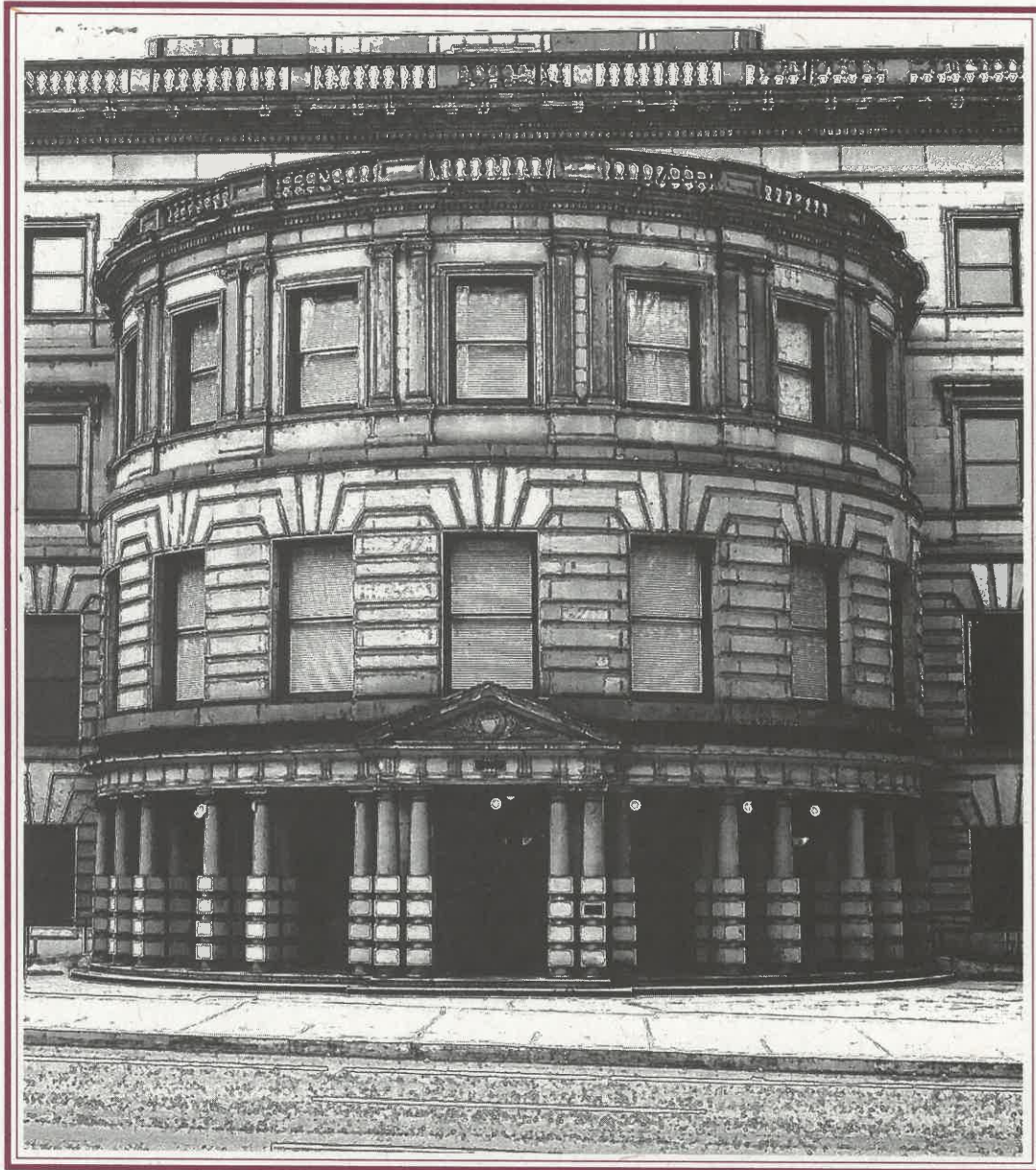


# ADOPTED BUDGET

## CITY OF PORTLAND

### OREGON



**FISCAL YEAR 2003-2004**

**Volume Two**

**City Funds**

**Financial Plans and Policies**

## **The Portland City Hall**

**On the cover is the rotunda and 4<sup>th</sup> Avenue main entrance to Portland's historic City Hall, built in 1895. Diane Bilyeu, an employee in the Office of the City Auditor, took the handsome photograph of the east side of the building using an Olympus C3040 Zoom Digital camera; the photo was edited with Adobe Photoshop 7 software.**

**City Hall was designed by Portland architects Whidden and Lewis in a 16<sup>th</sup> century Manneristic Renaissance style. The exterior is made from sandstone quarried in Wyoming while the Aberdine granite columns surrounding the 4<sup>th</sup> Avenue entrance were imported from Scotland. Marble floor and wall materials inside the building were imported from France and Italy.**

**During major renovations in the 1930's, the original light courts in the main lobby were closed off, Council Chamber windows (seen above the columns) were sealed, the area in front of the grand entrance on 4<sup>th</sup> Avenue became parking for City workers, and the main entrance to the building was moved to 5<sup>th</sup> Avenue.**

**In the 1990's, the City undertook a \$29 million restoration of the building. The light courts were restored, Council Chambers were returned to their original orientation and completely remodeled, seismic improvements were made to bring the building up to current codes, and once again the 4<sup>th</sup> Avenue rotunda became the main entrance. On March 30, 1998, City Hall was rededicated for another century of service.**

# **Adopted Budget**

## **City of Portland, Oregon**

**Fiscal Year 2003-04**  
**Volume Two**

**City Funds**  
**Financial Plans and Policies**

*Mayor Vera Katz*  
*Commissioner Jim Francesconi*  
*Commissioner Randy Leonard*  
*Commissioner Dan Saltzman*  
*Commissioner Erik Sten*  
*Auditor Gary Blackmer*

*The contents of this budget are printed on  
100% post-consumer waste recycled paper.*



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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 annual budget for the fiscal year beginning July 1, 2001.

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 one year only. We believe our current budget document continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.







# User's Guide

The FY 2003-04 Adopted Budget document consists of three volumes. Volume One contains general information about the City of Portland budget, and presents the budgets of the City's bureaus and offices. Volume Two has information about the City's funds and Volume Three contains detail on the City's capital projects.

## VOLUME ONE – BUREAU BUDGETS ~ PROGRAMS AND SERVICES

<b>User's Guide</b>	This outline describes the elements of Volume One.
<b>Mayor's Budget Message</b>	Mayor Vera Katz presents a budget message, highlighting the challenges, opportunities, uncertainties and decisions that she and the City have faced in the development of the Adopted Budget for FY 2003-04.
<b>Budget Overviews</b>	<p><b>Budget Overview</b></p> <p>The Overview summarizes the City budget from a technical perspective, links decisions and programs to City Council goals and strategic issues, presents Citywide data and summarizes the budget decisions incorporated into the Adopted Budget.</p> <p><b>Financial Overview</b></p> <p>The Financial Overview provides a summary of the financial planning process and the five-year financial forecast. It also highlights key revenue and expenditure trends and issues.</p> <p><b>Financial Tables</b></p> <p>These are a series of financial summaries of operating and capital revenues and expenditures, both Citywide and for specific bureaus and funds.</p>
<b>Service Area Information</b>	<p>City bureaus are categorized into service areas based on the nature of their programs and services. Each Service Area section of the budget document presents a summary description and highlights of the relevant bureaus. This is followed by the proposed budgets for each bureau in the service area.</p> <ul style="list-style-type: none"> <li>◆ Public Safety</li> <li>◆ Parks, Recreation and Culture</li> <li>◆ Public Utilities</li> <li>◆ Community Development</li> <li>◆ Transportation and Parking</li> <li>◆ Legislative, Administrative and Support Services</li> </ul>

## VOLUME TWO – FINANCIAL BUDGET

<b>Financial Summaries</b>	Tables at the front of Volume Two summarize the City budget across all funds. The tax levy computations and urban renewal tax certifications are included. Tables summarizing outstanding debt held by the City complete the financial summaries.
<b>Fund Summaries</b>	Presented in the same service area order as Volume One, this section details the resources and expenditures of each City fund, with brief supporting narrative.

**Appendices**

The appendices include three sections of documents supporting development of the City's budget:

1. **Financial Plans:** The financial plans of the General Fund and the enterprise funds are included to provide a more detailed information about the financial context and implementation decisions made in this budget
2. **Financial Policies:** These policies provide a framework for financial and budgetary decisions, especially during times of constrained or constricting resources in tension with increasing expectations for services. Financial policies also provide for a basis for stability over time, leavening more immediate interests and issues.
3. **Ordinances:** The ordinances that formally adopt the budget and levy taxes are included here. Also presented is the letter of certification of the City's Approved budget by the Multnomah County Tax Supervising and Conservation Commission.

**VOLUME THREE – CAPITAL BUDGET**

**Overview of Capital Budgeting**

Includes an introduction to the City's Capital Improvement process, explains the decision process for General Fund projects, an overview of the five-year capital budget, highlights of the FY 2003-04 General Fund capital budget, highlights of the FY 2003-04 capital projects for the 'other' funds,

**Citywide Summary**

Various tables which present the projects by Service Area, including anticipated changes to operating and maintenance costs. the tables also present a five year forecast of the capital budgets.

**Capital Projects Detail**

This section also 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. The projects are presented by Service Area.

**Questions**

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

# Financial Summaries

## Guide to the Financial Summaries

### Introduction

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

### Appropriation Schedules

#### Bureau Expenses by Fund

The first table in Volume Two looks at the "Bureau Expenses by Fund". It provides detail on the bureau expenses, showing how much is budgeted for personnel costs, capital purchases, and the other major expense categories. The Total column of Table 1 is equal to the first column in Table 2.

#### Appropriation Schedule

The second table in Volume Two, 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 1. Fund requirements are divided into contingency, inter-fund cash transfers, debt retirement, and inventory increases.

### Tax Levy Computation and Urban Renewal Certifications

Table 3A outlines City property tax levy calculations and Table 3B is the urban renewal certifications. These tables reflect Measure 5 and 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 statutes. The two tables state total requirements for each tax-supported fund, less non-tax revenues. This leaves an amount the fund receives in current year tax revenues. This amount is factored up for delinquencies, and Measure 5 and 50 losses (if applicable). The result is a certified property tax levy for each fund.

### Summaries by Fund

Tables 4 and 5 in Volume Two 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 4, the "Total Revenues and Expenses by Fund by Fiscal Year" table, shows the total expenses (or the total revenues, since they are equal) in any fund for the current year, and two years of history.

#### Revenues by Fund

Table 5 looks at "Revenues by Fund". It provides a more detailed view of the major revenue types received by each fund.

**Historical Funds**

Table 6, “Historical Funds and Appropriations”, shows fund total information for City funds, and for General Fund Special Appropriations which have been closed during the past three fiscal years. This information is also required by State Budget Law.

**Debt Service**

Tables 7 and 8 are representations of City bonded indebtedness. Table 7 is a summary of debt outstanding. Table 8 summarizes principal and interest payments to be made by the City in FY 2003-04.

Tables 9 and 10 show principal and interest requirements over the life of City bonded indebtedness. These amounts are aggregated by service area. Table 11 is a listing of City defeased indebtedness.

**General Fund / General Reserve Summaries**

The General Fund and the General Reserve Fund summaries are included in this section, because services provided by these funds fall into many service areas.



# Summary of Bureau Expenses by Fund – FY 2003–04

TABLE 1

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 2.

	Personal Services	External Mat'l & Svcs	Internal Mat'l & Svcs	Capital Outlay	Equip Cash Transfers	Total Bureau Expenses
<b>General Fund</b>						
City Attorney	4,339,039	320,801	500,384	0	0	5,160,224
City Auditor	4,842,680	1,086,455	933,450	0	0	6,862,585
Cable Communications	619,182	810,504	290,011	0	0	1,719,697
Commissioner of Public Utilities	531,417	16,379	105,991	0	0	653,787
Commissioner of Public Works	511,982	9,000	99,569	0	0	620,551
Commissioner of Public Affairs	638,183	17,401	101,623	0	0	757,207
Commissioner of Public Safety	505,675	17,811	92,093	0	0	615,579
Community Development	1,851,942	7,326,401	183,694	0	0	9,362,037
Emergency Management	509,262	164,394	282,596	0	0	956,252
Fire, Rescue & Emergency Service	57,776,651	4,489,840	4,331,728	1,223,004	0	67,821,223
Government Relations	426,147	229,948	74,271	0	0	730,366
Licenses	2,788,412	360,662	882,017	0	0	4,031,091
Mayor	976,094	34,766	375,598	0	0	1,386,458
Neighborhood Involvement	4,047,193	2,301,782	916,980	0	0	7,265,955
OMF - Bus Ops	2,782,111	1,993,852	1,298,584	0	0	6,074,547
BGS Bus Ops	300,692	34,663	23,253	0	0	358,608
OMF - Financial Services	4,571,026	717,836	3,999,623	0	0	9,288,485
OMF - Human Resources	4,384,743	539,096	1,145,676	0	0	6,069,515
Purchases	2,154,847	444,967	907,259	0	0	3,507,073
Parks - GF	29,003,150	10,951,042	5,631,169	96,563	121,545	45,803,469
Parks Stores	0	25,000	0	0	0	25,000
OSD-Green Building	355,657	318,247	31,161	0	0	705,065
Sust Tech & Practices	244,267	547,066	19,895	0	0	811,228
OSD-Energy	556,922	956,147	76,678	0	0	1,589,747
Planning	5,139,362	1,519,373	1,440,892	0	0	8,099,627
Police	91,092,911	10,967,480	22,816,343	200,000	0	125,076,734
Special Appropriations	0	19,482,064	121,800	0	0	19,603,864
<b>Total General Fund</b>	<b>220,949,547</b>	<b>65,682,977</b>	<b>46,682,338</b>	<b>1,519,567</b>	<b>121,545</b>	<b>334,955,974</b>
<b>Operating Funds</b>						
Spectator Facilities Fund	0	1,306,950	327,275	850,000	0	2,484,225
Assessment Collection	0	0	0	0	0	0
Development Services Fund	21,214,821	1,648,324	5,347,276	12,063	0	28,222,484
Cable	0	2,509,833	375,511	0	0	2,885,344
Emergency Communications	9,507,144	704,140	2,317,460	155,000	0	12,683,744
Golf	2,459,754	1,510,587	929,221	620,484	0	5,520,046
Hydropower Operating	256,958	104,300	186,009	0	0	547,267
Parking Facilities	0	2,123,531	2,398,721	26,500	0	4,548,752
Portland International Raceway	544,167	336,500	237,595	0	0	1,118,262
Property Management License	0	4,212,634	0	0	0	4,212,634
Public Safety	0	71,200	24,068	70,000	0	165,268
OSD-Solid Waste & Recycling	752,717	1,758,217	437,880	0	0	2,948,814
Sewage System Operating	38,966,622	37,655,343	36,833,546	116,738,009	25,000	230,218,520
Transportation Operating	54,146,373	26,741,832	18,087,037	29,615,447	0	128,590,689
Water	39,287,493	24,159,757	12,175,109	28,118,729	20,000	103,761,088
<b>Total Operating Funds</b>	<b>167,136,049</b>	<b>104,843,148</b>	<b>79,676,708</b>	<b>176,206,232</b>	<b>45,000</b>	<b>527,907,137</b>
<b>Internal Service Funds</b>						
Communications Svcs Operating	3,417,245	7,229,853	1,182,821	515,000	0	12,344,919
Information Technology Fund	11,723,525	3,435,784	1,310,230	30,000	0	16,499,539
Facilities Services	2,961,542	13,250,776	1,781,811	299,000	0	18,293,129
Vehicle Services Operating Fund	5,704,114	6,735,527	1,368,178	7,387,964	0	21,195,783
Health Insurance	467,942	32,193,068	726,153	0	0	33,387,163
Insurance and Claims Operating	628,174	4,681,114	1,677,116	0	0	6,986,404
Printing/Distribution Services	1,672,248	3,571,973	646,874	442,000	0	6,333,095
Workers' Compensation Operating	714,915	3,865,514	794,885	0	0	5,375,314
<b>Total Internal Service Funds</b>	<b>27,289,705</b>	<b>74,963,609</b>	<b>9,488,068</b>	<b>8,673,964</b>	<b>0</b>	<b>120,415,346</b>
<b>Agency and Trust Funds</b>						
Environmental Remediation	0	40,000	187,467	325,000	0	552,467
Housing Investment	0	8,978,205	31,000	12,000,000	0	21,009,205

# Summary of Bureau Expenses by Fund – FY 2003–04

TABLE 1

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 2.

	Personal Services	External Mat'l & Svcs	Internal Mat'l & Svcs	Capital Outlay	Equip Cash Transfers	Total Bureau Expenses
Hydropower Renewal & Replacement	0	0	0	0	0	0
Portland Parks Memorial Trust	0	883,680	1,240,053	0	0	2,123,733
Parks Endowment Fund	0	700	0	0	0	700
Sewer Revolving Loan	0	76,000	0	0	0	76,000
Sewer System Rate Stabilization	0	0	0	0	0	0
Sewer System Safety Net	0	230,000	0	0	0	230,000
Water Growth Impact Charge Trust	0	0	0	0	0	0
<b>Total Agency and Trust Funds</b>	0	10,208,585	1,458,520	12,325,000	0	23,992,105
<b>Construction Funds</b>						
BFRES Facilities Bond Fund	0	269,000	2,344,180	10,438,820	300,000	13,352,000
LID Construction Fund	0	75,000	5,369,890	3,359,713	0	8,804,603
Parks Construction	1,164,754	658,682	466,250	7,108,352	0	9,398,038
Sewer System Construction	0	0	0	0	0	0
Water Construction	0	0	0	0	0	0
<b>Total Construction Funds</b>	1,164,754	1,002,682	8,180,320	20,906,885	300,000	31,554,641
<b>Debt Service Funds</b>						
Airport Way Debt Service	0	0	0	0	0	0
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
Gateway 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	4,000	0	0	0	4,000
Hydropower Bond	0	0	0	0	0	0
Lents Urban Renewal Debt Fund	0	0	0	0	0	0
Interstate Corridor Debt Service Fund	0	0	0	0	0	0
N Macadam 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
Pension Debt Redemption Fund	0	411,713	110,921	0	0	522,634
River District Debt Fund	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
Special Projects Debt Redemption	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	0	0	0	0	0
<b>Total Debt Service Funds</b>	0	415,713	110,921	0	0	526,634
<b>Federal and State Funds</b>						
Federal Grants	0	0	0	0	0	0
Home Grant	0	4,708,724	409,497	0	0	5,118,221
Housing & Community Development	0	13,717,348	2,583,519	0	0	16,300,867
<b>Total Federal and State Funds</b>	0	18,426,072	2,993,016	0	0	21,419,088
<b>Retirement Funds</b>						
FPD&R	0	82,294,496	1,206,328	10,000	0	83,510,824
FPD&R Retirement Reserve	0	0	0	0	0	0
Supp Retirement Program Trust	0	7,200	0	0	0	7,200
<b>Total Retirement Funds</b>	0	82,301,696	1,206,328	10,000	0	83,518,024
<b>Revenue and Reserve Fund</b>						
Business License Surcharge	0	0	304,594	0	0	304,594
Children's Investment Fund	0	8,366,242	83,758	0	0	8,450,000
Convention and Tourism	0	2,073,385	60,254	0	0	2,133,639
General Reserve	0	0	0	0	0	0
Parks Levy Fund	0	0	4,983,081	0	0	4,983,081

# Summary of Bureau Expenses by Fund – FY 2003–04

TABLE 1

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 2.

	Personal Services	External Mat'l & Svcs	Internal Mat'l & Svcs	Capital Outlay	Equip Cash Transfers	Total Bureau Expenses
Special Finance & Resource Fund	0	152,232,000	0	0	0	152,232,000
Transportation Reserve	0	0	0	0	0	0
<b>Total Revenue and Reserve Fund</b>	0	162,671,627	5,431,687	0	0	168,103,314
<b>TOTAL ALL FUNDS</b>	<b>\$ 416,540,055</b>	<b>\$ 520,516,109</b>	<b>\$ 155,227,906</b>	<b>\$ 219,641,648</b>	<b>\$ 466,545</b>	<b>\$1,312,392,263</b>

# Appropriation Schedule – FY 2003–04

TABLE 2

This table summarizes the major fund level requirements by bureaus in the General Fund, Special Appropriations, and other funds. Bureau level expenses are summarized in Table 1.

	Bureau Program Expenses	Fund Requirements				Total Appropriation
		Contingency	Interfund Cash Transfers	Debt Retirement	Inventory Increase	
<b>GENERAL FUND</b>						
City Attorney	5,160,224	0	0	0	0	5,160,224
City Auditor	6,862,585	0	0	0	0	6,862,585
Cable Communications	1,719,697	0	0	0	0	1,719,697
Commissioner of Public Utilities	653,787	0	0	0	0	653,787
Commissioner of Public Works	620,551	0	0	0	0	620,551
Commissioner of Public Affairs	757,207	0	0	0	0	757,207
Commissioner of Public Safety	615,579	0	0	0	0	615,579
Community Development	9,362,037	0	0	0	0	9,362,037
Emergency Management	956,252	0	0	0	0	956,252
Fire, Rescue & Emergency Service	67,821,223	0	0	0	0	67,821,223
Government Relations	730,366	0	0	0	0	730,366
Licenses	4,031,091	0	0	0	0	4,031,091
Mayor	1,386,458	0	0	0	0	1,386,458
OMF - Bus Ops	6,074,547	0	0	0	0	6,074,547
BGS Bus Ops	358,608	0	0	0	0	358,608
OMF - Financial Services	9,288,485	0	0	0	0	9,288,485
OMF - Human Resources	6,069,515	0	0	0	0	6,069,515
Purchases	3,507,073	0	0	0	0	3,507,073
Neighborhood Involvement	7,265,955	0	0	0	0	7,265,955
OSD-Green Building	705,065	0	0	0	0	705,065
Sust Tech & Practices	811,228	0	0	0	0	811,228
OSD-Energy	1,589,747	0	0	0	0	1,589,747
Parks - GF	45,803,469	0	0	0	0	45,803,469
Parks Stores	25,000	0	0	0	0	25,000
Planning	8,099,627	0	0	0	0	8,099,627
Police	125,076,734	0	0	0	0	125,076,734
<b>Total GENERAL FUND BUREAUS</b>	<b>315,352,110</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>315,352,110</b>
<b>Special Appropriations</b>						
<b>Public Safety</b>						
Public Safety Coord Council	26,405	0	0	0	0	26,405
<b>Parks &amp; Recreation</b>						
MERC/PCPA	641,256	0	0	0	0	641,256
Regional Arts & Culture Comm	1,963,603	0	0	0	0	1,963,603
<b>Community Development</b>						
Clean & Safe (BID)	16,628	0	0	0	0	16,628
Downtown Services	878,111	0	0	0	0	878,111
PDC Citywide Business Dev	428,038	0	0	0	0	428,038
PDC Business Districts Program	54,280	0	0	0	0	54,280
PDC Regional Business Dev	136,237	0	0	0	0	136,237
PDC Enterprise Zones	50,582	0	0	0	0	50,582
PDC Small Business Program	111,200	0	0	0	0	111,200
BHCD Workforce Development	100,088	0	0	0	0	100,088
PDC Targeted Industry Jobs	118,150	0	0	0	0	118,150
<b>Legislative &amp; Adminstrat</b>						
Business License Refunds	6,382,525	0	0	0	0	6,382,525
City Membership and Dues	228,949	0	0	0	0	228,949
CIP O&M Set Aside	567,566	0	0	0	0	567,566
Compensation Adjustments	7,536,302	0	0	0	0	7,536,302

# Appropriation Schedule – FY 2003–04

TABLE 2

This table summarizes the major fund level requirements by bureaus in the General Fund, Special Appropriations, and other funds. Bureau level expenses are summarized in Table 1.

	Bureau Program Expenses	Fund Requirements				Total Appropriation
		Contingency	Interfund Cash Transfers	Debt Retirement	Inventory Increase	
COPPEEA Prof Dev Fund	125,000	0	0	0	0	125,000
Council Emergency Funds	5,081	0	0	0	0	5,081
Employee Transit Program	132,293	0	0	0	0	132,293
Leaders Roundtable	9,570	0	0	0	0	9,570
Managing for Results	92,000	0	0	0	0	92,000
<b>Total SPECIAL APPROPRIATIONS</b>	<b>19,603,864</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>19,603,864</b>
<b>Total FUND REQUIREMENTS</b>	<b>0</b>	<b>8,902,743</b>	<b>26,419,484</b>	<b>0</b>	<b>0</b>	<b>35,322,227</b>
<b>TOTAL GENERAL FUND</b>	<b>\$ 334,955,974</b>	<b>\$ 8,902,743</b>	<b>\$ 26,419,484</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 370,278,201</b>
<b>OPERATING FUNDS</b>						
✓ Assessment Collection	0	63,112	209	0	0	63,321
✓ Cable	2,885,344	812,319	14,259	0	0	3,711,922
✓ Emergency Communications	12,683,744	0	443,563	0	0	13,127,307
✓ Golf	5,520,046	577,568	1,004,010	154,765	0	7,256,389
✓ Hydropower Operating	547,267	177,671	266,262	0	0	991,200
✓ Parking Facilities	4,548,752	1,101,415	5,797,698	0	0	11,447,865
✓ Development Services Fund	28,222,484	3,097,918	1,342,819	0	0	32,663,221
✓ Portland International Raceway	1,118,262	536,768	42,369	0	0	1,697,399
✓ Property Management License	4,212,634	0	0	0	0	4,212,634
✓ Public Safety	165,268	421,668	268,088	0	0	855,024
✓ Solid Waste	2,948,814	1,957,735	1,080,385	0	0	5,986,934
✓ Sewage System Operating	230,218,520	23,667,908	117,598,046	131,354	0	371,615,828
✓ Spectator Facilities Fund	2,484,225	5,495,732	294,463	6,715,311	0	14,989,731
✓ Transportation Operating	128,590,689	13,550,947	5,969,146	0	100,000	148,210,782
✓ Water	103,761,088	14,928,049	31,700,606	2,323,014	40,000	152,752,757
<b>Total OPERATING FUNDS</b>	<b>527,907,137</b>	<b>66,388,810</b>	<b>165,821,923</b>	<b>9,324,444</b>	<b>140,000</b>	<b>769,582,314</b>
<b>Internal Service Funds</b>						
✓ Communications Svcs Operating	12,344,919	8,726,281	516,588	747,560	0	22,335,348
✓ Information Technology Fund	16,499,539	4,255,970	549,977	1,147,725	0	22,453,211
✓ Facilities Services	18,293,129	6,047,429	1,180,536	9,941,376	0	35,462,470
✓ Vehicle Services Operating Fund	21,195,783	1,970,399	1,038,891	0	0	24,205,073
✓ Health Insurance	33,387,163	14,618,489	279,522	0	0	48,285,174
✓ Insurance and Claims Operating	6,986,404	14,147,663	231,544	0	0	21,365,611
✓ Printing/Distribution Services	6,333,095	965,490	418,049	0	0	7,716,634
✓ Workers' Compensation Operating	5,375,314	10,622,100	241,102	0	0	16,238,516
<b>Total INTERNAL SERVICE FUNDS</b>	<b>120,415,346</b>	<b>61,353,821</b>	<b>4,456,209</b>	<b>11,836,661</b>	<b>0</b>	<b>198,062,037</b>
<b>Agency and Trust Funds</b>						
✓ Environmental Remediation	552,467	803,157	4,180	0	0	1,359,804
✓ Housing Investment	21,009,205	96,531	5,899,000	1,020,000	0	28,024,736
✓ Hydropower Renewal & Replacement	0	8,521,085	50,000	0	0	8,571,085
✓ Portland Parks Memorial Trust	2,123,733	2,147,689	0	0	0	4,271,422
✓ Parks Endowment Fund	700	0	0	0	0	700
✓ Sewer Revolving Loan	76,000	1,754,363	0	0	0	1,830,363
✓ Sewer System Rate Stabilization	0	16,194,974	0	0	0	16,194,974
✓ Sewer System Safety Net	230,000	1,114,433	0	0	0	1,344,433
✓ Water Growth Impact Charge Trust	0	0	0	0	0	0



**Appropriation Schedule – FY 2003–04**

**TABLE 2**

This table summarizes the major fund level requirements by bureaus in the General Fund, Special Appropriations, and other funds. Bureau level expenses are summarized in Table 1.

	Bureau Program Expenses	Fund Requirements				Total Appropriation
		Contingency	Interfund Cash Transfers	Debt Retirement	Inventory Increase	
<b>Total AGENCY AND TRUST FUNDS</b>	23,992,105	30,632,232	5,953,180	1,020,000	0	61,597,517
<b>Construction Funds</b>						
✓ BFRES Facilities Bond Fund	13,352,000	9,512,531	93,769	0	0	22,958,300
✓ LID Construction Fund	8,804,603	787,024	836,808	3,408,250	0	13,836,685
✓ Parks Construction	9,398,038	57,879	570,697	0	0	10,026,614
✓ Sewer System Construction	0	36,169,541	152,441,277	0	0	188,610,818
✓ Water Construction	0	7,602,877	50,685,850	0	0	58,288,727
<b>Total CONSTRUCTION FUNDS</b>	31,554,641	54,129,852	204,628,401	3,408,250	0	293,721,144
<b>Debt Service Funds</b>						
✓ Airport Way Debt Service	0	0	0	7,130,168	0	7,130,168
✓ Bancroft Bond	0	0	0	5,334,821	0	5,334,821
✓ Bonded Debt Interest and Sinking	0	0	0	6,890,123	0	6,890,123
✓ Central Eastside Industrial Debt	0	0	0	4,310,182	0	4,310,182
✓ Convention Center Area Debt Svc	0	0	0	6,481,814	0	6,481,814
✓ Parking Facilities Debt Fund	0	0	0	3,737,226	0	3,737,226
✓ Gateway Debt Fund	0	0	0	912,447	0	912,447
✓ Gas Tax Bond Redemption	0	0	0	1,916,709	0	1,916,709
✓ Golf Revenue Bond	0	0	0	806,500	0	806,500
✓ Governmental Bond Redemption	4,000	0	0	20,494,974	0	20,498,974
✓ Hydropower Bond	0	0	0	3,681,819	0	3,681,819
✓ Lents Urban Renewal Debt Fund	0	0	0	4,040,775	0	4,040,775
✓ Interstate Corridor Debt Service Fund	0	0	0	2,828,212	0	2,828,212
✓ N Macadam Debt Fund	0	0	0	1,315,982	0	1,315,982
✓ 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
✓ Pension Debt Redemption Fund	522,634	0	500,000	12,330,533	0	13,353,167
✓ River District Debt Fund	0	0	0	8,256,086	0	8,256,086
✓ Sewage Disposal Debt	0	0	0	71,145,049	0	71,145,049
✓ South Park Renewal Debt Service	0	0	0	6,570,744	0	6,570,744
✓ Special Projects Debt Redemption	0	0	0	5,652,393	0	5,652,393
✓ Washington County Supply Bond	0	0	0	2,031,850	0	2,031,850
✓ Water Bond Sinking	0	0	0	11,087,007	0	11,087,007
✓ Waterfront Renewal Bond Sinking	0	0	0	14,001,952	0	14,001,952
<b>Total DEBT SERVICE FUNDS</b>	526,634	0	500,000	200,957,366	0	201,984,000
<b>Federal and State Funds</b>						
✓ Federal Grants	0	0	21,834,186	0	0	21,834,186
✓ Home Grant	5,118,221	0	0	0	0	5,118,221
✓ Housing & Community Development	16,300,867	49,513	282,600	0	0	16,632,980
<b>Total FEDERAL AND STATE FUNDS</b>	21,419,088	49,513	22,116,786	0	0	43,585,387
<b>Retirement Funds</b>						
✓ FPD&R	83,510,824	3,283,114	120,245	25,500,000	0	112,414,183
✓ FPD&R Retirement Reserve	0	0	750,000	0	0	750,000
✓ Supp Retirement Program Trust	7,200	0	0	0	0	7,200
<b>Total RETIREMENT FUNDS</b>	83,518,024	3,283,114	870,245	25,500,000	0	113,171,383

# Appropriation Schedule – FY 2003–04

**TABLE 2**

This table summarizes the major fund level requirements by bureaus in the General Fund, Special Appropriations, and other funds. Bureau level expenses are summarized in Table 1.

	Bureau Program Expenses	Fund Requirements				Total Appropriation
		Contingency	Interfund Cash Transfers	Debt Retirement	Inventory Increase	
<b>Revenue and Reserve Fund</b>						
✓ Business License Surcharge	304,594	0	12,695,406	0	0	13,000,000
✓ Children's Investment Fund	8,450,000	555,335	1,051,531	0	0	10,056,866
✓ Convention and Tourism	2,133,639	0	7,264	0	0	2,140,903
✓ General Reserve	0	35,937,416	0	0	0	35,937,416
✓ Parks Levy Fund	4,983,081	3,724,908	0	0	0	8,707,989
✓ Special Finance & Resource Fund	152,232,000	0	0	0	0	152,232,000
✓ Transportation Reserve	0	702,582	0	0	0	702,582
<b>Total REVENUE AND RESERVE FUND</b>	168,103,314	40,920,241	13,754,201	0	0	222,777,756
<b>TOTAL ALL FUNDS</b>	<b>\$1,312,392,263</b>	<b>\$ 265,660,326</b>	<b>\$ 444,520,429</b>	<b>\$ 252,046,721</b>	<b>\$ 140,000</b>	<b>\$ 2,274,759,739</b>

# Tax Levy Computation

TABLE 3A

This table shows the calculation of the City's property tax levies in the format prescribed by State Law.

	Total	General Fund Tax Base	General Obligation Debt	Fire & Police Disability & Retirement	Local Option Levies	
					Parks Local Option Levy	Children's Levy
<b>FISCAL YEAR 2003-04</b>						
Total Budget Requirements	506,900,761	370,278,201	6,890,123	111,812,582	8,707,989	9,211,866
Less: Budgeted Resources, Except Taxes to be Levied	(251,607,395)	(222,851,004)	(595,000)	(27,890,511)	(36,880)	(234,000)
<b>Total Equals: Taxes Necessary To Balance</b>	<b>255,293,366</b>	<b>147,427,197</b>	<b>6,295,123</b>	<b>83,922,071</b>	<b>8,671,109</b>	<b>8,977,866</b>
Add: Taxes Estimated not to be Received due to Delinquency & Discount	15,574,927	8,994,232	384,053	5,119,914	529,006	547,721
Add: Estimated Measure 50 Levy Compression	17,412,107	5,209,363	0	2,979,636	4,531,400	4,691,708
<b>Total Taxes to be Levied</b>	<b>288,280,400</b>	<b>161,630,792</b>	<b>6,679,176</b>	<b>92,021,621</b>	<b>13,731,515</b>	<b>14,217,295</b>
<b>Legal Basis of Taxes to be Levied</b>						
Permanent Rate Limit Levy-Subject to \$10 Limit	189,579,602	161,630,792	0	0	13,731,515	14,217,295
Levy for Pension & Disability Obligations	92,021,622	0	0	92,021,621	0	0
Levy For Bonded Indebtedness	6,679,176	0	6,679,176	0	0	0
<b>TOTAL TAXES TO BE LEVIED</b>	<b>\$ 288,280,400</b>	<b>\$ 161,630,792</b>	<b>\$ 6,679,176</b>	<b>\$ 92,021,621</b>	<b>\$ 13,731,515</b>	<b>\$ 14,217,295</b>
<b>FISCAL YEAR 2002-03</b>						
Total Budget Requirements	\$468,250,977	\$365,703,073	\$6,904,991	\$95,642,913		
Less: Budgeted Resources, Except Taxes to be Levied						
<b>Total Equals: Taxes Necessary to Balance</b>	<b>\$220,165,808</b>	<b>\$145,382,226</b>	<b>\$6,474,991</b>	<b>\$68,308,591</b>		
Add: Taxes Estimated not to be Received due to Delinquency & Discount	\$11,408,150	\$8,951,346	\$439,041	\$2,017,763		
<b>Total Equals: Estimated (Measure 50) Levy Receivable</b>	<b>231,573,958</b>	<b>154,333,572</b>	<b>6,914,032</b>	<b>70,326,354</b>		
Add: Estimated Measure 5/50 Levy Compression	\$8,597,096	\$4,267,023	\$0	\$4,330,073		
<b>Total Taxes to be Levied</b>	<b>240,171,053</b>	<b>158,600,595</b>	<b>6,914,032</b>	<b>74,656,426</b>		
<b>Legal Basis of Taxes to be Levied</b>						
Permanent Rate Limit Levy-Subject to \$10 Limit	158,600,595	158,600,595	0	0		
Local Option Operating Tax	0	0	0	0		
Local Option Capital Construction Tax	0	0	0	0		
Levy for Gap Bonds	0	0	0	0		
Levy for Pension & Disability Obligations	74,656,426	0	0	74,656,426		
Levy For Bonded Indebtedness	6,914,032	0	6,914,032	0		
<b>TOTAL TAXES TO BE LEVIED</b>	<b>\$ 240,171,053</b>	<b>\$ 158,600,595</b>	<b>\$ 6,914,032</b>	<b>\$ 74,656,426</b>		

# Urban Renewal Certification

TABLE 3B

This table shows the amount of tax increment collections planned for the City's urban renewal districts.

Tax Increment Authority for FY 2003-04 by Plan Area	Is This An Existing District	Option Selected	Max. to Collect All Methods	Amount of Special Levy	Max. to Collect Division of Tax
<b>Part 1: Option One Plans</b>					
Central Eastside	Part 1, Option 1	100%	4,697,188	No Special Levy	4,697,188
<b>Part 2: Option Two Plans</b>					
Not Applicable to Portland					
<b>Part 3: Option Three Plans (Standard Rate)</b>					
Airport Way	Part 3, Option 3	Fixed Amount	2,540,000	4,620,000	7,160,000
Downtown Waterfront	Part 3, Option 3	Fixed Amount	7,710,000	7,260,000	14,970,000
South Park Blocks	Part 3, Option 3	Fixed Amount	5,660,000	1,660,000	7,320,000
Convention Center	Part 3, Option 3	Fixed Amount	5,740,000	1,460,000	7,200,000
<b>Total Part 3 Plans</b>			<b>21,650,000</b>	<b>15,000,000</b>	<b>36,650,000</b>
<b>Part 4: "Window" (Standard Rate)--(Adopted after December 6, 1996, prior Oct. 6, 2001)</b>					
Lents Town Center District	Part 4 Plans	100%	4,365,400	No Special Levy	4,365,400
River District	Part 4 Plans	100%	9,151,643	No Special Levy	9,151,643
North Macadam District	Part 4 Plans	100%	1,453,173	No Special Levy	1,453,173
North Interstate District	Part 4 Plans	100%	3,106,490	No Special Levy	3,106,490
Gateway Regional Center	Part 4 Plans	100%	1,007,569	No Special Levy	1,007,569
<b>Total Part 4 Plans</b>			<b>19,084,275</b>		<b>19,084,275</b>
<b>TOTAL CERTIFIED FOR COLLECTIONS</b>			<b>\$ 45,431,463</b>	<b>\$ 15,000,000</b>	<b>\$ 60,431,463</b>

(\*) Before compression, delinquency and discounts.

# Total Revenues and Expenses by Fund By Fiscal Year

TABLE 4

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 2000-01	Actual FY 2001-02	Revised FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>Operating Funds</b>					
General Fund	348,075,791	353,397,430	365,641,243	369,079,111	370,278,201
Spectator Facilities Fund	80,896,511	28,290,588	17,434,836	14,989,731	14,989,731
Assessment Collection	53,155	58,081	58,905	63,321	63,321
Development Services Fund	31,331,485	32,435,106	32,130,352	31,835,106	32,663,221
Cable	5,033,943	5,748,182	5,391,273	6,014,873	5,959,298
Emergency Communications	17,229,389	16,362,736	13,140,179	13,127,307	13,127,307
Golf	7,127,428	6,890,852	8,485,908	7,256,389	7,256,389
Hydropower Operating	1,244,600	893,810	1,386,831	991,200	991,200
Parking Facilities	31,873,807	16,942,292	16,929,225	11,447,865	11,447,865
Portland International Raceway	1,073,951	1,511,104	1,332,487	1,697,399	1,697,399
Property Management License	3,079,291	3,648,597	3,316,516	4,212,634	4,212,634
Public Safety	2,090,243	3,752,111	1,813,000	855,024	855,024
Solid Waste	7,536,957	7,007,312	5,640,940	5,988,809	5,986,934
Sewage System Operating	246,739,905	294,779,845	316,820,831	380,765,153	371,615,828
Transportation Operating	132,474,905	130,019,321	137,368,265	147,779,784	148,210,782
Water	125,579,483	115,134,437	138,990,626	160,809,936	152,752,757
<b>Total Operating Funds</b>	<b>1,041,440,844</b>	<b>1,016,871,804</b>	<b>1,065,881,417</b>	<b>1,156,913,642</b>	<b>1,142,107,891</b>
<b>Internal Service Funds</b>					
Communications Svcs Operating	20,678,409	29,940,004	26,693,667	22,404,598	22,335,348
Information Technology Fund	17,724,477	23,413,798	21,764,235	22,564,897	22,453,211
Facilities Services	37,830,640	42,905,419	41,594,474	35,557,019	35,462,470
Vehicle Services Operating Fund	35,869,474	37,743,794	37,576,003	32,739,417	32,609,804
Health Insurance	64,582,473	62,108,274	50,248,485	50,412,312	48,285,174
Insurance and Claims Operating	16,071,471	19,125,535	20,992,868	21,378,099	21,365,611
Printing/Distribution Services	7,292,875	7,018,537	7,613,504	7,653,359	7,716,634
Workers' Compensation Operating	16,922,532	16,472,028	17,189,459	16,252,590	16,238,516
<b>Total Internal Service Funds</b>	<b>216,972,351</b>	<b>238,727,389</b>	<b>223,672,695</b>	<b>208,962,291</b>	<b>206,466,768</b>
<b>Agency and Trust Funds</b>					
Environmental Remediation	1,896,386	1,194,177	1,117,033	821,027	1,359,804
Housing Investment	16,367,224	14,367,203	28,678,359	27,973,205	28,024,736
Hydropower Renewal & Replacement	8,495,930	8,257,735	8,231,555	8,571,085	8,571,085
Portland Parks Memorial Trust	5,132,731	5,160,815	4,860,648	4,271,422	4,271,422
Parks Endowment Fund	0	29,388	30,400	79,700	79,700
Sewer Revolving Loan	1,586,763	1,646,109	1,735,293	1,835,176	1,830,363
Sewer System Rate Stabilization	11,955,169	8,303,123	7,028,100	14,063,138	16,194,974
Sewer System Safety Net	1,436,318	1,055,867	1,236,383	1,284,949	1,344,433
Water Growth Impact Charge Trust	1,554,293	1,611,931	1,651,949	1,666,461	1,666,461
<b>Total Agency and Trust Funds</b>	<b>48,424,814</b>	<b>41,626,348</b>	<b>54,569,720</b>	<b>60,566,163</b>	<b>63,342,978</b>
<b>Construction Funds</b>					
BFRES Facilities Bond Fund	25,415,991	19,475,774	31,034,445	22,958,300	22,958,300
Capital Improvement Fund	141,892	114,537	68,475	0	0
LID Construction Fund	12,552,256	13,139,847	11,097,220	13,836,685	13,836,685
Parks Bond Construction	1,216,916	(15,577)	15,573	0	0
Parks Construction	11,731,825	11,405,327	9,561,250	10,026,614	10,026,614
Sewer System Construction	205,934,302	139,755,099	110,290,566	173,642,997	188,610,818
Water Construction	42,714,168	28,603,242	57,010,852	109,549,943	102,831,702
<b>Total Construction Funds</b>	<b>299,707,350</b>	<b>212,478,249</b>	<b>219,078,381</b>	<b>330,014,539</b>	<b>338,264,119</b>
<b>Debt Service Funds</b>					
Airport Way Debt Service	7,601,217	7,834,546	7,280,693	8,480,168	8,480,168



# Total Revenues and Expenses by Fund By Fiscal Year

TABLE 4

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 2000-01	Actual FY 2001-02	Revised FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Bancroft Bond	13,212,949	13,071,737	10,640,034	14,923,427	14,923,427
Bonded Debt Interest and Sinking	8,448,177	38,564,643	6,904,991	6,890,123	6,890,123
Central Eastside Industrial Debt	3,647,289	4,190,130	3,316,333	4,310,182	4,310,182
Convention Center Area Debt Svc	15,100,792	8,478,102	8,660,014	6,481,814	6,481,814
Parking Facilities Debt Fund	1,945,664	6,327,902	3,638,026	3,737,226	3,737,226
Gateway Debt Fund	0	0	288,454	912,447	912,447
Gas Tax Bond Redemption	793,015	792,352	795,436	1,916,709	1,916,709
Golf Revenue Bond	617,206	143,911	447,529	1,449,500	1,449,500
Governmental Bond Redemption	4,178,471	9,148,544	10,446,725	7,573,568	20,498,974
Hydropower Bond	8,084,989	8,018,035	7,967,940	7,988,585	7,988,585
Lents Urban Renewal Debt Fund	2,295,687	2,807,747	2,467,946	4,040,775	4,040,775
Interstate Corridor Debt Service Fund	0	1,066,166	1,405,205	2,828,212	2,828,212
N Macadam Debt Fund	108,053	305,257	794,861	1,315,982	1,315,982
Morrison Park East Bond	824,407	1,512,170	0	0	0
Morrison Park West Bond	699,511	959,123	0	0	0
Old Town Parking Bond	671,772	5,706,264	0	0	0
Pension Debt Redemption Fund	40,422,093	28,695,520	26,777,079	24,302,981	24,302,981
River District Debt Fund	3,674,107	5,941,323	5,228,428	8,256,086	8,256,086
Sewage Disposal Debt	58,778,653	64,259,202	64,272,376	71,155,049	73,982,474
South Park Renewal Debt Service	16,753,997	7,868,469	5,971,996	6,570,744	6,570,744
Special Projects Debt Redemption	7,065,864	9,474,750	8,051,546	6,173,435	6,173,435
Washington County Supply Bond	3,655,128	3,638,216	3,792,650	3,704,464	3,704,464
Water Bond Sinking	12,591,532	13,438,604	14,609,032	16,182,211	11,087,007
Waterfront Renewal Bond Sinking	46,807,533	18,350,998	16,724,150	15,682,952	15,682,952
<b>Total Debt Service Funds</b>	<b>257,978,106</b>	<b>260,593,711</b>	<b>210,481,444</b>	<b>224,876,640</b>	<b>235,534,267</b>
<b>Federal and State Funds</b>					
Federal Grants	25,060,112	15,130,582	26,372,282	21,834,186	21,834,186
Home Grant	3,309,475	4,226,076	12,591,911	5,118,221	5,118,221
Housing & Community Development	20,280,570	16,631,607	20,983,972	16,632,980	16,632,980
<b>Total Federal and State Funds</b>	<b>48,650,157</b>	<b>35,988,265</b>	<b>59,948,165</b>	<b>43,585,387</b>	<b>43,585,387</b>
<b>Retirement Funds</b>					
FPD&R	81,827,774	81,470,138	95,642,913	111,812,582	112,414,183
FPD&R Retirement Reserve	750,000	750,000	750,000	750,000	750,000
Supp Retirement Program Trust	374,635	101,852	99,133	96,018	96,018
<b>Total Retirement Funds</b>	<b>82,952,409</b>	<b>82,321,990</b>	<b>96,492,046</b>	<b>112,658,600</b>	<b>113,260,201</b>
<b>Revenue and Reserve Funds</b>					
Business License Surcharge	0	0	0	0	13,000,000
Children's Investment Fund	0	0	0	3,050,000	10,056,866
Convention and Tourism	2,364,769	2,227,217	2,158,258	2,311,800	2,311,800
General Reserve	36,905,287	36,519,258	37,048,629	35,937,416	35,937,416
Parks Levy Fund	0	0	0	8,707,989	8,707,989
Special Finance & Resource Fund	285,024,730	36,732,775	43,440,000	152,232,000	152,232,000
Transportation Reserve	638,890	662,582	699,132	702,582	702,582
<b>Total Revenue and Reserve Funds</b>	<b>324,933,676</b>	<b>76,141,832</b>	<b>83,346,019</b>	<b>202,941,787</b>	<b>222,948,653</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 2,321,059,707</b>	<b>\$ 1,964,749,588</b>	<b>\$ 2,013,469,887</b>	<b>\$ 2,340,519,049</b>	<b>\$ 2,365,510,264</b>

# Summary of Revenues by Fund – FY 2003–04

TABLE 5

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	151,594,887	97,777,419	35,488,920	71,667,860	13,749,115	370,278,201
Spectator Facilities Fund	0	6,005,000	2,453,923	0	6,530,808	14,989,731
Assessment Collection	0	0	3,000	0	60,321	63,321
Development Services Fund	0	26,002,115	681,000	1,461,036	4,519,070	32,663,221
Cable	0	831,013	1,923,911	244,738	2,959,636	5,959,298
Emergency Communications	0	50,000	4,520,803	8,556,504	0	13,127,307
Golf	0	6,627,634	52,653	40,000	536,102	7,256,389
Hydropower Operating	0	0	589,950	81,000	320,250	991,200
Parking Facilities	0	9,083,076	18,250	688,057	1,658,482	11,447,865
Portland International Raceway	0	1,350,000	5,000	0	342,399	1,697,399
Property Management License	0	4,203,884	8,750	0	0	4,212,634
Public Safety	0	0	0	0	855,024	855,024
Solid Waste	0	2,876,046	303,282	0	2,807,606	5,986,934
Sewage System Operating	0	172,481,095	3,280,765	157,719,542	38,134,426	371,615,828
Transportation Operating	0	21,396,593	75,666,075	38,631,625	12,516,489	148,210,782
Water	0	73,205,253	1,814,222	60,139,325	17,593,957	152,752,757
<b>Total Operating Funds</b>	<b>151,594,887</b>	<b>421,889,128</b>	<b>126,810,504</b>	<b>339,229,687</b>	<b>102,583,685</b>	<b>1,142,107,891</b>
<b>Internal Service Funds</b>						
Communications Svcs Operating	0	2,451,990	304,000	11,280,621	8,298,737	22,335,348
Information Technology Fund	0	0	346,711	17,848,056	4,258,444	22,453,211
Facilities Services	0	1,624,149	1,826,143	25,552,666	6,459,512	35,462,470
Vehicle Services Operating Fund	0	30,000	1,182,953	17,961,604	13,435,247	32,609,804
Health Insurance	0	29,176,537	946,945	0	18,161,692	48,285,174
Insurance and Claims Operating	0	0	186,450	7,209,049	13,970,112	21,365,611
Printing/Distribution Services	0	278,963	1,098,184	5,402,438	937,049	7,716,634
Workers' Compensation Operating	0	0	310,684	3,858,925	12,068,907	16,238,516
<b>Total Internal Service Funds</b>	<b>0</b>	<b>33,561,639</b>	<b>6,202,070</b>	<b>89,113,359</b>	<b>77,589,700</b>	<b>206,466,768</b>
<b>Agency and Trust Funds</b>						
Environmental Remediation	0	617,354	7,500	0	734,950	1,359,804
Housing Investment	0	217,000	23,348,979	1,547,288	2,911,469	28,024,736
Hydropower Renewal & Replacement	0	0	322,900	0	8,248,185	8,571,085
Portland Parks Memorial Trust	0	1,468,341	83,359	93,000	2,626,722	4,271,422
Parks Endowment Fund	0	0	700	50,000	29,000	79,700
Sewer Revolving Loan	0	75,000	90,000	0	1,665,363	1,830,363
Sewer System Rate Stabilization	0	0	552,144	6,000,000	9,642,830	16,194,974
Sewer System Safety Net	0	0	240,000	0	1,104,433	1,344,433
Water Growth Impact Charge Trust	0	0	19,760	0	1,646,701	1,666,461
<b>Total Agency and Trust Funds</b>	<b>0</b>	<b>2,377,695</b>	<b>24,665,342</b>	<b>7,690,288</b>	<b>28,609,653</b>	<b>63,342,978</b>
<b>Construction Funds</b>						
BFRES Facilities Bond Fund	0	0	20,077,000	116,300	2,765,000	22,958,300
LID Construction Fund	0	1,253,020	10,942,718	648,403	992,544	13,836,685
Parks Construction	0	1,837,660	4,321,809	2,844,533	1,022,612	10,026,614
Sewer System Construction	0	571,104	4,294,269	25,750,000	157,995,445	188,610,818
Water Construction	0	2,021,945	73,236,855	14,239,647	13,333,255	102,831,702
<b>Total Construction Funds</b>	<b>0</b>	<b>5,683,729</b>	<b>112,872,651</b>	<b>43,598,883</b>	<b>176,108,856</b>	<b>338,264,119</b>
<b>Debt Service Funds</b>						
Airport Way Debt Service	7,063,254	0	66,914	0	1,350,000	8,480,168
Bancroft Bond	0	0	5,910,113	0	9,013,314	14,923,427
Bonded Debt Interest and Sinking	6,395,123	0	45,000	0	450,000	6,890,123

# Summary of Revenues by Fund – FY 2003–04

TABLE 5

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
Central Eastside Industrial Debt	4,261,739	0	48,443	0	0	4,310,182
Convention Center Area Debt Svc	6,439,316	0	42,498	0	0	6,481,814
Parking Facilities Debt Fund	0	0	0	3,737,226	0	3,737,226
Gateway Debt Fund	906,329	0	6,118	0	0	912,447
Gas Tax Bond Redemption	0	0	0	1,916,709	0	1,916,709
Golf Revenue Bond	0	0	10,000	800,000	639,500	1,449,500
Governmental Bond Redemption	0	0	209,625	20,289,349	0	20,498,974
Hydropower Bond	0	0	3,743,680	0	4,244,905	7,988,585
Lents Urban Renewal Debt Fund	4,013,817	0	26,958	0	0	4,040,775
Interstate Corridor Debt Service Fund	2,809,350	0	18,862	0	0	2,828,212
N Macadam Debt Fund	1,307,159	0	8,823	0	0	1,315,982
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	8,202,918	0	53,168	0	0	8,256,086
Pension Debt Redemption Fund	0	0	462,142	8,599,050	15,241,789	24,302,981
Sewage Disposal Debt	0	0	520	71,144,529	2,837,425	73,982,474
South Park Renewal Debt Service	6,527,495	0	43,249	0	0	6,570,744
Special Projects Debt Redemption	0	0	4,688,483	0	1,484,952	6,173,435
Washington County Supply Bond	0	1,862,603	0	203,185	1,638,676	3,704,464
Water Bond Sinking	0	0	0	11,087,007	0	11,087,007
Waterfront Renewal Bond Sinking	13,568,110	0	90,066	343,776	1,681,000	15,682,952
<b>Total Debt Service Funds</b>	<b>61,494,610</b>	<b>1,862,603</b>	<b>15,474,662</b>	<b>118,120,831</b>	<b>38,581,561</b>	<b>235,534,267</b>
<b>Federal and State Funds</b>						
Federal Grants	0	0	21,834,186	0	0	21,834,186
Home Grant	0	0	5,118,221	0	0	5,118,221
Housing & Community Development	0	18,000	16,614,980	0	0	16,632,980
<b>Total Federal and State Funds</b>	<b>0</b>	<b>18,000</b>	<b>43,567,387</b>	<b>0</b>	<b>0</b>	<b>43,585,387</b>
<b>Retirement Funds</b>						
FPD&R	85,322,071	0	25,500,000	791,448	800,664	112,414,183
FPD&R Retirement Reserve	0	0	0	0	750,000	750,000
Supp Retirement Program Trust	0	0	1,000	0	95,018	96,018
<b>Total Retirement Funds</b>	<b>85,322,071</b>	<b>0</b>	<b>25,501,000</b>	<b>791,448</b>	<b>1,645,682</b>	<b>113,260,201</b>
<b>Revenue and Reserve Fund</b>						
Business License Surcharge	0	13,000,000	0	0	0	13,000,000
Children's Investment Fund	8,977,866	0	34,000	1,045,000	0	10,056,866
Convention and Tourism	0	0	2,156,803	0	154,997	2,311,800
General Reserve	0	0	520,668	625,384	34,791,364	35,937,416
Parks Levy Fund	8,671,109	0	36,880	0	0	8,707,989
Special Finance & Resource Fund	0	0	152,232,000	0	0	152,232,000
Transportation Reserve	0	0	25,000	0	677,582	702,582
<b>Total Revenue and Reserve Fund</b>	<b>17,648,975</b>	<b>13,000,000</b>	<b>155,005,351</b>	<b>1,670,384</b>	<b>35,623,943</b>	<b>222,948,653</b>
<b>TOTAL ALL FUNDS</b>	<b>\$ 316,060,543</b>	<b>\$ 478,392,794</b>	<b>\$ 510,098,967</b>	<b>\$ 600,214,880</b>	<b>\$ 460,743,080</b>	<b>\$2,365,510,264</b>

# Historical Funds and Appropriations

TABLE 6

This table shows the City funds and General Fund Special Appropriations that have been closed in the past three years.

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Adopted FY 2003-04
<b>HISTORICAL FUNDS</b>				
Morrison Park East Bond Redemption Fund	824,407	1,512,170	0	0
Morrison Park West Bond Redemption Fund	699,511	959,123	0	0
Old Town Parking Bond Redemption Fund	671,772	5,706,264	0	0
Capital Improvement Fund	141,892	114,537	68,475	0
Parks Bond Construction Fund	1,216,916	(15,577)	15,573	0
<b>Total Historical Funds</b>	<b>3,554,498</b>	<b>8,276,517</b>	<b>84,048</b>	<b>0</b>
<b>HISTORICAL SPECIAL APPROPRIATIONS</b>				
<b>General Fund</b>				
Innovation Loan Fund	28,400	0	0	0
Oregon Bureau of Labor & Industries	17,352	0	0	0
Oregon Historical Society	35,000	0	0	0
PDC Storefront Improvements	200,000	0	0	0
Qwest Refund	3,067,152	0	0	0
Schools Surplus Property	1,883,000	0	0	0
Fair Housing of Oregon	7,673	26,171	0	0
IRS Rebate	0	14,213	69,888	0
PDC Waterfront Development Activities	469,778	419,543	0	0
Regional Drug Initiative - City	27,853	28,551	0	0
Regional Drug Initiative - Unity	57,880	128,927	0	0
<b>Total Historical Special Appropriations</b>	<b>5,794,088</b>	<b>617,405</b>	<b>69,888</b>	<b>0</b>
<b>TOTAL HISTORICAL FUNDS AND APPROPRIATIONS</b>	<b>\$ 9,348,586</b>	<b>\$ 8,893,922</b>	<b>\$ 153,936</b>	<b>\$ 0</b>

# Summary of Indebtedness

**TABLE 7**  
**DEBT OUTSTANDING**

Service Area	Facility/Function	Type of Indebtedness	FY 2001-02	FY 2002-03	Change
<b>DEBT OUTSTANDING BY SERVICE AREA</b>					
<b>Parks, Recreation and Culture</b>					
Arena		Limited Tax Revenue Bonds	\$9,790,000	\$9,270,000	(\$520,000)
Arena		Limited Tax Bonds	8,400,000	8,030,000	(370,000)
Arena		Gas Tax Revenue Bonds	12,293,102	11,983,102	(310,000)
Civic Stadium		Limited Tax Revenue Bonds	34,390,000	33,550,000	(840,000)
PCPA		Limited Tax Revenue Bonds	2,040,000	1,970,000	(70,000)
Golf		Revenue Bonds	3,600,000	6,333,333	2,733,333
Parks System		Voter Approved General Obligation Bonds	46,820,000	44,170,000	(2,650,000)
			117,333,102	115,306,435	(2,026,667)
<b>Public Utilities</b>					
Sewer System		Revenue Bonds	724,370,000	897,700,000	173,330,000
		State Loans	623,711	579,204	(44,507)
Water System		Revenue Bonds	96,940,000	93,810,000	(3,130,000)
		General Obligation Water Revenue Bonds	30,103,780	11,416,606	(18,687,174)
		Water Line of Credit	6,356,054	25,000,000	18,643,946
Hydroelectric Power		Revenue Bonds	29,490,000	27,740,000	(1,750,000)
			887,883,545	1,056,245,810	168,362,265
<b>Community Development and Services</b>					
Public Infrastructure		Department of Environmental Quality Bonds	770,000	0	(770,000)
		Limited Tax Improvement Bonds	10,730,000	31,515,000	20,785,000
Local Improvement line of credit		Limited Tax Revenue (secured)	12,584,204	718,733	(11,865,471)
Housing Preservation Line		Limited Tax Revenue (secured)	6,404,438	0	(6,404,438)
Convention Ctr Expan.		Limited Tax Revenue Bonds	99,998,888	99,998,888	0
Interstate Max Interim		Limited Tax Revenue Bonds	35,700,000	32,750,000	(2,950,000)
			166,187,530	164,982,621	(1,204,909)
<b>Transportation and Parking</b>					
Parking Facilities		Parking Revenue Refunding Bonds	9,815,000	8,435,000	(1,380,000)
Street Lovejoy		OTIB Loan	1,263,528	430,691	(832,837)
Streetcar		Parking Revenue Bonds	27,970,000	27,360,000	(610,000)
Transportation line of credit		Gas Tax Revenue Bonds	4,545,512	4,545,512	0
Street Improvements			7,895,000	7,515,000	(380,000)
			51,489,040	48,286,203	(3,202,837)
<b>Legislative, Admin. And Support Services</b>					
Equipment and Facility		Limited Tax Revenue Bonds	78,335,000	72,300,000	(6,035,000)
		State Loans	60,437	49,365	(11,072)
		Full Faith & Credit Obligations	24,330,000	20,185,000	(4,145,000)
Pension		Limited Tax Pension Obligations	300,848,346	300,848,346	0
Emergency Facilities		Voter Approved General Obligation Bonds	22,020,000	21,120,000	(900,000)
			425,593,783	414,502,710	(11,091,072)
<b>Portland Development Services</b>					
Airport Way		Tax Increment	64,135,000	63,045,000	(1,090,000)
Central Eastside		Tax Increment	10,800,000	10,800,000	0
Convention Center		Tax Increment	49,380,000	49,380,000	0
Lents		Tax Increment	6,400,000	6,400,000	0
River District		Tax Increment	23,500,000	61,940,000	38,440,000
North Macadam		Tax Increment	500,000	500,000	0
Gateway		Tax Increment	0	1,000,000	1,000,000
South Park Blocks		Tax Increment	40,645,000	37,735,000	(2,910,000)
Waterfront		Tax Increment	71,819,933	70,460,000	(1,359,933)
OMSI		Limited Tax General Obligation Notes	485,557	444,169	(41,388)

Summary of Indebtedness

TABLE 7

DEBT OUTSTANDING

Service Area	Facility/ Function	Type of Indebtedness	FY 2001-02	FY 2002-03	Change
			267,665,490	301,704,169	34,038,679
<b>TOTAL DEBT OUTSTANDING</b>			<b>\$1,916,152,490</b>	<b>\$2,101,027,949</b>	<b>\$ 184,875,459</b>

TYPE OF INDEBTEDNESS

	Limited Tax Bonds		309,248,346	308,878,346	(370,000)
	Limited Tax Improvement Bonds		10,730,000	31,515,000	20,785,000
	General Obligation Water Revenue Bonds		30,103,780	11,416,606	(18,687,174)
	Voter Approved General Obligation Bonds		68,840,000	65,290,000	(3,550,000)
	Gas Tax Revenue Bonds		24,733,614	24,043,614	(690,000)
	Revenue Bonds		864,215,000	1,034,018,333	169,803,333
	Limited Tax Revenue Bonds		313,568,584	302,917,621	(10,650,963)
	State Loans		1,947,676	1,059,260	(888,416)
	Department of Environmental Quality Bonds		770,000	0	(770,000)
	Full Faith and Credit Obligations		24,330,000	20,185,000	(4,145,000)
	Tax Increment		267,179,933	301,260,000	34,080,067
	Limited Tax General Obligation Notes		485,557	444,169	(41,388)
<b>TOTAL DEBT OUTSTANDING</b>			<b>\$1,916,152,490</b>	<b>\$2,101,027,949</b>	<b>\$ 184,875,459</b>

ACTUAL DEBT OUTSTANDING

Facility/ Function	Type of Indebtedness	FY 2001-02	FY 2002-03	FY 2003-04
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ACTUAL DEBT OUTSTANDING JULY 1, 2002

<b>Debt Issued Fiscal Year 2002-03</b>				
Interstate Max Interim	Limited Tax Revenue Refunding Bonds		\$32,750,000	
Downtown Waterfront Urban Renewal	Urban Renewal & Red. Refunding Bonds		16,815,000	
Airport Way Urban Renewal	Urban Renewal & Red. Refunding Bonds		13,500,000	
Refunding of Full Faith and Credit Obligations	Limited Tax Revenue Refunding Bonds		20,185,000	
Sewer System	2nd Lien Sewer Sys. Rev. & Refunding		88,370,000	
Sewer System	2nd Lien Sewer System Revenue Bonds		150,000,000	
River District Urban Renewal	Urban Renewal & Redevelopment Bonds		61,940,000	
Public Infrastructure	Limited Tax Improvement Bonds		21,430,000	
Various	Lines of credit		55,819,324	
<b>Total</b>			<b>460,809,324</b>	
<b>Total Debt Redeemed Fiscal Year 2002-03</b>			<b>(275,933,865)</b>	
<b>TOTAL PROJECTED DEBT OUTSTANDING JULY 1, 2003</b>		<b>\$</b>	<b>\$2,101,027,949</b>	<b>\$</b>

<b>Estimated Debt to be Issued Fiscal Year 2003-04</b>				
Emergency Facilities	Voter Approved General Obligation Bonds			29,300,000
Water Revenue Bonds	Water System Improvements			90,000,000
<b>Total</b>				<b>119,300,000</b>
<b>Total Projected Debt Redemption Fiscal Year 2003-04</b>				<b>(87,044,047)</b>
<b>TOTAL PROJECTED DEBT OUTSTANDING JULY 1, 2004</b>		<b>\$</b>	<b>\$</b>	<b>\$2,133,283,902</b>

# Summary of Indebtedness

**TABLE 8**  
**DEBT SERVICE**

Service Area Facility/Function	Type of Indebtedness	Principal	Interest	Total
<b>Parks, Recreation and Culture</b>				
Arena	Limited Tax Revenue Bonds	555,000	660,265	1,215,265
Arena	Limited Tax Bonds	395,000	597,933	992,933
Arena	Gas Tax Revenue Bonds	420,000	243,363	663,363
		1,370,000	1,501,561	2,871,561
Golf	Revenue Bonds	536,333	270,160	806,493
Parks / Fire	Voter Approved General Obligation Bonds	3,710,000	3,180,123	6,890,123
Civic Stadium 2001	Limited Tax Revenue Bonds	890,000	2,247,505	3,137,505
PCPA 2001	Limited Tax Revenue Bonds	70,000	96,080	166,080
		5,206,333	5,793,868	11,000,201
<b>Public Utilities</b>				
Sewer System	Revenue Bonds	25,730,000	45,362,086	71,092,086
	State Loans	24,700	28,264	52,964
		25,754,700	45,390,350	71,145,050
Water System	Revenue Bonds	3,275,000	7,638,226	10,913,226
	General Obligation Water Revenue Bonds	2,208	375,846	378,054
		3,277,208	8,014,072	11,291,280
Hydroelectric Power	Revenue Bonds	1,855,000	1,857,473	3,712,473
		30,886,908	55,261,895	86,148,803
<b>Community Development and Services</b>				
Public Infrastructure	Department of Environmental Quality Bonds	1,865,000	0	1,865,000
	Limited Tax Improvement Bonds	1,480,000	1,251,756	2,731,756
Convention Ctr Expan.	Limited Tax Revenue Bonds	310,000	4,193,813	4,503,813
Interstate Max Interim	Limited Tax Revenue Bonds	0	982,500	982,500
		3,655,000	6,428,069	10,083,069
<b>Transportation and Parking</b>				
Parking Facilities	Revenue Bonds	2,155,000	1,582,226	3,737,226
Street Improvements	Gas Tax Revenue Bonds	1,458,495	458,214	1,916,709
		3,613,495	2,040,440	5,653,935
<b>Legislative, Admin. And Support Services</b>				
Pension Bonds	Limited Tax Bonds	0	12,330,533	12,330,533
Equipment and Facility	Limited Tax Revenue Bonds	8,565,000	2,968,274	11,533,274
	State Loans	9,438	2,659	12,097
		8,574,438	15,301,466	23,875,904
<b>Portland Development Commission</b>				
Airport Way	Tax Increment	3,808,300	3,311,868	7,120,168
Central Eastside	Tax Increment	3,804,000	433,232	4,237,232
Convention Center	Tax Increment	3,187,000	3,294,814	6,481,814
South Park Blocks	Tax Increment	4,172,027	2,398,717	6,570,744
Waterfront	Tax Increment	10,059,000	3,942,952	14,001,952
River District	Tax Increment	5,874,921	2,381,165	8,256,086
Gateway	Tax Increment	822,000	90,447	912,447
Lents	Tax Increment	3,726,000	314,775	4,040,775
North Macadam	Tax Increment	1,127,000	188,982	1,315,982
Interstate	Tax Increment	2,827,000	1,212	2,828,212
OMSI	Limited Tax General Obligation Notes	44,078	28,871	72,949
		39,451,326	16,387,035	55,838,361
<b>TOTAL DEBT SERVICE BY SERVICE AREA</b>		<b>\$ 92,757,500</b>	<b>\$ 102,714,334</b>	<b>\$ 195,471,834</b>
	Limited Tax Bonds	395,000	12,928,466	13,323,466
	Limited Tax Improvement Bonds	1,480,000	1,251,756	2,731,756

# Summary of Indebtedness

**TABLE 8**  
**DEBT SERVICE**

<b>Service Area Facility/Function</b>	<b>Type of Indebtedness</b>	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
	General Obligation Water Revenue Bonds	2,208	375,846	378,054
	Voter Approved General Obligation Bonds	3,710,000	3,180,123	6,890,123
	Gas Tax Revenue Bonds	1,878,495	701,577	2,580,072
	Revenue Bonds	33,551,333	56,710,171	90,261,504
	Limited Tax Revenue Bonds	10,390,000	11,148,437	21,538,437
	State Loans	34,138	30,923	65,061
	Department of Environmental Quality Bonds	1,865,000	0	1,865,000
	Tax Increment	39,407,248	16,358,164	55,765,412
	Limited Tax General Obligation Notes	44,078	28,871	72,949
<b>TOTAL DEBT SERVICE BY TYPE</b>		<b>\$ 92,757,500</b>	<b>\$ 102,714,334</b>	<b>\$ 195,471,834</b>



# Principal Over the Life of the Debt

**TABLE 9**

## Schedule of Projected Bond Principal Transactions

## PRINCIPAL REQUIREMENTS

Fiscal Year	Parks, Recreation & Culture				Public Utilities			Community Development and Services	Transportation and Parking			Legislative, Admin. and Support Services	Portland Development Commission
	Arena	Parks System	Golf	Civic Stadium & Performing Arts	Sewer System	Water System	Hydroelectric	Public Improvements	Public Street Improvements	Parking System	Facility and Equipment	Urban Renewal	
2003/04	1,370,000	3,710,000	536,333	960,000	25,754,700	3,277,208	1,855,000	3,345,000	1,458,495	2,155,000	27,309,844	39,451,326	
2004/05	1,560,000	3,895,000	550,000	1,025,000	27,699,906	3,437,244	1,970,000	1,045,000	420,000	1,980,000	44,950,231	9,786,943	
2005/06	1,760,000	4,090,000	566,000	1,080,000	29,040,124	3,607,155	2,115,000	1,070,000	435,000	1,640,000	9,326,025	10,149,995	
2006/07	1,975,000	4,285,000	585,000	1,140,000	30,605,355	5,145,000	2,225,000	1,100,000	460,000	1,705,000	11,806,882	11,538,244	
2007/08	2,210,000	4,510,000	608,000	1,215,000	32,915,598	5,410,000	1,500,000	1,065,000	475,000	1,780,000	14,191,789	12,206,705	
2008/09	2,465,000	4,735,000	634,000	1,290,000	34,505,858	5,690,000	1,600,000	0	505,000	1,840,000	13,395,000	11,620,391	
2009/10	2,016,247	4,945,000	663,000	1,365,000	36,236,136	5,985,000	1,700,000	0	535,000	1,920,000	14,289,780	14,864,316	
2010/11	2,129,011	5,150,000	695,000	1,460,000	38,526,442	6,300,000	1,825,000	0	555,000	1,995,000	15,964,440	14,558,497	
2011/12	2,254,128	5,385,000	729,000	1,545,000	40,471,764	4,885,000	1,950,000	0	585,000	1,605,000	17,545,734	15,385,000	
2012/13	2,381,638	5,650,000	767,000	1,650,000	42,482,103	5,145,000	2,075,000	5,640,000	620,000	1,675,000	18,968,250	16,375,000	
2013/14	2,521,946	5,910,000		1,750,000	44,617,457	5,420,000	2,225,000	700,000	655,000	1,250,000	19,968,112	17,395,000	
2014/15	1,469,525	6,185,000		1,870,000	46,832,831	5,710,000	2,375,000	480,000	695,000	1,310,000	22,215,530	18,355,000	
2015/16	1,567,469	1,580,000		1,990,000	49,148,223	6,025,000	2,525,000	1,715,000	720,000	1,370,000	24,626,940	19,360,000	
2016/17	1,097,835	1,660,000		2,125,000	51,658,634	6,350,000	1,800,000	0	220,000	1,430,000	25,064,000	20,455,000	
2017/18	1,074,427	1,750,000		2,270,000	54,409,073	6,670,000		1,595,000	240,000	1,500,000	27,630,720	21,600,000	
2018/19	1,038,418	1,850,000		2,425,000	56,635,000	7,030,000		3,280,000		1,570,000	28,094,480	22,805,000	
2019/20	392,457			2,585,000	59,720,000	7,420,000		0		1,650,000	31,277,480	24,075,000	
2020/21				2,765,000	63,150,000	7,840,000		0		1,720,000	35,396,250	4,110,000	
2021/22				2,790,000	65,245,000			0		1,810,000	39,672,172	4,315,000	
2022/23				2,220,000	68,625,000			10,480,000		1,900,000	12,985,175	4,520,000	
2023/24										1,990,000	13,075,423		
2024/25											13,194,733		
2025/26											13,352,228		
2026/27											13,528,274		
2027/28											13,742,955		
2028/29											14,074,559		
<b>TOTAL</b>	<b>\$ 29,283,102</b>	<b>\$ 65,290,000</b>	<b>\$ 6,333,333</b>	<b>\$ 35,520,000</b>	<b>\$898,279,204</b>	<b>\$101,346,606</b>	<b>\$ 27,740,000</b>	<b>\$ 31,515,000</b>	<b>\$ 8,578,495</b>	<b>\$ 35,795,000</b>	<b>\$545,157,005</b>	<b>\$312,926,417</b>	

## Interest Over the Life of the Debt

TABLE 10

## Schedule of Projected Bond Interest Transactions

## INTEREST REQUIREMENTS

Fiscal Year	Parks, Recreation & Culture				Public Utilities			Community Development and Services	Transportation and Parking		Legislative, Admin. and Support Services	Portland Development Commission
	Arena	Parks System	Golf	Civic Stadium & Performing Arts	Sewer System	Water System	Hydroelectric	Public Improvements	Public Street Improvements	Parking System	Facility and Equipment	Urban Renewal
2003/04	1,501,560	3,458,000	270,160	2,343,585	36,418,549	8,014,072	1,857,473	1,251,756	458,214	1,582,225	22,824,609	16,397,032
2004/05	1,415,005	3,277,900	256,805	2,285,635	35,137,964	4,997,432	1,730,675	1,176,991	378,718	1,510,175	27,862,674	14,864,085
2005/06	1,316,470	3,087,300	240,910	2,225,735	33,791,205	4,827,038	1,593,530	1,145,641	358,193	1,433,775	26,895,005	14,491,209
2006/07	1,205,023	2,887,000	221,893	2,162,455	32,298,831	4,613,178	1,446,063	1,113,541	336,590	1,370,050	26,534,533	14,063,648
2007/08	1,079,050	2,669,680	199,487	2,095,495	30,731,880	4,352,293	1,317,750	1,080,541	313,310	1,303,788	25,969,682	13,582,648
2008/09	937,895	814,038	173,343	2,018,500	29,136,572	4,073,389	1,209,250	1,045,929	288,893	1,231,375	25,225,871	13,029,608
2009/10	1,502,478	757,038	144,369	1,936,540	27,463,524	3,777,411	1,093,750	1,045,929	262,440	1,155,275	25,107,303	12,382,215
2010/11	1,505,526	698,238	112,280	1,849,615	25,701,949	3,463,179	970,375	1,045,929	233,893	1,074,538	24,371,254	11,540,678
2011/12	1,508,605	635,738	77,669	1,758,315	23,868,677	3,175,144	838,250	1,045,929	203,858	990,650	23,602,275	10,636,019
2012/13	1,507,335	570,238	40,344	1,659,690	21,942,139	2,915,359	697,375	1,045,929	171,920	919,588	22,769,361	9,646,484
2013/14	1,498,991	501,738		1,552,770	19,918,333	2,640,288	546,875	854,169	137,760	843,938	21,845,249	8,626,113
2014/15	1,013,118	427,938		1,437,500	17,840,624	2,346,725	385,875	813,919	101,670	786,125	20,779,919	7,673,250
2015/16	1,066,656	350,550		1,314,250	15,660,019	2,034,038	214,375	788,719	63,160	723,900	19,729,539	6,663,340
2016/17	2,822,165	269,575		1,181,090	13,283,482	1,713,438	63,000	693,536	23,000	658,825	18,541,862	5,569,493
2017/18	3,005,573	184,500		1,038,800	10,685,002	1,385,275		693,536	12,000	590,900	17,026,649	4,424,900
2018/19	3,201,582	94,813		886,750	7,052,298	1,028,231		615,780		519,650	15,315,552	3,217,023
2019/20	1,312,543			719,700	4,339,775	635,250		455,880		445,075	13,512,664	1,951,138
2020/21				541,450	1,472,550	215,600		455,880		366,700	10,689,176	624,200
2021/22				350,700				455,880		285,000	7,823,924	418,700
2022/23				155,400				455,880		194,500	36,546,538	212,100
2023/24										99,500	38,039,290	
2024/25											39,571,480	
2025/26											41,133,834	
2026/27											42,733,164	
2027/28											44,383,870	
2028/29											46,071,129	
2029/30											487,388	
<b>TOTAL</b>	<b>\$ 27,399,573</b>	<b>\$ 20,684,280</b>	<b>\$ 1,737,260</b>	<b>\$ 29,007,875</b>	<b>\$386,743,371</b>	<b>\$ 56,207,337</b>	<b>\$ 13,964,615</b>	<b>\$ 16,369,534</b>	<b>\$ 3,343,617</b>	<b>\$ 17,506,550</b>	<b>\$388,603,179</b>	<b>\$169,383,081</b>

# Summary of Defeased Indebtedness

TABLE 11

## DEFEASED BONDS PAYABLE

Type of Indebtedness	Principal		
	Outstanding 7-1-02	Maturity FY 2002-03	Outstanding 7-1-03
<p>The City will have \$213.84 million of defeased bonds outstanding as of July 1, 2003. Defeased bonds are payable from fully funded irrevocable escrow accounts established with the proceeds from the sale of another bond issue, refunding bonds. Defeased bonds are thereby removed as actual liabilities of the City, and the refunding bond liabilities are assumed in their place. Defeased bonds are then paid by the escrow account until their first available call date, at which time they are paid in their entirety. Bonds are defeased in this manner in order to convert higher rate debt with lower interest rate debt, or modify bond covenants for the City's benefit, or a combination of both.</p>			
<b>DEFEASED BONDS OUTSTANDING</b>			
<b>General Obligation Parks Bonds</b>			
General Obligation Parks 1995 Series A	9,720,000	0	9,720,000
General Obligation Parks 1995 Series B	18,785,000	0	18,785,000
	<u>28,505,000</u>	<u>0</u>	<u>28,505,000</u>
<b>Sewer Revenue Bonds</b>			
Series 1992 A	57,115,000	57,115,000	0
Series 1994 A	185,335,000	0	185,335,000
	<u>242,450,000</u>	<u>0</u>	<u>185,335,000</u>
<b>TOTAL DEFEASED BONDS OUTSTANDING</b>	<b>\$ 270,955,000</b>	<b>\$ 0</b>	<b>\$ 213,840,000</b>

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>					
<b>External Revenues</b>					
<b>Property Taxes</b>					
Current Property Taxes	134,391,946	141,000,455	144,421,025	147,427,197	147,427,197
Payments In Lieu of Taxes	860,267	1,001,478	617,767	706,515	706,515
Prior Year Property Taxes	2,848,833	4,132,262	3,036,202	3,611,175	3,461,175
	138,101,046	146,134,195	148,074,994	151,744,887	151,594,887
<b>Lodging Taxes</b>	11,152,604	10,408,532	10,388,630	10,978,701	10,978,701
<b>Licenses and Permits</b>					
Business Licenses	51,983,615	45,941,414	43,640,528	40,664,039	40,664,039
Construction Permits	1,137,312	1,004,227	1,001,000	984,000	984,000
Other Permits	827,162	689,720	2,414,616	1,879,825	1,879,825
Public Utility Licenses	38,585,587	39,991,184	37,723,729	41,852,252	41,452,252
	92,533,676	87,626,545	84,779,873	85,380,116	84,980,116
<b>Service Charges and Fees</b>					
Concessions	8,971	7,688	19,000	17,500	17,500
Inspection Fees	1,032,816	904,644	900,000	900,000	900,000
Miscellaneous	2,213,506	1,822,595	2,471,687	2,576,132	2,332,840
Parks & Recreation Facilities	6,487,128	6,927,795	7,409,537	7,686,690	7,731,679
Rents and Reimbursements	2,074,914	2,119,918	1,812,906	1,815,284	1,815,284
	11,817,335	11,782,640	12,613,130	12,995,606	12,797,303
<b>State Sources</b>					
State Cost Sharing	19,188	56,595	40,000	40,000	40,000
State Grants	0	0	112,950	0	0
State Shared Revenue	9,321,908	9,641,015	8,868,233	9,480,137	9,480,137
	9,341,096	9,697,610	9,021,183	9,520,137	9,520,137
<b>Local Sources</b>					
City Overhead Charges	363,623	220,922	340,505	275,593	275,323
Local Cost Sharing	4,030,944	5,609,573	4,992,191	4,792,059	4,792,059
Local Shared Revenue	2,810,552	2,797,362	2,706,636	2,752,887	2,502,887
Locally Administered Fed Funds	141,173	128,056	125,770	127,794	127,794
Multnomah County Cost Sharing	1,853,946	1,483,194	1,511,209	1,519,961	1,519,961
	9,200,238	10,239,107	9,676,311	9,468,294	9,218,024
<b>Miscellaneous Revenues</b>					
Bond and Note Sales	0	0	500,000	0	0
Collection of Assessment	0	1,000	0	1,095,256	1,095,256
Interest Earned	2,915,055	1,312,816	797,302	1,698,274	1,698,274
Loan Repayments	35,240	22,846	0	0	0
Other Miscellaneous	857,979	1,689,682	1,622,939	2,736,995	2,690,724
Private Grants/Donations	56,880	100,280	70,926	0	0
Refunds	257,653	76,329	255,000	256,304	256,304
Sales Miscellaneous	49,993	50,395	28,500	31,500	31,500
	4,172,800	3,253,348	3,274,667	5,818,329	5,772,058
<b>Total External Revenues</b>	<b>276,318,795</b>	<b>279,141,977</b>	<b>277,828,788</b>	<b>285,906,070</b>	<b>284,861,226</b>
<b>Internal Revenues</b>					
<b>Overhead Cash Transfers</b>					
Assessment Collection Fund	257	0	210	178	209
BFRES Facilities Bond Fund	101,906	55,694	72,265	84,547	93,769
Cable Fund	14,974	7,377	7,645	10,938	14,259
Communications Services Fund	275,205	258,237	393,561	378,761	445,342
Convention and Tourism Fund	11,323	271	6,066	5,884	7,264
Development Services	852,129	630,048	821,144	829,464	920,424
Emergency Communications Fund	225,779	216,659	300,727	321,666	359,399

