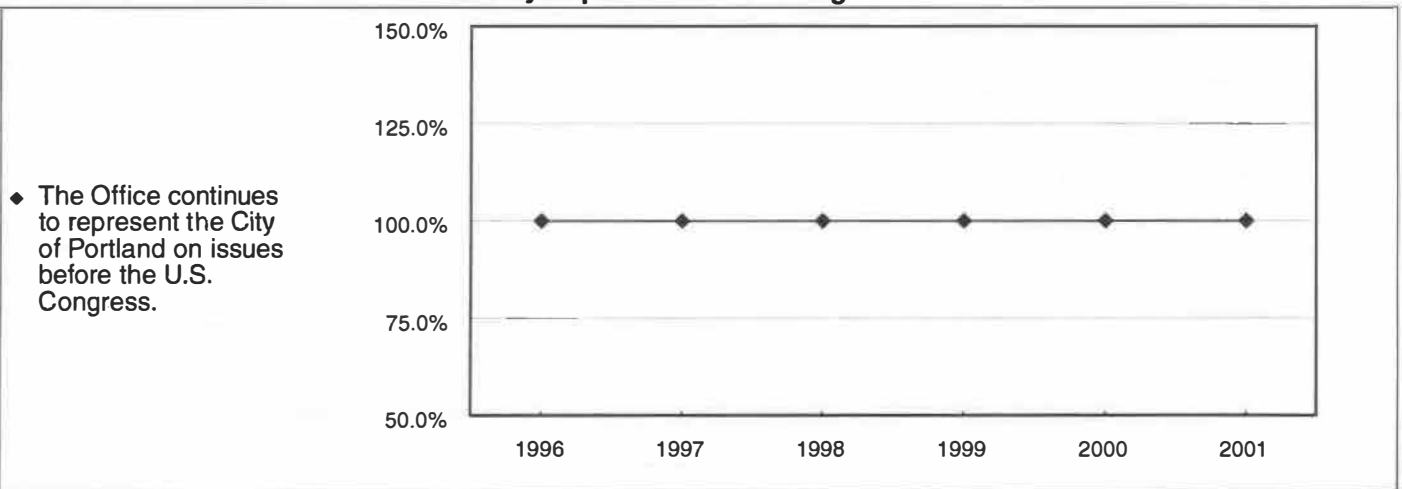
There were no significant changes from the prior year.

# Performance Measures

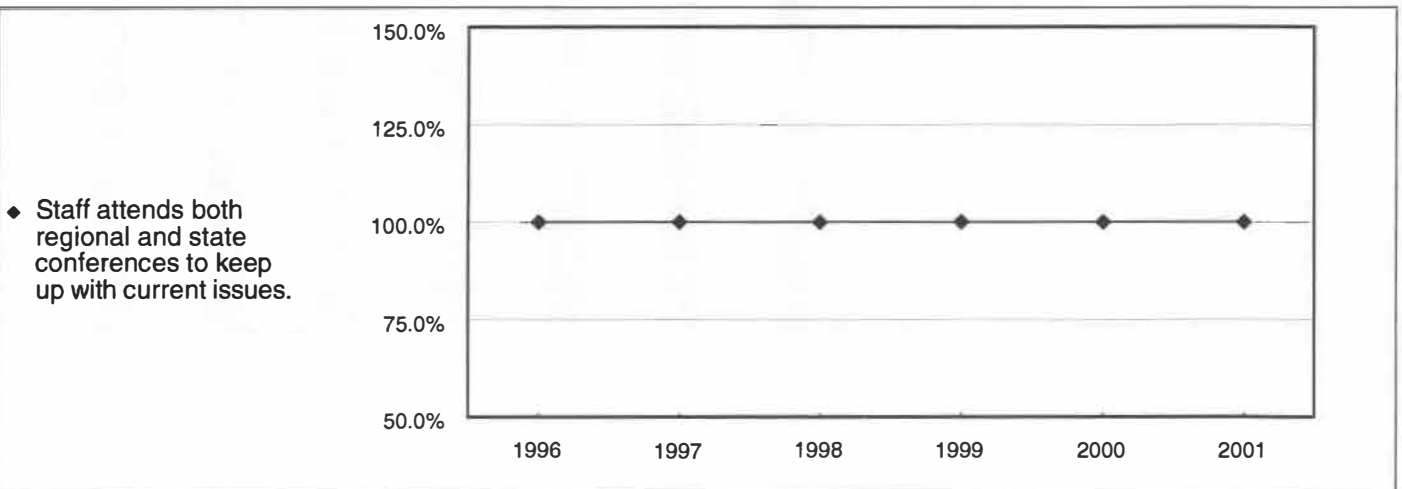
### Representation at Legislature



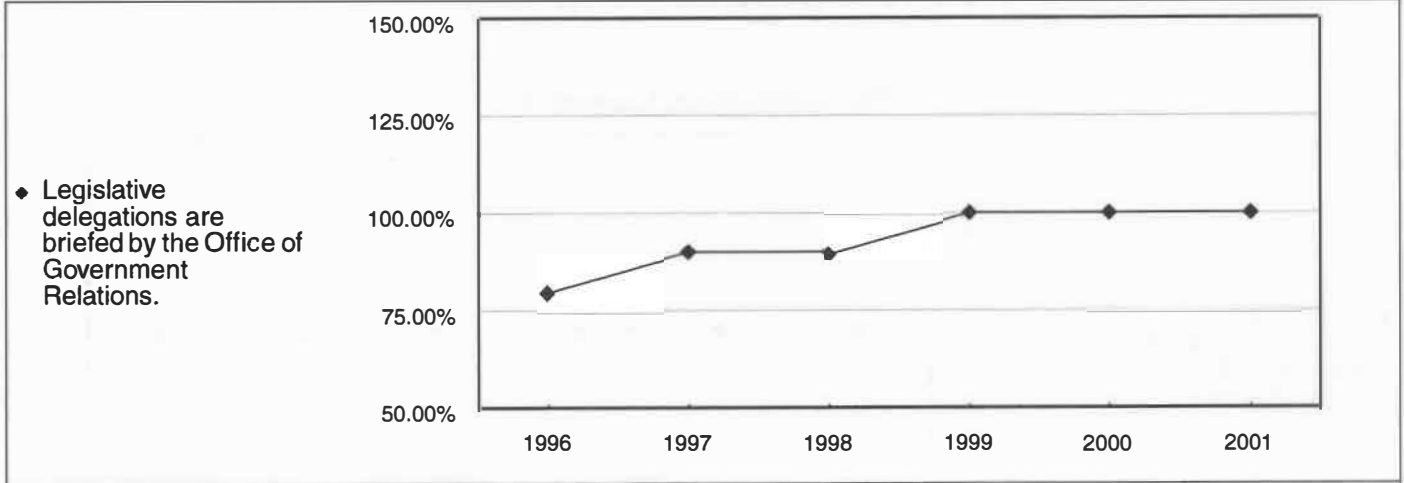
### City Representation at Congress



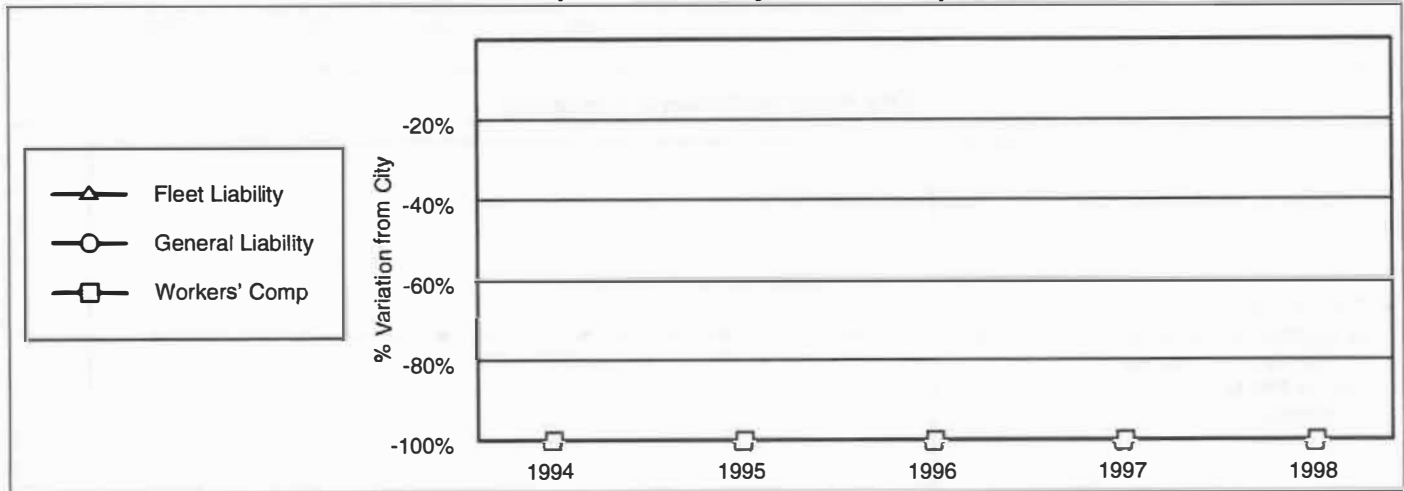
### Conference Attendance



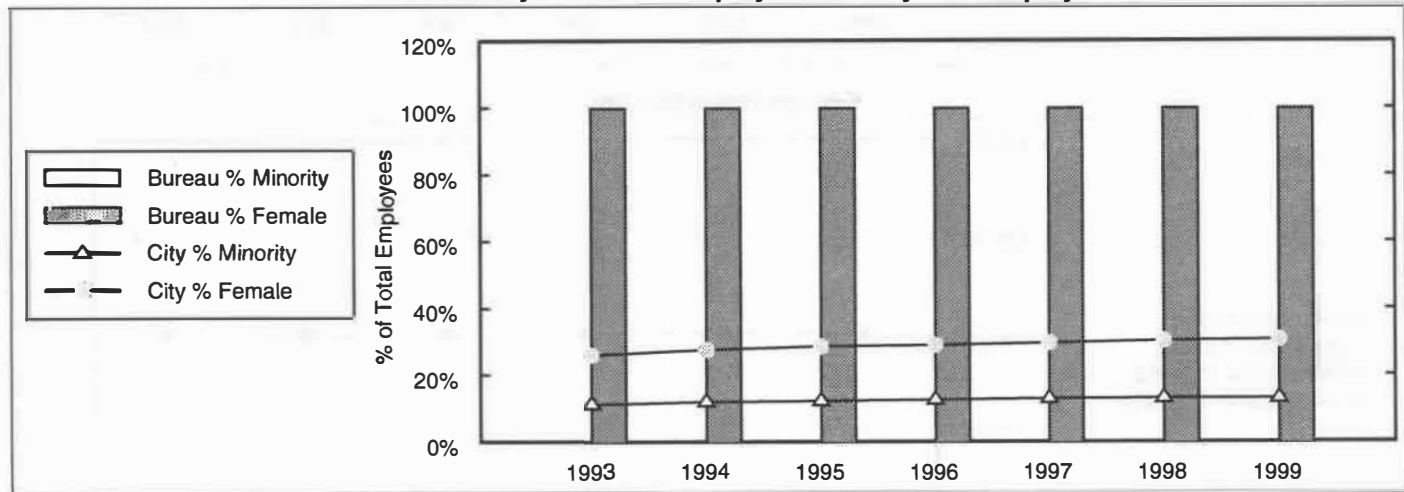
**Delegations Briefings**



**Bureau Loss Experience vs. Citywide Loss Experience**



**Workforce Diversity — Bureau Employees vs. Citywide Employees**





	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	359,887	317,558	370,443	352,567	352,567
External Materials and Service	60,534	184,553	213,150	262,290	262,290
Internal Materials and Service	49,643	40,800	70,650	59,666	59,666
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>470,064</b>	<b>542,911</b>	<b>654,243</b>	<b>674,523</b>	<b>674,523</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 470,064</b>	<b>\$ 542,911</b>	<b>\$ 654,243</b>	<b>\$ 674,523</b>	<b>\$ 674,523</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>654,243</b>	<b>674,523</b>	<b>674,523</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	5	4	5	4	4
<b>TOTAL POSITIONS</b>	<b>5</b>	<b>4</b>	<b>5</b>	<b>4</b>	<b>4</b>
<b>RESOURCES</b>					
Discretionary General Fund		232,111	276,411	266,450	266,450
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		34,000	41,970	41,970	41,970
Bureau Program Revenues		0	0	0	0
Overhead Revenues		276,800	335,862	366,103	366,103
<b>Total Non-Discretionary Revenues</b>		<b>310,800</b>	<b>377,832</b>	<b>408,073</b>	<b>408,073</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 542,911</b>	<b>\$ 654,243</b>	<b>\$ 674,523</b>	<b>\$ 674,523</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Government Relations		542,911	654,243	674,523	674,523
Positions		4	5	4	4
<b>TOTAL PROGRAMS</b>		<b>\$ 542,911</b>	<b>\$ 654,243</b>	<b>\$ 674,523</b>	<b>\$ 674,523</b>
Positions		4	5	4	4

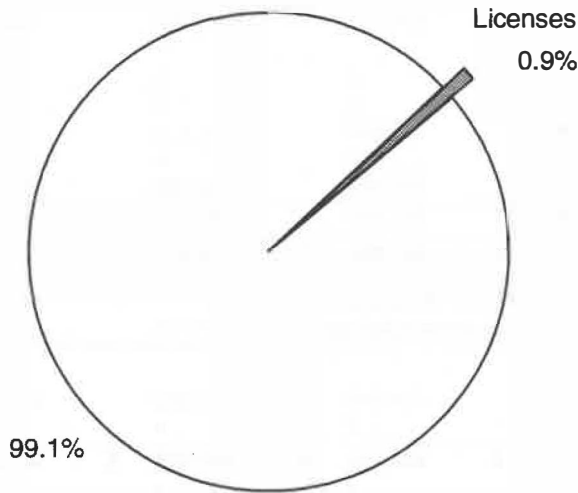
# Bureau of Licenses

Legislative, Administrative and Support Services Service Area

Jim Francesconi, Commissioner-in-Charge

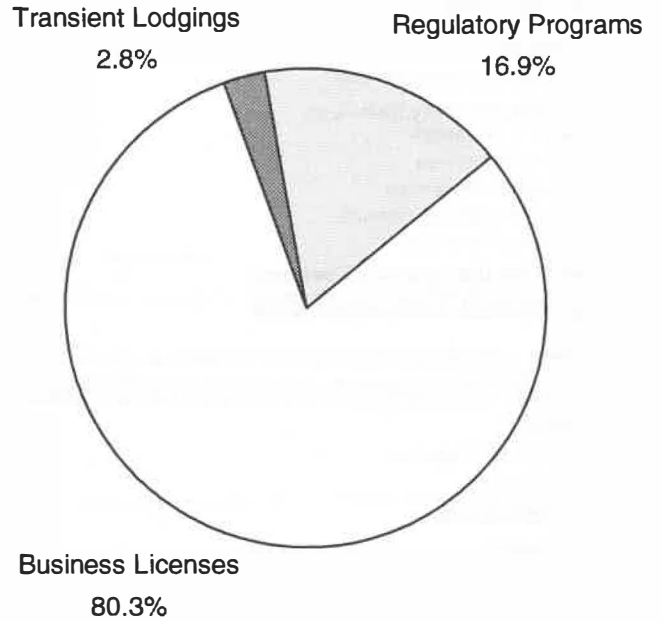
James Wadsworth, Director

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	3,039,286	3,214,814	175,528	1.3%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	229,013	381,507	152,494	59.5%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 3,268,299</b>	<b>\$ 3,596,321</b>	<b>\$ 328,022</b>	<b>5.3%</b>
Authorized Full-Time Positions	39	40	1	-1.8%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

The mission of the Bureau of Licenses is to collect General Fund revenues, to improve public safety through regulatory programs, and to maintain a positive working relationship with the business community, neighborhoods, and individual citizens.

## BUREAU HIGHLIGHTS

### Overview

The focus of the Bureau of Licenses is to identify, collect and audit a variety of business license fees and taxes paid by businesses in the City of Portland and Multnomah County. To meet this objective the bureau will continue to make effective use of a new Business License Information System and Web page to improve productivity and provide additional services to the business community.

### Challenges

Maintaining revenue collections in the face of a softening economy will present additional challenges to the staff in the bureau. By using automated functions for many routine tasks, staff will be able to concentrate on licensing new businesses.

In cooperation with the Portland Development Commission and members of the business community, the bureau will continue to review tax policy with regard to achieving the City's economic development goals.

### Revenues

#### Business License Program

The largest portion of the revenue collected is the consolidated Portland Business License/Multnomah County Business Income Tax. It will generate about \$93 million for the two jurisdictions in FY 1999-00. A little over \$7 million of this amount in FY 1999-00 will come from a one-time .5% surcharge on County receipts which is dedicated for use by school districts in Multnomah County.

#### Transient Lodgings Program

The bureau collects the Transient Lodgings Tax, which generates over \$19.7 million for distribution to the City, County, and Portland Oregon Visitors Association.

#### Downtown Property Management Program

The bureau operates the Downtown Property Management Program, which provides over \$2.7 million annually for the Downtown Clean and Safe Program.

In FY 1999-00, the bureau will collect over \$115 million in revenues for the City, Multnomah County and other agencies.

### Coordination & Regulation

#### Regulatory Programs

The bureau administers regulatory programs covering towing, taxi and other for-hire transportation, pay and park lots, secondhand dealers, amusement devices, social games, and liquor licensing. In FY 1999-00, the Regulatory Program will continue to be completely self-supporting from program fees and will use no General Fund discretionary funds.

**Film/Video & Special Events**

In addition, the bureau coordinates with other bureaus and agencies the permits for special events such as parades and runs, as well as film and video projects that require street closures or other similar types of interruptions within the City limits.

**Changes in FY 1999-00** There were no significant changes to the budget in fiscal year 1999-00.

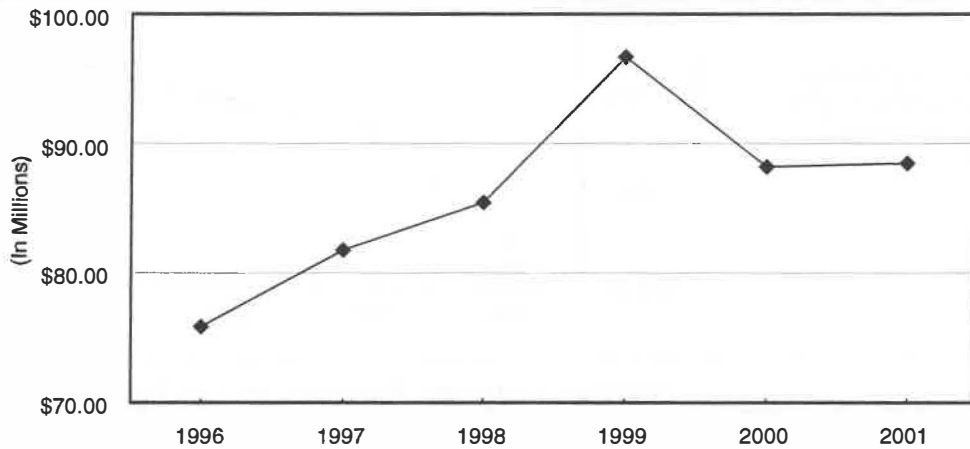
**New Director**

The bureau has a new director, and this fiscal year will be used to create a new business plan and determine what changes will be in effect for the next two-year budget cycle.

# Performance Measures

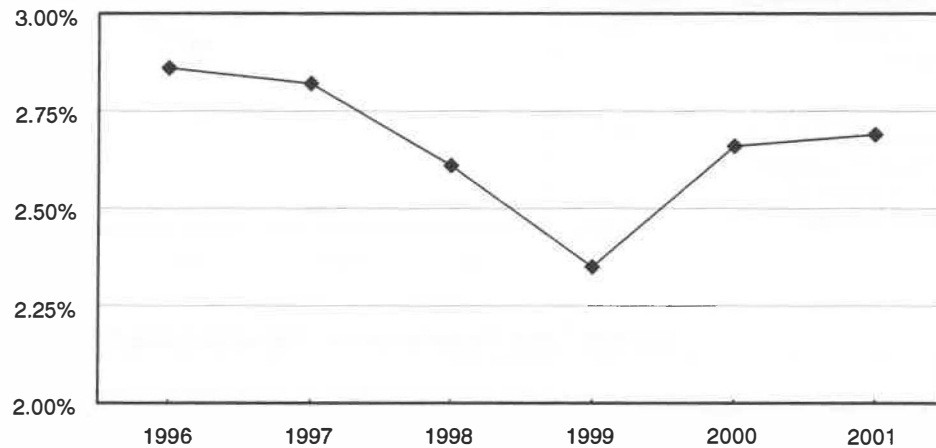
**Business Licenses Total Revenue Collected**

- ◆ As the Bureau continues to administer new programs, collection of revenue continues to increase.
- ◆ The increase in revenues from 1996 to 1997 resulted from code amendments made to receive payments quarterly instead of annually.
- ◆ The metropolitan economy grew in past years, although it is expected to level off in the near future.



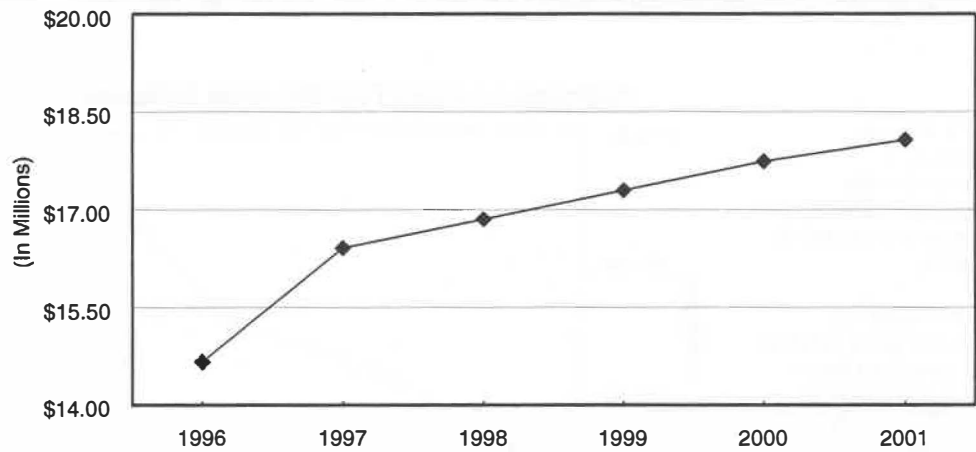
**Expenses as a Percent of Revenue**

- ◆ Starting in FY 1993-94 expenses have been calculated against both BL and MCBIT revenues to give a more accurate representation.
- ◆ Slight increases in various years are indicative of costs associated with Business License Information System application development project.



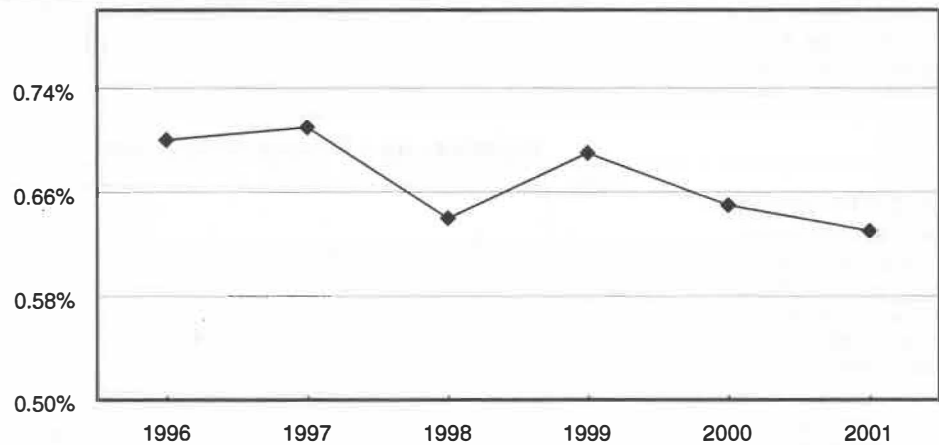
**Transient Lodging Tax Collected**

- ◆ Transient Lodgings Tax continue to grow due to a strong tourism industry.