General Fund – 101

FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Environmental Remediation Fund	5,969	0	3,003	2,953	3,661
FPD&R Fund	78,305	69,974	116,839	97,846	102,213
Golf Fund	210,897	86,429	88,012	108,910	131,604
Health Insurance Fund	209,959	174,237	263,040	226,141	266,157
Hydropower Operating Fund	54,644	47,819	52,836	54,166	57,400
Information Technology Fund	129,871	215,116	452,805	365,451	420,200
Insurance And Claims Fund	146,239	124,306	169,842	180,323	199,961
LID Construction Fund	123,115	135,037	12,589	49,335	56,680
Parking Facilities Fund	163,922	65,929	116,241	96,955	108,622
Parks Construction Fund	106,027	137,590	111,588	112,904	122,551
Portland Building Fund	779,751	937,088	995,706	981,888	1,108,561
Portland International Raceway	0	5,512	28,172	22,593	28,430
Printing/Distribution Fund	215,968	209,384	251,651	302,716	360,732
Public Safety Capital Fund	2,981	6,513	8,785	8,956	11,468
Refuse Disposal Fund	121,822	137,373	153,869	158,957	167,244
Sewage System Operating Fund	1,803,078	1,495,879	2,499,076	2,105,342	2,488,812
Spectator Facilities	52,583	390,993	0	106,576	28,281
Transportation Operating Fund	3,118,582	1,944,153	2,186,515	2,344,887	2,690,003
Vehicle Services Fund	532,492	591,376	559,066	634,491	869,753
Water Fund	2,166,406	1,778,621	952,013	1,422,226	1,730,499
Workers' Comp Operating Fund	124,818	114,426	184,798	178,439	211,560
	11,629,002	9,836,041	10,808,064	11,193,493	13,005,058
<b>Other Cash Transfers</b>					
Communication Services Fund	0	33,300	0	0	0
Federal Grants Indirect	23,578	29,826	63	0	0
General Reserve Fund	1,550,000	460,296	1,463,775	0	0
Housing & Community Development	97,624	131,445	133,690	231,495	231,495
Hydropower Operating Fund	200,000	150,000	200,000	200,000	200,000
Parking Facilities Fund	190,418	196,130	202,014	208,074	208,074
Parks Memorial Trust Fund	0	40,000	0	0	0
Pension Debt Redemption	0	0	0	500,000	500,000
Refuse Disposal Fund	274,731	705,215	1,044,484	890,657	890,657
Sewage System Operating Fund	8,588,283	11,048,119	10,417,152	11,767,433	11,767,433
Vehicle Services Fund	0	0	1,360,853	0	0
Water Fund	3,313,415	3,740,457	3,917,219	4,029,240	4,016,308
	14,238,049	16,534,788	18,739,250	17,826,899	17,813,967
<b>Federal Grants Transfers</b>	13,980,534	9,520,771	17,291,517	9,074,374	9,074,374
<b>Interfund Service Reimbursements</b>					
BFRES Facilities GO Bond Const	0	35,475	88,752	93,180	93,180
Business License Surcharge	0	0	0	0	304,594
Cable Commission/Access	301,897	372,512	301,395	313,616	313,616
Children's Investment Fund	0	0	0	83,758	83,758
Communications Services	367,383	393,050	400,896	384,805	384,805
Community Development	0	0	23,444	26,305	26,305
Convention and Tourism	54,662	121,172	68,499	60,254	60,254
Development Services	152,611	511,146	462,467	436,001	413,743
Emergency Communications	1,772	127,672	133,251	119,438	119,438
Environmental Remediation	1,544	0	0	0	0
Environmental Services	1,819,112	2,482,404	2,675,155	2,899,004	3,048,357
Environmental Svcs - Internal	0	0	18,000	5,000	5,000
Facilities Services Fund	627,327	672,497	749,576	730,996	730,996
FPD&R	850,615	912,746	1,090,739	1,136,635	1,136,635

**General Fund – 101**

**FUND SUMMARY**

	<b>Actual FY 2000-01</b>	<b>Actual FY 2001-02</b>	<b>Revised FY 2002-03</b>	<b>Proposed FY 2003-04</b>	<b>Adopted FY 2003-04</b>
General Services	9,871	0	0	0	0
Golf Operating Fund	369,414	501,601	496,732	483,721	483,721
Health Insurance	32,972	213,098	250,509	271,938	271,938
Home Grant Operating Fund	277,695	325,664	454,626	409,497	409,497
Housing & Community Development	1,660,265	1,613,327	2,299,471	1,873,937	1,873,937
Housing Investment	0	0	0	31,000	31,000
Hydropower Operating Fund	20,607	30,087	26,438	25,998	25,998
Information Technology Fund	109,246	97,323	494,452	520,902	520,902
Insurance & Claims Fund	957,792	1,385,413	1,519,494	1,564,729	1,564,729
Licenses	0	0	76,000	0	0
LID Construction Fund	1,139,161	983,097	1,316,464	1,436,885	1,436,885
Parking Facilities Fund	245,916	315,773	341,501	282,358	282,358
Parks Capital Improvement Fund	21,351	0	0	0	0
Parks Construction Fund	481,096	335,055	477,556	375,684	375,684
Parks Serial Levy	0	0	0	4,421,081	4,421,081
POBS Retirement	0	0	75,000	110,921	110,921
Portland International Raceway	54,148	146,357	96,864	108,913	108,913
Portland Parks Trust	649,132	667,332	747,830	760,789	760,789
Printing & Distribution	181,170	188,123	188,965	165,135	165,135
Public Safety Capital	1,063	18,148	26,915	24,068	24,068
Refuse Disposal Fund	97,300	365,514	257,711	270,841	270,841
Sewage Construction Fund	73,062	0	0	0	0
Special Finance and Resources	0	0	1,000,000	0	0
Special Finance and Resources	0	0	140,000	0	0
Spectator Facilities Operating	307,897	312,546	365,136	102,294	102,294
Transportation	1,102,761	2,067,592	1,842,836	1,915,072	1,915,072
Vehicle Services	313,517	349,628	360,062	372,193	372,193
Water Bureau	956,482	1,681,572	1,561,014	1,914,750	2,009,104
Workers Compensation Fund	683,232	565,133	605,773	678,707	678,707
	<b>13,922,073</b>	<b>17,791,057</b>	<b>21,033,523</b>	<b>24,410,405</b>	<b>24,936,448</b>
<b>Intra-Fund Service Reimbursement</b>	<b>1,099,527</b>	<b>6,570,426</b>	<b>6,455,431</b>	<b>6,918,755</b>	<b>6,838,013</b>
<b>Total Internal Revenues</b>	<b>54,869,185</b>	<b>60,253,083</b>	<b>74,327,785</b>	<b>69,423,926</b>	<b>71,667,860</b>
<b>Beginning Fund Balance</b>	<b>16,887,811</b>	<b>14,002,370</b>	<b>13,484,670</b>	<b>13,749,115</b>	<b>13,749,115</b>
<b>TOTAL RESOURCES</b>	<b>\$ 348,075,791</b>	<b>\$ 353,397,430</b>	<b>\$ 365,641,243</b>	<b>\$ 369,079,111</b>	<b>\$ 370,278,201</b>

**REQUIREMENTS**

**Bureau Expenses**

<b>Personal Services</b>	202,955,725	213,292,412	215,830,900	220,743,760	220,949,547
<b>External Materials and Services</b>	54,389,773	50,712,880	74,718,837	64,122,646	65,682,977
<b>Internal Materials and Services</b>					
Communications Services	4,924,006	5,052,324	5,234,949	5,406,313	5,373,802
Facilities Services	8,564,949	8,268,949	8,386,075	8,721,463	8,707,639
Information Technology	3,341,099	5,431,127	6,138,298	8,094,093	8,123,592
Insurance	5,074,565	5,213,691	5,579,848	5,855,168	5,844,237
Printing & Distribution	2,127,789	2,087,893	2,302,885	2,495,025	2,578,897
Vehicle Services	8,111,799	7,121,416	7,577,233	8,007,366	7,965,035
City Attorney	2,845	0	0	0	0
BFRES Bond	0	0	116,300	116,300	116,300
Bureau Of Development Services	238,771	43,371	33,158	178,122	178,122
Cable Commission	242,245	243,102	250,995	244,738	244,738
Environmental Services	109,742	45,739	146,007	0	0
Environmental Svcs - Int	0	87,096	85,136	86,500	86,500
FPD&R	49,723	43,918	51,412	41,448	41,448

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Government Bond Redemption	78,200	29,140	29,180	12,097	12,097
Information Technology	30,000	143,021	104,179	0	0
Neighborhood Involvement	44,005	0	0	0	0
Parking Facilities	312,120	345,717	369,000	375,720	375,720
Parks Construction	7,650	0	0	36,893	36,893
PIR	0	20,800	0	0	0
Portland Parks Trust	15,000	102,954	78,000	93,000	93,000
Transportation	347,871	85,694	25,000	20,000	20,000
Water Bureau	51,422	35,962	27,000	20,000	20,000
Same Fund Services	1,062,546	6,570,428	6,554,875	6,945,061	6,864,318
	34,736,347	40,972,342	43,089,530	46,749,307	46,682,338
<b>Capital Outlay</b>	3,224,696	1,444,136	1,913,326	521,563	1,519,567
<b>Equipment Cash Transfers</b>					
Communications Services	11,200	0	0	0	0
Facilities Services	0	37,996	0	0	0
Printing & Distribution	24,150	89,250	14,497	0	0
Vehicle Operating	491,420	674,557	2,374	121,545	121,545
	526,770	801,803	16,871	121,545	121,545
<b>Minor Equipment Transfers</b>					
Communications Services	1,448,606	175,263	0	0	0
Printing & Distribution	8,750	7,900	75,000	0	0
	1,457,356	183,163	75,000	0	0
<b>Total Bureau Expenses</b>	297,290,667	307,406,736	335,644,464	332,258,821	334,955,974
<b>Fund Requirements</b>					
<b>General Operating Contingency</b>					
General Operating Contingency	0	0	1,301,439	5,230,806	3,502,743
Prior Years Encumbered	0	0	1,428,156	5,400,000	5,400,000
	0	0	2,729,595	10,630,806	8,902,743
<b>Fund Cash Transfers</b>					
Communication Services	0	0	257,950	250,000	250,000
Development Services Fund	3,500,174	3,329,443	2,129,886	1,192,518	1,192,518
Emergency Communications	8,442,819	8,064,535	8,318,245	8,306,504	8,306,504
Facilities Services	3,457,890	3,409,050	2,796,150	2,879,202	2,879,202
General Reserve Fund	0	0	0	625,384	625,384
Housing Investment	5,680,000	485,068	55,652	495,757	495,757
Information Technology	690,030	388,252	474,900	818,419	818,419
Intermediate Debt Fund	3,796,877	3,696,379	2,977,549	2,090,483	2,320,483
Parking Facilities Fund	13,124	0	0	0	0
Parks Construction	1,520,000	2,143,450	900,000	925,000	925,000
Pension Debt Redemption Fund	3,023,112	2,928,143	2,882,701	3,320,937	3,320,937
Printing & Distribution	201,875	35,080	0	0	0
Sewage Operating Fund	0	222,000	50,000	0	0
Transportation Operating	6,456,853	6,526,974	6,424,151	5,285,280	5,285,280
	36,782,754	31,228,374	27,267,184	26,189,484	26,419,484
<b>Unappropriated Ending Balance</b>					
Unappropriated Ending Balance	14,002,370	14,762,320	0	0	0
	14,002,370	14,762,320	0	0	0
<b>Total Fund Requirements</b>	50,785,124	45,990,694	29,988,830	36,820,290	35,322,227
<b>TOTAL REQUIREMENTS</b>	\$ 348,075,791	\$ 353,397,430	\$ 365,641,243	\$ 369,079,111	\$ 370,278,201

**General Reserve Fund – 202**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	2,058,648	1,163,971	854,370	650,175	520,668	520,668
	2,058,648	1,163,971	854,370	650,175	520,668	520,668
<b>Total External Revenues</b>	<b>2,058,648</b>	<b>1,163,971</b>	<b>854,370</b>	<b>650,175</b>	<b>520,668</b>	<b>520,668</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
General Fund	0	0	0	0	625,384	625,384
	0	0	0	0	625,384	625,384
<b>Total Internal Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>625,384</b>	<b>625,384</b>
<b>Beginning Fund Balance</b>	<b>34,846,639</b>	<b>35,355,287</b>	<b>36,194,259</b>	<b>36,058,964</b>	<b>34,791,364</b>	<b>34,791,364</b>
<b>TOTAL RESOURCES</b>	<b>\$ 36,905,287</b>	<b>\$ 36,519,258</b>	<b>\$ 37,048,629</b>	<b>\$ 36,709,139</b>	<b>\$ 35,937,416</b>	<b>\$ 35,937,416</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	35,130,854	34,791,364	35,937,416	35,937,416
	0	0	35,130,854	34,791,364	35,937,416	35,937,416
<b>Fund Cash Transfers</b>						
Development Services Fund	0	0	454,000	454,000	0	0
General Fund	1,550,000	460,296	1,463,775	1,463,775	0	0
	1,550,000	460,296	1,917,775	1,917,775	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	35,355,287	36,058,962	0	0	0	0
	35,355,287	36,058,962	0	0	0	0
<b>Total Fund Requirements</b>	<b>36,905,287</b>	<b>36,519,258</b>	<b>37,048,629</b>	<b>36,709,139</b>	<b>35,937,416</b>	<b>35,937,416</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 36,905,287</b>	<b>\$ 36,519,258</b>	<b>\$ 37,048,629</b>	<b>\$ 36,709,139</b>	<b>\$ 35,937,416</b>	<b>\$ 35,937,416</b>

**FUND OVERVIEW**

The General Reserve Fund was created in FY 1987-88 for the purpose of building a reserve for the General Fund. It is the established objective and Council-adopted policy to maintain a reserve level equal to 10% of General Fund revenues net of short-term borrowing. This policy, adopted by City Council in May of 1990, sets forth the conditions under which reserves may be used.

The policy defines the first five percent of reserves as an emergency reserve which is available to fund major one-time, unanticipated expenditure requirements or to offset unanticipated revenue fluctuations that occur within a fiscal year. The second five percent of the reserve fund is defined as a counter-cyclical reserve and is available to either maintain General Fund current service level programs or to adjust expenditure growth to match slower revenue growth during the first 18 to 24 months of a recession. The General Reserve Fund is expected to remain at the full 10 percent level during FY 2003-04.

City Council's five-year financial plan allows using reserves in excess of the required 10 percent level to fund one-time General Fund appropriations. In FY 2003-04, the five-year financial forecast has no such transfer scheduled. The interest income for the General Reserve Fund is not projected to keep reserves at the required 10 percent level throughout the five-year financial forecast period ending FY 2006-07. Therefore, the FY 2003-04



Adopted Budget includes a small cash transfer to the General Reserve Fund of \$625,384 followed by a larger transfer in FY 2004-05. These transfers ensure that enough excess reserves are available to support service levels from the Approved Budget in last three years of the five-year financial forecast. These services include back filling for police grant revenues, and staffing for a new fire station.

The General Reserve Fund has been used in the past to reserve funds for other uses. The fund currently includes two other small reserves or balances. During FY 1992-93 and FY 1993-94, Council chose to reserve additional funds for the City's Fire and Police Disability and Retirement Fund. Over a two-year period ending in FY 1993-94, Council put \$1,100,516 into the General Reserve Fund as a separate reserve for this public safety retirement system.

The Planning Bureau created a counter-cyclical reserve within the General Reserve Fund during FY 1994-95. The reserve was funded with annual land use review fees in excess of operating requirements. In FY 1999-00 land use review moved from the Bureau of Planning to the newly formed Office of Planning and Development Review. In FY 2002-03, the balance of the land use reserves were transferred to the Planning and Development Fund (Fund 116) of the Office of Planning and Development Review.

**Managing Agency** Office of Management and Finance, Financial Planning



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**BFRES Facilities Bond Construction Fund – 501**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	0	20,000,000	0	20,000,000	20,000,000
Interest Earned	1,289,412	597,786	238,000	124,000	77,000	77,000
Other Miscellaneous	0	16,240	0	0	0	0
Sale of Capital Assets	0	94,280	0	217,000	0	0
	1,289,412	708,306	20,238,000	341,000	20,077,000	20,077,000
<b>Total External Revenues</b>	<b>1,289,412</b>	<b>708,306</b>	<b>20,238,000</b>	<b>341,000</b>	<b>20,077,000</b>	<b>20,077,000</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Facilities Services Fund	256,000	0	0	0	0	0
	256,000	0	0	0	0	0
<b>Interfund Service Reimbursements</b>						
Fire Bureau	0	0	116,300	116,000	116,300	116,300
	0	0	116,300	116,000	116,300	116,300
<b>Total Internal Revenues</b>	<b>256,000</b>	<b>0</b>	<b>116,300</b>	<b>116,000</b>	<b>116,300</b>	<b>116,300</b>
<b>Beginning Fund Balance</b>	<b>23,870,579</b>	<b>18,767,468</b>	<b>10,680,145</b>	<b>10,680,000</b>	<b>2,765,000</b>	<b>2,765,000</b>
<b>TOTAL RESOURCES</b>	<b>\$ 25,415,991</b>	<b>\$ 19,475,774</b>	<b>\$ 31,034,445</b>	<b>\$ 11,137,000</b>	<b>\$ 22,958,300</b>	<b>\$ 22,958,300</b>

<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	(8,223)	57,230	298,513	85,000	269,000	269,000
<b>Internal Materials and Services</b>						
Communications Services	78,068	18,649	0	12,000	231,000	231,000
Facilities Services	1,187,264	1,541,343	1,981,000	1,183,000	2,020,000	2,020,000
Fire Bureau	0	35,471	88,752	89,000	93,180	93,180
Transportation	0	164,938	0	67,000	0	0
Water Bureau	0	5,170	0	0	0	0
	1,265,332	1,765,571	2,069,752	1,351,000	2,344,180	2,344,180
<b>Capital Outlay</b>	<b>4,762,710</b>	<b>4,549,759</b>	<b>15,544,925</b>	<b>6,864,000</b>	<b>10,438,820</b>	<b>10,438,820</b>
<b>Equipment Cash Transfers</b>						
Facilities Services	210,798	2,481,663	0	0	300,000	300,000
	210,798	2,481,663	0	0	300,000	300,000
<b>Total Bureau Expenses</b>	<b>6,230,617</b>	<b>8,854,223</b>	<b>17,913,190</b>	<b>8,300,000</b>	<b>13,352,000</b>	<b>13,352,000</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	13,048,990	0	9,521,753	9,512,531
	0	0	13,048,990	0	9,521,753	9,512,531
<b>General Fund Overhead</b>	<b>101,906</b>	<b>55,694</b>	<b>72,265</b>	<b>72,000</b>	<b>84,547</b>	<b>93,769</b>
<b>Fund Cash Transfers</b>						
Facilities Services	316,000	36,000	0	0	0	0
	316,000	36,000	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	18,767,468	10,529,857	0	2,765,000	0	0
	18,767,468	10,529,857	0	2,765,000	0	0
<b>Total Fund Requirements</b>	<b>19,185,374</b>	<b>10,621,551</b>	<b>13,121,255</b>	<b>2,837,000</b>	<b>9,606,300</b>	<b>9,606,300</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 25,415,991</b>	<b>\$ 19,475,774</b>	<b>\$ 31,034,445</b>	<b>\$ 11,137,000</b>	<b>\$ 22,958,300</b>	<b>\$ 22,958,300</b>

**LINE ITEM DETAIL – AU 735**

<b>Materials and Services</b>						
<b>External Materials and Services</b>						
521000 Professional Services	0	11,530	0	0	0	0
522000 Utilities	0	2,781	0	0	0	0
524000 Repair & Maintenance Services	0	8,452	0	0	0	0
525000 Non-Capital Improvement	0	5,098	0	0	0	0
529000 Miscellaneous Services	2,136	0	0	0	0	0

549000	Miscellaneous	(10,359)	29,369	298,513	85,000	269,000	269,000
<b>Total External Materials and Services</b>		<b>(8,223)</b>	<b>57,230</b>	<b>298,513</b>	<b>85,000</b>	<b>269,000</b>	<b>269,000</b>
<b>Internal Materials and Services</b>							
553000	Facilities Services	1,187,264	1,541,343	1,981,000	1,183,000	2,020,000	2,020,000
554000	Communications Services	78,068	18,649	0	12,000	231,000	231,000
559000	Other Fund Services	0	205,579	88,752	156,000	93,180	93,180
<b>Total Internal Materials and Services</b>		<b>1,265,332</b>	<b>1,765,571</b>	<b>2,069,752</b>	<b>1,351,000</b>	<b>2,344,180</b>	<b>2,344,180</b>
<b>Total Materials and Services</b>		<b>1,257,109</b>	<b>1,822,801</b>	<b>2,368,265</b>	<b>1,436,000</b>	<b>2,613,180</b>	<b>2,613,180</b>
<b>Capital Outlay</b>							
561000	Land	989,638	373,944	0	0	0	0
562000	Buildings	3,339,082	3,888,515	15,544,925	6,864,000	10,438,820	10,438,820
564000	Capital Equipment	433,990	287,300	0	0	0	0
<b>Total Capital Outlay</b>		<b>4,762,710</b>	<b>4,549,759</b>	<b>15,544,925</b>	<b>6,864,000</b>	<b>10,438,820</b>	<b>10,438,820</b>
573000	Equipment Cash Transfers	210,798	2,481,663	0	0	300,000	300,000
<b>TOTAL Bureau Expenses</b>		<b>\$ 6,230,617</b>	<b>\$ 8,854,223</b>	<b>\$ 17,913,190</b>	<b>\$ 8,300,000</b>	<b>\$ 13,352,000</b>	<b>\$ 13,352,000</b>

## FUND OVERVIEW

On November 7, 1998, the citizens of Portland authorized the sale of \$53.8 million in general obligation bonds to support a \$59.2 million program to improve the City's emergency facilities, including:

- ◆ Seismic upgrades to allow firefighters to effectively respond to an earthquake in the metropolitan area.
- ◆ Relocation and construction of new facilities to meet the goal of a four-minute response time to emergency calls.
- ◆ Renovation of facilities to be consistent with the evolving mission of the Portland Bureau of Fire, Rescue and Emergency Services (BFRES). For example, a major portion of the work is Emergency Medical Services, yet few of the facilities were appropriately equipped.
- ◆ Response to ADA accessibility requirements and female firefighter accommodations.
- ◆ Response to the issue of some emergency facilities approaching the end of their useful lives.

It is anticipated it will take between eight and ten years to fully implement this program. Of the \$59.2 million program, \$56.6 million will be used to improve fire facilities and \$2.6 million to expand the Portland Communications Center.

### Managing Agency

Office of Management and Finance, Business Operations

# Emergency Communication Fund – 115

# FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	71,370	38,141	50,000	50,000	50,000	50,000
	71,370	38,141	50,000	50,000	50,000	50,000
<b>State Sources</b>						
State Cost Sharing	2,297,145	2,369,244	2,190,022	2,190,022	1,972,821	1,972,821
	2,297,145	2,369,244	2,190,022	2,190,022	1,972,821	1,972,821
<b>Local Sources</b>						
Local Cost Sharing	2,125,823	2,143,024	2,300,184	2,300,184	2,295,590	2,295,590
Multnomah County Cost Sharing	528,540	486,763	280,095	280,095	252,392	252,392
	2,654,363	2,629,787	2,580,279	2,580,279	2,547,982	2,547,982
<b>Miscellaneous Revenues</b>						
Interest Earned	166,762	106,231	0	0	0	0
	166,762	106,231	0	0	0	0
<b>Total External Revenues</b>	<b>5,189,640</b>	<b>5,143,403</b>	<b>4,820,301</b>	<b>4,820,301</b>	<b>4,570,803</b>	<b>4,570,803</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
General Fund	8,442,819	8,064,535	8,318,245	8,318,245	8,306,504	8,306,504
Public Safety Capital Fund	0	0	0	1,210,922	250,000	250,000
Vehicle Services Fund	0	0	1,633	1,633	0	0
	8,442,819	8,064,535	8,319,878	9,530,800	8,556,504	8,556,504
<b>Total Internal Revenues</b>	<b>8,442,819</b>	<b>8,064,535</b>	<b>8,319,878</b>	<b>9,530,800</b>	<b>8,556,504</b>	<b>8,556,504</b>
<b>Beginning Fund Balance</b>	<b>3,596,930</b>	<b>3,154,798</b>	<b>0</b>	<b>930,980</b>	<b>0</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$ 17,229,389</b>	<b>\$ 16,362,736</b>	<b>\$ 13,140,179</b>	<b>\$ 15,282,081</b>	<b>\$ 13,127,307</b>	<b>\$ 13,127,307</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>						
	10,793,334	9,039,246	9,613,546	10,728,608	9,508,138	9,507,144
<b>External Materials and Services</b>						
	1,263,926	556,508	396,403	527,138	704,140	704,140
<b>Internal Materials and Services</b>						
Communications Services	353,120	389,471	441,434	419,234	416,657	408,264
Facilities Services	253,156	276,533	307,512	307,512	282,613	281,756
Information Technology	145,574	1,505,216	1,577,629	1,577,629	1,260,261	1,233,883
Insurance	306,468	304,427	227,546	227,546	233,271	232,501
Printing & Distribution	29,795	17,354	35,511	25,511	34,297	33,986
Vehicle Services	5,966	4,848	7,118	7,118	7,662	7,632
Office of Management & Finance	1,772	127,672	133,251	133,251	119,438	119,438
	1,095,851	2,625,521	2,730,001	2,697,801	2,354,199	2,317,460
<b>Capital Outlay</b>						
	219,085	37,960	0	0	155,000	155,000
<b>Equipment Cash Transfers</b>						
Communications Services	0	0	0	22,200	0	0
Facilities Services	0	500,000	0	0	0	0
	0	500,000	0	22,200	0	0
<b>Total Bureau Expenses</b>	<b>13,372,196</b>	<b>12,759,235</b>	<b>12,739,950</b>	<b>13,975,747</b>	<b>12,721,477</b>	<b>12,683,744</b>
<b>Fund Requirements</b>						
<b>General Fund Overhead</b>						
	225,779	216,659	300,727	300,727	321,666	359,399
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	76,616	81,866	99,502	74,627	84,164	84,164
Public Safety Fund	400,000	2,263,898	0	930,980	0	0
	476,616	2,345,764	99,502	1,005,607	84,164	84,164
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	3,154,798	1,041,078	0	0	0	0
	3,154,798	1,041,078	0	0	0	0
<b>Total Fund Requirements</b>	<b>3,857,193</b>	<b>3,603,501</b>	<b>400,229</b>	<b>1,306,334</b>	<b>405,830</b>	<b>443,563</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 17,229,389</b>	<b>\$ 16,362,736</b>	<b>\$ 13,140,179</b>	<b>\$ 15,282,081</b>	<b>\$ 13,127,307</b>	<b>\$ 13,127,307</b>

## FUND OVERVIEW

### Summary

The Emergency Communications Fund reflects the costs of the Bureau of Emergency Communications (BOEC) and its services. These expenses are related to emergency 9-1-1 call taking and dispatching of police, emergency medical and fire personnel, and administrative support for those programs.

### Cost Sharing

Resources for FY 2003-04 include \$10.5 million in cost-sharing payments from the City of Portland (including allocated State 911 revenue) and local cost-sharing payments of \$2.6 million projected to be received from other jurisdictions. These jurisdictions include Multnomah County and the cities of Gresham, Troutdale, Fairview, Maywood Park, and Wood Village.

### State of Oregon Revenues

The City of Portland's \$10.5 million contribution includes \$2.0 million of State 9-1-1 revenue. In addition, approximately \$3,400 in 9-1-1 revenue will be received to offset Maywood Park's billings. Other cities receive the State 9-1-1 revenue directly.

### Other Activity

The State of Oregon continues to pay for the telephone system costs related to providing the emergency response to 9-1-1 calls within Multnomah County. These costs are paid directly by the State and are not reflected in the FY 2003-04 BOEC budget.

### Managing Agency

Bureau of Emergency Communications



# Fire & Police Disability & Retirement Fund – 651

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	61,121,374	58,199,998	68,308,591	68,039,591	83,922,071	83,922,071
Prior Year Property Taxes	1,231,079	1,833,331	1,400,000	1,400,000	1,400,000	1,400,000
	62,352,453	60,033,329	69,708,591	69,439,591	85,322,071	85,322,071
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	11,068,047	11,055,023	20,000,000	17,910,283	25,000,000	25,000,000
Interest Earned	1,533,921	843,594	700,000	628,826	500,000	500,000
Other Miscellaneous	34,781	17,312	0	4,112	0	0
	12,636,749	11,915,929	20,700,000	18,543,221	25,500,000	25,500,000
<b>Total External Revenues</b>	<b>74,989,202</b>	<b>71,949,258</b>	<b>90,408,591</b>	<b>87,982,812</b>	<b>110,822,071</b>	<b>110,822,071</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
FPD&R Reserve	0	0	750,000	0	750,000	750,000
	0	0	750,000	0	750,000	750,000
<b>Interfund Service Reimbursements</b>						
Fire Bureau	19,059	7,530	0	0	0	0
Police Bureau	30,664	36,388	51,412	39,161	41,448	41,448
	49,723	43,918	51,412	39,161	41,448	41,448
<b>Total Internal Revenues</b>	<b>49,723</b>	<b>43,918</b>	<b>801,412</b>	<b>39,161</b>	<b>791,448</b>	<b>791,448</b>
<b>Beginning Fund Balance</b>	<b>6,788,849</b>	<b>9,476,962</b>	<b>4,432,910</b>	<b>4,241,743</b>	<b>199,063</b>	<b>800,664</b>
<b>TOTAL RESOURCES</b>	<b>\$ 81,827,774</b>	<b>\$ 81,470,138</b>	<b>\$ 95,642,913</b>	<b>\$ 92,263,716</b>	<b>\$ 111,812,582</b>	<b>\$ 112,414,183</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	59,818,296	64,816,222	71,253,747	71,776,160	81,692,895	82,294,496
<b>Internal Materials and Services</b>						
Communications Services	14,707	14,583	14,822	33,231	17,616	17,441
Facilities Services	114	65	0	0	0	0
Information Technology	14,822	13,524	14,442	20,968	12,633	12,422
Printing & Distribution	38,094	36,165	35,115	44,910	40,014	39,830
City Auditor	728,629	793,440	974,850	986,164	1,015,605	1,015,605
Fire Bureau	32,303	35,151	33,040	34,037	35,304	35,304
Office of Management & Finance	38,241	15,441	17,321	17,321	18,383	18,383
Police Bureau	51,442	68,714	65,528	65,528	67,343	67,343
	918,352	977,083	1,155,118	1,202,159	1,206,898	1,206,328
<b>Capital Outlay</b>	<b>0</b>	<b>6,525</b>	<b>0</b>	<b>0</b>	<b>10,000</b>	<b>10,000</b>
<b>Total Bureau Expenses</b>	<b>60,736,648</b>	<b>65,799,830</b>	<b>72,408,865</b>	<b>72,978,319</b>	<b>82,909,793</b>	<b>83,510,824</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	2,562,215	0	3,262,258	3,258,461
Compensation Adjustment	0	0	26,651	0	24,653	24,653
	0	0	2,588,866	0	3,286,911	3,283,114
<b>General Fund Overhead</b>	<b>78,305</b>	<b>69,974</b>	<b>116,839</b>	<b>116,839</b>	<b>97,846</b>	<b>102,213</b>
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	16,415	0	28,343	21,257	18,032	18,032
	16,415	0	28,343	21,257	18,032	18,032
<b>Debt Retirement</b>	<b>11,519,444</b>	<b>11,358,591</b>	<b>20,500,000</b>	<b>18,346,637</b>	<b>25,500,000</b>	<b>25,500,000</b>
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	9,476,962	4,241,743	0	800,664	0	0
	9,476,962	4,241,743	0	800,664	0	0
<b>Total Fund Requirements</b>	<b>21,091,126</b>	<b>15,670,308</b>	<b>23,234,048</b>	<b>19,285,397</b>	<b>28,902,789</b>	<b>28,903,359</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 81,827,774</b>	<b>\$ 81,470,138</b>	<b>\$ 95,642,913</b>	<b>\$ 92,263,716</b>	<b>\$ 111,812,582</b>	<b>\$ 112,414,183</b>

## FUND OVERVIEW

Chapter 5 of the Portland City Charter establishes the Fire and Police Disability and Retirement (FPD&R) Fund for the sworn employees of the Fire and Police bureaus, their surviving spouses, and dependent minor children. The fund is supported primarily through a separate property tax levy authorized by the voters in 1948. The levy is a rate-based levy, providing a maximum rate of \$2.80 per \$1,000 real market value.

## CHANGES FROM PRIOR YEAR

Total requirements net of tax anticipation notes (TANs) rose by \$12 million or 15.6% from \$75.6 million in FY 2002-03 to \$87.4 million in FY 2003-04. The FY 2003-04 Adopted Budget supports all ongoing activities and services provided to members and the Board of Trustees.

**Managing Agency** Fire and Police Disability and Retirement Fund Board of Trustees

**Fire & Police Disability & Retirement Reserve Fund – 652**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
External Revenues						
Internal Revenues						
Beginning Fund Balance	750,000	750,000	750,000	750,000	750,000	750,000
<b>TOTAL RESOURCES</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>
<b>REQUIREMENTS</b>						
Bureau Expenses						
Fund Requirements						
Fund Cash Transfers						
FPD&R	0	0	750,000	0	750,000	750,000
	0	0	750,000	0	750,000	750,000
Unappropriated Ending Balance						
Unappropriated Ending Balance	750,000	750,000	0	750,000	0	0
	750,000	750,000	0	750,000	0	0
<b>Total Fund Requirements</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>	<b>750,000</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>	<b>\$ 750,000</b>

**FUND OVERVIEW**

The reserve fund was established by City Charter and is to be maintained in the amount of \$750,000. It is for use only in the event the Fire and Police Disability and Retirement Fund becomes depleted to the extent that current obligations cannot be met. Interest income on the \$750,000 is booked directly to the operating fund.

**Managing Agency** Fire and Police Disability and Retirement Fund Board of Trustees.

**Public Safety Fund – 118**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Prior Year Property Taxes	239	180	0	0	0	0
	239	180	0	0	0	0
<b>Miscellaneous Revenues</b>						
Interest Earned	81,981	39,640	100,000	50,000	0	0
Other Miscellaneous	98,644	0	0	0	0	0
	180,625	39,640	100,000	50,000	0	0
<b>Total External Revenues</b>	180,864	39,820	100,000	50,000	0	0
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Emergency Communications Fund	400,000	2,263,898	0	930,980	0	0
	400,000	2,263,898	0	930,980	0	0
<b>Total Internal Revenues</b>	400,000	2,263,898	0	930,980	0	0
<b>Beginning Fund Balance</b>	1,509,379	1,448,393	1,713,000	2,061,186	855,024	855,024
<b>TOTAL RESOURCES</b>	<b>\$ 2,090,243</b>	<b>\$ 3,752,111</b>	<b>\$ 1,813,000</b>	<b>\$ 3,042,166</b>	<b>\$ 855,024</b>	<b>\$ 855,024</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>						
	0	175,275	204,000	0	0	0
<b>External Materials and Services</b>						
	527,074	506,143	479,426	451,322	71,200	71,200
<b>Internal Materials and Services</b>						
Information Technology	1,979	1,813	1,763	1,909	0	0
Office of Management & Finance	1,063	0	0	0	0	0
Police Bureau	0	18,148	26,915	24,618	24,068	24,068
	3,042	19,961	28,678	26,527	24,068	24,068
<b>Capital Outlay</b>						
	108,753	251,010	682,852	489,279	70,000	70,000
<b>Equipment Cash Transfers</b>						
Facilities Services	0	732,023	0	0	0	0
	0	732,023	0	0	0	0
<b>Total Bureau Expenses</b>	638,869	1,684,412	1,394,956	967,128	165,268	165,268
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	408,952	855,024	424,180	421,668
	0	0	408,952	855,024	424,180	421,668
<b>General Fund Overhead</b>						
	2,981	6,513	8,785	8,785	8,956	11,468
<b>Fund Cash Transfers</b>						
Emergency Communications	0	0	0	1,210,922	250,000	250,000
Pension Debt Redemption Fund	0	0	307	307	6,620	6,620
	0	0	307	1,211,229	256,620	256,620
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	1,448,393	2,061,186	0	0	0	0
	1,448,393	2,061,186	0	0	0	0
<b>Total Fund Requirements</b>	1,451,374	2,067,699	418,044	2,075,038	689,756	689,756
<b>TOTAL REQUIREMENTS</b>	<b>\$ 2,090,243</b>	<b>\$ 3,752,111</b>	<b>\$ 1,813,000</b>	<b>\$ 3,042,166</b>	<b>\$ 855,024</b>	<b>\$ 855,024</b>
<b>LINE ITEM DETAIL – AU 260</b>						
<b>Personnel Services</b>						
511000 Full-Time Employees	0	125,000	150,000	0	0	0
514000 Overtime	0	4,104	0	0	0	0
517000 Benefits	0	46,171	54,000	0	0	0
<b>Total Personnel Services</b>	0	175,275	204,000	0	0	0
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
521000 Professional Services	0	0	130,000	126,277	71,200	71,200
524000 Repair & Maintenance Services	0	6,638	50,000	17,103	0	0

529000	Miscellaneous Services	0	41,327	50,000	4,620	0	0
532000	Operating Supplies	0	24,144	50,000	5,000	0	0
534000	Minor Equipment & Tools	527,074	434,034	199,426	298,322	0	0
<b>Total External Materials and Services</b>		527,074	506,143	479,426	451,322	71,200	71,200
<b>Internal Materials and Services</b>							
555000	Information Technology	1,979	1,813	1,763	1,909	0	0
559000	Other Fund Services	1,063	18,148	26,915	24,618	24,068	24,068
<b>Total Internal Materials and Services</b>		3,042	19,961	28,678	26,527	24,068	24,068
<b>Total Materials and Services</b>		530,116	526,104	508,104	477,849	95,268	95,268
<b>Capital Outlay</b>							
564000	Capital Equipment	108,753	251,010	682,852	489,279	70,000	70,000
<b>Total Capital Outlay</b>		108,753	251,010	682,852	489,279	70,000	70,000
573000	Equipment Cash Transfers	0	732,023	0	0	0	0
<b>TOTAL Bureau Expenses</b>		<b>\$ 638,869</b>	<b>\$ 1,684,412</b>	<b>\$ 1,394,956</b>	<b>\$ 967,128</b>	<b>\$ 165,268</b>	<b>\$ 165,268</b>

## FUND OVERVIEW

### Resources

The Public Safety Fund is dedicated to support the Bureau of Emergency Communications (BOEC) and acts as the contingency account and major maintenance and replacement fund for the bureau.

### Original Tax Levy

The Public Safety Fund's original funding source was a 1989 levy for the construction of the Portland Communications Center. In addition, the levy funded the acquisition and enhancement of a computer-aided dispatch computer system to support the call taking and dispatch activities at BOEC.

### State of Oregon Revenues

Money remaining in the fund is primarily from reimbursements from the State of Oregon to purchase and upgrade the 9-1-1 phone system and from accumulated interest income.

### Support to BOEC Operations

During the past three years, the fund has provided between \$650,000 to \$750,000 annually to BOEC for operating support.

### Balance and Planned Expenditures

The fund is projected to be approximately \$855,000 during FY 2003-04. An operating budget contingency is estimated to be \$422,000 and serves as a reserve for additional overtime costs. In addition, BOEC is transferring \$250,000 to the Emergency Communications Fund to cover a projected reduction in State 9-1-1 revenues, due to a biennial cap of revenue distribution imposed by the State legislature. Also, approximately \$35,000 is provided to support the City's Public Emergency Notification System program and General Fund Overhead payments.

### Managing Agency

Bureau of Emergency Communications

**Supplemental Retirement Program Trust Fund – 654**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	7,386	3,532	2,500	2,500	1,000	1,000
	7,386	3,532	2,500	2,500	1,000	1,000
<b>Total External Revenues</b>	<b>7,386</b>	<b>3,532</b>	<b>2,500</b>	<b>2,500</b>	<b>1,000</b>	<b>1,000</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	367,249	98,320	96,633	96,633	95,018	95,018
<b>TOTAL RESOURCES</b>	<b>\$ 374,635</b>	<b>\$ 101,852</b>	<b>\$ 99,133</b>	<b>\$ 99,133</b>	<b>\$ 96,018</b>	<b>\$ 96,018</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	6,700	6,834	7,200	7,200	7,200	7,200
<b>Total Bureau Expenses</b>	<b>6,700</b>	<b>6,834</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>
<b>Fund Requirements</b>						
<b>Fund Cash Transfers</b>						
Health Insurance	269,615	0	0	0	0	0
	269,615	0	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	98,320	95,018	91,933	91,933	88,818	88,818
	98,320	95,018	91,933	91,933	88,818	88,818
<b>Total Fund Requirements</b>	<b>367,935</b>	<b>95,018</b>	<b>91,933</b>	<b>91,933</b>	<b>88,818</b>	<b>88,818</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 374,635</b>	<b>\$ 101,852</b>	<b>\$ 99,133</b>	<b>\$ 99,133</b>	<b>\$ 96,018</b>	<b>\$ 96,018</b>
<b>LINE ITEM DETAIL – AU 229</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
547000 Retirement System Payments	6,700	6,834	7,200	7,200	7,200	7,200
<b>Total External Materials and Services</b>	<b>6,700</b>	<b>6,834</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>
<b>Total Materials and Services</b>	<b>6,700</b>	<b>6,834</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>	<b>7,200</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 6,700</b>	<b>\$ 6,834</b>	<b>\$ 7,200</b>	<b>\$ 7,200</b>	<b>\$ 7,200</b>	<b>\$ 7,200</b>

**FUND OVERVIEW**

The Supplemental Retirement Program Trust Fund was established by City ordinance #138016 for the purpose of providing certain disability, service requirement, and death benefits for Bruce Baker, a former Chief of Police for the City of Portland. This supplemental trust was established in accordance with ORS 236.620 because Mr. Baker was not eligible for membership in, or benefits from, either the Fire and Police Disability and Retirement System (FPD&R) or the Public Employees Retirement System (PERS).

**Managing Agency** Office of Management and Finance, Financial Planning

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# Bonded Debt Interest and Sinking Fund – 302

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	7,814,693	7,874,297	6,474,991	6,474,991	6,295,123	6,295,123
Prior Year Property Taxes	146,224	223,453	130,000	130,000	100,000	100,000
	7,960,917	8,097,750	6,604,991	6,604,991	6,395,123	6,395,123
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	29,851,677	0	0	0	0
Interest Earned	158,883	95,716	50,000	50,000	45,000	45,000
	158,883	29,947,393	50,000	50,000	45,000	45,000
<b>Total External Revenues</b>	<b>8,119,800</b>	<b>38,045,143</b>	<b>6,654,991</b>	<b>6,654,991</b>	<b>6,440,123</b>	<b>6,440,123</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Special Revenue and Finance	0	19,994	0	0	0	0
	0	19,994	0	0	0	0
<b>Total Internal Revenues</b>	<b>0</b>	<b>19,994</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Beginning Fund Balance</b>	<b>328,377</b>	<b>499,506</b>	<b>250,000</b>	<b>826,592</b>	<b>450,000</b>	<b>450,000</b>
<b>TOTAL RESOURCES</b>	<b>\$ 8,448,177</b>	<b>\$ 38,564,643</b>	<b>\$ 6,904,991</b>	<b>\$ 7,481,583</b>	<b>\$ 6,890,123</b>	<b>\$ 6,890,123</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	7,948,671	37,601,310	6,904,991	7,031,583	6,890,123	6,890,123
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	499,506	963,333	0	450,000	0	0
	499,506	963,333	0	450,000	0	0
<b>Total Fund Requirements</b>	<b>8,448,177</b>	<b>38,564,643</b>	<b>6,904,991</b>	<b>7,481,583</b>	<b>6,890,123</b>	<b>6,890,123</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 8,448,177</b>	<b>\$ 38,564,643</b>	<b>\$ 6,904,991</b>	<b>\$ 7,481,583</b>	<b>\$ 6,890,123</b>	<b>\$ 6,890,123</b>

## FUND OVERVIEW

This fund is used to achieve a proper matching of revenues and expenditures related to the financing and refinancing of bonds issued for the renovation of the City's parks system and the Bureau of Fire, Rescue and Emergency Services' infrastructure.

Principal and interest on these bonds are paid from property taxes. The City is obligated to levy an annual ad valorem tax, without limitation to rate or amount, upon all property within the city sufficient to service the debt.

**Managing Agency** Office of Management and Finance, Financial Services

**Bonded Debt Interest and Sinking Fund – 302**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>General Obligation Parks Bonds, 1995 Series A</b>						
03/01/1995 - Due 6/1	20,000,000					
		2003/04	900,000	5.25%	268,075	1,168,075
		2004/05	950,000	5.30%	220,825	1,170,825
		2005/06	1,000,000	5.30%	170,475	1,170,475
		2006/07	1,050,000	5.40%	117,475	1,167,475
		2007/08	1,105,000	5.50%	60,775	1,165,775
		<b>TOTAL</b>	<b>5,005,000</b>		<b>837,625</b>	<b>5,842,625</b>
<b>General Obligation Parks Bonds, 1995 Series B</b>						
03/01/1995 - Due 6/1	38,800,000					
		2003/04	1,750,000	5.20%	513,670	3,330,910
		2004/05	1,840,000	5.25%	422,670	3,329,910
		2005/06	1,940,000	5.25%	326,070	3,333,310
		2006/07	2,040,000	5.30%	224,220	3,331,460
		2007/08	2,150,000	5.40%	116,100	3,333,340
		<b>TOTAL</b>	<b>9,720,000</b>		<b>1,602,730</b>	<b>16,658,930</b>
<b>General Obligation Parks Refunding Bonds, 2001 Series A</b>						
07/01/2001 - Due 6/1	29,810,000					
		2003/04	130,000	3.40%	1,345,890	1,475,890
		2004/05	135,000	3.60%	1,341,470	1,476,470
		2005/06	140,000	3.70%	1,336,610	1,476,610
		2006/07	145,000	3.90%	1,331,430	1,476,430
		2007/08	155,000	4.00%	1,325,775	1,480,775
		2008/09	3,595,000	4.15%	1,319,575	4,914,575
		2009/10	3,745,000	4.25%	1,170,383	4,915,383
		2010/11	3,900,000	4.50%	1,011,220	4,911,220
		2011/12	4,075,000	5.00%	835,720	4,910,720
		2012/13	4,280,000	4.50%	631,970	4,911,970
		2013/14	4,470,000	4.60%	439,370	4,909,370
		2014/15	4,675,000	5.00%	233,750	4,908,750
		<b>TOTAL</b>	<b>29,445,000</b>		<b>12,323,163</b>	<b>41,768,163</b>
<b>General Obligation Emergency Facility Bonds, 1999 Series A</b>						
06/01/1999 - Due 6/1	24,500,000					
		2003/04	930,000	4.50%	1,052,488	1,982,488
		2004/05	970,000	4.50%	1,010,638	1,980,638
		2005/06	1,010,000	4.50%	966,988	1,976,988
		2006/07	1,050,000	5.00%	921,538	1,971,538
		2007/08	1,100,000	5.00%	869,038	1,969,038
		2008/09	1,140,000	5.00%	814,038	1,954,038
		2009/10	1,200,000	4.90%	757,038	1,957,038
		2010/11	1,250,000	5.00%	698,238	1,948,238
		2011/12	1,310,000	5.00%	635,738	1,945,738
		2012/13	1,370,000	5.00%	570,238	1,940,238
		2013/14	1,440,000	5.13%	501,738	1,941,738
		2014/15	1,510,000	5.13%	427,938	1,937,938
		2015/16	1,580,000	5.13%	350,550	1,930,550
		2016/17	1,660,000	5.13%	269,575	1,929,575
		2017/18	1,750,000	5.13%	184,500	1,934,500
		2018/19	1,850,000	5.13%	94,813	1,944,813
		<b>TOTAL</b>	<b>21,120,000</b>		<b>10,125,088</b>	<b>31,245,088</b>
<b>COMBINED DEBT SERVICE</b>						
	113,110,000					
		2003/04	3,710,000		3,180,123	6,890,123
		2004/05	3,895,000		2,995,603	6,890,603
		2005/06	4,090,000		2,800,143	6,890,143

**Bonded Debt Interest and Sinking Fund – 302**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2006/07	4,285,000		2,594,663	6,879,663
		2007/08	4,510,000		2,371,688	6,881,688
		2008/09	4,735,000		2,133,613	6,868,613
		2009/10	4,945,000		1,927,420	6,872,420
		2010/11	5,150,000		1,709,458	6,859,458
		2011/12	5,385,000		1,471,458	6,856,458
		2012/13	5,650,000		1,202,208	6,852,208
		2013/14	5,910,000		941,108	6,851,108
		2014/15	6,185,000		661,688	6,846,688
		2015/16	1,580,000		350,550	1,930,550
		2016/17	1,660,000		269,575	1,929,575
		2017/18	1,750,000		184,500	1,934,500
		2018/19	1,850,000		94,813	1,944,813
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 65,290,000</b>		<b>\$ 24,888,605</b>	<b>\$ 90,178,605</b>

**Golf Fund – 154**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Concessions	249,227	237,714	375,322	266,000	202,357	202,357
Parks & Recreation Facilities	6,001,507	5,794,111	7,032,077	5,429,015	6,345,277	6,345,277
Rents and Reimbursements	790	2,086	0	0	80,000	80,000
	6,251,524	6,033,911	7,407,399	5,695,015	6,627,634	6,627,634
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	0	545,671	2,100,000	0	0
Interest Earned	65,246	35,282	65,246	28,000	35,282	35,282
Other Miscellaneous	61,954	174	0	0	0	0
Sales Miscellaneous	10,755	4,899	71,500	70,000	17,371	17,371
	137,955	40,355	682,417	2,198,000	52,653	52,653
<b>Total External Revenues</b>	6,389,479	6,074,266	8,089,816	7,893,015	6,680,287	6,680,287
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Vehicle Services Fund	0	0	28,874	28,874	0	0
	0	0	28,874	28,874	0	0
<b>Interfund Service Reimbursements</b>						
Portland Parks Trust	0	0	0	0	40,000	40,000
	0	0	0	0	40,000	40,000
<b>Total Internal Revenues</b>	0	0	28,874	28,874	40,000	40,000
<b>Beginning Fund Balance</b>	737,949	816,586	367,218	366,603	536,102	536,102
<b>TOTAL RESOURCES</b>	<b>\$ 7,127,428</b>	<b>\$ 6,890,852</b>	<b>\$ 8,485,908</b>	<b>\$ 8,288,492</b>	<b>\$ 7,256,389</b>	<b>\$ 7,256,389</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	2,518,599	2,631,477	2,578,902	2,706,850	2,459,754	2,459,754
<b>External Materials and Services</b>	1,868,197	1,858,269	1,693,704	1,572,000	1,510,587	1,510,587
<b>Internal Materials and Services</b>						
Communications Services	11,695	15,891	15,401	0	14,820	14,684
Information Technology	16,645	15,039	14,617	0	8,101	7,960
Insurance	73,362	71,792	77,870	0	79,828	79,565
Printing & Distribution	3,307	482	2,807	-0	917	909
Vehicle Services	106,664	105,822	255,566	0	278,943	279,009
Environmental Services	308	0	0	0	0	0
Environmental Svcs - Int	0	0	22,621	0	1,997	1,997
Office of Management & Finance	8,575	50,884	57,567	0	59,737	59,737
Parking Facilities	3,120	2,400	1,800	0	1,860	1,860
Parks Bureau	360,839	450,715	439,165	1,015,000	423,984	423,984
Parks Construction	2,903	35,286	340,820	0	59,516	59,516
Transportation	1,496	483	0	0	0	0
	588,914	748,794	1,228,234	1,015,000	929,703	929,221
<b>Capital Outlay</b>	387,093	774,170	1,177,398	2,009,844	620,484	620,484
<b>Equipment Cash Transfers</b>						
Vehicle Operating	0	108,860	0	0	0	0
	0	108,860	0	0	0	0
<b>Total Bureau Expenses</b>	5,362,803	6,121,570	6,678,238	7,303,694	5,520,528	5,520,046
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	1,070,583	536,102	599,780	577,568
	0	0	1,070,583	536,102	599,780	577,568
<b>General Fund Overhead</b>	210,897	86,429	88,012	88,012	108,910	131,604
<b>Fund Cash Transfers</b>						
Golf Revenue Bond	606,226	132,500	435,000	168,000	800,000	800,000
Pension Debt Redemption Fund	65,913	0	85,565	64,174	72,406	72,406
	672,139	132,500	520,565	232,174	872,406	872,406

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Debt Retirement	65,003	183,750	128,510	128,510	154,765	154,765
Unappropriated Ending Balance						
Unappropriated Ending Balance	816,586	366,603	0	0	0	0
	816,586	366,603	0	0	0	0
<b>Total Fund Requirements</b>	<b>1,764,625</b>	<b>769,282</b>	<b>1,807,670</b>	<b>984,798</b>	<b>1,735,861</b>	<b>1,736,343</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,127,428</b>	<b>\$ 6,890,852</b>	<b>\$ 8,485,908</b>	<b>\$ 8,288,492</b>	<b>\$ 7,256,389</b>	<b>\$ 7,256,389</b>

## FUND OVERVIEW

The Golf Operating Fund is designed to account for a self-sufficient, revenue-based golf program within Portland Parks and Recreation. The program supports five regulation-sized golf courses at four sites, along with clubhouses and other support facilities. The courses encompass approximately 750 acres within the metropolitan area.

**Managing Agency**      Portland Parks and Recreation

**Golf Revenue Bond Redemption Fund – 353**

**FUND SUMMARY**

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	0	0	637,159	0	0
Interest Earned	1,212	431	700	200	10,000	10,000
	1,212	431	700	637,359	10,000	10,000
<b>Total External Revenues</b>	1,212	431	700	637,359	10,000	10,000
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Golf Fund	606,226	132,500	435,000	186,000	800,000	800,000
	606,226	132,500	435,000	186,000	800,000	800,000
<b>Total Internal Revenues</b>	606,226	132,500	435,000	186,000	800,000	800,000
<b>Beginning Fund Balance</b>	9,768	10,980	11,829	2,141	639,500	639,500
<b>TOTAL RESOURCES</b>	<b>\$ 617,206</b>	<b>\$ 143,911</b>	<b>\$ 447,529</b>	<b>\$ 825,500</b>	<b>\$ 1,449,500</b>	<b>\$ 1,449,500</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	606,226	141,770	435,000	186,000	806,500	806,500
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	10,980	2,141	12,529	639,500	643,000	643,000
	10,980	2,141	12,529	639,500	643,000	643,000
<b>Total Fund Requirements</b>	617,206	143,911	447,529	825,500	1,449,500	1,449,500
<b>TOTAL REQUIREMENTS</b>	<b>\$ 617,206</b>	<b>\$ 143,911</b>	<b>\$ 447,529</b>	<b>\$ 825,500</b>	<b>\$ 1,449,500</b>	<b>\$ 1,449,500</b>

**FUND OVERVIEW**

The Golf Revenue Bond Redemption Fund pays principal and interest on a line of credit established in 2000 to make improvements at Eastmoreland, Heron Lakes, Redtail (previously known as Progress Downs), and Rose City golf courses. Debt service on these bonds is payable from and secured by net revenues of the golf system.

**Managing Agency**      Portland Parks and Recreation

**Golf Revenue Bond Redemption Fund – 353**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Golf System Revenue Bonds, 2000 Series A</b>						
02/01/2000 - Due 02/1	3,600,000					
		2003/04	536,333	2.49%	270,160	806,493
		2004/05	550,000	2.89%	256,805	806,805
		2005/06	566,000	3.36%	240,910	806,910
		2006/07	585,000	3.83%	221,893	806,893
		2007/08	608,000	4.30%	199,487	807,487
		2008/09	634,000	4.57%	173,343	807,343
		2009/10	663,000	4.84%	144,369	807,369
		2010/11	695,000	4.98%	112,280	807,280
		2011/12	729,000	5.12%	77,669	806,669
		2012/13	767,000	5.26%	40,344	807,344
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 6,333,333</b>		<b>\$ 1,737,260</b>	<b>\$ 8,070,593</b>

**Parks Bond Construction Fund – 504**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	38,905	0	0	0	0	0
	38,905	0	0	0	0	0
<b>Total External Revenues</b>	<b>38,905</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Parks Construction Fund	0	0	15,573	15,573	0	0
	0	0	15,573	15,573	0	0
<b>Total Internal Revenues</b>	<b>0</b>	<b>0</b>	<b>15,573</b>	<b>15,573</b>	<b>0</b>	<b>0</b>
<b>Beginning Fund Balance</b>	<b>1,178,011</b>	<b>(15,577)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$ 1,216,916</b>	<b>\$ (15,577)</b>	<b>\$ 15,573</b>	<b>\$ 15,573</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	246,497	0	0	0	0	0
<b>Internal Materials and Services</b>						
Communications Services	1,228	0	0	0	0	0
Printing & Distribution	452	0	0	0	0	0
Office of Management & Finance	20,602	0	0	0	0	0
Parks Bureau	749	0	0	0	0	0
	23,031	0	0	0	0	0
<b>Capital Outlay</b>	<b>926,450</b>	<b>0</b>	<b>15,573</b>	<b>15,573</b>	<b>0</b>	<b>0</b>
<b>Total Bureau Expenses</b>	<b>1,195,978</b>	<b>0</b>	<b>15,573</b>	<b>15,573</b>	<b>0</b>	<b>0</b>
<b>Fund Requirements</b>						
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	36,515	0	0	0	0	0
	36,515	0	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	(15,577)	(15,577)	0	0	0	0
	(15,577)	(15,577)	0	0	0	0
<b>Total Fund Requirements</b>	<b>20,938</b>	<b>(15,577)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,216,916</b>	<b>\$ (15,577)</b>	<b>\$ 15,573</b>	<b>\$ 15,573</b>	<b>\$ 0</b>	<b>\$ 0</b>

**FUND OVERVIEW**

The Parks Bond Construction Fund was established to account for capital improvements funded by a \$58.8 million General Obligation bond issue. This capital program, sometimes referred to as the GOBI, was passed by voters in November 1994, and implementation began in the Spring of 1995.

Work was completed in FY 2000-01 and the fund has been closed.

**Managing Agency**      Portland Parks and Recreation



**Parks Construction Fund – 505**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Public Works/Utility Charge	1,456,385	1,827,377	1,734,546	2,235,000	1,837,660	1,837,660
Rents and Reimbursements	38,708	8,575	0	0	0	0
	<u>1,495,093</u>	<u>1,835,952</u>	<u>1,734,546</u>	<u>2,235,000</u>	<u>1,837,660</u>	<u>1,837,660</u>
<b>Local Sources</b>						
Local Cost Sharing	1,147,674	3,967,678	2,144,631	2,270,000	1,796,809	1,796,809
	<u>1,147,674</u>	<u>3,967,678</u>	<u>2,144,631</u>	<u>2,270,000</u>	<u>1,796,809</u>	<u>1,796,809</u>
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	2,250,000	500,000	1,069,120	1,000,000	2,250,000	2,250,000
Collection of Assessment	518,480	383,378	0	325,000	0	0
Interest Earned	173,693	104,170	180,000	48,000	0	0
Other Miscellaneous	1,048	0	0	775	0	0
Private Grants/Donations	52,400	11,000	0	98,000	275,000	275,000
	<u>2,995,621</u>	<u>998,548</u>	<u>1,249,120</u>	<u>1,471,775</u>	<u>2,525,000</u>	<u>2,525,000</u>
<b>Total External Revenues</b>	<u>5,638,388</u>	<u>6,802,178</u>	<u>5,128,297</u>	<u>5,976,775</u>	<u>6,159,469</u>	<u>6,159,469</u>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
General Fund	1,520,000	2,143,450	900,000	900,000	925,000	925,000
Parks Memorial Trust Fund	0	0	0	50,000	0	0
	<u>1,520,000</u>	<u>2,143,450</u>	<u>900,000</u>	<u>950,000</u>	<u>925,000</u>	<u>925,000</u>
<b>Federal Grants Transfers</b>						
	90,934	(20,934)	1,050,000	1,200,000	572,235	572,235
<b>Interfund Service Reimbursements</b>						
Environmental Services	10,000	0	107,000	132,000	62,500	62,500
Golf Operating Fund	2,903	35,286	340,820	110,000	59,516	59,516
Housing & Community Development	13,000	0	0	0	85,615	85,615
Neighborhood Involvement	7,650	0	0	0	0	0
Parks Bureau	0	0	0	184,233	7,068	7,068
Parks Serial Levy	0	0	0	0	562,000	562,000
Planning	0	0	0	40,000	29,825	29,825
Portland Parks Trust	577,144	101,857	274,495	270,000	387,774	387,774
Transportation	0	0	0	6,936	0	0
Water Bureau	0	0	47,000	80,000	153,000	153,000
	<u>610,697</u>	<u>137,143</u>	<u>769,315</u>	<u>823,169</u>	<u>1,347,298</u>	<u>1,347,298</u>
<b>Total Internal Revenues</b>	<u>2,221,631</u>	<u>2,259,659</u>	<u>2,719,315</u>	<u>2,973,169</u>	<u>2,844,533</u>	<u>2,844,533</u>
<b>Beginning Fund Balance</b>	<u>3,871,806</u>	<u>2,343,490</u>	<u>1,713,638</u>	<u>1,713,637</u>	<u>1,022,612</u>	<u>1,022,612</u>
<b>TOTAL RESOURCES</b>	<b>\$ 11,731,825</b>	<b>\$ 11,405,327</b>	<b>\$ 9,561,250</b>	<b>\$ 10,663,581</b>	<b>\$ 10,026,614</b>	<b>\$ 10,026,614</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	6,093	1,016,438	1,006,240	0	1,164,754	1,164,754
<b>External Materials and Services</b>	(743,460)	(1,523,314)	1,029,324	0	658,682	658,682
<b>Internal Materials and Services</b>						
Communications Services	20,330	12,286	11,686	0	13,135	13,009
Facilities Services	119	29	0	0	0	0
Information Technology	12,689	11,539	21,215	0	984	972
Printing & Distribution	17,590	10,986	23,862	0	16,003	15,834
Vehicle Services	5,622	6,553	5,170	0	8,070	8,031
Environmental Services	11,240	45,319	0	0	0	0
Environmental Svcs - Int	0	905	0	0	4,000	4,000
Neighborhood Involvement	0	432	0	0	0	0
Office of Management & Finance	0	9,495	10,745	0	14,164	14,164
Parking Facilities	3,480	3,360	3,600	0	3,720	3,720
Parks Bureau	481,098	325,128	465,231	0	332,631	332,631
Planning	0	0	0	0	27,600	27,600
Special Appropriations	0	0	1,580	0	1,289	1,289
Transportation	74,450	99,802	0	0	45,000	45,000

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Water Bureau	12,486	21,739	0	0	0	0
	639,104	547,573	543,089	0	466,596	466,250
<b>Capital Outlay</b>	9,328,691	9,430,000	6,396,333	9,071,916	7,108,352	7,108,352
<b>Total Bureau Expenses</b>	9,230,428	9,470,697	8,974,986	9,071,916	9,398,384	9,398,038
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	10,421	1,022,612	67,180	57,879
	0	0	10,421	1,022,612	67,180	57,879
<b>General Fund Overhead</b>	106,027	137,590	111,588	111,588	112,904	122,551
<b>Fund Cash Transfers</b>						
Parks Bond Construction	0	0	15,573	15,573	0	0
Intermediate Debt Fund	51,270	55,346	421,521	421,521	407,363	407,363
Pension Debt Redemption Fund	610	28,057	27,161	20,371	40,783	40,783
	51,880	83,403	464,255	457,465	448,146	448,146
<b>Debt Retirement</b>	0	0	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	2,343,490	1,713,637	0	0	0	0
	2,343,490	1,713,637	0	0	0	0
<b>Total Fund Requirements</b>	2,501,397	1,934,630	586,264	1,591,665	628,230	628,576
<b>TOTAL REQUIREMENTS</b>	<b>\$ 11,731,825</b>	<b>\$ 11,405,327</b>	<b>\$ 9,561,250</b>	<b>\$ 10,663,581</b>	<b>\$ 10,026,614</b>	<b>\$ 10,026,614</b>

## FUND OVERVIEW

The Parks Construction Fund was created in FY 1998-99 as a way to improve and streamline the financial management and accounting for capital improvement program expenditures for Portland Parks and Recreation. Projects approved through the Capital Review Committee using General Fund resources are included here, as well as projects funded with non-discretionary resources, including the Park System Development Charge established in the Fall of 1998. A total of \$925,000 of General Fund discretionary resources is included in the FY 2003-04 Adopted Budget for four projects.

**Managing Agency**      Portland Parks and Recreation

**Parks Endowment Fund – 402**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	0	1,042	1,400	600	700	700
Private Grants/Donations	0	0	0	4,500	0	0
	0	1,042	1,400	5,100	700	700
<b>Total External Revenues</b>	0	1,042	1,400	5,100	700	700
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Parks Memorial Trust Fund	0	28,346	0	125,000	0	0
	0	28,346	0	125,000	0	0
<b>Interfund Service Reimbursements</b>						
Portland Parks Trust	0	0	0	0	50,000	50,000
	0	0	0	0	50,000	50,000
<b>Total Internal Revenues</b>	0	28,346	0	125,000	50,000	50,000
<b>Beginning Fund Balance</b>	0	0	29,000	28,804	29,000	29,000
<b>TOTAL RESOURCES</b>	<b>\$ 0</b>	<b>\$ 29,388</b>	<b>\$ 30,400</b>	<b>\$ 158,904</b>	<b>\$ 79,700</b>	<b>\$ 79,700</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	0	584	1,400	129,904	700	700
<b>Total Bureau Expenses</b>	0	584	1,400	129,904	700	700
<b>Fund Requirements</b>						
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	0	28,804	29,000	29,000	79,000	79,000
	0	28,804	29,000	29,000	79,000	79,000
<b>Total Fund Requirements</b>	0	28,804	29,000	29,000	79,000	79,000
<b>TOTAL REQUIREMENTS</b>	<b>\$ 0</b>	<b>\$ 29,388</b>	<b>\$ 30,400</b>	<b>\$ 158,904</b>	<b>\$ 79,700</b>	<b>\$ 79,700</b>
<b>LINE ITEM DETAIL – AU 453</b>						
<b>External Materials and Services</b>						
539000 Other Commodities External	0	584	1,400	129,904	700	700
<b>Total External Materials and Services</b>	0	584	1,400	129,904	700	700
<b>Total Materials and Services</b>	0	584	1,400	129,904	700	700
<b>TOTAL Bureau Expenses</b>	<b>\$ 0</b>	<b>\$ 584</b>	<b>\$ 1,400</b>	<b>\$ 129,904</b>	<b>\$ 700</b>	<b>\$ 700</b>

**FUND OVERVIEW**

The Parks Endowment Fund accounts for gifts, donations, and endowments of a permanent nature, whereby the principal is invested and earnings are available to support Parks and Recreation programs and activities. The first such endowment is described below.

The F.L. Beach Curbside Rose Award Trust was established in 1975 through a gift of stock. The purpose of the donation was to encourage planting and maintaining roses visible to the public through a system of awards in an annual competition. Under the terms and conditions of this donation, after the shares of stock were sold only the income from the investment could be used for prizes and awards. Any income not used for this purpose shall apply to increase the trust reserve.

This fund had been included within the Portland Parks Trust Fund, but new accounting requirements from the Governmental Accounting Standards Board (GASB) via pronouncement GASB 34 require that this type of fund be segregated in a permanent fund.

**Managing Agency**                      Portland Parks and Recreation



**Parks Local Option Levy Fund – 230**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	0	0	0	0	8,671,109	8,671,109
	0	0	0	0	8,671,109	8,671,109
<b>Miscellaneous Revenues</b>						
Interest Earned	0	0	0	0	36,880	36,880
	0	0	0	0	36,880	36,880
<b>Total External Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>8,707,989</b>	<b>8,707,989</b>
<b>Internal Revenues</b>						
<b>TOTAL RESOURCES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 8,707,989</b>	<b>\$ 8,707,989</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	0	0	0	0	0	0
<b>Internal Materials and Services</b>						
Parks Bureau	0	0	0	0	4,421,081	4,421,081
Parks Construction	0	0	0	0	562,000	562,000
	0	0	0	0	4,983,081	4,983,081
<b>Total Bureau Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,983,081</b>	<b>4,983,081</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	0	0	3,724,908	3,724,908
	0	0	0	0	3,724,908	3,724,908
<b>Total Fund Requirements</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,724,908</b>	<b>3,724,908</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 8,707,989</b>	<b>\$ 8,707,989</b>
<b>LINE ITEM DETAIL – AU 258</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
532000 Operating Supplies	0	0	0	0	0	0
<b>Total External Materials and Services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Internal Materials and Services</b>						
559000 Other Fund Services	0	0	0	0	4,983,081	4,983,081
<b>Total Internal Materials and Services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,983,081</b>	<b>4,983,081</b>
<b>Total Materials and Services</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,983,081</b>	<b>4,983,081</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 4,983,081</b>	<b>\$ 4,983,081</b>

**FUND OVERVIEW**

The Parks Local Option Levy was passed by the voters in November 2002 and will generate approximately \$8.7 million in FY 2003-04 and an average of \$9.7 million per year after property tax compression, delinquency and discounts over the five-year term of the levy. The services and improvements funded through the levy will address major issues outlined in the *Parks 2020 Vision* plan adopted by Council in July 2001, as well as offset reductions taken in the FY 2002-03 Adopted Budget. The funds will be used to address the following:

- ◆ Restore \$2.2 million in FY 2002-03 budget cuts
- ◆ Provide access to recreational programs for children, families, and seniors
- ◆ Provide safe places to play
- ◆ Restore, renovate, and continue to maintain the parks system

**Managing Agency**      Portland Parks and Recreation

Portland International Raceway Fund – 156

FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Concessions	155,870	159,891	180,000	155,000	150,000	150,000
Parks & Recreation Facilities	0	150,001	0	0	0	0
Rents and Reimbursements	813,140	1,039,223	985,000	1,362,501	1,200,000	1,200,000
	969,010	1,349,115	1,165,000	1,517,501	1,350,000	1,350,000
<b>Miscellaneous Revenues</b>						
Interest Earned	450	(1,898)	0	0	5,000	5,000
Other Miscellaneous	5,398	23,167	5,000	2,500	0	0
	5,848	21,269	5,000	2,500	5,000	5,000
<b>Total External Revenues</b>	<b>974,858</b>	<b>1,370,384</b>	<b>1,170,000</b>	<b>1,520,001</b>	<b>1,355,000</b>	<b>1,355,000</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Vehicle Services Fund	0	0	1,921	1,921	0	0
	0	0	1,921	1,921	0	0
<b>Federal Grants Transfers</b>	0	7,599	0	0	0	0
<b>Interfund Service Reimbursements</b>						
Police Bureau	0	20,800	0	0	0	0
Portland Parks Trust	0	20,000	0	0	0	0
	0	40,800	0	0	0	0
<b>Total Internal Revenues</b>	<b>0</b>	<b>48,399</b>	<b>1,921</b>	<b>1,921</b>	<b>0</b>	<b>0</b>
<b>Beginning Fund Balance</b>	<b>99,093</b>	<b>92,321</b>	<b>160,566</b>	<b>109,571</b>	<b>342,399</b>	<b>342,399</b>
<b>TOTAL RESOURCES</b>	<b>\$ 1,073,951</b>	<b>\$ 1,511,104</b>	<b>\$ 1,332,487</b>	<b>\$ 1,631,493</b>	<b>\$ 1,697,399</b>	<b>\$ 1,697,399</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	437,929	475,821	477,597	519,000	544,167	544,167
<b>External Materials and Services</b>	359,268	548,899	309,034	335,000	336,500	336,500
<b>Internal Materials and Services</b>						
Communications Services	9,735	11,241	15,604	0	15,954	15,905
Information Technology	2,562	2,315	2,251	0	5,833	5,730
Insurance	25,341	25,506	35,396	0	36,218	36,134
Printing & Distribution	626	347	729	0	699	692
Vehicle Services	4,947	5,035	5,921	0	5,795	5,758
Environmental Services	55,000	55,000	75,000	0	64,463	64,463
Office of Management & Finance	0	5,179	5,861	0	6,070	6,070
Parks Bureau	54,149	141,177	91,003	164,000	102,843	102,843
	152,360	245,800	231,765	164,000	237,875	237,595
<b>Capital Outlay</b>	19,384	111,871	0	75,000	0	0
<b>Total Bureau Expenses</b>	<b>968,941</b>	<b>1,382,391</b>	<b>1,018,396</b>	<b>1,093,000</b>	<b>1,118,542</b>	<b>1,118,262</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	114,531	342,399	542,325	536,768
	0	0	114,531	342,399	542,325	536,768
<b>General Fund Overhead</b>	0	5,512	28,172	28,172	22,593	28,430
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	12,689	0	13,888	10,422	13,939	13,939
Portland Parks Memorial Trust	0	0	157,500	157,500	0	0
	12,689	0	171,388	167,922	13,939	13,939
<b>Debt Retirement</b>	0	13,630	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	92,321	109,571	0	0	0	0
	92,321	109,571	0	0	0	0
<b>Total Fund Requirements</b>	<b>105,010</b>	<b>128,713</b>	<b>314,091</b>	<b>538,493</b>	<b>578,857</b>	<b>579,137</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,073,951</b>	<b>\$ 1,511,104</b>	<b>\$ 1,332,487</b>	<b>\$ 1,631,493</b>	<b>\$ 1,697,399</b>	<b>\$ 1,697,399</b>

## FUND OVERVIEW

The Portland International Raceway (PIR) Operating Fund is a separate enterprise fund within Portland Parks and Recreation. It is a self-sustaining operation which manages the world-class road course, motorcross track, open air exhibit areas, and related spectator facilities. The facility attracts over 500,000 spectators to about 135 events annually and is used nearly every day of the year.

**Managing Agency**      Portland Parks and Recreation

**Portland Parks Memorial Trust Funds – 602**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Concessions	49,926	46,211	45,000	46,000	45,000	45,000
Parking Fees	162,208	162,334	164,000	130,000	178,000	178,000
Parks & Recreation Facilities	1,183,650	975,778	973,800	942,000	888,941	888,941
Rents and Reimbursements	389,182	397,275	416,000	398,000	356,400	356,400
	1,784,966	1,581,598	1,598,800	1,516,000	1,468,341	1,468,341
<b>Miscellaneous Revenues</b>						
Interest Earned	182,431	111,743	136,000	64,000	75,259	75,259
Other Miscellaneous	27,969	1,848	0	0	0	0
Private Grants/Donations	404,122	327,799	46,000	160,000	8,100	8,100
	614,522	441,390	182,000	224,000	83,359	83,359
<b>Total External Revenues</b>	<b>2,399,488</b>	<b>2,022,988</b>	<b>1,780,800</b>	<b>1,740,000</b>	<b>1,551,700</b>	<b>1,551,700</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Portland International Raceway	0	0	157,500	157,500	0	0
Sewage System Operating Fund	25,520	0	0	0	0	0
	25,520	0	157,500	157,500	0	0
<b>Interfund Service Reimbursements</b>						
Parks Bureau	0	0	63,000	63,000	93,000	93,000
Planning	0	102,954	0	0	0	0
Police Bureau	15,000	0	15,000	15,000	0	0
Transportation	99,124	(783)	4,893	5,200	0	0
	114,124	102,171	82,893	83,200	93,000	93,000
<b>Total Internal Revenues</b>	<b>139,644</b>	<b>102,171</b>	<b>240,393</b>	<b>240,700</b>	<b>93,000</b>	<b>93,000</b>
<b>Beginning Fund Balance</b>	<b>2,593,599</b>	<b>3,035,656</b>	<b>2,839,455</b>	<b>3,035,656</b>	<b>2,626,722</b>	<b>2,626,722</b>
<b>TOTAL RESOURCES</b>	<b>\$ 5,132,731</b>	<b>\$ 5,160,815</b>	<b>\$ 4,860,648</b>	<b>\$ 5,016,356</b>	<b>\$ 4,271,422</b>	<b>\$ 4,271,422</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	870,089	1,550,168	1,175,650	1,173,659	883,680	883,680
<b>Internal Materials and Services</b>						
Communications Services	374	372	385	0	387	387
Printing & Distribution	334	6,564	500	0	1,106	1,103
Golf Operating	0	0	0	0	40,000	40,000
Neighborhood Involvement	7,500	7,700	7,800	0	8,200	8,200
Office of Management & Finance	2,096	0	0	0	0	0
Parks Bureau	639,538	659,630	740,030	1,040,975	752,589	752,589
Parks Construction	577,144	101,856	274,495	0	387,774	387,774
Parks Endowment Fund	0	0	0	0	50,000	50,000
PIR	0	20,000	0	0	0	0
Transportation	0	28,599	0	0	0	0
	1,226,986	824,721	1,023,210	1,040,975	1,240,056	1,240,053
<b>Total Bureau Expenses</b>	<b>2,097,075</b>	<b>2,374,889</b>	<b>2,198,860</b>	<b>2,214,634</b>	<b>2,123,736</b>	<b>2,123,733</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	2,615,083	2,626,722	2,147,686	2,147,689
	0	0	2,615,083	2,626,722	2,147,686	2,147,689
<b>Fund Cash Transfers</b>						
General Fund	0	40,000	0	0	0	0
Parks Construction	0	0	0	50,000	0	0
Parks Endowment	0	28,346	0	125,000	0	0
Water Fund	0	0	46,705	0	0	0
	0	68,346	46,705	175,000	0	0



	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	3,035,656	2,717,580	0	0	0	0
	3,035,656	2,717,580	0	0	0	0
<b>Total Fund Requirements</b>	3,035,656	2,785,926	2,661,788	2,801,722	2,147,686	2,147,689
<b>TOTAL REQUIREMENTS</b>	<b>\$ 5,132,731</b>	<b>\$ 5,160,815</b>	<b>\$ 4,860,648</b>	<b>\$ 5,016,356</b>	<b>\$ 4,271,422</b>	<b>\$ 4,271,422</b>
<b>LINE ITEM DETAIL – AU 450</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
521000 Professional Services	16,911	2,900	0	0	0	0
522000 Utilities	2,538	2,193	2,200	0	0	0
523000 Equipment Rental	10,254	5,048	25,000	0	7,150	7,150
524000 Repair & Maintenance Services	81,493	30,911	154,000	1,173,659	92,500	92,500
528000 Local Match Payments	127,229	394,719	230,000	0	36,108	36,108
529000 Miscellaneous Services	128,839	177,749	192,950	0	117,700	117,700
531000 Office Supplies	3,320	6,976	7,000	0	5,700	5,700
532000 Operating Supplies	76,426	266,893	137,500	0	174,909	174,909
533000 Repair & Maintenance Supplies	21,942	4,796	20,000	0	53,069	53,069
534000 Minor Equipment & Tools	55,849	56,502	57,000	0	66,800	66,800
535000 Clothing & Uniforms	16,228	48,858	41,000	0	53,550	53,550
539000 Other Commodities External	258,604	227,278	213,000	0	230,000	230,000
541000 Education	4,938	11,267	10,000	0	13,050	13,050
543000 Out-of-Town Travel	15,684	21,112	20,000	0	19,450	19,450
544000 Space Rental	0	420	0	0	0	0
549000 Miscellaneous	49,834	292,546	66,000	0	13,694	13,694
<b>Total External Materials and Services</b>	<b>870,089</b>	<b>1,550,168</b>	<b>1,175,650</b>	<b>1,173,659</b>	<b>883,680</b>	<b>883,680</b>
<b>Internal Materials and Services</b>						
552000 Printing & Distribution	334	6,564	500	0	1,106	1,103
554000 Communications Services	374	372	385	0	387	387
559000 Other Fund Services	1,226,278	817,785	1,022,325	1,040,975	1,238,563	1,238,563
<b>Total Internal Materials and Services</b>	<b>1,226,986</b>	<b>824,721</b>	<b>1,023,210</b>	<b>1,040,975</b>	<b>1,240,056</b>	<b>1,240,053</b>
<b>Total Materials and Services</b>	<b>2,097,075</b>	<b>2,374,889</b>	<b>2,198,860</b>	<b>2,214,634</b>	<b>2,123,736</b>	<b>2,123,733</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 2,097,075</b>	<b>\$ 2,374,889</b>	<b>\$ 2,198,860</b>	<b>\$ 2,214,634</b>	<b>\$ 2,123,736</b>	<b>\$ 2,123,733</b>

## FUND OVERVIEW

The Portland Parks Trust Fund, consisting of 13 separate funds, was established to receive donations from grants, neighborhood associations, foundations, friends organizations and others who designate funds to be applied to specific parks or projects. Trust fund expenditures are governed by a written set of guidelines that encourage leveraging trust fund expenditures as a match with other sources of support. Trust fund contributions are often one-time investments. They are also used to provide specific benefits to a particular park or constituency, and generally benefit the overall growth and mission of the entire parks system.

### FY 2003-04 Budget

The FY 2003-04 Portland Parks Trust Fund's Adopted Budget includes \$25,000 for equipment replacement for the former Killingsworth Landfill site. The Youth Trust fund is budgeted for \$279,180 to be used for recreation opportunities for low-income youth.

**Activities**

The Oaks Pioneer Church Trust includes \$1,887 for landscape maintenance. The Forest Park Trust is budgeted to use \$20,000 for matching funds to leverage funds from outside organizations for acquisitions to the park. The Willamette Park Trust has \$40,100 budgeted for parking management services. The North Portland Trust Fund has \$43,200 budgeted for North Portland priority recreation and activities in agreement with the local neighborhood and business community, with the funding coming from ticket surcharges at selected events at Portland International Raceway.