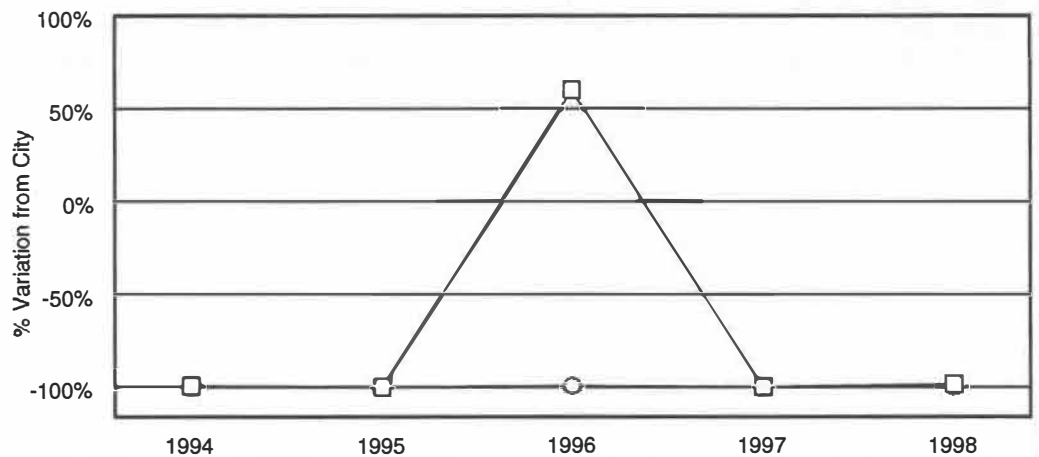
**Transient Lodgings - Expenses as % of Revenues**

- ◆ Transient Lodging Taxes are collected from approximately 165 hotels and motels in Portland. The taxes are collected quarterly.
- ◆ The percentage of expenses to revenue continues to decline as the number of tourist increases.

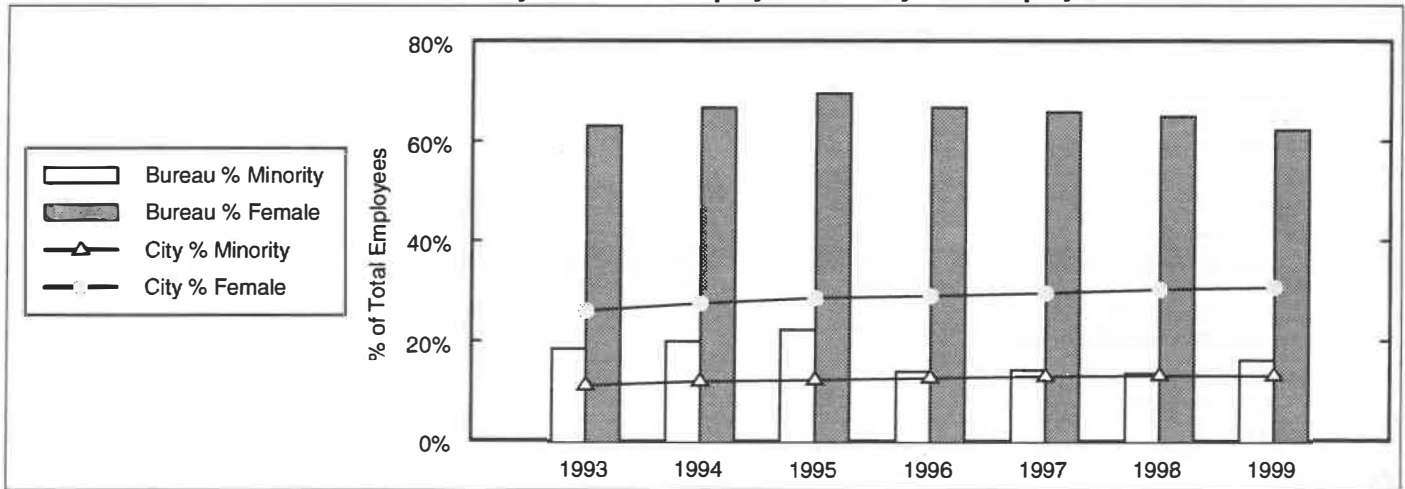


**Bureau Loss Experience vs. Citywide Loss Experience**

- ▲— Fleet Liability
- General Liability
- Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**



**Bureau of Licenses AU 316**

**SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	2,033,690	2,136,897	2,368,829	2,441,054	2,446,871
External Materials and Service	115,035	124,091	249,647	152,978	267,127
Internal Materials and Service	587,181	544,889	420,810	528,393	500,816
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>2,735,906</b>	<b>2,805,877</b>	<b>3,039,286</b>	<b>3,122,425</b>	<b>3,214,814</b>
Capital Improvements	156,780	35,131	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 2,892,686</b>	<b>\$ 2,841,008</b>	<b>\$ 3,039,286</b>	<b>\$ 3,122,425</b>	<b>\$ 3,214,814</b>
Allocated Overhead Costs			229,013	433,054	381,507
<b>Total Cost with Allocated Overhead</b>			<b>3,268,299</b>	<b>3,611,329</b>	<b>3,596,321</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	31	31	33	33	33
<b>TOTAL POSITIONS</b>	<b>38</b>	<b>39</b>	<b>37</b>	<b>40</b>	<b>40</b>
<b>RESOURCES</b>					
Discretionary General Fund		1,753,406	1,951,473	2,002,876	2,095,268
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		496,501	512,886	528,273	528,273
Interagency Revenues		50,641	52,082	52,967	52,967
Bureau Program Revenues		540,460	522,845	538,309	538,306
Overhead Revenues		0	0	0	0
<b>Total Non-Discretionary Revenues</b>		<b>1,087,602</b>	<b>1,087,813</b>	<b>1,119,549</b>	<b>1,119,546</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 2,841,008</b>	<b>\$ 3,039,286</b>	<b>\$ 3,122,425</b>	<b>\$ 3,214,814</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Business Licenses		2,286,895	2,413,575	2,489,963	2,582,352
<i>Positions</i>		30	32	32	32
		0	0	0	0
<i>Positions</i>		0	0	0	0
Regulatory Programs		442,820	543,000	543,000	543,000
<i>Positions</i>		7	7	7	7
Transient Lodgings		111,293	82,711	89,462	89,462
<i>Positions</i>		1	1	1	1
<b>TOTAL PROGRAMS</b>		<b>\$ 2,841,008</b>	<b>\$ 3,039,286</b>	<b>\$ 3,122,425</b>	<b>\$ 3,214,814</b>
<i>Positions</i>		<b>38</b>	<b>40</b>	<b>40</b>	<b>40</b>

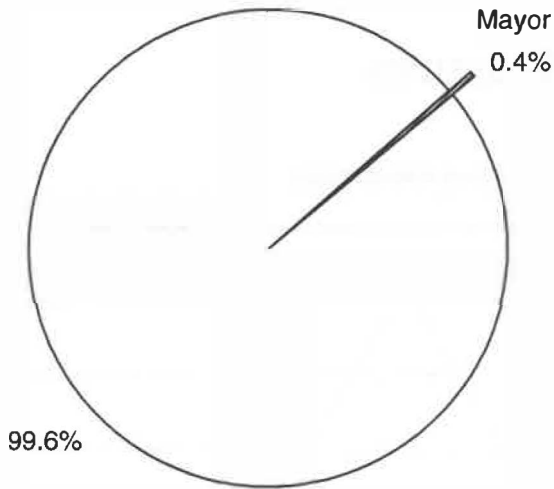


# Office of the Mayor

Legislative, Administrative and Support Services Service Area

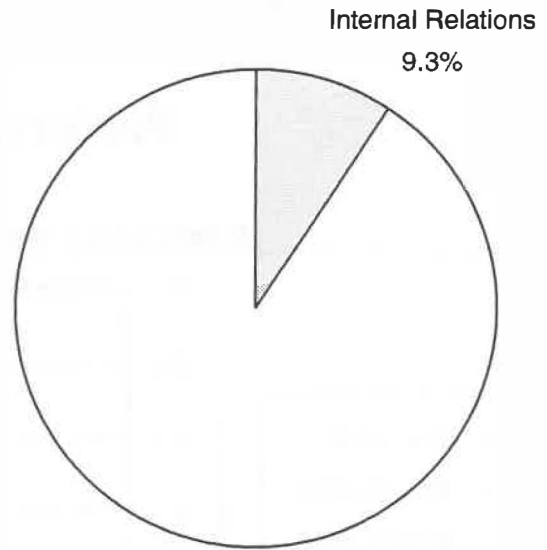
Mayor Vera Katz, Commissioner-in-Charge

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



Executive  
90.7%

## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	1,410,196	1,356,165	(54,031)	-7.9%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 1,410,196</b>	<b>\$ 1,356,165</b>	<b>\$ (54,031)</b>	<b>-7.9%</b>
Authorized Full-Time Positions	16	16	0	-4.3%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

## BUREAU MISSION

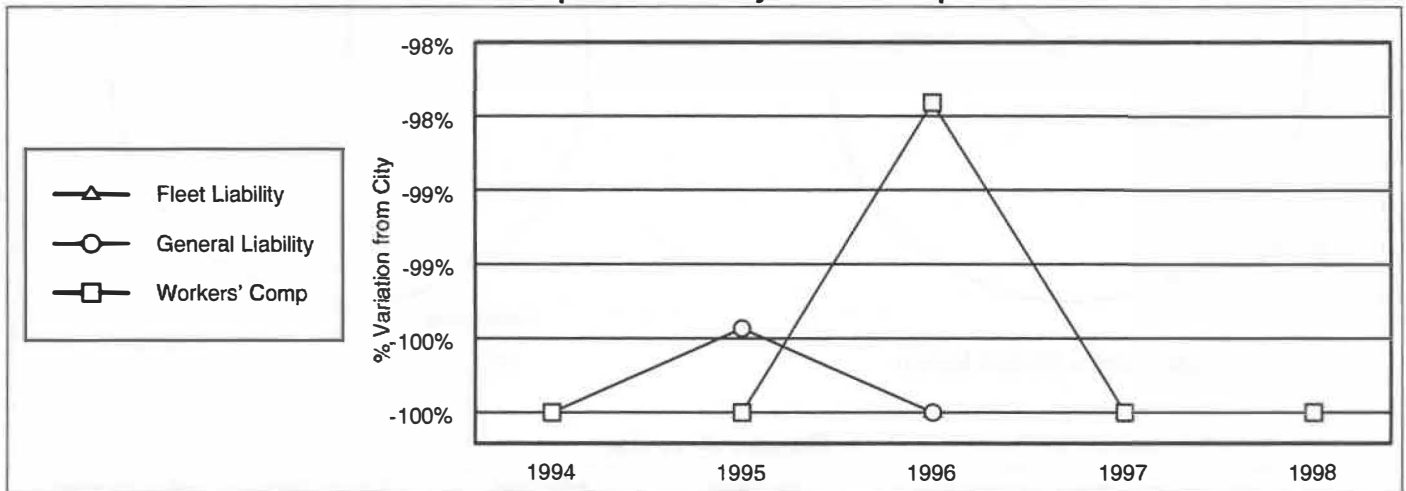
The office of the Mayor strives for excellence in implementing the Mayor's vision and supporting her leadership.

## BUREAU HIGHLIGHTS

The Mayor is charged with the responsibility to exercise a careful supervision over the general affairs of the City. In doing so, some of the Mayor's duties include preparing a proposed City budget each year, chairing Council meetings, and assigning bureau oversight to Council members.

## Performance Measures

Bureau Loss Experience vs. Citywide Loss Experience

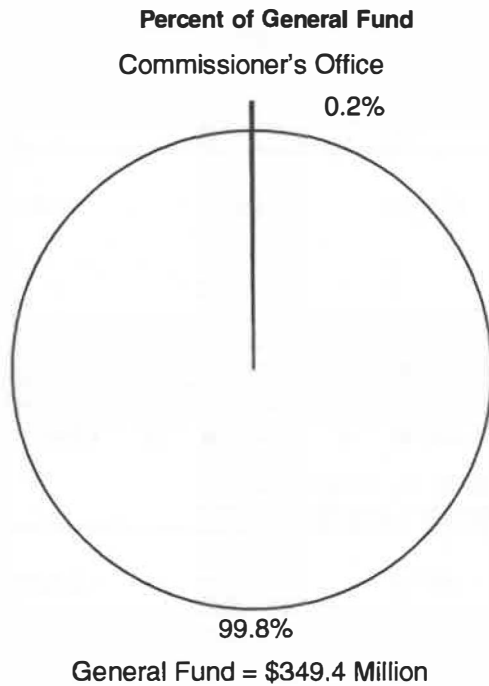


	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	1,166,296	1,000,791	1,048,619	1,090,896	1,090,896
External Materials and Service	128,222	162,293	148,293	37,142	37,142
Internal Materials and Service	175,749	152,050	213,284	246,296	228,127
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>1,470,267</b>	<b>1,315,134</b>	<b>1,410,196</b>	<b>1,374,334</b>	<b>1,356,165</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 1,470,267</b>	<b>\$ 1,315,134</b>	<b>\$ 1,410,196</b>	<b>\$ 1,374,334</b>	<b>\$ 1,356,165</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>1,410,196</b>	<b>1,374,334</b>	<b>1,356,165</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	7	7	7	6	6
<b>TOTAL POSITIONS</b>	<b>17</b>	<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>
<b>RESOURCES</b>					
Discretionary General Fund		594,133	611,183	499,516	514,870
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		0	0	0	0
Bureau Program Revenues		113,769	62,818	83,817	65,648
Overhead Revenues		607,232	736,195	791,001	775,647
<b>Total Non-Discretionary Revenues</b>		<b>721,001</b>	<b>799,013</b>	<b>874,818</b>	<b>841,295</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 1,315,134</b>	<b>\$ 1,410,196</b>	<b>\$ 1,374,334</b>	<b>\$ 1,356,165</b>
Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.					
Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.					
<b>PROGRAMS</b>					
Administrative/Executive		1,114,945	1,189,688	1,248,364	1,230,195
<i>Positions</i>		12	14	14	14
International Relations		114,641	133,641	125,970	125,970
<i>Positions</i>		4	2	2	2
RDI Community Partnership Grant		0	0	0	0
<i>Positions</i>		0	0	0	0
Progress Board		85,548	86,867	0	0
<i>Positions</i>		0	0	0	0
<b>TOTAL PROGRAMS</b>		<b>\$ 1,315,134</b>	<b>\$ 1,410,196</b>	<b>\$ 1,374,334</b>	<b>\$ 1,356,165</b>
<i>Positions</i>		<b>16</b>	<b>16</b>	<b>16</b>	<b>16</b>

# Commissioner of Public Works

Legislative, Administrative and Support Services Service Area

Erik Sten, Commissioner-in-Charge



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	598,711	632,414	33,703	1.1%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 598,711</b>	<b>\$ 632,414</b>	<b>\$ 33,703</b>	<b>1.1%</b>
Authorized Full-Time Positions	8	8	0	-4.3%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

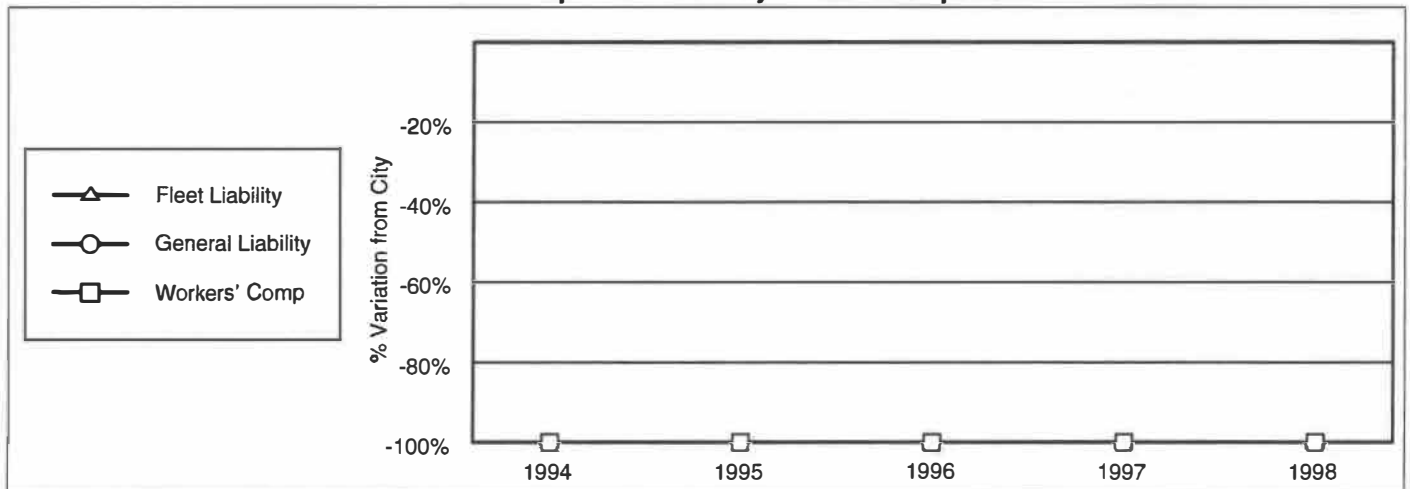
## BUREAU HIGHLIGHTS

The Commissioner of Public Works is an elected official and is responsible for overseeing various City bureaus. Commissioner Sten also serves as the City's liaison to several boards and commissions.

Commissioner Sten's goals reflect his priorities to expand housing capacity, to complete the regional Water Supply Plan, to promote environmental health and community outreach, to support positive labor-management relations, and to represent the City in energy and telecommunications deregulation.

## Performance Measures

Bureau Loss Experience vs. Citywide Loss Experience



Commissioner of Public Works AU 190

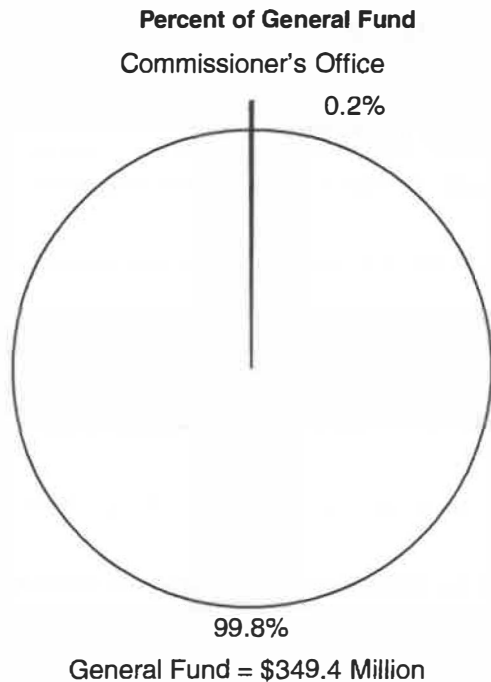
SUMMARY OF BUREAU BUDGET

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	263,250	470,386	509,239	532,833	540,833
External Materials and Service	39,069	11,733	13,042	12,008	12,008
Internal Materials and Service	94,450	81,782	76,430	79,573	79,573
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>396,769</b>	<b>563,901</b>	<b>598,711</b>	<b>624,414</b>	<b>632,414</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 396,769</b>	<b>\$ 563,901</b>	<b>\$ 598,711</b>	<b>\$ 624,414</b>	<b>\$ 632,414</b>
Allocated Overhead Costs			-	-	-
<b>Total Cost with Allocated Overhead</b>			<b>598,711</b>	<b>624,414</b>	<b>632,414</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	3	4	4	4	4
<b>TOTAL POSITIONS</b>	<b>6</b>	<b>8</b>	<b>8</b>	<b>8</b>	<b>8</b>
<b>RESOURCES</b>					
Discretionary General Fund		265,745	280,675	282,701	297,334
<b>Non-Discretionary Revenues</b>					
Contract Revenues		0	0	0	0
Interagency Revenues		0	0	0	0
Bureau Program Revenues		65	0	0	0
Overhead Revenues		298,091	318,036	341,713	335,080
<b>Total Non-Discretionary Revenues</b>		<b>298,156</b>	<b>318,036</b>	<b>341,713</b>	<b>335,080</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 563,901</b>	<b>\$ 598,711</b>	<b>\$ 624,414</b>	<b>\$ 632,414</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Administration		563,901	598,711	624,414	632,414
Positions		8	8	8	8
<b>TOTAL PROGRAMS</b>		<b>\$ 563,901</b>	<b>\$ 598,711</b>	<b>\$ 624,414</b>	<b>\$ 632,414</b>
Positions		8	8	8	8

# Commissioner of Public Safety

Legislative, Administrative and Support Services Service Area

Charlie Hales, Commissioner-in-Charge



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	598,711	624,399	25,688	-0.2%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 598,711</b>	<b>\$ 624,399</b>	<b>\$ 25,688</b>	<b>-0.2%</b>
Authorized Full-Time Positions	6	6	0	-4.3%

Note: Per capita change values are adjusted for inflation and population growth.

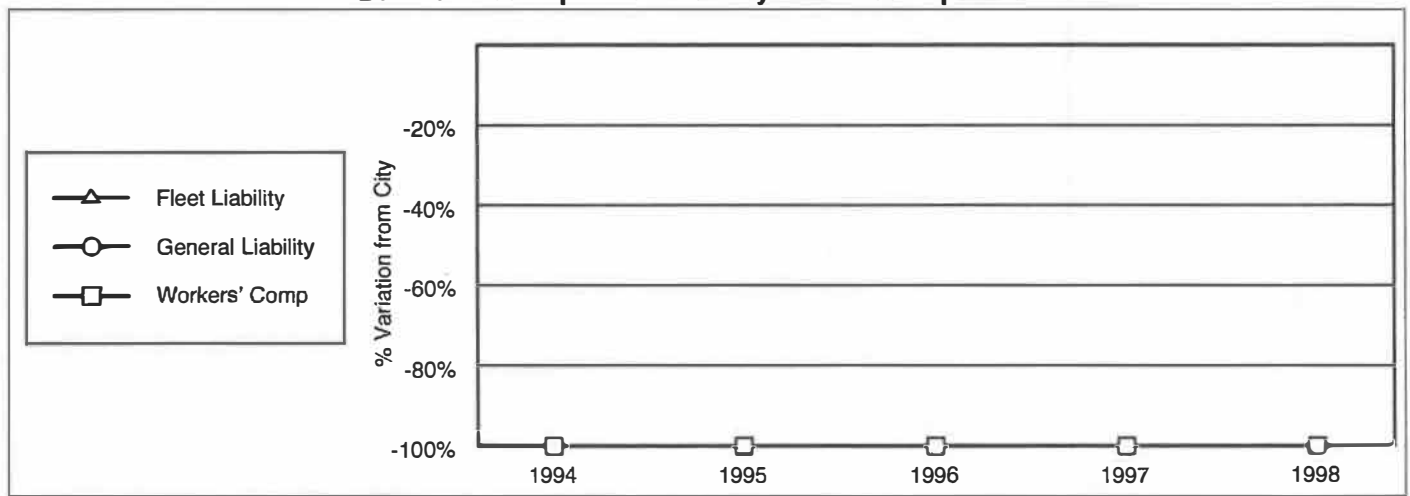
# Bureau Summary

## BUREAU HIGHLIGHTS

The Commissioner of Public Safety is an elected official and is responsible for overseeing various City bureaus. The Commissioner also serves as the City's liaison to several boards and commissions.