Activities in the other trust funds are at approximately the same level as in FY 2002-03, and include:

\$2,500 - SP 4449 Trust

\$271,310 - Columbia South Shore Trails Trust

\$4,000 - Rose Garden Trust

\$684,706 - Recreation Trust

\$26,200 - Parks Operations Trust

\$2,500 - Portland International Raceway Timing Tower Trust

**Managing Agency**

Portland Parks and Recreation

## Spectator Facilities Operating Fund – 160

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Parking Fees	1,439,276	1,237,146	1,400,000	1,400,000	1,400,000	1,400,000
Rents and Reimbursements	4,614,966	5,258,208	5,315,866	4,315,866	4,605,000	4,605,000
	6,054,242	6,495,354	6,715,866	5,715,866	6,005,000	6,005,000
<b>Local Sources</b>						
Local Cost Sharing	0	2,140,261	2,193,585	2,193,585	2,155,413	2,155,413
	0	2,140,261	2,193,585	2,193,585	2,155,413	2,155,413
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	67,285,583	2,150,614	0	0	0	0
Interest Earned	757,693	757,746	334,433	334,433	230,358	230,358
Other Miscellaneous	90,534	77,805	71,344	71,344	68,152	68,152
Refunds	18,129	2,634	0	0	0	0
Sale of Capital Assets	20,000	22,624	0	0	0	0
	68,171,939	3,011,423	405,777	405,777	298,510	298,510
<b>Total External Revenues</b>	74,226,181	11,647,038	9,315,228	8,315,228	8,458,923	8,458,923
<b>Internal Revenues</b>						
Beginning Fund Balance	6,670,330	16,643,550	8,119,608	8,119,608	6,530,808	6,530,808
<b>TOTAL RESOURCES</b>	<b>\$ 80,896,511</b>	<b>\$ 28,290,588</b>	<b>\$ 17,434,836</b>	<b>\$ 16,434,836</b>	<b>\$ 14,989,731</b>	<b>\$ 14,989,731</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>	2,447,175	1,503,374	2,243,893	1,843,893	1,306,950	1,306,950
<b>Internal Materials and Services</b>						
Communications Services	374	172	0	0	0	0
Facilities Services	0	0	0	0	226,803	223,548
Printing & Distribution	3,544	102	1,000	1,000	1,437	1,433
Office of Management & Finance	307,897	312,545	365,136	365,136	102,294	102,294
	311,815	312,819	366,136	366,136	330,534	327,275
<b>Capital Outlay</b>	29,340,586	2,056,239	849,087	849,087	850,000	850,000
<b>Total Bureau Expenses</b>	32,099,576	3,872,432	3,459,116	3,059,116	2,487,484	2,484,225
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	7,130,808	0	5,414,178	5,495,732
	0	0	7,130,808	0	5,414,178	5,495,732
<b>General Fund Overhead</b>	52,583	390,993	0	0	106,576	28,281
<b>Fund Cash Transfers</b>						
Improvement Bond Int & Sinking	264,334	266,178	265,158	265,158	266,182	266,182
Pension Debt Redemption Fund	6,026	9,830	0	0	0	0
Transportation Operating	43,173	0	0	0	0	0
	313,533	276,008	265,158	265,158	266,182	266,182
<b>Debt Retirement</b>	31,787,269	15,586,277	6,579,754	6,579,754	6,715,311	6,715,311
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	16,643,550	8,164,878	0	6,530,808	0	0
	16,643,550	8,164,878	0	6,530,808	0	0
<b>Total Fund Requirements</b>	48,796,935	24,418,156	13,975,720	13,375,720	12,502,247	12,505,506
<b>TOTAL REQUIREMENTS</b>	<b>\$ 80,896,511</b>	<b>\$ 28,290,588</b>	<b>\$ 17,434,836</b>	<b>\$ 16,434,836</b>	<b>\$ 14,989,731</b>	<b>\$ 14,989,731</b>

## LINE ITEM DETAIL – AU 203

<b>Materials and Services</b>							
<b>External Materials and Services</b>							
521000	Professional Services	563,885	637,219	1,431,118	1,031,118	823,000	823,000
522000	Utilities	24,275	25,348	29,022	29,022	27,800	27,800
524000	Repair & Maintenance Services	65,550	147,425	142,210	142,210	141,500	141,500
525000	Non-Capital Improvement	1,442,552	128,182	0	0	0	0
529000	Miscellaneous Services	264,565	459,606	514,975	514,975	245,900	245,900
531000	Office Supplies	341	432	310	310	250	250

532000	Operating Supplies	4,091	4,974	7,111	7,111	7,500	7,500
534000	Minor Equipment & Tools	1,772	4,770	0	0	0	0
535000	Clothing & Uniforms	706	264	779	779	2,500	2,500
539000	Other Commodities External	1,015	730	1,000	1,000	1,000	1,000
546000	Refunds	0	49,775	0	0	0	0
549000	Miscellaneous	78,423	44,649	117,368	117,368	57,500	57,500
<b>Total External Materials and Services</b>		<b>2,447,175</b>	<b>1,503,374</b>	<b>2,243,893</b>	<b>1,843,893</b>	<b>1,306,950</b>	<b>1,306,950</b>
<b>Internal Materials and Services</b>							
552000	Printing & Distribution	3,544	102	1,000	1,000	1,437	1,433
553000	Facilities Services	0	0	0	0	226,803	223,548
554000	Communications Services	374	172	0	0	0	0
559000	Other Fund Services	307,897	312,545	365,136	365,136	102,294	102,294
<b>Total Internal Materials and Services</b>		<b>311,815</b>	<b>312,819</b>	<b>366,136</b>	<b>366,136</b>	<b>330,534</b>	<b>327,275</b>
<b>Total Materials and Services</b>		<b>2,758,990</b>	<b>1,816,193</b>	<b>2,610,029</b>	<b>2,210,029</b>	<b>1,637,484</b>	<b>1,634,225</b>
<b>Capital Outlay</b>							
562000	Buildings	28,263,856	1,962,556	150,000	150,000	850,000	850,000
563000	Improvements	0	0	699,087	699,087	0	0
564000	Capital Equipment	1,076,730	93,683	0	0	0	0
<b>Total Capital Outlay</b>		<b>29,340,586</b>	<b>2,056,239</b>	<b>849,087</b>	<b>849,087</b>	<b>850,000</b>	<b>850,000</b>
<b>TOTAL Bureau Expenses</b>		<b>\$ 32,099,576</b>	<b>\$ 3,872,432</b>	<b>\$ 3,459,116</b>	<b>\$ 3,059,116</b>	<b>\$ 2,487,484</b>	<b>\$ 2,484,225</b>

## FUND OVERVIEW

### Fund Description

The Spectator Facilities Operating Fund is an enterprise fund within the Office of Management and Finance established to budget, monitor and account for resources and requirements for the Oregon Arena Project and other activities.

### Major Programs

The fund is composed of four major program categories: Parking Operations, Memorial Coliseum, Other Arena Project Activities and PGE Park. The Spectator Facilities Division within the Office of Management and Finance oversees these programs.

### Program Activities

Major program activities include operations and maintenance, capital improvements, financial planning, contract administration, special projects and liaison activities between the City and other governmental agencies, and private citizen groups.

### Fund Reserves

The Spectator Facilities Operating Fund includes several specific reserves including:

- ◆ Revenue Stabilization Account which is available for catastrophic events and for ordinary costs and expenses related to the Arena Public Facilities when ordinary resources from the General Account are not sufficient.
- ◆ Capital Improvement Reserve Account which is available to fund future capital outlay expenditures associated with the Arena Public Facilities.
- ◆ General Account which is available to cover ordinary costs and expenses of the Arena Project operations in the event revenues received are insufficient to meet requirements.

### Arena History

In 1992, the City of Portland and the Oregon Arena Corporation (OAC) entered into a development agreement and several other related agreements and leases for planning, developing, and managing the Oregon Arena Project, currently recognized as the Rose Quarter. The agreements concluded a process that brought to Portland an innovative public/private development and the largest public/private arrangement ever formed in Oregon.

*City project costs of \$44 million are recovered through user fees, parking revenues, and other project revenues.*

The Oregon Arena Project included construction of a state of the art 20,000+ seat arena, an entertainment and office complex, a public plaza, and public and private garages as well as improvements to the Memorial Coliseum and the infrastructure. The City's aggregate cost for public improvements and other costs totaled \$44 million. The City recovers its investment in this project with user and suite fees, parking revenue and other project-related revenues. OAC contributed approximately \$230 million toward the project.

### **PGE Park**

In 2000, the City of Portland and Portland Family Entertainment (PFE) entered into a re-development agreement and a 20-year operating agreement to form a public/private effort for the renovation and enhanced operation of PGE Park (formally Civic Stadium). The City's cost for public improvements was \$33 million. The City recovers its investment in this project with a share of ticket and gross revenues, license fees and other project-related revenues.

### **Managing Agency**

Office of Management and Finance, General Services

## **CHANGES FROM PRIOR YEAR**

### **Accomplishments**

There have been significant accomplishments in the Spectator Facilities Division.

#### **Civic Stadium Redevelopment Project - PGE Park**

The Civic Stadium (now PGE Park) redevelopment project was a public/private effort to renovate Civic Stadium and create a marketable, self-sustaining facility compatible with its surrounding neighborhood. PGE Park opened April 30, 2001. 2003 will be the third year of operation for the renovated facility under the management of a local private partnership. PGE Park is the home of the Triple-A Portland Beavers and the Portland Timbers professional soccer team. PGE Park is also used for PSU football, high school football, summer concerts and other community activities.

#### **Memorial Coliseum**

One of the public goals of the Memorial Coliseum program is to maintain the Coliseum as a fully functional, marketable and attractive facility. Presently, there is a Memorial Coliseum Reuse Study in progress to investigate alternative public and private uses for the facility. This study will be completed in late spring of 2003 and could result in significant changes to the facility.

The budget includes \$750,000 in capital outlay for Memorial Coliseum. These funds would be available should the decision be made to maintain the facility in its current use. These funds would be used to support general improvements to the facility such as upgrades in plumbing, electrical and lighting systems.

### **Change in Requirements**

Based on two years operating experience with PGE Park, operating expenses for miscellaneous and professional services have been reduced. In addition, the staffing level for Spectator Facilities was reduced by about .5 FTE. These reductions in the operating budget total nearly \$1 million.

**Change in Resources**

Revisions to the operating agreement for PGE Park have been discussed with the private operator as part of the restructuring of the debt the partnership has on the business. Draft modifications to the operating agreement were taken into account in preparing the FY 2003-04 budget. Once a final agreement is reached, the budget will be modified to account for all changes in the operations at PGE Park. Some minor reductions in operating revenues for Rose Quarter facilities, including the end of the Portland Fire WNBA team, also contributed to the reduction in the rents and reimbursements revenue category.

## Spectator Facilities Operating Fund – 160

## DEBT REDEMPTION SCHEDULE

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Revenue Bonds, 1996</b>						
<b>Series A</b>						
07/15/1996 - Due 6/1	11,565,000					
		2003/04	435,000	7.30%	541,105	976,105
		2004/05	470,000	7.35%	509,350	979,350
		2005/06	505,000	7.40%	474,805	979,805
		2006/07	540,000	7.55%	437,435	977,435
		2007/08	580,000	7.55%	396,665	976,665
		2008/09	625,000	7.70%	352,875	977,875
		2009/10	675,000	7.70%	304,750	979,750
		2010/11	725,000	7.70%	252,775	977,775
		2011/12	780,000	7.80%	196,950	976,950
		2012/13	840,000	7.80%	136,110	976,110
		2013/14	905,000	7.80%	70,590	975,590
		TOTAL	7,080,000		3,673,410	10,753,410
<b>Limited Tax Revenue Bonds, 1996</b>						
<b>Series B</b>						
07/15/1996 - Due 6/1	2,920,000					
		2003/04	120,000	4.95%	119,160	239,160
		2004/05	125,000	5.05%	113,220	238,220
		2005/06	135,000	5.15%	106,908	241,908
		2006/07	140,000	5.20%	99,955	239,955
		2007/08	150,000	5.30%	92,675	242,675
		2008/09	155,000	5.40%	84,725	239,725
		2009/10	165,000	5.50%	76,355	241,355
		2010/11	175,000	5.50%	67,280	242,280
		2011/12	185,000	5.50%	57,655	242,655
		2012/13	195,000	5.60%	47,480	242,480
		2013/14	205,000	5.60%	36,560	241,560
		2014/15	215,000	5.70%	25,080	240,080
		2015/16	225,000	5.70%	12,825	237,825
		TOTAL	2,190,000		939,878	3,129,878
<b>Arena Limited Tax Bonds, Series</b>						
<b>1996</b>						
08/01/1996 - Due 6/1	10,295,000					
		2003/04	395,000	7.00%	597,933	992,933
		2004/05	420,000	7.05%	570,283	990,283
		2005/06	450,000	7.10%	540,673	990,673
		2006/07	480,000	7.15%	508,723	988,723
		2007/08	515,000	7.15%	474,403	989,403
		2008/09	555,000	7.20%	437,580	992,580
		2009/10	595,000	7.25%	397,620	992,620
		2010/11	635,000	7.30%	354,483	989,483
		2011/12	685,000	7.70%	308,128	993,128
		2012/13	735,000	7.70%	255,383	990,383
		2013/14	790,000	7.50%	198,788	988,788
		2014/15	855,000	7.50%	137,563	992,563
		2015/16	920,000	7.50%	71,300	991,300
		TOTAL	8,030,000		4,852,855	12,882,855
<b>Arena Gas Tax Revenue Bonds,</b>						
<b>1996 Series A</b>						
09/01/1996 - Due 6/1	12,818,102					
		2003/04	420,000	5.05%	243,363	663,363
		2004/05	545,000	5.15%	222,153	767,153
		2005/06	670,000	5.25%	194,085	864,085
		2006/07	815,000	5.35%	158,910	973,910
		2007/08	965,000	5.45%	115,308	1,080,308
		2008/09	1,130,000	5.50%	62,715	1,192,715
		2009/10	581,247	6.00%	723,753	1,305,000
		2010/11	594,011	6.50%	830,989	1,425,000

## Spectator Facilities Operating Fund – 160

## DEBT REDEMPTION SCHEDULE

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2011/12	604,128	6.10%	945,872	1,550,000
		2012/13	611,638	6.15%	1,068,362	1,680,000
		2013/14	621,946	6.15%	1,193,054	1,815,000
		2014/15	399,525	6.20%	850,475	1,250,000
		2015/16	422,469	6.20%	982,531	1,405,000
		2016/17	1,097,835	6.25%	2,822,165	3,920,000
		2017/18	1,074,427	6.25%	3,005,573	4,080,000
		2018/19	1,038,418	6.30%	3,201,582	4,240,000
		2019/20	392,457	6.30%	1,312,543	1,705,000
		<b>TOTAL</b>	<b>11,983,102</b>		<b>17,933,430</b>	<b>29,916,533</b>
<b>Limited Tax Revenue Bonds, 2001 Series D</b>						
	35,000,000					
		2003/04	890,000	6.00%	2,247,505	3,137,505
		2004/05	945,000	6.00%	2,194,105	3,139,105
		2005/06	1,000,000	6.00%	2,137,405	3,137,405
		2006/07	1,060,000	6.00%	2,077,405	3,137,405
		2007/08	1,125,000	6.50%	2,013,805	3,138,805
		2008/09	1,200,000	6.50%	1,940,680	3,140,680
		2009/10	1,275,000	6.50%	1,862,680	3,137,680
		2010/11	1,360,000	6.38%	1,779,805	3,139,805
		2011/12	1,445,000	6.50%	1,693,105	3,138,105
		2012/13	1,540,000	6.60%	1,599,180	3,139,180
		2013/14	1,640,000	6.70%	1,497,540	3,137,540
		2014/15	1,750,000	6.70%	1,387,660	3,137,660
		2015/16	1,870,000	6.80%	1,270,410	3,140,410
		2016/17	1,995,000	6.80%	1,143,250	3,138,250
		2017/18	2,130,000	6.80%	1,007,590	3,137,590
		2018/19	2,275,000	7.00%	862,750	3,137,750
		2019/20	2,435,000	7.00%	703,500	3,138,500
		2020/21	2,605,000	7.00%	533,050	3,138,050
		2021/22	2,790,000	7.00%	350,700	3,140,700
		2022/23	2,220,000	7.00%	155,400	2,375,400
		<b>TOTAL</b>	<b>33,550,000</b>		<b>28,457,525</b>	<b>62,007,525</b>
<b>COMBINED DEBT SERVICE</b>						
	72,598,102					
		2003/04	2,260,000		3,749,065	6,009,065
		2004/05	2,505,000		3,609,110	6,114,110
		2005/06	2,760,000		3,453,875	6,213,875
		2006/07	3,035,000		3,282,428	6,317,428
		2007/08	3,335,000		3,092,855	6,427,855
		2008/09	3,665,000		2,878,575	6,543,575
		2009/10	3,291,247		3,365,158	6,656,405
		2010/11	3,489,011		3,285,331	6,774,343
		2011/12	3,699,128		3,201,710	6,900,838
		2012/13	3,921,638		3,106,515	7,028,153
		2013/14	4,161,946		2,996,531	7,158,478
		2014/15	3,219,525		2,400,778	5,620,303
		2015/16	3,437,469		2,337,066	5,774,535
		2016/17	3,092,835		3,965,415	7,058,250
		2017/18	3,204,427		4,013,163	7,217,590
		2018/19	3,313,418		4,064,332	7,377,750
		2019/20	2,827,457		2,016,043	4,843,500
		2020/21	2,605,000		533,050	3,138,050
		2021/22	2,790,000		350,700	3,140,700
		2022/23	2,220,000		155,400	2,375,400
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 62,833,102</b>		<b>\$ 55,857,098</b>	<b>\$ 118,690,200</b>



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# Environmental Remediation Fund – 161

# FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Public Works/Utility Charge	306,794	0	0	0	0	0
Rents and Reimbursements	522,328	547,564	559,161	611,200	617,354	617,354
	829,122	547,564	559,161	611,200	617,354	617,354
<b>Miscellaneous Revenues</b>						
Interest Earned	30,224	29,931	16,500	16,500	7,500	7,500
	30,224	29,931	16,500	16,500	7,500	7,500
<b>Total External Revenues</b>	859,346	577,495	575,661	627,700	624,854	624,854
<b>Internal Revenues</b>						
Beginning Fund Balance	1,037,040	616,682	541,372	588,789	196,173	734,950
<b>TOTAL RESOURCES</b>	<b>\$ 1,896,386</b>	<b>\$ 1,194,177</b>	<b>\$ 1,117,033</b>	<b>\$ 1,216,489</b>	<b>\$ 821,027</b>	<b>\$ 1,359,804</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	11,556	9,158	0	15,000	0	0
<b>External Materials and Services</b>	19,682	889	40,000	0	40,000	40,000
<b>Internal Materials and Services</b>						
Facilities Services	146,584	133,663	177,748	177,748	177,042	176,664
Information Technology	1,476	1,352	1,315	1,315	0	0
Environmental Services	2,116	0	0	0	0	0
Environmental Svcs - Int	0	5,045	12,123	12,123	10,803	10,803
Office of Management & Finance	1,544	0	0	0	0	0
Same Fund Services	0	3,339	0	0	0	0
	151,720	143,399	191,186	191,186	187,845	187,467
<b>Capital Outlay</b>	0	0	325,000	272,000	325,000	325,000
<b>Total Bureau Expenses</b>	182,958	153,446	556,186	478,186	552,845	552,467
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	93,877	0	264,710	803,157
	0	0	93,877	0	264,710	803,157
<b>General Fund Overhead</b>	5,969	0	3,003	3,003	2,953	3,661
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	473	0	467	350	519	519
Sewage Operating Fund	1,385	451,468	463,500	0	0	0
	1,858	451,468	463,967	350	519	519
<b>Debt Retirement</b>	1,088,919	474	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	616,682	588,789	0	734,950	0	0
	616,682	588,789	0	734,950	0	0
<b>Total Fund Requirements</b>	1,713,428	1,040,731	560,847	738,303	268,182	807,337
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,896,386</b>	<b>\$ 1,194,177</b>	<b>\$ 1,117,033</b>	<b>\$ 1,216,489</b>	<b>\$ 821,027</b>	<b>\$ 1,359,804</b>

## FUND OVERVIEW

The Environmental Remediation Fund was established by City Council action in FY 1993-94 to provide funding to remediate former solid waste disposal sites for which the City is liable under law.

**Managing Agency** Bureau of Environmental Services

## CHANGES FROM PRIOR YEAR

### Projects

#### **Land Acquisition and Remediation of the Guilds Lake Property**

The Guilds Lake property is a former landfill operated by the City from 1910 through the late 1940s. The acquisition and remediation of this site was financed by the Environmental Remediation 1993 Series A Revenue Bonds issued in November 1993. The Guilds Lake remediation was completed in FY 1994-95. The FY 2003-04 Adopted Budget funds property maintenance and management, and environmental monitoring of the site as required by the Department of Environmental Quality (DEQ). Property management is provided by the Bureau of General Services under an interagency agreement.

#### **Longview City Laundry & Cleaners Remediation**

The remediation of the Longview City Laundry & Cleaners (LCL&C) site was authorized by City Council ordinance #168296, dated November 16, 1994. The project implements a settlement agreement between the City and LCL&C to conduct an environmental remediation of the LCL&C site located at 2737 NW Nela Street, adjacent to the Guilds Lake site.

The LCL&C site has environmental contamination resulting from the City's former incinerator and landfill operations in the Guilds Lake area. The City will reimburse the property owner for remedial investigation expenses already incurred and undertake cleanup/remediation in conformance with a Voluntary Cleanup Agreement with the Oregon DEQ. The remedial action consists of constructing an asphalt cap and installing utilities to manage surface water runoff. The FY 2003-04 Adopted Budget includes funding to complete the LCL&C project, including \$325,000 for capital construction and \$40,000 for project design and management. This project was scheduled for FY 2002-03, but is being carried over to FY 2003-04.

#### **Portland Harbor Remediation**

The FY 2002-03 budget included a \$463,500 cash transfer to the Sewage System Operating Fund to assist in the remediation of Portland Harbor, a designated Superfund site. In FY 2003-04, the Adopted Budget does not include funding from the Environmental Remediation Fund for this purpose.

### **Unencumbered Beginning Fund Balance**

The projected unencumbered beginning fund balance for FY 2003-04 totals approximately \$735,000 and is available for capital costs and operating expenses. The projection is based on the results of the FY 2002-03 five-year financial plan for the Environmental Remediation Fund.

### **Funding Sources**

Lease income from the current tenants on the City-owned Guilds Lake site supports the Environmental Remediation Fund for operating and capital expenditures. This revenue source, along with the fund's interest earnings and other fund revenues, is used for remediation projects qualified under State law and authorized by the City Council.

Rents and reimbursements revenue of over \$617,000 is based on lease income from the five tenants on the Guilds Lake site and includes common area maintenance payments made by the tenants for their prorated share of expenses such as property taxes, property maintenance, and landscaping costs. The budgeted lease income is net of the 4% of gross lease revenue paid to the Bureau of General Services for property management services.

# Hydropower Bond Redemption Fund – 354

## FUND SUMMARY

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	289,941	120,217	100,200	69,000	58,600	58,600
Sales Miscellaneous	3,337,661	3,387,326	3,549,540	3,549,881	3,685,080	3,685,080
	<u>3,627,602</u>	<u>3,507,543</u>	<u>3,649,740</u>	<u>3,618,881</u>	<u>3,743,680</u>	<u>3,743,680</u>
<b>Total External Revenues</b>	<b>3,627,602</b>	<b>3,507,543</b>	<b>3,649,740</b>	<b>3,618,881</b>	<b>3,743,680</b>	<b>3,743,680</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Hydropower Renewal & Replacement	194,376	149,103	0	0	0	0
	<u>194,376</u>	<u>149,103</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Internal Revenues</b>	<b>194,376</b>	<b>149,103</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Beginning Fund Balance</b>	<b>4,263,011</b>	<b>4,361,389</b>	<b>4,318,200</b>	<b>4,323,408</b>	<b>4,244,905</b>	<b>4,244,905</b>
<b>TOTAL RESOURCES</b>	<b>\$ 8,084,989</b>	<b>\$ 8,018,035</b>	<b>\$ 7,967,940</b>	<b>\$ 7,942,289</b>	<b>\$ 7,988,585</b>	<b>\$ 7,988,585</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	3,723,600	3,694,626	3,697,384	3,697,384	3,681,819	3,681,819
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	4,361,389	4,323,409	1,384,556	1,358,905	1,420,766	1,420,766
Unexpendable Reserve	0	0	2,886,000	2,886,000	2,886,000	2,886,000
	<u>4,361,389</u>	<u>4,323,409</u>	<u>4,270,556</u>	<u>4,244,905</u>	<u>4,306,766</u>	<u>4,306,766</u>
<b>Total Fund Requirements</b>	<b>8,084,989</b>	<b>8,018,035</b>	<b>7,967,940</b>	<b>7,942,289</b>	<b>7,988,585</b>	<b>7,988,585</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 8,084,989</b>	<b>\$ 8,018,035</b>	<b>\$ 7,967,940</b>	<b>\$ 7,942,289</b>	<b>\$ 7,988,585</b>	<b>\$ 7,988,585</b>

## FUND OVERVIEW

<b>Purpose</b>	The Hydropower Bond Redemption Fund pays principal and interest on revenue bonds issued to finance construction of the Portland Hydroelectric Project. This fund is required by the Portland Hydroelectric Project power sales agreement between the City and Portland General Electric Company (PGE) and is administered by the independent trustee for the City's Hydroelectric Power revenue bonds.
<b>Hydropower Revenue Bonds</b>	The original Hydroelectric Power revenue bonds consisted of two bond series: one series was issued in 1979 and a second in 1980. In FY 1993-94, the 1980 Series revenue bond was refinanced with a new 1993 Series revenue bond to take advantage of lower interest rates and restructuring opportunities. Debt service payments from this fund are scheduled to continue through FY 2016-17.
<b>Debt Service Reserve</b>	In accordance with the Trust Indenture for the Hydroelectric Power revenue bonds, this fund currently maintains a debt service reserve of \$2,886,000. This reserve serves to guarantee payment of the next year's debt service payments to the bond holders irrespective of any other fund revenue.
<b>Power Sales Revenue</b>	As partial payment for the sale of electricity that is generated at the Portland Hydroelectric Project, this fund receives payments from PGE to pay for the annual net debt service that is due on the City's Hydroelectric Power revenue bonds.

**Cash Transfers**

This fund usually receives an annual cash transfer from the Hydropower Renewal and Replacement Fund. That transfer serves to offset the amount of annual power sale payments that are due from PGE. In FY 2002-03, the interest rates available for re-investment of Fund balances have been relatively low. Therefore, the FY 2003-04 Adopted Budget forecasts no excess value in the Hydro Renewal and Replacement Fund to be transferred to the Hydropower Bond Redemption Fund.

**Managing Agency**

Bureau of Water Works

**Hydropower Bond Redemption Fund – 354**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Hydropower Revenue Bonds, Series 1979</b>						
06/01/1979 - Due 10/1	38,000,000					
		2003/04	1,150,000	6.80%	1,683,400	2,833,400
		2004/05	1,225,000	6.80%	1,602,650	2,827,650
		2005/06	1,325,000	7.00%	1,514,625	2,839,625
		2006/07	1,400,000	7.00%	1,419,250	2,819,250
		2007/08	1,500,000	7.00%	1,317,750	2,817,750
		2008/09	1,600,000	7.00%	1,209,250	2,809,250
		2009/10	1,700,000	7.00%	1,093,750	2,793,750
		2010/11	1,825,000	7.00%	970,375	2,795,375
		2011/12	1,950,000	7.00%	838,250	2,788,250
		2012/13	2,075,000	7.00%	697,375	2,772,375
		2013/14	2,225,000	7.00%	546,875	2,771,875
		2014/15	2,375,000	7.00%	385,875	2,760,875
		2015/16	2,525,000	7.00%	214,375	2,739,375
		2016/17	1,800,000	7.00%	63,000	1,863,000
		<b>TOTAL</b>	<b>24,675,000</b>		<b>13,556,800</b>	<b>38,231,800</b>
<b>Hydropower Revenue Bonds, Series 1993</b>						
08/01/1993 - Due 10/1	7,980,000					
		2003/04	705,000	6.30%	174,073	879,073
		2004/05	745,000	6.40%	128,025	873,025
		2005/06	790,000	6.40%	78,905	868,905
		2006/07	825,000	6.50%	26,813	851,813
		<b>TOTAL</b>	<b>3,065,000</b>		<b>407,815</b>	<b>3,472,815</b>
<b>COMBINED DEBT SERVICE</b>						
	45,980,000					
		2003/04	1,855,000		1,857,473	3,712,473
		2004/05	1,970,000		1,730,675	3,700,675
		2005/06	2,115,000		1,593,530	3,708,530
		2006/07	2,225,000		1,446,063	3,671,063
		2007/08	1,500,000		1,317,750	2,817,750
		2008/09	1,600,000		1,209,250	2,809,250
		2009/10	1,700,000		1,093,750	2,793,750
		2010/11	1,825,000		970,375	2,795,375
		2011/12	1,950,000		838,250	2,788,250
		2012/13	2,075,000		697,375	2,772,375
		2013/14	2,225,000		546,875	2,771,875
		2014/15	2,375,000		385,875	2,760,875
		2015/16	2,525,000		214,375	2,739,375
		2016/17	1,800,000		63,000	1,863,000
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 27,740,000</b>		<b>\$ 13,964,615</b>	<b>\$ 41,704,615</b>

Adjustment	Principal	FY 2001-02 Adjustment	Interest	Total P+I Budgeted
2002-03 Interest Accrual Adjustment	1,855,000	(30,654)	1,975,987	3,800,333

# Hydropower Operating Fund – 152

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	20,152	13,068	10,000	7,300	6,000	6,000
Other Miscellaneous	257	416	1,000	500	1,000	1,000
Sales Miscellaneous	577,055	500,952	643,270	666,543	582,950	582,950
	597,464	514,436	654,270	674,343	589,950	589,950
<b>Total External Revenues</b>	<b>597,464</b>	<b>514,436</b>	<b>654,270</b>	<b>674,343</b>	<b>589,950</b>	<b>589,950</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Hydropower Renewal & Replacement	258,066	32,230	445,000	260,000	50,000	50,000
Vehicle Services Fund	0	0	961	961	0	0
	258,066	32,230	445,961	260,961	50,000	50,000
<b>Interfund Service Reimbursements</b>						
Water Bureau	39,315	29,994	29,000	27,192	31,000	31,000
	39,315	29,994	29,000	27,192	31,000	31,000
<b>Total Internal Revenues</b>	<b>297,381</b>	<b>62,224</b>	<b>474,961</b>	<b>288,153</b>	<b>81,000</b>	<b>81,000</b>
<b>Beginning Fund Balance</b>	<b>349,755</b>	<b>317,150</b>	<b>257,600</b>	<b>292,588</b>	<b>320,250</b>	<b>320,250</b>
<b>TOTAL RESOURCES</b>	<b>\$ 1,244,600</b>	<b>\$ 893,810</b>	<b>\$ 1,386,831</b>	<b>\$ 1,255,084</b>	<b>\$ 991,200</b>	<b>\$ 991,200</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	242,533	198,941	249,246	210,000	256,958	256,958
<b>External Materials and Services</b>	275,705	53,822	498,300	300,000	104,300	104,300
<b>Internal Materials and Services</b>						
Communications Services	5,220	5,737	6,721	5,800	6,344	6,263
Information Technology	2,933	2,772	2,695	2,695	2,565	2,520
Insurance	31,845	32,373	60,429	60,429	61,802	61,672
Printing & Distribution	4,712	2,233	3,456	2,800	3,445	3,421
Vehicle Services	4,232	3,211	4,831	3,000	4,108	4,085
Office of Management & Finance	20,607	30,087	26,240	21,077	25,783	25,783
Parking Facilities	1,560	1,680	1,800	1,800	1,860	1,860
Special Appropriations	0	0	198	198	215	215
Water Bureau	75,392	64,175	82,634	67,000	80,190	80,190
	146,501	142,268	189,004	164,799	186,312	186,009
<b>Total Bureau Expenses</b>	<b>664,739</b>	<b>395,031</b>	<b>936,550</b>	<b>674,799</b>	<b>547,570</b>	<b>547,267</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	179,696	320,250	175,352	172,421
Compensation Adjustment	0	0	8,100	0	5,250	5,250
	0	0	187,796	320,250	180,602	177,671
<b>General Fund Overhead</b>	54,644	47,819	52,836	52,798	54,166	57,400
<b>Fund Cash Transfers</b>						
General Fund	200,000	150,000	200,000	200,000	200,000	200,000
Pension Debt Redemption Fund	8,067	0	9,649	7,237	8,862	8,862
	208,067	150,000	209,649	207,237	208,862	208,862
<b>Debt Retirement</b>	0	8,372	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	317,150	292,588	0	0	0	0
	317,150	292,588	0	0	0	0
<b>Total Fund Requirements</b>	<b>579,861</b>	<b>498,779</b>	<b>450,281</b>	<b>580,285</b>	<b>443,630</b>	<b>443,933</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,244,600</b>	<b>\$ 893,810</b>	<b>\$ 1,386,831</b>	<b>\$ 1,255,084</b>	<b>\$ 991,200</b>	<b>\$ 991,200</b>



## FUND OVERVIEW

<b>Purpose</b>	The Hydropower Operating Fund supports the administration and monitoring of the Portland Hydroelectric Project (PHP) through the Bureau of Water Works' Hydroelectric Power Division.
<b>Power Sales Revenue</b>	<p>The primary resource of the Hydropower Operating Fund is revenue paid to the City by Portland General Electric (PGE) for electricity sales from the City's Portland Hydroelectric Project. The total power sales revenue received by the fund is based on two types of payments:</p> <p><b>Administration and Project Monitoring Payment</b></p> <p>PGE pays the City an annually adjusted amount to reimburse the City's expenses associated with administration and water quality monitoring related to the operation of the Portland Hydroelectric Project. In FY 2003-04, this amount is projected to be \$547,400.</p> <p><b>Profit Payment for Power Produced</b></p> <p>PGE pays the City a second amount which serves as a profit payment tied to the actual amount of power generated annually by the Portland Hydroelectric Project. The net amount of profit actually received by the fund includes an annual reduction of \$197,745. This reduction credits PGE for debt service on a sum of Hydroelectric Power Revenue Bond money previously used by the City for non-project related purposes. In FY 2003-04, this net amount of remaining profit is projected to be \$35,550.</p>
<b>Cash Transfers</b>	<p><b>Hydropower Renewal and Replacement Fund</b></p> <p>The FY 2003-04 Adopted Budget includes a cash transfer of up to \$50,000 from the Hydropower Renewal and Replacement Fund for various repairs and replacements of equipment and facilities at the Portland Hydroelectric Project. These transfers are made on a reimbursement basis to offset actual renewal and replacement expenditures.</p> <p><b>General Fund</b></p> <p>The FY 2003-04 Adopted Budget transfers \$200,000 from the Hydropower Operating Fund to the General Fund for other City needs.</p>
<b>Managing Agency</b>	Bureau of Water Works

# Hydropower Renewal and Replacement Fund – 635

## FUND SUMMARY

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	520,790	214,247	187,500	128,600	106,500	106,500
Sales Miscellaneous	0	0	0	303,183	216,400	216,400
	520,790	214,247	187,500	431,783	322,900	322,900
<b>Total External Revenues</b>	520,790	214,247	187,500	431,783	322,900	322,900
<b>Internal Revenues</b>						
<b>Beginning Fund Balance</b>	7,975,140	8,043,488	8,044,055	8,076,402	8,248,185	8,248,185
<b>TOTAL RESOURCES</b>	<b>\$ 8,495,930</b>	<b>\$ 8,257,735</b>	<b>\$ 8,231,555</b>	<b>\$ 8,508,185</b>	<b>\$ 8,571,085</b>	<b>\$ 8,571,085</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	7,786,555	8,248,185	8,521,085	8,521,085
	0	0	7,786,555	8,248,185	8,521,085	8,521,085
<b>Fund Cash Transfers</b>						
Hydro Bond	194,376	149,103	0	0	0	0
Hydropower Operating Fund	258,066	32,230	445,000	260,000	50,000	50,000
	452,442	181,333	445,000	260,000	50,000	50,000
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	8,043,488	8,076,402	0	0	0	0
	8,043,488	8,076,402	0	0	0	0
<b>Total Fund Requirements</b>	8,495,930	8,257,735	8,231,555	8,508,185	8,571,085	8,571,085
<b>TOTAL REQUIREMENTS</b>	<b>\$ 8,495,930</b>	<b>\$ 8,257,735</b>	<b>\$ 8,231,555</b>	<b>\$ 8,508,185</b>	<b>\$ 8,571,085</b>	<b>\$ 8,571,085</b>

## FUND OVERVIEW

### Purpose

The Hydropower Renewal and Replacement Fund is a sinking fund for the Portland Hydroelectric Project (PHP), providing resources for the repair and replacement of major equipment and facilities which become damaged or worn out. This fund is required by the Portland Hydroelectric Project power sales agreement between the City and Portland General Electric Company (PGE) and is administered by the independent trustee for the City's Hydroelectric Power revenue bonds.

### Resources

The resources in this fund are comprised of payments of power sales revenue from PGE and a portion of the original proceeds from the 1979 and 1980 Hydroelectric Power revenue bond issues.

### Power Sales Revenue

The total value of the assets in the fund are currently a small amount less than the adjusted reserve requirement called for in PHP's Power Sales Agreement with PGE. Therefore additional power sale payments are expected to be required from PGE during FY 2003-04.

### Cash Transfers

#### Hydropower Operating Fund

The FY 2003-04 Adopted Budget for this fund includes a cash transfer of up to \$50,000 to the Hydropower Operating Fund which is intended to enable the City to reimburse PGE for miscellaneous repairs or replacement of equipment at the Portland Hydroelectric Project.

**Hydropower Bond Redemption Fund**

Current interest rates on investments have been running close to or a bit lower than the rate of projected annual increase in this fund's maximum cap value. In FY 2003-04, this will result in no excess fund value being available to be transferred from this fund to the Hydropower Bond Redemption Fund. This annual cash transfer serves to maintain an adjusted upper limit on the total value of assets held in this fund as directed by the power sales agreement.

**Managing Agency**      Bureau of Water Works

**CHANGES FROM PRIOR YEAR**

The FY 2002-03 Adopted Budget had three budget adjustments approved for a total increase of \$395,000. Those adjustments authorized the funding for specific repairs and replacements of equipment at the Portland Hydroelectric Project. The FY 2003-04 Adopted Budget has not identified any more major repair projects that will require additional funding authorization at this time.

# Sewage Disposal Debt Redemption Fund – 351

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	0	0	41,586,784	0	0
Interest Earned	77,685	16,399	25,000	8,383	520	520
	77,685	16,399	25,000	41,595,167	520	520
<b>Total External Revenues</b>	<b>77,685</b>	<b>16,399</b>	<b>25,000</b>	<b>41,595,167</b>	<b>520</b>	<b>520</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Sewage System Operating Fund	55,871,335	61,406,210	61,438,962	61,442,885	71,144,529	71,144,529
	55,871,335	61,406,210	61,438,962	61,442,885	71,144,529	71,144,529
<b>Total Internal Revenues</b>	<b>55,871,335</b>	<b>61,406,210</b>	<b>61,438,962</b>	<b>61,442,885</b>	<b>71,144,529</b>	<b>71,144,529</b>
<b>Beginning Fund Balance</b>	<b>2,829,633</b>	<b>2,836,593</b>	<b>2,808,414</b>	<b>2,825,416</b>	<b>10,000</b>	<b>2,837,425</b>
<b>TOTAL RESOURCES</b>	<b>\$ 58,778,653</b>	<b>\$ 64,259,202</b>	<b>\$ 64,272,376</b>	<b>\$ 105,863,468</b>	<b>\$ 71,155,049</b>	<b>\$ 73,982,474</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	55,942,060	61,433,786	61,439,258	103,026,043	71,145,049	71,145,049
<b>Unappropriated Ending Balance</b>	<b>2,836,593</b>	<b>2,825,416</b>	<b>2,833,118</b>	<b>2,837,425</b>	<b>10,000</b>	<b>2,837,425</b>
Unappropriated Ending Balance	2,836,593	2,825,416	2,833,118	2,837,425	10,000	2,837,425
<b>Total Fund Requirements</b>	<b>58,778,653</b>	<b>64,259,202</b>	<b>64,272,376</b>	<b>105,863,468</b>	<b>71,155,049</b>	<b>73,982,474</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 58,778,653</b>	<b>\$ 64,259,202</b>	<b>\$ 64,272,376</b>	<b>\$ 105,863,468</b>	<b>\$ 71,155,049</b>	<b>\$ 73,982,474</b>

## FUND OVERVIEW

This fund pays the principal and interest on revenue bonds, notes, and State loans issued to finance sewer system improvements.

**Managing Agency** Bureau of Environmental Services

## CHANGES FROM PRIOR YEAR

**Revenue Source** Debt service is paid from sewer and stormwater user charges and other revenues of the Sewage System Operating Fund, with cash transfers from the operating fund totaling \$71.1 million in FY 2003-04.

**Debt Balance** The total amount of sewer system debt outstanding at the beginning of FY 2003-04 is estimated to be \$659.3 million for senior lien (bonded) debt, and \$242.1 million for junior lien debt.

**Expenditures** Debt service expenditures will increase to \$71.1 million in FY 2003-04 compared to \$61.4 million in the FY 2002-03 Revised Budget, as a result of the spring sale of \$238.4 million in additional sewer revenue bonds, Series 2003.

The fund is managed on a cash basis, with cash transfers from the Sewage System Operating Fund set to maintain a \$10,000 unrestricted ending cash balance plus any restricted cash balances as required by bond and loan covenants (although no restricted balances are included in this budget). Beginning and ending fund balances are higher than cash balances due to changes made in accounting practices several years ago.

# Sewage Disposal Debt Redemption Fund – 351

## DEBT REDEMPTION SCHEDULE

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Sewer System Revenue Refunding Bonds, 1992 Series B</b>						
10/15/1992 - Due 4/1	21,860,000					
		2003/04	2,780,000	5.50%	179,025	2,959,025
		2004/05	475,000	5.50%	26,125	501,125
		TOTAL	3,255,000		205,150	3,460,150
<b>Sewer System Revenue Bonds, 1994 Series A</b>						
01/15/1994 - Due 3/1	250,000,000					
		2003/04	10,100,000	5.50%	560,550	10,660,550
		TOTAL	10,100,000		560,550	10,660,550
<b>Sewer System Revenue Bonds, 1996 Series A</b>						
11/01/1996 - Due 6/1	110,000,000					
		2003/04	1,495,000	5.13%	5,450,150	6,945,150
		2004/05	1,575,000	5.13%	5,373,531	6,948,531
		2005/06	1,655,000	5.13%	5,292,813	6,947,813
		2006/07	1,740,000	5.13%	5,207,994	6,947,994
		2007/08	1,830,000	5.13%	5,118,819	6,948,819
		2008/09	1,920,000	5.13%	5,025,031	6,945,031
		2009/10	2,025,000	5.13%	4,926,631	6,951,631
		2010/11	2,125,000	5.20%	4,822,850	6,947,850
		2011/12	2,235,000	5.25%	4,712,350	6,947,350
		2012/13	2,355,000	5.25%	4,595,013	6,950,013
		2013/14	2,475,000	5.25%	4,471,375	6,946,375
		2014/15	2,605,000	5.25%	4,341,438	6,946,438
		2015/16	38,090,000	5.25%	4,204,675	42,294,675
		2016/17	40,090,000	5.50%	2,204,950	42,294,950
		TOTAL	102,215,000		65,747,619	167,962,619
<b>Sewer System Revenue Refunding Bonds, 1997 Series A</b>						
08/15/1997 - Due 6/1	262,500,000					
		2003/04	3,220,000	5.00%	13,117,400	16,337,400
		2004/05	14,040,000	5.50%	12,956,400	26,996,400
		2005/06	14,720,000	6.00%	12,184,200	26,904,200
		2006/07	15,600,000	6.00%	11,301,000	26,901,000
		2007/08	17,215,000	5.00%	10,365,000	27,580,000
		2008/09	18,080,000	5.00%	9,504,250	27,584,250
		2009/10	18,980,000	5.00%	8,600,250	27,580,250
		2010/11	27,695,000	5.00%	7,651,250	35,346,250
		2011/12	29,080,000	5.00%	6,266,500	35,346,500
		2012/13	30,530,000	5.00%	4,812,500	35,342,500
		2013/14	32,055,000	5.00%	3,286,000	35,341,000
		2014/15	33,665,000	5.00%	1,683,250	35,348,250
		TOTAL	254,880,000		101,728,000	356,608,000
<b>Sewer System Revenue Bonds, 1998 Series A</b>						
09/15/1998 - Due 6/1	160,000,000					
		2003/04	4,780,000	4.25%	6,612,875	11,392,875
		2004/05	4,990,000	4.25%	6,409,725	11,399,725
		2005/06	5,200,000	4.25%	6,197,650	11,397,650
		2006/07	5,420,000	4.00%	5,976,650	11,396,650
		2007/08	5,640,000	5.25%	5,759,850	11,399,850
		2008/09	5,940,000	5.13%	5,463,750	11,403,750
		2009/10	6,240,000	5.13%	5,159,325	11,399,325
		2010/11	6,560,000	5.13%	4,839,525	11,399,525
		2011/12	6,890,000	5.13%	4,503,325	11,393,325
		2012/13	7,250,000	5.13%	4,150,213	11,400,213
		2013/14	7,620,000	4.50%	3,778,650	11,398,650

**Sewage Disposal Debt Redemption Fund – 351**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2014/15	7,960,000	4.50%	3,435,750	11,395,750
		2015/16	8,320,000	4.50%	3,077,550	11,397,550
		2016/17	8,690,000	4.50%	2,703,150	11,393,150
		2017/18	51,380,000	4.50%	2,312,100	53,692,100
		<b>TOTAL</b>	<b>142,880,000</b>		<b>70,380,088</b>	<b>213,260,088</b>
<b>Sewer System Revenue Bonds, 2000 Series A</b>						
09/01/2000 - Due 8/1	160,000,000					
		2003/04	-		8,370,145	8,370,145
		2004/05	-		8,370,145	8,370,145
		2005/06	-		8,370,145	8,370,145
		2006/07	-		8,370,145	8,370,145
		2007/08	-		8,370,145	8,370,145
		2008/09	-		8,370,145	8,370,145
		2009/10	-		8,370,145	8,370,145
		2010/11	-		8,370,145	8,370,145
		2011/12	-		8,370,145	8,370,145
		2012/13	-		8,370,145	8,370,145
		2013/14	-		8,370,145	8,370,145
		2014/15	-		8,370,145	8,370,145
		2015/16	-		8,370,145	8,370,145
		2016/17	-		8,370,145	8,370,145
		2017/18	-		8,370,145	8,370,145
		2018/19	45,900,000	5.74%	7,052,298	52,952,298
		2019/20	48,620,000	5.74%	4,339,775	52,959,775
		2020/21	51,480,000	5.72%	1,472,550	52,952,550
		<b>TOTAL</b>	<b>146,000,000</b>		<b>138,416,798</b>	<b>284,416,798</b>
<b>Wastewater Financing - Economic Development Loan</b>						
10/08/1997 - Due 12/1	700,000					
		2003/04	24,700	4.909%	28,264	52,964
		2004/05	29,906	4.909%	27,178	57,084
		2005/06	30,124	4.909%	25,847	55,971
		2006/07	30,355	4.909%	24,492	54,847
		2007/08	30,598	4.909%	23,111	53,709
		2008/09	35,858	4.909%	21,688	57,546
		2009/10	36,136	4.909%	19,985	56,121
		2010/11	36,442	4.909%	18,179	54,621
		2011/12	41,764	4.909%	16,357	58,121
		2012/13	42,103	4.909%	14,269	56,372
		2013/14	42,457	4.909%	12,163	54,620
		2014/15	47,831	4.909%	10,041	57,872
		2015/16	48,223	4.909%	7,649	55,872
		2016/17	48,634	4.909%	5,237	53,871
		2017/18	54,073	4.909%	2,757	56,830
		<b>TOTAL</b>	<b>579,204</b>		<b>257,217</b>	<b>836,421</b>
<b>Second Lien Sewer System Revenue Refunding Bonds, 2003 Series A</b>						
04/03/2003 - Due 6/1	88,370,000					
		2003/04	3,355,000	3.000%	4,905,274	8,260,274
		2004/05	6,590,000	multiple	4,123,988	10,713,988
		2005/06	7,435,000	5.000%	3,871,138	11,306,138
		2006/07	7,815,000	5.000%	3,499,388	11,314,388
		2007/08	8,200,000	4.000%	3,108,638	11,308,638
		2008/09	8,530,000	5.000%	2,780,638	11,310,638
		2009/10	8,955,000	5.000%	2,354,138	11,309,138
		2010/11	2,110,000	5.250%	1,906,388	4,016,388
		2011/12	2,225,000	3.700%	1,795,613	4,020,613
		2012/13	2,305,000	5.250%	1,713,288	4,018,288

**Sewage Disposal Debt Redemption Fund – 351**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2013/14	2,425,000	5.250%	1,592,275	4,017,275
		2014/15	2,555,000	5.250%	1,464,963	4,019,963
		2015/16	2,690,000	5.250%	1,330,825	4,020,825
		2016/17	2,830,000	5.250%	1,189,600	4,019,600
		2017/18	2,975,000	5.250%	1,041,025	4,016,025
		2018/19	3,135,000	5.250%	884,838	4,019,838
		2019/20	3,300,000	5.250%	720,250	4,020,250
		2020/21	3,470,000	5.000%	547,000	4,017,000
		2021/22	3,645,000	5.000%	373,500	4,018,500
		2022/23	3,825,000	5.000%	191,250	4,016,250
		<b>TOTAL</b>	<b>88,370,000</b>		<b>39,394,012</b>	<b>127,764,012</b>
<b>Second Lien Sewer System Revenue Bonds, 2003 Series B-1 &amp; B-2 (projected)</b>						
06/19/2003 - Due 6/1	150,000,000					
		2003/04		variable	6,166,667	6,166,667
		2004/05		variable	8,020,980	8,020,980
		2005/06		variable	7,291,800	7,291,800
		2006/07		variable	7,656,390	7,656,390
		2007/08		variable	7,656,390	7,656,390
		2008/09		variable	7,291,800	7,291,800
		2009/10		variable	8,020,980	8,020,980
		2010/11		variable	7,291,800	7,291,800
		2011/12		variable	8,020,980	8,020,980
		2012/13		variable	7,291,800	7,291,800
		2013/14		variable	7,656,390	7,656,390
		2014/15		variable	7,656,390	7,656,390
		2015/16		variable	7,656,390	7,656,390
		2016/17		variable	7,656,390	7,656,390
		2017/18		variable	7,291,800	7,291,800
		2018/19	7,600,000	variable	7,997,230	15,597,230
		2019/20	7,800,000	variable	6,915,307	14,715,307
		2020/21	8,200,000	variable	6,860,084	15,060,084
		2021/22	61,600,000	variable	6,353,391	67,953,391
		2022/23	64,800,000	variable	3,181,557	67,981,557
		<b>TOTAL</b>	<b>150,000,000</b>		<b>143,934,516</b>	<b>293,934,516</b>
<b>COMBINED DEBT SERVICE</b>						
	1,204,130,000					
		2003/04	25,754,700		45,390,350	71,145,050
		2004/05	27,699,906		45,308,072	73,007,978
		2005/06	29,040,124		43,233,592	72,273,716
		2006/07	30,605,355		42,036,058	72,641,413
		2007/08	32,915,598		40,401,952	73,317,550
		2008/09	34,505,858		38,457,302	72,963,160
		2009/10	36,236,136		37,451,454	73,687,590
		2010/11	38,526,442		34,900,137	73,426,579
		2011/12	40,471,764		33,685,270	74,157,034
		2012/13	42,482,103		30,947,227	73,429,330
		2013/14	44,617,457		29,166,998	73,784,455
		2014/15	46,832,831		26,961,976	73,794,807
		2015/16	49,148,223		24,647,234	73,795,457
		2016/17	51,658,634		22,129,472	73,788,106
		2017/18	54,409,073		19,017,827	73,426,900
		2018/19	56,635,000		15,934,365	72,569,365
		2019/20	59,720,000		11,975,332	71,695,332
		2020/21	63,150,000		8,879,634	72,029,634
		2021/22	65,245,000		6,726,891	71,971,891
		2022/23	68,625,000		3,372,807	71,997,807
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 898,279,204</b>		<b>\$ 560,623,948</b>	<b>\$1,458,903,152</b>

# Sewage System Operating Fund – 151

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Licenses and Permits</b>						
Construction Permits	111,264	101,120	134,657	182,536	107,500	107,500
Other Permits	178,303	290,712	299,257	304,257	309,000	309,000
	289,567	391,832	433,914	486,793	416,500	416,500
<b>Service Charges and Fees</b>						
Miscellaneous	91,468	228,313	29,288	29,288	29,000	29,000
Public Works/Utility Charge	135,595,621	156,962,153	154,263,944	159,680,627	171,904,219	171,904,219
Rents and Reimbursements	71,872	123,607	103,291	118,998	131,376	131,376
	135,758,961	157,314,073	154,396,523	159,828,913	172,064,595	172,064,595
<b>State Sources</b>						
State Cost Sharing	108,170	76,116	32,598	29,003	0	0
	108,170	76,116	32,598	29,003	0	0
<b>Local Sources</b>						
Local Cost Sharing	1,035,481	1,034,145	567,497	551,065	683,002	683,002
	1,035,481	1,034,145	567,497	551,065	683,002	683,002
<b>Miscellaneous Revenues</b>						
Interest Earned	48,322	552,102	288,850	536,513	1,921,487	1,921,487
Other Miscellaneous	56,998	24,741	96,338	47,149	62,000	62,000
Private Grants/Donations	0	318,933	15,684	45,472	409,620	409,620
Refunds	46,770	68,501	39,364	3,745,146	72,806	72,806
Sale of Capital Assets	127,592	76,900	0	43,785	0	0
Sales Miscellaneous	163,186	217,170	130,934	151,968	131,850	131,850
	442,868	1,258,347	571,170	4,570,033	2,597,763	2,597,763
<b>Total External Revenues</b>	<b>137,635,047</b>	<b>160,074,513</b>	<b>156,001,702</b>	<b>165,465,807</b>	<b>175,761,860</b>	<b>175,761,860</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Communication Services Fund	0	159,314	0	0	0	0
General Fund	0	222,000	50,000	50,000	0	0
Refuse Disposal Fund	32,795	0	0	0	0	0
Sewer System Construction Fund	92,009,982	82,866,056	99,085,380	126,285,532	152,435,739	152,435,739
Sewer System Rate Stabilization	3,975,000	5,275,000	5,871,367	0	0	0
Environmental Remediation Fund	1,385	451,468	463,500	0	0	0
	96,019,162	88,973,838	105,470,247	126,335,532	152,435,739	152,435,739
<b>Federal Grants Transfers</b>	<b>612,522</b>	<b>396,462</b>	<b>1,809,366</b>	<b>583,523</b>	<b>671,307</b>	<b>671,307</b>
<b>Interfund Service Reimbursements</b>						
Community Development	16,104	45,655	146,007	146,007	0	0
Environmental Remediation	2,116	8,384	12,123	12,036	10,803	10,803
Facilities Services Fund	0	24,976	0	0	0	0
Fire Bureau	15,638	0	136	136	0	0
Golf Operating Fund	308	0	22,621	0	1,997	1,997
Maintenance Stock	242	0	0	0	0	0
Parks Bureau	78,000	87,180	85,000	96,107	86,500	86,500
Parks Construction Fund	11,239	46,224	0	10,052	4,000	4,000
Portland International Raceway	55,000	55,000	75,000	75,000	64,463	64,463
Refuse Disposal Fund	92,334	38,330	22,790	12,288	12,701	12,701
Transportation	338,098	568,219	604,320	572,071	1,164,575	1,164,575
Water Bureau	127,102	120,452	112,993	150,458	96,000	96,000
	736,181	994,420	1,080,990	1,074,155	1,441,039	1,441,039
<b>Intra-Fund Service Reimbursement</b>	<b>0</b>	<b>2,934,913</b>	<b>3,337,783</b>	<b>2,961,388</b>	<b>3,171,457</b>	<b>3,171,457</b>
<b>Total Internal Revenues</b>	<b>97,367,865</b>	<b>93,299,633</b>	<b>111,698,386</b>	<b>130,954,598</b>	<b>157,719,542</b>	<b>157,719,542</b>
<b>Beginning Fund Balance</b>	<b>11,736,993</b>	<b>41,405,699</b>	<b>49,120,743</b>	<b>50,852,966</b>	<b>47,283,751</b>	<b>38,134,426</b>
<b>TOTAL RESOURCES</b>	<b>\$ 246,739,905</b>	<b>\$ 294,779,845</b>	<b>\$ 316,820,831</b>	<b>\$ 347,273,371</b>	<b>\$ 380,765,153</b>	<b>\$ 371,615,828</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
Personal Services	33,488,581	34,255,519	37,098,979	35,979,405	38,953,024	38,966,622



# Sewage System Operating Fund – 151

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>External Materials and Services</b>	36,932,304	43,296,133	32,432,434	32,283,977	37,655,343	37,655,343
<b>Internal Materials and Services</b>						
Communications Services	769,251	1,658,358	749,308	759,952	1,411,251	1,403,834
Facilities Services	1,279,533	1,327,896	1,225,377	1,357,929	1,435,812	1,431,974
Information Technology	530,497	1,226,307	1,943,136	1,718,126	1,702,859	1,680,362
Insurance	724,601	727,489	751,365	751,365	800,313	798,032
Printing & Distribution	531,245	504,354	639,883	527,890	606,201	603,490
Vehicle Services	449,156	421,755	425,623	421,096	407,116	403,129
City Attorney	171,813	179,228	189,217	189,217	196,481	196,481
City Auditor	1,125	200	12,000	12,000	1,000	1,000
Bureau Of Development Services	33,409	38,821	43,407	43,407	43,377	43,377
Commissioner of Public Affairs	0	6,598	26,389	26,389	32,348	32,348
Fire Bureau	0	10,000	0	5,000	15,000	15,000
Government Relations	14,700	14,700	14,700	14,700	14,700	14,700
Information Technology	491,361	497,269	125,000	721,558	0	0
Neighborhood Involvement	287,896	432,293	473,375	473,375	481,213	481,213
Office of Management & Finance	190,988	673,293	718,510	1,044,824	1,142,969	1,292,322
Parking Facilities	48,554	57,728	62,400	63,040	16,080	16,080
Parks Bureau	540,000	809,815	655,451	717,924	472,558	472,558
Parks Construction	10,000	0	107,000	79,782	62,500	62,500
Planning	436,931	328,779	540,770	487,932	491,300	491,300
Police Bureau	0	0	1,278	2,516	0	0
Purchases	135,659	0	0	0	0	0
Special Appropriations	0	0	33,965	33,965	33,935	33,935
Sustainable Development	40,000	27,500	27,500	36,000	22,500	22,500
Transportation	12,531,068	14,109,013	13,949,175	14,508,945	14,866,816	15,297,814
Water Bureau	5,859,275	6,704,562	7,340,100	9,278,100	8,868,140	8,868,140
Same Fund Services	0	2,934,913	3,337,783	2,961,388	3,171,457	3,171,457
	25,077,062	32,690,871	33,392,712	36,236,420	36,295,926	36,833,546
<b>Capital Outlay</b>	35,032,100	38,597,239	70,285,000	97,175,728	117,373,379	116,738,009
<b>Equipment Cash Transfers</b>						
Printing & Distribution	0	16,953	25,000	49,598	25,000	25,000
	0	16,953	25,000	49,598	25,000	25,000
<b>Minor Equipment Transfers</b>						
Printing & Distribution	1,724	0	0	0	0	0
	1,724	0	0	0	0	0
<b>Total Bureau Expenses</b>	130,531,771	148,856,715	173,234,125	201,725,128	230,302,672	230,218,520
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	13,418,576	0	32,320,898	22,872,255
Compensation Adjustment	0	0	1,587,734	0	795,653	795,653
	0	0	15,006,310	0	33,116,551	23,667,908
<b>General Fund Overhead</b>	1,803,078	1,495,879	2,499,076	2,499,076	2,105,342	2,488,812
<b>Fund Cash Transfers</b>						
General Fund	8,588,283	11,048,119	10,417,152	11,716,040	11,767,433	11,767,433
LID Construction Fund	0	26,685	35,024	35,024	41,095	41,095
Pension Debt Redemption Fund	1,052,489	0	1,312,844	984,633	1,156,177	1,156,177
Portland Parks Memorial Trust	25,520	0	0	0	0	0
Sewage Disposal Debt	55,871,335	61,406,210	61,438,962	61,442,885	71,144,529	71,144,529
Sewer System Construction	4,000,000	20,000,000	52,745,984	24,099,971	25,000,000	25,000,000
Sewer System Rate Stabilization	0	0	0	6,500,000	6,000,000	6,000,000
	69,537,627	92,481,014	125,949,966	104,778,553	115,109,234	115,109,234
<b>Debt Retirement</b>	3,461,730	1,093,271	131,354	136,188	131,354	131,354
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	41,405,699	50,852,966	0	38,134,426	0	0
	41,405,699	50,852,966	0	38,134,426	0	0
<b>Total Fund Requirements</b>	116,208,134	145,923,130	143,586,706	145,548,243	150,462,481	141,397,308
<b>TOTAL REQUIREMENTS</b>	<b>\$ 246,739,905</b>	<b>\$ 294,779,845</b>	<b>\$ 316,820,831</b>	<b>\$ 347,273,371</b>	<b>\$ 380,765,153</b>	<b>\$ 371,615,828</b>

## FUND OVERVIEW

The purpose of the Sewage System Operating Fund is to account for revenues and expenses associated with the development, maintenance, and operation of the City's sanitary sewer and storm drainage system.

The bureau's activities are supported through sewer and drainage charges, wholesale contract revenues from other governmental jurisdictions, reimbursements for services provided to other bureaus, and reimbursements from the Sewer System Construction Fund for capital expenses incurred directly by the Sewage System Operating Fund.

**Managing Agency** Bureau of Environmental Services

## CHANGES FROM PRIOR YEAR

### Resources

The beginning fund balance for the FY 2003-04 Adopted Budget is projected to be \$38.1 million, including nearly \$30.1 million of funds withheld from the Sewer Construction Fund to provide cash flow while problems with the Water Bureau's CIS billing system are corrected.

*Sewer rate revenues of \$163.9 million are the largest source of revenue.*

### Rates, Charges, and Interest

Public Works utility charges, which include sewer rate revenues, connection charges, wholesale contract revenues, and other miscellaneous charges, are forecast to increase to about \$171.9 million for FY 2003-04. Sewer rate revenues, budgeted at approximately \$163.9 million, are based on the following assumptions: an average single family residential bill increase of 6.2%, an increase of 0.5% in the number of customer accounts, a 1.5-2.0% decrease in forecast usage per customer, and an allowance of approximately 1.6% for bad debt. Connection charge receipts are projected to be \$5.0 million in FY 2003-04. Interest on investments is projected to be \$1.9 million for the Adopted Budget.

### Interfund Cash Transfers and Service Reimbursements

Interfund (interbureau) cash transfers are forecast to total more than \$152.4 million for FY 2003-04. Interfund service reimbursements are budgeted at approximately \$1.4 million.

**Internal Revenues:** Major increases totaling \$46.9 million over the FY 2002-03 Revised Budget include:

- ◆ Transfers from the Sewer System Construction Fund are more than \$53 million higher than such transfers in the current year's revised budget. This reflects an increase in the bureau's infrastructure expenditures for Westside Combined Sewer Overflow (CSO) Tunnel construction in FY 2003-04.
- ◆ Transfers from the Federal Grants Fund are forecast at \$671,307 versus \$1,809,366 revised appropriation for the current year. The current year's funds will provide resources for the few remaining projects needing to be completed on the Columbia Slough Revitalization Grant. The FY 2003-04 Adopted Budget reflects activities funded by a \$1.25 million EPA grant for Innovative Wet Weather projects.

**Requirements****Personal Services**

Personal Services are budgeted to increase 5.0% over the current year's Revised Budget. Increases are due to cost-of-living-adjustments (COLA), personnel step increases, implementation of compensation studies, and the net addition of seven new FTEs, primarily technical staff, to administer industrial and storm water permits. Within the new FTEs are three positions to respond to plan review backlogs and workload issues as part of the City's regulatory reform effort.

**Materials and Services**

*External materials and services have increased because of CIP planning, design, and construction management oversight.*

External materials and services are budgeted at \$37.7 million for FY 2003-04, compared to the FY 2002-03 revised appropriation of \$32.4 million. The reasons for these increases include:

- ◆ Capital Improvement Program (CIP) expenditures are \$3.7 million higher than current levels due to the construction management activities of the West Side Tunnel and Pump Station project, planning and design for the East Side Tunnel project, and an additional \$1.1 million for the West Side CSO office rent.
- ◆ The operating budget reflects increased requirements for outside services for Portland Harbor Superfund remediation efforts, regulatory reform assistance, reimbursable expenses for environmental site assessments and geotechnical services for the CIP program, and resources for the operating needs at the Tryon and Columbia Blvd. Treatment plants. These needs include minor equipment for field work provided by the Bureau of Maintenance. Also, the bureau reallocated \$481,000 to fund River Renaissance projects involving watersheds throughout the city.

Internal Materials and Services' expenditures are budgeted to increase nearly 10.3%, or 12.0% without the internal reimbursements of two internal service providers: Watershed Revegetation Services and the Water Pollution Control Lab and Monitoring Services.

For FY 2003-04, cost increases for services from other bureaus are due to increased payments to the Water Bureau for the new Customer Information System and to the Office of Management and Finance for oversight on the implementation of that system, increased sanitary and stormwater maintenance activities provided by the Bureau of Maintenance, and over \$500,000 with Communications to continue a fiber optic project related to the West Side CSO Project and the East Side Tunnel.

**Capital Outlay**

Capital outlay is budgeted at \$116.7 million in FY 2003-04 versus about \$70.3 million of FY 2002-03 revised appropriations. This change reflects the bureau's increased infrastructure expenditures associated with the Westside CSO Tunnel and Pump Station project.

**Cash Transfers**

Cash transfers to other funds are budgeted to be \$115.1 million for FY 2003-04. Reasons for the change from FY 2002-03 revised appropriations of \$125.9 million include:

- ◆ Transfers to the Sewer System Construction Fund are budgeted at \$25 million in the FY 2003-04 Adopted Budget, a \$27.7 million decrease from the current year revised budget. This decrease is due to continued slow recovery of the water/sewer billing system to collect on past due accounts. Also, the current year was budgeted assuming all accounts were collected and all cash would be transferred to the Construction Fund.
- ◆ Transfers to the Sewer System Debt Redemption Fund are budgeted in FY 2003-04 at \$71.1 million, a \$9.7 million increase due to the revenue bond sale in the Spring of 2003.
- ◆ Transfers to the General Fund for utility license fees are forecast to be \$11.8 million for FY 2003-04, versus \$10.4 million in revised appropriation for the current year. The fee is based on a charge of 7.5% of eligible sewer rate revenues.
- ◆ Transfers to the Pension Debt Redemption Fund are budgeted at \$1.2 million, representing the bureau's contribution to additional requirements for employee pension retirement obligations.
- ◆ Transfers to the Rate Stabilization Fund are budgeted at \$6.0 million for FY 2003-04, compared to no appropriation in the FY 2002-03 Revised Budget. Anticipated stabilization of the water/sewer billing system and revisions in the bureau's bond covenants resulted in a replenishment of the Rate Stabilization Fund balances after approximately six years of using these balances to provide rate relief.

**Contingency**

General operating contingency is budgeted at \$22.9 million, while the compensation adjustment contingency of \$795,653 was calculated using the 2% increase as directed by the Financial Planning Division of OMF.

**Sewer Revolving Loan Fund – 636**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Public Works/Utility Charge	37,197	22,355	35,000	30,499	75,000	75,000
	37,197	22,355	35,000	30,499	75,000	75,000
<b>Miscellaneous Revenues</b>						
Interest Earned	58,987	45,328	50,000	29,198	50,000	50,000
Loan Repayments	32,883	25,834	35,000	17,216	40,000	40,000
	91,870	71,162	85,000	46,414	90,000	90,000
<b>Total External Revenues</b>	129,067	93,517	120,000	76,913	165,000	165,000
<b>Internal Revenues</b>						
Beginning Fund Balance	1,457,696	1,552,592	1,615,293	1,619,249	1,670,176	1,665,363
<b>TOTAL RESOURCES</b>	<b>\$ 1,586,763</b>	<b>\$ 1,646,109</b>	<b>\$ 1,735,293</b>	<b>\$ 1,696,162</b>	<b>\$ 1,835,176</b>	<b>\$ 1,830,363</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	34,171	26,860	36,000	30,799	76,000	76,000
<b>Total Bureau Expenses</b>	34,171	26,860	36,000	30,799	76,000	76,000
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	1,699,293	0	1,759,176	1,754,363
	0	0	1,699,293	0	1,759,176	1,754,363
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	1,552,592	1,619,249	0	1,665,363	0	0
	1,552,592	1,619,249	0	1,665,363	0	0
<b>Total Fund Requirements</b>	1,552,592	1,619,249	1,699,293	1,665,363	1,759,176	1,754,363
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,586,763</b>	<b>\$ 1,646,109</b>	<b>\$ 1,735,293</b>	<b>\$ 1,696,162</b>	<b>\$ 1,835,176</b>	<b>\$ 1,830,363</b>
<b>LINE ITEM DETAIL – AU 221</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
529000 Miscellaneous Services	2,350	0	0	0	0	0
549000 Miscellaneous	31,821	26,860	36,000	30,799	76,000	76,000
<b>Total External Materials and Services</b>	34,171	26,860	36,000	30,799	76,000	76,000
<b>Total Materials and Services</b>	34,171	26,860	36,000	30,799	76,000	76,000
<b>TOTAL Bureau Expenses</b>	<b>\$ 34,171</b>	<b>\$ 26,860</b>	<b>\$ 36,000</b>	<b>\$ 30,799</b>	<b>\$ 76,000</b>	<b>\$ 76,000</b>

**FUND OVERVIEW**

This fund was established in FY 1992-93 to administer the Private Plumbing Loan Program; this program is part of the Mid-County Financial Assistance Program, passed by the City Council in March 1992.

The initial seed money for these loans came from line and branch charges from the Sewer System Construction Fund, and are used to assist eligible property owners in financing the private plumbing costs associated with their required connection to the City sewer system. The interest rate charged on the loans will reflect the bureau's cost of obtaining funds, including an allowance for delinquencies and administrative costs, resulting in no ratepayer subsidy. Loans are five to ten years in term.

**Managing Agency** Bureau of Environmental Services

**CHANGES FROM PRIOR YEAR**

Private plumbing loan activity is expected to decline from the peak levels of FY 1998-99 as the Mid-County Project construction schedule has been completed and most developed properties have been connected to sanitary sewers. As of February 2003, just under 350 of the original 43,000 Mid-County properties remain to be connected. Of this amount, about 279 have connection deferrals that will expire before 2005, with the remaining 64 delinquent and facing enforcement action.

**Resources**

Revenues for FY 2003-04 include \$75,000 in liens receivable for new private plumbing loans, \$40,000 for repayment of private plumbing loans made in prior years, and \$50,000 for interest on investments.

**Requirements**

Expenditures include \$76,000 for new private plumbing loans under the Mid-County Financial Assistance Program.

**Sewer System Construction Fund – 552**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Public Works/Utility Charge	340,574	816,442	594,644	866,683	571,104	571,104
	340,574	816,442	594,644	866,683	571,104	571,104
<b>Local Sources</b>						
Local Cost Sharing	0	42,298	0	0	0	0
	0	42,298	0	0	0	0
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	149,425,226	0	0	202,936,961	0	0
Interest Earned	7,804,039	3,273,960	1,234,745	853,947	4,294,269	4,294,269
Refunds	211,920	159,850	0	157,812	0	0
	157,441,185	3,433,810	1,234,745	203,948,720	4,294,269	4,294,269
<b>Total External Revenues</b>	<b>157,781,759</b>	<b>4,292,550</b>	<b>1,829,389</b>	<b>204,815,403</b>	<b>4,865,373</b>	<b>4,865,373</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
LID Construction Fund	0	0	1,500,000	1,314,777	750,000	750,000
Sewage System Operating Fund	4,000,000	20,000,000	52,745,984	24,099,971	25,000,000	25,000,000
	4,000,000	20,000,000	54,245,984	25,414,748	25,750,000	25,750,000
<b>Federal Grants Transfers</b>						
	4,653,652	2,430,936	655,000	193,510	0	0
<b>Total Internal Revenues</b>	<b>8,653,652</b>	<b>22,430,936</b>	<b>54,900,984</b>	<b>25,608,258</b>	<b>25,750,000</b>	<b>25,750,000</b>
<b>Beginning Fund Balance</b>	<b>39,498,891</b>	<b>113,031,613</b>	<b>53,560,193</b>	<b>56,868,926</b>	<b>143,027,624</b>	<b>157,995,445</b>
<b>TOTAL RESOURCES</b>	<b>\$ 205,934,302</b>	<b>\$ 139,755,099</b>	<b>\$ 110,290,566</b>	<b>\$ 287,292,587</b>	<b>\$ 173,642,997</b>	<b>\$ 188,610,818</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	783,249	169	0	2,994,640	0	0
<b>Internal Materials and Services</b>						
Printing & Distribution	5,944	0	0	5,360	0	0
Office of Management & Finance	73,062	0	0	0	0	0
	79,006	0	0	5,360	0	0
<b>Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>655,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Bureau Expenses</b>	<b>862,255</b>	<b>169</b>	<b>655,000</b>	<b>3,000,000</b>	<b>0</b>	<b>0</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	10,538,577	0	21,201,720	36,169,541
	0	0	10,538,577	0	21,201,720	36,169,541
<b>Fund Cash Transfers</b>						
LID Construction Fund	30,452	19,948	11,609	11,609	5,538	5,538
Sewage Operating Fund	92,009,982	82,866,056	99,085,380	126,285,533	152,435,739	152,435,739
	92,040,434	82,886,004	99,096,989	126,297,142	152,441,277	152,441,277
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	113,031,613	56,868,926	0	157,995,445	0	0
	113,031,613	56,868,926	0	157,995,445	0	0
<b>Total Fund Requirements</b>	<b>205,072,047</b>	<b>139,754,930</b>	<b>109,635,566</b>	<b>284,292,587</b>	<b>173,642,997</b>	<b>188,610,818</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 205,934,302</b>	<b>\$ 139,755,099</b>	<b>\$ 110,290,566</b>	<b>\$ 287,292,587</b>	<b>\$ 173,642,997</b>	<b>\$ 188,610,818</b>

**LINE ITEM DETAIL – AU 172**

**Materials and Services**

**External Materials and Services**

521000 Professional Services	45,807	0	0	0	0	0
529000 Miscellaneous Services	387	169	0	0	0	0
543000 Out-of-Town Travel	890	0	0	0	0	0
549000 Miscellaneous	736,165	0	0	2,994,640	0	0
<b>Total External Materials and Services</b>	<b>783,249</b>	<b>169</b>	<b>0</b>	<b>2,994,640</b>	<b>0</b>	<b>0</b>

**Internal Materials and Services**

552000 Printing & Distribution	5,944	0	0	5,360	0	0
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559000 Other Fund Services	73,062	0	0	0	0	0
<b>Total Internal Materials and Services</b>	<b>79,006</b>	<b>0</b>	<b>0</b>	<b>5,360</b>	<b>0</b>	<b>0</b>
<b>Total Materials and Services</b>	<b>862,255</b>	<b>169</b>	<b>0</b>	<b>3,000,000</b>	<b>0</b>	<b>0</b>
<b>Capital Outlay</b>						
567000 Infrastructure	0	0	655,000	0	0	0
<b>Total Capital Outlay</b>	<b>0</b>	<b>0</b>	<b>655,000</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 862,255</b>	<b>\$ 169</b>	<b>\$ 655,000</b>	<b>\$ 3,000,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

## FUND OVERVIEW

The Sewer System Construction Fund receives revenues that are dedicated to sewer system capital projects. Since FY 1990-91, direct expenditures for capital projects have been budgeted within the Sewage System Operating Fund and reimbursed by the Sewer System Construction Fund. The primary resources to the capital program are proceeds from the sale of sewer system revenue bonds, transfers from the Sewage System Operating Fund for cash financing of capital improvements, and line and branch charges from new sewer systems.

**Managing Agency** Bureau of Environmental Services

## CHANGES FROM PRIOR YEAR

### Resources

The Sewer System Construction Fund relies on a variety of resources to fund capital requirements. The major resources include the following:

- ◆ The beginning fund balance for the FY 2003-04 Adopted Budget consists primarily of proceeds from the Series 2003 revenue bonds, as well as cash and non-bond revenues.
- ◆ Transfers of \$25 million from the Sewage System Operating Fund represent cash funding of capital improvements from sewer and stormwater rates and other available revenues.
- ◆ Service charges and fees for FY 2003-04 include line and branch charges of about \$338,000 and approximately \$233,000 for engineering permit fees.
- ◆ Interest on investments is budgeted at \$4.3 million, reflecting an estimated beginning balance of \$158 million, an estimated \$36.2 million ending fund balance (shown as contingency) to be carried over into the next fiscal year, and an estimated interest earnings rate of 4%.
- ◆ Transfers from the LID Construction Fund are proceeds from the sale of special assessment bonds for financed connection and line and branch charges.

### Requirements

*Transfers to the Sewage System Operating Fund to support CIP spending total \$152.4 million.*

#### Cash Transfers

Fund cash transfers to the Sewage System Operating Fund are reimbursements for direct Capital Improvement Plan expenditures and indirect overhead expenses incurred for the capital program. These transfers are anticipated to be \$152.4 million in FY 2003-04. Transfers to the LID Construction Fund of about \$5,500 support financing services offered to property owners who are assessed costs for installation of sewer systems.

#### Contingency

The general operating contingency of \$36.2 million represents bond proceeds and other fund balances that are not required in FY 2003-04 but will be used in the following fiscal year to fund capital improvements.



**Sewer System Rate Stabilization Fund – 632**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	498,702	322,954	101,205	114,707	552,144	552,144
	498,702	322,954	101,205	114,707	552,144	552,144
<b>Total External Revenues</b>	498,702	322,954	101,205	114,707	552,144	552,144
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Sewage System Operating Fund	0	0	0	6,500,000	6,000,000	6,000,000
	0	0	0	6,500,000	6,000,000	6,000,000
<b>Total Internal Revenues</b>	0	0	0	6,500,000	6,000,000	6,000,000
<b>Beginning Fund Balance</b>	11,456,467	7,980,169	6,926,895	3,028,123	7,510,994	9,642,830
<b>TOTAL RESOURCES</b>	<b>\$ 11,955,169</b>	<b>\$ 8,303,123</b>	<b>\$ 7,028,100</b>	<b>\$ 9,642,830</b>	<b>\$ 14,063,138</b>	<b>\$ 16,194,974</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	1,156,733	0	14,063,138	16,194,974
	0	0	1,156,733	0	14,063,138	16,194,974
<b>Fund Cash Transfers</b>						
Sewage Operating Fund	3,975,000	5,275,000	5,871,367	0	0	0
	3,975,000	5,275,000	5,871,367	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	7,980,169	3,028,123	0	9,642,830	0	0
	7,980,169	3,028,123	0	9,642,830	0	0
<b>Total Fund Requirements</b>	11,955,169	8,303,123	7,028,100	9,642,830	14,063,138	16,194,974
<b>TOTAL REQUIREMENTS</b>	<b>\$ 11,955,169</b>	<b>\$ 8,303,123</b>	<b>\$ 7,028,100</b>	<b>\$ 9,642,830</b>	<b>\$ 14,063,138</b>	<b>\$ 16,194,974</b>

**FUND OVERVIEW**

The Sewer System Rate Stabilization Fund was created in 1987 to enable the Bureau of Environmental Services to smooth forecast rate increases by managing fluctuations in sewer system revenues over several years.

To calculate debt service coverage ratios, the bureau's master bond ordinance allows Sewer Operating Fund transfers to this fund to be treated as operating expenses; similarly, transfers to the Sewer Operating Fund from this fund are treated as operating revenues.

Fund balances have been drawn down over the previous five years for purposes of smoothing annual rate increases. Transfers in during FY 2002-03 will begin to build balances over the coming five years in order to offset future rate increases associated with planned capital construction.

**Managing Agency** Bureau of Environmental Services

**CHANGES FROM PRIOR YEAR****Resources**

The beginning fund balance for the FY 2003-04 Adopted Budget is estimated to be \$9.6 million. Cash transfers from the Sewage System Operating Fund are budgeted at \$6 million, representing a period of rebuilding fund balances. Interest on investment of \$552,144 is predicted to increase from prior years as the fund balance is replenished and interest rates rise to the 4% assumed for FY 2003-04.

**Requirements**

The estimated ending fund balance (shown as contingency) will reach \$16.2 million, up from a low of \$3 million in FY 2001-02, but down from a high of \$29.3 million in FY 1995-96.

**Sewer System Safety Net Fund – 633**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Collection of Assessment	109,825	0	0	0	0	0
Interest Earned	(1,949)	(7,072)	10,000	180	10,000	10,000
Loan Repayments	73,246	66,556	230,000	48,386	230,000	230,000
	181,122	59,484	240,000	48,566	240,000	240,000
<b>Total External Revenues</b>	181,122	59,484	240,000	48,566	240,000	240,000
<b>Internal Revenues</b>						
<b>Beginning Fund Balance</b>	1,255,196	996,383	996,383	1,055,867	1,044,949	1,104,433
<b>TOTAL RESOURCES</b>	<b>\$ 1,436,318</b>	<b>\$ 1,055,867</b>	<b>\$ 1,236,383</b>	<b>\$ 1,104,433</b>	<b>\$ 1,284,949</b>	<b>\$ 1,344,433</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>	439,935	0	230,000	0	230,000	230,000
<b>Total Bureau Expenses</b>	439,935	0	230,000	0	230,000	230,000
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	1,006,383	0	1,054,949	1,114,433
	0	0	1,006,383	0	1,054,949	1,114,433
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	996,383	1,055,867	0	1,104,433	0	0
	996,383	1,055,867	0	1,104,433	0	0
<b>Total Fund Requirements</b>	996,383	1,055,867	1,006,383	1,104,433	1,054,949	1,114,433
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,436,318</b>	<b>\$ 1,055,867</b>	<b>\$ 1,236,383</b>	<b>\$ 1,104,433</b>	<b>\$ 1,284,949</b>	<b>\$ 1,344,433</b>
<b>LINE ITEM DETAIL – AU 225</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
545000 Interest	121,084	0	30,000	0	30,000	30,000
549000 Miscellaneous	318,851	0	200,000	0	200,000	200,000
<b>Total External Materials and Services</b>	439,935	0	230,000	0	230,000	230,000
<b>Total Materials and Services</b>	439,935	0	230,000	0	230,000	230,000
<b>TOTAL Bureau Expenses</b>	<b>\$ 439,935</b>	<b>\$ 0</b>	<b>\$ 230,000</b>	<b>\$ 0</b>	<b>\$ 230,000</b>	<b>\$ 230,000</b>

**FUND OVERVIEW**

This fund was established in 1987 for the deposit of monies from the State Assessment Deferral Loan Fund, managed by the Department of Environmental Quality (DEQ). Monies in the fund are used to make loans to low-income home owners within the boundaries of the Mid-County Sewer project who qualify for participation in the Safety Net program. Repayment of safety net assessment loans are deferred until the property ownership changes or the property owner no longer qualifies.