## Performance Measures

Bureau Loss Experience vs. Citywide Loss Experience



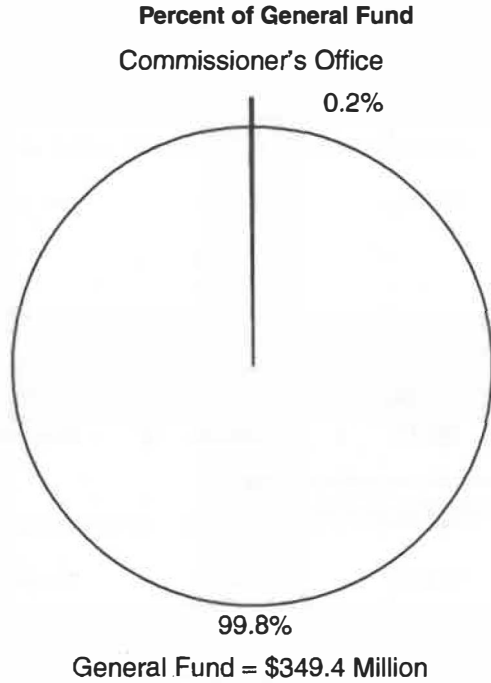


	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	500,335	462,213	487,210	505,679	505,679
External Materials and Service	33,727	15,142	27,316	34,816	34,816
Internal Materials and Service	94,804	88,833	84,185	83,904	83,904
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>628,866</b>	<b>566,188</b>	<b>598,711</b>	<b>624,399</b>	<b>624,399</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 628,866</b>	<b>\$ 566,188</b>	<b>\$ 598,711</b>	<b>\$ 624,399</b>	<b>\$ 624,399</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>598,711</b>	<b>624,399</b>	<b>624,399</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	4	3	3	3	3
<b>TOTAL POSITIONS</b>	<b>7</b>	<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>
<b>RESOURCES</b>					
Discretionary General Fund		268,044	280,625	282,686	289,319
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		0	0	0	0
Bureau Program Revenues		53	0	0	0
Overhead Revenues		298,091	318,086	341,713	335,080
<b>Total Non-Discretionary Revenues</b>		<b>298,144</b>	<b>318,086</b>	<b>341,713</b>	<b>335,080</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 566,188</b>	<b>\$ 598,711</b>	<b>\$ 624,399</b>	<b>\$ 624,399</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Commissioner's Office		566,188	598,711	624,399	624,399
<i>Positions</i>		6	6	6	6
IFCC		0	0	0	0
<i>Positions</i>		0	0	0	0
<b>TOTAL PROGRAMS</b>		<b>\$ 566,188</b>	<b>\$ 598,711</b>	<b>\$ 624,399</b>	<b>\$ 624,399</b>
<i>Positions</i>		<b>6</b>	<b>6</b>	<b>6</b>	<b>6</b>

# Commissioner of Public Affairs

Legislative, Administrative and Support Services Service Area

Dan Saltzman, Commissioner-in-Charge



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	598,711	624,561	25,850	-0.1%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 598,711</b>	<b>\$ 624,561</b>	<b>\$ 25,850</b>	<b>-0.1%</b>
Authorized Full-Time Positions	7	7	0	-4.3%

Note: Per capita change values are adjusted for inflation and population growth.

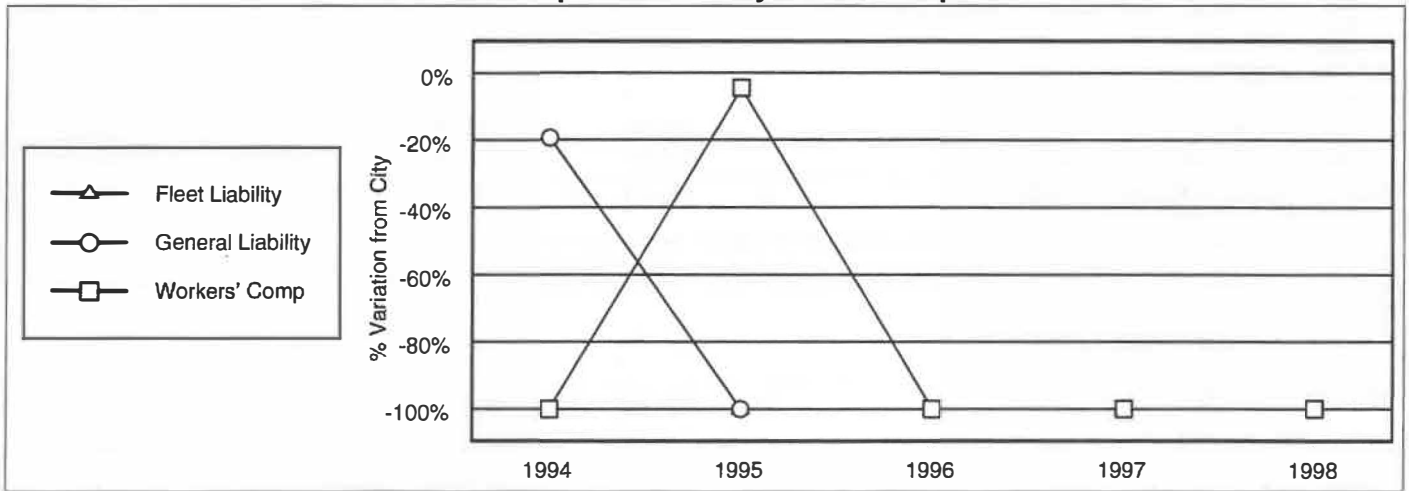
# Bureau Summary

## BUREAU HIGHLIGHTS

The newly elected Commissioner of Public Affairs, Dan Saltzman, took office in January 1999. The Commissioner is responsible for overseeing various City bureaus and acts as the City's liaison to several organizations. Commissioner Saltzman's major areas of interest include policies that provide for a sustainable environment and promotion of strong, healthy families. The office of the Commissioner of Public Affairs supports the Commissioner and provides excellent customer service to the Portland public.

## Performance Measures

**Bureau Loss Experience vs. Citywide Loss Experience**

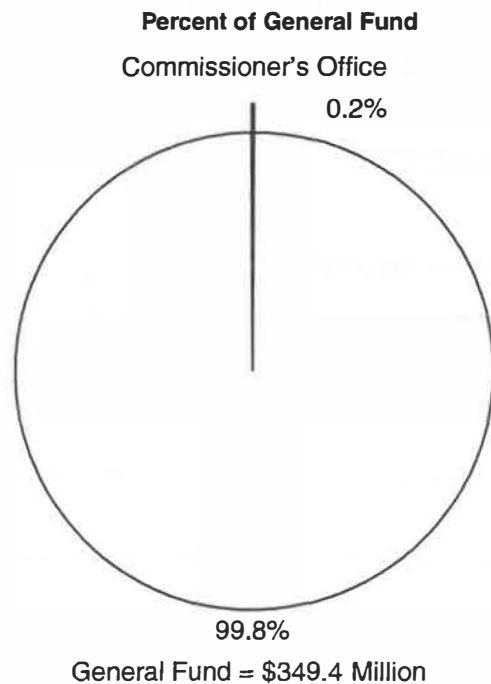


	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	448,012	466,911	487,316	506,999	506,999
External Materials and Service	30,369	45,323	28,349	30,779	30,779
Internal Materials and Service	94,982	82,776	83,046	86,783	86,783
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>573,363</b>	<b>595,010</b>	<b>598,711</b>	<b>624,561</b>	<b>624,561</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 573,363</b>	<b>\$ 595,010</b>	<b>\$ 598,711</b>	<b>\$ 624,561</b>	<b>\$ 624,561</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>598,711</b>	<b>624,561</b>	<b>624,561</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	3	3	3	3	3
<b>TOTAL POSITIONS</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>RESOURCES</b>					
Discretionary General Fund		278,919	280,675	282,848	289,481
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		0	0	0	0
Bureau Program Revenues		0	0	0	0
Overhead Revenues		316,091	318,036	341,713	335,080
<b>Total Non-Discretionary Revenues</b>		<b>316,091</b>	<b>318,036</b>	<b>341,713</b>	<b>335,080</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 595,010</b>	<b>\$ 598,711</b>	<b>\$ 624,561</b>	<b>\$ 624,561</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Department Management		595,010	598,711	624,561	624,561
Positions		7	7	7	7
<b>TOTAL PROGRAMS</b>		<b>\$ 595,010</b>	<b>\$ 598,711</b>	<b>\$ 624,561</b>	<b>\$ 624,561</b>
Positions		<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>

# Commissioner of Public Utilities

Legislative, Administrative and Support Services Service Area

Jim Francesconi, Commissioner-in-Charge



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	606,711	624,589	17,878	-1.4%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 606,711</b>	<b>\$ 624,589</b>	<b>\$ 17,878</b>	<b>-1.4%</b>
Authorized Full-Time Positions	7	7	0	-4.3%

Note: Per capita change values are adjusted for inflation and population growth.

# Bureau Summary

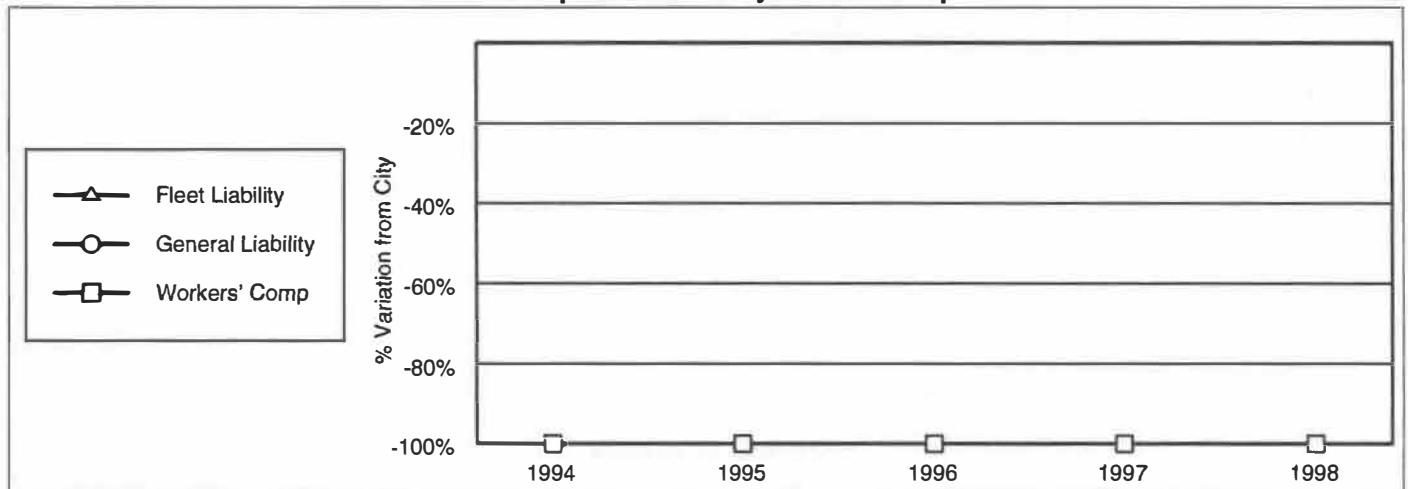
## BUREAU HIGHLIGHTS

The Commissioner of Public Utilities is an elected official and is responsible for overseeing various City bureaus. The Commissioner also serves as the City's liaison to several boards and commissions.

The office of the Commissioner of Public Utilities supports the Commissioner in carrying out his duties. Commissioner Francesconi is committed to developing partnerships between government, the community, and the private sector to build understanding and achieve the best possible solution to the challenges and opportunities facing the City.