No loans from the State Assessment Deferral Loan Fund have been made since July 1996 because the volume of loan applications was not sufficient to justify the administrative costs associated with the DEQ loan agreements. The beginning fund balance represents outstanding loan receivables due to DEQ when collected. The budgeted requirements of the fund are payments to DEQ based upon estimated loan repayment collections.

**Managing Agency** Bureau of Environmental Services

## CHANGES FROM PRIOR YEAR

The FY 2003-04 Adopted Budget anticipates modest levels in loan repayments because of the termination of deferrals that were initiated over five years ago. The repayment activity will be increased to some extent by an increase in mortgage refinancing during the current period of low-interest mortgage rates.

# Solid Waste Management Fund – 157

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Licenses and Permits</b>						
Other Permits	3,660	4,260	0	0	0	0
Public Utility Licenses	1,334,378	1,578,275	1,623,747	1,644,055	1,698,889	1,698,889
	1,338,038	1,582,535	1,623,747	1,644,055	1,698,889	1,698,889
<b>Service Charges and Fees</b>						
Miscellaneous	5,375	9,158	0	0	0	0
Public Works/Utility Charge	850,515	851,771	1,222,453	1,088,466	1,169,918	1,169,918
Rents and Reimbursements	7,239	7,239	7,239	7,239	7,239	7,239
	863,129	868,168	1,229,692	1,095,705	1,177,157	1,177,157
<b>Local Sources</b>						
Local Cost Sharing	267,915	381,640	340,000	359,653	270,000	270,000
	267,915	381,640	340,000	359,653	270,000	270,000
<b>Miscellaneous Revenues</b>						
Interest Earned	280,793	141,637	53,308	70,860	28,782	28,782
Other Miscellaneous	1,672	4,340	4,500	4,500	4,500	4,500
Refunds	1,131	529	0	0	0	0
	283,596	146,506	57,808	75,360	33,282	33,282
<b>Total External Revenues</b>	<b>2,752,678</b>	<b>2,978,849</b>	<b>3,251,247</b>	<b>3,174,773</b>	<b>3,179,328</b>	<b>3,179,328</b>
<b>Internal Revenues</b>						
<b>Federal Grants Transfers</b>	<b>20,535</b>	<b>81,535</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Internal Revenues</b>	<b>20,535</b>	<b>81,535</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Beginning Fund Balance</b>	<b>4,763,744</b>	<b>3,946,928</b>	<b>2,389,693</b>	<b>3,280,433</b>	<b>2,809,481</b>	<b>2,807,606</b>
<b>TOTAL RESOURCES</b>	<b>\$ 7,536,957</b>	<b>\$ 7,007,312</b>	<b>\$ 5,640,940</b>	<b>\$ 6,455,206</b>	<b>\$ 5,988,809</b>	<b>\$ 5,986,934</b>

<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	685,859	706,330	727,949	729,890	752,717	752,717
<b>External Materials and Services</b>	1,275,116	1,278,846	1,797,166	1,335,204	1,758,217	1,758,217
<b>Internal Materials and Services</b>						
Communications Services	12,711	24,361	12,066	12,066	15,848	15,692
Facilities Services	1,826	3,689	1,495	1,495	0	0
Information Technology	10,962	30,606	26,011	26,011	17,642	17,347
Insurance	17,614	17,646	15,918	15,918	16,304	16,257
Printing & Distribution	93,432	86,849	103,424	87,910	99,885	99,643
Vehicle Services	7,709	3,758	2,947	2,947	5,426	5,399
City Auditor	525	150	1,200	1,200	1,200	1,200
Bureau Of Development Services	0	0	50,000	50,000	0	0
Environmental Services	92,334	38,329	22,790	22,790	12,701	12,701
Neighborhood Involvement	4,185	235,583	45,690	29,770	65,364	65,364
Office of Management & Finance	5,857	10,358	11,722	11,722	11,552	11,552
Parking Facilities	3,120	(120)	0	0	0	0
Special Appropriations	0	0	395	395	215	215
Sustainable Development	86,733	119,423	200,204	228,086	192,510	192,510
Transportation	605,701	152,862	0	0	0	0
	942,709	723,494	493,862	490,310	438,647	437,880
<b>Equipment Cash Transfers</b>						
Vehicle Operating	0	18,897	0	0	0	0
	0	18,897	0	0	0	0
<b>Total Bureau Expenses</b>	<b>2,903,684</b>	<b>2,727,567</b>	<b>3,018,977</b>	<b>2,555,404</b>	<b>2,949,581</b>	<b>2,948,814</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	1,217,027	0	1,949,437	1,940,042
Compensation Adjustment	0	0	36,740	0	17,693	17,693
	0	0	1,253,767	0	1,967,130	1,957,735
<b>General Fund Overhead</b>	<b>121,822</b>	<b>137,373</b>	<b>153,869</b>	<b>153,869</b>	<b>158,957</b>	<b>167,244</b>

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>Fund Cash Transfers</b>						
Development Services Fund	236,529	133,785	143,562	143,562	0	0
General Fund	274,731	705,215	1,044,484	768,484	890,657	890,657
Pension Debt Redemption Fund	20,468	0	26,281	26,281	22,484	22,484
Sewage Operating Fund	32,795	0	0	0	0	0
	564,523	839,000	1,214,327	938,327	913,141	913,141
<b>Debt Retirement</b>	0	22,939	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	3,946,928	3,280,433	0	2,807,606	0	0
	3,946,928	3,280,433	0	2,807,606	0	0
<b>Total Fund Requirements</b>	4,633,273	4,279,745	2,621,963	3,899,802	3,039,228	3,038,120
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,536,957</b>	<b>\$ 7,007,312</b>	<b>\$ 5,640,940</b>	<b>\$ 6,455,206</b>	<b>\$ 5,988,809</b>	<b>\$ 5,986,934</b>

## FUND OVERVIEW

The Solid Waste Management Fund accounts for expenses and revenues associated with the City's oversight of solid waste collection activities in Portland, and its efforts to reduce the amount of solid waste through recycling and waste reduction.

The fund supports the efforts of the Office of Sustainable Development's Solid Waste and Recycling Division and Green Building program; Office of Neighborhood Involvement (ONI) Residential Illegal Dumping/Nuisance Abatement program; and the Public Trash Can program.

Revenue sources for the Solid Waste Management Fund include residential franchise fees, commercial tonnage and permit fees, and grants.

- ◆ Residential franchise fees are set at five percent of total revenues.
- ◆ Commercial tonnage fees are set at \$3.80/ton for garbage disposal.

**Managing Agency** Office of Sustainable Development

## CHANGES FROM PRIOR YEAR

### Resources Beginning Fund Balance

The beginning fund balance for the FY 2003-04 Adopted Budget is \$2,807,606. Several factors contribute to this fund balance.

**Metro Grants:** In the past ten fiscal years the office has received grants from Metro totaling about \$2.4 million. These have primarily been applied to recycling equipment purchases for residential, multi-family, and commercial customers. The remaining balance was set aside in the fund balance for future use.

**Food Waste Projects:** The Solid Waste and Recycling Division budget includes a carryover of \$450,000 in the FY 2003-04 Adopted Budget for two food composting related activities. Within this carryover, there is \$300,000 budgeted for food composting facilities. Applications for funding were evaluated by a review panel in March of 2003 to determine qualified companies. Funds will be dispersed in the Summer of 2003 and will be carried over into FY 2003-04.

The second carryover item is the implementation of the food compost program, budgeted at \$150,000. This action has been delayed until food composting facilities are able to receive loads of food scraps. It is anticipated the food compost program will begin in FY 2003-04 and that funds would be expended at that time.

**Green Building:** The Solid Waste Management Fund supports a Green Incentive Fund within the Green Building program. Due to delays in implementation of projects funded by the Incentive Fund, the budget includes a carryover cash transfer of \$276,000 in the FY 2003-04 Adopted Budget.

## Requirements

### Illegal Dumping/Nuisance Abatement

The FY 2003-04 Adopted Budget includes a \$100,000 cash transfer and a \$50,000 interagency agreement with the Office of Neighborhood Involvement (ONI) for illegal dumping and nuisance abatement activities in FY 2003-04. In the current fiscal year, those activities are performed by the Bureau of Development Services. For FY 2003-04, responsibility for neighborhood inspection functions was transferred to ONI.

# Washington County Supply Bond Redemption Fund – 356

## FUND SUMMARY

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Public Works/Utility Charge	1,560,000	1,632,375	1,867,078	1,867,078	1,862,603	1,862,603
	1,560,000	1,632,375	1,867,078	1,867,078	1,862,603	1,862,603
<b>Local Sources</b>						
Local Cost Sharing	423,187	110,981	0	0	0	0
	423,187	110,981	0	0	0	0
<b>Miscellaneous Revenues</b>						
Interest Earned	3,880	3,186	0	0	0	0
	3,880	3,186	0	0	0	0
<b>Total External Revenues</b>	<b>1,987,067</b>	<b>1,746,542</b>	<b>1,867,078</b>	<b>1,867,078</b>	<b>1,862,603</b>	<b>1,862,603</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Water Fund	191,704	203,585	203,419	203,419	203,185	203,185
	191,704	203,585	203,419	203,419	203,185	203,185
<b>Total Internal Revenues</b>	<b>191,704</b>	<b>203,585</b>	<b>203,419</b>	<b>203,419</b>	<b>203,185</b>	<b>203,185</b>
<b>Beginning Fund Balance</b>	<b>1,476,357</b>	<b>1,688,089</b>	<b>1,722,153</b>	<b>1,602,364</b>	<b>1,638,676</b>	<b>1,638,676</b>
<b>TOTAL RESOURCES</b>	<b>\$ 3,655,128</b>	<b>\$ 3,638,216</b>	<b>\$ 3,792,650</b>	<b>\$ 3,672,861</b>	<b>\$ 3,704,464</b>	<b>\$ 3,704,464</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	1,967,039	2,035,851	2,034,185	2,034,185	2,031,850	2,031,850
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	1,688,089	1,602,365	1,758,465	1,638,676	1,672,614	1,672,614
	1,688,089	1,602,365	1,758,465	1,638,676	1,672,614	1,672,614
<b>Total Fund Requirements</b>	<b>3,655,128</b>	<b>3,638,216</b>	<b>3,792,650</b>	<b>3,672,861</b>	<b>3,704,464</b>	<b>3,704,464</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,655,128</b>	<b>\$ 3,638,216</b>	<b>\$ 3,792,650</b>	<b>\$ 3,672,861</b>	<b>\$ 3,704,464</b>	<b>\$ 3,704,464</b>

## FUND OVERVIEW

The Washington County Supply Bond Redemption Fund was established to pay the debt service for a special bond issue that financed the Washington County Gravity Supply Line. Under the terms of the contract, two wholesale water distributors are responsible for 90% of the debt service on that issue, while the City of Portland pays the remaining 10%. Debt service will terminate in August 2004.

**Managing Agency** Bureau of Water Works



**Washington County Supply Bond Redemption Fund – 356**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+i
<b>General Obligation Water Refund- ing Bonds, 1993 Series C</b>						
11/15/1993 - Due 08/01	15,560,000					
		2003/04	1,900,000	4.50%	131,850	2,031,850
		2004/05	1,980,000	4.50%	44,550	2,024,550
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 3,880,000</b>		<b>\$ 176,400</b>	<b>\$ 4,056,400</b>

# Water Bond Sinking Fund – 355

## FUND SUMMARY

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	23,128	8,148	0	0	0	0
	23,128	8,148	0	0	0	0
<b>Total External Revenues</b>	<b>23,128</b>	<b>8,148</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Water Construction Fund	908,509	17,988	382,508	93,012	818,603	776,855
Water Fund	11,658,303	13,406,914	14,226,524	25,940,958	15,363,608	10,310,152
	12,566,812	13,424,902	14,609,032	26,033,970	16,182,211	11,087,007
<b>Total Internal Revenues</b>	<b>12,566,812</b>	<b>13,424,902</b>	<b>14,609,032</b>	<b>26,033,970</b>	<b>16,182,211</b>	<b>11,087,007</b>
<b>Beginning Fund Balance</b>	<b>1,592</b>	<b>5,554</b>	<b>0</b>	<b>3,702</b>	<b>0</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$ 12,591,532</b>	<b>\$ 13,438,604</b>	<b>\$ 14,609,032</b>	<b>\$ 26,037,672</b>	<b>\$ 16,182,211</b>	<b>\$ 11,087,007</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	12,585,978	13,434,899	14,609,032	26,037,672	16,182,211	11,087,007
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	5,554	3,705	0	0	0	0
	5,554	3,705	0	0	0	0
<b>Total Fund Requirements</b>	<b>12,591,532</b>	<b>13,438,604</b>	<b>14,609,032</b>	<b>26,037,672</b>	<b>16,182,211</b>	<b>11,087,007</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 12,591,532</b>	<b>\$ 13,438,604</b>	<b>\$ 14,609,032</b>	<b>\$ 26,037,672</b>	<b>\$ 16,182,211</b>	<b>\$ 11,087,007</b>

## FUND OVERVIEW

The Water Bond Sinking Fund provides for repayment of bonded debt and interest on debt. The primary resource to this fund is a transfer from the Water Operating Fund of \$10.3 million. The Water Construction Fund also provides for a \$0.8 million transfer of interest earnings on bond proceeds.

**Managing Agency** Bureau of Water Works

**Water Bond Sinking Fund – 355**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>General Obligation Water Bonds, Series 1993</b>						
08/01/1993 - Due 10/1	20,070,000					
		2003/04	-		375,590	375,590
		2004/05	-		375,590	375,590
		2005/06	-		375,590	375,590
		2006/07	1,360,000	4.80%	342,950	1,702,950
		2007/08	1,430,000	4.90%	275,275	1,705,275
		2008/09	1,500,000	5.00%	202,740	1,702,740
		2009/10	1,580,000	5.10%	124,950	1,704,950
		2010/11	1,660,000	5.10%	42,330	1,702,330
		<b>TOTAL</b>	<b>7,530,000</b>		<b>2,115,015</b>	<b>9,645,015</b>
<b>TOTAL - General Obligation Water Bonds</b>						
	20,070,000					
		2003/04	-		375,590	375,590
		2004/05	-		375,590	375,590
		2005/06	-		375,590	375,590
		2006/07	1,360,000		342,950	1,702,950
		2007/08	1,430,000		275,275	1,705,275
		2008/09	1,500,000		202,740	1,702,740
		2009/10	1,580,000		124,950	1,704,950
		2010/11	1,660,000		42,330	1,702,330
		<b>TOTAL</b>	<b>7,530,000</b>		<b>2,115,015</b>	<b>9,645,015</b>
<b>Water System Revenue Bonds, Series 1993</b>						
08/01/1993 - Due 08/01	25,000,000					
		2003/04	1,195,000	4.70%	843,475	2,038,475
		2004/05	1,250,000	4.75%	785,705	2,035,705
		2005/06	1,315,000	5.00%	723,143	2,038,143
		2006/07	1,380,000	5.00%	655,768	2,035,768
		2007/08	1,455,000	5.10%	584,165	2,039,165
		2008/09	1,530,000	5.13%	507,856	2,037,856
		2009/10	1,610,000	5.13%	427,394	2,037,394
		2010/11	1,695,000	5.25%	341,644	2,036,644
		2011/12	1,790,000	5.25%	250,163	2,040,163
		2012/13	1,885,000	5.25%	153,694	2,038,694
		2013/14	1,985,000	5.25%	52,106	2,037,106
		<b>TOTAL</b>	<b>17,090,000</b>		<b>5,325,111</b>	<b>22,415,111</b>
<b>Water System Revenue Bonds, Series 1995</b>						
11/15/1995 - Due 08/01	20,000,000					
		2003/04	680,000	4.60%	854,070	1,534,070
		2004/05	715,000	4.70%	821,628	1,536,628
		2005/06	750,000	4.80%	786,825	1,536,825
		2006/07	785,000	4.90%	749,593	1,534,593
		2007/08	825,000	5.00%	709,735	1,534,735
		2008/09	870,000	5.10%	666,925	1,536,925
		2009/10	915,000	5.20%	620,950	1,535,950
		2010/11	965,000	5.30%	571,588	1,536,588
		2011/12	1,015,000	5.35%	518,864	1,533,864
		2012/13	1,070,000	5.40%	462,823	1,532,823
		2013/14	1,135,000	5.45%	403,004	1,538,004
		2014/15	3,290,000	5.50%	281,600	3,571,600
		2015/16	3,475,000	5.50%	95,563	3,570,563
		<b>TOTAL</b>	<b>16,490,000</b>		<b>7,543,165</b>	<b>24,033,165</b>
<b>Water System Revenue Bonds, 1997 Series A</b>						
11/15/1997 - Due 08/01	30,000,000					

**Water Bond Sinking Fund – 355**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2003/04	860,000	4.75%	1,281,775	2,141,775
		2004/05	910,000	4.75%	1,239,738	2,149,738
		2005/06	950,000	4.75%	1,195,563	2,145,563
		2006/07	1,000,000	4.75%	1,149,250	2,149,250
		2007/08	1,050,000	5.00%	1,099,250	2,149,250
		2008/09	1,100,000	5.00%	1,045,500	2,145,500
		2009/10	1,160,000	5.00%	989,000	2,149,000
		2010/11	1,220,000	5.00%	929,500	2,149,500
		2011/12	1,280,000	5.00%	867,000	2,147,000
		2012/13	1,350,000	5.00%	801,250	2,151,250
		2013/14	1,410,000	5.00%	732,250	2,142,250
		2014/15	1,490,000	5.00%	659,750	2,149,750
		2015/16	1,560,000	5.00%	583,500	2,143,500
		2016/17	5,310,000	5.00%	411,750	5,721,750
		2017/18	5,580,000	5.00%	139,500	5,719,500
		<b>TOTAL</b>	<b>26,230,000</b>		<b>13,124,575</b>	<b>39,354,575</b>
<b>Water System Revenue Bonds, 2000 Series A</b>						
03/15/2000 - Due 08/01	35,000,000					
		2003/04	540,000	5.00%	1,802,118	2,342,118
		2004/05	560,000	5.00%	1,774,618	2,334,618
		2005/06	590,000	5.00%	1,745,868	2,335,868
		2006/07	620,000	5.00%	1,715,618	2,335,618
		2007/08	650,000	5.00%	1,683,868	2,333,868
		2008/09	690,000	5.00%	1,650,368	2,340,368
		2009/10	720,000	5.00%	1,615,118	2,335,118
		2010/11	760,000	5.00%	1,578,118	2,338,118
		2011/12	800,000	5.00%	1,539,118	2,339,118
		2012/13	840,000	5.13%	1,497,593	2,337,593
		2013/14	890,000	5.20%	1,452,928	2,342,928
		2014/15	930,000	5.25%	1,405,375	2,335,375
		2015/16	990,000	5.25%	1,354,975	2,344,975
		2016/17	1,040,000	5.25%	1,301,688	2,341,688
		2017/18	1,090,000	5.25%	1,245,775	2,335,775
		2018/19	7,030,000	5.38%	1,028,231	8,058,231
		2019/20	7,420,000	5.50%	635,250	8,055,250
		2020/21	7,840,000	5.50%	215,600	8,055,600
		<b>TOTAL</b>	<b>34,000,000</b>		<b>25,242,221</b>	<b>59,242,221</b>
<b>Projected - Water System Revenue Bonds, 2003 Series A - First Year Debt Service Only</b>						
	98,400,000					
		2003/04	-	NA	2,652,516	2,652,516
		<b>TOTAL</b>	<b>-</b>		<b>2,652,516</b>	<b>2,652,516</b>
<b>TOTAL - Water System Revenue Bonds</b>						
	208,400,000					
		2003/04	3,275,000		7,433,954	10,708,954
		2004/05	3,435,000		4,621,688	8,056,688
		2005/06	3,605,000		4,451,398	8,056,398
		2006/07	3,785,000		4,270,228	8,055,228
		2007/08	3,980,000		4,077,018	8,057,018
		2008/09	4,190,000		3,870,649	8,060,649
		2009/10	4,405,000		3,652,461	8,057,461
		2010/11	4,640,000		3,420,849	8,060,849
		2011/12	4,885,000		3,175,144	8,060,144
		2012/13	5,145,000		2,915,359	8,060,359
		2013/14	5,420,000		2,640,288	8,060,288
		2014/15	5,710,000		2,346,725	8,056,725
		2015/16	6,025,000		2,034,038	8,059,038

**Water Bond Sinking Fund – 355**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2016/17	6,350,000		1,713,438	8,063,438
		2017/18	6,670,000		1,385,275	8,055,275
		2018/19	7,030,000		1,028,231	8,058,231
		2019/20	7,420,000		635,250	8,055,250
		2020/21	7,840,000		215,600	8,055,600
			93,810,000		53,887,589	147,697,589
<b>Annexed Water Bonds</b>						
		2003/04	2,208	Various	256	2,464
		2004/05	2,244	Various	154	2,398
		2005/06	2,155	Various	51	2,206
		TOTAL	6,606		461	7,067
<b>COMBINED DEBT SERVICE</b>						
	128,659,654					
		2003/04	3,277,208		7,809,800	11,087,007
		2004/05	3,437,244		4,997,432	8,434,675
		2005/06	3,607,155		4,827,038	8,434,193
		2006/07	5,145,000		4,613,178	9,758,178
		2007/08	5,410,000		4,352,293	9,762,293
		2008/09	5,690,000		4,073,389	9,763,389
		2009/10	5,985,000		3,777,411	9,762,411
		2010/11	6,300,000		3,463,179	9,763,179
		2011/12	4,885,000		3,175,144	8,060,144
		2012/13	5,145,000		2,915,359	8,060,359
		2013/14	5,420,000		2,640,288	8,060,288
		2014/15	5,710,000		2,346,725	8,056,725
		2015/16	6,025,000		2,034,038	8,059,038
		2016/17	6,350,000		1,713,438	8,063,438
		2017/18	6,670,000		1,385,275	8,055,275
		2018/19	7,030,000		1,028,231	8,058,231
		2019/20	7,420,000		635,250	8,055,250
		2020/21	7,840,000		215,600	8,055,600
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 101,346,606</b>		<b>\$ 56,003,065</b>	<b>\$ 157,349,671</b>

# Water Construction Fund – 554

# FUND SUMMARY

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	32,500	0	0	0	0	0
Public Works/Utility Charge	1,275,576	3,425,828	1,966,873	2,600,000	2,021,945	2,021,945
	1,308,076	3,425,828	1,966,873	2,600,000	2,021,945	2,021,945
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	6,356,054	37,700,000	18,643,946	79,900,000	72,400,000
Interest Earned	1,360,946	286,527	490,008	240,008	878,603	836,855
	1,360,946	6,642,581	38,190,008	18,883,954	80,778,603	73,236,855
<b>Total External Revenues</b>	<b>2,669,022</b>	<b>10,068,409</b>	<b>40,156,881</b>	<b>21,483,954</b>	<b>82,800,548</b>	<b>75,258,800</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Water Fund	10,672,494	10,499,386	13,432,932	13,932,932	14,239,647	14,239,647
	10,672,494	10,499,386	13,432,932	13,932,932	14,239,647	14,239,647
<b>Total Internal Revenues</b>	<b>10,672,494</b>	<b>10,499,386</b>	<b>13,432,932</b>	<b>13,932,932</b>	<b>14,239,647</b>	<b>14,239,647</b>
<b>Beginning Fund Balance</b>	<b>29,372,652</b>	<b>8,035,447</b>	<b>3,421,039</b>	<b>6,814,507</b>	<b>12,509,748</b>	<b>13,333,255</b>
<b>TOTAL RESOURCES</b>	<b>\$ 42,714,168</b>	<b>\$ 28,603,242</b>	<b>\$ 57,010,852</b>	<b>\$ 42,231,393</b>	<b>\$ 109,549,943</b>	<b>\$ 102,831,702</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	219,896	0	0	0	0	0
<b>Total Bureau Expenses</b>	<b>219,896</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	6,333,781	6,333,781	7,612,741	7,602,877
	0	0	6,333,781	6,333,781	7,612,741	7,602,877
<b>Fund Cash Transfers</b>						
Water Bond Sinking	908,509	17,988	382,508	93,012	818,603	776,855
Water Fund	33,550,316	21,770,746	41,842,702	28,805,126	49,933,007	49,908,995
	34,458,825	21,788,734	42,225,210	28,898,138	50,751,610	50,685,850
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	8,035,447	6,814,508	8,451,861	6,999,474	51,185,592	44,542,975
	8,035,447	6,814,508	8,451,861	6,999,474	51,185,592	44,542,975
<b>Total Fund Requirements</b>	<b>42,494,272</b>	<b>28,603,242</b>	<b>57,010,852</b>	<b>42,231,393</b>	<b>109,549,943</b>	<b>102,831,702</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 42,714,168</b>	<b>\$ 28,603,242</b>	<b>\$ 57,010,852</b>	<b>\$ 42,231,393</b>	<b>\$ 109,549,943</b>	<b>\$ 102,831,702</b>

## FUND OVERVIEW

The Water Construction Fund is the capital fund of the Water Bureau. This fund pays for capital expenditures for the water system including ongoing capital repair and replacement, enhancements and large and non-recurring additions to the system.

### Resources

Resources, which total \$102.8 million, include the following:

- ◆ \$14.2 million in rate financed capital expenditures from the Water Operating Fund
- ◆ \$2.0 million in system development charges
- ◆ \$0.8 million in interest earnings
- ◆ \$13.3 million of forecasted beginning fund balance
- ◆ \$72.4 million from bond and note sales (net of \$25 million in outstanding line of credit)

**Requirements**

Requirements, which total \$102.8 million, include the following:

- ◆ \$49.9 million transfer to the Water Operating Fund for capital costs
- ◆ \$0.8 million transfer to the Water Bond Sinking Fund to cover interest earnings on unspent bond proceeds
- ◆ \$7.6 million in contingency
- ◆ \$44.5 million in ending fund balance

**Managing Agency**

Bureau of Water Works

**Water Fund – 153**

**FUND SUMMARY**

	<b>Actual FY 2000-01</b>	<b>Actual FY 2001-02</b>	<b>Revised FY 2002-03</b>	<b>Yr End Est. FY 2002-03</b>	<b>Proposed FY 2003-04</b>	<b>Adopted FY 2003-04</b>
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	686,750	120,542	75,000	75,000	75,000	75,000
Public Works/Utility Charge	57,566,363	69,132,862	70,255,740	67,910,740	73,057,556	72,835,253
Rents and Reimbursements	262,051	318,404	286,000	286,000	295,000	295,000
	<u>58,515,164</u>	<u>69,571,808</u>	<u>70,616,740</u>	<u>68,271,740</u>	<u>73,427,556</u>	<u>73,205,253</u>
<b>Local Sources</b>						
Local Cost Sharing	9,066	11,180	9,753	9,753	1,059,707	1,060,239
	<u>9,066</u>	<u>11,180</u>	<u>9,753</u>	<u>9,753</u>	<u>1,059,707</u>	<u>1,060,239</u>
<b>Miscellaneous Revenues</b>						
Interest Earned	849,277	707,863	213,397	513,397	242,783	124,983
Other Miscellaneous	493,121	619,951	0	9,700,000	0	0
Private Grants/Donations	(228,004)	0	0	0	0	0
Refunds	151,805	108,828	78,000	78,000	80,000	80,000
Sale of Capital Assets	140,750	197,136	0	0	0	0
Sales Miscellaneous	110,206	91,228	613,765	613,765	549,000	549,000
	<u>1,517,155</u>	<u>1,725,006</u>	<u>905,162</u>	<u>10,905,162</u>	<u>871,783</u>	<u>753,983</u>
<b>Total External Revenues</b>	<b>60,041,385</b>	<b>71,307,994</b>	<b>71,531,655</b>	<b>79,186,655</b>	<b>75,359,046</b>	<b>75,019,475</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Parks Memorial Trust Fund	0	0	46,705	46,705	0	0
Water Construction Fund	33,550,316	21,770,746	41,842,702	28,805,126	49,933,007	49,908,995
	<u>33,550,316</u>	<u>21,770,746</u>	<u>41,889,407</u>	<u>28,851,831</u>	<u>49,933,007</u>	<u>49,908,995</u>
<b>Federal Grants Transfers</b>						
	1,021,772	(147,398)	357,701	207,701	513,500	513,500
<b>Interfund Service Reimbursements</b>						
BFRES Facilities GO Bond Const	0	5,170	0	0	0	0
Communications Services	0	12,212	0	0	0	0
Environmental Services	5,859,275	6,696,090	7,340,100	9,044,977	8,868,140	8,868,140
Environmental Svcs - Internal	0	8,471	0	0	0	0
Facilities Services Fund	35,346	14,709	0	0	0	0
Fire Bureau	0	2,214	0	0	2,000	2,000
Hydropower Operating Fund	75,392	64,175	82,634	82,634	80,190	80,190
LID Construction Fund	72,069	0	0	0	0	0
Parks Bureau	11,422	0	0	0	0	0
Parks Construction Fund	12,486	21,739	0	0	0	0
Planning	40,000	0	0	0	0	0
Police Bureau	0	33,748	27,000	27,000	18,000	18,000
Transportation	468,106	516,869	190,900	190,900	658,500	658,500
Vehicle Services	80,240	83,513	87,958	87,958	90,000	90,000
	<u>6,654,336</u>	<u>7,458,910</u>	<u>7,728,592</u>	<u>9,433,469</u>	<u>9,716,830</u>	<u>9,716,830</u>
<b>Total Internal Revenues</b>	<b>41,226,424</b>	<b>29,082,258</b>	<b>49,975,700</b>	<b>38,493,001</b>	<b>60,163,337</b>	<b>60,139,325</b>
<b>Beginning Fund Balance</b>	<b>24,311,674</b>	<b>14,744,185</b>	<b>17,483,271</b>	<b>13,746,522</b>	<b>25,287,553</b>	<b>17,593,957</b>
<b>TOTAL RESOURCES</b>	<b>\$ 125,579,483</b>	<b>\$ 115,134,437</b>	<b>\$ 138,990,626</b>	<b>\$ 131,426,178</b>	<b>\$ 160,809,936</b>	<b>\$ 152,752,757</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	36,152,147	35,152,762	35,412,853	35,301,141	39,203,238	39,287,493
<b>External Materials and Services</b>	21,340,392	21,117,149	18,287,736	9,652,403	24,154,757	24,159,757
<b>Internal Materials and Services</b>						
Communications Services	1,272,617	1,206,214	1,364,819	1,364,819	1,444,774	1,437,863
Facilities Services	2,784,515	1,624,902	1,692,629	1,692,629	1,644,107	1,640,891
Information Technology	610,593	1,540,893	2,102,575	2,102,575	1,858,252	1,832,812
Insurance	949,623	907,007	1,130,158	1,130,158	1,165,264	1,161,933
Printing & Distribution	644,199	715,485	856,718	856,718	843,541	841,441
Vehicle Services	1,719,330	1,569,972	1,823,334	1,823,334	1,777,895	1,757,697
City Attorney	241,211	199,360	209,910	209,910	215,501	215,501
City Auditor	0	0	0	0	0	0
Bureau Of Development Services	13,871	10,677	5,232	5,232	5,224	5,224



	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Commissioner of Public Affairs	0	0	0	0	18,430	18,430
Community Development	310,314	368,629	443,000	443,000	443,000	313,000
Environmental Services	127,101	120,453	112,993	112,993	96,000	96,000
Fire Bureau	0	0	0	0	0	75,000
Government Relations	14,700	14,700	14,700	14,700	14,700	14,700
Hydropower Operating Fund	39,315	29,994	29,000	29,000	31,000	31,000
Information Technology	491,361	497,269	0	0	0	0
Neighborhood Involvement	0	5,000	0	0	0	0
Office of Management & Finance	124,794	753,180	654,094	654,094	1,015,944	1,165,298
Parking Facilities	60,480	61,842	66,600	66,600	63,240	63,240
Parks Bureau	81,823	72,758	107,882	107,882	55,803	55,803
Parks Construction	0	0	0	0	153,000	153,000
Planning	140,828	195,813	125,000	125,000	98,700	98,700
Special Appropriations	0	0	13,428	13,428	12,672	12,672
Sustainable Development	42,813	72,133	40,000	40,000	40,000	40,000
Transportation	1,189,565	1,093,496	1,128,322	1,128,322	1,137,304	1,137,304
	10,859,053	11,059,777	11,920,394	11,920,394	12,134,351	12,167,509
<b>Capital Outlay</b>	13,074,643	3,352,993	23,648,100	11,128,298	28,118,729	28,118,729
<b>Equipment Cash Transfers</b>						
Communications Services	0	0	0	0	0	0
Printing & Distribution	0	3,000	0	0	20,000	20,000
	0	3,000	0	0	20,000	20,000
<b>Minor Equipment Transfers</b>						
Communications Services	23,024	0	0	0	7,600	7,600
Printing & Distribution	0	500	0	0	0	0
	23,024	500	0	0	7,600	7,600
<b>Total Bureau Expenses</b>	81,449,259	70,686,181	89,269,083	68,002,236	103,638,675	103,761,088
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	9,068,858	500,000	13,547,091	8,928,049
Rate Stabilization Contingency	0	0	6,000,000	3,338,936	6,000,000	6,000,000
	0	0	15,068,858	3,838,936	19,547,091	14,928,049
<b>General Fund Overhead</b>	2,166,406	1,778,621	952,013	952,013	1,422,226	1,730,499
<b>Fund Cash Transfers</b>						
General Fund	3,313,415	3,740,457	3,917,219	3,717,219	4,029,240	4,016,308
Pension Debt Redemption Fund	1,093,124	0	1,390,444	1,043,444	1,200,815	1,200,815
Washington County Supply	191,704	203,585	203,419	203,419	203,185	203,185
Water Bond Sinking	11,658,303	13,406,914	14,226,524	25,940,958	15,363,608	10,310,152
Water Construction Fund	10,672,494	10,499,386	13,432,932	13,932,932	14,239,647	14,239,647
	26,929,040	27,850,342	33,170,538	44,837,972	35,036,495	29,970,107
<b>Inventory Increases</b>	0	0	40,000	40,000	40,000	40,000
<b>Debt Retirement</b>	290,593	1,072,773	490,134	0	1,125,449	2,323,014
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	14,744,185	13,746,520	0	13,755,021	0	0
	14,744,185	13,746,520	0	13,755,021	0	0
<b>Total Fund Requirements</b>	44,130,224	44,448,256	49,721,543	63,423,942	57,171,261	48,991,669
<b>TOTAL REQUIREMENTS</b>	<b>\$ 125,579,483</b>	<b>\$ 115,134,437</b>	<b>\$ 138,990,626</b>	<b>\$ 131,426,178</b>	<b>\$ 160,809,936</b>	<b>\$ 152,752,757</b>

## FUND OVERVIEW

### Description

The Water Operating Fund is the operating fund of the water utility. With the exception of debt service, all expenditures are made from this fund for operation, maintenance, and capital assets. Receipts from the sale of water are the primary revenue source for the Water Operating Fund. The cash flow of this fund determines the need for rate increases.

**Resources**

Fund resources of \$152.8 million are from the following sources:

- ◆ \$72.8 million in water sales and other charges
- ◆ \$49.9 million in cash transfers from the Water Construction Fund for capital costs
- ◆ \$17.6 million in beginning fund balance
- ◆ \$9.7 million from City service reimbursements primarily from the Bureau of Environmental Services for sewer billing and collection services
- ◆ \$2.8 million in miscellaneous revenues

**Requirements**

Fund requirements of \$152.8 million are for the following expenditures:

- ◆ \$103.8 million for bureau expenses:
  - ◇ \$54.2 million for the operating budget to maintain, operate, support and manage the water system
  - ◇ \$49.6 million for the Capital Improvement Program budget for capital maintenance, improvements, security improvements, and expansions to the water system
- ◆ \$49.0 million for fund level requirements:
  - ◇ \$14.9 million in contingency including \$8.9 million in general operating contingency and \$6.0 million for rate stabilization
  - ◇ \$14.2 million for cash transfers to the Water Construction Fund for cash financed capital and capital project reimbursements
  - ◇ \$10.3 million for cash transfers to the Water Bond Sinking Fund to pay debt service
  - ◇ \$4.0 million for Utility License Fee
  - ◇ \$1.7 million for General Fund Overhead
  - ◇ \$2.3 million for debt retirement
  - ◇ \$1.2 million for PERS pension debt redemption
  - ◇ \$0.2 million for miscellaneous expenses

**Managing Agency**

Bureau of Water Works

# Water Growth Impact Charge Trust Fund – 631

## FUND SUMMARY

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	89,042	57,638	34,769	34,769	19,760	19,760
	89,042	57,638	34,769	34,769	19,760	19,760
<b>Total External Revenues</b>	<b>89,042</b>	<b>57,638</b>	<b>34,769</b>	<b>34,769</b>	<b>19,760</b>	<b>19,760</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	1,465,251	1,554,293	1,617,180	1,611,932	1,646,701	1,646,701
<b>TOTAL RESOURCES</b>	<b>\$ 1,554,293</b>	<b>\$ 1,611,931</b>	<b>\$ 1,651,949</b>	<b>\$ 1,646,701</b>	<b>\$ 1,666,461</b>	<b>\$ 1,666,461</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	1,554,293	1,611,931	1,651,949	1,646,701	1,666,461	1,666,461
	1,554,293	1,611,931	1,651,949	1,646,701	1,666,461	1,666,461
<b>Total Fund Requirements</b>	<b>1,554,293</b>	<b>1,611,931</b>	<b>1,651,949</b>	<b>1,646,701</b>	<b>1,666,461</b>	<b>1,666,461</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,554,293</b>	<b>\$ 1,611,931</b>	<b>\$ 1,651,949</b>	<b>\$ 1,646,701</b>	<b>\$ 1,666,461</b>	<b>\$ 1,666,461</b>

## FUND OVERVIEW

The Water Growth Impact Trust Fund is a trust fund used to accumulate resources earmarked for future requirements resulting from growth in the demand for water by wholesale customers. The fund was established so those water districts that were experiencing growth would contribute a proportionate share of money toward the next major supply increment. In 1995, wholesale contributions were suspended with the deletion of the growth section in the wholesale agreements.

**Managing Agency** Bureau of Water Works



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# Airport Way Debt Service Fund – 307

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	6,584,944	6,837,722	6,534,100	6,926,899	6,913,254	6,913,254
Prior Year Property Taxes	148,987	193,501	234,862	234,862	150,000	150,000
	6,733,931	7,031,223	6,768,962	7,161,761	7,063,254	7,063,254
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	0	0	949,645	0	0
Interest Earned	190,742	99,954	84,000	84,000	66,914	66,914
	190,742	99,954	84,000	1,033,645	66,914	66,914
<b>Total External Revenues</b>	<b>6,924,673</b>	<b>7,131,177</b>	<b>6,852,962</b>	<b>8,195,406</b>	<b>7,130,168</b>	<b>7,130,168</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	676,544	703,369	427,731	625,891	1,350,000	1,350,000
<b>TOTAL RESOURCES</b>	<b>\$ 7,601,217</b>	<b>\$ 7,834,546</b>	<b>\$ 7,280,693</b>	<b>\$ 8,821,297</b>	<b>\$ 8,480,168</b>	<b>\$ 8,480,168</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	6,897,848	7,208,655	6,880,338	7,471,297	7,130,168	7,130,168
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	703,369	625,891	0	0	0	0
Unexpendable Reserve	0	0	400,355	1,350,000	1,350,000	1,350,000
	703,369	625,891	400,355	1,350,000	1,350,000	1,350,000
<b>Total Fund Requirements</b>	<b>7,601,217</b>	<b>7,834,546</b>	<b>7,280,693</b>	<b>8,821,297</b>	<b>8,480,168</b>	<b>8,480,168</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,601,217</b>	<b>\$ 7,834,546</b>	<b>\$ 7,280,693</b>	<b>\$ 8,821,297</b>	<b>\$ 8,480,168</b>	<b>\$ 8,480,168</b>

## FUND OVERVIEW

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Airport Way urban renewal district. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

**Managing Agency** Office of Management and Finance, Financial Services

**Airport Way Debt Service Fund – 307**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Urban Renewal &amp; Redevelopment Bonds, 2000 Series A</b>						
06/01/2000 - Due 6/15	51,000,000					
		2003/04	1,255,000	5.00%	2,896,543	4,151,543
		2004/05	1,315,000	5.00%	2,833,793	4,148,793
		2005/06	880,000	5.00%	2,768,043	3,648,043
		2006/07	925,000	5.10%	2,724,043	3,649,043
		2007/08	965,000	5.50%	2,676,868	3,641,868
		2008/09	1,015,000	5.37%	2,623,793	3,638,793
		2009/10	1,070,000	5.30%	2,569,255	3,639,255
		2010/11	3,320,000	5.30%	2,512,545	5,832,545
		2011/12	3,495,000	5.93%	2,336,585	5,831,585
		2012/13	3,700,000	5.92%	2,129,225	5,829,225
		2013/14	3,920,000	5.96%	1,910,175	5,830,175
		2014/15	4,155,000	5.92%	1,676,375	5,831,375
		2015/16	4,400,000	6.00%	1,430,355	5,830,355
		2016/17	4,665,000	5.70%	1,166,355	5,831,355
		2017/18	4,930,000	5.75%	900,450	5,830,450
		2018/19	5,215,000	5.75%	616,975	5,831,975
		2019/20	5,515,000	5.75%	317,113	5,832,113
		<b>TOTAL</b>	<b>50,740,000</b>		<b>34,088,488</b>	<b>84,828,488</b>
<b>Urban Renewal &amp; Redevelopment Bonds, 2002 Series A</b>						
10/01/2002 - Due 6/15	13,500,000					
		2003/04	1,080,000	2.50%	424,625	1,504,625
		2004/05	1,105,000	2.50%	397,625	1,502,625
		2005/06	1,620,000	5.00%	370,000	1,990,000
		2006/07	1,700,000	3.00%	289,000	1,989,000
		2007/08	1,755,000	3.50%	238,000	1,993,000
		2008/09	1,815,000	3.50%	176,575	1,991,575
		2009/10	3,230,000	3.50%	113,050	3,343,050
		<b>TOTAL</b>	<b>12,305,000</b>		<b>2,008,875</b>	<b>14,313,875</b>
<b>Estimated - Du Jour and Line of Credit</b>						
	1,473,300					
		2003/04	1,473,300	variable	700	1,474,000
			1,473,300		700	1,474,000
<b>COMBINED DEBT SERVICE</b>						
	65,973,300					
		2003/04	3,808,300		3,321,868	7,130,168
		2004/05	2,420,000		3,231,418	5,651,418
		2005/06	2,500,000		3,138,043	5,638,043
		2006/07	2,625,000		3,013,043	5,638,043
		2007/08	2,720,000		2,914,868	5,634,868
		2008/09	2,830,000		2,800,368	5,630,368
		2009/10	4,300,000		2,682,305	6,982,305
		2010/11	3,320,000		2,512,545	5,832,545
		2011/12	3,495,000		2,336,585	5,831,585
		2012/13	3,700,000		2,129,225	5,829,225
		2013/14	3,920,000		1,910,175	5,830,175
		2014/15	4,155,000		1,676,375	5,831,375
		2015/16	4,400,000		1,430,355	5,830,355
		2016/17	4,665,000		1,166,355	5,831,355
		2017/18	4,930,000		900,450	5,830,450
		2018/19	5,215,000		616,975	5,831,975
		2019/20	5,515,000		317,113	5,832,113
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 64,518,300</b>		<b>\$ 36,098,063</b>	<b>\$ 100,616,363</b>



# Assessment Collection Fund – 114

## FUND SUMMARY

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Collection of Assessment	0	1,270	1,000	500	1,000	1,000
Interest Earned	3,036	3,913	3,000	1,950	2,000	2,000
	3,036	5,183	4,000	2,450	3,000	3,000
<b>Total External Revenues</b>	3,036	5,183	4,000	2,450	3,000	3,000
<b>Internal Revenues</b>						
Beginning Fund Balance	50,119	52,898	54,905	58,081	60,321	60,321
<b>TOTAL RESOURCES</b>	<b>\$ 53,155</b>	<b>\$ 58,081</b>	<b>\$ 58,905</b>	<b>\$ 60,531</b>	<b>\$ 63,321</b>	<b>\$ 63,321</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	58,695	60,321	63,143	63,112
	0	0	58,695	60,321	63,143	63,112
<b>General Fund Overhead</b>	257	0	210	210	178	209
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	52,898	58,081	0	0	0	0
	52,898	58,081	0	0	0	0
<b>Total Fund Requirements</b>	53,155	58,081	58,905	60,531	63,321	63,321
<b>TOTAL REQUIREMENTS</b>	<b>\$ 53,155</b>	<b>\$ 58,081</b>	<b>\$ 58,905</b>	<b>\$ 60,531</b>	<b>\$ 63,321</b>	<b>\$ 63,321</b>

## FUND OVERVIEW

The Assessment Collection Fund (ACF) is relatively inactive, with a minimal number of accounts and accounting transactions being posted to the fund. The City Charter allows for the replenishment of this fund by selling up to \$1.5 million in bonds. Those resources would then be used to pay off delinquent accounts in other funds. Collection activity on the delinquent liens, up to and including foreclosure, would then be handled by the ACF.

The status of this fund needs to be determined in the context of a comprehensive strategy for managing the City's inventory of delinquent liens receivables.

**Managing Agency**      Office of the City Auditor

**Bancroft Bond Fund – 311**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Collection of Assessment	5,238,961	5,144,372	2,338,487	2,849,221	2,926,480	2,926,480
Interest Earned	2,387,487	1,858,914	1,981,438	1,994,366	2,983,633	2,983,633
	7,626,448	7,003,286	4,319,925	4,843,587	5,910,113	5,910,113
<b>Total External Revenues</b>	7,626,448	7,003,286	4,319,925	4,843,587	5,910,113	5,910,113
<b>Internal Revenues</b>						
Beginning Fund Balance	5,586,501	6,068,451	6,320,109	7,579,734	9,013,314	9,013,314
<b>TOTAL RESOURCES</b>	<b>\$ 13,212,949</b>	<b>\$ 13,071,737</b>	<b>\$ 10,640,034</b>	<b>\$ 12,423,321</b>	<b>\$ 14,923,427</b>	<b>\$ 14,923,427</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	7,144,498	5,492,003	2,727,564	3,410,007	5,334,821	5,334,821
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	6,068,451	7,579,734	7,912,470	9,013,314	9,588,606	9,588,606
	6,068,451	7,579,734	7,912,470	9,013,314	9,588,606	9,588,606
<b>Total Fund Requirements</b>	13,212,949	13,071,737	10,640,034	12,423,321	14,923,427	14,923,427
<b>TOTAL REQUIREMENTS</b>	<b>\$ 13,212,949</b>	<b>\$ 13,071,737</b>	<b>\$ 10,640,034</b>	<b>\$ 12,423,321</b>	<b>\$ 14,923,427</b>	<b>\$ 14,923,427</b>

**FUND OVERVIEW**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public infrastructure improvements requested by property owners. Specifically, this fund accounts for resources, and the allocation thereof, to pay principal and interest on outstanding indebtedness related to financing these improvements.

**Managing Agency**      Office of Management and Finance, Financial Services

**Bancroft Bond Fund – 311**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Improvement Bonds, 1994 Series A</b>						
05/01/1994 - Due 6/1	6,925,000					
		2003/04			40,250	40,250
		2004/05			40,250	40,250
		2005/06			40,250	40,250
		2006/07			40,250	40,250
		2007/08			40,250	40,250
		2008/09			40,250	40,250
		2009/10			40,250	40,250
		2010/11			40,250	40,250
		2011/12			40,250	40,250
		2012/13			40,250	40,250
		2013/14	700,000	5.75%	40,250	740,250
		<b>TOTAL</b>	<b>700,000</b>		<b>442,750</b>	<b>1,142,750</b>
<b>Limited Tax Improvement Bonds, 1995 Series A</b>						
05/01/1994 - Due 6/1	6,210,000					
		2003/04			25,200	25,200
		2004/05			25,200	25,200
		2005/06			25,200	25,200
		2006/07			25,200	25,200
		2007/08			25,200	25,200
		2008/09			25,200	25,200
		2009/10			25,200	25,200
		2010/11			25,200	25,200
		2011/12			25,200	25,200
		2012/13			25,200	25,200
		2013/14			25,200	25,200
		2014/15	480,000	5.25%	25,200	505,200
		<b>TOTAL</b>	<b>480,000</b>		<b>302,400</b>	<b>782,400</b>
<b>Limited Tax Improvement Bonds, 1996 Series A</b>						
06/01/1996 - Due 6/1	7,525,000					
		2003/04			95,183	95,183
		2004/05			95,183	95,183
		2005/06			95,183	95,183
		2006/07			95,183	95,183
		2007/08			95,183	95,183
		2008/09			95,183	95,183
		2009/10			95,183	95,183
		2010/11			95,183	95,183
		2011/12			95,183	95,183
		2012/13			95,183	95,183
		2013/14			95,183	95,183
		2014/15			95,183	95,183
		2015/16	1,715,000	5.55%	95,183	1,810,183
		<b>TOTAL</b>	<b>1,715,000</b>		<b>1,237,373</b>	<b>2,952,373</b>
<b>Limited Tax Improvement Bonds, 1998 Series A</b>						
03/01/1998 - Due 6/1	8,460,000					
		2003/04			77,756	77,756
		2004/05			77,756	77,756
		2005/06			77,756	77,756
		2006/07			77,756	77,756
		2007/08			77,756	77,756
		2008/09			77,756	77,756
		2009/10			77,756	77,756
		2010/11			77,756	77,756
		2011/12			77,756	77,756

**Bancroft Bond Fund – 311**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2012/13			77,756	77,756
		2013/14			77,756	77,756
		2014/15			77,756	77,756
		2015/16			77,756	77,756
		2016/17			77,756	77,756
		2017/18	1,595,000	4.88%	77,756	1,672,756
		<b>TOTAL</b>	<b>1,595,000</b>		<b>1,166,344</b>	<b>2,761,344</b>
<b>Limited Tax Improvement Bonds, 1999 Series A</b>						
04/01/1999 - Due 6/1	8,685,000					
		2003/04	450,000	0.00%	183,525	633,525
		2004/05			159,900	159,900
		2005/06			159,900	159,900
		2006/07			159,900	159,900
		2007/08			159,900	159,900
		2008/09			159,900	159,900
		2009/10			159,900	159,900
		2010/11			159,900	159,900
		2011/12			159,900	159,900
		2012/13			159,900	159,900
		2013/14			159,900	159,900
		2014/15			159,900	159,900
		2015/16			159,900	159,900
		2016/17			159,900	159,900
		2017/18			159,900	159,900
		2018/19	3,280,000	4.88%	159,900	3,439,900
		<b>TOTAL</b>	<b>3,730,000</b>		<b>2,582,025</b>	<b>6,312,025</b>
<b>Limited Tax Improvement Bonds, 2003 Series A</b>						
05/22/2003 - Due 6/1	21,430,000					
		2003/04	1,030,000	3.00%	829,843	1,859,843
		2004/05	1,045,000	3.00%	778,703	1,823,703
		2005/06	1,070,000	3.00%	747,353	1,817,353
		2006/07	1,100,000	3.00%	715,253	1,815,253
		2007/08	1,065,000	3.25%	682,253	1,747,253
		2008/09			647,640	647,640
		2009/10			647,640	647,640
		2010/11			647,640	647,640
		2011/12			647,640	647,640
		2012/13	5,640,000	3.40%	647,640	6,287,640
		2013/14			455,880	455,880
		2014/15			455,880	455,880
		2015/16			455,880	455,880
		2016/17			455,880	455,880
		2017/18			455,880	455,880
		2018/19			455,880	455,880
		2019/20			455,880	455,880
		2020/21			455,880	455,880
		2021/22			455,880	455,880
		2022/23	10,480,000	4.35%	455,880	10,935,880
		<b>TOTAL</b>	<b>21,430,000</b>		<b>11,550,403</b>	<b>32,980,403</b>
<b>Proposed Calls</b>						
		2003/04	1,865,000			3,610,000
		<b>TOTAL</b>	<b>3,610,000</b>			<b>3,610,000</b>
<b>COMBINED DEBT SERVICE</b>						
	59,235,000					
		2003/04	3,345,000		1,251,756	4,596,756
		2004/05	1,045,000		1,176,991	2,221,991

**Bancroft Bond Fund – 311**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2005/06	1,070,000		1,145,641	2,215,641
		2006/07	1,100,000		1,113,541	2,213,541
		2007/08	1,065,000		1,080,541	2,145,541
		2008/09	-		1,045,929	1,045,929
		2009/10	-		1,045,929	1,045,929
		2010/11	-		1,045,929	1,045,929
		2011/12	-		1,045,929	1,045,929
		2012/13	5,640,000		1,045,929	6,685,929
		2013/14	700,000		854,169	1,554,169
		2014/15	480,000		813,919	1,293,919
		2015/16	1,715,000		788,719	2,503,719
		2016/17	-		693,536	693,536
		2017/18	1,595,000		693,536	2,288,536
		2018/19	3,280,000		615,780	3,895,780
		2019/20	-		455,880	455,880
		2020/21	-		455,880	455,880
		2021/22	-		455,880	455,880
		2022/23	10,480,000		455,880	10,935,880
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 31,515,000</b>		<b>\$ 17,281,294</b>	<b>\$ 48,796,294</b>

**Cable Fund – 120**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Licenses and Permits</b>						
Public Utility Licenses	787,151	854,284	761,165	887,987	831,013	831,013
	787,151	854,284	761,165	887,987	831,013	831,013
<b>Miscellaneous Revenues</b>						
Interest Earned	154,769	102,574	54,000	54,000	92,801	92,801
Other Miscellaneous	1,576,065	2,163,533	1,651,440	1,794,647	1,831,110	1,831,110
	1,730,834	2,266,107	1,705,440	1,848,647	1,923,911	1,923,911
<b>Total External Revenues</b>	<b>2,517,985</b>	<b>3,120,391</b>	<b>2,466,605</b>	<b>2,736,634</b>	<b>2,754,924</b>	<b>2,754,924</b>
<b>Internal Revenues</b>						
<b>Interfund Service Reimbursements</b>						
Cable Commission	242,245	243,102	250,995	250,023	244,738	244,738
	242,245	243,102	250,995	250,023	244,738	244,738
<b>Total Internal Revenues</b>	<b>242,245</b>	<b>243,102</b>	<b>250,995</b>	<b>250,023</b>	<b>244,738</b>	<b>244,738</b>
<b>Beginning Fund Balance</b>	<b>2,273,713</b>	<b>2,384,689</b>	<b>2,673,673</b>	<b>2,965,146</b>	<b>3,015,211</b>	<b>2,959,636</b>
<b>TOTAL RESOURCES</b>	<b>\$ 5,033,943</b>	<b>\$ 5,748,182</b>	<b>\$ 5,391,273</b>	<b>\$ 5,951,803</b>	<b>\$ 6,014,873</b>	<b>\$ 5,959,298</b>

<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	2,262,034	2,070,397	2,593,798	2,549,736	2,509,834	2,509,833
<b>Internal Materials and Services</b>						
Communications Services	10,200	4,299	5,743	5,743	5,204	5,165
Facilities Services	17,901	16,550	23,683	23,683	22,279	22,255
Information Technology	22,694	11,639	13,676	13,676	8,989	8,831
Insurance	10,924	10,906	14,322	14,322	14,663	14,624
Printing & Distribution	8,630	8,229	11,668	11,668	10,754	10,699
Vehicle Services	0	147	309	309	321	321
City Attorney	18,890	9,166	2,009	2,009	7,500	7,500
Cable Communication	282,239	363,346	299,386	359,056	306,116	306,116
Office of Management & Finance	768	0	0	0	0	0
	372,246	424,282	370,796	430,466	375,826	375,511
<b>Total Bureau Expenses</b>	<b>2,634,280</b>	<b>2,494,679</b>	<b>2,964,594</b>	<b>2,980,202</b>	<b>2,885,660</b>	<b>2,885,344</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	1,203,146	0	816,527	812,319
	0	0	1,203,146	0	816,527	812,319
<b>General Fund Overhead</b>	<b>14,974</b>	<b>7,377</b>	<b>7,645</b>	<b>11,965</b>	<b>10,938</b>	<b>14,259</b>
<b>Fund Cash Transfers</b>						
Communication Services	0	280,980	0	0	0	0
	0	280,980	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	2,384,689	2,965,146	1,215,888	2,959,636	2,301,748	2,247,376
	2,384,689	2,965,146	1,215,888	2,959,636	2,301,748	2,247,376
<b>Total Fund Requirements</b>	<b>2,399,663</b>	<b>3,253,503</b>	<b>2,426,679</b>	<b>2,971,601</b>	<b>3,129,213</b>	<b>3,073,954</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 5,033,943</b>	<b>\$ 5,748,182</b>	<b>\$ 5,391,273</b>	<b>\$ 5,951,803</b>	<b>\$ 6,014,873</b>	<b>\$ 5,959,298</b>

**LINE ITEM DETAIL – AU 304**

**Materials and Services**

**External Materials and Services**

521000 Professional Services	1,545,902	1,305,006	1,808,265	1,807,062	1,739,552	1,739,552
524000 Repair & Maintenance Services	205	0	2,000	2,000	0	0
529000 Miscellaneous Services	694,929	744,515	763,872	721,013	752,277	752,277
531000 Office Supplies	555	167	2,000	2,000	600	600
532000 Operating Supplies	1,770	7,563	5,265	5,265	3,800	3,800
541000 Education	1,749	4,114	2,400	2,400	2,000	2,000
542000 Local Travel	0	0	1,080	1,080	300	300
543000 Out-of-Town Travel	5,442	4,069	4,000	4,000	4,000	4,000

549000	Miscellaneous	11,482	4,963	4,916	4,916	7,305	7,304
<b>Total External Materials and Services</b>		<b>2,262,034</b>	<b>2,070,397</b>	<b>2,593,798</b>	<b>2,549,736</b>	<b>2,509,834</b>	<b>2,509,833</b>
<b>Internal Materials and Services</b>							
551000	Vehicle Services	0	147	309	309	321	321
552000	Printing & Distribution	8,630	8,229	11,668	11,668	10,754	10,699
553000	Facilities Services	17,901	16,550	23,683	23,683	22,279	22,255
554000	Communications Services	10,200	4,299	5,743	5,743	5,204	5,165
555000	Information Technology	22,694	11,639	13,676	13,676	8,989	8,831
556000	Insurance	10,924	10,906	14,322	14,322	14,663	14,624
559000	Other Fund Services	301,897	372,512	301,395	361,065	313,616	313,616
<b>Total Internal Materials and Services</b>		<b>372,246</b>	<b>424,282</b>	<b>370,796</b>	<b>430,466</b>	<b>375,826</b>	<b>375,511</b>
<b>Total Materials and Services</b>		<b>2,634,280</b>	<b>2,494,679</b>	<b>2,964,594</b>	<b>2,980,202</b>	<b>2,885,660</b>	<b>2,885,344</b>
<b>TOTAL Bureau Expenses</b>		<b>\$ 2,634,280</b>	<b>\$ 2,494,679</b>	<b>\$ 2,964,594</b>	<b>\$ 2,980,202</b>	<b>\$ 2,885,660</b>	<b>\$ 2,885,344</b>

## FUND OVERVIEW

The Cable Fund supports the Mt. Hood Cable Regulatory Commission (MHCRC). The MHCRC administers cable franchises and public, educational, and governmental (PEG) programs on behalf of Portland, Fairview, Gresham, Multnomah County, Troutdale, and Wood Village. These jurisdictions provide funding for the Commission's administrative budget.

### Resources

Primary sources of revenue are beginning balance of \$2,959,636, including \$1.4 million carried over and reserved for grants awarded in prior years, an interagency agreement with the Cable Office for \$244,738 representing the City of Portland's 67% share of the MHCRC operating budget, and cable franchise fees of \$831,013. In addition, \$1,831,110 in PEG revenues will support the PEG capital grant program.

### Expenditures

The PEG capital grants are budgeted at \$1.7 million in the FY 2003-04 Adopted Budget and represent the majority of Cable Fund expenditures. These grants consist of \$750,000 in Community Access Capital grants and \$893,752 in Access Corporation Capital grants to the public cable access organizations Portland Cable Access (PCA) and Multnomah County TV (MCTV).

The MHCRC operating budget is \$375,903, down 0.8% from FY 2002-03. Personnel costs for the MHCRC are budgeted within the Office of Cable Communications and Franchise Management. Funds to support staff positions are transferred from the Cable Fund to the Cable Office (a General Fund bureau) on a quarterly basis.

### Managing Agency

Office of Cable Communications and Franchise Management

## CHANGES FROM PRIOR YEAR

Cable franchise fees and PEG revenues for the FY 2003-04 Adopted Budget are estimated at 11% higher than FY 2002-03 revenues. The PEG budget for Community Access Capital grants in FY 2003-04 is \$750,000, compared to \$720,470 in FY 2002-03.

**Central Eastside Industrial District Debt Fund – 310**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	3,251,012	3,855,871	3,181,333	3,893,772	4,176,739	4,176,739
Prior Year Property Taxes	84,455	114,902	85,000	85,000	85,000	85,000
	<u>3,335,467</u>	<u>3,970,773</u>	<u>3,266,333</u>	<u>3,978,772</u>	<u>4,261,739</u>	<u>4,261,739</u>
<b>Miscellaneous Revenues</b>						
Interest Earned	83,880	61,050	50,000	50,000	48,443	48,443
Other Miscellaneous	0	12	0	0	0	0
	<u>83,880</u>	<u>61,062</u>	<u>50,000</u>	<u>50,000</u>	<u>48,443</u>	<u>48,443</u>
<b>Total External Revenues</b>	<u>3,419,347</u>	<u>4,031,835</u>	<u>3,316,333</u>	<u>4,028,772</u>	<u>4,310,182</u>	<u>4,310,182</u>
<b>Internal Revenues</b>						
Beginning Fund Balance	227,942	158,295	0	99,995	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 3,647,289</b>	<b>\$ 4,190,130</b>	<b>\$ 3,316,333</b>	<b>\$ 4,128,767</b>	<b>\$ 4,310,182</b>	<b>\$ 4,310,182</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	3,488,994	4,090,135	3,316,333	4,128,767	4,310,182	4,310,182
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	158,295	99,995	0	0	0	0
	<u>158,295</u>	<u>99,995</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Fund Requirements</b>	<u>3,647,289</u>	<u>4,190,130</u>	<u>3,316,333</u>	<u>4,128,767</u>	<u>4,310,182</u>	<u>4,310,182</u>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,647,289</b>	<b>\$ 4,190,130</b>	<b>\$ 3,316,333</b>	<b>\$ 4,128,767</b>	<b>\$ 4,310,182</b>	<b>\$ 4,310,182</b>

**FUND OVERVIEW**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Central Eastside urban renewal district. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

**Managing Agency** Office of Management and Finance, Financial Services



**Central Eastside Industrial District Debt Fund – 310**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Special Public Works Fund Loan (OMSI)</b>						
9/19/1991 - Due 12/1	621,033					
		2003/04	44,078	6.50%	28,871	72,949
		2004/05	46,943	6.50%	26,006	72,949
		2005/06	49,995	6.50%	22,955	72,949
		2006/07	53,244	6.50%	19,705	72,949
		2007/08	56,705	6.50%	16,244	72,949
		2008/09	60,391	6.50%	12,558	72,949
		2009/10	64,316	6.50%	8,633	72,949
		2010/11	68,497	6.50%	4,452	72,949
		<b>TOTAL</b>	<b>444,169</b>		<b>139,424</b>	<b>583,593</b>
<b>Estimated - Du Jour and Line of Credit</b>						
	2,593,383					
		2003/04	3,804,000	variable	433,232	4,237,232
			<b>3,804,000</b>		<b>433,232</b>	<b>4,237,232</b>
<b>COMBINED DEBT SERVICE</b>						
	3,214,416					
		2003/04	3,848,078		462,103	4,310,181
		2004/05	46,943		26,006	72,949
		2005/06	49,995		22,955	72,949
		2006/07	53,244		19,705	72,949
		2007/08	56,705		16,244	72,949
		2008/09	60,391		12,558	72,949
		2009/10	64,316		8,633	72,949
		2010/11	68,497		4,452	72,949
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 4,248,169</b>		<b>\$ 572,656</b>	<b>\$ 4,820,825</b>

**Children's Investment Fund – 231**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	0	0	0	0	2,000,000	8,977,866
	0	0	0	0	2,000,000	8,977,866
<b>Miscellaneous Revenues</b>						
<b>Interest Earned</b>						
	0	0	0	0	50,000	34,000
	0	0	0	0	50,000	34,000
<b>Total External Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,050,000</b>	<b>9,011,866</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Housing Investment Fund	0	0	0	0	1,000,000	1,045,000
	0	0	0	0	1,000,000	1,045,000
<b>Total Internal Revenues</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000,000</b>	<b>1,045,000</b>
<b>TOTAL RESOURCES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,050,000</b>	<b>\$ 10,056,866</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	0	0	0	0	1,966,242	8,366,242
<b>Internal Materials and Services</b>						
<b>Commissioner of Public Affairs</b>						
	0	0	0	0	83,758	83,758
	0	0	0	0	83,758	83,758
<b>Total Bureau Expenses</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2,050,000</b>	<b>8,450,000</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	0	0	0	555,335
	0	0	0	0	0	555,335
<b>Fund Cash Transfers</b>						
<b>Housing Investment</b>						
	0	0	0	0	1,000,000	1,051,531
	0	0	0	0	1,000,000	1,051,531
<b>Total Fund Requirements</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,000,000</b>	<b>1,606,866</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 3,050,000</b>	<b>\$ 10,056,866</b>

**FUND OVERVIEW**

The Children's Investment Fund was established in the City of Portland's financial system in FY 2002-03 to account for the revenues and expenditures related to the Children's Levy, approved by Portland-area voters in November 2002. Decisions on expenditures within the Children's Investment Fund are made by a five-person committee and approved by City Council. All allocations must be made in a way that keeps faith with the levy as approved by voters.

**Managing Agency** Office of the Commissioner of Public Affairs

**Convention and Tourism Fund – 201**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
Lodging Taxes	2,230,355	2,081,707	1,995,006	2,079,553	2,140,903	2,140,903
Miscellaneous Revenues						
Interest Earned	17,709	10,918	15,900	15,900	15,900	15,900
	17,709	10,918	15,900	15,900	15,900	15,900
<b>Total External Revenues</b>	<b>2,248,064</b>	<b>2,092,625</b>	<b>2,010,906</b>	<b>2,095,453</b>	<b>2,156,803</b>	<b>2,156,803</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	116,705	134,592	147,352	147,352	154,997	154,997
<b>TOTAL RESOURCES</b>	<b>\$ 2,364,769</b>	<b>\$ 2,227,217</b>	<b>\$ 2,158,258</b>	<b>\$ 2,242,805</b>	<b>\$ 2,311,800</b>	<b>\$ 2,311,800</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
External Materials and Services	2,164,192	2,022,744	1,963,243	2,013,243	2,074,765	2,073,385
Internal Materials and Services						
Business Licenses	54,662	56,850	68,499	68,499	60,254	60,254
	54,662	56,850	68,499	68,499	60,254	60,254
<b>Total Bureau Expenses</b>	<b>2,218,854</b>	<b>2,079,594</b>	<b>2,031,742</b>	<b>2,081,742</b>	<b>2,135,019</b>	<b>2,133,639</b>
<b>Fund Requirements</b>						
General Operating Contingency						
General Operating Contingency	0	0	120,450	0	0	0
	0	0	120,450	0	0	0
General Fund Overhead	11,323	271	6,066	6,066	5,884	7,264
Unappropriated Ending Balance						
Unappropriated Ending Balance	134,592	147,352	0	154,997	170,897	170,897
	134,592	147,352	0	154,997	170,897	170,897
<b>Total Fund Requirements</b>	<b>145,915</b>	<b>147,623</b>	<b>126,516</b>	<b>161,063</b>	<b>176,781</b>	<b>178,161</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 2,364,769</b>	<b>\$ 2,227,217</b>	<b>\$ 2,158,258</b>	<b>\$ 2,242,805</b>	<b>\$ 2,311,800</b>	<b>\$ 2,311,800</b>
<b>LINE ITEM DETAIL – AU 255</b>						
<b>Materials and Services</b>						
External Materials and Services						
549000 Miscellaneous	2,164,192	2,022,744	1,963,243	2,013,243	2,074,765	2,073,385
<b>Total External Materials and Services</b>	<b>2,164,192</b>	<b>2,022,744</b>	<b>1,963,243</b>	<b>2,013,243</b>	<b>2,074,765</b>	<b>2,073,385</b>
Internal Materials and Services						
559000 Other Fund Services	54,662	56,850	68,499	68,499	60,254	60,254
<b>Total Internal Materials and Services</b>	<b>54,662</b>	<b>56,850</b>	<b>68,499</b>	<b>68,499</b>	<b>60,254</b>	<b>60,254</b>
<b>Total Materials and Services</b>	<b>2,218,854</b>	<b>2,079,594</b>	<b>2,031,742</b>	<b>2,081,742</b>	<b>2,135,019</b>	<b>2,133,639</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 2,218,854</b>	<b>\$ 2,079,594</b>	<b>\$ 2,031,742</b>	<b>\$ 2,081,742</b>	<b>\$ 2,135,019</b>	<b>\$ 2,133,639</b>

**FUND OVERVIEW**

The Convention and Tourism Fund collects a 1% transient lodgings tax from hotels and motels. Expenditures from this fund are authorized for the promotion and procurement of convention business and tourism as established by City Charter. The City currently contracts with the Portland Oregon Visitors Association (POVA) for this service.

The Bureau of Licenses manages the Convention and Tourism Fund, administers the collection of the taxes, and charges the fund an administrative fee.

**Managing Agency** Bureau of Licenses

**Convention Center Area Debt Service Fund – 312**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	5,855,669	5,927,012	5,052,100	6,354,437	6,295,950	6,295,950
Prior Year Property Taxes	143,367	174,355	143,366	143,366	143,366	143,366
	5,999,036	6,101,367	5,195,466	6,497,803	6,439,316	6,439,316
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	8,000,000	0	0	0	0	0
Interest Earned	208,627	150,759	55,000	55,000	42,498	42,498
	8,208,627	150,759	55,000	55,000	42,498	42,498
<b>Total External Revenues</b>	<b>14,207,663</b>	<b>6,252,126</b>	<b>5,250,466</b>	<b>6,552,803</b>	<b>6,481,814</b>	<b>6,481,814</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	893,129	2,225,976	3,409,548	3,174,472	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 15,100,792</b>	<b>\$ 8,478,102</b>	<b>\$ 8,660,014</b>	<b>\$ 9,727,275</b>	<b>\$ 6,481,814</b>	<b>\$ 6,481,814</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	12,874,816	5,303,630	8,660,014	9,727,275	6,481,814	6,481,814
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	2,225,976	3,174,472	0	0	0	0
	2,225,976	3,174,472	0	0	0	0
<b>Total Fund Requirements</b>	<b>15,100,792</b>	<b>8,478,102</b>	<b>8,660,014</b>	<b>9,727,275</b>	<b>6,481,814</b>	<b>6,481,814</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 15,100,792</b>	<b>\$ 8,478,102</b>	<b>\$ 8,660,014</b>	<b>\$ 9,727,275</b>	<b>\$ 6,481,814</b>	<b>\$ 6,481,814</b>

**FUND OVERVIEW**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Convention Center urban renewal district. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

**Managing Agency** Office of Management and Finance, Financial Services

Convention Center Area Debt Service Fund – 312

DEBT REDEMPTION SCHEDULE

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Urban Renewal &amp; Redevelopment Bonds, 2000 Series A</b>						
08/01/2000 - Due 6/15	32,900,000					
		2003/04	-	0.00%	1,852,083	1,852,083
		2004/05	-	0.00%	1,852,083	1,852,083
		2005/06	-	0.00%	1,852,083	1,852,083
		2006/07	-	0.00%	1,852,083	1,852,083
		2007/08	-	0.00%	1,852,083	1,852,083
		2008/09	-	0.00%	1,852,083	1,852,083
		2009/10	-	0.00%	1,852,083	1,852,083
		2010/11	-	0.00%	1,852,083	1,852,083
		2011/12	-	0.00%	1,852,083	1,852,083
		2012/13	-	0.00%	1,852,083	1,852,083
		2013/14	3,630,000	5.65%	1,852,083	5,482,083
		2014/15	4,230,000	5.70%	1,647,008	5,877,008
		2015/16	4,470,000	5.73%	1,405,718	5,875,718
		2016/17	4,725,000	5.70%	1,149,705	5,874,705
		2017/18	4,995,000	5.71%	880,555	5,875,555
		2018/19	5,280,000	5.47%	595,250	5,875,250
		2019/20	5,570,000	5.50%	306,350	5,876,350
		<b>TOTAL</b>	<b>32,900,000</b>		<b>26,357,493</b>	<b>59,257,493</b>
<b>Urban Renewal &amp; Redevelopment Bonds, 2000 Series B</b>						
08/01/2000 - Due 6/15	16,480,000					
		2003/04	-		1,251,318	1,251,318
		2004/05	-		1,251,318	1,251,318
		2005/06	-		1,251,318	1,251,318
		2006/07	-		1,251,318	1,251,318
		2007/08	-		1,251,318	1,251,318
		2008/09	2,775,000	7.45%	1,251,318	4,026,318
		2009/10	2,980,000	7.50%	1,044,580	4,024,580
		2010/11	3,205,000	7.60%	821,080	4,026,080
		2011/12	3,445,000	7.65%	577,500	4,022,500
		2012/13	3,710,000	7.70%	313,958	4,023,958
		2013/14	365,000	7.75%	28,288	393,288
		<b>TOTAL</b>	<b>16,480,000</b>		<b>10,293,310</b>	<b>26,773,310</b>
<b>Estimated - Du Jour and Line of Credit</b>						
	3,349,100					
		2003/04	3,187,000	variable	191,413	3,378,413
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 3,187,000</b>		<b>\$ 191,413</b>	<b>\$ 3,378,413</b>
<b>COMBINED DEBT SERVICE</b>						
	52,729,100					
		2003/04	3,187,000		3,294,813	6,481,813
		2004/05	-		3,103,400	3,103,400
		2005/06	-		3,103,400	3,103,400
		2006/07	-		3,103,400	3,103,400
		2007/08	-		3,103,400	3,103,400
		2008/09	2,775,000		3,103,400	5,878,400
		2009/10	2,980,000		2,896,663	5,876,663
		2010/11	3,205,000		2,673,163	5,878,163
		2011/12	3,445,000		2,429,583	5,874,583
		2012/13	3,710,000		2,166,040	5,876,040
		2013/14	3,995,000		1,880,370	5,875,370
		2014/15	4,230,000		1,647,008	5,877,008
		2015/16	4,470,000		1,405,718	5,875,718
		2016/17	4,725,000		1,149,705	5,874,705
		2017/18	4,995,000		880,555	5,875,555
		2018/19	5,280,000		595,250	5,875,250

**Convention Center Area Debt Service Fund – 312**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2019/20	5,570,000		306,350	5,876,350
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 52,567,000</b>		<b>\$ 36,842,216</b>	<b>\$ 89,409,216</b>

# Gateway URA Debt Redemption Fund – 315

FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	0	0	284,454	654,225	906,329	906,329
	0	0	284,454	654,225	906,329	906,329
<b>Miscellaneous Revenues</b>						
Interest Earned	0	0	4,000	4,000	6,118	6,118
	0	0	4,000	4,000	6,118	6,118
<b>Total External Revenues</b>	0	0	288,454	658,225	912,447	912,447
<b>Internal Revenues</b>						
<b>TOTAL RESOURCES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 288,454</b>	<b>\$ 658,225</b>	<b>\$ 912,447</b>	<b>\$ 912,447</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	0	0	288,454	658,225	912,447	912,447
<b>Total Fund Requirements</b>	0	0	288,454	658,225	912,447	912,447
<b>TOTAL REQUIREMENTS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 288,454</b>	<b>\$ 658,225</b>	<b>\$ 912,447</b>	<b>\$ 912,447</b>

## FUND OVERVIEW

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Gateway urban renewal district. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

**Managing Agency** Office of Management and Finance, Financial Services

**Gateway URA Debt Redemption Fund – 315**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
Estimated - Du Jour and Line of Credit	Variable	2003/04	822,000	variable	90,447	912,447
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 822,000</b>		<b>\$ 90,447</b>	<b>\$ 912,447</b>



# Home Grant Fund – 255

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Federal Sources</b>						
Federal Grants	2,963,137	3,944,157	12,401,911	5,848,402	4,868,221	4,868,221
	2,963,137	3,944,157	12,401,911	5,848,402	4,868,221	4,868,221
<b>Miscellaneous Revenues</b>						
Loan Repayments	346,338	281,919	190,000	258,229	250,000	250,000
	346,338	281,919	190,000	258,229	250,000	250,000
<b>Total External Revenues</b>	<b>3,309,475</b>	<b>4,226,076</b>	<b>12,591,911</b>	<b>6,106,631</b>	<b>5,118,221</b>	<b>5,118,221</b>
<b>Internal Revenues</b>						
<b>TOTAL RESOURCES</b>	<b>\$ 3,309,475</b>	<b>\$ 4,226,076</b>	<b>\$ 12,591,911</b>	<b>\$ 6,106,631</b>	<b>\$ 5,118,221</b>	<b>\$ 5,118,221</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	3,031,780	3,836,089	12,137,285	5,727,473	4,708,724	4,708,724
<b>Internal Materials and Services</b>						
Community Development	277,695	325,664	454,626	379,158	409,497	409,497
GF Revenues / Balance	0	64,323	0	0	0	0
	277,695	389,987	454,626	379,158	409,497	409,497
<b>Total Bureau Expenses</b>	<b>3,309,475</b>	<b>4,226,076</b>	<b>12,591,911</b>	<b>6,106,631</b>	<b>5,118,221</b>	<b>5,118,221</b>
<b>Fund Requirements</b>						
<b>Total Fund Requirements</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,309,475</b>	<b>\$ 4,226,076</b>	<b>\$ 12,591,911</b>	<b>\$ 6,106,631</b>	<b>\$ 5,118,221</b>	<b>\$ 5,118,221</b>
<b>LINE ITEM DETAIL – AU 537</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
529000 Miscellaneous Services	3,031,780	3,836,089	12,137,285	5,727,473	4,708,724	4,708,724
<b>Total External Materials and Services</b>	<b>3,031,780</b>	<b>3,836,089</b>	<b>12,137,285</b>	<b>5,727,473</b>	<b>4,708,724</b>	<b>4,708,724</b>
<b>Internal Materials and Services</b>						
559000 Other Fund Services	277,695	389,987	454,626	379,158	409,497	409,497
<b>Total Internal Materials and Services</b>	<b>277,695</b>	<b>389,987</b>	<b>454,626</b>	<b>379,158</b>	<b>409,497</b>	<b>409,497</b>
<b>Total Materials and Services</b>	<b>3,309,475</b>	<b>4,226,076</b>	<b>12,591,911</b>	<b>6,106,631</b>	<b>5,118,221</b>	<b>5,118,221</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 3,309,475</b>	<b>\$ 4,226,076</b>	<b>\$ 12,591,911</b>	<b>\$ 6,106,631</b>	<b>\$ 5,118,221</b>	<b>\$ 5,118,221</b>

## FUND OVERVIEW

The HOME Program is a federal entitlement program of the United States Department of Housing and Urban Development. The purpose of the grant is to assist local governments with the development of affordable housing.

### Portland HOME Consortium

The Portland HOME Consortium consists of the City of Portland, the City of Gresham, and Multnomah County. Portland is the lead partner of the Consortium and is responsible for receiving and administering the HOME grant.

### Revenues and Expenditures

HOME funds are used for acquisition, rehabilitation, and/or new construction of housing for low-income and special needs persons, for rent assistance, and for the Housing Connection program. The City contracts with implementing agencies and project sponsors to carry out eligible activities in accordance with the principles and priorities of the adopted Consolidated Plan. The HOME Fund includes the entitlement for the Consortium and program income earned by the use of HOME dollars.

**Structure** The HOME Fund is an entitlement grant fund which is reimbursed by the federal government for actual expenditures less program income. Since requests for reimbursement cannot exceed expenditures less program income, the fund will not have an ending balance.

**Managing Agency** Bureau of Housing and Community Development

### CHANGES FROM PRIOR YEAR

**Entitlement** The HOME entitlement for the Consortium for FY 2003-04 is \$4,868,221, an increase of \$187,000 (2.4%) from the FY 2002-03 entitlement.

**Program Income** It is estimated that HOME program income will be \$250,000, an increase of \$60,000 from FY 2002-03.

# Housing and Community Development Fund – 254

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	48,274	0	18,000	16,607	18,000	18,000
	48,274	0	18,000	16,607	18,000	18,000
<b>Federal Sources</b>						
Federal Grants	12,787,319	8,761,339	18,075,572	12,716,165	14,429,980	14,429,980
	12,787,319	8,761,339	18,075,572	12,716,165	14,429,980	14,429,980
<b>Miscellaneous Revenues</b>						
Collection of Assessment	70,515	89,361	85,000	97,529	85,000	85,000
Interest Earned	55,678	102,442	5,400	4,982	0	0
Loan Repayments	7,318,784	7,678,465	2,800,000	2,150,960	2,100,000	2,100,000
	7,444,977	7,870,268	2,890,400	2,253,471	2,185,000	2,185,000
<b>Total External Revenues</b>	<b>20,280,570</b>	<b>16,631,607</b>	<b>20,983,972</b>	<b>14,986,243</b>	<b>16,632,980</b>	<b>16,632,980</b>
<b>Internal Revenues</b>						
<b>TOTAL RESOURCES</b>	<b>\$ 20,280,570</b>	<b>\$ 16,631,607</b>	<b>\$ 20,983,972</b>	<b>\$ 14,986,243</b>	<b>\$ 16,632,980</b>	<b>\$ 16,632,980</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	17,384,007	14,105,953	17,448,222	12,140,484	13,717,348	13,717,348
<b>Internal Materials and Services</b>						
Bureau Of Development Services	258,055	261,679	179,775	168,989	0	0
Community Development	1,327,591	1,269,481	1,522,270	1,447,488	1,474,279	1,474,279
Facilities Services	20,000	0	0	0	0	0
LID Construction Fund	86,812	81,629	500,000	0	600,000	600,000
Neighborhood Involvement	94,381	105,284	149,569	117,656	183,802	183,802
Office of Management & Finance	46,866	48,596	49,716	49,716	44,000	44,000
Parks Bureau	0	2,329	5,671	5,389	0	0
Parks Construction	13,000	0	0	0	85,615	85,615
Planning	125,969	122,025	497,619	493,714	99,100	99,100
Police Bureau	65,460	65,610	74,626	63,432	72,756	72,756
Transportation	676,390	348,100	305,584	256,844	23,967	23,967
	2,714,524	2,304,733	3,284,830	2,603,228	2,583,519	2,583,519
<b>Total Bureau Expenses</b>	<b>20,098,531</b>	<b>16,410,686</b>	<b>20,733,052</b>	<b>14,743,712</b>	<b>16,300,867</b>	<b>16,300,867</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	40,152	40,152	49,513	49,513
	0	0	40,152	40,152	49,513	49,513
<b>Fund Cash Transfers</b>						
Development Services Fund	61,262	53,461	36,728	35,266	0	0
General Fund	97,624	131,445	133,690	128,369	231,495	231,495
Transportation Operating	23,153	36,015	40,350	38,744	51,105	51,105
	182,039	220,921	210,768	202,379	282,600	282,600
<b>Total Fund Requirements</b>	<b>182,039</b>	<b>220,921</b>	<b>250,920</b>	<b>242,531</b>	<b>332,113</b>	<b>332,113</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 20,280,570</b>	<b>\$ 16,631,607</b>	<b>\$ 20,983,972</b>	<b>\$ 14,986,243</b>	<b>\$ 16,632,980</b>	<b>\$ 16,632,980</b>
<b>LINE ITEM DETAIL – AU 532</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
529000 Miscellaneous Services	17,384,007	14,105,953	17,448,222	12,140,484	13,717,348	13,717,348
<b>Total External Materials and Services</b>	<b>17,384,007</b>	<b>14,105,953</b>	<b>17,448,222</b>	<b>12,140,484</b>	<b>13,717,348</b>	<b>13,717,348</b>
<b>Internal Materials and Services</b>						
559000 Other Fund Services	2,714,524	2,304,733	3,284,830	2,603,228	2,583,519	2,583,519
<b>Total Internal Materials and Services</b>	<b>2,714,524</b>	<b>2,304,733</b>	<b>3,284,830</b>	<b>2,603,228</b>	<b>2,583,519</b>	<b>2,583,519</b>
<b>Total Materials and Services</b>	<b>20,098,531</b>	<b>16,410,686</b>	<b>20,733,052</b>	<b>14,743,712</b>	<b>16,300,867</b>	<b>16,300,867</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 20,098,531</b>	<b>\$ 16,410,686</b>	<b>\$ 20,733,052</b>	<b>\$ 14,743,712</b>	<b>\$ 16,300,867</b>	<b>\$ 16,300,867</b>

## FUND OVERVIEW

<b>Revenues</b>	The Community Development Block Grant Fund (CDBG) is comprised of the City's Community Development Block Grant entitlement from the United States Department of Housing and Urban Development, program income from loan repayments, lien payments, revenue generated from CDBG-funded activities, carryover funds from prior year, private leveraged resources, and interest and repayments on float activities.
<b>Structure</b>	This fund is an annual entitlement grant fund which is reimbursed by the federal government for actual expenditures less any program income received and reported with the expenditures. Because requests for reimbursement cannot exceed expenditures less program income, the fund will not have an ending balance.
<b>Carryover</b>	Entitlement appropriations remaining at the end of the fiscal year are carried over in the Fall supplemental budget process. The supplemental budget includes obligated carryover, appropriation for projects which have been authorized and budgeted in the prior year and carryover appropriation for expanded projects or new requests.
<b>Managing Agency</b>	Bureau of Housing and Community Development

## CHANGES FROM PRIOR YEAR

<b>Entitlement</b>	<p><b>Increase in Entitlement</b></p> <p>The Community Development Block Grant entitlement for FY 2003-04 is \$12,376,000, an increase of \$473,000 (4%) from FY 2002-03.</p>
<b>Program Income</b>	<p><b>Decrease in Program Income</b></p> <p>Program income from the Portland Development Commission, received primarily from loan repayments, is estimated in the FY 2003-04 Adopted Budget at \$2.1 million, a decrease of \$700,000 (25%) from FY 2002-03.</p> <p>Program income received from other sources is also projected to decrease due to estimated declines in interest payments from float activities as well as lien repayments.</p>
<b>Carryover</b>	<p><b>Changes in Carryover</b></p> <p>Obligated carryover (funds tied to specific continuing projects) include amounts for:</p> <ul style="list-style-type: none"> <li>◆ Street improvement and park improvement projects.</li> <li>◆ The CDBG portion of match for the Housing Authority of Portland HOPE VI grant</li> <li>◆ Housing Connections</li> <li>◆ The Emergency Needs Fund</li> </ul> <p>The total amount of obligated carryover is budgeted at \$2,053,980, an increase of \$1,356,936 from FY 2002-03.</p> <p>There are no unobligated carryover funds in this budget. Unobligated carryover funds in FY 2002-03 were \$400,000.</p>

# Housing Investment Fund – 209

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	0	412,925	113,000	48,000	63,000	63,000
Rents and Reimbursements	135,262	200,935	453,500	85,450	154,000	154,000
	135,262	613,860	566,500	133,450	217,000	217,000
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	5,739,438	4,536,000	16,100,000	2,089,814	17,385,000	17,385,000
Interest Earned	340,116	196,320	160,000	92,200	89,979	89,979
Sale of Capital Assets	0	2,816,000	7,500,000	7,308,578	5,874,000	5,874,000
	6,079,554	7,548,320	23,760,000	9,490,592	23,348,979	23,348,979
<b>Total External Revenues</b>	<b>6,214,816</b>	<b>8,162,180</b>	<b>24,326,500</b>	<b>9,624,042</b>	<b>23,565,979</b>	<b>23,565,979</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Children's Investment Fund	0	0	0	0	1,000,000	1,051,531
General Fund	5,680,000	485,068	55,652	55,652	495,757	495,757
	5,680,000	485,068	55,652	55,652	1,495,757	1,547,288
<b>Total Internal Revenues</b>	<b>5,680,000</b>	<b>485,068</b>	<b>55,652</b>	<b>55,652</b>	<b>1,495,757</b>	<b>1,547,288</b>
<b>Beginning Fund Balance</b>	<b>4,472,408</b>	<b>5,719,955</b>	<b>4,296,207</b>	<b>4,299,491</b>	<b>2,911,469</b>	<b>2,911,469</b>
<b>TOTAL RESOURCES</b>	<b>\$ 16,367,224</b>	<b>\$ 14,367,203</b>	<b>\$ 28,678,359</b>	<b>\$ 13,979,185</b>	<b>\$ 27,973,205</b>	<b>\$ 28,024,736</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>						
	563	3,340	0	0	0	0
<b>External Materials and Services</b>						
	10,514,403	7,047,763	14,068,338	3,684,117	8,978,205	8,978,205
<b>Internal Materials and Services</b>						
Community Development	0	0	0	0	31,000	31,000
	0	0	0	0	31,000	31,000
<b>Capital Outlay</b>						
	0	0	6,500,000	0	12,000,000	12,000,000
<b>Total Bureau Expenses</b>	<b>10,514,966</b>	<b>7,051,103</b>	<b>20,568,338</b>	<b>3,684,117</b>	<b>21,009,205</b>	<b>21,009,205</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	160,000	0	90,000	96,531
	0	0	160,000	0	90,000	96,531
<b>Fund Cash Transfers</b>						
Children's Investment Fund	0	0	0	0	1,000,000	1,045,000
Intermediate Debt Fund	132,302	3,016,609	6,950,000	6,848,578	4,854,000	4,854,000
Pension Debt Redemption Fund	0	0	21	21	0	0
	132,302	3,016,609	6,950,021	6,848,599	5,854,000	5,899,000
<b>Debt Retirement</b>						
	0	0	1,000,000	535,000	1,020,000	1,020,000
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	5,719,956	4,299,491	0	2,911,469	0	0
	5,719,956	4,299,491	0	2,911,469	0	0
<b>Total Fund Requirements</b>	<b>5,852,258</b>	<b>7,316,100</b>	<b>8,110,021</b>	<b>10,295,068</b>	<b>6,964,000</b>	<b>7,015,531</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 16,367,224</b>	<b>\$ 14,367,203</b>	<b>\$ 28,678,359</b>	<b>\$ 13,979,185</b>	<b>\$ 27,973,205</b>	<b>\$ 28,024,736</b>
<b>LINE ITEM DETAIL – AU 292</b>						
<b>Personnel Services</b>						
511000 Full-Time Employees	407	2,305	0	0	0	0
517000 Benefits	156	1,035	0	0	0	0
<b>Total Personnel Services</b>	<b>563</b>	<b>3,340</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
521000 Professional Services	15,190	1,559	0	0	0	0
529000 Miscellaneous Services	10,490,960	7,039,441	13,964,838	3,673,667	8,824,205	8,639,205
549000 Miscellaneous	8,253	6,763	103,500	10,450	154,000	339,000
<b>Total External Materials and Services</b>	<b>10,514,403</b>	<b>7,047,763</b>	<b>14,068,338</b>	<b>3,684,117</b>	<b>8,978,205</b>	<b>8,978,205</b>

<b>Internal Materials and Services</b>							
559000	Other Fund Services	0	0	0	0	31,000	31,000
<b>Total Internal Materials and Services</b>		0	0	0	0	31,000	31,000
<b>Total Materials and Services</b>		10,514,403	7,047,763	14,068,338	3,684,117	9,009,205	9,009,205
<b>Capital Outlay</b>							
562000	Buildings	0	0	6,500,000	0	12,000,000	12,000,000
<b>Total Capital Outlay</b>		0	0	6,500,000	0	12,000,000	12,000,000
<b>TOTAL Bureau Expenses</b>		<b>\$ 10,514,966</b>	<b>\$ 7,051,103</b>	<b>\$ 20,568,338</b>	<b>\$ 3,684,117</b>	<b>\$ 21,009,205</b>	<b>\$ 21,009,205</b>

## FUND OVERVIEW

*The Housing Investment Fund supports programs for affordable housing and homelessness.*

The Housing Investment Fund (HIF) supports four housing programs, all of which serve to develop or preserve affordable housing in Portland or help low and moderate-income individuals to access affordable housing. These programs are the ongoing General Fund discretionary resources, the Smart Growth program, the Preservation Line of Credit program, and the City Lights Housing program.

One component is the annual ongoing commitment of City General Fund resources which is allocated by the Bureau of Housing and Community Development to support homeless programs.

The Smart Growth program, supported by loans from the Enterprise Foundation, is the second component of the HIF. The goal of the program is to lower the cost of developing new affordable housing by reducing the land acquisition costs.

The third program of the City's Housing Investment Fund is the Preservation Line of Credit. This is a \$10.5 million revolving line of credit that serves as a temporary funding tool to allow the City to easily acquire affordable housing properties as they become available. When re-sold to nonprofit agencies or developers who ensure their long-term affordability, the properties' sale proceeds are used to pay off the draws against the line of credit. When the line of credit was established, the City committed \$1.81 million in General Fund resources as a reserve in the event that property sales were insufficient to pay off the line of credit or for temporary shortfalls in debt service payments.

The City Lights Housing program is designed to stimulate production of new housing units that are not currently being built due to market financial constraints. The program is a source of low-interest rate borrowing to finance the production or acquisition of multi-family housing to be owned by the City of Portland acting by and through the Portland Development Commission. The program allows issuance of tax-exempt debt secured by the City's General Fund, with the proceeds of such borrowings used to invest in housing developments that achieve a public purpose. One goal of the City Lights program is to generate a funding stream for affordable housing development from the net revenues from City Lights housing units.

### History of the HIF

In FY 1994-95, the City Council allocated \$4 million over a two-year period to establish the Housing Investment Fund. The HIF provided gap financing for housing projects that met the goals of the Livable City Housing Initiatives and strategies developed by the Livable City Housing Council. In FY 1995-96, \$2.4 million was added to the HIF from the General Fund for a total commitment of \$6.4 million.

In FY 1996-97, the City Council transferred administrative responsibility for the Housing Investment Fund from the Livable Cities Housing Council to the Portland Development Commission. It also increased the total to \$31 million by committing \$24.6 million in General Fund resources.

An additional \$3.4 million in General Fund resources was added during FY 1997-98, and in FY 1998-99 the City Council added another \$1.0 million. This was intended to support housing preservation and land acquisition equally. These additions brought the total City commitment to \$35.4 million. Additionally, the Community Development Block Grant (CDBG) contributed \$233,000 in FY 1997-98 and again in FY 1998-99.

In FY 2000-01, the City Council assigned the Bureau of Housing and Community Development the responsibility for allocation authority of any new General Fund resources allocated to the Housing Investment Fund. In FY 2000-01, the City Council appropriated \$4,350,000 of one-time General Fund resources to the HIF.

In FY 2001-02, Council authorized an ongoing appropriation of \$500,000 of General Fund resources. This amount was later reduced as part of overall budget reductions for a Revised Budget amount of \$485,068 in FY 2001-02.

The FY 2002-03 Adopted Budget for General Fund resources to the HIF reflected the same 7% reduction as other General Fund-supported programs. In addition, the budget also reflected the use of one-time General Fund resources (the refund of a loan reserve) in the amount of \$413,015. This left the ongoing General Fund amount at \$55,652.

*Conversion of Line of Credit*

Another highlight of FY 2002-03 was the conversion of the Preservation Line of Credit from a one-time line of credit to a revolving one. This means that as previously acquired preservation properties are re-sold and sale proceeds used to repay the draws, the balance on the line of credit increases correspondingly. Thus resources become available for other property acquisitions.

**Managing Agency** Office of Management and Finance, Financial Planning

## CHANGES FROM PRIOR YEAR

**General Fund Support** The FY 2003-04 current service level budget for General Fund resources to the Housing Investment Fund of \$516,414 was reduced by \$20,657 (4%), per City Council direction for all General Fund-supported programs. The result is an Adopted Budget of \$495,757. BHCD has allocated these funds to support homeless programs.

**Smart Growth** The Smart Growth program projects \$500,000 in land acquisition costs and \$1.02 million in land sales.

**Preservation Line of Credit - revolving** In FY 2003-04, the Preservation Line of Credit program is projected to spend \$4.7 million in acquisitions. The \$1.81 million of General Fund reserve is once again not expected to be tapped due to property sales in FY 2003-04.

**Children's Investment Fund** In November, 2002 voters approved a special local option property tax levy to provide funding for children's programs. Because revenues for the levy will not accrue to the City until after November, 2003 there is a need for a short-term inter-fund loan if programs are to begin before November. The Preservation Line of Credit reserve has been identified as a viable source of this \$1,045,000 short-term bridge loan. City staff determined there will be no need to draw on this reserve because of Preservation Line of Credit activity over the anticipated six month term of the loan.

**City Lights** The City Lights Housing program will fund its first project (Tryon Creek) in FY 2003-04. Approximately \$12 million in revenue bond sales are anticipated in support of this project, which will be owned by the City of Portland.

**Interstate Corridor Debt Service Fund – 304**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	0	1,056,560	1,376,505	1,961,058	2,794,350	2,794,350
Prior Year Property Taxes	0	0	10,000	10,000	15,000	15,000
	0	1,056,560	1,386,505	1,971,058	2,809,350	2,809,350
<b>Miscellaneous Revenues</b>						
Interest Earned	0	9,606	18,700	18,700	18,862	18,862
	0	9,606	18,700	18,700	18,862	18,862
<b>Total External Revenues</b>	0	1,066,166	1,405,205	1,989,758	2,828,212	2,828,212
<b>Internal Revenues</b>						
Beginning Fund Balance	0	0	0	21,056	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 0</b>	<b>\$ 1,066,166</b>	<b>\$ 1,405,205</b>	<b>\$ 2,010,814</b>	<b>\$ 2,828,212</b>	<b>\$ 2,828,212</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	0	1,045,110	1,405,205	2,010,814	2,828,212	2,828,212
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	0	21,056	0	0	0	0
	0	21,056	0	0	0	0
<b>Total Fund Requirements</b>	0	1,066,166	1,405,205	2,010,814	2,828,212	2,828,212
<b>TOTAL REQUIREMENTS</b>	<b>\$ 0</b>	<b>\$ 1,066,166</b>	<b>\$ 1,405,205</b>	<b>\$ 2,010,814</b>	<b>\$ 2,828,212</b>	<b>\$ 2,828,212</b>

**FUND OVERVIEW**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Interstate Corridor urban renewal district. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

**Managing Agency** Office of Management and Finance, Financial Services



**Interstate Corridor Debt Service Fund – 304**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
Estimated - Du Jour and Line of Credit	2,827,000	2003/04	2,827,000	variable	1,212	2,828,212
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 2,827,000</b>		<b>\$ 1,212</b>	<b>\$ 2,828,212</b>

# Lents Town Center Urban Renewal Area Debt Fund – 309

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	2,068,821	2,609,513	2,365,946	3,370,374	3,993,817	3,993,817
Prior Year Property Taxes	14,313	42,080	65,000	65,000	20,000	20,000
	2,083,134	2,651,593	2,430,946	3,435,374	4,013,817	4,013,817
<b>Miscellaneous Revenues</b>						
Interest Earned	72,034	41,600	37,000	37,000	26,958	26,958
	72,034	41,600	37,000	37,000	26,958	26,958
<b>Total External Revenues</b>	<b>2,155,168</b>	<b>2,693,193</b>	<b>2,467,946</b>	<b>3,472,374</b>	<b>4,040,775</b>	<b>4,040,775</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	140,519	114,554	0	77,435	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 2,295,687</b>	<b>\$ 2,807,747</b>	<b>\$ 2,467,946</b>	<b>\$ 3,549,809</b>	<b>\$ 4,040,775</b>	<b>\$ 4,040,775</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	2,181,133	2,730,312	2,467,946	3,549,809	4,040,775	4,040,775
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	114,554	77,435	0	0	0	0
	114,554	77,435	0	0	0	0
<b>Total Fund Requirements</b>	<b>2,295,687</b>	<b>2,807,747</b>	<b>2,467,946</b>	<b>3,549,809</b>	<b>4,040,775</b>	<b>4,040,775</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 2,295,687</b>	<b>\$ 2,807,747</b>	<b>\$ 2,467,946</b>	<b>\$ 3,549,809</b>	<b>\$ 4,040,775</b>	<b>\$ 4,040,775</b>

## FUND OVERVIEW

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Lents Town Center urban renewal district. Specifically, this fund will account for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

### Managing Agency

Office of Management and Finance, Financial Services

**Lents Town Center Urban Renewal Area Debt Fund – 309**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
Estimated - Du Jour and Line of Credit	3,726,000	2003/04	3,726,000	variable	314,775	4,040,775
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 3,726,000</b>		<b>\$ 314,775</b>	<b>\$ 4,040,775</b>

**L I D Construction Fund – 502**

**FUND SUMMARY**

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	735,349	1,582,732	751,000	4,293,000	1,253,020	1,253,020
	735,349	1,582,732	751,000	4,293,000	1,253,020	1,253,020
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	11,515,135	3,447,798	8,081,438	34,182,000	10,542,718	10,542,718
Collection of Assessment	358,175	6,440,098	300,000	1,850,000	200,000	200,000
Interest Earned	197,474	325,454	200,000	510,000	200,000	200,000
Other Miscellaneous	(794)	525	0	0	0	0
Refunds	400	10,362	0	0	0	0
	12,070,390	10,224,237	8,581,438	36,542,000	10,942,718	10,942,718
<b>Total External Revenues</b>	<b>12,805,739</b>	<b>11,806,969</b>	<b>9,332,438</b>	<b>40,835,000</b>	<b>12,195,738</b>	<b>12,195,738</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Sewage System Operating Fund	0	26,685	35,024	35,024	41,095	41,095
Sewer System Construction Fund	30,452	19,948	11,609	11,609	5,538	5,538
Transportation Operating Fund	9,719	6,366	3,695	3,695	1,770	1,770
	40,171	52,999	50,328	50,328	48,403	48,403
<b>Interfund Service Reimbursements</b>						
Housing & Community Development	86,812	81,629	500,000	525,000	600,000	600,000
	86,812	81,629	500,000	525,000	600,000	600,000
<b>Total Internal Revenues</b>	<b>126,983</b>	<b>134,628</b>	<b>550,328</b>	<b>575,328</b>	<b>648,403</b>	<b>648,403</b>
<b>Beginning Fund Balance</b>	<b>(380,466)</b>	<b>1,198,250</b>	<b>1,214,454</b>	<b>899,246</b>	<b>992,544</b>	<b>992,544</b>
<b>TOTAL RESOURCES</b>	<b>\$ 12,552,256</b>	<b>\$ 13,139,847</b>	<b>\$ 11,097,220</b>	<b>\$ 42,309,574</b>	<b>\$ 13,836,685</b>	<b>\$ 13,836,685</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>	35,183	2,789	75,000	75,000	75,000	75,000
<b>Internal Materials and Services</b>						
City Auditor	1,068,182	932,225	1,258,870	1,450,000	1,376,481	1,376,481
Office of Management & Finance	70,979	50,872	57,594	57,594	60,404	60,404
Transportation	8,980,234	2,127,028	2,007,277	13,828,977	3,933,005	3,933,005
Water Bureau	72,069	0	0	0	0	0
	10,191,464	3,110,125	3,323,741	15,336,571	5,369,890	5,369,890
<b>Capital Outlay</b>	661,683	853,601	2,249,161	750,000	3,359,713	3,359,713
<b>Total Bureau Expenses</b>	<b>10,888,330</b>	<b>3,966,515</b>	<b>5,647,902</b>	<b>16,161,571</b>	<b>8,804,603</b>	<b>8,804,603</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	780,236	992,544	794,369	787,024
	0	0	780,236	992,544	794,369	787,024
<b>General Fund Overhead</b>	123,115	135,037	12,589	12,589	49,335	56,680
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	27,426	24,307	26,493	19,870	30,128	30,128
Sewer System Construction	0	0	1,500,000	1,320,000	750,000	750,000
	27,426	24,307	1,526,493	1,339,870	780,128	780,128
<b>Debt Retirement</b>	315,135	8,114,741	3,130,000	23,803,000	3,408,250	3,408,250
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	1,198,250	899,247	0	0	0	0
	1,198,250	899,247	0	0	0	0
<b>Total Fund Requirements</b>	<b>1,663,926</b>	<b>9,173,332</b>	<b>5,449,318</b>	<b>26,148,003</b>	<b>5,032,082</b>	<b>5,032,082</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 12,552,256</b>	<b>\$ 13,139,847</b>	<b>\$ 11,097,220</b>	<b>\$ 42,309,574</b>	<b>\$ 13,836,685</b>	<b>\$ 13,836,685</b>

**LINE ITEM DETAIL – AU 742**

<b>Materials and Services</b>							
<b>External Materials and Services</b>							
549000	Miscellaneous	35,183	2,789	75,000	75,000	75,000	75,000
<b>Total External Materials and Services</b>		<b>35,183</b>	<b>2,789</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>	<b>75,000</b>
<b>Internal Materials and Services</b>							
559000	Other Fund Services	10,191,464	3,110,125	3,323,741	15,336,571	5,369,890	5,369,890
<b>Total Internal Materials and Services</b>		<b>10,191,464</b>	<b>3,110,125</b>	<b>3,323,741</b>	<b>15,336,571</b>	<b>5,369,890</b>	<b>5,369,890</b>
<b>Total Materials and Services</b>		<b>10,226,647</b>	<b>3,112,914</b>	<b>3,398,741</b>	<b>15,411,571</b>	<b>5,444,890</b>	<b>5,444,890</b>
<b>Capital Outlay</b>							
563000	Improvements	661,683	853,601	2,249,161	750,000	3,359,713	3,359,713
<b>Total Capital Outlay</b>		<b>661,683</b>	<b>853,601</b>	<b>2,249,161</b>	<b>750,000</b>	<b>3,359,713</b>	<b>3,359,713</b>
<b>TOTAL Bureau Expenses</b>		<b>\$ 10,888,330</b>	<b>\$ 3,966,515</b>	<b>\$ 5,647,902</b>	<b>\$ 16,161,571</b>	<b>\$ 8,804,603</b>	<b>\$ 8,804,603</b>

## FUND OVERVIEW

The Local Improvement District (LID) Construction Fund accounts for the activities of the Assessments and Liens Division of the City Auditor's Office. The fund finances local infrastructure improvements. The Assessment and Liens Division collects assessments for local improvements financed by the fund, and also for sidewalk repairs, code enforcement violations, and system development charges for the bureaus of Parks, Environmental Services, and the Office of Transportation. The division provides property owners a variety of financing mechanisms to pay off their assessments.

The size of the LID Construction Fund budget is primarily driven by the number of construction projects in process and under consideration at any one time. FY 2003-04 will see a decrease in the fund's activities due to the completion and assessment of the following LID projects: N. Marine Drive Extension, Lower Albina Overcrossing and the NW Thompson Road. In addition, significant budget changes can occur with the sale of special assessment bonds for the financing of large LID projects, and the increased use of the system development charge to pay for City infrastructure. It is anticipated that collection activity will level out next year due to the decrease in the LID construction activity.

**Managing Agency** Office of the City Auditor

# North Macadam Urban Renewal Area Debt Redemption Fund – 313

FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	104,678	280,755	783,361	1,168,619	1,307,159	1,307,159
Prior Year Property Taxes	0	1,715	500	500	0	0
	104,678	282,470	783,861	1,169,119	1,307,159	1,307,159
<b>Miscellaneous Revenues</b>						
Interest Earned	3,375	4,748	11,000	11,000	8,823	8,823
	3,375	4,748	11,000	11,000	8,823	8,823
<b>Total External Revenues</b>	<b>108,053</b>	<b>287,218</b>	<b>794,861</b>	<b>1,180,119</b>	<b>1,315,982</b>	<b>1,315,982</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	0	18,039	0	20,502	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 108,053</b>	<b>\$ 305,257</b>	<b>\$ 794,861</b>	<b>\$ 1,200,621</b>	<b>\$ 1,315,982</b>	<b>\$ 1,315,982</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	90,014	284,755	794,861	1,200,621	1,315,982	1,315,982
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	18,039	20,502	0	0	0	0
	18,039	20,502	0	0	0	0
<b>Total Fund Requirements</b>	<b>108,053</b>	<b>305,257</b>	<b>794,861</b>	<b>1,200,621</b>	<b>1,315,982</b>	<b>1,315,982</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 108,053</b>	<b>\$ 305,257</b>	<b>\$ 794,861</b>	<b>\$ 1,200,621</b>	<b>\$ 1,315,982</b>	<b>\$ 1,315,982</b>

## FUND OVERVIEW

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the North Macadam urban renewal district. Specifically, this fund will account for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

### Managing Agency

Office of Management and Finance, Financial Services

**North Macadam Urban Renewal Area Debt Redemption Fund – 313 DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
Estimated - Du Jour and Line of Credit	Variable	2003/04	1,127,000	variable	188,982	1,315,982
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 233,746</b>		<b>\$ 1,000</b>	<b>\$ 234,746</b>

**Development Services Fund – 116**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Licenses and Permits</b>						
Construction Permits	16,246,739	17,256,078	18,430,000	18,743,000	19,303,000	20,131,115
Other Permits	288,392	275,003	302,000	336,000	343,000	343,000
	16,535,131	17,531,081	18,732,000	19,079,000	19,646,000	20,474,115
<b>Service Charges and Fees</b>						
Inspection Fees	910,272	1,098,992	1,064,000	1,092,000	1,475,000	1,475,000
Miscellaneous	3,712,308	3,630,796	3,919,000	4,038,000	4,053,000	4,053,000
	4,622,580	4,729,788	4,983,000	5,130,000	5,528,000	5,528,000
<b>Miscellaneous Revenues</b>						
Collection of Assessment	1,645,491	1,941,060	2,715,000	2,012,000	525,000	525,000
Interest Earned	474,986	494,266	445,000	396,000	156,000	156,000
Refunds	337	0	0	0	0	0
Sales Miscellaneous	1,575	0	0	0	0	0
	2,122,389	2,435,326	3,160,000	2,408,000	681,000	681,000
<b>Total External Revenues</b>	<b>23,280,100</b>	<b>24,696,195</b>	<b>26,875,000</b>	<b>26,617,000</b>	<b>25,855,000</b>	<b>26,683,115</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
General Fund	3,500,174	3,329,443	2,129,886	2,483,886	1,192,518	1,192,518
General Reserve Fund	0	0	454,000	454,000	0	0
Housing & Community Development	61,262	53,461	36,728	42,433	0	0
Refuse Disposal Fund	236,529	133,785	143,562	143,562	0	0
Vehicle Services Fund	0	0	82,200	82,200	0	0
	3,797,965	3,516,689	2,846,376	3,206,081	1,192,518	1,192,518
<b>Federal Grants Transfers</b>						
	332	0	0	0	0	0
<b>Interfund Service Reimbursements</b>						
Environmental Services	33,409	38,821	43,407	43,407	43,377	43,377
Fire Bureau	20,807	21,354	20,926	20,926	20,898	20,898
Housing & Community Development	258,055	261,679	179,775	179,775	0	0
Neighborhood Involvement	0	0	0	0	151,000	151,000
Sustainable Development	13,323	13,326	0	0	0	0
Parks Bureau	6,202	6,338	6,232	6,232	6,224	6,224
Planning	198,439	2,353	6,000	0	0	0
Refuse Disposal Fund	0	0	50,000	50,000	0	0
Transportation	41,614	42,707	49,352	41,852	41,795	41,795
Water Bureau	13,871	10,677	5,232	5,232	5,224	5,224
	585,720	397,255	360,924	347,424	268,518	268,518
<b>Total Internal Revenues</b>	<b>4,384,017</b>	<b>3,913,944</b>	<b>3,207,300</b>	<b>3,553,505</b>	<b>1,461,036</b>	<b>1,461,036</b>
<b>Beginning Fund Balance</b>	<b>3,667,368</b>	<b>3,824,967</b>	<b>2,048,052</b>	<b>4,043,065</b>	<b>4,519,070</b>	<b>4,519,070</b>
<b>TOTAL RESOURCES</b>	<b>\$ 31,331,485</b>	<b>\$ 32,435,106</b>	<b>\$ 32,130,352</b>	<b>\$ 34,213,570</b>	<b>\$ 31,835,106</b>	<b>\$ 32,663,221</b>

**REQUIREMENTS**

**Bureau Expenses**

<b>Personal Services</b>	19,668,893	20,038,051	21,503,401	21,031,563	20,396,306	21,214,821
<b>External Materials and Services</b>	1,672,452	1,525,630	2,426,770	1,790,686	1,638,724	1,648,324
<b>Internal Materials and Services</b>						
Communications Services	380,892	409,830	436,830	371,306	396,441	392,882
Facilities Services	2,263,337	2,251,630	2,245,223	1,989,858	2,122,331	2,121,066
Information Technology	214,734	688,349	597,998	508,298	844,468	831,442
Insurance	664,696	668,418	524,200	926,404	491,818	490,308
Printing & Distribution	454,065	494,139	498,172	423,446	524,472	522,480
Vehicle Services	360,786	303,516	289,186	245,808	288,272	286,975
City Auditor	112,877	113,542	117,091	99,527	59,066	59,066
Information Technology	176,890	179,017	210,027	210,027	0	0
Office of Management & Finance	21,734	269,101	302,801	291,264	311,394	289,136
Planning	18,000	128,504	25,000	25,000	47,500	47,500
Special Appropriations	0	0	17,575	17,575	18,041	18,041



	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Transportation	260,519	284,600	288,189	288,189	288,380	288,380
	4,928,530	5,790,646	5,552,292	5,396,702	5,392,183	5,347,276
<b>Capital Outlay</b>	0	0	246,861	130,000	12,063	12,063
<b>Total Bureau Expenses</b>	26,269,875	27,354,327	29,729,324	28,348,951	27,439,276	28,222,484
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	561,280	0	1,593,659	2,615,517
Compensation Adjustment	0	0	494,200	0	482,401	482,401
	0	0	1,055,480	0	2,076,060	3,097,918
<b>General Fund Overhead</b>	852,129	630,048	821,144	821,144	829,464	920,424
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	384,514	407,666	524,404	524,405	422,395	422,395
	384,514	407,666	524,404	524,405	422,395	422,395
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	3,824,967	4,043,065	0	4,519,070	1,067,911	0
	3,824,967	4,043,065	0	4,519,070	1,067,911	0
<b>Total Fund Requirements</b>	5,061,610	5,080,779	2,401,028	5,864,619	4,395,830	4,440,737
<b>TOTAL REQUIREMENTS</b>	<b>\$ 31,331,485</b>	<b>\$ 32,435,106</b>	<b>\$ 32,130,352</b>	<b>\$ 34,213,570</b>	<b>\$ 31,835,106</b>	<b>\$ 32,663,221</b>

## FUND OVERVIEW

### Operating Fund

In FY 1988-89, the City Council directed the former Bureau of Buildings to structure its fee schedule so that construction permits and inspection programs do not depend on general tax revenues. These programs became self-sufficient in the FY 1990-91 budget.

In 1999, the Bureau of Buildings and the Land Use Review Division of the Bureau of Planning merged to create the Office of Planning and Development Review. In 2002, the bureau's name was changed to the Bureau of Development Services (BDS).

### Revenues

Revenues include construction and land use permit fees, inspection fees, penalties, and liens. These categories account for over \$26 million (nearly 95%) of BDS' resources. The General Fund will provide \$1.2 million (4%) of BDS' funding, which is targeted for the Land Use Review program. The balance of the revenues (1%) are from interagency service agreements. Revenues for the Neighborhood Inspections program are not reflected in the BDS budget. The FY 2003-04 budgeted revenues do not include any fee increases in any programs.

### Expenditures

This budget continues BDS' emphasis on controlling expenditures. BDS will carefully monitor workload to ensure sufficient staff to provide services.

### Construction Programs

BDS' 2003-08 five-year financial plan forecasts sufficient revenues and reserves in the Building/Mechanical program, but shortfalls in the Plumbing and Electrical programs.

<b>Land Use Review Program</b>	<p>In 2000, City Council clarified its policy that 65% of the Land Use Review program was to be supported by fees. Since many of the land use reviews only partially benefit the applicant and provide general benefits to the community, these fees are intended to provide only partial support for these functions with the City's General Fund supporting the rest. Although the cost recovery rate of each fee varies, the overall goal is 65% cost recovery. This fee policy will need to be reassessed to consider the transfers of General Fund revenues to the Neighborhood Inspection program.</p>
<b>Reserves</b>	<p>The December 2002 version of BDS' financial plan shows that reserves will be \$3.5 million by the end of FY 2003-04, which is substantially below the bureau's reserve goal of \$9.3 million which is primarily due to the decline in the economy. This number will be significantly lower once reserves for the Neighborhood Inspections program are moved to ONI.</p>
<b>Managing Agency</b>	<p>Bureau of Development Services</p>

# Property Management License Fund – 117

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Licenses and Permits</b>						
Business Licenses	3,049,656	3,560,664	3,291,862	4,102,721	4,203,884	4,203,884
	3,049,656	3,560,664	3,291,862	4,102,721	4,203,884	4,203,884
<b>Miscellaneous Revenues</b>						
<b>Interest Earned</b>						
	18,146	13,406	16,516	8,229	8,750	8,750
	18,146	13,406	16,516	8,229	8,750	8,750
<b>Total External Revenues</b>	<b>3,067,802</b>	<b>3,574,070</b>	<b>3,308,378</b>	<b>4,110,950</b>	<b>4,212,634</b>	<b>4,212,634</b>
<b>Internal Revenues</b>						
<b>Beginning Fund Balance</b>						
	11,489	74,527	8,138	8,138	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 3,079,291</b>	<b>\$ 3,648,597</b>	<b>\$ 3,316,516</b>	<b>\$ 4,119,088</b>	<b>\$ 4,212,634</b>	<b>\$ 4,212,634</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	3,004,764	3,640,459	3,316,516	4,119,088	4,212,634	4,212,634
<b>Total Bureau Expenses</b>	<b>3,004,764</b>	<b>3,640,459</b>	<b>3,316,516</b>	<b>4,119,088</b>	<b>4,212,634</b>	<b>4,212,634</b>
<b>Fund Requirements</b>						
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	74,527	8,138	0	0	0	0
	74,527	8,138	0	0	0	0
<b>Total Fund Requirements</b>	<b>74,527</b>	<b>8,138</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,079,291</b>	<b>\$ 3,648,597</b>	<b>\$ 3,316,516</b>	<b>\$ 4,119,088</b>	<b>\$ 4,212,634</b>	<b>\$ 4,212,634</b>
<b>LINE ITEM DETAIL – AU 249</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
521000 Professional Services	3,004,764	3,640,459	3,316,516	4,119,088	4,212,634	4,212,634
<b>Total External Materials and Services</b>	<b>3,004,764</b>	<b>3,640,459</b>	<b>3,316,516</b>	<b>4,119,088</b>	<b>4,212,634</b>	<b>4,212,634</b>
<b>Total Materials and Services</b>	<b>3,004,764</b>	<b>3,640,459</b>	<b>3,316,516</b>	<b>4,119,088</b>	<b>4,212,634</b>	<b>4,212,634</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 3,004,764</b>	<b>\$ 3,640,459</b>	<b>\$ 3,316,516</b>	<b>\$ 4,119,088</b>	<b>\$ 4,212,634</b>	<b>\$ 4,212,634</b>

## FUND OVERVIEW

The Property Management License Fund administers the collection of the business property management license fee payable by managers of participating properties within the Downtown Business Improvement District (CBID). This fee supports the Downtown Clean and Safe program (Downtown BID), and the Lloyd BID. The fund transfers payments to the Bureau of Licenses for reimbursement of program costs.

The purpose of the programs is to keep the business improvement districts vital and attractive to businesses, shoppers, visitors, and citizens.

### History

Portland's Downtown Clean and Safe services district was established in 1988. The program is administered by Portland Downtown Services, Inc. and the Portland Business Alliance. The district was renewed for ten years and the program was expanded to add some residential property managers to be included in funding the program in 2001.

The Lloyd Business Improvement District was established in 1999 and renewed in 2001 to provide a similar set of services within the Lloyd business district.

**Fee Structure**

The business property management license fees are based upon factors that have been developed as measures of the need-for-services load created by the use of property. The factors include:

- ◆ Value of improvement
- ◆ Square feet of the sum of improvements and land square footage
- ◆ Elevator capacity

**Services**

Portland Downtown Services, Inc., through its Downtown Clean and Safe Program and through a management agreement with the City of Portland, provides the following services:

- ◆ Enhanced security
- ◆ Sidewalk and graffiti cleaning
- ◆ Business recruitment, retention, and marketing services in the central business district

Lloyd business improvement district provides fewer, but similar services for the Lloyd District.

**Managing Agency**

Bureau of Licenses

**River District Urban Renewal Area Debt Redemption Fund – 301**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	3,363,337	5,658,049	5,143,428	6,819,405	7,876,755	7,876,755
Prior Year Property Taxes	7,165	59,207	15,000	70,000	326,163	326,163
	<u>3,370,502</u>	<u>5,717,256</u>	<u>5,158,428</u>	<u>6,889,405</u>	<u>8,202,918</u>	<u>8,202,918</u>
<b>Miscellaneous Revenues</b>						
Interest Earned	116,557	64,154	70,000	70,000	53,168	53,168
	<u>116,557</u>	<u>64,154</u>	<u>70,000</u>	<u>70,000</u>	<u>53,168</u>	<u>53,168</u>
<b>Total External Revenues</b>	<b>3,487,059</b>	<b>5,781,410</b>	<b>5,228,428</b>	<b>6,959,405</b>	<b>8,256,086</b>	<b>8,256,086</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	187,048	159,913	0	512,122	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 3,674,107</b>	<b>\$ 5,941,323</b>	<b>\$ 5,228,428</b>	<b>\$ 7,471,527</b>	<b>\$ 8,256,086</b>	<b>\$ 8,256,086</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	3,514,194	5,429,201	5,228,428	7,471,527	8,256,086	8,256,086
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	159,913	512,122	0	0	0	0
	<u>159,913</u>	<u>512,122</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Fund Requirements</b>	<b>3,674,107</b>	<b>5,941,323</b>	<b>5,228,428</b>	<b>7,471,527</b>	<b>8,256,086</b>	<b>8,256,086</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 3,674,107</b>	<b>\$ 5,941,323</b>	<b>\$ 5,228,428</b>	<b>\$ 7,471,527</b>	<b>\$ 8,256,086</b>	<b>\$ 8,256,086</b>

**FUND OVERVIEW**

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the River District urban renewal district. Specifically, this fund will account for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

**Managing Agency** Office of Management and Finance, Financial Services

**River District Urban Renewal Area Debt Redemption Fund – 301 DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Urban Renewal &amp; Redevelopment Bonds, 2003 Series A (Tax-Exempt)</b>						
06/26/2003 - Due 06/15	33,180,000					
		2003/04	-		1,567,985	1,567,985
		2004/05	-		1,617,405	1,617,405
		2005/06	-		1,617,405	1,617,405
		2006/07	-		1,617,405	1,617,405
		2007/08	-		1,617,405	1,617,405
		2008/09	-		1,617,405	1,617,405
		2009/10	-		1,617,405	1,617,405
		2010/11	-		1,617,405	1,617,405
		2011/12	-		1,617,405	1,617,405
		2012/13	-		1,617,405	1,617,405
		2013/14	-		1,617,405	1,617,405
		2014/15	2,435,000	multiple	1,617,405	4,052,405
		2015/16	3,225,000	multiple	1,508,693	4,733,693
		2016/17	3,385,000	5.00%	1,349,845	4,734,845
		2017/18	3,550,000	multiple	1,180,595	4,730,595
		2018/19	3,725,000	5.00%	1,006,200	4,731,200
		2019/20	3,915,000	5.00%	819,950	4,734,950
		2020/21	4,110,000	5.00%	624,200	4,734,200
		2021/22	4,315,000	multiple	418,700	4,733,700
		2022/23	4,520,000	multiple	212,100	4,732,100
		<b>TOTAL</b>	<b>33,180,000</b>		<b>26,479,723</b>	<b>59,659,723</b>
<b>Urban Renewal &amp; Redevelopment Bonds, 2003 Series B (Taxable)</b>						
06/26/2003 - Due 06/15	28,760,000					
		2003/04	2,350,000	1.14%	812,232	3,162,232
		2004/05	2,305,000	1.48%	811,042	3,116,042
		2005/06	2,340,000	1.80%	776,928	3,116,928
		2006/07	2,380,000	2.23%	734,808	3,114,808
		2007/08	2,435,000	2.63%	681,734	3,116,734
		2008/09	2,495,000	2.94%	617,693	3,112,693
		2009/10	2,570,000	3.35%	544,340	3,114,340
		2010/11	2,655,000	3.60%	458,245	3,113,245
		2011/12	2,750,000	3.80%	362,665	3,112,665
		2012/13	2,855,000	3.92%	258,165	3,113,165
		2013/14	2,970,000	4.02%	146,249	3,116,249
		2014/15	655,000	4.10%	26,855	681,855
		<b>TOTAL</b>	<b>28,760,000</b>		<b>6,230,954</b>	<b>34,990,954</b>
<b>Estimated - Du Jour and Line of Credit</b>						
	3,524,921					
		2003/04	3,524,921	variable	948	3,525,869
			3,524,921		948	3,525,869
<b>COMBINED DEBT SERVICE</b>						
	65,464,921					
		2003/04	5,874,921		2,381,165	8,256,086
		2004/05	2,305,000		2,428,447	4,733,447
		2005/06	2,340,000		2,394,333	4,734,333
		2006/07	2,380,000		2,352,213	4,732,213
		2007/08	2,435,000		2,299,139	4,734,139
		2008/09	2,495,000		2,235,098	4,730,098
		2009/10	2,570,000		2,161,745	4,731,745
		2010/11	2,655,000		2,075,650	4,730,650
		2011/12	2,750,000		1,980,070	4,730,070
		2012/13	2,855,000		1,875,570	4,730,570
		2013/14	2,970,000		1,763,654	4,733,654
		2014/15	3,090,000		1,644,260	4,734,260

**River District Urban Renewal Area Debt Redemption Fund – 301 DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2015/16	3,225,000		1,508,693	4,733,693
		2016/17	3,385,000		1,349,845	4,734,845
		2017/18	3,550,000		1,180,595	4,730,595
		2018/19	3,725,000		1,006,200	4,731,200
		2019/20	3,915,000		819,950	4,734,950
		2020/21	4,110,000		624,200	4,734,200
		2021/22	4,315,000		418,700	4,733,700
		2022/23	4,520,000		212,100	4,732,100
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 65,464,921</b>		<b>\$ 32,711,625</b>	<b>\$ 98,176,546</b>

South Park Renewal Debt Service Fund – 306

FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	5,876,220	6,130,658	5,188,900	6,458,046	6,407,274	6,407,274
Prior Year Property Taxes	120,221	173,902	120,221	120,221	120,221	120,221
	5,996,441	6,304,560	5,309,121	6,578,267	6,527,495	6,527,495
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	8,865,448	0	0	0	0	0
Interest Earned	224,513	119,111	73,500	73,500	43,249	43,249
	9,089,961	119,111	73,500	73,500	43,249	43,249
<b>Total External Revenues</b>	<b>15,086,402</b>	<b>6,423,671</b>	<b>5,382,621</b>	<b>6,651,767</b>	<b>6,570,744</b>	<b>6,570,744</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	1,667,595	1,444,798	589,375	773,072	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 16,753,997</b>	<b>\$ 7,868,469</b>	<b>\$ 5,971,996</b>	<b>\$ 7,424,839</b>	<b>\$ 6,570,744</b>	<b>\$ 6,570,744</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	15,309,199	7,095,397	5,382,621	7,424,839	6,570,744	6,570,744
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	1,444,798	773,072	0	0	0	0
Unexpendable Reserve	0	0	589,375	0	0	0
	1,444,798	773,072	589,375	0	0	0
<b>Total Fund Requirements</b>	<b>16,753,997</b>	<b>7,868,469</b>	<b>5,971,996</b>	<b>7,424,839</b>	<b>6,570,744</b>	<b>6,570,744</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 16,753,997</b>	<b>\$ 7,868,469</b>	<b>\$ 5,971,996</b>	<b>\$ 7,424,839</b>	<b>\$ 6,570,744</b>	<b>\$ 6,570,744</b>

FUND OVERVIEW

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the South Park Blocks urban renewal district. Specifically, this fund accounts for resources and the allocation thereof to pay principal and interest on tax increment bonded indebtedness associated with financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

**Managing Agency** Office of Management and Finance, Financial Management



**South Park Renewal Debt Service Fund – 306**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Urban Renewal &amp; Redevelopment Bonds, 2000 Series A (Tax-Exempt)</b>						
10/15/2000 - Due 06/15	23,325,000					
		2003/04	-		1,329,973	1,329,973
		2004/05	-		1,329,973	1,329,973
		2005/06	-		1,329,973	1,329,973
		2006/07	-		1,329,973	1,329,973
		2007/08	-		1,329,973	1,329,973
		2008/09	-		1,329,973	1,329,973
		2009/10	-		1,329,973	1,329,973
		2010/11	-		1,329,973	1,329,973
		2011/12	-		1,329,973	1,329,973
		2012/13	2,095,000	5.52%	1,329,973	3,424,973
		2013/14	2,550,000	5.69%	1,214,310	3,764,310
		2014/15	2,695,000	5.75%	1,069,310	3,764,310
		2015/16	2,850,000	5.73%	914,348	3,764,348
		2016/17	3,015,000	5.71%	751,073	3,766,073
		2017/18	3,190,000	5.75%	578,835	3,768,835
		2018/19	3,370,000	5.67%	395,410	3,765,410
		2019/20	3,560,000	5.74%	204,400	3,764,400
		<b>TOTAL</b>	<b>23,325,000</b>		<b>18,427,410</b>	<b>41,752,410</b>
<b>Urban Renewal &amp; Redevelopment Bonds, 2000 Series B (Taxable)</b>						
10/15/2000 - Due 06/15	16,560,000					
		2003/04	830,000	6.74%	1,020,042	1,850,042
		2004/05	885,000	6.79%	964,100	1,849,100
		2005/06	945,000	6.84%	904,008	1,849,008
		2006/07	1,595,000	6.94%	839,370	2,434,370
		2007/08	1,710,000	6.99%	728,677	2,438,677
		2008/09	1,825,000	7.09%	609,148	2,434,148
		2009/10	1,955,000	7.19%	479,756	2,434,756
		2010/11	2,095,000	7.24%	339,191	2,434,191
		2011/12	2,250,000	7.29%	187,513	2,437,513
		2012/13	320,000	7.34%	23,488	343,488
		<b>TOTAL</b>	<b>14,410,000</b>		<b>6,095,292</b>	<b>20,505,292</b>
<b>Estimated - Du Jour and Line of Credit</b>						
	1,633,661	2003/04	3,342,027	variable	48,702	3,390,729
			3,342,027		48,702	3,390,729
<b>COMBINED DEBT SERVICE</b>						
	46,143,661					
		2003/04	4,172,027		2,398,716	6,570,743
		2004/05	885,000		2,294,072	3,179,072
		2005/06	945,000		2,233,981	3,178,981
		2006/07	1,595,000		2,169,343	3,764,343
		2007/08	1,710,000		2,058,650	3,768,650
		2008/09	1,825,000		1,939,121	3,764,121
		2009/10	1,955,000		1,809,728	3,764,728
		2010/11	2,095,000		1,669,164	3,764,164
		2011/12	2,250,000		1,517,486	3,767,486
		2012/13	2,415,000		1,353,461	3,768,461
		2013/14	2,550,000		1,214,310	3,764,310
		2014/15	2,695,000		1,069,310	3,764,310
		2015/16	2,850,000		914,348	3,764,348
		2016/17	3,015,000		751,073	3,766,073
		2017/18	3,190,000		578,835	3,768,835
		2018/19	3,370,000		395,410	3,765,410
		2019/20	3,560,000		204,400	3,764,400

**South Park Renewal Debt Service Fund – 306**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+i
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 41,077,027</b>		<b>\$ 24,571,404</b>	<b>\$ 65,648,431</b>

# Waterfront Renewal Bond Sinking Fund – 303

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Current Property Taxes	12,610,341	12,715,982	11,872,150	13,424,857	13,343,110	13,343,110
Prior Year Property Taxes	222,585	372,451	225,000	225,000	225,000	225,000
	12,832,926	13,088,433	12,097,150	13,649,857	13,568,110	13,568,110
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	26,609,368	0	0	0	0	0
Interest Earned	634,415	290,959	202,000	152,000	90,066	90,066
	27,243,783	290,959	202,000	152,000	90,066	90,066
<b>Total External Revenues</b>	<b>40,076,709</b>	<b>13,379,392</b>	<b>12,299,150</b>	<b>13,801,857</b>	<b>13,658,176</b>	<b>13,658,176</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Parking Facilities Fund	690,000	690,000	690,000	690,000	343,776	343,776
	690,000	690,000	690,000	690,000	343,776	343,776
<b>Total Internal Revenues</b>	<b>690,000</b>	<b>690,000</b>	<b>690,000</b>	<b>690,000</b>	<b>343,776</b>	<b>343,776</b>
<b>Beginning Fund Balance</b>	<b>6,040,824</b>	<b>4,281,606</b>	<b>3,735,000</b>	<b>4,092,466</b>	<b>1,681,000</b>	<b>1,681,000</b>
<b>TOTAL RESOURCES</b>	<b>\$ 46,807,533</b>	<b>\$ 18,350,998</b>	<b>\$ 16,724,150</b>	<b>\$ 18,584,323</b>	<b>\$ 15,682,952</b>	<b>\$ 15,682,952</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	13,221	11,400	15,000	15,000	0	0
<b>Total Bureau Expenses</b>	<b>13,221</b>	<b>11,400</b>	<b>15,000</b>	<b>15,000</b>	<b>0</b>	<b>0</b>
<b>Fund Requirements</b>						
<b>Debt Retirement</b>						
	42,512,706	14,247,132	12,974,150	16,888,323	14,001,952	14,001,952
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	4,281,606	4,092,466	1,245,000	0	0	0
Unexpendable Reserve	0	0	2,490,000	1,681,000	1,681,000	1,681,000
	4,281,606	4,092,466	3,735,000	1,681,000	1,681,000	1,681,000
<b>Total Fund Requirements</b>	<b>46,794,312</b>	<b>18,339,598</b>	<b>16,709,150</b>	<b>18,569,323</b>	<b>15,682,952</b>	<b>15,682,952</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 46,807,533</b>	<b>\$ 18,350,998</b>	<b>\$ 16,724,150</b>	<b>\$ 18,584,323</b>	<b>\$ 15,682,952</b>	<b>\$ 15,682,952</b>
<b>LINE ITEM DETAIL – AU 281</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
549000 Miscellaneous	13,221	11,400	15,000	15,000	0	0
<b>Total External Materials and Services</b>	<b>13,221</b>	<b>11,400</b>	<b>15,000</b>	<b>15,000</b>	<b>0</b>	<b>0</b>
<b>Total Materials and Services</b>	<b>13,221</b>	<b>11,400</b>	<b>15,000</b>	<b>15,000</b>	<b>0</b>	<b>0</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 13,221</b>	<b>\$ 11,400</b>	<b>\$ 15,000</b>	<b>\$ 15,000</b>	<b>\$ 0</b>	<b>\$ 0</b>

## FUND OVERVIEW

This fund is used to achieve a proper matching of revenues and expenditures related to financing public improvements in the Downtown Waterfront urban renewal district. Specifically, this fund accounts for the allocation of resources to pay principal and interest on tax increment bonded indebtedness related to financing and refinancing of improvements in this district.

The Portland Development Commission (PDC) serves as the City's agent for developing and managing urban renewal districts, which have played a major role in keeping Portland one of America's most livable and vital cities. The primary funding source for improvements to urban renewal areas is tax increment proceeds and program income derived from the investment of tax increment funds.

**Managing Agency** Office of Management and Finance, Financial Services

**Waterfront Renewal Bond Sinking Fund – 303**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Urban Renewal &amp; Redevelopment Bonds, 2000 Series A</b>						
10/15/2000 - Due 6/15	33,060,000					
		2003/04	-		1,866,274	1,866,274
		2004/05	-		1,866,274	1,866,274
		2005/06	-		1,866,274	1,866,274
		2006/07	-		1,866,274	1,866,274
		2007/08	-		1,866,274	1,866,274
		2008/09	-		1,866,274	1,866,274
		2009/10	-		1,866,274	1,866,274
		2010/11	-		1,866,274	1,866,274
		2011/12	-		1,866,274	1,866,274
		2012/13	170,000	5.10%	1,866,274	2,036,274
		2013/14	3,960,000	5.59%	1,857,604	5,817,604
		2014/15	4,185,000	5.55%	1,636,298	5,821,298
		2015/16	4,415,000	5.70%	1,404,228	5,819,228
		2016/17	4,665,000	5.75%	1,152,515	5,817,515
		2017/18	4,935,000	5.70%	884,465	5,819,465
		2018/19	5,215,000	5.75%	603,188	5,818,188
		2019/20	5,515,000	5.50%	303,325	5,818,325
		<b>TOTAL</b>	<b>33,060,000</b>		<b>26,504,359</b>	<b>59,564,359</b>
<b>Urban Renewal &amp; Redevelopment Bonds, 2000 Series B</b>						
10/15/2000 - Due 6/15	24,970,000					
		2003/04	1,460,000	6.69%	1,643,769	3,103,769
		2004/05	1,560,000	6.74%	1,546,095	3,106,095
		2005/06	1,665,000	6.79%	1,440,951	3,105,951
		2006/07	1,775,000	6.89%	1,327,897	3,102,897
		2007/08	1,900,000	6.99%	1,205,600	3,105,600
		2008/09	1,635,000	7.09%	1,072,790	2,707,790
		2009/10	2,995,000	7.26%	956,868	3,951,868
		2010/11	3,215,000	7.26%	739,431	3,954,431
		2011/12	3,445,000	7.26%	506,022	3,951,022
		2012/13	3,525,000	7.26%	255,915	3,780,915
		<b>TOTAL</b>	<b>23,175,000</b>		<b>10,695,336</b>	<b>33,870,336</b>
<b>Urban Renewal &amp; Redevelopment Bonds, 2002 Series A (AMT)</b>						
09/15/02 - Due 06/01	3,765,000					
		2003/04	655,000	2.50%	89,875	744,875
		2004/05	670,000	3.00%	73,500	743,500
		2005/06	690,000	3.00%	53,400	743,400
		2006/07	1,090,000	3.00%	32,700	1,122,700
		2007/08				
		<b>TOTAL</b>	<b>3,105,000</b>		<b>249,475</b>	<b>3,354,475</b>
<b>Urban Renewal &amp; Redevelopment Bonds, 2002 Series B (Non-AMT)</b>						
09/15/02 - Due 06/01	13,050,000					
		2003/04	1,855,000	2.50%	341,250	2,196,250
		2004/05	1,900,000	3.00%	294,875	2,194,875
		2005/06	1,960,000	3.00%	237,875	2,197,875
		2006/07	2,020,000	3.00%	179,075	2,199,075
		2007/08	3,385,000	3.50%	118,475	3,503,475
		<b>TOTAL</b>	<b>11,120,000</b>		<b>1,171,550</b>	<b>12,291,550</b>
<b>Estimated - FY 2004, Du Jour</b>						
	6,089,000					
		2003/04	6,089,000	Variable	1,784	6,090,784
		<b>TOTAL</b>	<b>6,089,000</b>		<b>1,784</b>	<b>6,090,784</b>
<b>COMBINED DEBT SERVICE</b>						

**Waterfront Renewal Bond Sinking Fund – 303**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
	80,934,000					
		2003/04	10,059,000		3,942,951	14,001,951
		2004/05	4,130,000		3,780,743	7,910,743
		2005/06	4,315,000		3,598,499	7,913,499
		2006/07	4,885,000		3,405,946	8,290,946
		2007/08	5,285,000		3,190,348	8,475,348
		2008/09	1,635,000		2,939,063	4,574,063
		2009/10	2,995,000		2,823,142	5,818,142
		2010/11	3,215,000		2,605,705	5,820,705
		2011/12	3,445,000		2,372,296	5,817,296
		2012/13	3,695,000		2,122,189	5,817,189
		2013/14	3,960,000		1,857,604	5,817,604
		2014/15	4,185,000		1,636,298	5,821,298
		2015/16	4,415,000		1,404,228	5,819,228
		2016/17	4,665,000		1,152,515	5,817,515
		2017/18	4,935,000		884,465	5,819,465
		2018/19	5,215,000		603,188	5,818,188
		2019/20	5,515,000		303,325	5,818,325
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 76,549,000</b>		<b>\$ 38,622,503</b>	<b>\$ 115,171,503</b>



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**Gas Tax Bond Redemption Fund – 308**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	77	(102)	0	0	0	0
	77	(102)	0	0	0	0
<b>Total External Revenues</b>	77	(102)	0	0	0	0
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Spectator Facilities Operating	264,334	266,178	265,158	265,158	266,182	266,182
Transportation Operating Fund	527,108	525,782	530,278	529,785	1,650,527	1,650,527
	791,442	791,960	795,436	794,943	1,916,709	1,916,709
<b>Total Internal Revenues</b>	791,442	791,960	795,436	794,943	1,916,709	1,916,709
<b>Beginning Fund Balance</b>	1,496	494	0	549	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 793,015</b>	<b>\$ 792,352</b>	<b>\$ 795,436</b>	<b>\$ 795,492</b>	<b>\$ 1,916,709</b>	<b>\$ 1,916,709</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	792,521	791,803	795,436	795,492	1,916,709	1,916,709
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	494	549	0	0	0	0
	494	549	0	0	0	0
<b>Total Fund Requirements</b>	793,015	792,352	795,436	795,492	1,916,709	1,916,709
<b>TOTAL REQUIREMENTS</b>	<b>\$ 793,015</b>	<b>\$ 792,352</b>	<b>\$ 795,436</b>	<b>\$ 795,492</b>	<b>\$ 1,916,709</b>	<b>\$ 1,916,709</b>

**FUND OVERVIEW**

This fund is used to achieve a proper matching of revenues and expenditures related to the debt financing of City of Portland Office of Transportation projects. Debt service is paid from gas tax revenues with a contribution by the Arena Operating Fund. Gas tax revenues consist of the City's share of the State and Multnomah County collections which are distributed to the City under contract.

**Managing Agency**      Office of Transportation

**Gas Tax Bond Redemption Fund – 308**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Gas Tax Revenue Bonds, 1996</b>						
<b>Series A</b>						
09/01/1996 - Due 6/1	6,580,000					
		2003/04	275,000	5.05%	278,840	553,840
		2004/05	290,000	5.15%	264,953	554,953
		2005/06	305,000	5.25%	250,018	555,018
		2006/07	320,000	5.35%	234,005	554,005
		2007/08	335,000	5.45%	216,885	551,885
		2008/09	355,000	5.50%	198,628	553,628
		2009/10	375,000	5.65%	178,925	553,925
		2010/11	395,000	5.70%	157,738	552,738
		2011/12	415,000	5.75%	135,223	550,223
		2012/13	440,000	5.80%	111,360	551,360
		2013/14	465,000	5.80%	85,840	550,840
		2014/15	495,000	5.80%	58,870	553,870
		2015/16	520,000	5.80%	30,160	550,160
		<b>TOTAL</b>	<b>4,985,000</b>		<b>2,201,443</b>	<b>7,186,443</b>
<b>Gas Tax Revenue Bonds, 1998</b>						
<b>Series A</b>						
06/01/1998 - Due 6/1	3,070,000					
		2003/04	120,000	4.20%	118,805	238,805
		2004/05	130,000	4.30%	113,765	243,765
		2005/06	130,000	4.30%	108,175	238,175
		2006/07	140,000	4.40%	102,585	242,585
		2007/08	140,000	4.40%	96,425	236,425
		2008/09	150,000	4.50%	90,265	240,265
		2009/10	160,000	4.60%	83,515	243,515
		2010/11	160,000	4.70%	76,155	236,155
		2011/12	170,000	4.75%	68,635	238,635
		2012/13	180,000	4.80%	60,560	240,560
		2013/14	190,000	4.80%	51,920	241,920
		2014/15	200,000	4.90%	42,800	242,800
		2015/16	200,000	5.00%	33,000	233,000
		2016/17	220,000	5.00%	23,000	243,000
		2017/18	240,000	5.00%	12,000	252,000
		<b>TOTAL</b>	<b>2,530,000</b>		<b>1,081,605</b>	<b>9,942,580</b>
<b>Estimated - Line of Credit</b>						
	Variable					
		2003/04	1,063,495	variable	60,569	1,124,064
^rowtype=total_1			1,063,495		60,569	1,124,064
<b>COMBINED DEBT SERVICE</b>						
	9,650,000					
		2002/03	-		-	-
		2003/04	1,458,495		458,214	1,916,709
		2004/05	420,000		378,718	798,718
		2005/06	435,000		358,193	793,193
		2006/07	460,000		336,590	796,590
		2007/08	475,000		313,310	788,310
		2008/09	505,000		288,893	793,893
		2009/10	535,000		262,440	797,440
		2010/11	555,000		233,893	788,893
		2011/12	585,000		203,858	788,858
		2012/13	620,000		171,920	791,920
		2013/14	655,000		137,760	792,760
		2014/15	695,000		101,670	796,670
		2015/16	720,000		63,160	783,160
		2016/17	220,000		23,000	243,000
		2017/18	240,000		12,000	252,000

**Gas Tax Bond Redemption Fund – 308**

**DEBT REDEMPTION SCHEDULE**

<b>Bond Description</b>	<b>Amount Issued</b>	<b>Fiscal Year</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 8,578,495</b>		<b>\$ 3,343,617</b>	<b>\$ 11,922,112</b>

# Parking Facilities Debt Redemption Fund – 360

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	3,900,000	0	0	0	0
Interest Earned	29	2,451	0	2,200	0	0
	29	3,902,451	0	2,200	0	0
<b>Total External Revenues</b>	29	3,902,451	0	2,200	0	0
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Parking Facilities Fund	1,943,295	2,423,082	3,634,708	3,632,508	3,737,226	3,737,226
	1,943,295	2,423,082	3,634,708	3,632,508	3,737,226	3,737,226
<b>Total Internal Revenues</b>	1,943,295	2,423,082	3,634,708	3,632,508	3,737,226	3,737,226
<b>Beginning Fund Balance</b>	2,340	2,369	3,318	3,318	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 1,945,664</b>	<b>\$ 6,327,902</b>	<b>\$ 3,638,026</b>	<b>\$ 3,638,026</b>	<b>\$ 3,737,226</b>	<b>\$ 3,737,226</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
Debt Retirement	1,943,295	6,324,582	3,638,026	3,638,026	3,737,226	3,737,226
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	2,369	3,320	0	0	0	0
	2,369	3,320	0	0	0	0
<b>Total Fund Requirements</b>	1,945,664	6,327,902	3,638,026	3,638,026	3,737,226	3,737,226
<b>TOTAL REQUIREMENTS</b>	<b>\$ 1,945,664</b>	<b>\$ 6,327,902</b>	<b>\$ 3,638,026</b>	<b>\$ 3,638,026</b>	<b>\$ 3,737,226</b>	<b>\$ 3,737,226</b>

## FUND OVERVIEW

This fund is used to achieve a proper matching of revenues and expenditures related to financing infrastructure improvements associated with the City's parking system and for the Portland Streetcar project. Specifically, this fund will account for resources derived from parking facilities, and the allocation thereof, to pay principal and interest on bonded indebtedness associated with financing these improvements.

**Managing Agency** Office of Management and Finance, Financial Services and Business Operations

## CHANGES FROM PRIOR YEAR

The fund accounts for the resources and requirements related to the refinanced debt that has been previously accounted for in the Morrison Park East, the Morrison Park West, and the Old Town Bond Redemption Funds.

**Parking Facilities Debt Redemption Fund – 360**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Revenue Bonds, 1999 Series A (Central City Streetcar)</b>						
04/15/1999 - Due 04/01	29,160,000					
		2003/04	740,000	4.00%	1,263,213	2,003,213
		2004/05	860,000	4.00%	1,233,613	2,093,613
		2005/06	890,000	4.00%	1,199,213	2,089,213
		2006/07	930,000	4.00%	1,163,613	2,093,613
		2007/08	970,000	4.13%	1,126,413	2,096,413
		2008/09	1,000,000	4.25%	1,086,400	2,086,400
		2009/10	1,050,000	4.38%	1,043,900	2,093,900
		2010/11	1,090,000	4.38%	997,963	2,087,963
		2011/12	1,140,000	4.50%	950,275	2,090,275
		2012/13	1,190,000	4.63%	898,975	2,088,975
		2013/14	1,250,000	4.63%	843,938	2,093,938
		2014/15	1,310,000	4.75%	786,125	2,096,125
		2015/16	1,370,000	4.75%	723,900	2,093,900
		2016/17	1,430,000	4.75%	658,825	2,088,825
		2017/18	1,500,000	4.75%	590,900	2,090,900
		2018/19	1,570,000	4.75%	519,650	2,089,650
		2019/20	1,650,000	4.75%	445,075	2,095,075
		2020/21	1,720,000	4.75%	366,700	2,086,700
		2021/22	1,810,000	5.00%	285,000	2,095,000
		2022/23	1,900,000	5.00%	194,500	2,094,500
		2023/24	1,990,000	5.00%	99,500	2,089,500
		<b>TOTAL</b>	<b>27,360,000</b>		<b>16,477,688</b>	<b>43,837,688</b>
<b>Parking System Revenue Refunding Bonds, 2001 Series A</b>						
08/15/2001 - Due 04/01	10,200,000					
		2003/04	1,415,000	3.00%	319,013	1,734,013
		2004/05	1,120,000	3.75%	276,563	1,396,563
		2005/06	750,000	3.75%	234,563	984,563
		2006/07	775,000	3.75%	206,438	981,438
		2007/08	810,000	4.00%	177,375	987,375
		2008/09	840,000	4.00%	144,975	984,975
		2009/10	870,000	4.00%	111,375	981,375
		2010/11	905,000	4.00%	76,575	981,575
		2011/12	465,000	4.25%	40,375	505,375
		2012/13	485,000	4.25%	20,613	505,613
		<b>TOTAL</b>	<b>8,435,000</b>		<b>1,607,863</b>	<b>10,042,863</b>
<b>COMBINED DEBT SERVICE</b>						
	39,360,000					
		2003/04	2,155,000		1,582,225	3,737,225
		2004/05	1,980,000		1,510,175	3,490,175
		2005/06	1,640,000		1,433,775	3,073,775
		2006/07	1,705,000		1,370,050	3,075,050
		2007/08	1,780,000		1,303,788	3,083,788
		2008/09	1,840,000		1,231,375	3,071,375
		2009/10	1,920,000		1,155,275	3,075,275
		2010/11	1,995,000		1,074,538	3,069,538
		2011/12	1,605,000		990,650	2,595,650
		2012/13	1,675,000		919,588	2,594,588
		2013/14	1,250,000		843,938	2,093,938
		2014/15	1,310,000		786,125	2,096,125
		2015/16	1,370,000		723,900	2,093,900
		2016/17	1,430,000		658,825	2,088,825
		2017/18	1,500,000		590,900	2,090,900
		2018/19	1,570,000		519,650	2,089,650
		2019/20	1,650,000		445,075	2,095,075
		2020/21	1,720,000		366,700	2,086,700
		2021/22	1,810,000		285,000	2,095,000

**Parking Facilities Debt Redemption Fund – 360**

**DEBT REDEMPTION SCHEDULE**

<b>Bond Description</b>	<b>Amount Issued</b>	<b>Fiscal Year</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+i</b>
		2022/23	1,900,000		194,500	2,094,500
		2023/24	1,990,000		99,500	2,089,500
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 35,795,000</b>		<b>\$ 18,085,550</b>	<b>\$ 53,880,550</b>

**Parking Facilities Fund – 159**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Parking Fees	8,839,619	8,703,133	9,147,115	7,800,131	7,997,091	7,997,091
Rents and Reimbursements	1,005,256	1,078,240	1,073,935	1,074,119	1,085,985	1,085,985
	9,844,875	9,781,373	10,221,050	8,874,250	9,083,076	9,083,076
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	147,028	0	0	0	0
Interest Earned	742,053	267,931	129,067	130,000	18,250	18,250
Other Miscellaneous	872	681	0	8,400	0	0
	742,925	415,640	129,067	138,400	18,250	18,250
<b>Total External Revenues</b>	10,587,800	10,197,013	10,350,117	9,012,650	9,101,326	9,101,326
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
General Fund	13,124	0	0	0	0	0
	13,124	0	0	0	0	0
<b>Interfund Service Reimbursements</b>						
Commissioner of Public Utilities	1,680	1,680	0	0	0	0
Communications Services	8,700	10,080	5,400	4,154	3,720	3,720
Environmental Services	48,554	57,728	62,400	48,065	16,080	16,080
Environmental Svcs - Internal	0	0	0	1,800	0	0
Facilities Services Fund	156,716	160,756	165,597	165,597	171,147	171,147
Golf Operating Fund	3,120	2,400	1,800	1,800	1,860	1,860
Hydropower Operating Fund	1,560	1,680	1,800	1,800	1,860	1,860
Insurance & Claims Fund	2,340	3,810	4,500	3,600	3,720	3,720
Management & Finance	0	1,680	1,800	1,800	1,860	1,860
Parks Bureau	21,840	25,731	27,000	27,000	26,040	26,040
Parks Construction Fund	3,480	3,360	3,600	3,600	3,720	3,720
Police Bureau	288,600	316,625	340,200	361,453	347,820	347,820
Printing & Distribution	6,240	6,720	7,200	7,200	7,440	7,440
Refuse Disposal Fund	3,120	(120)	0	0	0	0
Transportation	98,538	96,175	102,915	83,982	35,830	35,830
Water Bureau	60,480	61,842	66,600	54,276	63,240	63,240
Workers Compensation Fund	2,340	3,810	4,500	3,600	3,720	3,720
	707,308	753,957	795,312	769,727	688,057	688,057
<b>Total Internal Revenues</b>	720,432	753,957	795,312	769,727	688,057	688,057
<b>Beginning Fund Balance</b>	20,565,575	5,991,322	5,783,796	5,783,796	1,658,482	1,658,482
<b>TOTAL RESOURCES</b>	<b>\$ 31,873,807</b>	<b>\$ 16,942,292</b>	<b>\$ 16,929,225</b>	<b>\$ 15,566,173</b>	<b>\$ 11,447,865</b>	<b>\$ 11,447,865</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>	3,466,712	3,550,903	3,662,565	3,455,542	2,123,531	2,123,531
<b>Internal Materials and Services</b>						
Communications Services	16,526	16,266	16,515	16,696	16,657	16,647
Facilities Services	1,691,620	1,360,776	4,219,476	3,950,727	2,018,284	2,014,365
Information Technology	5,701	5,220	5,075	5,231	236	234
Insurance	44,077	45,197	81,731	81,731	83,569	83,404
Printing & Distribution	0	2,572	974	0	1,716	1,713
General Services	211,263	0	0	0	0	0
Office of Management & Finance	32,915	313,992	339,178	339,178	282,358	282,358
Sustainable Development	1,740	1,782	2,323	2,323	0	0
	2,003,842	1,745,805	4,665,272	4,395,886	2,402,820	2,398,721
<b>Capital Outlay</b>	0	0	0	26,500	26,500	26,500
<b>Total Bureau Expenses</b>	5,470,554	5,296,708	8,327,837	7,877,928	4,552,851	4,548,752
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	2,569,425	0	1,108,983	1,101,415
	0	0	2,569,425	0	1,108,983	1,101,415

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>General Fund Overhead</b>	163,922	65,929	116,241	116,241	96,955	108,622
<b>Fund Cash Transfers</b>						
Downtown Parking Bond	1,943,295	2,423,082	3,634,708	3,632,508	3,737,226	3,737,226
General Fund	190,418	196,130	202,014	202,014	208,074	208,074
Morrison Park East Bond	396,835	369,817	0	0	0	0
Morrison Park West Bond	317,032	317,933	0	0	0	0
Old Town Parking Bond	665,321	491,852	0	0	0	0
Transportation Operating	16,062,926	1,341,684	1,389,000	1,389,000	1,400,000	1,400,000
Waterfront Renewal Bond	690,000	690,000	690,000	690,000	343,776	343,776
	20,265,827	5,830,498	5,915,722	5,913,522	5,689,076	5,689,076
<b>Debt Retirement</b>	(17,818)	(34,641)	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	5,991,322	5,783,798	0	1,658,482	0	0
	5,991,322	5,783,798	0	1,658,482	0	0
<b>Total Fund Requirements</b>	26,403,253	11,645,584	8,601,388	7,688,245	6,895,014	6,899,113
<b>TOTAL REQUIREMENTS</b>	<b>\$ 31,873,807</b>	<b>\$ 16,942,292</b>	<b>\$ 16,929,225</b>	<b>\$ 15,566,173</b>	<b>\$ 11,447,865</b>	<b>\$ 11,447,865</b>
<b>LINE ITEM DETAIL – AU 712</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
521000 Professional Services	1,267,250	1,184,268	855,981	1,249,459	234,896	234,896
522000 Utilities	706	465	600	0	690	690
524000 Repair & Maintenance Services	726,953	661,013	797,735	643,279	328,209	328,209
529000 Miscellaneous Services	1,281,679	1,220,648	1,672,667	1,312,809	1,341,866	1,341,866
532000 Operating Supplies	0	49,415	96,041	0	0	0
534000 Minor Equipment & Tools	1,210	0	0	0	0	0
549000 Miscellaneous	188,914	435,094	239,541	249,995	217,870	217,870
<b>Total External Materials and Services</b>	3,466,712	3,550,903	3,662,565	3,455,542	2,123,531	2,123,531
<b>Internal Materials and Services</b>						
552000 Printing & Distribution	0	2,572	974	0	1,716	1,713
553000 Facilities Services	1,691,620	1,360,776	4,219,476	3,950,727	2,018,284	2,014,365
554000 Communications Services	16,526	16,266	16,515	16,696	16,657	16,647
555000 Information Technology	5,701	5,220	5,075	5,231	236	234
556000 Insurance	44,077	45,197	81,731	81,731	83,569	83,404
559000 Other Fund Services	245,918	315,774	341,501	341,501	282,358	282,358
<b>Total Internal Materials and Services</b>	2,003,842	1,745,805	4,665,272	4,395,886	2,402,820	2,398,721
<b>Total Materials and Services</b>	5,470,554	5,296,708	8,327,837	7,851,428	4,526,351	4,522,252
<b>Capital Outlay</b>						
564000 Capital Equipment	0	0	0	26,500	26,500	26,500
<b>Total Capital Outlay</b>	0	0	0	26,500	26,500	26,500
<b>TOTAL Bureau Expenses</b>	<b>\$ 5,470,554</b>	<b>\$ 5,296,708</b>	<b>\$ 8,327,837</b>	<b>\$ 7,877,928</b>	<b>\$ 4,552,851</b>	<b>\$ 4,548,752</b>

## FUND OVERVIEW

### Smart Park Garage System

The Parking Facilities Fund supports the operation and maintenance of the City-owned parking garages in the Smart Park Garage System. The Smart Park Garage System's primary purpose is to provide convenient and economical short-term parking in the downtown area, as a way to enhance economic vitality and encourage businesses to locate and remain in the heart of the city.

These downtown garage facilities house 3,825 parking spaces and 71,803 square feet of commercial space. The facilities include the following garages: Third & Alder, Fourth & Yamhill, Naito & Davis, and Tenth & Yamhill, O'Bryant Square, and First & Jefferson.



**Transportation  
Program Support**

A portion of the fund's revenues support programs in the City of Portland's Office of Transportation. Beginning in FY 1998-99, the fund also assumed the bond debt for the construction of the Portland Streetcar, a transportation initiative aimed at relieving traffic congestion and enhancing the livability of the downtown area.

**Management**

The Office of Management and Finance manages the Parking Facilities Fund, providing oversight of contractors hired to manage the day-to-day operations and promote the garage system. The Office of Management and Finance, in cooperation with the Portland Office of Transportation and the Portland Development Commission, provides policy direction for the parking system and makes decisions regarding the garage system's business and public policy goals.

**Managing Agency**

Office of Management and Finance, General Services

**CHANGES FROM PRIOR YEAR**

The continuing economic recession has affected parking revenues. While parking revenues dropped modestly in FY 2001-02 compared to FY 2000-01 totals, by mid-point in FY 2002-03, a more significant decrease in revenues was evident when compared to revenue at the same point in the previous year. The FY 2003-04 Adopted Budget assumes that parking revenues will increase slightly due to revised policies on parking rate proration and a return to historical Event Parking policies. OMF forecasts a gradual return to pre-recession parking activity and revenues beginning in FY 2004-05.

At the same time, the fund has experienced the cost of high maintenance needs for the aging garages and relatively high costs, compared to industry standards as determined by a recent study, for garage management. The current management contract will expire by the end of FY 2002-03. The new contract will reduce costs by almost \$400,000 per year. The Adopted Budget for Parking Facilities reflects this reduction.

The fund balance has dropped significantly over the past three years - from \$5,501,000 in FY 2000-01 to \$4,012,000 in FY 2001-02 to a projected \$1,658,000 in FY 2002-03. The fund balance is projected to decrease to \$1,101,415 in FY 2003-04 if all planned major maintenance projects are completed. This is below the fund's targeted reserves of \$398,000 for operations and \$789,000 for major maintenance. OMF will delay some of the less urgent major maintenance projects planned for FY 2003-04 to maintain required reserves.