## Performance Measures

Bureau Loss Experience vs. Citywide Loss Experience



Commissioner of Public Utilities AU 193

SUMMARY OF BUREAU BUDGET

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	492,331	498,945	492,191	511,388	511,388
External Materials and Service	47,935	14,397	28,643	21,870	21,870
Internal Materials and Service	107,355	93,753	85,877	91,331	91,331
Minor Capital Outlay	0	0	0	0	0
Equipment Cash Transfers	0	0	0	0	0
<b>Total Operating Budget</b>	<b>647,621</b>	<b>607,095</b>	<b>606,711</b>	<b>624,589</b>	<b>624,589</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 647,621</b>	<b>\$ 607,095</b>	<b>\$ 606,711</b>	<b>\$ 624,589</b>	<b>\$ 624,589</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>606,711</b>	<b>624,589</b>	<b>624,589</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	3	3	3	3	3
<b>TOTAL POSITIONS</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>
<b>RESOURCES</b>					
Discretionary General Fund		263,872	288,675	282,876	289,509
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	0	0
Contract Revenues		0	0	0	0
Interagency Revenues		0	0	0	0
Bureau Program Revenues		132	0	0	0
Overhead Revenues		343,091	318,036	341,713	335,080
<b>Total Non-Discretionary Revenues</b>		<b>343,223</b>	<b>318,036</b>	<b>341,713</b>	<b>335,080</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 607,095</b>	<b>\$ 606,711</b>	<b>\$ 624,589</b>	<b>\$ 624,589</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Policy & Management Support		607,095	606,711	624,589	624,589
Positions		7	7	7	7
<b>TOTAL PROGRAMS</b>		<b>\$ 607,095</b>	<b>\$ 606,711</b>	<b>\$ 624,589</b>	<b>\$ 624,589</b>
Positions		<b>7</b>	<b>7</b>	<b>7</b>	<b>7</b>

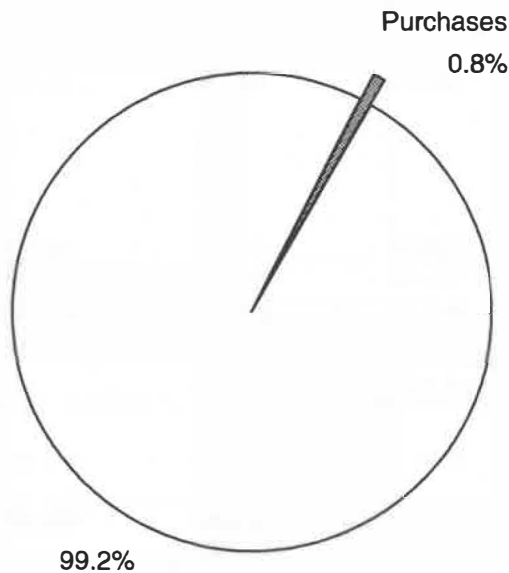
# Bureau of Purchases

Legislative, Administrative and Support Services Service Area

Mayor Vera Katz, Commissioner-in-Charge

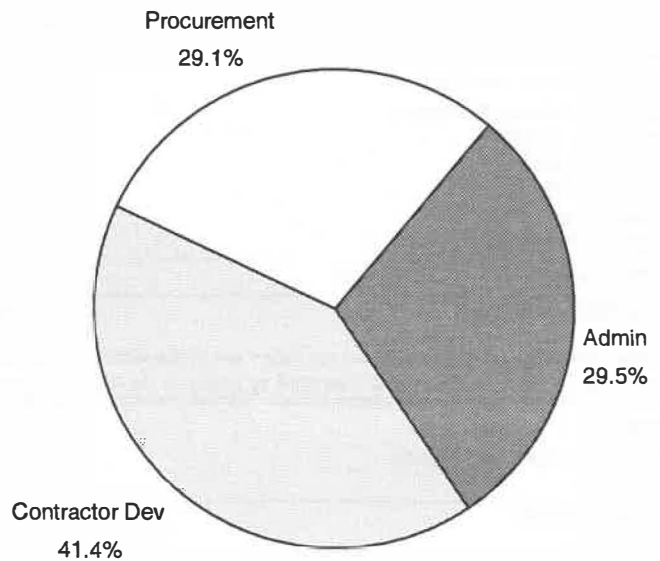
Susan Klobertanz, Director

**Percent of General Fund**



General Fund = \$349.4 Million

**Bureau Programs**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	2,486,962	2,798,080	311,118	7.7%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 2,486,962</b>	<b>\$ 2,798,080</b>	<b>\$ 311,118</b>	<b>7.7%</b>
Authorized Full-Time Positions	24	25	1	-0.3%

Note: Per capita change values are adjusted for inflation and population growth.



# Bureau Summary

## BUREAU MISSION

The City of Portland Bureau of Purchases seeks to create a procurement system that is fair, efficient, effective, and accountable to all citizens while embracing the values and achieving the vision, goals, strategic outcomes, and objectives of the Fair Contracting and Employment Strategy.

The bureau's motto is *Quality Service, Responsible Spending*

## BUREAU HIGHLIGHTS

### Bureau Focus

The Bureau of Purchases administers competitive bidding and contract processing in compliance with necessary laws to acquire goods and services for City bureaus. The bureau is responsible for the implementation of the Fair Contracting and Employment Strategy as approved by City Council on February 26, 1997 and the Apprenticeship and Training Plan as approved by City Council on December 16, 1998.

### Divisions

*Two divisions, the Procurement Division and the Contractor Development Divisions, contribute to City efforts to improve and streamline government processes.*

#### Procurement Division Team

The Procurement Division Team continues to improve utilization of efficient and effective procurement methods through:

- ◆ Use of technology to make bid and program information available 24 hours a day.
- ◆ Implementation of value-added procurement strategies.
- ◆ Use of contemporary processes and technologies to increase procurement efficiency.
- ◆ Continued training and involvement in professional organizations to keep team members up-to-date on procurement practices and procedures.
- ◆ Inclusion of Fair Contracting and Employment Strategy programs and ideals in the procurement process to insure full utilization of community resources.

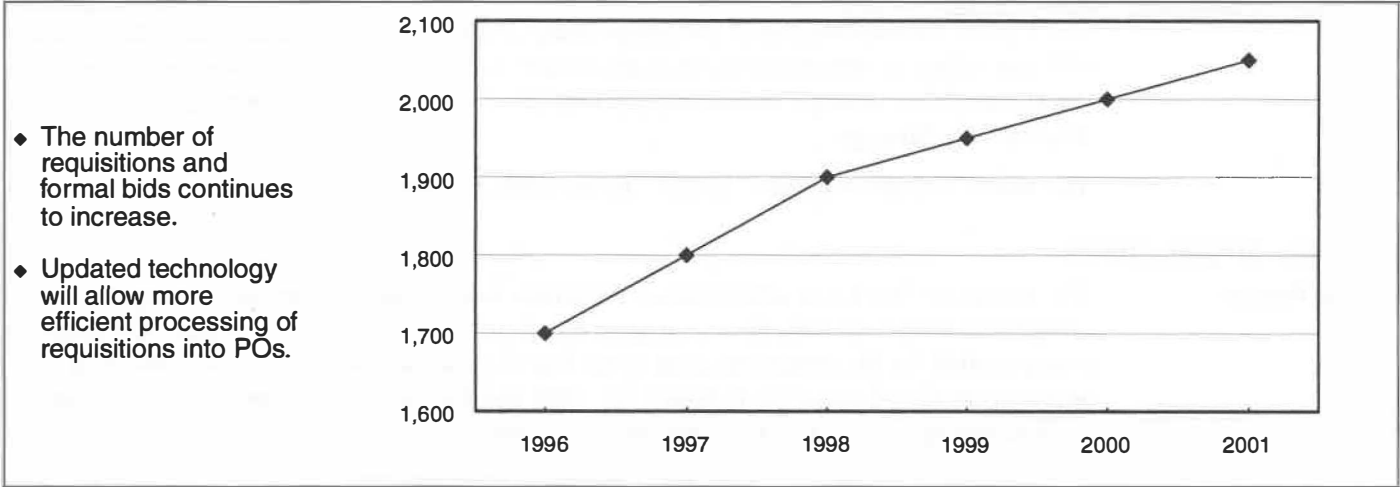
#### Contractor Development Division

The Contractor Development Division continues its Citywide implementation of:

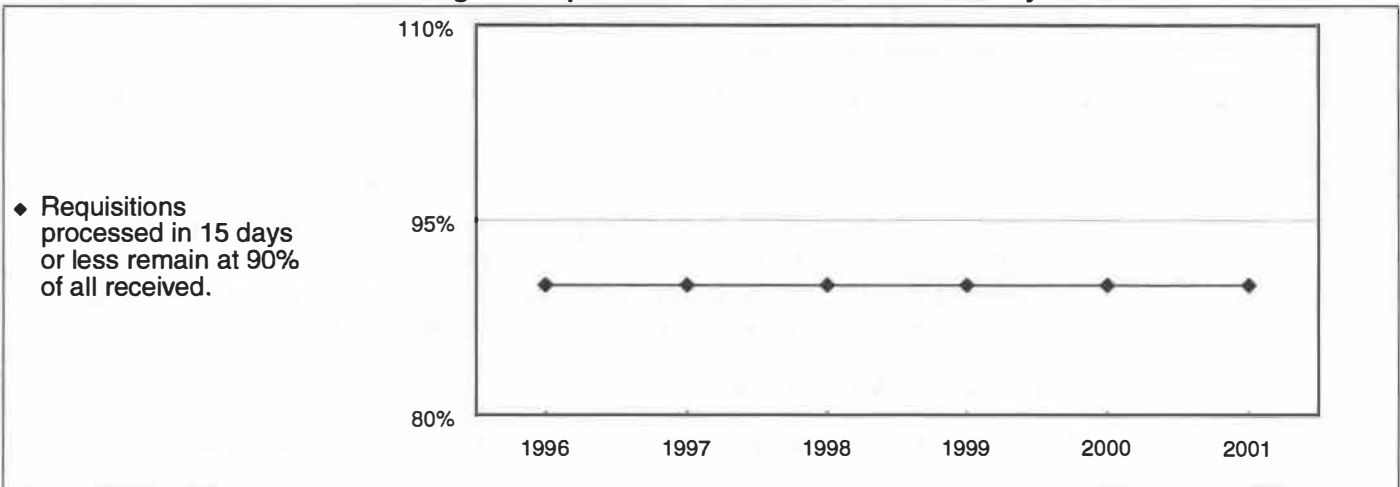
- ◆ **The Citywide Project Manager/ Inspector/ Supervisor Training Plan:** Includes continued core training, development of a training curriculum for all Project Managers and Inspectors, and efforts to recruit for core competencies.
- ◆ **The Internal Apprenticeship and Training Plan:** Increases apprenticeship and training opportunities within the City to meet workforce planning and diversity goals.
- ◆ **The Fair Contracting and Employment Strategy:** Includes the Sheltered Market Program, EEO certification, Good Faith Effort Requirements, contract monitoring and compliance, and targeted outreach efforts.