**Transportation Operating Fund – 112**

**FUND SUMMARY**

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Property Taxes</b>						
Prior Year Property Taxes	205	224	0	0	0	0
	205	224	0	0	0	0
<b>Licenses and Permits</b>						
Construction Permits	1,458,323	965,555	1,032,002	949,442	698,838	698,838
Other Permits	41,076	64,184	81,000	74,520	72,763	72,763
	1,499,399	1,029,739	1,113,002	1,023,962	771,601	771,601
<b>Service Charges and Fees</b>						
Inspection Fees	187,069	210,949	150,000	180,000	200,000	200,000
Miscellaneous	510,591	769,572	537,670	268,835	1,032,695	1,032,695
Parking Fees	11,995,298	12,308,913	12,547,600	13,147,600	15,940,539	15,940,539
Parks & Recreation Facilities	0	25	0	0	0	0
Public Works/Utility Charge	3,853,616	4,237,818	3,428,922	3,328,250	3,451,758	3,451,758
Rents and Reimbursements	1,548	981	0	0	0	0
	16,548,122	17,528,258	16,664,192	16,924,685	20,624,992	20,624,992
<b>State Sources</b>						
State Cost Sharing	269,922	1,061,276	944,993	444,993	2,364,870	2,364,870
State Grants	(2,676)	0	0	0	0	0
State Shared Revenue	22,163,901	22,027,438	22,643,506	22,043,506	21,673,000	21,573,000
	22,431,147	23,088,714	23,588,499	22,488,499	24,037,870	23,937,870
<b>Local Sources</b>						
Local Cost Sharing	5,784,408	15,089,792	20,652,228	16,232,891	20,623,605	20,623,605
Multnomah County Cost Sharing	19,328,659	20,857,687	19,632,279	20,051,616	21,341,000	21,241,000
	25,113,067	35,947,479	40,284,507	36,284,507	41,964,605	41,864,605
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	5,608,512	3,364,000	2,730,668	4,192,500	4,192,500
Collection of Assessment	2,189,786	1,156,848	2,100,000	1,720,000	1,500,000	1,700,000
Interest Earned	601,467	225,504	600,000	200,000	300,000	300,000
Other Miscellaneous	232,260	1,064,020	907,100	361,977	1,000,100	1,000,100
Private Grants/Donations	187,072	1,085,003	631,545	400,000	2,611,000	2,611,000
Refunds	109,518	57,687	5,000	5,000	5,000	5,000
Sales Miscellaneous	227,049	114,344	55,000	150,000	55,000	55,000
	3,547,152	9,311,918	7,662,645	5,567,645	9,663,600	9,863,600
<b>Total External Revenues</b>	<b>69,139,092</b>	<b>86,906,332</b>	<b>89,312,845</b>	<b>82,289,298</b>	<b>97,062,668</b>	<b>97,062,668</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
General Fund	6,456,853	6,526,974	6,424,151	6,424,151	5,285,280	5,285,280
Housing & Community Development	23,153	36,015	40,350	40,350	51,105	51,105
Parking Facilities Fund	16,062,926	1,341,684	1,389,000	1,389,000	1,400,000	1,400,000
Spectator Facilities Operating	43,173	0	0	0	0	0
Vehicle Services Fund	0	0	883,789	883,789	0	0
	22,586,105	7,904,673	8,737,290	8,737,290	6,736,385	6,736,385
<b>Federal Grants Transfers</b>	<b>4,260,392</b>	<b>3,385,065</b>	<b>4,599,977</b>	<b>1,839,990</b>	<b>11,002,770</b>	<b>11,002,770</b>
<b>Interfund Service Reimbursements</b>						
BFRES Facilities GO Bond Const	0	161,893	0	0	0	0
Communications Services	2,299	0	0	0	0	0
Development Services	260,519	284,600	288,189	288,189	288,380	288,380
Environmental Services	12,531,067	14,109,015	13,944,865	13,944,865	14,862,506	15,293,504
Environmental Svcs - Internal	0	0	4,310	4,310	4,310	4,310
Facilities Services Fund	36,301	28,000	0	1,768	0	0
Fire Bureau	4,652	0	0	0	0	0
Golf Operating Fund	1,496	483	0	0	0	0
Housing & Community Development	676,390	348,100	305,584	305,584	23,967	23,967
Information Technology Fund	123,040	134,383	139,000	139,000	142,000	142,000
LID Construction Fund	8,980,234	2,127,028	2,007,277	4,000,000	3,933,005	3,933,005
Management & Finance	0	0	0	0	0	0
Parks Bureau	70,336	23,505	20,000	20,000	20,000	20,000

Transportation Operating Fund – 112

FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Parks Construction Fund	74,452	99,804	0	0	45,000	45,000
Planning	165,000	1,989	5,000	5,000	0	0
Police Bureau	9,610	60,200	0	0	0	0
Portland Parks Trust	0	28,600	0	0	0	0
Purchases	98,275	0	0	0	0	0
Refuse Disposal Fund	605,702	152,862	0	0	0	0
Vehicle Services	5,618	0	5,000	5,000	5,000	5,000
Water Bureau	1,189,560	1,093,493	1,128,322	1,049,339	1,137,304	1,137,304
	24,834,551	18,653,955	17,847,547	19,763,055	20,461,472	20,892,470
<b>Total Internal Revenues</b>	51,681,048	29,943,693	31,184,814	30,340,335	38,200,627	38,631,625
<b>Beginning Fund Balance</b>	11,654,765	13,169,296	16,870,606	16,277,605	12,516,489	12,516,489
<b>TOTAL RESOURCES</b>	<b>\$ 132,474,905</b>	<b>\$ 130,019,321</b>	<b>\$ 137,368,265</b>	<b>\$ 128,907,238</b>	<b>\$ 147,779,784</b>	<b>\$ 148,210,782</b>

REQUIREMENTS

Bureau Expenses

<b>Personal Services</b>	47,481,518	48,505,093	51,614,252	51,351,019	54,146,373	54,146,373
<b>External Materials and Services</b>	22,710,166	26,958,961	29,765,876	22,681,991	26,693,210	26,741,832
<b>Internal Materials and Services</b>						
Communications Services	1,011,080	929,543	956,839	956,839	970,917	963,381
Facilities Services	1,675,786	1,812,921	1,742,775	1,742,775	1,986,802	1,984,772
Information Technology	523,132	1,718,669	2,429,872	2,429,872	2,353,658	2,315,718
Insurance	1,709,565	1,740,017	1,559,413	1,559,413	1,623,765	1,618,668
Printing & Distribution	377,709	387,186	482,260	396,941	438,367	435,930
Vehicle Services	6,535,597	6,626,800	6,597,574	6,597,573	7,013,649	6,952,796
City Attorney	81,686	91,167	102,820	102,820	111,350	111,350
Bureau Of Development Services	41,614	42,707	49,352	49,352	41,795	41,795
Commissioner of Public Utilities	0	0	0	0	16,000	16,000
Community Development	25,000	0	0	0	0	0
Environmental Services	338,341	504,050	581,950	581,950	1,164,575	1,164,575
Environmental Svcs - Int	0	64,173	22,370	22,370	0	0
Government Relations	13,990	13,990	13,990	13,990	13,990	13,990
Information Technology	491,583	477,728	0	0	0	0
Neighborhood Involvement	0	0	0	0	7,500	7,500
Office of Management & Finance	29,398	721,093	786,048	786,048	790,105	790,105
Parking Facilities	98,538	96,176	102,915	102,915	35,830	35,830
Parks Bureau	750,897	719,130	238,087	238,087	247,740	247,740
Parks Construction	0	0	0	6,000	0	0
Planning	150,828	195,813	271,209	271,209	241,400	241,400
Police Bureau	14,917	305,157	392,500	392,500	444,200	444,200
Portland Parks Trust	99,124	(783)	4,893	21,858	0	0
Purchases	10,830	0	0	0	0	0
Special Appropriations	0	0	22,117	22,117	22,337	22,337
Sustainable Development	25,215	21,245	16,065	16,065	20,450	20,450
Water Bureau	468,106	516,871	190,900	190,900	658,500	658,500
	14,472,936	16,983,653	16,563,949	16,501,594	18,202,930	18,087,037
<b>Capital Outlay</b>	29,423,961	16,756,219	24,075,695	21,668,125	29,615,447	29,615,447
<b>Equipment Cash Transfers</b>						
Communications Services	18,777	0	0	0	0	0
Printing & Distribution	0	0	5,716	5,716	0	0
Vehicle Operating	21,282	262,997	49,605	30,000	0	0
	40,059	262,997	55,321	35,716	0	0
<b>Minor Equipment Transfers</b>						
Communications Services	37,011	14,820	30,980	30,980	0	0
Printing & Distribution	3,600	0	0	0	0	0
	40,611	14,820	30,980	30,980	0	0
<b>Total Bureau Expenses</b>	114,169,251	109,481,743	122,106,073	112,269,425	128,657,960	128,590,689

Fund Requirements

<b>General Operating Contingency</b>						
General Operating Contingency	0	0	7,893,350	0	11,297,794	11,450,947
Prior Years Encumbered	0	0	1,638,267	0	1,000,000	1,000,000

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Compensation Adjustment	0	0	1,100,000	0	1,100,000	1,100,000
	0	0	10,631,617	0	13,397,794	13,550,947
<b>General Fund Overhead</b>	3,118,582	1,944,153	2,186,515	2,186,515	2,344,887	2,690,003
<b>Fund Cash Transfers</b>						
Improvement Bond Int & Sinking	527,108	525,782	530,278	530,278	1,650,527	1,650,527
LID Construction Fund	9,719	6,366	3,695	3,695	1,770	1,770
Pension Debt Redemption Fund	1,480,949	1,408,819	1,810,087	1,357,565	1,626,846	1,626,846
	2,017,776	1,940,967	2,344,060	1,891,538	3,279,143	3,279,143
<b>Inventory Increases</b>	0	0	100,000	0	100,000	100,000
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	13,169,296	16,652,458	0	12,559,760	0	0
	13,169,296	16,652,458	0	12,559,760	0	0
<b>Total Fund Requirements</b>	18,305,654	20,537,578	15,262,192	16,637,813	19,121,824	19,620,093
<b>TOTAL REQUIREMENTS</b>	<b>\$ 132,474,905</b>	<b>\$ 130,019,321</b>	<b>\$ 137,368,265</b>	<b>\$ 128,907,238</b>	<b>\$ 147,779,784</b>	<b>\$ 148,210,782</b>

**FUND OVERVIEW**

The Transportation Operating Fund accounts for all revenues and expenditures related to transportation operations, maintenance and capital improvements for the City of Portland’s Office of Transportation.

**Resources**

External revenues include gas taxes, parking fees and fines, intergovernmental revenues received via agreements with state and local governments and cost recovery revenues (service charges, licenses and permits). Internal revenues are from interfund cash transfers and interfund service reimbursements.

**Requirements**

Requirements include bureau expenses and fund requirements.

**Managing Agency**

Office of Transportation.

**Transportation Reserve Fund – 208**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	36,601	23,692	30,000	15,000	25,000	25,000
	36,601	23,692	30,000	15,000	25,000	25,000
<b>Total External Revenues</b>	<b>36,601</b>	<b>23,692</b>	<b>30,000</b>	<b>15,000</b>	<b>25,000</b>	<b>25,000</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	602,289	638,890	669,132	662,582	677,582	677,582
<b>TOTAL RESOURCES</b>	<b>\$ 638,890</b>	<b>\$ 662,582</b>	<b>\$ 699,132</b>	<b>\$ 677,582</b>	<b>\$ 702,582</b>	<b>\$ 702,582</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	699,132	0	702,582	702,582
	0	0	699,132	0	702,582	702,582
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	638,890	662,582	0	677,582	0	0
	638,890	662,582	0	677,582	0	0
<b>Total Fund Requirements</b>	<b>638,890</b>	<b>662,582</b>	<b>699,132</b>	<b>677,582</b>	<b>702,582</b>	<b>702,582</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 638,890</b>	<b>\$ 662,582</b>	<b>\$ 699,132</b>	<b>\$ 677,582</b>	<b>\$ 702,582</b>	<b>\$ 702,582</b>

**FUND OVERVIEW**

**History**

The Transportation Reserve Fund was created in FY 1992-93 in accordance with the Transportation Reserve Policy. The policy designates two types of reserves:

- ◆ Counter-cyclical reserves to maintain current service level programs or buffer the impact of major revenue interruptions, such as those caused by an economic recession. The reserve policy sets this as equal to 5% of Transportation’s discretionary Adopted Budget revenues.
- ◆ Emergency reserves to fund major one-time unexpected requirements, such as those related to a structural failure or road emergency associated with a natural disaster or event. The reserve policy sets this equal to 5% of Transportation’s discretionary Adopted Budget appropriations excluding contingency.

**Same funding level as current fiscal year**

Due to revenue shortfalls, the Reserve Fund will be budgeted at roughly 1% of FY 2003-04 discretionary budget appropriations.

**Managing Agency**

Office of Transportation



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**Business License Surcharge Fund – 124**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Licenses and Permits</b>						
Business Licenses	0	0	0	0	0	13,000,000
	0	0	0	0	0	-13,000,000
<b>Total External Revenues</b>	0	0	0	0	0	13,000,000
<b>Internal Revenues</b>						
<b>TOTAL RESOURCES</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 13,000,000</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Internal Materials and Services</b>						
Business Licenses	0	0	0	0	0	304,594
	0	0	0	0	0	304,594
<b>Total Bureau Expenses</b>	0	0	0	0	0	304,594
<b>Fund Requirements</b>						
<b>Fund Cash Transfers</b>						
Intermediate Debt Fund	0	0	0	0	0	12,695,406
	0	0	0	0	0	12,695,406
<b>Total Fund Requirements</b>	0	0	0	0	0	12,695,406
<b>TOTAL REQUIREMENTS</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 13,000,000</b>

**FUND OVERVIEW**

The Business License Surcharge was created to provide bridge funding for schools within the city of Portland. The 1% surcharge is applied to businesses' net income for tax year 2002. In subsequent years the Director of the Bureau of Licenses will determine the surcharge rate. This fund collects revenue from the surcharge and transfers cash to the Governmental Bond Redemption Fund to pay principal and interest on the financing of the school grant.

**Managing Agency** Bureau of Licenses

**Capital Improvement Fund – 503**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	7,072	23,365	2,475	2,475	0	0
	7,072	23,365	2,475	2,475	0	0
<b>Total External Revenues</b>	7,072	23,365	2,475	2,475	0	0
<b>Internal Revenues</b>						
Beginning Fund Balance	134,820	91,172	66,000	65,617	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 141,892</b>	<b>\$ 114,537</b>	<b>\$ 68,475</b>	<b>\$ 68,092</b>	<b>\$ 0</b>	<b>\$ 0</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
<b>Fund Cash Transfers</b>						
Intermediate Debt Fund	50,720	48,920	68,475	68,092	0	0
	50,720	48,920	68,475	68,092	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	91,172	65,617	0	0	0	0
	91,172	65,617	0	0	0	0
<b>Total Fund Requirements</b>	141,892	114,537	68,475	68,092	0	0
<b>TOTAL REQUIREMENTS</b>	<b>\$ 141,892</b>	<b>\$ 114,537</b>	<b>\$ 68,475</b>	<b>\$ 68,092</b>	<b>\$ 0</b>	<b>\$ 0</b>

**FUND OVERVIEW**

The Capital Improvement Fund previously served as a staging area for proceeds from bond and note sales recorded in the General Long-Term Debt Account Group. The proceeds, used for the acquisition of equipment and facilities necessary to provide essential City services, were recorded in this fund and then distributed to the appropriate agency.

This fund was phased out in FY 2002-03 upon maturity of investments purchased to pay down a portion of the Full Faith and Credit, 1993 Series B.

**Managing Agency** Office of Management and Finance, Financial Services

**Communications Services Operating Fund – 707**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	1,849,346	1,822,227	1,916,341	1,800,000	2,366,469	2,366,469
Rents and Reimbursements	79,185	79,059	77,525	77,525	85,521	85,521
	1,928,531	1,901,286	1,993,866	1,877,525	2,451,990	2,451,990
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	7,840,283	0	0	0	0
Interest Earned	462,193	382,763	300,000	320,000	300,000	300,000
Other Miscellaneous	9,149	5,043	2,000	75,000	2,000	2,000
Sales Miscellaneous	180,635	115,662	2,000	15,000	2,000	2,000
	651,977	8,343,751	304,000	410,000	304,000	304,000
<b>Total External Revenues</b>	<b>2,580,508</b>	<b>10,245,037</b>	<b>2,297,866</b>	<b>2,287,525</b>	<b>2,755,990</b>	<b>2,755,990</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Cable Fund	0	280,980	0	0	0	0
General Fund	0	0	257,950	257,950	250,000	250,000
Vehicle Services Fund	0	0	12,434	12,434	0	0
	0	280,980	270,384	270,384	250,000	250,000
<b>Interfund Service Reimbursements</b>						
City Attorney	47,726	50,929	48,873	46,300	47,240	46,714
City Auditor	53,331	67,013	64,844	62,700	65,453	64,751
BFRES Facilities GO Bond Const	78,070	18,646	0	20,000	231,000	231,000
Cable Commission	3,460	4,459	3,726	4,767	4,134	4,095
Cable Commission/Access	10,200	4,299	5,743	3,909	5,204	5,165
Commissioner of Public Affairs	8,887	9,291	9,548	9,029	9,089	8,972
Commissioner of Public Safety	7,932	8,386	7,437	5,260	6,729	6,641
Commissioner of Public Utilities	9,726	9,612	9,969	9,743	9,502	9,395
Commissioner of Public Works	9,006	8,848	9,535	8,833	9,421	9,313
Community Development	25,226	18,660	21,009	19,100	21,720	21,428
Development Services	380,890	409,832	436,830	386,548	396,441	392,882
Emergency Communications	353,119	389,471	441,434	347,661	416,657	408,264
Emergency Management	0	0	0	0	29,640	29,640
Environmental Services	769,249	1,611,844	707,585	750,420	1,367,033	1,360,045
Environmental Svcs - Internal	0	46,512	41,723	51,873	44,218	43,789
Facilities Services Fund	298,691	592,230	461,448	295,508	486,088	485,513
Fire Bureau	844,486	946,535	903,396	981,943	918,106	914,522
FPD&R	14,707	14,583	14,822	35,260	17,616	17,441
General Services	14,408	0	0	0	0	0
Golf Operating Fund	11,694	15,891	15,401	15,129	14,820	14,684
Government Relations	11,656	11,183	10,923	10,060	11,828	11,789
Health Insurance	8,336	8,343	8,610	8,505	9,223	9,136
Hydropower Operating Fund	5,220	5,737	6,721	5,961	6,344	6,263
Information Technology Fund	167,054	139,712	104,531	114,200	114,561	113,898
Insurance & Claims Fund	17,702	11,472	11,872	10,649	12,236	12,088
Licenses	45,654	52,888	51,518	53,385	55,435	58,849
Management & Finance	116,223	175,935	183,235	171,828	159,502	157,562
Mayor	25,459	24,032	22,117	22,456	23,711	23,408
Neighborhood Involvement	61,004	70,507	58,257	66,314	92,717	92,093
Sustainable Development	12,879	23,302	13,296	13,457	13,470	13,314
Parking Facilities Fund	16,526	16,267	16,515	16,562	16,657	16,647
Parks Bureau	490,572	513,168	504,525	494,365	512,121	508,873
Parks Capital Improvement Fund	1,229	0	0	0	0	0
Parks Construction Fund	20,330	12,287	11,686	11,828	13,135	13,009
Planning	56,300	62,595	72,190	64,505	72,292	71,571
Police Bureau	3,051,047	2,994,987	3,240,551	3,387,408	3,344,203	3,320,872
Portland International Raceway	9,735	11,241	15,604	7,042	15,954	15,905
Portland Parks Trust	374	372	385	385	387	387
Printing & Distribution	28,716	29,955	33,272	29,800	33,383	33,256
Purchases	29,041	0	0	0	0	0
Refuse Disposal Fund	12,712	24,361	12,066	15,954	15,848	15,692

**Communications Services Operating Fund – 707**

**FUND SUMMARY**

	<b>Actual FY 2000-01</b>	<b>Actual FY 2001-02</b>	<b>Revised FY 2002-03</b>	<b>Yr End Est. FY 2002-03</b>	<b>Proposed FY 2003-04</b>	<b>Adopted FY 2003-04</b>
Spectator Facilities Operating	374	172	0	0	0	0
Transportation	1,011,081	929,542	956,839	916,126	970,917	963,381
Vehicle Services	45,252	35,916	42,848	36,969	41,482	41,073
Water Bureau	1,272,617	1,206,213	1,364,819	1,198,499	1,444,774	1,437,863
Workers Compensation Fund	15,230	11,186	12,881	10,446	11,980	11,838
	<b>9,473,131</b>	<b>10,598,414</b>	<b>9,958,584</b>	<b>9,720,687</b>	<b>11,092,271</b>	<b>11,023,021</b>
<b>Equipment Cash Transfers</b>						
Police Bureau	11,200	0	0	600,878	0	0
Transportation	18,777	0	0	0	0	0
	<b>29,977</b>	<b>0</b>	<b>0</b>	<b>600,878</b>	<b>0</b>	<b>0</b>
<b>Minor Equipment and Tools</b>						
Transportation	37,011	14,820	30,980	30,977	0	0
Fire Bureau	2,407	9,619	0	0	0	0
Parks Bureau	5,633	0	0	9,963	0	0
Police Bureau	1,440,566	165,645	0	235,200	0	0
Water Bureau	23,024	0	0	0	7,600	7,600
	<b>1,508,641</b>	<b>190,084</b>	<b>30,980</b>	<b>276,140</b>	<b>7,600</b>	<b>7,600</b>
<b>Total Internal Revenues</b>	<b>11,011,749</b>	<b>11,069,478</b>	<b>10,259,948</b>	<b>10,868,089</b>	<b>11,349,871</b>	<b>11,280,621</b>
<b>Beginning Fund Balance</b>	<b>7,086,152</b>	<b>8,625,489</b>	<b>14,135,853</b>	<b>14,135,853</b>	<b>8,298,737</b>	<b>8,298,737</b>
<b>TOTAL RESOURCES</b>	<b>\$ 20,678,409</b>	<b>\$ 29,940,004</b>	<b>\$ 26,693,667</b>	<b>\$ 27,291,467</b>	<b>\$ 22,404,598</b>	<b>\$ 22,335,348</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	2,559,575	2,856,527	3,304,018	3,300,000	3,417,245	3,417,245
<b>External Materials and Services</b>	5,602,289	8,155,578	9,222,713	11,695,198	7,225,931	7,229,853
<b>Internal Materials and Services</b>						
Facilities Services	418,894	425,201	423,665	403,385	431,381	413,472
Information Technology	86,837	106,450	107,208	120,000	221,838	219,504
Insurance	61,224	60,438	81,650	81,650	83,662	83,408
Printing & Distribution	14,828	10,363	15,108	10,000	13,584	13,482
Vehicle Services	113,225	53,475	56,663	54,000	64,862	64,430
Cable Communication	0	0	0	0	10,000	10,000
General Services	362,791	0	0	0	0	0
Office of Management & Finance	4,400	392,456	399,909	399,909	373,731	373,731
Parking Facilities	8,700	10,080	5,400	5,400	3,720	3,720
Parks Bureau	192	594	0	0	0	0
Special Appropriations	0	0	987	987	1,074	1,074
Transportation	2,299	0	0	0	0	0
Water Bureau	0	12,212	0	0	0	0
Same Fund Services	0	0	0	0	0	0
	<b>1,073,390</b>	<b>1,071,269</b>	<b>1,090,590</b>	<b>1,075,331</b>	<b>1,203,852</b>	<b>1,182,821</b>
<b>Capital Outlay</b>	<b>2,050,900</b>	<b>2,600,115</b>	<b>2,374,950</b>	<b>1,720,382</b>	<b>515,000</b>	<b>515,000</b>
<b>Equipment Cash Transfers</b>						
Facilities Services	0	40,000	0	0	0	0
Printing & Distribution	0	1,000	0	0	0	0
Vehicle Operating	0	27,669	0	0	0	0
	<b>0</b>	<b>68,669</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Minor Equipment Transfers</b>						
Printing & Distribution	2,200	0	0	0	0	0
	<b>2,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Bureau Expenses</b>	<b>11,288,354</b>	<b>14,752,158</b>	<b>15,992,271</b>	<b>17,790,911</b>	<b>12,362,028</b>	<b>12,344,919</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	9,374,190	0	8,766,153	8,647,431
Compensation Adjustment	0	0	125,387	0	78,850	78,850
	<b>0</b>	<b>0</b>	<b>9,499,577</b>	<b>0</b>	<b>8,845,003</b>	<b>8,726,281</b>
<b>General Fund Overhead</b>	<b>275,205</b>	<b>258,237</b>	<b>393,561</b>	<b>393,561</b>	<b>378,761</b>	<b>445,342</b>

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>Fund Cash Transfers</b>						
General Fund	0	33,300	0	0	0	0
Pension Debt Redemption Fund	64,857	0	94,886	94,886	71,246	71,246
Sewage Operating Fund	0	159,314	0	0	0	0
	64,857	192,614	94,886	94,886	71,246	71,246
<b>Debt Retirement</b>	424,504	596,386	713,372	713,372	747,560	747,560
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	8,625,489	14,140,609	0	8,298,737	0	0
	8,625,489	14,140,609	0	8,298,737	0	0
<b>Total Fund Requirements</b>	9,390,055	15,187,846	10,701,396	9,500,556	10,042,570	9,990,429
<b>TOTAL REQUIREMENTS</b>	<b>\$ 20,678,409</b>	<b>\$ 29,940,004</b>	<b>\$ 26,693,667</b>	<b>\$ 27,291,467</b>	<b>\$ 22,404,598</b>	<b>\$ 22,335,348</b>

## FUND OVERVIEW

The Communications Services Operating Fund operates and maintains the City's telecommunications, radios, 800 MHz radio system, and other electronic systems such as 911 dispatch, sirens, radar guns, and video systems. These systems provide service to all City bureaus and agencies as well as to a growing number of other jurisdictions in the metropolitan area. Fund activities are carried out by the Bureau of Communications and Networking Services within the Office of Management and Finance.

### Revenues

The fund's major source of revenue is service reimbursement transfers from City bureaus and outside agencies. Purchase of new equipment for use by other bureaus is supported through cash transfers. Non-City customers, primarily users of the 800 MHz radio system, provide funding for use of the radio system and maintenance of radio equipment.

### Managing Agency

Office of Management and Finance, Communications and Networking Services

**Communications Services Operating Fund – 707**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Revenue Bonds, 1996 Series A (Communication Portion Only)</b>						
06/01/1996 - Due 6/1	1,001,462					
		2003/04	55,133	4.90%	36,222	91,354
		2004/05	57,518	5.00%	33,520	91,039
		2005/06	60,476	5.10%	30,644	91,120
		2006/07	63,645	5.20%	27,560	91,205
		2007/08	66,845	5.25%	24,251	91,096
		2008/09	70,439	5.25%	20,741	91,180
		2009/10	74,059	5.25%	17,043	91,102
		2010/11	77,888	5.25%	13,155	91,043
		2011/12	82,110	5.38%	9,066	91,176
		2012/13	86,560	5.38%	4,725	91,284
		<b>TOTAL</b>	<b>694,672</b>		<b>216,928</b>	<b>911,600</b>
<b>Limited Tax Revenue Bonds, 2002 Series A (Communication's Portion Only)</b>						
04/01/2002 - Due 2/1	7,795,000					
		2003/04	-		339,013	339,013
		2004/05	760,000	4.00%	339,013	1,099,013
		2005/06	815,000	4.00%	308,613	1,123,613
		2006/07	875,000	4.25%	276,013	1,151,013
		2007/08	935,000	4.25%	238,825	1,173,825
		2008/09	970,000	4.50%	199,088	1,069,088
		2009/10	940,000	4.50%	159,938	1,099,938
		2010/11	1,010,000	4.50%	117,638	1,127,638
		2011/12	1,080,000	4.50%	72,188	1,152,188
		2012/13	510,000	4.63%	23,588	533,588
		<b>TOTAL</b>	<b>7,795,000</b>		<b>2,073,913</b>	<b>9,868,913</b>
<b>Limited Tax Revenue Refunding Bonds, 2003 Series A (Communication's Portion Only)</b>						
01/15/2003 - Due 4/1	2,635,000					
		2003/04	220,000	2.00%	97,192	317,192
		2004/05	240,000	2.00%	75,850	315,850
		2005/06	245,000	2.00%	71,050	316,050
		2006/07	250,000	2.50%	66,150	316,150
		2007/08	260,000	2.75%	59,900	319,900
		2008/09	265,000	3.25%	52,750	317,750
		2009/10	270,000	3.50%	44,138	314,138
		2010/11	285,000	3.75%	34,688	319,688
		2011/12	295,000	4.00%	24,000	319,000
		2012/13	305,000	4.00%	12,200	317,200
		<b>TOTAL</b>	<b>2,635,000</b>		<b>537,917</b>	<b>3,172,917</b>
<b>COMBINED DEBT SERVICE</b>						
	5,121,462					
		2003/04	275,133		472,426	747,559
		2004/05	1,057,518		448,383	1,505,901
		2005/06	1,120,476		410,307	1,530,783
		2006/07	1,188,645		369,723	1,558,367
		2007/08	1,261,845		322,976	1,584,821
		2008/09	1,205,439		272,579	1,478,017
		2009/10	1,284,059		221,118	1,505,177
		2010/11	1,372,888		165,480	1,538,368
		2011/12	1,457,110		105,254	1,562,364
		2012/13	901,560		40,512	942,072
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 11,124,672</b>		<b>\$ 2,828,757</b>	<b>\$ 13,953,429</b>

**Facilities Services Fund – 704**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Concessions	67,368	0	0	0	0	0
Miscellaneous	920,425	38,427	0	0	0	0
Parking Fees	247,527	254,275	254,115	170,180	18,729	18,729
Rents and Reimbursements	1,656,485	1,524,591	1,738,648	1,739,000	1,610,793	1,605,420
	2,891,805	1,817,293	1,992,763	1,909,180	1,629,522	1,624,149
<b>State Sources</b>						
State Cost Sharing	156,017	159,917	156,012	156,000	156,012	156,012
	156,017	159,917	156,012	156,000	156,012	156,012
<b>Local Sources</b>						
Local Cost Sharing	661,366	2,931,862	799,031	799,000	863,091	817,264
Multnomah County Cost Sharing	489,198	701,329	748,242	748,000	758,924	755,884
	1,150,564	3,633,191	1,547,273	1,547,000	1,622,015	1,573,148
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	221,501	0	0	0	0
Interest Earned	532,499	358,162	353,565	168,000	96,983	96,983
Other Miscellaneous	279,091	284,912	0	0	0	0
	811,590	864,575	353,565	168,000	96,983	96,983
<b>Total External Revenues</b>	<b>5,009,976</b>	<b>6,474,976</b>	<b>4,049,613</b>	<b>3,780,180</b>	<b>3,504,532</b>	<b>3,450,292</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
BFRES Facilities Bond Const Fund	316,000	36,000	0	0	0	0
General Fund	3,457,890	3,409,050	2,796,150	2,796,000	2,879,202	2,879,202
Vehicle Services Fund	0	0	10,586	10,586	0	0
	3,773,890	3,445,050	2,806,736	2,806,586	2,879,202	2,879,202
<b>Interfund Service Reimbursements</b>						
City Attorney	184,711	195,322	199,488	199,488	201,276	200,591
City Auditor	348,103	358,980	359,774	359,774	367,971	366,964
BFRES Facilities GO Bond Const	1,187,262	1,541,343	1,981,000	1,981,000	2,020,000	2,020,000
Cable Commission	11,759	19,150	15,523	23,683	14,742	14,726
Cable Commission/Access	17,901	16,550	23,683	15,523	22,279	22,255
Commissioner of Public Affairs	51,297	53,346	55,343	55,343	55,841	55,654
Commissioner of Public Safety	47,479	49,674	51,302	51,302	51,760	51,585
Commissioner of Public Utilities	52,301	53,056	54,965	54,965	55,079	54,895
Commissioner of Public Works	47,425	49,416	50,777	50,777	51,230	51,058
Communications Services	418,890	425,201	423,665	423,665	431,381	413,472
Community Development	22,320	1,909	2,153	2,153	2,183	2,183
Development Services	2,263,335	2,251,631	2,245,223	2,245,223	2,122,331	2,121,066
Emergency Communications	253,156	276,533	307,512	307,512	282,613	281,756
Emergency Management	0	0	0	0	86,374	86,313
Environmental Remediation	146,584	133,663	177,748	177,748	177,042	176,664
Environmental Services	1,279,531	1,320,467	1,218,831	1,218,831	1,426,834	1,423,013
Environmental Svcs - Internal	0	7,426	6,546	2,995	8,978	8,961
Facilities Services Fund	2,456	2,158	0	0	0	0
Fire Bureau	46,489	45,240	49,669	49,669	5,027	5,012
FPD&R	114	65	0	0	0	0
General Services	105,129	0	0	0	0	0
Government Relations	26,253	27,432	28,367	28,367	28,621	28,524
Health Insurance	29,040	14,231	27,082	27,082	27,527	27,483
Housing & Community Development	20,000	0	0	0	0	0
Information Technology Fund	531,989	554,094	600,310	600,310	460,976	474,074
Insurance & Claims Fund	82,571	50,763	45,583	45,583	46,410	46,323
Licenses	324,917	293,301	286,219	286,219	287,191	287,051
Management & Finance	614,771	916,927	847,710	847,710	849,642	848,554
Mayor	112,260	115,972	117,004	117,004	118,057	117,662
Neighborhood Involvement	109,028	112,160	88,875	88,875	219,282	219,020
Sustainable Development	53,686	10,558	2,000	0	4,176	4,128
Parking Facilities Fund	1,691,621	1,360,775	4,219,476	4,219,476	2,018,284	2,014,365

Facilities Services Fund – 704

FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Parks Bureau	376,780	400,623	406,923	406,923	402,551	402,082
Parks Construction Fund	119	29	0	0	0	0
Planning	551,788	552,495	542,525	542,525	543,949	543,680
Police Bureau	5,372,611	5,007,817	5,227,458	5,313,343	5,376,511	5,367,957
Printing & Distribution	174,121	182,617	183,558	183,558	203,952	203,651
Purchases	104,190	(313)	0	0	0	0
Refuse Disposal Fund	1,826	3,688	2,995	6,546	0	0
Special Appropriations	1,644	5,880	0	0	0	0
Spectator Facilities Operating	0	0	0	0	226,803	223,548
Transportation	1,675,783	1,812,919	1,742,775	1,742,775	1,986,802	1,984,772
Vehicle Services	250,099	1,367,734	578,612	578,660	534,568	532,200
Water Bureau	2,784,514	1,624,904	1,692,629	1,692,629	1,644,107	1,640,891
Workers Compensation Fund	82,447	51,964	45,584	45,584	51,423	51,331
	21,458,300	21,267,700	23,908,887	23,992,820	22,413,773	22,373,464
<b>Equipment Cash Transfers</b>						
Communications Services	0	40,000	0	0	0	0
Emergency Communications	0	500,000	0	0	0	0
Fire Facilities Bond Constrctn	210,798	2,481,664	0	0	300,000	300,000
Police Bureau	0	37,996	0	0	0	0
Public Safety Capital Fund	0	732,023	0	0	0	0
	210,798	3,791,683	0	0	300,000	300,000
<b>Total Internal Revenues</b>	25,442,988	28,504,433	26,715,623	26,799,406	25,592,975	25,552,666
<b>Beginning Fund Balance</b>	7,377,676	7,926,010	10,829,238	10,829,000	6,459,512	6,459,512
<b>TOTAL RESOURCES</b>	<b>\$ 37,830,640</b>	<b>\$ 42,905,419</b>	<b>\$ 41,594,474</b>	<b>\$ 41,408,586</b>	<b>\$ 35,557,019</b>	<b>\$ 35,462,470</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	2,674,630	2,497,793	2,776,761	2,589,928	2,961,542	2,961,542
<b>External Materials and Services</b>	13,626,270	11,312,759	20,415,541	19,415,739	13,250,776	13,250,776
<b>Internal Materials and Services</b>						
Communications Services	298,694	592,232	461,448	461,448	486,088	485,513
Facilities Services	2,459	2,158	0	0	0	0
Information Technology	56,028	51,847	59,958	59,958	77,008	75,643
Insurance	116,141	117,147	199,360	199,360	204,012	203,522
Printing & Distribution	38,911	41,069	54,716	54,716	54,338	54,095
Vehicle Services	64,494	50,589	59,950	59,950	61,204	60,895
Environmental Services	0	24,977	0	0	0	0
General Services	441,940	0	0	0	0	0
Office of Management & Finance	83,796	577,212	643,331	643,331	615,772	615,772
Parking Facilities	156,716	160,756	165,597	165,597	171,147	171,147
Parks Bureau	90,204	88,740	97,310	97,310	97,638	97,638
Special Appropriations	0	0	198	0	0	0
Sustainable Development	11,386	6,545	8,737	8,737	17,586	17,586
Transportation	36,301	28,001	0	0	0	0
Water Bureau	35,347	14,709	0	0	0	0
	1,432,417	1,755,982	1,750,605	1,750,407	1,784,793	1,781,811
<b>Capital Outlay</b>	998,015	5,432,466	0	0	299,000	299,000
<b>Total Bureau Expenses</b>	18,731,332	20,999,000	24,942,907	23,756,074	18,296,111	18,293,129
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	5,372,284	0	6,199,266	5,981,026
Compensation Adjustment	0	0	87,261	0	66,403	66,403
	0	0	5,459,545	0	6,265,669	6,047,429
<b>General Fund Overhead</b>	779,751	937,088	995,706	996,000	981,888	1,108,561
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	65,521	0	102,603	103,000	71,975	71,975
Transportation Construction	256,000	0	0	0	0	0
	321,521	0	102,603	103,000	71,975	71,975
<b>Debt Retirement</b>	10,072,026	10,099,156	10,093,713	10,094,000	9,941,376	9,941,376



	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	7,926,010	10,870,175	0	6,459,512	0	0
	7,926,010	10,870,175	0	6,459,512	0	0
<b>Total Fund Requirements</b>	19,099,308	21,906,419	16,651,567	17,652,512	17,260,908	17,169,341
<b>TOTAL REQUIREMENTS</b>	<b>\$ 37,830,640</b>	<b>\$ 42,905,419</b>	<b>\$ 41,594,474</b>	<b>\$ 41,408,586</b>	<b>\$ 35,557,019</b>	<b>\$ 35,462,470</b>

## FUND OVERVIEW

The Facilities Services Fund accounts for all of the facilities-related programs and capital projects managed by the Bureau of General Services. The fund is self-sufficient, requiring no direct General Fund discretionary support.

### Revenues

The fund's primary source of revenue is service reimbursements and cash transfers for space rental and other services. Services include building operations and maintenance, interior space remodels and reconfigurations, and janitorial, property, and capital project management. Debt issuance has in the past been a resource for capital projects, with the resulting principal and interest obligations being incorporated into the rental rates.

### Managing Agency

Office of Management and Finance, General Services

Facilities Services Fund – 704

DEBT REDEMPTION SCHEDULE

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Revenue Bonds, 1996 Series A</b>						
06/01/1996 - Due 6/1	29,128,538					
		2003/04	1,244,867	4.90%	1,182,467	2,427,334
		2004/05	1,297,482	5.00%	1,121,468	2,418,950
		2005/06	1,364,524	5.10%	1,056,594	2,421,118
		2006/07	1,436,355	5.20%	987,004	2,423,359
		2007/08	1,508,155	5.25%	912,313	2,420,468
		2008/09	1,589,561	5.25%	833,135	2,422,696
		2009/10	1,670,941	5.25%	749,683	2,420,624
		2010/11	1,757,112	5.25%	661,959	2,419,070
		2011/12	1,852,890	5.38%	569,710	2,422,600
		2012/13	1,953,440	5.38%	470,045	2,423,486
		2013/14	2,055,000	5.60%	365,120	2,420,120
		2014/15	2,170,000	5.60%	250,040	2,420,040
		2015/16	2,295,000	5.60%	128,520	2,423,520
		TOTAL	22,195,328		9,288,059	31,483,387
<b>Limited Tax Revenue Bonds, 1998 Series A (Facilities Portion Only)</b>						
04/15/1998 - Due 6/1	28,900,000					
		2003/04	1,170,000	4.30%	1,180,700	2,350,700
		2004/05	1,230,000	4.40%	1,130,390	2,360,390
		2005/06	1,280,000	4.45%	1,076,270	2,356,270
		2006/07	1,340,000	4.50%	1,019,310	2,359,310
		2007/08	1,400,000	4.55%	959,010	2,359,010
		2008/09	1,460,000	4.60%	895,310	2,355,310
		2009/10	1,530,000	4.70%	828,150	2,358,150
		2010/11	1,600,000	4.80%	756,240	2,356,240
		2011/12	1,680,000	4.90%	679,440	2,359,440
		2012/13	1,760,000	4.95%	597,120	2,357,120
		2013/14	1,850,000	5.00%	510,000	2,360,000
		2014/15	1,940,000	5.00%	417,500	2,357,500
		2015/16	2,030,000	5.00%	320,500	2,350,500
		2016/17	2,140,000	5.00%	219,000	2,359,000
		2017/18	2,240,000	5.00%	112,000	2,352,000
		TOTAL	24,650,000		10,700,940	35,350,940
<b>Limited Tax Revenue Bonds, 1999 Series B (Facilities Portion Only)</b>						
04/15/1998 - Due 6/1	2,935,000					
		2003/04	410,000	4.30%	97,975	507,975
		2004/05	435,000	4.40%	75,425	510,425
		2005/06	460,000	4.45%	51,500	511,500
		2006/07	485,000	4.50%	28,500	513,500
		2007/08	85,000	4.55%	4,250	89,250
		TOTAL	1,875,000		257,650	2,132,650
<b>Limited Tax Revenue Bonds, 2002 Series A (Facilities Portion Only)</b>						
04/1/2002 - Due 2/1	220,000					
		2003/04	20,000	3.50%	8,500	28,500
		2004/05	20,000	4.00%	7,800	27,800
		2005/06	20,000	4.00%	7,000	27,000
		2006/07	20,000	4.25%	6,200	26,200
		2007/08	20,000	4.25%	5,350	25,350
		2008/09	25,000	4.50%	4,500	29,500
		2009/10	25,000	4.50%	3,375	28,375
		2010/11	25,000	4.50%	2,250	27,250
		2011/12	25,000	4.50%	1,125	26,125
		TOTAL	200,000		46,100	246,100

**Facilities Services Fund – 704**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Revenue Refunding Bonds, 2003 Series A (Facilities Portion Only)</b>						
01/15/2003 - Due 4/1	17,550,000					
		2003/04	3,960,000	2.00%	486,761	4,446,761
		2004/05	4,125,000	2.00%	322,713	4,447,713
		2005/06	2,770,000	2.00%	240,213	3,010,213
		2006/07	2,815,000	2.50%	184,813	2,999,813
		2007/08	2,885,000	2.75%	114,438	2,999,438
		2008/09	515,000	3.25%	35,100	550,100
		2009/10	110,000	3.50%	18,363	128,363
		2010/11	115,000	3.75%	14,513	129,513
		2011/12	125,000	4.00%	10,200	135,200
		2012/13	130,000	4.00%	5,200	135,200
		<b>TOTAL</b>	<b>17,550,000</b>		<b>1,432,311</b>	<b>18,982,311</b>
<b>COMBINED DEBT SERVICE</b>						
	78,733,538					
		2003/04	6,804,867		2,956,403	9,761,270
		2004/05	7,107,482		2,657,796	9,765,277
		2005/06	5,894,524		2,431,577	8,326,101
		2006/07	6,096,355		2,225,826	8,322,182
		2007/08	5,898,155		1,995,361	7,893,515
		2008/09	3,589,561		1,768,045	5,357,606
		2009/10	3,335,941		1,599,571	4,935,512
		2010/11	3,497,112		1,434,961	4,932,073
		2011/12	3,682,890		1,260,475	4,943,365
		2012/13	3,843,440		1,072,365	4,915,806
		2013/14	3,905,000		875,120	4,780,120
		2014/15	4,110,000		667,540	4,777,540
		2015/16	4,325,000		449,020	4,774,020
		2016/17	2,140,000		219,000	2,359,000
		2017/18	2,240,000		112,000	2,352,000
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 66,470,328</b>		<b>\$ 21,725,059</b>	<b>\$ 88,195,387</b>

Federal Grants Fund – 252

FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Federal Sources</b>						
Federal Grants	23,444,479	14,333,788	24,274,725	24,274,725	20,221,575	20,221,575
Unaccrued Prior Years Grants	1,187,131	229,854	0	0	0	0
	24,631,610	14,563,642	24,274,725	24,274,725	20,221,575	20,221,575
<b>State Sources</b>						
State Grants	143,310	243,570	785,120	785,120	0	0
	143,310	243,570	785,120	785,120	0	0
<b>Miscellaneous Revenues</b>						
Interest Earned	129,908	99,201	0	0	0	0
Private Grants/Donations	155,284	224,169	1,312,437	1,312,437	1,612,611	1,612,611
	285,192	323,370	1,312,437	1,312,437	1,612,611	1,612,611
<b>Total External Revenues</b>	<b>25,060,112</b>	<b>15,130,582</b>	<b>26,372,282</b>	<b>26,372,282</b>	<b>21,834,186</b>	<b>21,834,186</b>
<b>Internal Revenues</b>						
<b>TOTAL RESOURCES</b>	<b>\$ 25,060,112</b>	<b>\$ 15,130,582</b>	<b>\$ 26,372,282</b>	<b>\$ 26,372,282</b>	<b>\$ 21,834,186</b>	<b>\$ 21,834,186</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>	27,888	46,342	608,659	608,659	0	0
<b>Total Bureau Expenses</b>	27,888	46,342	608,659	608,659	0	0
<b>Fund Requirements</b>						
<b>Federal Grants Transfers</b>						
Bureau of Development Services	332	0	0	0	0	0
Bureau of Planning	83,392	10,495	60,000	60,000	0	0
Community Development	4,188,829	2,943,085	7,341,156	7,341,156	3,780,645	3,780,645
Environmental Services	612,522	133,767	1,607,357	1,607,357	671,307	671,307
Environmental Svcs - Internal	0	262,695	202,009	202,009	0	0
Fire Bureau	203,775	195,992	725,566	725,566	0	0
General Fund Revenue/Balance	8,123	0	0	0	0	0
Licenses	32,059	0	12,941	12,941	0	0
Mayor	50,043	0	0	0	0	0
Neighborhood Involvement	23,335	67,900	104,790	104,790	0	0
Office of Emergency Management	0	0	0	0	48,618	48,618
Sustainable Development	344,201	257,011	1,349,372	1,349,372	1,635,111	1,635,111
Parks Bureau	162,921	260,209	327,951	327,951	0	0
Parks Construction	90,934	(20,934)	1,050,000	1,050,000	572,235	572,235
Police Bureau	8,825,974	5,657,151	7,368,839	7,368,839	3,610,000	3,610,000
PIR	0	7,599	901	901	0	0
Refuse Disposal	20,535	81,535	0	0	0	0
Sewage Construction Operating	4,653,652	2,430,936	655,000	655,000	0	0
Special Appropriations	57,880	128,927	0	0	0	0
Transportation	4,260,392	3,385,063	4,599,977	4,599,977	11,002,770	11,002,770
Water Bureau	1,021,772	(147,398)	357,701	357,701	513,500	513,500
	24,640,671	15,654,033	25,763,560	25,763,560	21,834,186	21,834,186
<b>Fund Cash Transfers</b>						
General Fund	23,578	29,826	63	63	0	0
	23,578	29,826	63	63	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	367,975	(599,619)	0	0	0	0
	367,975	(599,619)	0	0	0	0
<b>Total Fund Requirements</b>	<b>25,032,224</b>	<b>15,084,240</b>	<b>25,763,623</b>	<b>25,763,623</b>	<b>21,834,186</b>	<b>21,834,186</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 25,060,112</b>	<b>\$ 15,130,582</b>	<b>\$ 26,372,282</b>	<b>\$ 26,372,282</b>	<b>\$ 21,834,186</b>	<b>\$ 21,834,186</b>

LINE ITEM DETAIL – AU 245

Materials and Services

External Materials and Services

529000 Miscellaneous Services	27,888	46,342	608,658	608,658	0	0
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549000 Miscellaneous	0	0	1	1	0	0
<b>Total External Materials and Services</b>	<b>27,888</b>	<b>46,342</b>	<b>608,659</b>	<b>608,659</b>	<b>0</b>	<b>0</b>
<b>Total Materials and Services</b>	<b>27,888</b>	<b>46,342</b>	<b>608,659</b>	<b>608,659</b>	<b>0</b>	<b>0</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 27,888</b>	<b>\$ 46,342</b>	<b>\$ 608,659</b>	<b>\$ 608,659</b>	<b>\$ 0</b>	<b>\$ 0</b>

## FUND OVERVIEW

The Federal and State Grants Fund serves as the centralized grants clearing fund for all federal, state, and foundation grants received by the City of Portland with the exception of two entitlement grants (HOME and Community Development Block Grant), which are each budgeted in a separate fund. Revenues are received in the Federal Grants Fund and transferred to operating bureaus or paid directly to the Portland Development Commission, as expenses are incurred.

**Managing Agency** Office of Management and Finance, Financial Services

**Vehicle Services Operating Fund – 705**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	96,461	80,173	0	0	30,000	30,000
Public Works/Utility Charge	93,093	17,398	30,000	36,000	0	0
	189,554	97,571	30,000	36,000	30,000	30,000
<b>Miscellaneous Revenues</b>						
Interest Earned	1,038,582	682,838	700,000	357,000	196,000	196,000
Other Miscellaneous	185,750	82,725	1,000	89,000	1,000	1,000
Refunds	15,833	18,484	0	0	0	0
Sale of Capital Assets	690,359	1,041,153	400,000	400,000	984,953	984,953
Sales Miscellaneous	5,267	1,798	1,000	15,000	1,000	1,000
	1,935,791	1,826,998	1,102,000	861,000	1,182,953	1,182,953
<b>Total External Revenues</b>	<b>2,125,345</b>	<b>1,924,569</b>	<b>1,132,000</b>	<b>897,000</b>	<b>1,212,953</b>	<b>1,212,953</b>
<b>Internal Revenues</b>						
<b>Interfund Service Reimbursements</b>						
City Attorney	3,650	2,603	4,120	4,000	4,285	4,285
City Auditor	1,761	2,267	2,369	2,300	2,460	2,460
Cable Commission	0	31	412	400	428	428
Cable Commission/Access	0	147	309	300	321	321
Commissioner of Public Affairs	332	133	309	300	321	321
Commissioner of Public Safety	954	316	578	500	0	0
Commissioner of Public Works	573	608	515	500	1,040	1,040
Communications Services	113,225	53,474	56,663	56,000	64,862	64,430
Community Development	3,460	2,584	5,665	5,600	5,886	5,886
Development Services	360,787	303,516	289,186	289,000	288,272	286,975
Emergency Communications	5,966	4,848	7,118	7,000	7,662	7,632
Emergency Management	0	0	0	0	3,244	3,226
Environmental Services	449,156	381,175	386,469	380,000	373,293	369,664
Environmental Svcs - Internal	0	40,589	39,154	39,000	33,823	33,465
Facilities Services Fund	64,496	50,590	59,950	59,000	61,204	60,895
Fire Bureau	627,905	549,186	613,576	613,000	653,349	650,925
General Services	2,606	0	0	0	0	0
Golf Operating Fund	106,663	105,823	255,566	250,000	278,943	279,009
Government Relations	21,932	372	14,700	14,000	520	520
Health Insurance	31	91	206	200	214	214
Hydropower Operating Fund	4,232	3,211	4,831	4,800	4,108	4,085
Information Technology Fund	794	488	1,442	1,400	1,498	1,498
Insurance & Claims Fund	1,619	2,125	2,575	2,500	2,678	2,678
Management & Finance	5,670	9,492	16,371	16,000	16,952	16,952
Mayor	5,557	1,834	909	900	931	931
Neighborhood Involvement	2,328	2,879	3,090	3,000	46,983	46,794
Sustainable Development	834	584	800	500	0	0
Parks Bureau	1,352,141	1,342,812	1,267,589	1,200,000	1,427,157	1,418,380
Parks Construction Fund	5,623	6,553	5,170	5,000	8,070	8,031
Planning	8,907	9,308	9,476	9,500	9,854	9,854
Police Bureau	6,068,018	5,196,379	5,636,548	5,459,700	5,833,956	5,803,033
Portland International Raceway	4,947	5,035	5,921	5,000	5,795	5,758
Printing & Distribution	29,291	24,771	33,202	33,000	31,915	31,799
Purchases	5,170	0	0	0	0	0
Refuse Disposal Fund	7,708	3,757	2,947	2,900	5,426	5,399
Special Appropriations	0	15	206	200	0	0
Transportation	6,535,588	6,626,798	6,597,574	6,500,000	7,013,649	6,952,796
Water Bureau	1,719,310	1,569,949	1,823,334	1,700,000	1,777,895	1,757,697
Workers Compensation Fund	1,148	1,150	2,575	2,500	2,678	2,678
	17,522,382	16,305,493	17,151,425	16,668,000	17,969,672	17,840,059
<b>Equipment Cash Transfers</b>						
Communications Services	0	27,669	0	0	0	0
Development Services	0	0	0	30,000	0	0
Fire Bureau	11,622	0	0	0	0	0
Golf Operating Fund	0	108,860	0	0	0	0

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Parks Bureau	258,500	243,702	0	50,000	121,545	121,545
Police Bureau	221,298	430,855	2,374	100,000	0	0
Transportation	21,282	262,997	49,605	400,000	0	0
	512,702	1,074,083	51,979	580,000	121,545	121,545
<b>Total Internal Revenues</b>	<b>18,035,084</b>	<b>17,379,576</b>	<b>17,203,404</b>	<b>17,248,000</b>	<b>18,091,217</b>	<b>17,961,604</b>
<b>Beginning Fund Balance</b>	<b>15,709,045</b>	<b>18,439,649</b>	<b>19,240,599</b>	<b>19,240,599</b>	<b>13,435,247</b>	<b>13,435,247</b>
<b>TOTAL RESOURCES</b>	<b>\$ 35,869,474</b>	<b>\$ 37,743,794</b>	<b>\$ 37,576,003</b>	<b>\$ 37,385,599</b>	<b>\$ 32,739,417</b>	<b>\$ 32,609,804</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	4,922,185	5,061,754	5,693,629	5,176,961	5,704,114	5,704,114
<b>External Materials and Services</b>	6,767,566	6,422,311	7,160,429	7,160,429	6,735,527	6,735,527
<b>Internal Materials and Services</b>						
Communications Services	45,251	35,916	42,848	42,848	41,482	41,073
Facilities Services	250,101	1,367,735	578,612	578,612	534,568	532,200
Information Technology	42,922	38,733	37,645	37,645	78,725	77,329
Insurance	250,043	238,464	220,808	220,808	226,509	225,689
Printing & Distribution	22,041	20,025	23,830	23,830	24,841	24,694
General Services	296,805	0	0	0	0	0
Office of Management & Finance	10,518	342,817	349,696	349,696	371,863	371,863
Sustainable Development	6,192	6,811	10,366	10,366	330	330
Transportation	5,618	0	5,000	5,000	5,000	5,000
Water Bureau	80,240	83,513	87,958	87,958	90,000	90,000
	1,009,731	2,134,014	1,356,763	1,356,763	1,373,318	1,368,178
<b>Capital Outlay</b>	3,971,123	4,062,181	6,592,213	7,124,094	7,387,964	7,387,964
<b>Total Bureau Expenses</b>	<b>16,670,605</b>	<b>17,680,260</b>	<b>20,803,034</b>	<b>20,818,247</b>	<b>21,200,923</b>	<b>21,195,783</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	7,290,037	0	2,194,832	1,835,097
Compensation Adjustment	0	0	104,272	0	135,302	135,302
	0	0	7,394,309	0	2,330,134	1,970,399
<b>General Fund Overhead</b>	532,492	591,376	559,066	559,066	634,491	869,753
<b>Fund Cash Transfers</b>						
Communication Services	0	0	12,434	12,434	0	0
Development Services Fund	0	0	82,200	82,200	0	0
Emergency Communications	0	0	1,633	1,633	0	0
Facilities Services	0	0	10,586	10,586	0	0
General Fund	0	0	1,360,853	1,360,853	0	0
Golf Fund	0	0	28,874	28,874	0	0
Hydropower Operating Fund	0	0	961	961	0	0
Pension Debt Redemption Fund	153,969	0	185,278	185,278	169,138	169,138
Portland International Raceway	0	0	1,921	1,921	0	0
Printing & Distribution	0	0	4,510	4,510	0	0
Transportation Operating	0	0	883,789	883,789	0	0
	153,969	0	2,573,039	2,573,039	169,138	169,138
<b>Debt Retirement</b>	72,759	244,832	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	18,439,649	19,227,326	6,246,555	13,435,247	8,404,731	8,404,731
	18,439,649	19,227,326	6,246,555	13,435,247	8,404,731	8,404,731
<b>Total Fund Requirements</b>	<b>19,198,869</b>	<b>20,063,534</b>	<b>16,772,969</b>	<b>16,567,352</b>	<b>11,538,494</b>	<b>11,414,021</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 35,869,474</b>	<b>\$ 37,743,794</b>	<b>\$ 37,576,003</b>	<b>\$ 37,385,599</b>	<b>\$ 32,739,417</b>	<b>\$ 32,609,804</b>

## FUND OVERVIEW

The Vehicle Services Operating Fund accounts for the revenues and expenses associated with Vehicle Services' operations. Vehicle Services acquires, modifies, services, repairs, and disposes of vehicles and equipment owned, leased, and rented by the City.

### Revenue

The fund's major source of revenue is service reimbursement transfers from City bureaus. Outside agencies also pay the City for vehicle maintenance services provided. As the number of City vehicles has continued to increase, the total revenue from charges to City bureaus has risen as well. Revenues from the sale of old vehicles has also grown. Funding for additional, new vehicles is accomplished through cash transfers. An increase in the number of rented and leased vehicles has also contributed to a growth in the size of the fund.

### Managing Agency

Office of Management and Finance, General Services



**Governmental Bond Redemption Fund – 702**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	0	2,250,000	0	0	144,000	144,000
Interest Earned	284	(324)	0	0	0	0
Other Miscellaneous	12,062	0	0	0	65,625	65,625
	12,346	2,249,676	0	0	209,625	209,625
<b>Total External Revenues</b>	<b>12,346</b>	<b>2,249,676</b>	<b>0</b>	<b>0</b>	<b>209,625</b>	<b>209,625</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Capital Improvement Fund	50,720	48,920	68,475	68,475	0	0
General Fund	3,796,877	3,696,379	2,977,549	2,977,549	2,090,483	2,320,483
Housing Investment Fund	132,302	3,016,609	6,950,000	6,950,000	4,854,000	4,854,000
Parks Construction Fund	51,270	55,346	421,521	421,521	407,363	407,363
Special Revenue and Finance	9,293	0	0	10,500	0	0
TR/ Bus Lic Surcharge	0	0	0	0	0	12,695,406
	4,040,462	6,817,254	10,417,545	10,428,045	7,351,846	20,277,252
<b>Interfund Service Reimbursements</b>						
Licenses	49,137	0	0	0	0	0
Parks Bureau	29,063	29,140	29,180	30,389	12,097	12,097
	78,200	29,140	29,180	30,389	12,097	12,097
<b>Total Internal Revenues</b>	<b>4,118,662</b>	<b>6,846,394</b>	<b>10,446,725</b>	<b>10,458,434</b>	<b>7,363,943</b>	<b>20,289,349</b>
<b>Beginning Fund Balance</b>	<b>47,463</b>	<b>52,474</b>	<b>0</b>	<b>52,150</b>	<b>0</b>	<b>0</b>
<b>TOTAL RESOURCES</b>	<b>\$ 4,178,471</b>	<b>\$ 9,148,544</b>	<b>\$ 10,446,725</b>	<b>\$ 10,510,584</b>	<b>\$ 7,573,568</b>	<b>\$ 20,498,974</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	3,119	1,403	0	0	4,000	4,000
<b>Total Bureau Expenses</b>	<b>3,119</b>	<b>1,403</b>	<b>0</b>	<b>0</b>	<b>4,000</b>	<b>4,000</b>
<b>Fund Requirements</b>						
<b>Debt Retirement</b>						
	4,122,878	9,094,991	10,446,725	10,510,584	7,569,568	20,494,974
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	52,474	52,150	0	0	0	0
	52,474	52,150	0	0	0	0
<b>Total Fund Requirements</b>	<b>4,175,352</b>	<b>9,147,141</b>	<b>10,446,725</b>	<b>10,510,584</b>	<b>7,569,568</b>	<b>20,494,974</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 4,178,471</b>	<b>\$ 9,148,544</b>	<b>\$ 10,446,725</b>	<b>\$ 10,510,584</b>	<b>\$ 7,573,568</b>	<b>\$ 20,498,974</b>
<b>LINE ITEM DETAIL – AU 782</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
545000 Interest	(133)	0	0	0	0	0
549000 Miscellaneous	3,252	1,403	0	0	4,000	4,000
<b>Total External Materials and Services</b>	<b>3,119</b>	<b>1,403</b>	<b>0</b>	<b>0</b>	<b>4,000</b>	<b>4,000</b>
<b>Total Materials and Services</b>	<b>3,119</b>	<b>1,403</b>	<b>0</b>	<b>0</b>	<b>4,000</b>	<b>4,000</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 3,119</b>	<b>\$ 1,403</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 4,000</b>	<b>\$ 4,000</b>

**FUND OVERVIEW**

This fund is used to achieve a proper matching of revenues and expenditures related to financing the acquisition of equipment and facilities necessary for providing essential City services. Specifically, this fund accounts for resources, and allocation thereof, to pay principal and interest on outstanding indebtedness in the General Long-term Debt Account Group, primarily on capital lease and note obligations including the Parks System Development Charge line of credit, Housing Preservation line of credit and the Funding for Education line of credit.



**Governmental Bond Redemption Fund – 702**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>State of Oregon Energy Loan - Multnomah Arts Center</b>						
	100,902					
		2003/04	9,438	7.50%	2,659	12,097
		2004/05	10,231	7.50%	2,573	12,804
		2005/06	11,025	7.50%	1,779	12,804
		2006/07	11,882	7.50%	922	12,804
		2007/08	6,789	7.50%	120	6,909
		<b>TOTAL</b>	<b>49,365</b>		<b>8,053</b>	<b>57,418</b>
<b>Limited Tax Revenue Bonds, 1998 Series B (General Fund Portion Only)</b>						
06/15/1998 - Due 6/1	8,499,490					
		2003/04	110,000	4.10%	106,243	216,243
		2004/05	115,000	4.20%	101,733	216,733
		2005/06	120,000	4.25%	96,903	216,903
		2006/07	125,000	4.30%	91,803	216,803
		2007/08	130,000	4.35%	86,428	216,428
		2008/09	140,000	4.40%	80,773	220,773
		2009/10	145,000	4.45%	74,613	219,613
		2010/11	150,000	4.55%	68,160	218,160
		2011/12	155,000	4.65%	61,335	216,335
		2012/13	165,000	4.75%	54,128	219,128
		2013/14	170,000	4.80%	46,290	216,290
		2014/15	180,000	4.85%	38,130	218,130
		2015/16	190,000	4.90%	29,400	219,400
		2016/17	200,000	4.90%	20,090	220,090
		2017/18	210,000	4.90%	10,290	220,290
		<b>TOTAL</b>	<b>2,305,000</b>		<b>966,315</b>	<b>3,271,315</b>
<b>Limited Tax Revenue Bonds, 1999 Series B (General Fund Portion Only)</b>						
11/01/1999 - Due 4/1	10,135,000					
		2003/04	1,200,000	5.50%	383,340	1,583,340
		2004/05	1,090,000	5.50%	317,340	1,407,340
		2005/06	210,000	5.00%	257,390	467,390
		2006/07	220,000	5.00%	246,890	466,890
		2007/08	235,000	5.00%	235,890	470,890
		2008/09	245,000	5.10%	224,140	469,140
		2009/10	260,000	5.25%	211,645	471,645
		2010/11	270,000	5.30%	197,995	467,995
		2011/12	285,000	5.40%	183,685	468,685
		2012/13	300,000	5.50%	168,295	468,295
		2013/14	315,000	5.63%	151,795	466,795
		2014/15	335,000	5.70%	134,076	469,076
		2015/16	355,000	5.75%	114,981	469,981
		2016/17	375,000	5.75%	94,569	469,569
		2017/18	395,000	5.75%	73,006	468,006
		2018/19	420,000	5.75%	50,294	470,294
		2019/20	445,000	5.88%	26,144	471,144
		<b>TOTAL</b>	<b>6,955,000</b>		<b>3,071,475</b>	<b>10,026,475</b>
<b>Limited Tax Revenue Bonds, 2002 Series A (Parks SDC &amp; Streetcar Portion Only)</b>						
4/01/2002 - Due 2/1	3,305,000					
		2003/04	480,000	3.50%	115,825	595,825
		2004/05	490,000	4.00%	99,025	589,025
		2005/06	515,000	4.00%	79,425	594,425
		2006/07	245,000	4.25%	58,825	303,825
		2007/08	255,000	4.25%	48,413	303,413

**Governmental Bond Redemption Fund – 702**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2008/09	265,000	4.50%	37,575	302,575
		2009/10	280,000	4.50%	25,650	305,650
		2010/11	290,000	4.50%	13,050	303,050
		<b>TOTAL</b>	<b>2,820,000</b>		<b>477,788</b>	<b>3,297,788</b>
<b>TOTAL - Limited Tax Revenue Bonds</b>	<b>21,634,070</b>					
		2003/04	1,790,000		605,408	2,395,408
		2004/05	1,695,000		518,098	2,213,098
		2005/06	845,000		433,718	1,278,718
		2006/07	590,000		397,518	987,518
		2007/08	620,000		370,730	990,730
		2008/09	650,000		342,488	992,488
		2009/10	685,000		311,908	996,908
		2010/11	710,000		279,205	989,205
		2011/12	440,000		245,020	685,020
		2012/13	465,000		222,423	687,423
		2013/14	485,000		198,085	683,085
		2014/15	515,000		172,206	687,206
		2015/16	545,000		144,381	689,381
		2016/17	575,000		114,659	689,659
		2017/18	605,000		83,296	688,296
		2018/19	420,000		50,294	470,294
		2019/20	445,000		26,144	471,144
<b>TOTAL LIMITED TAX REVENUE</b>			<b>12,080,000</b>		<b>4,515,578</b>	<b>16,595,578</b>
<b>Housing Preservation</b>						
<b>Projected Short-term Line of Credit Repayment</b>						
		2003/04	4,700,000	Variable	150,000	4,850,000
		<b>TOTAL</b>	<b>4,700,000</b>		<b>150,000</b>	<b>4,850,000</b>
<b>Parks SDC</b>						
<b>Projected Short-term Line of Credit Repayment</b>						
		2003/04	0		102,438	102,438
		<b>TOTAL</b>	<b>0</b>		<b>102,438</b>	<b>102,438</b>
<b>Funding for Education</b>						
<b>Projected Short-term Line of Credit Repayment</b>						
		2003/04	12,205,406		490,000	12,695,406
		<b>TOTAL</b>	<b>12,205,406</b>		<b>490,000</b>	<b>12,695,406</b>
<b>Children's Receiving Center</b>						
<b>Projected Short-term Line of Credit Repayment</b>						
		2003/04	150,000		80,000	230,000
		<b>TOTAL</b>	<b>150,000</b>		<b>80,000</b>	<b>230,000</b>
<b>PDC Technology Improvements</b>						
<b>Projected Short-term Line of Credit Repayment</b>						
		2003/04	0		65,625	65,625
		<b>TOTAL</b>	<b>0</b>		<b>65,625</b>	<b>65,625</b>
<b>Streetcar Extension</b>						
<b>Projected Short-term Line of Credit Repayment</b>						
		2003/04	0		144,000	144,000
		<b>TOTAL</b>	<b>0</b>		<b>144,000</b>	<b>144,000</b>

**Governmental Bond Redemption Fund – 702**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>COMBINED DEBT SERVICE</b>						
	22,618,982					
		2003/04	18,854,844		1,640,130	20,494,974
		2004/05	1,705,231		520,671	2,225,902
		2005/06	856,025		435,497	1,291,522
		2006/07	601,882		398,439	1,000,321
		2007/08	626,789		370,850	997,639
		2008/09	650,000		342,488	992,488
		2009/10	685,000		311,908	996,908
		2010/11	710,000		279,205	989,205
		2011/12	440,000		245,020	685,020
		2012/13	465,000		222,423	687,423
		2013/14	485,000		198,085	683,085
		2014/15	515,000		172,206	687,206
		2015/16	545,000		144,381	689,381
		2016/17	575,000		114,659	689,659
		2017/18	605,000		83,296	688,296
		2018/19	420,000		50,294	470,294
		2019/20	445,000		26,144	471,144
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 29,184,771</b>		<b>\$ 5,555,694</b>	<b>\$ 34,740,464</b>

# Health Insurance Fund – 701

## FUND SUMMARY

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Health Care Charges	27,467,075	29,998,680	26,416,550	27,490,820	29,176,537	29,176,537
	27,467,075	29,998,680	26,416,550	27,490,820	29,176,537	29,176,537
<b>Miscellaneous Revenues</b>						
Interest Earned	1,903,252	983,978	419,769	479,254	238,833	211,695
Other Miscellaneous	3,086,274	3,062,434	404,077	1,002,732	735,250	735,250
	4,989,526	4,046,412	823,846	1,481,986	974,083	946,945
<b>Total External Revenues</b>	<b>32,456,601</b>	<b>34,045,092</b>	<b>27,240,396</b>	<b>28,972,806</b>	<b>30,150,620</b>	<b>30,123,482</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Supp Retire Program Trust Fund	269,615	0	0	0	0	0
	269,615	0	0	0	0	0
<b>Total Internal Revenues</b>	<b>269,615</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Beginning Fund Balance</b>	<b>31,856,257</b>	<b>28,063,182</b>	<b>23,008,089</b>	<b>23,008,089</b>	<b>20,261,692</b>	<b>18,161,692</b>
<b>TOTAL RESOURCES</b>	<b>\$ 64,582,473</b>	<b>\$ 62,108,274</b>	<b>\$ 50,248,485</b>	<b>\$ 51,980,895</b>	<b>\$ 50,412,312</b>	<b>\$ 48,285,174</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	380,133	375,569	422,088	422,088	467,942	467,942
<b>External Materials and Services</b>	35,665,079	38,128,027	30,601,170	30,567,909	32,193,068	32,193,068
<b>Internal Materials and Services</b>						
Communications Services	8,336	8,343	8,610	8,610	9,223	9,136
Facilities Services	29,040	14,231	27,082	27,082	27,527	27,483
Information Technology	140,650	139,418	122,141	122,141	381,850	376,556
Insurance	6,294	6,202	5,988	5,988	6,135	6,117
Printing & Distribution	34,631	28,790	36,836	36,836	34,791	34,709
Vehicle Services	31	91	206	206	214	214
City Attorney	0	142,671	100,697	100,697	99,986	99,986
Office of Management & Finance	32,972	70,427	149,812	149,812	171,952	171,952
	251,954	410,173	451,372	451,372	731,678	726,153
<b>Total Bureau Expenses</b>	<b>36,297,166</b>	<b>38,913,769</b>	<b>31,474,630</b>	<b>31,441,369</b>	<b>33,392,688</b>	<b>33,387,163</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	18,486,167	0	16,769,592	14,607,963
Compensation Adjustment	0	0	9,854	0	10,526	10,526
	0	0	18,496,021	0	16,780,118	14,618,489
<b>General Fund Overhead</b>	209,959	174,237	263,040	263,040	226,141	266,157
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	12,166	0	14,794	14,794	13,365	13,365
	12,166	0	14,794	14,794	13,365	13,365
<b>Debt Retirement</b>	0	12,876	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	28,063,182	23,007,392	0	20,261,692	0	0
	28,063,182	23,007,392	0	20,261,692	0	0
<b>Total Fund Requirements</b>	<b>28,285,307</b>	<b>23,194,505</b>	<b>18,773,855</b>	<b>20,539,526</b>	<b>17,019,624</b>	<b>14,898,011</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 64,582,473</b>	<b>\$ 62,108,274</b>	<b>\$ 50,248,485</b>	<b>\$ 51,980,895</b>	<b>\$ 50,412,312</b>	<b>\$ 48,285,174</b>

## FUND OVERVIEW

### Fund Purpose

The Health Insurance Fund is administered by the Office of Management and Finance, Bureau of Human Resources. The fund pays medical claims for City employees, dependents, retirees, and other participants in the City's self-insured medical plans.

<b>Expenditures</b>	Health Fund expenses include claims, claims administration, premium administration, preferred provider contract fees, utilization management fees, large case management fees, benefits administration costs, and General Fund overhead charges. Benefits administration staff and related materials and services are also budgeted within the Health Fund.
<b>Reserves</b>	The fund reserve must be sufficient to cover reserves for large claims (those exceeding \$100,000 in a plan year) and Incurred But Not Reported (IBNR) claims. The IBNR reserve is 15.5% of total expected claims and 4.0% of prescription drug claims in a plan year. In FY 2003-04, the IBNR and large claims reserves are \$4.14 million and \$1.84 million, respectively. All interest accrued to the Health Fund is dedicated to meeting fund obligations.
<b>Managing Agency</b>	Office of Management and Finance, Human Resources

**Information Technology Fund – 711**

**FUND SUMMARY**

	<b>Actual FY 2000–01</b>	<b>Actual FY 2001–02</b>	<b>Revised FY 2002–03</b>	<b>Yr End Est. FY 2002–03</b>	<b>Proposed FY 2003–04</b>	<b>Adopted FY 2003–04</b>
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Local Sources</b>						
Local Cost Sharing	109,324	199,534	101,375	255,567	226,854	225,711
	109,324	199,534	101,375	255,567	226,854	225,711
<b>Miscellaneous Revenues</b>						
Interest Earned	447,264	201,593	120,000	120,000	120,000	120,000
Other Miscellaneous	47,327	46,813	20,799	21,047	838	1,000
	494,591	248,406	140,799	141,047	120,838	121,000
<b>Total External Revenues</b>	<b>603,915</b>	<b>447,940</b>	<b>242,174</b>	<b>396,614</b>	<b>347,692</b>	<b>346,711</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
General Fund	690,030	388,252	474,900	474,900	818,419	818,419
	690,030	388,252	474,900	474,900	818,419	818,419
<b>Interfund Service Reimbursements</b>						
City Attorney	42,078	39,853	42,635	42,635	77,168	75,843
City Auditor	279,451	379,100	468,636	468,636	243,828	239,611
Cable Commission	7,954	8,742	9,118	9,118	7,560	7,424
Cable Commission/Access	22,694	11,639	13,676	13,676	8,989	8,831
Commissioner of Public Affairs	19,067	20,504	14,833	14,833	13,405	13,173
Commissioner of Public Safety	23,509	25,618	19,789	19,789	11,671	11,471
Commissioner of Public Utilities	19,836	21,238	15,481	15,481	13,910	13,670
Commissioner of Public Works	21,728	23,011	17,270	17,270	14,728	14,478
Communications Services	86,837	106,450	107,208	107,208	221,838	219,504
Community Development	64,575	164,493	153,647	188,647	51,664	50,780
Development Services	391,624	867,366	808,025	808,025	844,468	831,442
Emergency Communications	145,574	1,505,216	1,577,629	1,577,629	1,260,261	1,233,883
Emergency Management	0	0	0	0	100,000	100,000
Environmental Remediation	1,476	1,352	1,315	1,315	0	0
Environmental Services	1,021,858	1,723,576	2,068,136	2,229,924	1,702,859	1,680,362
Facilities Services Fund	56,028	51,847	59,958	59,958	77,008	75,643
Fire Bureau	366,517	750,677	1,095,572	1,184,871	1,109,460	1,090,200
FPD&R	14,823	13,525	14,442	14,442	12,633	12,422
General Services	7,950	0	0	0	0	0
Golf Operating Fund	16,645	15,039	14,617	14,617	8,101	7,960
Government Relations	47,412	40,034	30,323	30,323	16,168	15,885
Health Insurance	140,650	139,418	122,141	122,141	381,850	376,556
Hydropower Operating Fund	2,933	2,772	2,695	2,695	2,565	2,520
Insurance & Claims Fund	46,271	26,876	32,889	32,889	24,576	24,238
Licenses	49,445	234,485	240,506	253,633	177,418	176,785
Management & Finance	838,371	761,016	1,020,717	1,164,766	3,005,677	3,117,339
Mayor	66,356	72,209	69,332	69,332	43,451	42,721
Neighborhood Involvement	65,536	73,630	76,882	76,882	77,526	76,202
Sustainable Development	19,056	24,681	20,518	20,518	32,300	31,733
Parking Facilities Fund	5,701	5,221	5,075	5,075	236	234
Parks Bureau	292,635	801,099	824,077	824,077	674,279	663,086
Parks Construction Fund	12,689	11,539	21,215	21,215	984	972
Planning	217,226	227,428	222,098	222,098	147,610	145,074
Police Bureau	863,400	1,906,332	1,901,043	1,914,043	2,276,270	2,238,117
Portland International Raceway	2,562	2,315	2,251	2,251	5,833	5,730
Printing & Distribution	219,178	255,742	137,427	137,427	160,450	157,572
Public Safety Capital	1,979	1,813	1,763	1,763	0	0
Purchases	58,998	0	0	0	0	0
Refuse Disposal Fund	10,961	30,605	26,011	26,011	17,642	17,347
Transportation	1,014,715	2,215,938	2,429,872	2,471,872	2,353,658	2,315,718
Vehicle Services	42,922	38,733	37,645	39,184	78,725	77,329
Water Bureau	1,101,954	2,038,162	2,102,575	2,246,645	1,858,252	1,832,812
Workers Compensation Fund	46,866	26,778	32,889	32,889	25,321	24,970
	7,778,040	14,666,072	15,861,931	16,505,803	17,140,342	17,029,637



	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>Intra-Fund Service Reimbursement</b>	129,400	162,323	167,078	167,078	0	0
<b>Total Internal Revenues</b>	8,597,470	15,216,647	16,503,909	17,147,781	17,958,761	17,848,056
<b>Beginning Fund Balance</b>	8,523,092	7,749,211	5,018,152	5,018,152	4,258,444	4,258,444
<b>TOTAL RESOURCES</b>	<b>\$ 17,724,477</b>	<b>\$ 23,413,798</b>	<b>\$ 21,764,235</b>	<b>\$ 22,562,547</b>	<b>\$ 22,564,897</b>	<b>\$ 22,453,211</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	4,104,223	10,837,222	11,551,653	11,466,560	11,723,525	11,723,525
<b>External Materials and Services</b>	2,911,845	4,546,755	3,478,138	3,643,138	3,435,784	3,435,784
<b>Internal Materials and Services</b>						
Communications Services	167,055	139,711	104,531	100,000	114,561	113,898
Facilities Services	531,991	554,093	600,310	600,310	460,976	474,074
Information Technology	26,778	29,300	0	0	0	0
Insurance	47,847	47,150	45,524	45,524	46,634	46,498
Printing & Distribution	10,204	10,497	12,080	11,550	11,427	11,360
Vehicle Services	794	488	1,442	1,000	1,498	1,498
Community Development	35,000	0	0	0	0	0
Office of Management & Finance	74,246	97,323	474,113	474,113	499,210	499,210
Special Appropriations	0	0	20,339	20,339	21,692	21,692
Transportation	123,040	134,383	139,000	139,000	142,000	142,000
Same Fund Services	102,622	133,023	167,078	167,078	0	0
	1,119,577	1,145,968	1,564,417	1,558,914	1,297,998	1,310,230
<b>Capital Outlay</b>	103,331	495,937	0	5,853	30,000	30,000
<b>Minor Equipment Transfers</b>						
Printing & Distribution	0	3,000	0	0	0	0
	0	3,000	0	0	0	0
<b>Total Bureau Expenses</b>	<b>8,238,976</b>	<b>17,028,882</b>	<b>16,594,208</b>	<b>16,674,465</b>	<b>16,487,307</b>	<b>16,499,539</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	3,420,389	0	3,927,493	3,748,826
Compensation Adjustment	0	0	120,000	0	507,144	507,144
	0	0	3,540,389	0	4,434,637	4,255,970
<b>General Fund Overhead</b>	129,871	215,116	452,805	452,805	365,451	420,200
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	118,138	0	161,058	161,058	129,777	129,777
	118,138	0	161,058	161,058	129,777	129,777
<b>Debt Retirement</b>	1,488,281	1,168,811	1,015,775	1,015,775	1,147,725	1,147,725
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	7,749,211	5,000,989	0	4,258,444	0	0
	7,749,211	5,000,989	0	4,258,444	0	0
<b>Total Fund Requirements</b>	<b>9,485,501</b>	<b>6,384,916</b>	<b>5,170,027</b>	<b>5,888,082</b>	<b>6,077,590</b>	<b>5,953,672</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 17,724,477</b>	<b>\$ 23,413,798</b>	<b>\$ 21,764,235</b>	<b>\$ 22,562,547</b>	<b>\$ 22,564,897</b>	<b>\$ 22,453,211</b>

## FUND OVERVIEW

The Information Technology Fund provides information technology support through its three primary programs, Bureau Administration, Operations, and Strategic Technology, to all City bureaus and agencies as well as to some non-City agencies. Fund activities are carried out by the Bureau of Technology Services within the Office of Management and Finance.

**Revenues**                    The fund’s major source of revenue is service reimbursement transfers from City bureaus, with limited funding coming from non-City agencies. The fund also receives resources from the General Fund in support of the Corporate Geographic Information Systems (GIS) program.

**Managing Agency**        Office of Management and Finance, Technology Services

**Information Technology Fund – 711**

**Debt Redemption Schedule**

<b>Bond Description</b>	<b>Amount Issued</b>	<b>Fiscal Year</b>	<b>Principal</b>	<b>Coupon</b>	<b>Interest</b>	<b>Total P+I</b>
<b>Limited Tax Revenue Bonds, 1999</b>						
<b>Series B (Information Systems</b>						
<b>Portion Only)</b>						
04/15/1998 - Due 6/1	5,560,000					
		2003/04	995,000	5.50%	152,725	1,147,725
		2004/05	1,450,000	5.50%	98,000	1,548,000
		2005/06	365,000	5.00%	18,250	383,250
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 2,810,000</b>		<b>\$ 268,975</b>	<b>\$ 3,078,975</b>

**Insurance and Claims Operating Fund – 708**

**FUND SUMMARY**

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	516,700	420,869	283,319	283,319	181,450	181,450
Other Miscellaneous	78,749	56,719	47,555	47,555	5,000	5,000
	595,449	477,588	330,874	330,874	186,450	186,450
<b>Total External Revenues</b>	<b>595,449</b>	<b>477,588</b>	<b>330,874</b>	<b>330,874</b>	<b>186,450</b>	<b>186,450</b>
<b>Internal Revenues</b>						
<b>Interfund Service Reimbursements</b>						
City Attorney	41,465	42,516	35,137	35,137	35,927	35,856
City Auditor	39,947	40,960	33,980	33,980	34,745	34,676
Cable Commission	5,363	5,499	6,708	6,708	6,859	6,846
Cable Commission/Access	8,044	8,248	10,063	10,063	10,289	10,268
Commissioner of Public Affairs	7,598	7,791	5,561	5,561	5,686	5,675
Commissioner of Public Safety	7,372	7,559	6,505	6,505	6,651	6,638
Commissioner of Public Utilities	6,798	6,970	6,078	6,078	6,215	6,203
Commissioner of Public Works	7,934	8,135	6,463	6,463	6,608	6,595
Communications Services	38,363	39,336	42,771	42,771	43,733	43,646
Community Development	16,514	16,933	16,646	16,646	17,020	16,986
Development Services	536,361	549,960	328,545	328,545	307,743	307,077
Emergency Communications	210,580	215,919	92,646	92,646	94,729	94,541
Environmental Services	571,320	581,947	453,706	453,706	486,914	485,949
Facilities Services Fund	97,200	99,664	161,894	161,894	165,534	165,206
Fire Bureau	431,094	468,165	285,267	285,267	319,800	319,166
General Services	2,492	0	0	0	0	0
Golf Operating Fund	39,836	40,846	31,732	31,732	32,445	32,381
Government Relations	6,056	6,210	5,273	5,273	5,392	5,381
Health Insurance	3,838	3,935	3,495	3,495	3,574	3,567
Hydropower Operating Fund	29,112	29,850	57,277	57,277	58,565	58,449
Information Technology Fund	29,174	29,914	26,567	26,567	27,165	27,111
Licenses	32,247	33,065	27,845	27,845	28,471	30,246
Management & Finance	61,154	93,508	81,539	81,539	83,373	83,207
Mayor	17,426	17,868	12,505	12,505	12,786	12,761
Neighborhood Involvement	29,905	30,663	28,587	28,587	57,420	57,362
Sustainable Development	8,118	8,324	9,517	9,517	9,731	9,711
Parking Facilities Fund	44,078	45,196	81,731	81,731	83,569	83,404
Parks Bureau	369,760	374,895	301,457	301,457	314,200	313,577
Planning	129,994	133,290	234,015	234,015	239,277	238,803
Police Bureau	2,691,608	2,755,230	2,994,370	2,994,370	3,100,051	3,093,903
Portland International Raceway	20,682	21,206	29,739	29,739	30,408	30,348
Printing & Distribution	26,297	26,964	25,089	25,089	25,653	25,602
Purchases	22,098	0	0	0	0	0
Refuse Disposal Fund	13,575	13,919	9,718	9,718	9,937	9,917
Transportation	1,098,340	1,151,142	739,473	739,473	776,552	775,012
Vehicle Services	60,434	61,966	58,064	58,064	59,370	59,252
Water Bureau	530,925	524,766	686,984	686,984	704,989	703,591
Workers Compensation Fund	8,685	5,592	4,966	4,966	5,078	5,068
	7,301,787	7,507,951	6,941,913	6,941,913	7,216,459	7,203,981
<b>Intra-Fund Service Reimbursement</b>	<b>7,675</b>	<b>5,592</b>	<b>4,966</b>	<b>4,966</b>	<b>5,078</b>	<b>5,068</b>
<b>Total Internal Revenues</b>	<b>7,309,462</b>	<b>7,513,543</b>	<b>6,946,879</b>	<b>6,946,879</b>	<b>7,221,537</b>	<b>7,209,049</b>
<b>Beginning Fund Balance</b>	<b>8,166,560</b>	<b>11,134,404</b>	<b>13,715,115</b>	<b>13,715,115</b>	<b>13,970,112</b>	<b>13,970,112</b>
<b>TOTAL RESOURCES</b>	<b>\$ 16,071,471</b>	<b>\$ 19,125,535</b>	<b>\$ 20,992,868</b>	<b>\$ 20,992,868</b>	<b>\$ 21,378,099</b>	<b>\$ 21,365,611</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>						
External Materials and Services	815,851	743,211	668,000	668,000	628,174	628,174
<b>Internal Materials and Services</b>						
Communications Services	2,813,103	3,012,923	4,531,224	4,490,147	4,681,114	4,681,114
Facilities Services	17,702	11,472	11,872	11,872	12,236	12,088
Information Technology	82,570	50,763	45,583	45,583	46,410	46,323
	46,271	26,876	32,889	32,889	24,576	24,238

**Insurance and Claims Operating Fund – 708**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Insurance	12,587	3,222	8,510	8,510	8,717	8,692
Printing & Distribution	12,242	13,451	17,287	17,287	14,763	14,648
Vehicle Services	1,619	2,125	2,575	2,575	2,678	2,678
City Attorney	922,134	1,032,036	1,135,069	1,135,069	1,156,121	1,156,121
General Services	12,586	0	0	0	0	0
Office of Management & Finance	23,072	350,702	384,425	384,425	408,608	408,608
Parking Facilities	2,340	3,810	4,500	4,500	3,720	3,720
Police Bureau	0	2,675	0	0	0	0
Same Fund Services	0	5,592	0	0	0	0
	1,133,123	1,502,724	1,642,710	1,642,710	1,677,829	1,677,116
<b>Total Bureau Expenses</b>	<b>4,762,077</b>	<b>5,258,858</b>	<b>6,841,934</b>	<b>6,800,857</b>	<b>6,987,117</b>	<b>6,986,404</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	13,920,805	0	14,162,114	14,130,701
Compensation Adjustment	0	0	27,365	0	16,962	16,962
	0	0	13,948,170	0	14,179,076	14,147,663
<b>General Fund Overhead</b>	<b>146,239</b>	<b>124,306</b>	<b>169,842</b>	<b>169,842</b>	<b>180,323</b>	<b>199,961</b>
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	28,751	29,225	32,922	24,692	31,583	31,583
	28,751	29,225	32,922	24,692	31,583	31,583
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	11,134,404	13,713,146	0	13,997,477	0	0
	11,134,404	13,713,146	0	13,997,477	0	0
<b>Total Fund Requirements</b>	<b>11,309,394</b>	<b>13,866,677</b>	<b>14,150,934</b>	<b>14,192,011</b>	<b>14,390,982</b>	<b>14,379,207</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 16,071,471</b>	<b>\$ 19,125,535</b>	<b>\$ 20,992,868</b>	<b>\$ 20,992,868</b>	<b>\$ 21,378,099</b>	<b>\$ 21,365,611</b>

**LINE ITEM DETAIL – AU 572**

<b>Personnel Services</b>						
511000 Full-Time Employees	507,243	497,107	498,594	498,594	477,383	477,383
512000 Part-Time Employees	13,093	0	0	0	0	0
517000 Benefits	201,023	166,891	169,406	169,406	150,791	150,791
518000 Paid Absence	94,492	79,213	0	0	0	0
<b>Total Personnel Services</b>	<b>815,851</b>	<b>743,211</b>	<b>668,000</b>	<b>668,000</b>	<b>628,174</b>	<b>628,174</b>
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
521000 Professional Services	226,058	524,571	170,072	215,497	123,346	123,346
524000 Repair & Maintenance Services	2,792	707	2,816	2,816	2,853	2,853
529000 Miscellaneous Services	2,544,976	2,446,694	4,323,358	4,236,856	4,519,482	4,519,482
531000 Office Supplies	4,720	3,956	6,890	6,890	6,980	6,980
534000 Minor Equipment & Tools	7,633	9,019	7,564	7,564	7,662	7,662
539000 Other Commodities External	0	8	0	0	0	0
541000 Education	4,738	3,885	4,705	4,705	4,766	4,766
542000 Local Travel	1,696	2,666	4,984	4,984	5,049	5,049
543000 Out-of-Town Travel	2,407	1,366	3,790	3,790	3,839	3,839
549000 Miscellaneous	18,083	20,051	7,045	7,045	7,137	7,137
<b>Total External Materials and Services</b>	<b>2,813,103</b>	<b>3,012,923</b>	<b>4,531,224</b>	<b>4,490,147</b>	<b>4,681,114</b>	<b>4,681,114</b>
<b>Internal Materials and Services</b>						
551000 Vehicle Services	1,619	2,125	2,575	2,575	2,678	2,678
552000 Printing & Distribution	12,242	13,451	17,287	17,287	14,763	14,648
553000 Facilities Services	82,570	50,763	45,583	45,583	46,410	46,323
554000 Communications Services	17,702	11,472	11,872	11,872	12,236	12,088
555000 Information Technology	46,271	26,876	32,889	32,889	24,576	24,238
556000 Insurance	12,587	3,222	8,510	8,510	8,717	8,692
558000 Same Fund Services	0	5,592	0	0	0	0

559000 Other Fund Services	960,132	1,389,223	1,523,994	1,523,994	1,568,449	1,568,449
<b>Total Internal Materials and Services</b>	<b>1,133,123</b>	<b>1,502,724</b>	<b>1,642,710</b>	<b>1,642,710</b>	<b>1,677,829</b>	<b>1,677,116</b>
<b>Total Materials and Services</b>	<b>3,946,226</b>	<b>4,515,647</b>	<b>6,173,934</b>	<b>6,132,857</b>	<b>6,358,943</b>	<b>6,358,230</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 4,762,077</b>	<b>\$ 5,258,858</b>	<b>\$ 6,841,934</b>	<b>\$ 6,800,857</b>	<b>\$ 6,987,117</b>	<b>\$ 6,986,404</b>

## FUND OVERVIEW

The Insurance and Claims Fund provides for fleet liability and general liability claims administration, management of the liability self-insurance program, management of the City's commercial insurance portfolio, and Citywide leadership in loss prevention.

*Actuarial claims projections are the primary driver of the fund's expenditures.*

Fund expenditures are primarily for claims payments, which are budgeted at \$4,458,000 for FY 2004. Projected claims are based upon an independent actuarial study for the period ending June 30, 2002. Consistent with Risk's commitment to City bureaus last year, overall interagency increases have been held to the rate of inflation for internal services (2.7% over FY 2003).

The reserve requirement assumed in the FY 2004 budget is also based on the actuarial study, which recommends a range for the reserve levels needed to cover outstanding incurred liabilities. The range is produced by calculating reserves at various confidence levels (i.e., the probability that actual losses will not exceed the reserve level). In addition, reserves are stated at a discounted level, which takes into account the fact the fund earns interest on fund balances. The liability reserve requirement is forecast to be \$10,459,000, pursuant to the budget year-end (June 30, 2004) actuarial estimate at the discounted expected confidence level.

**Managing Agency** Office of Management and Finance, General Services

**Pension Debt Redemption Fund – 305**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	1,639,011	835,993	204,993	204,993	219,244	219,244
Other Miscellaneous	221,115	211,463	340,752	255,564	242,898	242,898
	<u>1,860,126</u>	<u>1,047,456</u>	<u>545,745</u>	<u>460,557</u>	<u>462,142</u>	<u>462,142</u>
<b>Total External Revenues</b>	<b>1,860,126</b>	<b>1,047,456</b>	<b>545,745</b>	<b>460,557</b>	<b>462,142</b>	<b>462,142</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Development Services	384,514	407,666	524,404	393,303	422,395	422,395
Communication Services Fund	64,857	0	94,886	71,165	71,246	71,246
Emergency Communications Fund	76,616	81,866	99,502	74,627	84,164	84,164
Facilities Services Fund	65,521	0	102,603	76,952	71,975	71,975
General Fund	3,023,112	2,928,143	2,882,701	2,882,701	3,320,937	3,320,937
Golf Fund	65,913	0	85,565	64,174	72,406	72,406
Health Insurance Fund	12,166	0	14,794	11,096	13,365	13,365
Housing Investment Fund	0	0	21	16	0	0
Hydropower Operating Fund	8,067	0	9,649	7,237	8,862	8,862
Information Technology Fund	118,138	0	161,058	120,794	129,777	129,777
Insurance & Claims Fund	28,751	0	32,922	24,692	31,583	31,583
LID Construction Fund	27,426	24,307	26,493	19,870	30,128	30,128
Parks Bond Construction Fund	36,515	0	0	0	0	0
Parks Construction Fund	610	28,057	27,161	20,371	40,783	40,783
Portland International Raceway	12,689	0	13,888	10,416	13,939	13,939
Printing & Distribution	52,177	0	66,273	49,705	57,317	57,317
Public Safety Capital Fund	0	0	307	230	6,620	6,620
Refuse Disposal Fund	20,468	0	26,281	19,711	22,484	22,484
Sewage System Operating Fund	1,052,489	0	1,312,844	984,633	1,156,177	1,156,177
Spectator Facilities Operating	6,026	9,830	0	0	0	0
Environmental Remediation Fund	473	0	467	350	519	519
FPD&R Fund	16,415	0	28,343	21,257	18,032	18,032
Transportation Operating Fund	1,480,949	1,408,819	1,810,087	1,357,565	1,626,846	1,626,846
Vehicle Services Fund	153,969	0	185,278	138,959	169,138	169,138
Water Fund	1,093,124	0	1,390,444	1,042,833	1,200,815	1,200,815
Workers Compensation Fund	26,893	0	32,922	24,692	29,542	29,542
	<u>7,827,878</u>	<u>4,888,688</u>	<u>8,928,893</u>	<u>7,417,349</u>	<u>8,599,050</u>	<u>8,599,050</u>
<b>Total Internal Revenues</b>	<b>7,827,878</b>	<b>4,888,688</b>	<b>8,928,893</b>	<b>7,417,349</b>	<b>8,599,050</b>	<b>8,599,050</b>
<b>Beginning Fund Balance</b>	<b>30,734,089</b>	<b>22,759,376</b>	<b>17,302,441</b>	<b>18,828,087</b>	<b>15,241,789</b>	<b>15,241,789</b>
<b>TOTAL RESOURCES</b>	<b>\$ 40,422,093</b>	<b>\$ 28,695,520</b>	<b>\$ 26,777,079</b>	<b>\$ 26,705,993</b>	<b>\$ 24,302,981</b>	<b>\$ 24,302,981</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	378,645	445,312	408,433	408,433	411,713	411,713
<b>Internal Materials and Services</b>						
Office of Management & Finance	0	0	75,000	75,000	110,921	110,921
	<u>0</u>	<u>0</u>	<u>75,000</u>	<u>75,000</u>	<u>110,921</u>	<u>110,921</u>
<b>Total Bureau Expenses</b>	<b>378,645</b>	<b>445,312</b>	<b>483,433</b>	<b>483,433</b>	<b>522,634</b>	<b>522,634</b>
<b>Fund Requirements</b>						
<b>Fund Cash Transfers</b>						
General Fund	0	0	0	0	500,000	500,000
	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>500,000</u>	<u>500,000</u>
<b>Debt Retirement</b>	<b>17,284,072</b>	<b>9,422,121</b>	<b>14,741,168</b>	<b>10,980,771</b>	<b>12,330,533</b>	<b>12,330,533</b>
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	22,759,376	18,828,087	0	0	0	0
Unexpendable Reserve	0	0	11,552,478	15,241,789	10,949,814	10,949,814
	<u>22,759,376</u>	<u>18,828,087</u>	<u>11,552,478</u>	<u>15,241,789</u>	<u>10,949,814</u>	<u>10,949,814</u>
<b>Total Fund Requirements</b>	<b>40,043,448</b>	<b>28,250,208</b>	<b>26,293,646</b>	<b>26,222,560</b>	<b>23,780,347</b>	<b>23,780,347</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 40,422,093</b>	<b>\$ 28,695,520</b>	<b>\$ 26,777,079</b>	<b>\$ 26,705,993</b>	<b>\$ 24,302,981</b>	<b>\$ 24,302,981</b>

**LINE ITEM DETAIL – AU 283****Materials and Services****External Materials and Services**

549000 Miscellaneous

378,645 445,312 408,433 408,433 411,713 411,713

**Total External Materials and Services**

378,645 445,312 408,433 408,433 411,713 411,713

**Internal Materials and Services**

559000 Other Fund Services

0 0 75,000 75,000 110,921 110,921

**Total Internal Materials and Services**

0 0 75,000 75,000 110,921 110,921

**Total Materials and Services**

378,645 445,312 483,433 483,433 522,634 522,634

<b>TOTAL Bureau Expenses</b>	<b>\$ 378,645</b>	<b>\$ 445,312</b>	<b>\$ 483,433</b>	<b>\$ 483,433</b>	<b>\$ 522,634</b>	<b>\$ 522,634</b>
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**FUND OVERVIEW**

This fund is used to achieve proper matching of revenues and expenditures related to the financing of the City's unfunded actuarial accrued pension liability as of December 31, 1997. Specifically, this fund accounts for the allocation of resources to pay principal and interest on the Limited Tax Pension Obligation revenue bonds, 1999 Series C, D, and E.

**Managing Agency**

Office of Management and Finance, Financial Services



**Pension Debt Redemption Fund – 305**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Pension Obligation</b>						
<b>Revenue Bonds, 1999 Series C</b>						
11/10/1999 - Due 6/1	150,848,346					
		2003/04	0		8,503,282	8,503,282
		2004/05	0		8,503,282	8,503,282
		2005/06	0		8,503,282	8,503,282
		2006/07	2,570,000	7.27%	8,503,282	11,073,282
		2007/08	4,755,000	7.32%	8,316,443	13,071,443
		2008/09	5,990,000	7.37%	7,968,377	13,958,377
		2009/10	3,030,000	7.42%	7,526,914	10,556,914
		2010/11	0		7,302,088	7,302,088
		2011/12	0		7,302,088	7,302,088
		2012/13	0		7,302,088	7,302,088
		2013/14	0		7,302,088	7,302,088
		2014/15	0		7,302,088	7,302,088
		2015/16	0		7,302,088	7,302,088
		2016/17	0		7,302,088	7,302,088
		2017/18	0		7,302,088	7,302,088
		2018/19	0		7,302,088	7,302,088
		2019/20	27,935,000	7.70%	7,302,088	35,237,088
		2020/21	31,495,000	7.70%	5,150,814	36,645,814
		2021/22	35,390,000	7.70%	2,725,384	38,115,384
		2022/23	6,345,175	7.70%	33,294,825	39,640,000
		2023/24	6,105,423	7.93%	35,119,578	41,225,000
		2024/25	5,874,733	7.93%	37,000,268	42,875,000
		2025/26	5,652,228	7.93%	38,937,772	44,590,000
		2026/27	5,438,274	7.93%	40,931,726	46,370,000
		2027/28	5,232,955	7.93%	42,997,045	48,230,000
		2028/29	5,034,559	7.93%	45,120,441	50,155,000
		<b>TOTAL</b>	<b>150,848,346</b>		<b>412,123,597</b>	<b>562,971,943</b>
<b>Limited Tax Pension Obligation</b>						
<b>Revenue Bonds, 1999 Series D &amp; E</b>						
<b>Periodic Auction Reset Securities (PARS)</b>						
11/10/1999 - Due 6/1	150,000,000					
		2003/04	0	variable	3,827,251	3,827,251
		2004/05	0	variable	10,875,000	10,875,000
		2005/06	0	variable	10,875,000	10,875,000
		2006/07	0	variable	10,875,000	10,875,000
		2007/08	0	variable	10,875,000	10,875,000
		2008/09	0	variable	10,875,000	10,875,000
		2009/10	4,325,000	variable	10,875,000	15,200,000
		2010/11	8,775,000	variable	10,561,438	19,336,438
		2011/12	10,300,000	variable	9,925,250	20,225,250
		2012/13	11,950,000	variable	9,178,500	21,128,500
		2013/14	13,725,000	variable	8,312,125	22,037,125
		2014/15	15,650,000	variable	7,317,063	22,967,063
		2015/16	17,750,000	variable	6,182,438	23,932,438
		2016/17	20,000,000	variable	4,895,563	24,895,563
		2017/18	22,450,000	variable	3,445,563	25,895,563
		2018/19	25,075,000	variable	1,817,938	26,892,938
		<b>TOTAL</b>	<b>150,000,000</b>		<b>130,713,126</b>	<b>280,713,126</b>
<b>COMBINED DEBT SERVICE</b>						
	300,848,346					
		2003/04	0		12,330,533	12,330,533
		2004/05	0		19,378,282	19,378,282
		2005/06	0		19,378,282	19,378,282
		2006/07	2,570,000		19,378,282	21,948,282
		2007/08	4,755,000		19,191,443	23,946,443

**Pension Debt Redemption Fund – 305**

**DEBT REDEMPTION SCHEDULE**

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
		2008/09	5,990,000		18,843,377	24,833,377
		2009/10	7,355,000		18,401,914	25,756,914
		2010/11	8,775,000		17,863,526	26,638,526
		2011/12	10,300,000		17,227,338	27,527,338
		2012/13	11,950,000		16,480,588	28,430,588
		2013/14	13,725,000		15,614,213	29,339,213
		2014/15	15,650,000		14,619,151	30,269,151
		2015/16	17,750,000		13,484,526	31,234,526
		2016/17	20,000,000		12,197,651	32,197,651
		2017/18	22,450,000		10,747,651	33,197,651
		2018/19	25,075,000		9,120,026	34,195,026
		2019/20	27,935,000		7,302,088	35,237,088
		2020/21	31,495,000		5,150,814	36,645,814
		2021/22	35,390,000		2,725,384	38,115,384
		2022/23	6,345,175		33,294,825	39,640,000
		2023/24	6,105,423		35,119,578	41,225,000
		2024/25	5,874,733		37,000,268	42,875,000
		2025/26	5,652,228		38,937,772	44,590,000
		2026/27	5,438,274		40,931,726	46,370,000
		2027/28	5,232,955		42,997,045	48,230,000
		2028/29	5,034,559		45,120,441	50,155,000
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 300,848,346</b>		<b>\$ 542,836,723</b>	<b>\$ 843,685,069</b>

**Print/Dist Services Operating Fund – 706**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Service Charges and Fees</b>						
Miscellaneous	331,039	261,389	256,842	270,951	280,630	278,963
	331,039	261,389	256,842	270,951	280,630	278,963
<b>State Sources</b>						
State Cost Sharing	247,819	274,419	280,366	286,000	285,443	283,210
	247,819	274,419	280,366	286,000	285,443	283,210
<b>Local Sources</b>						
Local Cost Sharing	304,397	205,168	234,362	165,700	234,141	232,572
Multnomah County Cost Sharing	685,741	637,425	630,233	632,200	564,912	560,917
	990,138	842,593	864,595	797,900	799,053	793,489
<b>Miscellaneous Revenues</b>						
Interest Earned	44,560	30,330	30,000	17,075	14,400	14,400
Other Miscellaneous	11,844	47	10,000	4,500	7,085	7,085
	56,404	30,377	40,000	21,575	21,485	21,485
<b>Total External Revenues</b>	<b>1,625,400</b>	<b>1,408,778</b>	<b>1,441,803</b>	<b>1,376,426</b>	<b>1,386,611</b>	<b>1,377,147</b>
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
General Fund	201,875	35,080	0	0	0	0
Vehicle Services Fund	0	0	4,510	4,510	0	0
	201,875	35,080	4,510	4,510	0	0
<b>Interfund Service Reimbursements</b>						
City Attorney	52,638	47,935	54,105	45,731	58,511	57,643
City Auditor	99,844	127,202	126,655	146,270	125,732	125,051
Cable Commission	2,326	1,723	2,978	3,174	2,792	2,780
Cable Commission/Access	8,630	8,228	11,668	7,005	10,754	10,699
Commissioner of Public Affairs	4,530	5,584	6,321	3,690	6,114	6,073
Commissioner of Public Safety	4,008	3,154	5,719	1,282	4,483	4,465
Commissioner of Public Utilities	10,910	6,434	11,561	10,209	9,563	9,467
Commissioner of Public Works	3,477	3,506	5,964	3,504	4,354	4,340
Communications Services	14,828	10,361	15,108	8,200	13,584	13,482
Community Development	27,288	27,376	31,354	28,145	43,320	42,790
Development Services	454,061	494,133	498,172	536,581	524,472	522,480
Emergency Communications	29,795	17,354	35,511	18,730	34,297	33,986
Emergency Management	0	0	0	0	32,610	32,610
Environmental Services	531,246	502,514	637,420	394,446	601,013	598,306
Environmental Svcs - Internal	0	1,833	2,463	3,489	5,188	5,184
Facilities Services Fund	38,910	41,070	54,716	73,095	54,338	54,095
Fire Bureau	148,931	132,358	165,597	149,134	154,365	153,274
FPD&R	38,095	36,166	35,115	44,288	40,014	39,830
General Services	9,004	0	0	0	0	0
Golf Operating Fund	3,307	483	2,807	767	917	909
Government Relations	2,996	2,770	3,750	3,283	3,795	3,777
Health Insurance	34,631	28,790	36,836	33,850	34,791	34,709
Hydropower Operating Fund	4,712	2,233	3,456	2,694	3,445	3,421
Information Technology Fund	10,204	10,498	12,080	9,333	11,427	11,360
Insurance & Claims Fund	12,242	13,451	17,287	14,261	14,763	14,648
Licenses	75,955	69,169	85,129	69,015	64,858	164,445
Management & Finance	214,810	262,104	328,918	279,220	333,326	331,609
Mayor	20,455	11,959	23,158	13,372	20,363	20,161
Neighborhood Involvement	84,429	73,642	87,920	71,908	98,855	98,362
Sustainable Development	30,189	20,250	32,099	77,474	42,210	42,092
Parking Facilities Fund	0	2,572	974	2,500	1,716	1,713
Parks Bureau	652,331	590,754	677,825	595,050	755,475	753,394
Parks Capital Improvement Fund	453	0	0	0	0	0
Parks Construction Fund	17,588	10,986	23,862	16,214	16,003	15,834
Planning	139,255	171,318	149,819	124,269	141,264	140,434
Police Bureau	472,273	518,328	494,258	534,000	593,035	586,130
Portland International Raceway	626	347	729	470	699	692

**Print/Dist Services Operating Fund – 706**

**FUND SUMMARY**

	<b>Actual FY 2000-01</b>	<b>Actual FY 2001-02</b>	<b>Revised FY 2002-03</b>	<b>Yr End Est. FY 2002-03</b>	<b>Proposed FY 2003-04</b>	<b>Adopted FY 2003-04</b>
Portland Parks Trust	335	6,563	500	245	1,106	1,103
Purchases	56,467	0	0	0	0	0
Refuse Disposal Fund	93,431	86,848	103,424	27,467	99,885	99,643
Sewage Construction Fund	5,944	0	0	0	0	0
Special Appropriations	15,682	12,303	17,704	11,478	0	0
Spectator Facilities Operating	3,544	102	1,000	722	1,437	1,433
Transportation	377,705	387,177	482,260	359,017	438,367	435,930
Vehicle Services	22,040	20,027	23,830	24,274	24,841	24,694
Water Bureau	644,193	715,483	856,718	756,417	843,541	841,441
Workers Compensation Fund	13,626	8,758	18,813	10,227	13,076	12,949
	<b>4,487,944</b>	<b>4,493,846</b>	<b>5,185,583</b>	<b>4,514,500</b>	<b>5,284,699</b>	<b>5,357,438</b>
<b>Equipment Cash Transfers</b>						
City Attorney	0	1,250	0	0	0	0
City Auditor	0	9,050	0	4,800	0	0
Communications Services	0	1,000	0	0	0	0
Environmental Services	0	16,953	25,000	25,000	25,000	25,000
Fire Bureau	12,900	3,850	0	0	0	0
Management & Finance	4,750	6,350	0	0	0	0
Neighborhood Involvement	0	0	2,761	2,761	0	0
Sustainable Development	0	6,500	0	0	0	0
Parks Bureau	0	4,750	1,486	1,486	0	0
Police Bureau	6,500	57,500	85,250	32,440	0	0
Transportation	0	0	5,716	0	0	0
Water Bureau	0	3,000	0	0	20,000	20,000
	<b>24,150</b>	<b>110,203</b>	<b>120,213</b>	<b>66,487</b>	<b>45,000</b>	<b>45,000</b>
<b>Minor Equipment and Tools</b>						
Transportation	3,600	0	0	1,900	0	0
City Auditor	0	3,800	0	0	0	0
Communications Services	2,200	0	0	0	0	0
Environmental Services	1,724	0	0	0	0	0
Fire Bureau	0	3,600	0	0	0	0
Neighborhood Involvement	3,000	0	0	0	0	0
Parks Bureau	0	500	0	0	0	0
Police Bureau	5,750	0	0	3,575	0	0
Water Bureau	0	500	0	0	0	0
	<b>16,274</b>	<b>8,400</b>	<b>0</b>	<b>5,475</b>	<b>0</b>	<b>0</b>
<b>Total Internal Revenues</b>	<b>4,730,243</b>	<b>4,647,529</b>	<b>5,310,306</b>	<b>4,590,972</b>	<b>5,329,699</b>	<b>5,402,438</b>
<b>Beginning Fund Balance</b>	<b>937,232</b>	<b>959,230</b>	<b>861,395</b>	<b>861,395</b>	<b>937,049</b>	<b>937,049</b>
<b>TOTAL RESOURCES</b>	<b>\$ 7,292,875</b>	<b>\$ 7,015,537</b>	<b>\$ 7,613,504</b>	<b>\$ 6,828,793</b>	<b>\$ 7,653,359</b>	<b>\$ 7,716,634</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Personal Services</b>	1,724,416	1,771,696	1,715,477	1,684,286	1,672,248	1,672,248
<b>External Materials and Services</b>	3,373,644	3,116,215	3,698,783	2,895,067	3,566,778	3,571,973
<b>Internal Materials and Services</b>						
Communications Services	28,715	29,955	33,272	29,000	33,383	33,256
Facilities Services	174,121	182,617	183,558	164,997	203,952	203,651
Information Technology	219,178	255,742	137,427	137,427	160,450	157,572
Insurance	42,612	42,022	47,011	47,011	48,167	48,021
Vehicle Services	29,291	24,772	33,202	23,000	31,915	31,799
General Services	180,520	0	0	0	0	0
Office of Management & Finance	650	188,124	188,965	188,965	165,135	165,135
Parking Facilities	6,240	6,720	7,200	7,200	7,440	7,440
	<b>681,327</b>	<b>729,952</b>	<b>630,635</b>	<b>597,600</b>	<b>650,442</b>	<b>646,874</b>
<b>Capital Outlay</b>	286,113	265,317	388,803	183,000	353,000	442,000
<b>Total Bureau Expenses</b>	<b>6,065,500</b>	<b>5,883,180</b>	<b>6,433,698</b>	<b>5,359,953</b>	<b>6,242,468</b>	<b>6,333,095</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	806,374	0	1,012,149	926,781

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Compensation Adjustment	0	0	55,508	0	38,709	38,709
	0	0	861,882	0	1,050,858	965,490
<b>General Fund Overhead</b>	215,968	209,384	251,651	251,651	302,716	360,732
<b>Fund Cash Transfers</b>						
General Fund	0	0	0	213,867	0	0
Pension Debt Redemption Fund	52,177	0	66,273	66,273	57,317	57,317
	52,177	0	66,273	280,140	57,317	57,317
<b>Debt Retirement</b>	0	64,578	0	0	0	0
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	959,230	861,395	0	937,049	0	0
	959,230	861,395	0	937,049	0	0
<b>Total Fund Requirements</b>	1,227,375	1,135,357	1,179,806	1,468,840	1,410,891	1,383,539
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,292,875</b>	<b>\$ 7,018,537</b>	<b>\$ 7,613,504</b>	<b>\$ 6,828,793</b>	<b>\$ 7,653,359</b>	<b>\$ 7,716,634</b>

## FUND OVERVIEW

The Printing and Distribution (P&D) Fund was established to account for all revenues and expenditures of Printing and Distribution Services. P&D provides support services to all City bureaus, Multnomah County, Portland-area State of Oregon departments, and other local governmental agencies. These services include traditional printing and binding, electronic printing and pre-press services, microfilming, reprographics, copy machines and xerography, mail processing, inserting, addressing, and delivery of interoffice mail and supplies.

### Revenues

The main source of revenue is service reimbursement transfers from other City bureaus and funds. These revenues are estimated to be \$5.36 million in FY 2003-04. Revenues from non-City governmental agencies are projected at \$1.38 million. Revenues for replacement equipment are collected from City bureaus and deposited into the fund, where purchase of replacement equipment is recorded.

### Managing Agency

Office of Management and Finance, General Services

**Special Finance and Resource Fund – 207**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	284,845,562	35,539,016	43,300,000	91,226,000	152,232,000	152,232,000
Interest Earned	24,454	37,080	0	0	0	0
	<u>284,870,016</u>	<u>35,576,096</u>	<u>43,300,000</u>	<u>91,226,000</u>	<u>152,232,000</u>	<u>152,232,000</u>
<b>Total External Revenues</b>	<b>284,870,016</b>	<b>35,576,096</b>	<b>43,300,000</b>	<b>91,226,000</b>	<b>152,232,000</b>	<b>152,232,000</b>
<b>Internal Revenues</b>						
Beginning Fund Balance	154,714	1,156,679	140,000	862,033	0	0
<b>TOTAL RESOURCES</b>	<b>\$ 285,024,730</b>	<b>\$ 36,732,775</b>	<b>\$ 43,440,000</b>	<b>\$ 92,088,033</b>	<b>\$ 152,232,000</b>	<b>\$ 152,232,000</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>External Materials and Services</b>						
	283,858,758	35,841,615	42,300,000	90,912,133	152,232,000	152,232,000
<b>Internal Materials and Services</b>						
Office of Management & Finance	0	0	140,000	140,000	0	0
Special Appropriations	0	0	1,000,000	1,000,000	0	0
	<u>0</u>	<u>0</u>	<u>1,140,000</u>	<u>1,140,000</u>	<u>0</u>	<u>0</u>
<b>Total Bureau Expenses</b>	<b>283,858,758</b>	<b>35,841,615</b>	<b>43,440,000</b>	<b>92,052,133</b>	<b>152,232,000</b>	<b>152,232,000</b>
<b>Fund Requirements</b>						
<b>Fund Cash Transfers</b>						
Airport Way Debt Service	0	0	0	14,000	0	0
Bond Debt Interest & Sinking Fnd	0	19,994	0	0	0	0
Intermediate Debt Fund	9,293	0	0	10,500	0	0
Special Projects Debt Redemption	0	9,133	0	0	0	0
Waterfront Renewal Bond	0	0	0	11,400	0	0
	<u>9,293</u>	<u>29,127</u>	<u>0</u>	<u>35,900</u>	<u>0</u>	<u>0</u>
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	1,156,679	862,033	0	0	0	0
	<u>1,156,679</u>	<u>862,033</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total Fund Requirements</b>	<b>1,165,972</b>	<b>891,160</b>	<b>0</b>	<b>35,900</b>	<b>0</b>	<b>0</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 285,024,730</b>	<b>\$ 36,732,775</b>	<b>\$ 43,440,000</b>	<b>\$ 92,088,033</b>	<b>\$ 152,232,000</b>	<b>\$ 152,232,000</b>
<b>LINE ITEM DETAIL – AU 238</b>						
<b>Materials and Services</b>						
<b>External Materials and Services</b>						
529000 Miscellaneous Services	280,319,309	35,676,361	41,967,600	89,594,325	149,962,618	149,962,618
549000 Miscellaneous	3,539,449	165,254	332,400	1,317,808	2,269,382	2,269,382
<b>Total External Materials and Services</b>	<b>283,858,758</b>	<b>35,841,615</b>	<b>42,300,000</b>	<b>90,912,133</b>	<b>152,232,000</b>	<b>152,232,000</b>
<b>Internal Materials and Services</b>						
559000 Other Fund Services	0	0	1,140,000	1,140,000	0	0
<b>Total Internal Materials and Services</b>	<b>0</b>	<b>0</b>	<b>1,140,000</b>	<b>1,140,000</b>	<b>0</b>	<b>0</b>
<b>Total Materials and Services</b>	<b>283,858,758</b>	<b>35,841,615</b>	<b>43,440,000</b>	<b>92,052,133</b>	<b>152,232,000</b>	<b>152,232,000</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 283,858,758</b>	<b>\$ 35,841,615</b>	<b>\$ 43,440,000</b>	<b>\$ 92,052,133</b>	<b>\$ 152,232,000</b>	<b>\$ 152,232,000</b>

**FUND OVERVIEW**

This fund was created in FY 1999-00 as a result of a Government Finance Officers Association’s (GFOA) recommendation for the City to record both the revenue and the liability associated with the financing of urban renewal projects. In the past, the City would record the liability, and the Portland Development Commission (PDC) would record the revenue. Because PDC is a separate governmental unit, this method was found to be inconsistent with common practice. As a result, the City created this fund to serve as a staging area for urban renewal bond proceeds, where both the liability and revenue are recorded with a transfer of funds to PDC.

Additionally, this fund serves as a staging area for bond proceeds associated with other special projects. In FY 2002-03, the bonds issued for the funding of education and the Children's Receiving Center flowed through this fund. In FY 2003-04, the only activity anticipated for this fund will be related to urban renewal.

**Managing Agency**      Office of Management and Finance, Financial Services

**Special Projects Debt Redemption Fund – 314**

**FUND SUMMARY**

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Bond and Note Sales	5,494,280	0	0	0	0	0
Interest Eamed	173,646	175,639	81,228	81,228	18,590	18,590
Other Miscellaneous	1,397,938	4,215,595	4,364,443	4,375,806	4,669,893	4,669,893
	7,065,864	4,391,234	4,445,671	4,457,034	4,688,483	4,688,483
<b>Total External Revenues</b>	7,065,864	4,391,234	4,445,671	4,457,034	4,688,483	4,688,483
<b>Internal Revenues</b>						
<b>Other Cash Transfers</b>						
Special Revenue and Finance	0	9,133	0	0	0	0
	0	9,133	0	0	0	0
<b>Total Internal Revenues</b>	0	9,133	0	0	0	0
<b>Beginning Fund Balance</b>	0	5,074,383	3,605,875	3,594,512	1,484,952	1,484,952
<b>TOTAL RESOURCES</b>	<b>\$ 7,065,864</b>	<b>\$ 9,474,750</b>	<b>\$ 8,051,546</b>	<b>\$ 8,051,546</b>	<b>\$ 6,173,435</b>	<b>\$ 6,173,435</b>
<b>REQUIREMENTS</b>						
<b>Bureau Expenses</b>						
<b>Fund Requirements</b>						
<b>Debt Retirement</b>	1,991,481	5,880,238	5,881,693	5,881,693	5,652,393	5,652,393
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	5,074,383	3,594,512	2,169,853	2,169,853	521,042	521,042
	5,074,383	3,594,512	2,169,853	2,169,853	521,042	521,042
<b>Total Fund Requirements</b>	7,065,864	9,474,750	8,051,546	8,051,546	6,173,435	6,173,435
<b>TOTAL REQUIREMENTS</b>	<b>\$ 7,065,864</b>	<b>\$ 9,474,750</b>	<b>\$ 8,051,546</b>	<b>\$ 8,051,546</b>	<b>\$ 6,173,435</b>	<b>\$ 6,173,435</b>

**FUND OVERVIEW**

This fund is used to achieve a proper matching of revenues and expenditures related to financing special projects. Specifically, this fund accounts for the allocation of resources to pay principal and interest on bonded indebtedness related to financing of the Convention Center expansion project and improvements to the Portland Center for Performing Arts (PCPA), as well as the interim financing of the City's share of the Interstate MAX project.

The resources to pay the debt service on the Convention Center expansion and PCPA improvements are received from Multnomah County via the Visitor Facilities intergovernmental agreement. The resources to pay debt service on the bonds issued to finance the City's share of the Interstate MAX project come from bond proceeds designated for that purpose. It is expected that the Interstate MAX interim financing will eventually be replaced with long-term debt issued for the Interstate Corridor urban renewal area.

**Managing Agency**

Office of Management and Finance, Financial Services



Special Projects Debt Redemption Fund – 314

DEBT REDEMPTION SCHEDULE

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Revenue Bonds, 2002 Series B</b>						
09/15/2002 - Due 12/15/04	32,750,000					
		2003/04	0		982,500	982,500
		2004/05	32,750,000	3.00%	491,250	33,241,250
		TOTAL	32,750,000		1,473,750	34,223,750
<b>Limited Tax Revenue Bonds, 2001 Series A</b>						
02/01/2001 - Due 6/1	81,940,000					
		2003/04	310,000	5.50%	4,193,813	4,503,813
		2004/05	800,000	5.50%	4,176,763	4,976,763
		2005/06	1,010,000	5.50%	4,132,763	5,142,763
		2006/07	1,270,000	5.50%	4,077,213	5,347,213
		2007/08	1,560,000	5.50%	4,007,363	5,567,363
		2008/09	1,870,000	5.50%	3,921,563	5,791,563
		2009/10	220,000	5.00%	3,818,713	4,038,713
		2010/11	260,000	5.00%	3,807,713	4,067,713
		2011/12	270,000	5.00%	3,794,713	4,064,713
		2012/13	310,000	5.00%	3,781,213	4,091,213
		2013/14	280,000	5.00%	3,765,713	4,045,713
		2014/15	340,000	5.00%	3,751,713	4,091,713
		2015/16	260,000	5.00%	3,734,713	3,994,713
		2016/17	470,000	5.00%	3,721,713	4,191,713
		2017/18	550,000	5.00%	3,698,213	4,248,213
		2018/19	900,000	5.00%	3,670,713	4,570,713
		2019/20	1,290,000	5.00%	3,625,713	4,915,713
		2020/21	2,710,000	5.00%	3,561,213	6,271,213
		2021/22	3,480,000	5.00%	3,425,713	6,905,713
		2022/23	6,640,000	5.00%	3,251,713	9,891,713
		2023/24	6,970,000	5.00%	2,919,713	9,889,713
		2024/25	7,320,000	5.13%	2,571,213	9,891,213
		2025/26	7,700,000	5.13%	2,196,063	9,896,063
		2026/27	8,090,000	5.13%	1,801,438	9,891,438
		2027/28	8,510,000	5.13%	1,386,825	9,896,825
		2028/29	9,040,000	5.13%	950,688	9,990,688
		2029/30	9,510,000	5.13%	487,388	9,997,388
		TOTAL	81,940,000		88,232,275	170,172,275
<b>Limited Tax Revenue Bonds, 2001 Series B</b>						
02/13/2001 - Due 6/1	18,058,888					
		2003/04	0	0.00%	0	0
		2004/05	0	0.00%	0	0
		2005/06	0	0.00%	0	0
		2006/07	0	0.00%	0	0
		2007/08	0	0.00%	0	0
		2008/09	0	0.00%	0	0
		2009/10	1,319,780	4.52%	680,220	2,000,000
		2010/11	1,249,440	4.62%	750,560	2,000,000
		2011/12	1,295,734	4.74%	904,266	2,200,000
		2012/13	1,388,250	4.84%	1,111,750	2,500,000
		2013/14	1,463,112	4.94%	1,336,888	2,800,000
		2014/15	1,480,530	5.00%	1,519,470	3,000,000
		2015/16	1,626,940	5.07%	1,873,060	3,500,000
		2016/17	1,749,000	5.14%	2,251,000	4,000,000
		2017/18	1,645,720	5.20%	2,354,280	4,000,000
		2018/19	1,549,480	5.25%	2,450,520	4,000,000
		2019/20	1,457,480	5.30%	2,542,520	4,000,000
		2020/21	1,031,250	5.33%	1,968,750	3,000,000
		2021/22	802,172	5.36%	1,672,828	2,475,000
		TOTAL	18,058,888		21,416,112	39,475,000

# Special Projects Debt Redemption Fund – 314

# DEBT REDEMPTION SCHEDULE

Bond Description	Amount Issued	Fiscal Year	Principal	Coupon	Interest	Total P+I
<b>Limited Tax Revenue Bonds, 2001 Series C</b>						
05/01/2001 - Due 6/1	2,100,000					
		2003/04	70,000	6.50%	96,080	166,080
		2004/05	80,000	4.00%	91,530	171,530
		2005/06	80,000	4.10%	88,330	168,330
		2006/07	80,000	4.20%	85,050	165,050
		2007/08	90,000	4.30%	81,690	171,690
		2008/09	90,000	4.40%	77,820	167,820
		2009/10	90,000	4.50%	73,860	163,860
		2010/11	100,000	4.60%	69,810	169,810
		2011/12	100,000	4.70%	65,210	165,210
		2012/13	110,000	4.80%	60,510	170,510
		2013/14	110,000	4.90%	55,230	165,230
		2014/15	120,000	5.00%	49,840	169,840
		2015/16	120,000	5.00%	43,840	163,840
		2016/17	130,000	5.10%	37,840	167,840
		2017/18	140,000	5.15%	31,210	171,210
		2018/19	150,000	5.20%	24,000	174,000
		2019/20	150,000	5.20%	16,200	166,200
		2020/21	160,000	5.25%	8,400	168,400
		<b>TOTAL</b>	<b>1,970,000</b>		<b>1,056,450</b>	<b>3,026,450</b>
<b>COMBINED DEBT SERVICE</b>						
	132,748,888					
		2003/04	380,000		5,272,393	5,652,393
		2004/05	33,630,000		4,759,543	38,389,543
		2005/06	1,090,000		4,221,093	5,311,093
		2006/07	1,350,000		4,162,263	5,512,263
		2007/08	1,650,000		4,089,053	5,739,053
		2008/09	1,960,000		3,999,383	5,959,383
		2009/10	1,629,780		4,572,793	6,202,573
		2010/11	1,609,440		4,628,083	6,237,523
		2011/12	1,665,734		4,764,189	6,429,923
		2012/13	1,808,250		4,953,473	6,761,723
		2013/14	1,853,112		5,157,831	7,010,943
		2014/15	1,940,530		5,321,023	7,261,553
		2015/16	2,006,940		5,651,613	7,658,553
		2016/17	2,349,000		6,010,553	8,359,553
		2017/18	2,335,720		6,083,703	8,419,423
		2018/19	2,599,480		6,145,233	8,744,713
		2019/20	2,897,480		6,184,433	9,081,913
		2020/21	3,901,250		5,538,363	9,439,613
		2021/22	4,282,172		5,098,540	9,380,713
		2022/23	6,640,000		3,251,713	9,891,713
		2023/24	6,970,000		2,919,713	9,889,713
		2024/25	7,320,000		2,571,213	9,891,213
		2025/26	7,700,000		2,196,063	9,896,063
		2026/27	8,090,000		1,801,438	9,891,438
		2027/28	8,510,000		1,386,825	9,896,825
		2028/29	9,040,000		950,688	9,990,688
		2029/30	9,510,000		487,388	9,997,388
<b>TOTAL FUND DEBT SERVICE</b>			<b>\$ 134,718,888</b>		<b>\$ 112,178,587</b>	<b>\$ 246,897,475</b>

# Workers' Compensation Operating Fund – 709

## FUND SUMMARY

	Actual FY 2000–01	Actual FY 2001–02	Revised FY 2002–03	Yr End Est. FY 2002–03	Proposed FY 2003–04	Adopted FY 2003–04
<b>RESOURCES</b>						
<b>External Revenues</b>						
<b>Miscellaneous Revenues</b>						
Interest Earned	771,035	478,939	263,694	263,694	146,636	146,636
Other Miscellaneous	192,297	164,717	144,117	158,709	164,048	164,048
	<u>963,332</u>	<u>643,656</u>	<u>407,811</u>	<u>422,403</u>	<u>310,684</u>	<u>310,684</u>
<b>Total External Revenues</b>	<b>963,332</b>	<b>643,656</b>	<b>407,811</b>	<b>422,403</b>	<b>310,684</b>	<b>310,684</b>
<b>Internal Revenues</b>						
<b>Interfund Service Reimbursements</b>						
City Attorney	28,000	25,845	32,183	32,183	33,052	32,913
City Auditor	26,768	24,708	33,333	33,333	34,233	34,089
Cable Commission	1,920	1,772	2,839	2,839	2,916	2,904
Cable Commission/Access	2,880	2,658	4,259	4,259	4,374	4,356
Commissioner of Public Affairs	5,774	5,330	6,146	6,146	6,312	6,286
Commissioner of Public Safety	5,459	5,039	7,032	7,032	7,222	7,192
Commissioner of Public Utilities	5,193	4,793	6,739	6,739	6,921	6,892
Commissioner of Public Works	6,081	5,613	7,115	7,115	7,307	7,276
Communications Services	22,862	21,102	38,879	38,879	39,929	39,762
Community Development	11,806	10,897	16,951	16,951	17,409	17,336
Development Services	128,335	118,458	195,655	195,655	184,075	183,231
Emergency Communications	95,888	88,508	134,900	134,900	138,542	137,960
Environmental Services	153,281	145,542	297,659	297,659	313,399	312,083
Facilities Services Fund	18,940	17,482	37,466	37,466	38,478	38,316
Fire Bureau	288,873	269,331	349,420	349,420	361,421	359,904
General Services	11,327	0	0	0	0	0
Golf Operating Fund	33,526	30,946	46,138	46,138	47,383	47,184
Government Relations	4,648	4,290	5,536	5,536	5,685	5,661
Health Insurance	2,456	2,267	2,493	2,493	2,561	2,550
Hydropower Operating Fund	2,733	2,523	3,152	3,152	3,237	3,223
Information Technology Fund	18,673	17,236	18,957	18,957	19,469	19,387
Insurance & Claims Fund	4,912	3,222	3,544	3,544	3,639	3,624
Licenses	20,007	18,467	33,265	33,265	34,163	36,208
Management & Finance	39,140	64,857	76,336	76,336	78,397	78,068
Mayor	11,112	10,257	12,731	12,731	13,075	13,020
Neighborhood Involvement	23,528	21,717	30,641	30,641	48,330	48,198
Sustainable Development	6,177	5,702	10,334	10,334	10,613	10,569
Parks Bureau	348,675	333,012	501,955	501,955	534,336	532,092
Planning	25,080	23,150	34,134	34,134	35,055	34,908
Police Bureau	253,745	321,329	315,705	315,705	328,509	327,129
Portland International Raceway	4,659	4,300	5,657	5,657	5,810	5,786
Printing & Distribution	16,314	15,058	21,922	21,922	22,514	22,419
Purchases	16,308	0	0	0	0	0
Refuse Disposal Fund	4,037	3,726	6,200	6,200	6,367	6,340
Transportation	611,225	588,876	819,940	819,940	847,213	843,656
Vehicle Services	189,609	176,497	162,744	162,744	167,139	166,437
Water Bureau	418,698	382,241	443,174	443,174	460,275	458,342
	<u>2,868,649</u>	<u>2,776,751</u>	<u>3,725,134</u>	<u>3,725,134</u>	<u>3,869,360</u>	<u>3,855,301</u>
<b>Intra-Fund Service Reimbursement</b>	<b>5,559</b>	<b>3,222</b>	<b>3,544</b>	<b>3,544</b>	<b>3,639</b>	<b>3,624</b>
<b>Total Internal Revenues</b>	<b>2,874,208</b>	<b>2,779,973</b>	<b>3,728,678</b>	<b>3,728,678</b>	<b>3,872,999</b>	<b>3,858,925</b>
<b>Beginning Fund Balance</b>	<b>13,084,992</b>	<b>13,048,399</b>	<b>13,052,970</b>	<b>13,052,970</b>	<b>12,068,907</b>	<b>12,068,907</b>
<b>TOTAL RESOURCES</b>	<b>\$ 16,922,532</b>	<b>\$ 16,472,028</b>	<b>\$ 17,189,459</b>	<b>\$ 17,204,051</b>	<b>\$ 16,252,590</b>	<b>\$ 16,238,516</b>

### REQUIREMENTS

#### Bureau Expenses

<b>Personal Services</b>	871,076	789,402	683,905	683,905	714,915	714,915
<b>External Materials and Services</b>	1,992,217	1,810,379	3,038,864	3,482,247	3,865,514	3,865,514
<b>Internal Materials and Services</b>						
Communications Services	15,229	11,186	12,881	12,881	11,980	11,838
Facilities Services	82,445	51,963	45,584	45,584	51,423	51,331
Information Technology	46,866	26,778	32,889	32,889	25,321	24,970
Insurance	14,244	5,592	8,510	8,510	8,717	8,692

	Actual FY 2000-01	Actual FY 2001-02	Revised FY 2002-03	Yr End Est. FY 2002-03	Proposed FY 2003-04	Adopted FY 2003-04
Printing & Distribution	13,625	8,758	18,813	18,813	13,076	12,949
Vehicle Services	1,148	1,150	2,575	2,575	2,678	2,678
City Attorney	342,073	214,432	221,348	221,348	270,100	270,100
Fire Bureau	10,253	0	0	0	0	0
General Services	12,586	0	0	0	0	0
Office of Management & Finance	318,320	350,701	384,425	384,425	408,607	408,607
Parking Facilities	2,340	3,810	4,500	4,500	3,720	3,720
Same Fund Services	0	3,222	0	0	0	0
	859,129	677,592	731,525	731,525	795,622	794,885
<b>Total Bureau Expenses</b>	<b>3,722,422</b>	<b>3,277,373</b>	<b>4,454,294</b>	<b>4,897,677</b>	<b>5,376,051</b>	<b>5,375,314</b>
<b>Fund Requirements</b>						
<b>General Operating Contingency</b>						
General Operating Contingency	0	0	12,489,468	0	10,649,255	10,602,797
Compensation Adjustment	0	0	27,977	0	19,303	19,303
	0	0	12,517,445	0	10,668,558	10,622,100
<b>General Fund Overhead</b>	124,818	114,426	184,798	184,798	178,439	211,560
<b>Fund Cash Transfers</b>						
Pension Debt Redemption Fund	26,893	29,275	32,922	24,692	29,542	29,542
	26,893	29,275	32,922	24,692	29,542	29,542
<b>Unappropriated Ending Balance</b>						
Unappropriated Ending Balance	13,048,399	13,050,954	0	12,096,884	0	0
	13,048,399	13,050,954	0	12,096,884	0	0
<b>Total Fund Requirements</b>	<b>13,200,110</b>	<b>13,194,655</b>	<b>12,735,165</b>	<b>12,306,374</b>	<b>10,876,539</b>	<b>10,863,202</b>
<b>TOTAL REQUIREMENTS</b>	<b>\$ 16,922,532</b>	<b>\$ 16,472,028</b>	<b>\$ 17,189,459</b>	<b>\$ 17,204,051</b>	<b>\$ 16,252,590</b>	<b>\$ 16,238,516</b>

**LINE ITEM DETAIL – AU 577**

<b>Personnel Services</b>							
511000	Full-Time Employees	542,696	513,887	515,688	515,688	542,216	542,216
512000	Part-Time Employees	3,459	0	0	0	0	0
515000	Premium Pay	100	50	0	0	0	0
517000	Benefits	218,585	194,517	168,217	168,217	172,699	172,699
518000	Paid Absence	106,236	80,948	0	0	0	0
<b>Total Personnel Services</b>		<b>871,076</b>	<b>789,402</b>	<b>683,905</b>	<b>683,905</b>	<b>714,915</b>	<b>714,915</b>
<b>Materials and Services</b>							
<b>External Materials and Services</b>							
521000	Professional Services	215,533	188,491	207,941	253,366	209,487	209,487
524000	Repair & Maintenance Services	2,716	475	2,816	2,816	2,853	2,853
529000	Miscellaneous Services	1,736,016	1,556,457	2,759,005	3,156,963	3,583,174	3,583,174
531000	Office Supplies	4,234	3,980	6,890	6,890	6,980	6,980
534000	Minor Equipment & Tools	7,471	7,358	7,564	7,564	7,662	7,662
541000	Education	6,187	7,337	4,705	4,705	4,766	4,766
542000	Local Travel	1,279	2,263	4,984	4,984	5,049	5,049
543000	Out-of-Town Travel	3,544	2,906	3,790	3,790	3,839	3,839
549000	Miscellaneous	15,237	41,112	41,169	41,169	41,704	41,704
<b>Total External Materials and Services</b>		<b>1,992,217</b>	<b>1,810,379</b>	<b>3,038,864</b>	<b>3,482,247</b>	<b>3,865,514</b>	<b>3,865,514</b>
<b>Internal Materials and Services</b>							
551000	Vehicle Services	1,148	1,150	2,575	2,575	2,678	2,678
552000	Printing & Distribution	13,625	8,758	18,813	18,813	13,076	12,949
553000	Facilities Services	82,445	51,963	45,584	45,584	51,423	51,331
554000	Communications Services	15,229	11,186	12,881	12,881	11,980	11,838
555000	Information Technology	46,866	26,778	32,889	32,889	25,321	24,970
556000	Insurance	14,244	5,592	8,510	8,510	8,717	8,692
558000	Same Fund Services	0	3,222	0	0	0	0

559000 Other Fund Services	685,572	568,943	610,273	610,273	682,427	682,427
<b>Total Internal Materials and Services</b>	<b>859,129</b>	<b>677,592</b>	<b>731,525</b>	<b>731,525</b>	<b>795,622</b>	<b>794,885</b>
<b>Total Materials and Services</b>	<b>2,851,346</b>	<b>2,487,971</b>	<b>3,770,389</b>	<b>4,213,772</b>	<b>4,661,136</b>	<b>4,660,399</b>
<b>TOTAL Bureau Expenses</b>	<b>\$ 3,722,422</b>	<b>\$ 3,277,373</b>	<b>\$ 4,454,294</b>	<b>\$ 4,897,677</b>	<b>\$ 5,376,051</b>	<b>\$ 5,375,314</b>

## FUND OVERVIEW

The Workers' Compensation Fund supports the City's self-insured Workers' Compensation program, including claims administration and Citywide loss prevention activities aimed toward minimizing occupational injury and illness.

*Budgeted fund expenditures are primarily driven by actuarial claims projections.*

Fund expenditures are primarily for claims payments, which are budgeted at \$2,933,000 for FY 2003-04. Projected claims are based upon an independent actuarial study for the period ending June 30, 2002. Per Risk Management's commitment to the bureaus last year, overall interagency increases are held to the rate of inflation for internal services (2.7% over FY 2003).

The reserve requirement assumed in the FY 2004 budget is also based on the actuarial study, which recommends a range of reserve levels needed to cover outstanding incurred liabilities. The range of estimates is produced by calculating reserves at various confidence levels (i.e., the probability that actual losses will not exceed the reserve level). In addition, reserves are stated at a discounted level, which takes into account the fact that the fund earns interest on fund balances. The Workers' Compensation reserve requirement is forecast to be \$13,058,000, pursuant to the budget year-end (June 30, 2004) actuarial estimate at the discounted 75% confidence level.

### Managing Agency

Office of Management and Finance, General Services



# BUREAU OF ENVIRONMENTAL SERVICES

## Five-Year Financial Plan

### EXECUTIVE SUMMARY

The bureau's preliminary five-year financial plan for fiscal years 2003-04 through 2007-08 indicates revenue requirements over the forecast interval are dominated by the need to fund the ongoing capital program to control combined sewer overflows, to meet applicable regulatory requirements, and to operate and maintain the existing sanitary sewer and stormwater drainage system.

The attached table shows forecast expenses, inter-fund cash transfers, system resources, and revenue requirements from rates over the forecast period.

### SYSTEM COSTS

The five-year total increase in system costs (net of bond-reimbursed CIP expenditures) is over \$210.1 million. Debt service on outstanding and planned revenue bonds, together with cash financing of capital construction, accounts for approximately two-thirds of this growth.

Annual system costs increase by \$39.1 million over the five-year forecast interval.

- ◆ Costs other than CIP and cash transfers to the Construction Fund increase by \$40.4 million over the forecast interval. Seventy-nine percent of the increase, \$31.9 million, is new debt service on proposed revenue bonds to be sold to finance capital construction activity. The financial plan includes \$346.7 million in additional bonded indebtedness over the five-year forecast interval. Bond sales are planned in FYs 2004-05 and 2006-07.
- ◆ Total operations and maintenance expenditures increase by \$5.9 million over the interval, an average annual increase of 1.9%.
- ◆ Utility License Fees, which increase in proportion to rate revenues and not rate levels, increase by \$3.4 million over the five-year interval, an annual rate of increase of 6.6%.
- ◆ CIP expenditures total \$583.7 million over the forecast interval (including inflation). The pattern of expenditures is primarily influenced by the timing of CSO projects. These expenditures are funded by sewer system revenue bonds, but also include substantial cash contributions (\$102.9 million over the five-year forecast interval) made necessary by coverage requirements on sewer system revenue bonds.

CIP expenditures occur in five programmatic areas:

- ◆ Combined Sewer Overflow projects account for the largest portion at \$482.4 million over the interval. Major projects include the West Side Tunnel and Pump Station, the Carolina Basin Stream Diversion, CSO-related improvements at the Columbia Boulevard Treatment Plant, the East Tunnel, and the Tanner Creek Basin Stream Diversion.
- ◆ Maintenance and Reliability expenditures are forecast at \$58.1 million over the interval. Sewer relief, reconstruction, and sewer separation are the primary programs. In addition, many CSO-related projects (treatment plant upgrades and pipeline replacements for example) have maintenance-related benefits for the system.
- ◆ Forecast expenditures for Sewage Treatment Systems are \$18.2 million over the interval. Major projects during that time include reconstruction of the Columbia Boulevard sludge lagoon, treatment plant rehabilitation and modification, pump station improvements, and aeration basin repairs.
- ◆ Surface Water Management expenditures are forecast at \$11.2 million over the interval. Major projects include flood mitigation and restoration, and the willing seller program.
- ◆ Systems Development program expenditures are forecast at \$13.9 million, primarily for the South Airport sanitary trunk sewer, and residential and commercial sewer extensions. Funding for these projects comes largely from non-rate sources.

## SYSTEM RESOURCES

Annual revenue requirements from rates increase by \$59.0 million over the five-year forecast interval, due to a combination of higher construction financing costs and moderately increasing operating costs. BES forecasts annual rate increases averaging 6.3% over the next five years. These increases are a combination of growth in annual system costs and decreases in non-rate revenues, as explained below.

Forecast annual system revenues from sources other than rates (excluding changes in Operating Fund balance) increase by \$7.6 million over the five-year forecast interval. This is due primarily to changes in transfers from the Rate Stabilization Fund to the Sewage System Operating Fund.

- ◆ A transfer from the Rate Stabilization Fund to the Operating Fund occurs in FY 2007-08. Transfers to the Rate Stabilization Fund occur in fiscal years 2003-04, 2004-05, 2005-06, and 2006-07. CIP expenditures beyond the current five-year forecast interval will require subsequent use of Rate Stabilization Fund balances to smooth rate increases.
- ◆ Reimbursements from the Construction Fund to the Operating Fund increase by \$2.8 million over the forecast interval. The fluctuations in these reimbursements reflect the timing of CIP expenditures.
- ◆ System development charge revenues are forecast to increase by \$1.4 million over the forecast interval, reflecting in part the completion of the Mid County project and an end to the resulting high connection rate in that area. The forecast also assumes generally slower regional economic growth.

Annual revenue requirements from rates must increase by \$58.6 million from the current year's forecast rate revenues to FY 2007-08, an average increase of 6.7%. Account growth provides a partial offset, allowing an average percentage increase in rates of 6.3% over the same interval. Lower consumption, particularly in the commercial sector, partially offsets the effects of account growth.

## RISKS TO THE FORECAST

The following were judged to be issues of potential significance, but their effects were not explicitly included in the forecast.

- ◆ Columbia Slough Sediments. The bureau could incur additional costs associated with fulfilling the 1993 consent order with DEQ to conduct a remedial investigation and feasibility study of contaminated sediments in the Columbia Slough.
- ◆ Willamette Basin TMDLs. Costs associated with implementing watershed plans related to new Total Maximum Daily Load (TMDL) standards for the Willamette basin are not known at present but could be significant.
- ◆ Sanitary Sewer Overflows (SSO). New SSO rules currently being promulgated by the Environmental Protection Agency SSO Federal Advisory Subcommittee could have significant financial impacts to both capital and operating budgets.
- ◆ Underground Injection Control Rules. Both the capital and operating budgets could be impacted by costs associated with complying with new regulations and permit requirements.
- ◆ EPA Letter. BES is currently in discussions with representative from EPA and DEQ related to concerns regarding CSO controls, the water quality implications of underground injection wells, and sanitary sewer overflows. Substantive changes to current CSO control plans would impact the budget.
- ◆ Water Bureau Customer Information System. The bureau is forecasting approximately \$6.6 million in write-offs over the current year and FY 2003-04 related to billing problems associated with the Water Bureau's new Customer Information System. Should write-offs exceed that amount, BES would be forced to make up the deficit with transfers from the Rate Stabilization Fund or reduce operating expenditures by an equivalent amount.
- ◆ Other Factors.
  - ◆ Forecast rate increases could be affected by residential, commercial, and industrial water use patterns that differ substantially from the conservation assumptions in the forecast.



- ◆ A significant increase in interest rates over the forecast interval will increase revenue requirements for interest on new debt.
- ◆ An increase in the actual rate of inflation over the forecast inflation rate will require correspondingly higher rate increases.
- ◆ Greater than anticipated economic growth in the region could cause system development charge revenues to exceed forecast levels over the coming five years. Any such unexpected revenues would be an offset to revenue requirements from rates.

**Bureau of Environmental Services  
Revenue Requirement from Rates**

	2004	2005	2006	2007	2008
<b>O&amp;M and CIP Expenses</b>					
Personal Services	\$26,915,289	\$27,684,161	\$28,474,996	\$29,288,422	\$30,125,086
Materials & Services - External	18,975,732	19,117,313	19,385,426	21,572,884	21,997,842
Materials & Services - Internal	31,457,412	31,219,272	30,197,559	30,622,323	31,110,515
Capital Outlay & CIP	141,673,888	133,909,580	84,635,083	86,503,901	142,978,595
Equipment Cash Transfers	25,552	26,116	26,693	27,282	27,884
Amortized Bond Interest/Discount	(240,256)	2,167,179	(347,015)	2,917,518	(467,895)
<b>Cash Transfers:</b>					
General Fund Overhead	2,351,010	2,399,085	2,448,143	2,498,204	2,549,289
Utility License Fees	11,802,111	12,747,403	13,522,178	14,340,843	15,209,978
Rate Stabilization Fund	2,525,000	15,250,000	3,700,000	14,475,000	0
Sewer Revolving Loan Fund	0	0	0	0	0
Other Funds	2,430,607	2,679,245	2,927,990	3,257,787	3,510,524
Col. Slough Grant Oper. Exps.	(1)	0	0	0	0
<b>Total O&amp;M and CIP Expenses</b>	<b>\$237,916,345</b>	<b>\$247,199,354</b>	<b>\$184,971,052</b>	<b>\$205,504,163</b>	<b>\$247,041,819</b>
<b>Cash Transfers to Debt Redemption Fund :</b>					
Existing Bond Debt Service	61,375,285	61,380,786	61,380,358	61,379,339	62,058,769
Projected New Bond Debt Service	0	0	13,560,018	13,560,018	31,903,639
less Capitalized Interest Offset	0	0	0	0	0
Existing/New Junior Lien Debt Service	16,321,831	16,325,950	16,324,839	16,323,714	16,322,575
<b>Cash Transfers to Sewer Construction Fund :</b>					
Cash Financed Capital Improvements	25,000,000	31,618,557	15,304,724	8,582,633	22,378,847
<b>Annual System Costs</b>	<b>\$340,613,461</b>	<b>\$356,524,647</b>	<b>\$291,540,991</b>	<b>\$305,349,868</b>	<b>\$379,705,649</b>
<b>Less: Other System Resources</b>					
CIP Reimbursement from Constr. Fd	\$147,298,369	\$140,382,923	\$91,304,672	\$93,376,792	\$150,060,922
Systems Development Charges	5,452,539	5,779,692	6,126,473	6,494,062	6,883,705
Wholesale Sewer Contracts	2,546,704	2,706,394	2,787,488	2,873,068	2,960,712
Other Service Charges	536,746	552,399	568,509	585,089	602,152
Service Reimbursements	1,098,092	1,063,220	1,094,228	1,126,140	1,158,982
Rate Stabilization Fund Transfer In	0	0	0	0	4,775,000
Other Cash Transfers	478,963	0	0	0	0
Product Sales	131,850	135,695	139,652	143,725	147,917
Rents	131,376	135,207	139,150	143,208	147,385
Licenses and Permits	416,458	428,604	441,104	453,968	467,207
Interest on Investments	1,788,324	1,247,591	667,132	654,286	813,346
Miscellaneous	492,817	(7,393)	(7,608)	(7,830)	(8,059)
Decrease/(Increase) in Oper. Fund Balance	16,030,432	26,684,717	(13,557)	(186,149)	(99,665)
<b>Total Other Resources</b>	<b>\$176,402,669</b>	<b>\$179,109,049</b>	<b>\$103,247,243</b>	<b>\$105,656,359</b>	<b>\$167,909,606</b>
<b>Required Revenues from Rates</b>	<b>\$164,210,792</b>	<b>\$177,415,598</b>	<b>\$188,293,748</b>	<b>\$199,693,509</b>	<b>\$211,796,043</b>

**Office of Management & Finance**

**Adopted Budget FY2003-04 Current Service Level (CSL)  
Targets--City of Portland-General Fund, FY2003-04**

As Of..... 18-Jun-2003			Discussion	
<b>FY2003-04 Bureau Adopted Budget Discretionary Targets &amp; Overhead Recovery</b>			The table at the left summarizes estimated General Fund current service level (CSL) discretionary budgets plus overhead recovery numbers. Adopted FY2003-04 budgets reflect budget process outcomes and assume, at this point a 13.5 percent PERS employer contribution rate. Overhead recovery has been calculated using Council's Approved FY2003-04 General Fund Budget.	
<b>FY2004-05 Current Service Level Estimates (see page 9)</b>				
General Fund Bureau/Program	Discretionary	Overhead	<b>Escalation Rates</b>	
Bureau of Police (Operating).....	\$112,580,687	\$0	Escalation rates reflect a December to December consumer price index (Portland-Salem) increase of 0.4 percent. Targets include recent gas and electric rate and revenue reductions.  The actual July 1, 2003 COLA is 2.0%. Medical benefits escalation has been set at 5.1 percent which is equal to recent medical care cost escalation as published by the Bureau of Labor Statistics last February.	
Bureau of Fire (Operating).....	\$63,683,486	\$130,439		
Bureau of Parks.....	\$29,325,938	\$0		
Commissioner #2--AU190.....	\$272,352	\$348,100		
Commissioner #4--AU191.....	\$270,209	\$345,296		
Commissioner #3--AU192.....	\$274,066	\$348,506		
Commissioner #1--AU193.....	\$273,065	\$348,623		
Office of the Mayor.....	\$559,029	\$713,220		
Cable Communications.....	\$634,795	\$0		
PCA Access Payments.....	\$768,712	\$0		
Office-Sustainable Development.....	\$356,070	\$0		
Government Relations.....	\$301,862	\$385,064		
Office of Management & Finance(OM)	\$3,808,735	\$6,691,572		
Office Emergency Management.....	\$327,652	\$540,612		
Bureau of Licenses.....	\$2,536,548	\$0		
Office-City Attorney.....	\$1,556,651	\$1,167,922		
Office-City Auditor.....	\$2,245,285	\$1,838,737		
Office of Neighborhood Involvement..	\$4,566,256	\$145,894		
Bureau of Planning.....	\$5,043,387	\$138,652		
Bureau-Community Dev.(BHCD).....	\$2,630,679	\$0		
Special Appropriations (NET).....	\$2,798,593	\$138,276		
Subtotal-General Fund Bureaus.....	\$234,814,056	\$13,280,913		
Unused Line.....	\$0			
BOEC Target IA w/ General Fund.....	\$8,304,235			
PDOT CSL Support.....	\$84,439			
BDS &-Neighborhood Quality.....	\$1,192,518			
Regional Arts Commission (RACC)....	\$1,963,603			
Current Service Level Total.....	\$246,358,851	\$13,280,913		
Some Key CSL Target Assump- tions	<b>CPI-W Portland Dec. 2001 To December 2002.....</b>	<b>0.4%</b>	<b>General Fund CSL Full Time Equivalent (FTE) Positions.....</b>	<b>2,815</b>
	<b>M &amp; S Escalation Rates</b>		<b>Difference from last forecast..</b>	<b>0</b>
	<i>EXTERNAL M&amp;S.....</i>	<b>1.3%</b>	<b>Est. General Fund Compen- sation Set-Aside.....</b>	<b>\$7,536,302</b>
	<i>Net of Utilities.....</i>	<b>1.7%</b>	<b>Portland Population.....</b>	
	<i>INTERNAL M&amp;S.....</i>	<b>2.4%</b>	<i>FY2002-03.....July 1, 2002.....</i>	<b>541,533</b>
	<b>CPI-U All U.S. Cities For FY2003.....</b>	<b>2.1%</b>	<i>FY2003-04.....July 1, 2003.....</i>	<b>546,878</b>

**Adopted Budget Bureau CSL Targets Compared To Previously  
Forecast FY2003-04 Discretionary On-Going Budgets**

This table summarizes FY2003-04 bureau CSL targets published last January along with the 5-year financial forecast. Adopted Budget CSL targets now reflect budget process outcomes as well as estimated overhead recovery amounts as calculated using Council's Approved Budget. Compared to last February's estimates, CSL targets have been reduced, net, by about \$7.1 million.

<b>General Fund Bureau</b>	<b>FY2003-04 CSL0404(*)</b>	<b>Adopted Budget CSL Estimate</b>	<b>Difference-\$</b>	<b>Percent-%</b>
Bureau of Police.....	\$115,144,237	\$112,580,687	(\$2,563,550)	-2.2%
Bureau of Fire.....	\$65,344,162	\$63,683,486	(\$1,660,676)	-2.6%
Bureau of Parks.....	\$30,977,591	\$29,325,938	(\$1,651,653)	-5.3%
Commissioner #2-AU190.....	\$298,317	\$272,352	(\$25,965)	-5.8%
Commissioner #4-AU191.....	\$298,996	\$270,209	(\$28,786)	-23.6%
Commissioner #3-AU192.....	\$298,553	\$274,066	(\$24,487)	-5.4%
Commissioner #1-AU193.....	\$298,147	\$273,065	(\$25,082)	-5.3%
Office of the Mayor.....	\$618,868	\$559,029	(\$59,839)	-7.4%
Cable Communications.....	\$673,015	\$634,795	(\$38,220)	-5.7%
PCA Access.....	\$799,890	\$768,712	(\$31,178)	-3.9%
Office-Sustainable Development.....	\$364,459	\$356,070	(\$8,389)	-2.3%
Governmental Relations.....	\$333,345	\$301,862	(\$31,483)	-8.3%
Office of Management & Finance.....	\$3,117,516	\$3,808,735	\$691,219	5.6%
Emergency Management.....	\$0	\$327,652	\$327,652	NA
Bureau of Licenses.....	\$2,729,153	\$2,536,548	(\$192,605)	-7.1%
Office-City Attorney.....	\$1,702,779	\$1,556,651	(\$146,128)	-4.9%
Office-City Auditor.....	\$2,444,942	\$2,245,285	(\$199,658)	-1.1%
Office of Neigh. Involvement.....	\$3,903,867	\$4,566,256	\$662,389	17.2%
Bureau of Planning.....	\$5,233,785	\$5,043,387	(\$190,398)	-4.6%
Community Development.....	\$2,774,897	\$2,630,679	(\$144,218)	-5.2%
Special Appropriations.....	\$3,215,109	\$2,798,593	(\$416,516)	-12.8%
<b>Subtotal-Bureaus.....</b>	<b>\$240,571,629</b>	<b>\$234,814,056</b>	<b>(\$5,757,573)</b>	<b>-2.5%</b>
Unused Line.....	\$0	\$0	\$0	NA
BOEC Target (Fund Cash Transfer)...	\$8,632,647	\$8,304,235	(\$328,412)	-3.8%
PDOT CSL Support.....	\$86,338	\$84,439	(\$1,899)	-2.2%
BDS, Neigh. Quality.....	\$2,156,933	\$1,192,518	(\$964,415)	-44.7%
Regional Arts Com.....	\$2,045,420	\$1,963,603	(\$81,817)	-4.0%
<b>Bureau Current Service Level</b>	<b>\$253,492,967</b>	<b>\$246,358,851</b>	<b>(\$7,134,116)</b>	<b>-2.9%</b>

(\*) Document CSL0404 estimated CSL targets of February 12, 2003.

Overall bureau on-going CSL targets are down net, \$7.1 million compared to the initial CSL estimate of \$253.5 million. The overall percentage difference works out to 2.9 percent reduction and reflects budget process outcomes. Some of this reduction was offset by higher overhead recovery within overhead bureaus. Targets reflect a PERS employer contribution rate of 13.5 percent but actual FY2003-04 PERS contribution rates will not be available until the last week of June at the earliest.

**FY2003-04 Bureau CSL Target Calculations**

The table below compares revised initial CSL with actual budgeted CSL FY2003-04 targets without the initial PERS target increase which was subsequently taken out of targets. When the difference between Adopted Budget targets and base CSL targets adjusted for inflation, the current year's compensation increase, and planned increases, is computed this way the CSL reductions total \$5.8 million. Again this is net of an initial PERS target increase so it gives a slightly different picture of net CSL reductions.

<b>General Fund Bureau</b>	<b>Base CSL FY2002-03</b>	<b>Adjusted For Escalation(*)</b>	<b>Budget Process Changes</b>	<b>Budgeted CSL FY2003-04</b>	<b>One-Time &amp; Carryover</b>
Bureau of Police.....	\$110,329,738	\$114,827,234	(\$2,246,547)	\$112,580,687	\$16,965
Bureau of Fire.....	\$61,680,910	\$65,246,968	(\$1,563,482)	\$63,683,486	\$68,507
Bureau of Parks.....	\$29,549,005	\$30,742,622	(\$1,416,684)	\$29,325,938	\$204,251
Com. #2-AU190.....	\$281,348	\$294,418	(\$22,066)	\$272,352	\$99
Com. #4-AU191.....	\$219,475	\$294,435	(\$24,226)	\$270,209	\$74
Com. #3-AU192.....	\$281,786	\$295,503	(\$21,437)	\$274,066	\$99
Com. #1-AU193.....	\$281,682	\$294,576	(\$21,511)	\$273,065	\$99
Office of the Mayor.....	\$585,331	\$611,762	(\$52,733)	\$559,029	\$186
Cable Com.....	\$639,033	\$666,265	(\$31,470)	\$634,795	\$74
PCA Access.....	\$784,205	\$799,890	(\$31,178)	\$768,712	\$0
Office-Sus. Develop....	\$325,354	\$360,383	(\$4,312)	\$356,070	\$85,826
Govern. Relations.....	\$319,438	\$330,427	(\$28,564)	\$301,862	\$50
OMF.....	\$2,696,077	\$3,276,351	\$532,384	\$3,808,735	\$48,902
Emergency Manage....	\$0	\$0	\$327,652	\$327,652	\$39,370
Bureau of Licenses.....	\$2,593,509	\$2,701,084	(\$164,536)	\$2,536,548	\$458
Office-City Attorney....	\$1,554,533	\$1,680,184	(\$123,533)	\$1,556,651	\$16,424
Office-City Auditor.....	\$2,281,148	\$2,532,035	(\$286,751)	\$2,245,285	\$793
Office of Neigh. Involv.	\$3,739,469	\$3,868,663	\$697,593	\$4,566,256	\$557
Bureau of Planning.....	\$4,930,431	\$5,172,981	(\$129,594)	\$5,043,387	\$673,805
Community Develop....	\$2,678,249	\$2,766,941	(\$136,262)	\$2,630,679	\$260,322
Special Approps.....	\$3,176,238	\$2,573,852	\$224,740	\$2,798,593	\$105,530
<b>Subtotal-Bureaus.....</b>	<b>\$228,926,959</b>	<b>\$239,336,574</b>	<b>(\$4,522,518)</b>	<b>\$234,814,056</b>	<b>\$1,522,391</b>
Unused Line.....	\$0	\$0		\$0	\$0
BOEC Target IA.....	\$8,318,245	\$8,518,138	(\$213,903)	\$8,304,235	\$2,269
PDOT CSL Support....	\$84,795	\$86,338	(\$1,899)	\$84,439	\$0
BDS, Neigh. Quality....	\$2,129,886	\$2,156,933	(\$964,415)	\$1,192,518	\$0
Regional Arts Com.....	\$2,004,207	\$2,045,420	(\$81,817)	\$1,963,603	\$0
<b>Current Service Level</b>	<b>\$241,464,092</b>	<b>\$252,143,404</b>	<b>(\$5,784,552)</b>	<b>\$246,358,851</b>	<b>\$1,524,660</b>

(\*) FY2002-03 Compensation Set-Aside (2.2% COLA) plus inflation, and planned target changes.

<b>Non-Bureau City-Wide CSL</b>	<b>Original</b>	<b>One- Time</b>	<b>Approved</b>	<b>Adopted</b>
Unused Line				
Unused Line				
Unused Line				
Unused Line				
Unused Line				
Unused Line				
Unused Line				
<b>Total Non-Bureau.....</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

The table below displays, for General Fund bureaus, the various sources of funding that back a bureau's budget and shows how the discretionary allocation fits into the overall funding scheme. Briefly, a bureau's budget "is backed" by three types of resources: a discretionary target allocation from Council, overhead recovery (if applicable) and non-discretionary revenues. Non-discretionary revenues include grants and donations, contract revenue, any inter or intra-agency billings, and bureau fee revenues and miscellaneous types of revenues. Overhead recovery revenues are limited to specific General Fund bureaus as shown on the CSL target schedule on page 1 of this document.

<b>SOURCES OF FUNDING</b>	
<b>General Fund (101)</b>	
<b>General Fund Resources:</b>	<b>\$</b>
<b>Target Discretionary Allocation.....</b>	<b>\$xx,xxx,xxx</b>
General Fund Overhead.....	\$xx,xxx,xxx
<b>Subtotal Discretionary + Overhead</b>	<b>\$xx,xxx,xxx</b>
<b>Non-Discretionary Revenues.....</b>	
Grants & Donations.....	\$xx,xxx,xxx
Contract Revenue.....	\$xx,xxx,xxx
Interagency (IA) Revenue.....	\$xx,xxx,xxx
Bureau Program (Fee) Revenue.....	\$xx,xxx,xxx
<b>Subtotal Non-Discretionary</b>	<b>\$xx,xxx,xxx</b>
<b>TOTAL BUREAU BUDGET.....</b>	<b>\$xx,xxx,xxx</b>

**Discretionary PERS In Targets.....** Bureau discretionary targets are adjusted for an expected decrease in the PERS employer contribution rate. The table below shows OMF's calculation for these target adjustments. Please note that only the estimated, pro-rata, discretionary share fo expected decreases has been incorporated in bureau discretionary targets.

**Schedule: Calculated PERS Discretionary Target Decreases**

<b>CSL Requirements</b>	<b>Actual PERS FY2001-02(*)</b>	<b>PERS Rate to 14.25%</b>	<b>PERS Rate to 13.547%</b>	<b>Total Target Reduction(***)</b>
Police Bureau.....	\$2,217,581	(\$317,004)	(\$98,358)	(\$415,361)
Fire Bureau.....	\$864,801	(\$130,476)	(\$40,483)	(\$170,959)
Parks.....	\$2,320,563	(\$265,434)	(\$82,357)	(\$347,791)
Commissioners.....	\$212,798	(\$15,080)	(\$4,679)	(\$19,759)
Mayor's Office.....	\$104,373	(\$7,106)	(\$2,205)	(\$9,311)
Cable & Franchise...	\$61,724	(\$6,750)	(\$2,094)	(\$8,844)
Govern. Relations....	\$42,763	(\$2,919)	(\$906)	(\$3,824)
OMF.....	\$1,420,184	(\$28,090)	(\$8,716)	(\$36,806)
Office Sus. Develop.	\$102,258	(\$4,077)	(\$1,265)	(\$5,342)
Licenses.....	\$254,328	(\$28,069)	(\$8,709)	(\$36,777)
City Attorney.....	\$442,216	(\$22,595)	(\$7,011)	(\$29,605)
Auditor(**).....	\$280,440	(\$15,473)	(\$4,801)	(\$20,274)
ONI.....	\$304,490	(\$35,204)	(\$10,923)	(\$46,127)
Planning.....	\$481,168	(\$60,804)	(\$18,866)	(\$79,670)
Com. Develop.....	\$166,167	(\$7,956)	(\$2,469)	(\$10,424)
Cable Access.....	\$0	\$0	\$0	\$0
Special Approps.....	\$0	\$0	\$0	\$0
Street Light SA.....	\$0	\$0	\$0	\$0
BOEC Transfer.....	\$713,050	(\$114,509)	(\$35,529)	(\$150,038)
BDS-Neigh.Quality...	\$0	\$0	\$0	\$0
Reg. Arts (RACC)....	\$0	\$0	\$0	\$0
<b>Column TOTAL.....</b>	<b>\$9,988,903</b>	<b>(\$1,061,545)</b>	<b>(\$329,368)</b>	<b>(\$1,390,913)</b>

(\*) Adjusted for 2.2% COLA (\*\*) Net of FPD&R related (\*\*\*) Discretionary portion only.

The table below itemizes Adopted Budget, financial plan ongoing CSL target increases included in bureau's budgets as well as Council adopted ordinances (Parks). These adds reflect Adopted

Bureau/Program	\$	Budget process outcomes.
Police-PPA.....	\$552,798	
Unused Line.....	\$0	● The Police Bureau's target is increased by \$552,798 as planned to fund previous Police labor contract cost increases.
Fire-Labor Contract..	\$1,264,235	
Fire-GO Bond.....	\$50,000	
Fire-Energy Costs....	(\$33,282)	● Fire is increased \$1,197,671 to cover a labor contract increase and a \$50,000 planned operations increase for GO Bond facilities.
Parks Labor.....	\$73,281	
Parks-Energy Costs..	(\$98,746)	● Parks' target decreases \$98,746 due to decreased energy costs.
Parks-by ordinances	\$0	
Parks-from set-aside	\$0	
Comm. #4	\$66,500	● Fire's target decreases \$33,282 due to decreased energy costs.
Planning.....	\$50,325	
Unused Line.....	\$0	● Planning's target is increased as set out in Council's previous financial plan.
Unused Line.....	\$0	
<b>TOTAL ADDS.....</b>	<b>\$1,925,111</b>	

**Special Appropriation Targets (net of Council Set-Asides)**

The table below summarizes budgeted special appropriation targets (net of set-asides, one-time):

Special Appropriations (Not Set-Asides)	CSL Target	Overhead
Public Safety Coordinating Council.....	\$26,405	\$0
Memberships & Dues.....	\$98,989	\$129,960
Leaders Roundtable.....	\$4,138	\$5,432
Management Council.....	\$0	\$0
Council Emergency Funds.....	\$2,197	\$2,884
Employee Suggestion Fund.....	\$0	\$0
EID Assessment/Clean & Safe.....	\$16,628	\$0
MERC/PCPA-Operating Subsidy.....	\$641,256	\$0
Holiday Festival.....	\$0	\$0
Block By Block Weatherization.....	\$0	\$0
PDC Enterprise Zone Administration.....	\$50,582	\$0
Civil Rights Enforcement.....	\$0	\$0
Downtown Services, Pioneer Sq. Securi	\$878,111	\$0
Targeted Industry Jobs/PDC.....	\$118,150	\$0
Transit Programs.....	\$132,293	\$0
Small Business Opportunity/PDC .....	\$111,200	\$0
Unused Line.....	\$0	\$0
Workforce Development/BHCD.....	\$100,088	\$0
Business Districts/PDC.....	\$54,280	\$0
Business Development/Regional.....	\$136,237	\$0
PDC-Bus. Development Citywide.....	\$428,038	\$0
Unused Line.....	\$0	\$0
<b>Total Special Appropriations.....</b>	<b>\$2,798,594</b>	<b>\$138,276</b>

**One-Time Second Year Budgets and CRC Capital Set-Aside Allocations**

The schedule below shows bureau one-time budgets, carryover budgets, and CRC approved capital allocations. These budget allocations are not part of on-going discretionary (CSL) support.