# Performance Measures

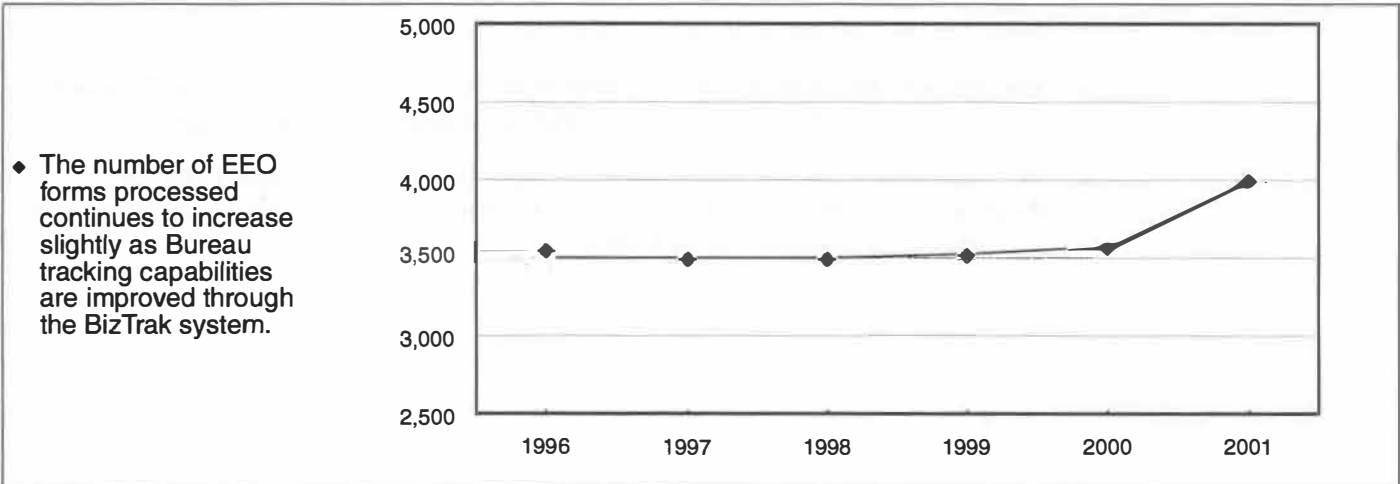
### Requisitions and Formal Bids



### Percentage of Requisitions to POs in Less Than 15 Days

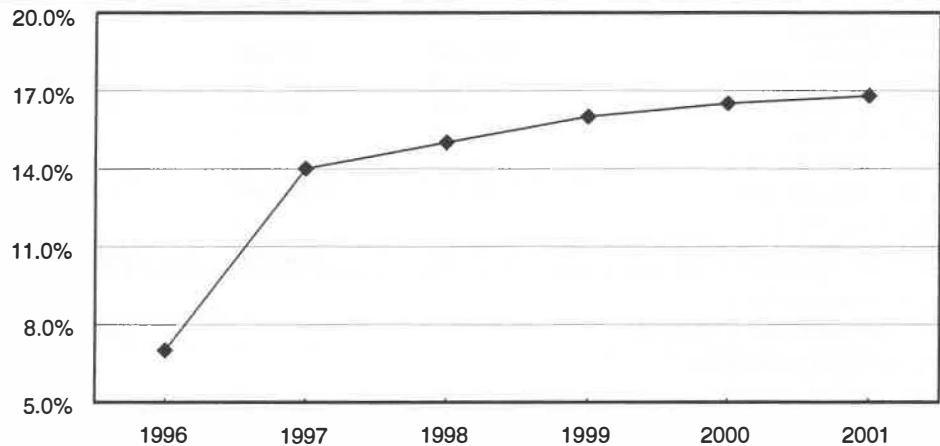


### Number of EEO Certifications Processed



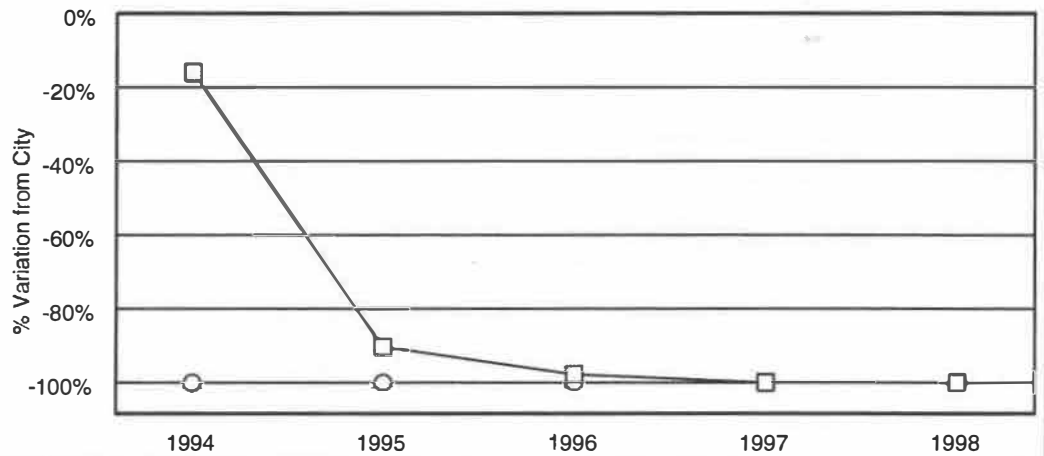
**% Contracted M/W/ESB Based on \$**

- ◆ The percentage of M/W/ESB firms utilized based on dollars spent is expected to increase slightly during the 1999-00 fiscal year.
- ◆ The percentage of utilized firms is expected to increase based on the number of contracts awarded.



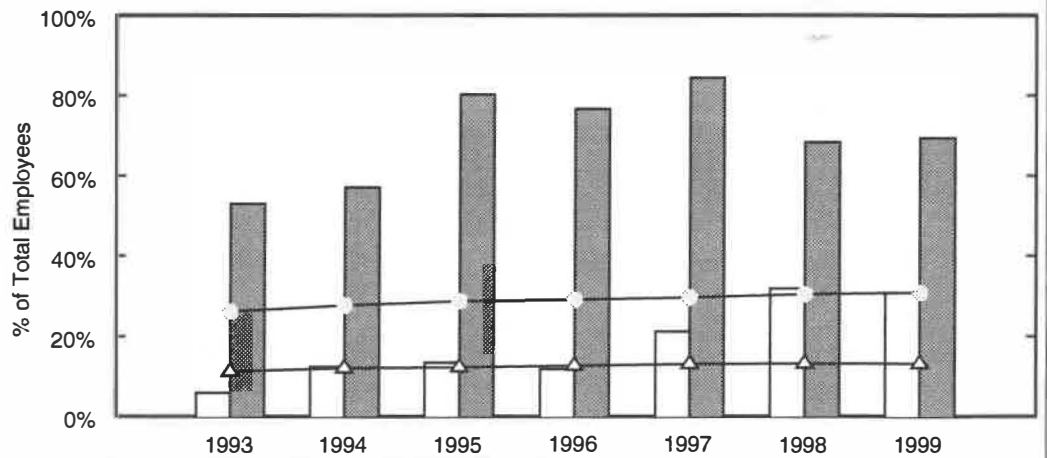
**Bureau Loss Experience vs. Citywide Loss Experience**

- △ Fleet Liability
- General Liability
- Workers' Comp



**Workforce Diversity — Bureau Employees vs. Citywide Employees**

- Bureau % Minority
- Bureau % Female
- △ City % Minority
- City % Female



Bureau of Purchases AU 319

SUMMARY OF BUREAU BUDGET

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	1,215,655	1,422,805	1,484,098	1,801,689	1,801,689
External Materials and Service	220,619	533,003	735,229	628,246	692,746
Internal Materials and Service	297,828	275,044	267,635	303,645	303,645
Minor Capital Outlay	15,080	0	0	0	0
Equipment Cash Transfers	4,000	0	0	0	0
<b>Total Operating Budget</b>	<b>1,753,182</b>	<b>2,230,852</b>	<b>2,486,962</b>	<b>2,733,580</b>	<b>2,798,080</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 1,753,182</b>	<b>\$ 2,230,852</b>	<b>\$ 2,486,962</b>	<b>\$ 2,733,580</b>	<b>\$ 2,798,080</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>2,486,962</b>	<b>2,733,580</b>	<b>2,798,080</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	19	19	19	22	22
<b>TOTAL POSITIONS</b>	<b>21</b>	<b>24</b>	<b>24</b>	<b>25</b>	<b>25</b>
<b>RESOURCES</b>					
Discretionary General Fund		567,381	763,611	856,427	790,193
<b>Non-Discretionary Revenues</b>					
Grants & Donations		0	0	21,000	21,000
Contract Revenues		0	120,020	152,020	152,020
Interagency Revenues		161,917	117,848	121,823	121,823
Bureau Program Revenues		0	0	5,000	5,000
Overhead Revenues		1,501,554	1,485,483	1,577,310	1,708,044
<b>Total Non-Discretionary Revenues</b>		<b>1,663,471</b>	<b>1,723,351</b>	<b>1,877,153</b>	<b>2,007,887</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 2,230,852</b>	<b>\$ 2,486,962</b>	<b>\$ 2,733,580</b>	<b>\$ 2,798,080</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>PROGRAMS</b>					
Procurement		1,348,001	1,268,898	821,172	813,015
<i>Positions</i>		<i>11</i>	<i>11</i>	<i>12</i>	<i>12</i>
Contractor Development		882,851	1,218,064	1,160,697	1,158,829
<i>Positions</i>		<i>5</i>	<i>8</i>	<i>7</i>	<i>7</i>
Purchasing Administration		0	0	751,711	826,236
<i>Positions</i>		<i>5</i>	<i>5</i>	<i>6</i>	<i>6</i>
<b>TOTAL PROGRAMS</b>		<b>\$ 2,230,852</b>	<b>\$ 2,486,962</b>	<b>\$ 2,733,580</b>	<b>\$ 2,798,080</b>
<i>Positions</i>		<i>21</i>	<i>24</i>	<i>25</i>	<i>25</i>

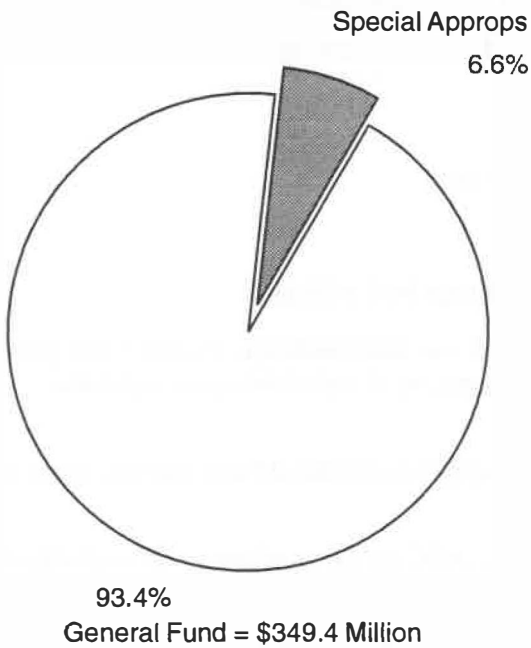
# Special Appropriations

Legislative, Administrative and Support Services Service Area

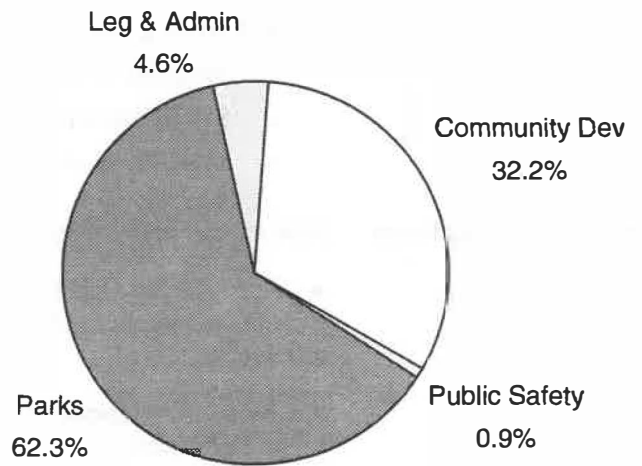
Mayor Vera Katz, Commissioner-in-Charge

Timothy Grewe, Director

**Percent of General Fund**



**Bureau Divisions**



## Bureau Overview

Expenditures in Millions	Revised FY 1998-99	Adopted FY 1999-00	Change from Prior Year	Per Capita Change
Operating	29,245,493	23,254,019	(5,991,474)	-23.9%
Capital	0	0	0	0.0%
Allocated City Overhead Costs	0	0	0	0.0%
<b>Total Cost with Allocated Overhead</b>	<b>\$ 29,245,493</b>	<b>\$ 23,254,019</b>	<b>\$ (5,991,474)</b>	<b>-23.9%</b>
Authorized Full-Time Positions	0	0	0	0.0%

Note: Per capita change values are adjusted for inflation and population growth.

## Bureau Summary

### BUREAU HIGHLIGHTS

**Description** Special appropriations are primarily used for General Fund expenditures on services or projects which are not specific to any particular bureau's operating budget and which provide Citywide benefit. The duration of a special appropriation can be a limited term or ongoing. During the course of any fiscal year, a particular bureau may be identified to provide the service, and the appropriation will be transferred to that bureau.

Adopted FY 1999-00 special appropriations total \$23.3 million.

**Resources** Resources for special appropriations in FY 1999-00 include

- ◆ \$22.9 million in discretionary General Fund resources, and
- ◆ \$385,038 in other revenues, including
  - ◆ \$145,561 in federal grants,
  - ◆ \$55,000 in interagency repayments, and
  - ◆ \$184,477 in overhead revenues.

**New Appropriations** New special appropriations for FY 1999-00 total \$6.4 million.

- ◆ **Portland Area Public Schools:** \$4 million one-time funding to Portland area public schools for summer school and for implementation of audit findings and general efficiencies.
- ◆ **Endangered Species Act:** \$724,089 for support of General Fund bureaus' work related to the Endangered Species Act.
- ◆ **Business Retention:** \$100,000 support to PDC for keeping businesses in Portland, related to the Business Development Appropriation.
- ◆ **Millennium Celebration:** \$50,000 for a Citywide year 2000 celebration.

**Closed Appropriations** The operations and budgets for two special appropriations have been transferred to providing bureaus on an ongoing basis.

- ◆ **Graffiti Removal:** This appropriation will be budgeted in ONI, the bureau which will perform the service.
- ◆ **OMSI Debt Service:** This appropriation will be budgeted in the Governmental Bond Redemption Fund, which pays the debt service.

**Special Appropriations AU 401**

**SUMMARY OF BUREAU BUDGET**

	Actual FY 1996-97	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>EXPENDITURES</b>					
<b>Operating Budget</b>					
Personal Services	52,951	175,608	0	0	0
External Materials and Service	22,590,688	15,438,433	21,681,820	19,099,893	20,408,419
Internal Materials and Service	206,328	118,660	513,673	912,575	912,600
Minor Capital Outlay	0	0	7,050,000	0	1,933,000
Equipment Cash Transfers	0	2,344	0	0	0
<b>Total Operating Budget</b>	<b>22,849,967</b>	<b>15,735,045</b>	<b>29,245,493</b>	<b>20,012,468</b>	<b>23,254,019</b>
Capital Improvements	0	0	0	0	0
<b>TOTAL BUREAU EXPENDITURES</b>	<b>\$ 22,849,967</b>	<b>\$ 15,735,045</b>	<b>\$ 29,245,493</b>	<b>\$ 20,012,468</b>	<b>\$ 23,254,019</b>
Allocated Overhead Costs			0	0	0
<b>Total Cost with Allocated Overhead</b>			<b>29,245,493</b>	<b>20,012,468</b>	<b>23,254,551</b>
<b>Authorized Full-Time Positions</b>					
General Fund Discretionary	0	0	0	0	0
<b>TOTAL POSITIONS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>RESOURCES</b>					
Discretionary General Fund		14,953,993	28,817,100	19,624,815	22,868,981
<b>Non-Discretionary Revenues</b>					
Grants & Donations		411,139	224,052	145,561	145,561
Contract Revenues		0	0	0	0
Interagency Revenues		167,903	30,000	55,000	55,000
Bureau Program Revenues		0	0	0	0
Overhead Revenues		202,010	174,341	187,092	184,477
<b>Total Non-Discretionary Revenues</b>		<b>781,052</b>	<b>428,393</b>	<b>387,653</b>	<b>385,038</b>
<b>TOTAL GENERAL FUND RESOURCES</b>		<b>\$ 15,735,045</b>	<b>\$ 29,245,493</b>	<b>\$ 20,012,468</b>	<b>\$ 23,254,019</b>
<p>Note: Discretionary General Fund revenues are those which may be used by City Council for any public purpose.                      Nondiscretionary revenues are restricted by policy or contractual agreement to the bureaus that generate the revenue.</p>					
<b>DIVISIONS</b>					
Community Development Service Area		7,400,510	5,079,209	8,837,075	8,057,186
<i>Positions</i>		0	0	0	0
Legislative & Administration Service Area		5,141,825	13,513,026	7,267,607	8,631,958
<i>Positions</i>		0	0	0	0
Parks & Recreation Service Area		2,692,853	10,248,221	3,566,707	6,223,796
<i>Positions</i>		0	0	0	0
Public Safety Service Area		436,789	275,547	201,191	201,191
<i>Positions</i>		0	0	0	0
Transportation Service Area		63,068	129,490	139,888	139,888
<i>Positions</i>		0	0	0	0
<b>TOTAL DIVISIONS</b>		<b>\$ 15,735,045</b>	<b>\$ 29,245,493</b>	<b>\$ 20,012,468</b>	<b>\$ 23,254,019</b>
<i>Positions</i>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

**Special Appropriations AU 401**

**BUREAU PROGRAMS BY DIVISION**

	<b>Actual FY 1997-98</b>	<b>Revised FY 1998-99</b>	<b>Approved FY 1999-00</b>	<b>Adopted FY 1999-00</b>
<b>PROGRAMS</b>				
<b>COMMUNITY DEVELOPMENT SERVICE AREA</b>				
PDC - 2040	919,671	1,090,981	1,043,400	1,043,400
<i>Positions</i>	0	0	0	0
Outer Southeast	800,000	0	0	0
<i>Positions</i>	0	0	0	0
Neighborhood Seed Fund	0	134,000	0	0
<i>Positions</i>	0	0	0	0
OMSI	0	325,000	0	0
<i>Positions</i>	0	0	0	0
PDC Business Development	418,036	432,164	466,866	466,866
<i>Positions</i>	0	0	0	0
PDC NE Workforce Center	94,763	97,966	105,833	105,833
<i>Positions</i>	0	0	0	0
PDC OSE Lents Program	476,793	467,566	0	0
<i>Positions</i>	0	0	0	0
PDC Business Districts	47,756	50,000	54,015	54,015
<i>Positions</i>	0	0	0	0
PDC Targeted Industry Jobs	106,773	110,381	119,244	119,244
<i>Positions</i>	0	0	0	0
PDC Waterfront Dev. Activities	428,719	443,208	479,657	479,657
<i>Positions</i>	0	0	0	0
PDC Business Retention	0	0	100,000	100,000
<i>Positions</i>	0	0	0	0
PDC 2040 Implementation	0	0	521,648	521,648
<i>Positions</i>	0	0	0	0
Willamette Greenway Plan	0	0	724,089	0
<i>Positions</i>	0	0	0	0
Downtown Services	518,749	844,093	904,645	848,845
<i>Positions</i>	0	0	0	0
Block by Block Weatherization	182,572	188,743	203,899	203,899
<i>Positions</i>	0	0	0	0
Civil Rights Fair Housing Council	20,353	42,077	45,456	45,456
<i>Positions</i>	0	0	0	0
Portland Area Schools	3,286,923	350,000	4,000,000	4,000,000
<i>Positions</i>	0	0	0	0
Graffiti Removal	0	280,069	0	0
<i>Positions</i>	0	0	0	0
Civil Rights Mediation	0	50,000	50,000	50,000
<i>Positions</i>	0	0	0	0
North Macadam	92,500	156,000	0	0
<i>Positions</i>	0	0	0	0
Clean & Safe (EID)	6,902	16,961	18,323	18,323
<i>Positions</i>	0	0	0	0
<b>TOTAL PROGRAMS</b>	<b>\$ 7,400,510</b>	<b>\$ 5,079,209</b>	<b>\$ 8,837,075</b>	<b>\$ 8,057,186</b>
<i>Positions</i>	0	0	0	0
<b>LEGISLATIVE &amp; ADMINISTRATION SERVICE AREA</b>				
IRS Rebate	0	93,600	0	93,600
<i>Positions</i>	0	0	0	0
Safety Net Severance Program	18,350	0	0	0
<i>Positions</i>	0	0	0	0
Targeted Severance Program	175,608	0	0	0
<i>Positions</i>	0	0	0	0
DCTU	0	300,000	357,257	450,000
<i>Positions</i>	0	0	0	0
ITSP Capital	0	195,000	0	54,000
<i>Positions</i>	0	0	0	0
Business License Refunds	4,415,321	5,667,760	3,793,897	3,935,438
<i>Positions</i>	0	0	0	0
City Membership and Dues	302,003	273,418	281,723	281,723
<i>Positions</i>	0	0	0	0
Leaders Roundtable	10,000	10,000	10,137	10,137
<i>Positions</i>	0	0	0	0
Innovations Fund	0	94,897	125,108	180,788
<i>Positions</i>	0	0	0	0



Special Appropriations AU 401

BUREAU PROGRAMS BY DIVISION

	Actual FY 1997-98	Revised FY 1998-99	Approved FY 1999-00	Adopted FY 1999-00
<b>PROGRAMS</b>				
Employee Suggestion Program	4,655	31,014	31,440	31,440
<i>Positions</i>	0	0	0	0
Millenium Celebration	0	0	50,000	50,000
<i>Positions</i>	0	0	0	0
Unemployment Insurance	207,472	200,000	200,000	200,000
<i>Positions</i>	0	0	0	0
Compensation Adjustments	0	6,634,884	2,405,421	3,332,208
<i>Positions</i>	0	0	0	0
Management Council	1,416	5,453	5,528	5,528
<i>Positions</i>	0	0	0	0
Council Emergency Funds	7,000	7,000	7,096	7,096
<i>Positions</i>	0	0	0	0
<b>TOTAL PROGRAMS</b>	<b>\$ 5,141,825</b>	<b>\$ 13,513,026</b>	<b>\$ 7,267,607</b>	<b>\$ 8,631,958</b>
<i>Positions</i>	0	0	0	0
<b>PARKS &amp; RECREATION SERVICE AREA</b>				
Cultural Tourism	200,000	200,000	200,000	200,000
<i>Positions</i>	0	0	0	0
MERC/PCPA	600,000	620,277	670,084	670,084
<i>Positions</i>	0	0	0	0
Endangered Species Act	0	0	0	724,089
<i>Positions</i>	0	0	0	0
Regional Arts & Culture Commission	1,595,526	2,342,944	2,661,623	2,661,623
<i>Positions</i>	0	0	0	0
Oregon Historical Society	18,810	35,000	35,000	35,000
<i>Positions</i>	0	0	0	0
Neighborsafe	278,517	0	0	0
<i>Positions</i>	0	0	0	0
Schools Land Acquisition	0	7,050,000	0	1,933,000
<i>Positions</i>	0	0	0	0
<b>TOTAL PROGRAMS</b>	<b>\$ 2,692,853</b>	<b>\$ 10,248,221</b>	<b>\$ 3,566,707</b>	<b>\$ 6,223,796</b>
<i>Positions</i>	0	0	0	0
<b>PUBLIC SAFETY SERVICE AREA</b>				
Regional Drug Initiative-City Contribution	25,650	25,650	27,710	27,710
<i>Positions</i>	0	0	0	0
Justice Council	0	25,845	27,920	27,920
<i>Positions</i>	0	0	0	0
Regional Drug Initiative	411,139	224,052	145,561	145,561
<i>Positions</i>	0	0	0	0
<b>TOTAL PROGRAMS</b>	<b>\$ 436,789</b>	<b>\$ 275,547</b>	<b>\$ 201,191</b>	<b>\$ 201,191</b>
<i>Positions</i>	0	0	0	0
<b>TRANSPORTATION SERVICE AREA</b>				
Employee Transit Program	63,068	129,490	139,888	139,888
<i>Positions</i>	0	0	0	0
<b>TOTAL PROGRAMS</b>	<b>\$ 63,068</b>	<b>\$ 129,490</b>	<b>\$ 139,888</b>	<b>\$ 139,888</b>
<i>Positions</i>	0	0	0	0