Requirement By Bureau	FY2003-04 One-Time & CRC Capital		
	One-Time	Carryover	CRC Capital(*)
Police.....	\$16,965	\$0	\$0
Fire.....	\$68,507	\$0	\$1,173,004
Parks (by Ordinance).....	\$204,251	\$0	\$925,000
Commissioners' Offices..	\$371	\$0	\$0
Mayor's Office.....	\$186	\$0	\$0
Cable Communications..	\$74	\$0	\$0
Energy.....	\$85,826	\$0	\$0
Government Relations...	\$50	\$0	\$0
OMF.....	\$48,902	\$0	\$0
Purchases & Stores....	\$0	\$0	\$0
Licenses.....	\$458	\$0	\$0
City Attorney.....	\$16,424	\$0	\$0
Auditor.....	\$793	\$0	\$0
Neighborhood Involvement	\$557	\$0	\$0
Office Emerg. Managemen	\$39,370	\$0	\$0
Planning.....	\$0	\$673,805	\$0
Community Develop.....	\$260,322	\$0	\$85,615
BOEC.....	\$2,269	\$0	\$0
Special Approps.....	\$105,530	\$0	\$0
PDOT, One-Time.....	\$0	\$0	\$0
Street Light (PDOT).....	\$0	\$0	\$400,000
BGS Transfer for CIP.....	\$0	\$0	\$250,000
BDS-Neigh.Quality.....	\$0	\$0	\$0
Regional Arts (RACC)....	\$0	\$0	\$0
<b>Column Total.....</b>	<b>\$850,855</b>	<b>\$673,805</b>	<b>\$2,833,619</b>
Checksum Totals.....	(\$0)		\$0

(\*) Net of debt services for previous CIP projects.

**Current Out-Year Target Adjustments**

This table summarizes out-year program target increases included in Council's current five-year financial plan. Police increases include estimated longevity costs. Fire increases continue to reflect planned cost increases associated with new fire stations operations costs (GO bonds) and recent labor contract cost increase. Other bureau increases are negligible.

Bureau	2005	2006	2007	2008	NA
Police.....	\$940,984	\$0	\$0	\$0	NA
Fire.....	\$538,281	\$108,062	\$1,097,886	(\$35,787)	NA
Parks.....	\$103,398	\$78,287	\$86,447	\$90,227	NA
All Other Bureaus.....	\$34,904	\$18,265	\$42,500	\$0	NA
Annual Totals	\$1,617,568	\$204,614	\$1,226,833	\$54,440	NA

CSL Estimates/Targets (CSL04AB)

18-Jun-2003

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**Adopted Budget FY2003-04 Council Set-Asides**

Estimated set-asides are up, net, \$1.4 million compared to the proposed budget. The only adjustment to set-asides is a change in anticipated debt-service requirements. Also:

- The General Fund's contingency, at \$1,502,743 no longer includes Fire's CIP allocation (apparatus at \$998,004) which is now included in the capital set-aside.
- PERS pension obligation bond debt service remains at \$3.32 million.
- The compensation set-aside now includes a \$1.475 million carryover for Police.
- This forecast continues to assume that the General Fund will not issue any tax anticipation notes thereby eliminating interest costs.
- The transfer to BIT is up \$340,000 to include two one-time projects.
- The capital set-aside is \$2.8 million net of debt service related costs included in the "Various Debt Services" line item.
- Debt service is up \$230,00 for Children's Receiving Center debt service costs.

<b>Council Set-Aside Item</b>	<b>PROPOSED</b>	<b>ADOPTED</b>	<b>Difference</b>
TANS Interest	\$0	\$0	\$0
Comp. SET-ASIDE.....	\$6,061,302	\$7,536,302	\$1,475,000
Fund Contingency			
General Contingency....	\$3,230,810	\$1,502,743	(\$1,728,067)
Unforeseen.....	\$2,000,000	\$2,000,000	\$0
Contingency.....	\$5,230,810	\$3,502,743	(\$1,728,067)
Street Light O&M.....	\$4,800,841	\$4,800,841	\$0
PERS Pension (POBS)..	\$3,320,937	\$3,320,937	\$0
Capital Set Aside.....	\$1,835,615	\$2,833,619	\$998,004
Various Debt Services....	\$2,090,483	\$2,320,483	\$230,000
Transfer-OUT Reserve	\$625,384	\$625,384	\$0
City Hall/Precincts Debt..	\$2,479,350	\$2,479,350	\$0
Transfers to BIT.....	\$478,419	\$818,419	\$340,000
Unused Line.....	\$0	\$0	\$0
2040 Set-Aside.....	\$0	\$0	\$0
O&M for CIPs.....	\$567,566	\$567,566	\$0
Unused.....	\$0	\$0	\$0
PDOT CSL.....	\$84,435	\$84,438	\$3
Endanger. Species Act..	\$933,183	\$933,183	\$0
Unused Line.....	\$0	\$0	\$0
Housing Investment.....	\$495,757	\$495,757	\$0
Unemploy. Insurance.....	\$0	\$0	\$0
Misc. Transfers .....	\$0	\$90,000	\$90,000
Business Lic. Refunds...	\$6,382,525	\$6,382,525	\$0
City Hall Maint. Reserve	\$309,852	\$309,852	\$0
<b>COUNCIL Set-Asides.....</b>	<b>\$35,696,459</b>	<b>\$37,101,399</b>	<b>\$1,404,940</b>
Checksum Error.....	\$35,696,459	\$37,101,399	\$1,404,940

**Current CSL Forecast Compared To Previous Forecast**

The table and graph compare the current estimated FY2003-04 General Fund CSL estimate with the initial five-year financial (December) plan document. The Adopted Budget FY2003-04 CSL estimate is \$7 million lower, while on-going CLS reductions total about \$8 million:

- The December financial forecast estimated FY2003-04 CSL costs of \$291.91 million. The current forecast, reflects budget process results as found in Council's Adopted Budget. On-going program costs are about \$7.1 million lower while Council set-asides are about \$1 million lower. On-going overall CSL costs have been reduced about \$8 million with about a \$1 million increase in one-time.

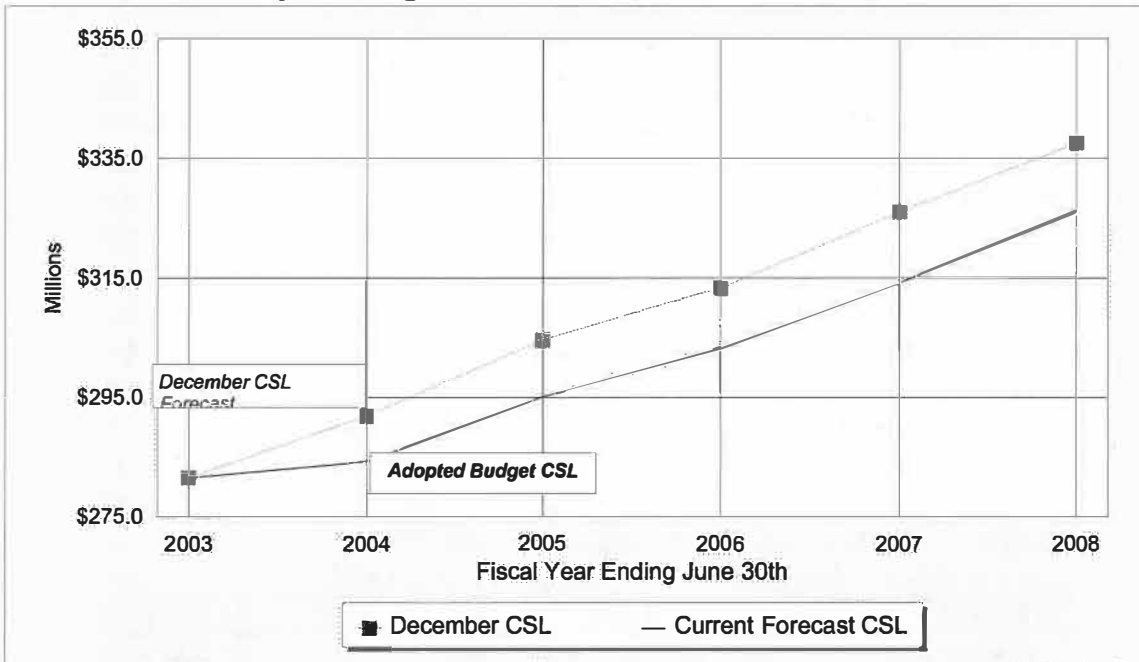
Discretionary CSL	December(*)	Adopted	Difference
Capital Set-Aside.....	\$3,199,269	\$2,833,619	(\$365,650)
Council Set-Asides.....	\$34,925,976	\$34,267,780	(\$658,196)
One-Time Bureaus.....	\$375,000	\$1,525,188	\$1,150,188
Bureaus, On Going.(**)	\$253,406,629	\$246,274,412	(\$7,132,217)
<b>Estimated CSL Cost</b>	<b>\$291,906,874</b>	<b>\$284,901,000</b>	<b>(\$7,005,875)</b>

(\*) Original December financial forecast (FORC0405, FP0405).

(\*\*) Net PDOT CSL support in set-asides

- Council reduced CSL costs by about \$13.9 million in balancing its Adopted FY2002-03 Budget. FY2003-04 reductions total about \$8 million, bringing the two year total to almost \$22 million.

**Current Adopted Budget-CSL Forecast versus December Forecast**



**Discussion of PERS Pension Obligation Bonds (POBS) Debt Service Schedule**

In November of 1999, the City sold \$300 million of Pension Obligation Bonds (POBS). The bond proceeds were used to eliminate the City's unfunded PERS pension liability. This reduced the City's employer's PERS contribution rate from 10.48% (current) to 8.56% during FY2000-01. In selling the POBS, the City avoided an immediate PERS employer contribution rate increase to 17.4%. The City structured debt service costs so as to phase in the higher pension costs over a ten year period allowing anticipated revenue growth to help absorb the impact of higher employer PERS costs.

Annual pension bond debt service is allocated to bureaus using actual PERS contributions for the year in which the bonds were issued. FY1998-99 PERS contributions allocate annual debt service costs of \$8,841,947. The table below details this allocation.

FUND	Bureau Debt Liability	Percentage Allocation	Annual POB Debt Service	
			FY2003-04	FY2004-05
			<b>\$8,841,947</b>	<b>\$13,399,419</b>
General Fund.....	\$112,995,285	37.55889%	\$3,320,937	\$5,032,672
Unused Line.....	\$0	0.00000%	\$0	\$0
Unused Line.....	\$0	0.00000%	\$0	\$0
Unused Line.....	\$0	0.00000%	\$0	\$0
<b>Subtotal.....</b>	<b>\$112,995,285</b>	<b>37.55889%</b>	<b>\$3,320,937</b>	<b>\$5,032,672</b>
PDOT (net).....	\$55,353,650	18.39919%	\$1,626,846	\$2,465,384
BOEC (net).....	\$2,863,692	0.95187%	\$84,164	\$127,545
Buildings (BDS).....	\$14,372,047	4.77717%	\$422,395	\$640,113
BES.....	\$39,339,045	13.07604%	\$1,156,176	\$1,752,113
Hydroelectric.....	\$301,519	0.10022%	\$8,862	\$13,429
WATER.....	\$40,857,865	13.58088%	\$1,200,815	\$1,819,760
Golf Operating.....	\$2,463,623	0.81889%	\$72,406	\$109,727
PIR.....	\$474,262	0.15764%	\$13,939	\$21,123
Refuse Disposal.....	\$765,029	0.25429%	\$22,484	\$34,073
Env. Remediation.....	\$17,662	0.00587%	\$519	\$787
Parks Bond Const....	\$1,364,843	0.45366%	\$40,113	\$60,788
Parks Construction...	\$22,806	0.00758%	\$670	\$1,016
Facilities Services....	\$2,448,975	0.81402%	\$71,975	\$109,074
Fleet Operating.....	\$5,754,908	1.91289%	\$169,137	\$256,317
Print & Distribution...	\$1,950,219	0.64824%	\$57,317	\$86,860
BIT	\$4,415,663	1.46774%	\$129,777	\$196,668
RISK	\$454,732	0.15115%	\$13,365	\$20,253
LID	\$1,025,120	0.34074%	\$30,128	\$45,658
FPD&R	\$613,557	0.20394%	\$18,032	\$27,327
Unused Line.....	\$0	0.00000%	\$0	\$0
Comm. Services.....	\$2,424,160	0.80577%	\$71,246	\$107,969
Insurance & Claims	\$1,074,630	0.35720%	\$31,583	\$47,863
Public Safety Fund...	\$225,242	0.07487%	\$6,620	\$10,032
Workers Comp. Oper	\$1,005,184	0.33412%	\$29,542	\$44,770
PDC.....	\$8,264,628	2.74711%	\$242,898	\$368,096
<b>TOTAL All Funds.....</b>	<b>\$300,848,346</b>	<b>100.00000%</b>	<b>\$8,841,947</b>	<b>\$13,399,419</b>

The table below details POB debt service for the three out-years of the financial forecast.

	2006	2007	2008
Out-Year Debt Service.(*)..	\$17,981,842	\$20,551,842	\$22,550,003

(\*) Estimated, variable interest rate debt principal changes with interest rates.

**Current Forecast Bureau CSL Targets For FY2004-05(\*)**

*The table below summarizes current bureau CSL targets for the next budget. The table summarizes FY2004-05 targets, as they currently exist, given current assumptions about inflation, compensation increases, and assumptions built into Council's current five-year financial plan. The estimates are net of any one year allocations for both fiscal years.*

<b>Bureau/Program</b>	<b>FY2003-04 CSL Base</b>	<b>Add: Escalation &amp; Comp.SA(**)</b>	<b>Scheduled Changes</b>	<b>FY2004-05 Target</b>
Bureau of Police.....	\$112,580,687	\$4,210,408	\$940,984	\$117,090,278
Bureau of Fire.....	\$63,683,486	\$2,309,945	\$538,281	\$66,140,163
Bureau of Parks.....	\$29,325,938	\$1,187,102	\$103,398	\$30,437,634
Com. #2--AU190.....	\$272,352	\$35,733	\$0	\$284,350
Com. #4--AU191.....	\$270,209	(\$16,889)	\$0	\$230,685
Com. #3--AU192.....	\$274,066	\$36,407	\$0	\$286,572
Com. #1--AU193.....	\$273,065	\$35,675	\$0	\$285,043
Office of the Mayor.....	\$559,029	\$74,480	\$0	\$585,488
Office Cable Com.....	\$634,795	\$30,070	\$0	\$661,212
PCA Access Paymts.	\$768,712	\$15,376	\$0	\$784,088
Office-Sus. Develop....	\$356,070	\$35,779	\$0	\$384,873
Government Relations	\$301,862	\$37,576	\$0	\$314,175
Office of Man. & Fin....	\$3,808,735	\$839,898	\$0	\$4,165,175
Emerg. Management..	\$327,652	\$8,191	\$0	\$335,843
Bureau of Licenses....	\$2,536,548	\$114,173	\$0	\$2,633,006
Office of City Attorney.	\$1,556,651	\$200,942	\$0	\$1,661,179
Office-City Auditor.....	\$2,245,285	\$269,183	\$0	\$2,375,078
ONL.....	\$4,566,256	\$162,305	\$0	\$4,699,187
Bureau of Planning.....	\$5,043,387	\$268,699	\$34,904	\$5,307,617
Bureau-Com. Dev.....	\$2,630,679	\$104,899	\$0	\$2,723,855
Special App. (NET).....	\$2,798,593	\$67,172	\$0	\$2,858,149
Subtotal-Bureaus.....	\$234,814,056	\$10,027,128	\$1,617,568	\$244,243,651
Unused Line.....	\$0	\$0	\$0	\$0
BOEC Target IA.....	\$8,304,235	\$213,476	\$0	\$8,517,799
PDOT CSL Support....	\$84,439	\$1,916	\$0	\$86,354
BDS-Neigh.Quality.....	\$1,192,518	\$25,003	\$0	\$1,217,700
Reg.Arts Com.(RACC)	\$1,963,603	\$68,623	\$0	\$2,032,226
<b>CSL TOTAL.....</b>	<b>\$246,358,851</b>	<b>\$10,336,147</b>	<b>\$1,617,568</b>	<b>\$256,097,729</b>

(\*\*) Preliminary compensation set-aside for FY2003-04.

*These targets are preliminary and reflect Adopted Budget decisions, recent Council adopted ordinances adjusting targets, and mid-year FY2002-03 budget adjustments as they affect bureau on-going target allocations. FY2003-04 targets are Council's Adopted Budget targets and reflect Council's five-year financial plan as currently configured at the close of the budget process.*

# BUREAU OF DEVELOPMENT SERVICES

## Five-Year Financial Plan

The Bureau of Development Services works with the community and other bureaus to preserve and shape safe, vital and well-planned urban environments. This is done through the enforcement of construction and land use code requirements and through the enforcement of zoning, housing maintenance, nuisance, and noise control regulations.

### THE BUREAU'S WORK AND SOURCES OF FUNDING

BDS has the traditional "building department" functions of inspections, permit issuance, and review of architectural plans. These programs are funded solely through permit fees and charges. State statutes regulate these programs and prohibit revenue from these programs being used for other local programs. Fees support the site development, code compliance, and environmental soils programs. Land use review is also housed in BDS; land use review fees and the General Fund finance this program. BDS also enforces the City's housing, nuisance, and noise control codes. Fees, citations/penalties and the solid waste fund finance the housing/nuisance program. The City's General Fund, noise variance, and citations/penalties support the noise control program.

### HISTORY OF THE OPERATING FUND

In fiscal year 1988-89, the City Council established an operating fund for the Bureau of Buildings. At that time, the Bureau was charged with fully supporting its construction functions through fees and charges by the end of a three year period. In addition the Bureau was to set up a reserve account which would capture revenues from pre-paid work and serve as a countercyclical reserve when the economy was on a downturn. Due to a booming construction industry and some long over-due fee increases in FY 1988-89, the Bureau succeeded in meeting the 100% cost recovery goal in just two years.

### FINANCIAL PLANNING PROCESS

Since FY 1988-89, BDS has made five-year projections of costs and revenues annually to assist in fiscal planning. Costs and revenues are projected based on both historical and current-year patterns, anticipated changes, and inflationary rates suggested by the Office of Management and Finance. Revenue and expenditures are compared to determine annual cost recovery rates and whether or not BDS's reserve will be drawn down or increased. BDS management reviews the level of service to customers, compares it to the revenue estimates, and makes recommendations on whether or not fees should be increased and by how much. Fee rates are reviewed each year to maintain BDS's financial integrity.

### FINANCIAL FORECAST

- ◆ Construction is one of the most volatile sectors of the economy and it is difficult to project revenue.
- ◆ Most fee revenues for the Bureau of Development Services are projected to grow at a modest rate of 2% through FY 2007-08 based on inflation and some increased work.
- ◆ Costs will grow at a slightly faster rate than the revenues (without accounting for fee increases) at about 3% per year.
- ◆ Oregon Office of Economic Analysis predicts:
- ◆ State economic recovery beginning in 2003 and then slow and steady growth in subsequent years
- ◆ Growth in construction employment will be .1% in 2003, 3%-4% from 2004 - 2006, slow to below 2% in 2007 and 2008
- ◆ Portland's Office of Management and Finance projects inflationary rates to vary between 1.6% and 2.3% through FY 07-08.

## KEY ISSUES

### Construction programs (building, electrical, plumbing, mechanical)

- ◆ Projected slight growth in revenues and work
- ◆ Reserves in building/mechanical program are adequate
- ◆ Need 2%-2.5% fee increases in electrical and plumbing programs
- ◆ Revenues cannot be used to fund local programs, such as land use/zoning, site development, or housing, per state law
- ◆ Not budgeted to meet current goals for plan review turnaround due to previous financial constraints

### Housing

- ◆ \$1 million of General Fund support was eliminated in FY 02-03 budget
- ◆ Replacement funding (foreclosure revenue & increased enforcement fees) was budgeted but is not coming in
- ◆ HCD funds will be eliminated in FY 2004-05 or FY 2003-04; will need to decrease services and eliminate 1.5 FTE or replace funding pressure to waive enforcement fees is further reducing revenue
- ◆ Need to make policy decision on level of program services and funding source
  - ◆ Option A: Revenues are collected from violators to fund the entire program. (Guiding principle: Violators should fund the entire program, including complaints/cases where violations are resolved and no fines are imposed.)
  - ◆ Option B: Revenues are collected from violators and additional revenues from General Fund (or other source) provide a significant percentage of funding (Guiding principle: There is a public benefit from the Housing/Nuisance program, therefore, General Fund is an appropriate funding source.)

### Land Use Review

- ◆ Funded by General Fund and fees
- ◆ General Fund was reduced by \$250,000 in FY 2002-03 and replaced by a draw on reserves and some fee increases
- ◆ Revenues do not fully support program
- ◆ Reserves are projected to be fully spent by FY 2004-05
- ◆ Need additional General Fund or fee increases to maintain current services
- ◆ Any new regulations will need to be funded in order to be implemented.

### Other local programs (site development, environmental soils, signs)

- ◆ Cannot use building permit fees to fund these local programs
- ◆ Dependent upon fees; have no General Fund support
- ◆ Costs exceed revenues, therefore, significant fee increases are needed to fund some of these programs

# OFFICE OF SUSTAINABLE DEVELOPMENT

## Five-Year Financial Plan

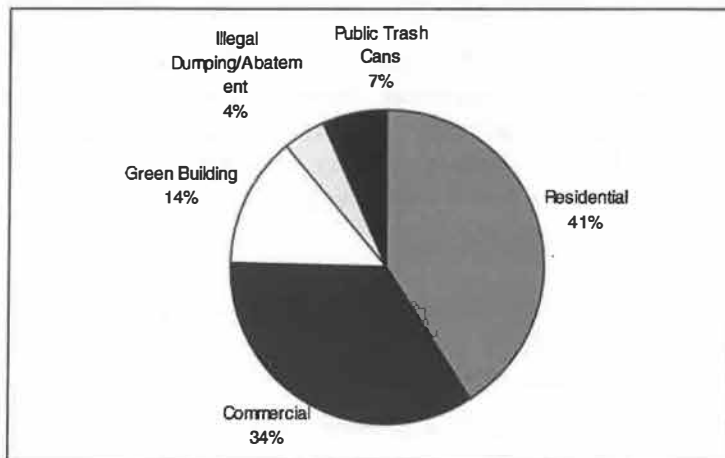
### EXECUTIVE SUMMARY

The Solid Waste Management Fund supports the efforts of the Office of Sustainable Development's (OSD) Solid Waste and Recycling and Green Building programs; Office of Neighborhood Involvement (ONI) Residential Illegal Dumping/Nuisance Abatement program; and the Public Trash Can program.

The following table shows the programs supported by the Solid Waste Management Fund in FY 2003-08.

Programs	2003-04	2004-05	2005-06	2006-07	2007-08
Residential	\$1,377,728	\$1,417,496	\$1,454,973	\$1,493,444	\$1,532,938
Commercial	\$1,166,544	\$1,206,834	\$1,244,649	\$1,283,461	\$1,323,295
Green Building	\$459,657	\$476,655	\$493,319	\$510,334	\$527,770
Illegal Dumping/Abatement	\$150,000	\$100,000	\$50,000	\$50,000	\$50,000
Public Trash Cans	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000
<b>Total</b>	<b>\$3,383,929</b>	<b>\$3,430,986</b>	<b>\$3,472,941</b>	<b>\$3,567,239</b>	<b>\$3,664,003</b>

The following figure shows percentages allocated among programs in FY 2003-04.



### FUND BALANCE

The fund reserves remain healthy, ranging from a high of \$2 million in FY 2003-04 to a low of \$1 million in FY 2007-08. The fund balance on July 1, 2003 is forecast to be \$1,995,820.

Fund Reserves	2003-04	2004-05	2005-06	2006-07	2007-08

Beginning Balance	\$1,995,820	\$1,791,219	\$1,611,732	\$1,448,066	\$1,257,682
Ending Balance	\$1,791,219	\$1,611,732	\$1,448,066	\$1,257,682	\$1,025,631

## REVENUES AND EXPENDITURES

Program revenues range from a high of \$3.4 million in FY 2007-08 to a low of \$3.2 million in FY 2003-04. Total revenues increase approximately 2% on average each year of the forecast. Expenditures grow slightly, from a low of \$3.4 million in FY 2003-04, to a high of \$3.7 million in FY 2007-08. The total average annual expenditure growth (for on-going programs) is 2.0%.

Fund reserves are used to cover the differences between program revenues and expenditures as shown below.

Fund Reserves Use	2003-04	2004-05	2005-06	2006-07	2007-08
Revenues	\$3,179,328	\$3,251,499	\$3,309,274	\$3,376,856	\$3,431,952
Expenditures	\$3,383,929	\$3,430,986	\$3,472,941	\$3,567,239	\$3,664,003
Fund Reserves	\$204,601	\$179,487	\$163,667	\$190,383	\$232,051

## ISSUES AFFECTING THE FINANCIAL PLAN

The following issues will have an impact on the Five-Year Financial Plan:

- ◆ Illegal Dumping/Nuisance Abatement
- ◆ Public Trash Cans

### ILLEGAL DUMPING/NUISANCE ABATEMENT

OSD will make a cash transfer of \$100,000 in FY 2003-04 and \$50,000 in FY 2004-05 to the Office of Neighborhood Involvement (ONI) for illegal dumping and nuisance abatement services. This fund transfer is explicitly used to replace General Funds for illegal dumping and nuisance abatement. The Five-Year Financial Plan assumes that the transfers will end in FY 2005-06. Instead, OSD will establish an interagency agreement with ONI for up to \$50,000 annually. This will allow for a better accounting of services provided and funded.

### PUBLIC TRASH CANS

Until July 1998, the Office of Transportation funded the Public Trash Can program. In FY 1998-99, the Solid Waste and Recycling Division's Commercial Program began to fund this service. Similar to the Leaf Pickup program, only a portion of the city is provided service. In this case, service is limited to downtown and six other business districts.

The Five Year Financial Plan assumes the program costs will remain about \$230,000 annually –equal to more than 20 percent of all commercial fee revenues. This remains a large and growing expense as more public trashcans are added along the new trolley line and other rights-of-way.



# PORTLAND OFFICE OF TRANSPORTATION

## Five-Year Financial Forecast

### EXECUTIVE SUMMARY

This financial forecast lays out the City of Portland Office of Transportation's (PDOT) strategy to balance program costs against expected revenues from existing authorized sources for the next five years.

Service reductions in the past several years, particularly \$6.4 million in ongoing program cuts beginning in FY02-03, have brought the Transportation Fund into balance for the current and next fiscal year. However, these cuts – 12% of the discretionary operating budget – come at a significant price in terms of service delivery and organizational capacity. PDOT is no longer a full-service transportation services organization. The following summarizes the service reductions resulting from budget cuts over the last five years.

### Programs Eliminated (or essentially eliminated):

- ◆ Road reconstruction
- ◆ Local street slurry seal program
- ◆ School safety capital program
- ◆ Bikes and pedestrian capital program
- ◆ Traffic calming
- ◆ Local street improvement (LID) assistance
- ◆ Street landscape maintenance
- ◆ Street furniture maintenance
- ◆ New street lights
- ◆ Graffiti removal
- ◆ Pole Painting

### Significant Reductions:

- ◆ Street preservation
- ◆ Traffic investigations
- ◆ Transportation options
- ◆ Signal operations
- ◆ Transportation Planning
- ◆ Street Light maintenance
- ◆ ADA ramps
- ◆ Curb replacement
- ◆ Administration

### TRANSPORTATION RESERVES

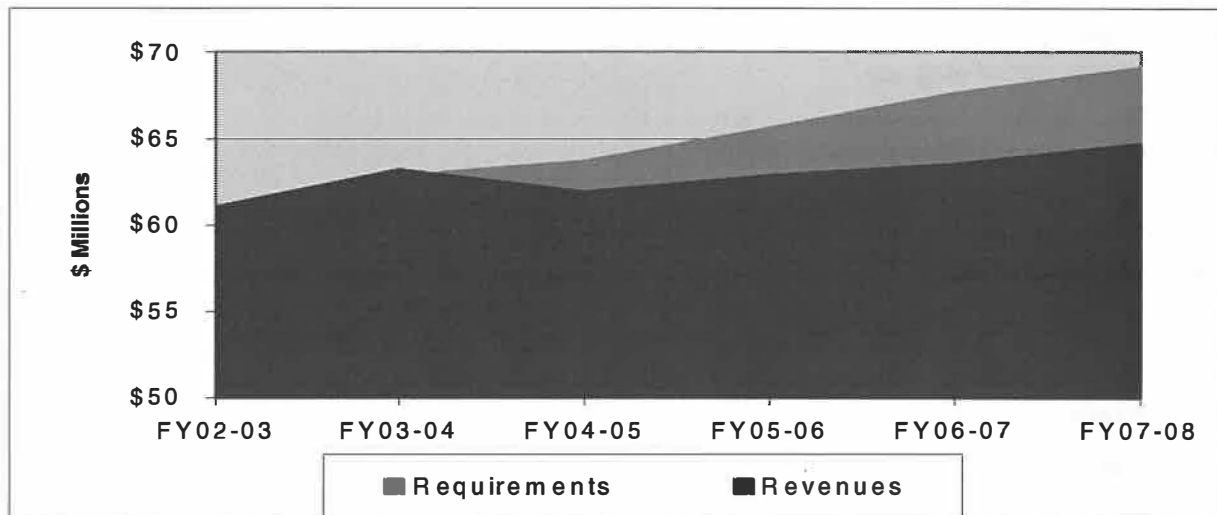
With the significant service reductions for FY02-03, the Transportation Fund's fiscal situation is stable at least for the next year. However, the State Highway Trust Fund, PDOT's primary source of discretionary operating revenue, is not keeping pace with inflation. The main component of Highway Trust Fund revenue is gas tax revenue, which is not indexed to inflation and has not been increased since 1993. Total loss of general transportation revenue (GTR) purchasing power from inflation is nearly \$20 million over the next five years.

Meanwhile, infrastructure maintenance costs are increasing due to the age, complexity, and growth of the assets in the City’s transportation system. Furthermore, new commitments increase PDOT’s funding requirements. Fulfilling the City’s commitment to rebuilding the crumbling Transit Mall will require new funding sources, as yet unidentified. PDOT also has been designated as either the lead or a key participant in planning and implementing a number of economic redevelopment efforts such as the Downtown Portland Retail Strategy, Truck Access and Circulation Study, the I-5 Trade and Transportation Study, and road and highway matters in PDC’s Economic Development Strategy. This comes at a time when Transportation Planning staff levels have been cut substantially. Recovering both staff and funding to fulfill these obligations will be a challenge.

In addition, three funding issues require special consideration: out-year general transportation revenue balances, street light funding, and street cleaning funding.

**GENERAL TRANSPORTATION REVENUE**

The figure 1 shows PDOT’s five-year balance sheet of expected revenue and expenses supported by General Transportation Revenue, and the level of cuts required to achieve balance. Carry-over revenue from FY01-02 results in a net positive balance in FY02-03 which will be carried over to FY03-04. In part this is due to a more aggressive deployment of Smartmeters than originally planned. Beginning in FY04-05, however, the figure shows an increasing gap between discretionary general transportation revenues (GTR) and discretionary program expenses.



**SERVICE REDUCTION OPTIONS**

Given the level of ongoing cuts already implemented over the past five years, options for further cuts which minimize risk to the infrastructure and PDOT’s core services are limited. There are only two programs large enough to absorb the funding gap: street preservation and street sweeping.

**Street Preservation**

The first alternative is to reduce funding in the Street Preservation program by \$3 million beginning in FY04-05. Current funding for Street Preservation is \$12.6 million.

The Street Preservation program maintains local and arterial streets. Pavement maintenance includes patching, repair, seal coating, and paving services. The Pavement Management System (PMS) helps identify the most cost-effective maintenance technique for each street based on its pavement condition. These techniques range from sealing cracks and patching holes to base repair and asphalt overlay.

The Street Preservation program also investigates pavement problems and prepares and administers contracts for contractor paving. This program also manages material/debris recycling. Excavated pavement, "snow/ice" sand, and sweeper debris are recycled to avoid disposal costs. Leaves are collected and composted.

Reducing services by the proposed \$3 million annually would result in the elimination of the local street preservation program, except for pothole patching. The cuts also reduce the arterial street preservation program budget by 30%. In total, these cuts will result in an annual reduction of 17.5 miles (37%) of the 47 mile CSL street resurfacing program.

The impacts on Portland's street system will be a growth in the backlog of streets needing work. The cuts outlined here will add an additional 17.5 miles of annual growth to the backlog. By the end of FY 04/05 the backlog will have grown from 528 miles and \$79 million (July 2002) to nearly 750 miles and over \$91 million, and will continue to grow in subsequent years.

### Street Cleaning

The Street Cleaning program, funded at \$6.2 million in FY02-03, provides regularly scheduled mechanical cleaning of residential and arterial streets and the Central Business District. This program also regularly cleans pedestrian ways and subways, stairways, bicycle lanes, and trash receptacles. This program also provides District Leaf Removal, Leaf Disposal depots, NW and NE clean sweeps, street area landscaping, and cleanup after the Rose Festival Parade.

This reduction scenario would eliminate the residential street cleaning program (\$2.5 million annually) and to eliminate leaf collection (\$500,000 annually). The leaf depot program would continue.

Abandoning the residential street-cleaning program will have an adverse environmental quality impact on the storm/sewer system, increase safety hazards to motorists and bicyclists from debris in the roadway, and impact neighborhood livability due to debris accumulation.

### Revenue Enhancements

The following revenue sources could provide funding in addition to that included in this financial forecast.

- ◆ **Legislative action** is possible on a gas tax or a general transportation funding package. One bill being drafted would supply \$3 billion in transportation funding statewide over ten years, with about \$1 billion for maintenance of roads.
- ◆ **Street maintenance and utility fee.** Council passed the Street Maintenance and Improvement Fee (SMIF) in July 2001, but later repealed it in light of a successful referral effort. However, there is continued interest in the community for local transportation funding options.
- ◆ **Parking revenue.** Various changes to the parking programs could generate as much as \$4-5 million per year. Many depend on the completion of the Smartmeters implementation. These options are under continued study should Council opt for such a strategy.
- ◆ **Economic rebound.** A rebounding economy could enhance state highway trust fund receipts over what is currently forecast.

# BUREAU OF WATER WORKS

## Five Year Financial Plan

### INTRODUCTION

The Bureau of Water Works is a major public water utility owned by the people of the City of Portland, serving approximately 830,000 people. As an enterprise fund, the Bureau operates on a self-sustaining basis, and is required to operate the water system within available resources and budget approved by the City Council. Water rates are established annually to ensure the collection of adequate revenues for the support of the water system as provided for in the City Charter.

Overall, the Bureau's mission is to act as a steward of our resource, our water system, our personnel, and the values of the community. Our operating goal is to ensure that a reliable and adequate system is available to provide sufficient quantities of high quality water, at standard pressures, which satisfy the existing and future needs of the community on an equitable, efficient and self-sustaining basis.

### FINANCIAL PLANNING PROCESS

The Water Bureau faces the unique challenges of operating like a private enterprise while remaining a governmental agency, and providing an essential service at an affordable cost. Almost all of the Bureau's costs are recovered through user charges. Considering the massive capital investment and years of planning and construction necessary to create and deliver additional water supply, it is an ongoing task to keep those user charges low.

The objective of the financial forecasting effort is to provide a multi-year framework within which the revenues, expenditures, and capital financing options of the Portland water system may be managed. Each year a new Five-year Financial Forecast is prepared for the active funds under the Bureau's care to reflect changing economic conditions as well as changes to the operating environment. The forecast is monitored closely throughout the year to address budgetary constraints, capital decisions, and cash flow requirements.

The Bureau's approach has been to create an interactive process, which examines the large planning issues within the framework of the financial realities of the utility business. The utility financial planning/rate making process is complex and dynamic, requiring a variety of inputs ranging from hard accounting data to strategic planning goals and policy decisions.

The following set of requirements shape our financial planning process and the objectives we emphasize each year:

- ◆ The need to preserve a sound fiscal position as measured by the presence of adequate capital investment, fund balances, operating income, and credit ratios.
- ◆ The need, as a governmental agency, to comply with City Charter mandates, and to be responsive to City Council direction and the Office of Management & Finance budgetary requirements.
- ◆ The need to be financially self-sustaining by covering virtually all costs through user charges.
- ◆ The need to allocate equitable user charges between inside-City (retail) and outside-City (wholesale) customers, in accordance with wholesale contract terms.
- ◆ The need to accurately predict and meet water demands, both through demand-side and supply-side management.
- ◆ The need to plan, construct, and finance massive and expensive capital facilities which take years to complete and must meet changing federal and state regulations.

## ANNUAL FINANCIAL PLANNING PROCESS

As a result of the unique nature of the utility environment, the Bureau utilizes a rigorous year-round financial planning process. The annual planning process has been summarized below to highlight the key financial activities of the Bureau and to provide the context from which this planning document was derived. The Bureau's financial planning process addresses both the governmental budgetary perspective as well as the utility rate setting/financial-planning environment.

The basic elements of the Bureau's financial planning process include:

- ◆ Establishment of goals and program priorities by upper management;
- ◆ Development of an internal budget manual and process;
- ◆ Development of the Capital Improvement Program (CIP);
- ◆ Preparation and implementation of the cost-of-service rate model;
- ◆ Development of Operating and Maintenance (O&M), and Capital requirements for each Bureau Work Group;
- ◆ Evaluation of new program requests and available funding including efficiencies in existing operations;
- ◆ Forecast/rate scenarios to determine fiscal impacts of budget decisions;
- ◆ Preliminary financial forecast analysis and plan publication;
- ◆ Budget request publication;
- ◆ Development and presentation of rate ordinance;
- ◆ Final Financial Plan publication;
- ◆ Development of Bureau trimester financial plans and status reports;
- ◆ Ongoing monitoring, analysis and reporting of utility and budgetary fiscal/operating performance; and,
- ◆ Implement financial adjustments, as appropriate, to ensure the Bureau's financial plan is achieved.

## FORECAST RESULTS

### Revenue Requirements, Rates, and Residential Bill

Fiscal Year	Revenue Requirements	In-City Rates	Wholesale Rates	Residential Monthly Bill
2003-04	2.5%	6.0%	13.2%	\$15.91
2005-08	8.0%	7.5%	7.3%	N.A.

The Bureau's total revenue requirement is forecast to increase from \$67.6 million in FY 2002-03 to \$69.3 million in FY 2003-04. That's an increase of approximately 2.5 percent, which reflects increases in both O&M and the CIP. Total revenue requirements are projected to rise on average 8.0 percent over the 5 year forecast period.

The percentage change in the total revenue requirement is an aggregate figure, which cannot be interpreted as a rate increase. The revenue requirement is the total dollar amount collected from both wholesale and retail customers, without regard to the rate structure under which it must be collected. It also does not reflect changes in water sales. To determine the rate impacts of a revenue requirement increase, the revenue requirement must be allocated between wholesale and retail customers. The method of allocating costs to wholesale customers is mandated and limited by contractual provisions, and therefore, the proportion of the total revenue requirement recoverable from them varies each year. Retail rates are set on a "cash-residual" basis to recover whatever portion of the total revenue requirement is

not allocable to wholesale customers. Also, wholesale and retail rate changes take into account changes in estimated water demand. For FY 2003-04, overall retail and wholesale demand are forecast to decrease 6.3 percent, which reflects a current downturn in the local economy, as well as many wholesalers increasing their use of alternative water sources during the peak season of July through October as well as on an annual basis. Overall demand is expected to increase 1.0 percent per year over the remaining 4 years of the forecast period.

### **FY 2003-04 Average Retail Rate Increase**

The adopted FY 2003-04 average retail rate increased 6.0 percent. This increase reflects funding for various Requested Service Level packages including a new billing system, Endangered Species Act, groundwater protection, GIS, Powell Butte grounds maintenance, human resources, and security. Inflationary increases, as well as decreases in both retail and wholesale demand were mainly offset by recent litigation settlements, adjustments in debt service coverage, and reductions in both the operating and capital budgets.

### **Retail Bills**

On May 28, 2003, FY 2003-04 water rates and charges were adopted with the passage of City Ordinance 177502. The resulting "typical" residential customer using 8 ccf/month will pay 9.0 percent more than in FY 2002-03, or \$15.91 per month – an increase of \$1.31. This percentage increase is relatively larger than the overall retail rate change mainly due to increasing the per-bill budget requirements for implementation of a new utility billing system. The "medium" commercial customer using 200 ccf/month will pay \$336.36 per month - an increase of \$5.68, or 1.7 percent.

The Bureau's Low Income Utility Relief Program was once again approved by City Council with the passage of City Ordinance 177565. This existing program provides to qualified single-family residential water customers a 35 percent discount on a typical low-income (5 ccf per month usage) bill or \$46.20 per year.

### **Wholesale Water Rates**

About \$15.5 million of the total \$69.3 million in FY 2003-04 revenue requirements is planned to come from wholesale customers. FY 2003-04 revenue to be generated from wholesale customers is up 1.3 percent from FY 2002-03, with an effective overall wholesale rate increase of 13.2 percent. Wholesale rate impacts will vary in accordance to expected wholesale water demand. Wholesale demand is expected to decrease 10.7 percent in FY 2003-04.

Wholesale rates are calculated using methodologies that differ from inside-City retail rates, and as such are subject to different influences. Wholesale rates are set on the Utility-Enterprise basis (as required by their various contracts) and fluctuate from year to year according to the allowable rate of return and plant replacement indexes.

These wholesale contracts continue to benefit the retail ratepayers as well as the wholesale purveyors. As well as providing our wholesale customers the ability to purchase inexpensive, high quality water, the wholesale contracts remain a very valuable supplemental income source to city ratepayers. Without these contracts, retail rates could be more than 20 percent higher than those proposed.

## **CAPITAL POLICIES**

### **Capital Expenditures**

The Bureau's capital expenditures cover routine, ongoing capital repair and replacements to the water system as well as enhancements and additions, which tend to be large and nonrecurring. The capital expenditure forecast is composed of the capitalized portion of the Capital Improvement Program (CIP) and indirect capitalized costs (overhead and interest). This would also include the cost of issuing Water Revenue Bonds.

## Capital Financing

Capital costs are financed mainly from three major sources of funds including water sales, proceeds from Revenue bond sales, and Construction Fund revenues (capital project reimbursements, sales of property, interest earnings, etc.). For FY 2003-04, 32 percent of the capital forecast will be funded with current resources (20 percent water sales, 12 percent Construction Fund revenues) and the balance from bond sales. The funding of the 5-year forecast period averages 20 percent water sales, 11 percent Construction Fund revenues, and 69 percent debt.

## DEBT

The Bureau has the ability, by City Charter State Authority, to issue debt in the form of general obligation (G.O.) or Revenue tax-free bonds. Before July 1993, the Bureau had issued only "double-barreled" (revenue-backed) General Obligation (G.O.) bonds, which carry no debt coverage requirement because they are backed by the full faith and credit of the City. Because the debt service on these bonds was wholly paid out of water revenues, the Bureau had made it a practice to target minimum overall debt service coverage of only 1.2. For reasons related to State Ballot Measure 5, new debt beginning with the 1993 bond sale and future bond sales would be in the form of revenue issues. Unlike G.O. debt, the Bureau's new revenue issues were required by bond ordinance to dedicate net water revenues to the payment of revenue bond debt service and pass a debt service coverage test. Given the likelihood the Bureau will no longer sell G.O. debt, it has adopted the more conservative assumption that all future debt will be supported solely by net revenues of the water system. Because revenue bonds do carry a coverage requirement, and the Bureau desires as a policy to maintain its Moody's Aa1 Revenue bond rating, the Bureau's minimum target coverage for overall (G.O. plus revenue) debt service was increased to 1.9. To help mitigate rate increases for FY 2003-04, the Bureau reduced its overall debt service coverage target to 1.8 for FY 2004-05. The Bureau's overall target coverage is planned to be met or exceeded over the remaining forecast period.





# City Comprehensive Financial Management Policy

## Resolution #35005

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Adopt a Comprehensive Financial Management Policy

WHEREAS, the city has been recognized for excellence in financial management; and

WHEREAS, these achievements are the result of dedicated work by Elected Officials, operating bureaus, central support organizations, and others; and

WHEREAS, the City Council desires to enhance that management by documenting financial management policies; and

WHEREAS, the Council desires a mechanism to communicate financial policy to Citizens, City staff, and the financial community; and,

WHEREAS, Bureaus have had an opportunity to review and comment on the proposed policy,

NOW THEREFORE BE IT RESOLVED by the City council of the City of Portland, Oregon that

1. The comprehensive Financial Management Policy, attached hereto as Exhibit I, is hereby adopted.
2. The Office of Finance and Administration is directed to review the policy on a regular basis, especially as a part of the budget development process, and recommend modifications and adjustments as necessary to keep the policy updated.

Adopted by the Council, June 17, 1992

Mayor J.E. Bud Clark Barbara Clark

SCB:jb Auditor of the City of Portland

June 11, 1992

### EXHIBIT I

#### RELATION TO OVERALL CITY GOALS AND OBJECTIVES

The City's development of a mission statement and conforming goals and objectives are critical elements in the successful development, maintenance and operation of a Comprehensive Financial Management Policy (CFMP). Rather than driving the goals and objectives of the City, the finances are simply tools which are used to accomplish the City's mission.

The Comprehensive Financial Management Policy is a mechanism to ensure that the City is financially able to meet its immediate and long term service objectives. These policies also enhance financial planning and internal financial management of the City.

In addition, the City as an institution has multiple partners, including citizens, taxpayers, businesses, employees and other governments. As a major institutional, economic and service force in the region, it is important that the City strengthen its relationships with its partners by adopting clear and comprehensive financial policies.

#### PURPOSE

The City of Portland is accountable to its citizens for the use of public dollars. Municipal resources should be used wisely to ensure adequate funding for the services, public facilities, and infrastructure necessary to meet the community's present and future needs. The CFMP is intended to serve as a blueprint to achieve the fiscal stability required to achieve the City's policy goals and objectives.

## OBJECTIVES

In order to achieve the above purpose, the Comprehensive Financial Management Policy has the following objectives for the City's fiscal performance.

1. To guide Council and management policy decisions that have significant fiscal impact.
2. To set forth operating principles that minimize the cost of government and reduce financial risk.
3. To employ balanced and fair revenue policies that provide adequate funding for desired programs.
4. To maintain appropriate financial capacity for present and future needs.
5. To promote sound financial management by providing accurate and timely information on financial condition.
6. To protect and enhance the City's credit rating and prevent default on any municipal debts.
7. To ensure the legal use of financial resources through an effective system of internal controls.
8. To promote cooperation and coordination with other governments and the private sector in financing and delivery of services.

To achieve these objectives, the Comprehensive Financial Management Policy consists of twelve major sections:

- I. FINANCIAL PLANNING POLICIES
- II. BUDGET POLICIES
- III. ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES
- IV. REVENUE POLICIES
- V. OPERATING POLICIES
- VI. EMPLOYEE COMPENSATION AND SUPPORT POLICIES
- VII. CAPITAL PLANNING AND FINANCING POLICIES
- VIII. INTERGOVERNMENTAL REVENUES AND RELATIONS POLICIES
- IX. ACCOUNTING STRUCTURE POLICIES
- X. AFFILIATED AGENCIES
- XI. OTHER FINANCIAL POLICIES
- XII. APPENDICES

### I. FINANCIAL PLANNING POLICIES

**INTRODUCTION:** A long range plan that estimates revenue and expenditure behavior of the City and regional and national economies is necessary to support the Council and community in decisions that they make about City services. This planning must recognize the effects of economic cycles on the demand for services and the City's revenues.

City financial planning should ensure the delivery of needed services (many of which become more critical during economic downturns) by increasing reserves during periods of a strong economy in order to support continued City services during economic downturns.

The City is a major force in a complex regional economic system. The City must understand how it affects and is affected by that system in order to maximize its positive contributions. The City must have the capacity to understand and anticipate changes in both regional and national economic systems in order to engage in strategic financial and management planning.

**GENERAL FUND:**

1. The City will prepare annually a five year financial plan for General Fund operations based on current service levels and current funding sources. If appropriate, needed additional resources to continue current service levels or identified service adjustments will be made.
2. The City will constantly test both its planning methodology and use of planning tools in order to provide information that is timely, accurate and widely disseminated to users throughout the City.
3. General Fund Bureaus will forecast and monitor their own revenues and expenditures. OF&A will assist bureaus in developing appropriate systems for such monitoring. OF&A will retain overall fiscal oversight responsibility for the General Fund.
4. The Office of Finance and Administration will publish regular General fund status reports on revenues and expenditures during the course of each budget year.

**ENTERPRISE FUNDS:** Just as a forecasting effort is made for the City's General Fund, similar efforts will be made for Enterprise and major Special Revenue activities. Examples of such operations are Water, Environmental Services, and Transportation. The purpose of these forecasts will be to allow the Council and Citizens to evaluate the impact of the financial needs of these programs on both the local and metropolitan regional economies; and to coordinate funding needs with those of the General Fund.

1. Enterprise/ Special Revenue activities will prepare annually, a five year financial forecast for operations and capital needs based on current service levels and current revenue sources.
2. The forecasts should rely on the same basic economic assumptions as the General Fund forecast. These forecasts will also identify other assumptions used in their preparation and the risks associated with them.
3. The forecasts must identify how they will impact rate structures.
4. The forecasts will discuss how standards for debt service coverage and operating reserves are established.
5. Enterprise and major Special Revenue activities will coordinate periodic status reports on expenditures and revenues within a fiscal year with the Office of Finance & Administration.

**ALL FUNDS:** The financial planning and subsequent budgeting for all funds will be based on the following principles:

1. Revenue estimates should be prepared on a conservative basis to minimize the possibility that economic fluctuations could imperil ongoing service programs during the upcoming budget year.
2. Expenditure estimates should anticipate contingencies that are reasonably predictable.

**II. BUDGET POLICIES**

**INTRODUCTION:** The Bureau of Financial Planning under the Office of Finance and Administration is responsible for coordinating the overall preparation and administration of the City's annual budget. This function is fulfilled in compliance with applicable State of Oregon Statutes governing local government budgeting practices.

1. **BUDGET PREPARATION:** Each year the Mayor will provide direction to the Office of Finance and Administration on the process for the development of the annual budget. The Office of Finance and Administration translates this direction into guidelines and rules for the preparation and review of bureau budget request. The budget request format will be designed to identify major financial and service issues. It will include detailed budget and performance information for all City organizations, including the Portland Development Commission. This information will be compiled from Bureau submittal by the Office of Finance and Administration for inclusion in the budget document. The City will prepare and present its budget consistent with the criteria developed by GFOA for distinguished budget presentations.

Unless otherwise directed by the Mayor, the annual budget process will consist of the following phases:

- ◆ Issuance of budget preparation guidelines and schedules. The budget process will provide for the full participation of the City's budget advisory committees and ensure opportunities for public testimony and participation.
  - ◆ Presentation to Council of five-year financial forecasts for the General and other major City funds.
  - ◆ Presentation of bureau budget requests in a manner consistent with budget directives.
  - ◆ The issuance of OFA reviews, summarizing each budget request and as necessary identifying related issues for Council consideration.
  - ◆ Development of a proposed budget as required by ORS for presentation to the Council, sitting as the budget committee.
  - ◆ Council budget hearings for the purpose of receiving public testimony and reaching final decisions necessary to balance the City's budget.
  - ◆ Submission of the Council approved budget to the Multnomah County Tax Supervising and Conservation Commission for review.
  - ◆ Adoption of the budget in accordance with Council directives, and Local Budget Law, and certification from the Tax Supervising and Conservation Commission.
2. **BUDGET MONITORING:** The Office of Finance and Administration will maintain a system for monitoring the City's budget during the fiscal year. This system will provide the Council with quarterly information on expenditures and performance at both the bureau and fund level. Included will be provisions for amending the budget during the year in order to address unanticipated needs, emergencies, or compliance with State of Oregon budgetary statutes. Budget adjustments requiring Council approval will occur through a process coordinated by the Bureau of Financial Planning.
3. **REVIEW OF COUNCIL ACTIONS:** The Office of Finance and Administration will review ordinances and significant administrative decisions submitted for Council actions. The objective of these reviews will be to ensure compliance with the budget and to identify for the Council financial and service issues. The Bureau of Financial Planning will distribute procedures and guidelines for the submission of fiscal impact statements on proposed ordinances.

### III. ACCOUNTING, AUDITING AND FINANCIAL REPORTING POLICIES

**INTRODUCTION:** The City must maintain a system of financial monitoring, control and reporting for all operations, funds and agencies in order to provide effective means of ensuring that overall City goals and objectives will be met and to assure the City's partners and investors that the City is well managed and fiscally sound.

1. The City will maintain its accounting records and report on its financial condition and results of operations in accordance with state and federal law and regulations. And Generally Accepted Accounting Principles (GAAP). And standards established by the Governmental Accounting Standard Board (GASB). Budgetary reporting will be in accordance with the State Local Budget Law.
2. An independent firm of certified public accountants will annually perform a financial and compliance audit of the City's financial statements. Their opinions will be contained in the City's Comprehensive Annual Financial Report (CAFR), and the Report on Compliance with the Single Audit Act of 1984.
3. As an additional independent confirmation of the quality of the City's financial reporting, the City will annually seek to obtain the Government Finance Officers Association Certificate of Achievement for Excellence in Financial Reporting. The CAFR will be presented in a way designed to communicate with citizens about the financial affairs of the City.
4. The City's elected Auditor will supervise and conduct a full range of performance and financial audits of City programs. In addition, the City's elected Auditor will prepare an annual report on service efforts and accomplishments.

#### IV. REVENUE POLICY

**INTRODUCTION:** The City must consider its General Fund discretionary revenues as defined in operating policies on page 7 as a group rather than in isolation. Both individual revenues and the total package must be viewed in the context of broader City goals. The City must be sensitive to the balance between the need for services and the City's ability to raise fees, charges and taxes to support City services. As much as is possible and feasible, City services that provide private benefits should be paid by fees and charges in order to provide maximum flexibility in use of general City taxes to meet the cost of services of broader public benefit.

1. Charges for services that benefit specific users should recover full costs, including all direct costs and bureau overhead, loss of interest, depreciation on capital plant and equipment, and general fund overhead. Bureaus that impose fees or services charges should prepare and periodically update cost-of-service studies for such service. When consistent with legal requirements, other City interest such as remaining competitive within the region or meeting other City objectives, may dictate a subsidy of a portion of the costs of such services. However, all services will be presumed to be 100% cost reimbursable unless the Council makes a specific exception in the ordinance adopting the charge. In some cases, with Council approval, it will be appropriate to meet this test on a program-wide basis in order to achieve administrative efficiencies and service equity. Current charges not meeting this standard will be reviewed within two years of the adoption of this policy.
2. The City should strive to diversify its revenues in order to maintain needed services during periods of declining economic activity. A base of property taxes and other stable revenues provide a reliable base of revenues during periods of economic downturn. Elastic revenues will allow the building of reserves during periods of strong economic performance. If the proportion of elastic City revenues increases, adjustments to reserve policies may be necessary as greater "swings" in resources may occur from year to year.
3. The City's overall revenue structure should be designed to recapture for the City some of the financial benefits resulting from City economic and community development investments.
4. The City will observe the following priorities in utilizing existing and obtaining additional resources:
  - a. The City will use as efficiently as possible the resources that it already collects.
  - b. The City will collect as efficiently as possible the resources to which it is already entitled.
  - c. The City will seek new resources, consistent with the policies in this document and other City goals.
5. The City will strive to keep a total revenue mix that encourages growth and keeps Portland competitive in the metropolitan area.
  - a. As part of the annual Financial Forecast or budget process, the revenue mix will be analyzed with an evaluation of the impact on the competitiveness of Portland within the metropolitan area, including Clark County. This comparison of costs for services will be used as baseline data for Council budget discussions.
  - b. The evaluation should include all local taxation and fees including those of overlapping jurisdictions.

## V. OPERATING POLICIES

**INTRODUCTION:** The City should accommodate both one-time and on-going expenditures to current revenues, establish and adequately fund reserves, regularly monitor and report on budget performance, evaluate the fiscal impact of new proposals, operate as efficiently as possible, and constantly review City services for appropriateness and effectiveness. For purposes of this document, the City's General Fund "discretionary revenues" are defined as the property taxes within the tax base as may be compressed, 5 percentage points of lodging taxes, business license fees, utility license fees, interest income, state shared revenues, and beginning cash balances.

1. On-going revenues should be equal to or exceed on-going expenditures. Each City fund budget must identify on-going resources that at least match expected on-going annual requirements. One-time cash transfers and non-recurring ending balances will be applied to reserves or to fund one-time expenditures; they will not be used to fund on-going programs. Each year OF&A will provide Council with the amount of ending balance that is estimated to be non-recurring for the General Fund.
2. Unless otherwise stated explicitly by the Council, the City will not earmark discretionary revenues for specific purposes in the General Fund. This will preserve the ability of the Council to determine the best use of available revenues to meet changing service requirements.
3. The City will maintain a system of financial monitoring and control. The major components of this system include:
  - a. Financial Accounting System and periodic Status Reports: Each Accounting Period the Office of Finance and Administration will publish a General Fund financial status report on the revenues and expenditures to date and estimated year end balance.
  - b. Quarterly budget review: Each quarter the Office of Finance and Administration will review all City financial operations, report to Council on financial results, and recommend financial management actions necessary to meet the adopted budget's financial planning goals.
4. The City will seek to optimize the efficiency and effectiveness of its services to reduce costs and improve service quality.
5. City operations will be run on an enterprise basis if doing so will increase efficiency of service delivery or recover the cost of providing the service by a user fee or charge.
6. The City will attempt to maintain cash reserves in order to reduce borrowing needed for General Fund operating purposes.
7. The City will not increase accruals and non-cash enhancements to revenues as a means to influence fund balances at year end.
8. All city agencies will maintain accurate inventories of physical assets, their condition, lifespan and cost. The Office of Finance and Administration will coordinate the master inventory of assets for the city.
9. The Treasury Division in the Office of Finance and Administration will develop, maintain and constantly seek to improve cash management systems which ensure the accurate and timely accounting, investment, and security to all cash assets. All cash received by City agencies will be deposited to Treasury accounts within twenty-four hours of receipt.
10. The City shall endeavor to reduce needless competition with other public and private providers and to ensure the most cost-effective and efficient provision of services.
11. General Fund overhead costs will be allocated according to consistent methodology developed in consultation between the Office of Finance and Administration and other fund managing bureaus.
12. The City will strive to ensure that the City service priorities keep pace with the dynamic needs of the community by incorporating a service needs review as part of the budget process.

## VI. EMPLOYEE COMPENSATION AND SUPPORT

INTRODUCTION: Personal services costs comprise a significant percentage of the City's Operating Funds budget. The City of Portland is fortunate to have employees who are dedicated to the City and to public service. These employees are vital to the City's ability to meet its services demands. The City expects its workers to be highly productive. In return, the City must fairly compensate, train and equip its employees in order to attract and keep high quality, productive employees. Subject to collective bargaining law, as appropriate, it is the City's "Total Compensation Policy" that

1. Direct and indirect compensation (wages, premiums, health benefits, vacations, holidays, and other leaves, pensions, etc.) are to be considered collectively in determining appropriate levels of compensation for employees.
2. Wage and benefits packages are considered "externally competitive" if they approximate the average of the total compensation offered in applicable labor markets for similar work.
3. Other factors such as compression between classes and the ease or difficulty of recruitment of qualified employees may also be considered in establishing wages and benefits.
4. Annual adjustment to the compensation plan may be based upon a formula that considers the consumer price index and that is consistent with the cost of living formulas found in collective bargaining agreements.

## VII. CAPITAL PLANNING AND FINANCING POLICIES

INTRODUCTION: The City must preserve its current physical assets and plan in an orderly manner for future capital investments, including the operating costs associated with new capital improvements or major equipment budgeted as part of the CIP process.

The City must make the capital investment needed to support and enhance the delivery of basic services. This commitment is important because the demands for basic services (police officers on the street and fire fighters in the stations) often receive priority over infrastructure improvements (streets and fire stations and apparatus).

1. The City will maintain a strong bond rating that is consistent with other City goals.
2. Each bureau with major capital assets will develop and maintain five year capital plans. The actual bureau planning horizon for capital programs should relate to the useful life of capital assets, the term of financing, and industry standards for the particular type of asset. Since adopted citywide plans contain capital expenditure needs, bureaus will include projects from such plans in their capital plans. Capital plans will display proposed projects in a map format that can be included in the annual CIP.
3. The City will prepare, adopt and update annually a City five year Capital Improvement Plan that includes and prioritizes bureau needs for capital replacement and additions. The plan will include estimated projects costs and identify funding sources.
4. The City will prepare an annual Capital Budget which will include current year capital expenditures based on the first year of the current Capital Improvement Plan.
5. As part of the annual Capital Budget, the City will identify and include full costs of future maintenance needs and operating costs of new capital improvements and equipment prior to funding as part of the annual Capital Budget.
6. In general, all assets will be maintained at a level that protects capital investment and minimizes future maintenance and replacement costs. The City will maintain accurate information on the condition, lifespan and estimated replacement cost of its major physical assets to assist in long term planning.
7. The budget will provide sufficient funding for adequate operations, maintenance and scheduled replacement and enhancements of capital plant and equipment. Whenever bureaus identify that there is a significant discrepancy between the need to maintain / modernize City infrastructure or facilities and the funds available for such improvements, the fund manager will prepare and present to Council a strategy for meeting such needs.

8. In general, maintenance and operations of capital facilities should be given priority over acquisition of new facilities, unless a cost/benefit analysis indicates to the contrary. In addition, State or federal mandates or new service demands may require acquisition of new facilities even when maintenance needs are not fully met.
9. A high priority should be placed on maintenance where deferring maintenance will result in greater costs to restore or replace neglected facilities.
10. The City may finance the improvement of transportation, water, wastewater, and other public improvements through creation of Local Improvements Districts (LIDs). Unless otherwise directed by Council, LID assessments will include all costs associated with the project, including but not limited to financing, and administrative costs. The City will take actions to ensure that financial risk to the City is minimized.

### VIII. INTERGOVERNMENTAL REVENUES AND RELATIONS

**INTRODUCTION:** Many service costs of the City are influenced by other governments, either because of service overlap or service mandates imposed by State and Federal governments. The City must take advantage of opportunities to enhance service delivery through intergovernmental cooperation, shared revenues and grants while aggressively opposing mandates that distort local service priorities.

1. The City will avoid using grants to meet on-going service delivery needs. In the City's financial planning, grants will be treated in the same manner as all temporary and uncertain resources and should not fund on-going, basic service needs.
2. All grant applications will be reviewed by the Grants Division of OF&A to ensure compliance with State, Federal and City regulations. This review must occur before a grant application submittal, or acceptance in cases of no application.
3. The City will budget expenditures for grant-funded programs only after grant award or letter of commitment, and only for the amount of grant award. Entitlement programs will be budgeted based on expected revenues. City overhead or indirect costs for grant-funded programs will be included in all grant proposals, where permitted.
4. The City will aggressively oppose State or Federal actions that mandate expenditures which the Council considers unnecessary. The City will pursue intergovernmental funding to support the incremental cost of those mandates.
5. The City will work with other governments to identify the jurisdiction most capable and appropriate to provide specific public services. When the City cannot simply transfer responsibility for service deliver, it will consider intergovernmental agreements and contract for service delivery.

### IX. ACCOUNTING STRUCTURE POLICIES

**INTRODUCTION:** The City is a complex financial and service organization. Its financial operations are organized into three types of funds (Governmental, Proprietary, and Fiduciary). All funds and City operations must work to achieve the City's mission and goals.

1. The City manages all funds to meet the objectives of a single comprehensive long range financial plan.
2. Funds
  - a. The City will minimize the number of funds. The funds will be categorized by standard GAAP functional classifications but may also be referred to by City of Portland fund types.
  - b. Appendix A of this policy lists current Funds and their standard GAAP functional classification as well as their City fund type.
3. Purpose Statement for Funds
  - a. Each fund in the City will have a Statement of Purpose which includes the following items:
    - ◆ Purpose(s) of the fund



- ❖ Source(s) of revenues to the fund
  - ❖ A method of establishing annual contributions to the fund, if any.
  - ❖ The Bureau responsible for managing the fund.
  - ❖ Size and use of contingency, if any. Contingency levels will be based on the uncertainties associated with the purposes of the fund
  - ❖ Size, purpose and alternative means of meeting required reserves, if any. Required reserve levels will be based on long term operating needs of the fund and prudent management requirements.
  - b. The Internal Service funds will include additional information in the Statement of Purpose, as follows, if appropriate:
    - ❖ For purchase of capital items, a method for periodically testing the cost-effectiveness of pre-funding capital replacement vs. leasing or lease purchasing. Each fund statement will indicate what level of purchases are suitable for either direct cash payment or financing.
    - ❖ Clear equipment replacement policies and identifiable equipment reserves, where appropriate.
    - ❖ A method of clearly accounting for equipment reserves from and purchases for each bureau.
    - ❖ A policy and procedure for protecting capital reserves from being used for operating purposes.
    - ❖ A method for periodically testing the cost-effectiveness of internal provision of services vs. contacting out or direct purchase of all or part of the services provided by the fund. For insurance type funds this will mean a method for periodically testing the cost-effectiveness of self-insurance vs. purchase of all or part of the City's insurance needs; and internal or contracted claims and loss control services.
  - c. Funds that receive a General Fund subsidy in addition to fees and charges or dedicated revenues will include a rationale for General Fund subsidy and a means for determining the annual level of that subsidy or conditions under which the subsidy should be eliminated.
  - d. Enterprise Funds will include:
    - ❖ Required level of debt service coverage for the fund.
    - ❖ Relationship between operating and construction funds.
  - e. Existing funds will be so described by fund managers, and adopted by Council resolution, within one year of the adoption of this policy.
4. The Office of Finance and Administration will do annual review of all funds to determine if each is still serving a useful purpose and is needed.
  5. New funds must be created by resolution of Council containing the above required descriptions. A review and report by OF&A will be required precedent to Council action.

#### X. AFFILIATED AGENCIES

INTRODUCTION: City Charter, Council action, inter-governmental agreements and state and federal laws have created a number of agencies which are affiliated with the City and which can have an adverse effect on the City if not managed to the same financial standards as direct City agencies. It is necessary to spell out standards on financial operations for these organizations in order to protect the City's fiscal status.

1. Affiliated Agencies will be accountable for financial compliance and reporting standards as established in this document.
2. The Criteria for defining Affiliated Agencies will include any of the following:
  - a. Created by City Charter or Council action
  - b. Leadership appointed by the City Council

- c. A majority of funds are received from the City

**XI. OTHER FINANCIAL POLICIES**

**INTRODUCTION:** The City has adopted several other financial policies that guide City operations. It is necessary to recognize them as elements of this Comprehensive Financial Management Policy. The following City financial policies are incorporated as part of this policy:

1. Investment Policy
2. Debt Management Policy
3. Urban Services Policy
4. Transportation Funding Policy
5. Revenue Allocation Policy
6. Interagency Agreement Policy
7. Local Improvement District Financing Policy
8. Reserve Policy

# City Debt Management Policy

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## 1. SELECTION OF FINANCE CONSULTANTS AND SERVICE PROVIDERS

The City's Debt Manager shall be responsible for establishing a solicitation and selection process for securing professional services that are required to develop and implement the City's debt program. Goals of the solicitation and selection process shall include encouraging participation from qualified service providers, both local and national, and securing services at competitive prices.

- a. **Bond Counsel.** As part of its responsibility to oversee and coordinate the marketing of all City indebtedness, the City Attorney, with advice of the Debt Manager and a committee representing City Bureaus, Agencies, and Commissions with capital financing needs, shall make recommendations to the City Council regarding the selection of Bond Counsel to be employed and the duration of the employment for individual or a series of financings. The solicitation and selection process for such services will comply with City Code requirements for Professional, Technical, and Expert Services. The Council shall make such selection, taking into consideration these recommendations.
- b. **Underwriters.** The Debt Manager shall solicit proposals for underwriting services for all debt issued in a negotiated or private placement sale mode. The solicitation process used for these services shall comply fully with City Code requirements for Professional, Technical, and Expert Services, and shall include formation of a review committee to evaluate written proposals and, if deemed necessary, conduct oral interviews. In addition, the proposal solicitation and selection process for negotiated sales as developed by the Debt Manager, and amended from time to time, shall also be followed. The selection of underwriters may be for an individual or series of financings or a specified time period. The Council shall make such selections taking into consideration the recommendations of the review committee.
- c. **Financial Advisor.** The Debt Manager, with advice of a committee representing City Bureaus, Agencies, and Commissions with capital financing needs, shall make recommendations to the City Council regarding the selection of financial advisors to be employed and the duration of such employment. The solicitation and selection process for such services will comply with City Code requirements for Professional, Technical, and Expert Services. The time period for employment may relate to an individual or a series of financings, or for a specified period of time.
- d. **Paying Agent.** The Debt Manager, in consultation with the City Treasurer, shall solicit periodically for paying agent services from qualified commercial and trustee banks. The cost of providing such services shall be used by the Debt Manager, along with other qualitative measurements, in developing a Paying Agent recommendation to City Council, along with the term of such agreement.
- e. **Other Service Providers.** The Debt Manager shall periodically solicit for other service providers (escrow agents, verification agents, trustees, etc.). The cost of providing such services shall be used by the Debt Manager in developing a recommendation to City Council, along with the term of such agreement.

## 2. COMPREHENSIVE CAPITAL PLANNING AND FINANCING SYSTEM

- a. **Capital Planning and Financing System.** The City shall develop a capital planning and financing system for use in preparing a multi-year Capital Improvement Plan for consideration and adoption by the City Council as part of the City's budget process. Individual bureaus and agencies shall prepare multi-year capital plans and coordination and preparation of the City-wide Capital Improvement Plan shall reside with the Office of Finance and Administration. This Plan shall be for the coming five fiscal years and shall be updated periodically. The Plan shall contain a comprehensive description of the sources of funds and the timing of capital projects for future operating and capital budgets, effect of the projects on future debt sales, debt outstanding, and debt service requirements, and the impact on future debt burdens and current revenue requirements. In this latter regard, the Plan shall, analyze the conformance of the planned financings with policy targets regarding the (1) magnitude and composition of the City's indebtedness, and (2) the economic and fiscal resources of the City to bear such indebtedness over the next five years. Affordability impacts of the Plan shall be evaluated in consultation with the various City Bureaus.
- b. **Debt Calendar and Financing Priorities.** It shall be the responsibility of the Debt Manager, within the context of the Capital Improvement Plan, to oversee and coordinate the timing, process of issuance, and marketing of the City's borrowing and capital funding activities required in support of the Plan. In this capacity, the Debt Manager shall make recommendations to the City Council regarding necessary and desirable actions and shall keep it informed through regular and special reports as to the progress and results of current-year activities under the Plan.
- c. **Funding of Capital Outlays.** As part of its capital financing philosophy, the City shall make contributions from its own current revenues, or from outside funding sources such as state or federal grants, to each capital project or program equal to at least 5% of its total capital cost.
- d. **Maintenance, Replacement and Renewal.** Consistent with its philosophy of keeping its capital facilities and infrastructure systems in good repair and to maximize the capital stock's useful life, the City should set aside sufficient current revenues to finance ongoing maintenance needs and to provide reserves for periodic replacement and renewal.
- e. **Debt Authorization.** No City debt issued for the purpose of funding capital projects shall be authorized by the City Council unless it has been included in the Capital Improvement Plan or until the Council has modified the Plan. Such modification shall occur only after the Council has received a report of the impact of the contemplated borrowing on the existing Capital Improvement Plan and recommendations as to the financing arrangements from the Debt Manager and the Office of Finance and Administration.

## 3. LIMITATIONS ON CITY INDEBTEDNESS

- a. **Target Limitations on Non-Self-Supporting Unlimited Tax General Obligation Indebtedness.** The City shall, as a matter of policy, conduct its finances so that the amount of direct, non-self-supporting, unlimited tax general obligation ("UTGO") debt outstanding at any time that is subject to approval by the voters (excluding long-term, non-self-supporting leases) does not exceed 0.75% of the City's taxable assessed valuation.
- b. **Target Limitations on Non-Self-Supporting Limited Tax General Obligation Indebtedness and Full Faith and Credit Lease-Purchase Obligations.** The City shall, as a matter of policy, conduct its finances so that the amount of direct, non-self-supporting, limited tax general obligation ("LTGO") debt and full faith and credit lease purchase obligations outstanding at any time that are not subject to approval by the voters does not exceed 1.0% of the City's taxable assessed valuation. Furthermore, the City shall strive to limit the annual debt service requirements on these obligations to an amount that is not greater than 10% of annual General Fund revenues.

These limitations apply to debt obligations issued with a specific LTGO pledge, obligations secured by a pledge of the City's full faith and credit, and obligations that are in effect secured by a LTGO pledge and are not self-supporting, or which are paid for from General Fund monies. Also included within this limitation are any other loan agreements entered into directly by the City or secured indirectly by a pledge of the City's General Fund.

- c. **Target Limitations on Lease-Purchase Financing of Equipment and Furnishings.** The City may enter into short-term lease-purchase obligations to finance the acquisition of capital equipment and furnishings with estimated useful lives of less than ten years. Outstanding lease-purchase obligations issued to finance capital equipment and furnishings shall not exceed 0.125% of the City's taxable assessed valuation. Repayment of these lease-purchase obligations shall occur over a period not to exceed the useful life of the underlying asset or in any case no longer than five years from the dated date of such obligations. The Debt Management Group of the Office of Finance and Administration shall be responsible for developing procedures for use by City Bureaus interested in participating in the lease-purchase program, and for setting repayment terms and amortization schedules, in consultation with participating Bureaus.
- d. **Limitations on General Fund Loan Guarantees and Credit Support.** As part of the City's financing activities, General Fund resources may be used to provide credit support or loan guarantees for public or private developments that meet high priority City needs. Before such General Fund commitments are made, specific policy goals and objectives that determine the nature and type of projects qualifying for such support, and specific limitations to be placed on the maximum amount of General Fund resources pledged to such projects shall be developed. The Office of Finance and Administration shall be responsible for coordinating the development of such policies and goals, which shall not take effect until approved by the City Council. General Fund loan guarantees shall be subject to the overall debt limitations set forth in B, above.

Recognizing the limited capacity of the City's General Fund to support both ongoing operating programs and secure long-term debt obligations, use of the General Fund to secure such obligations must first be approved by the Debt Manager and the Director of the Office of Finance and Administration. Key factors that will be considered in determining whether or not the General Fund should be used to secure a particular debt obligation will include the following:

- ❖ Demonstration of underlying self-support, thus limiting potential General Fund financial exposure.
  - ❖ Use of General Fund support as a transition to a fully stand alone credit structure, where interim use of General Fund credit support reduces borrowing costs and provides a credit history for new or hard to establish credits.
  - ❖ General Fund support is determined by the City Council to be in the City's overall best interest.
- e. **Target Limitations on the Issuance of Revenue-Secured Debt Obligations.** The City shall seek to finance the capital needs of its revenue producing enterprise activities through the issuance of revenue-secured debt obligations. Prior to issuing revenue-secured debt obligations, City Bureaus, in consultation with the Debt Manager, will develop financial plans and projections showing the feasibility of the planned financing, required rates and charges needed to support the planned financing, and the impact of the planned financing on ratepayers, property owners, City Bureaus, and other affected parties. The amount of revenue-secured debt obligations issued by a City Bureau will be limited by the feasibility of the overall financing plan as determined by the Debt Manager.

Revenue-secured debt obligations must first be reviewed and approved by the Debt Manager and the Director of the Office of Finance and Administration before being issued.

#### 4. STRUCTURE AND TERM OF CITY INDEBTEDNESS

- a. **Rapidity of Debt Repayment.** Generally, borrowings by the City should be of a duration that does not exceed the economic life of the improvement that it finances and where feasible should be shorter than the projected economic life. Moreover, to the extent possible, the City should design the repayment of debt so as to recapture rapidly its credit capacity for future use. The City shall strive to repay the principal amount of its long-term general obligation debt (both voter and non-voter approved) according to the following schedule: at least 20% in five years and 40% in ten years. The City may choose to structure debt repayment so as to wraparound existing obligations or to achieve other financial planning goals. Such alternative structures shall be subject to the approval of the Debt Manager and Director of the Office of Finance and Administration, in consultation with the involved Bureaus, before being recommended to the City Council.
- b. **Use of Variable-Rate Securities.** When appropriate, the City may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of the securities. The decision to issue such securities must be reviewed and approved by the Debt Manager and the Director of the Office of Finance and Administration, in consultation with the City Treasurer, before Council is requested to approve their issuance.
- c. **Pledge of Restricted Funds to Secure Debt.** The City has the power to make an irrevocable pledge of a security interest in an account created exclusively for the security of holders of City obligations. Before such funds are used to secure a prospective financing, policies regarding the use of such restricted funds shall be developed by the affected Bureau and the Debt Manager, subject to approval by the Director of the Office of Finance and Administration, to ensure that the use of such funds to secure bonds does not violate restrictions on such funds and that underlying program commitments can be maintained in addition to meeting debt service obligations on debt secured by the restricted funds. These policies shall be presented as recommendations to Council prior to or at the time issuance of the secured debt is to be authorized.
- d. **Use of Subordinate Lien Obligations.** Creation of a subordinate lien financing structure, if appropriate, shall be based on the overall financing needs of a particular bureau, expected credit ratings, relative cost of a subordinate lien structure, and impacts on the City as determined by the Debt Manager and the Director of the Office of Finance and Administration, in consultation with the involved Bureau. The results of this review shall be presented in the form of recommendations to Council for consideration prior to or at the time such bonds are being authorized.

#### 5. METHOD OF SALE

- a. **Competitive Sale.** The City, as a matter of policy, shall seek to issue its debt obligations in a competitive sale unless it is determined by the Debt Manager that such a sale method will not produce the best results for the City. In such instances where the City in a competitive bidding for its debt securities (whether general obligation or non-general obligation debt) deems the bids received as unsatisfactory or does not receive bids, it may, at the election of the City Council, enter into negotiation for sale of the securities.
- b. **Negotiated Sale.** When determined appropriate by the Debt Manager and approved by the Director of the Office of Finance and Administration, the City may elect to sell its debt obligations through a negotiated sale. Such determination may be made on an issue by issue basis, for a series of issues, or for part or all of a specific financing program. Selection of the underwriting team shall be made pursuant to selection procedures set forth in these Debt Policies, consistent with City Code.
- c. **Private Placement.** When determined appropriate by the Debt Manager and approved by the Director of the Office of Finance and Administration, the City may elect to sell its debt obligations through a private placement or limited public offering. Selection of a placement agent shall be made pursuant to selection procedures developed by the Debt Manager, consistent with City Code.

- d. **Official Bid Form.** The City shall design an official bid form to be made part of each official notice of sale published in conjunction with the sale of debt securities in a competitive sale by the City.

## 6. SHORT-TERM DEBT AND INTERIM FINANCING

- a. **Lines and Letters of Credit.** Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City has the power to enter into agreements with commercial banks or other financial entities for purposes of acquiring lines or letters of credit that shall provide the City with access to credit under terms and conditions as specified in such agreements. Before entering into any such agreements, takeout financing for such lines or letters of credit must be planned for and determined to be feasible by the Debt Manager. Any agreements with financial institutions for the acquisition of lines or letters of credit shall be approved by the City Council. Lines and letters of credit entered into by the City shall be in support of projects contained in the approved Capital Improvement Plan.
- b. **Bond Anticipation Notes.** Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City may choose to issue Bond Anticipation Notes as a source of interim construction financing. Before issuing such notes, takeout financing for such notes must be planned for and determined to be feasible by the Debt Manager. Bond Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the City Council.
- c. **Tax and Revenue Anticipation Notes.** Where their use is judged by the Debt Manager to be prudent and advantageous to the City, the City may choose to issue Tax and Revenue Anticipation Notes to fund internal working capital cashflow needs. Before issuing such notes, cashflow projections will be prepared by the appropriate City Bureaus and reviewed by the Debt Manager. Tax and Revenue Anticipation Notes may be sold in either a competitive or negotiated sale, subject to authorization and approval by the City Council.
- d. **Tax Exempt Commercial Paper.** The City may choose to issue Tax Exempt Commercial Paper as a source of interim construction financing for projects contained in the City's approved Capital Improvement Plan only after the Debt Manager, in consultation with the City Treasurer, determines that such a financing represents the least cost interim financing option for the City. Furthermore, Tax Exempt Commercial Paper shall not be issued for City capital programs unless it is of sufficient economic size as determined by the Debt Manager. A report recommending the issuance of Tax Exempt Commercial Paper must first be approved by the Director of the Office of Finance and Administration, before recommendations are made to City Council authorizing the establishment of such a program.

## 7. IMPROVEMENT DISTRICT AND ASSESSMENT CONTRACT FINANCING

- a. **Financing Policies.** The policies guiding the City's improvement district and assessment contract financing program shall be guided by City Council Resolution No. 34847, as amended.
- b. **Interest Rates on Improvement Assessment Loans.** The contract interest rate on loans made from the proceeds of Improvement Assessment Bonds shall be equal to the effective interest rate paid on the bonds sold to finance such loans plus an additional percentage markup to cover self-insurance and loan servicing costs. The self-insurance and servicing charge markup shall be adjusted annually based upon the historical Improvement Assessment Bond collection history and consultation among the Auditor's Office, the Debt Manager, and the City Treasurer. The contract interest rate shall be determined on the day of the sale of Improvement Assessment Bonds for those assessment contracts financed with proceeds of the sale.
- c. **Interim Assessment Contract Interest Rates.** The interim assessment contract interest rate is the interest rate set on contracts that precede the sale of Improvement Assessment Bonds. This rate shall be set at a level deemed reasonable and prudent by the Debt Manager and the Auditor's Office to insure that funds collected through assessment contract payments are sufficient to meet that portion of future debt service requirements on Improvement Assessment Bonds attributable to such contracts.

- d. **Commitment to Self-Supporting Improvement District Financings.** Consistent with the concept of Improvement Assessment financing, all of the City's Improvement Assessment indebtedness shall be self-supporting. Prior to the issuance of Improvement Assessment Bonds, the Auditor's Office shall review projected cash flows which incorporate scheduled assessment contract payments, prepayments, delinquencies, and non-payments with the Debt Manager to ensure that the proposed Bonds shall meet the City's self-support requirement.

8. REFUNDING OF CITY INDEBTEDNESS

- a. **Debt Service Savings--Advance Refundings.** The City may issue advance refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible, prudent, and net present value savings, expressed as a percentage of the par amount of the refunding bonds, equal or exceed 5 percent. Exceptions to this requirement shall be made only upon the approval of the Debt Manager and the Director of the Office of Finance and Administration.
- b. **Debt Service Savings--Current Refundings.** The City may issue current refunding bonds (as defined for federal tax law purposes) when advantageous, legally permissible, prudent, and net present value savings equal or exceed \$100,000.
- c. **Restructuring of Debt.** The City may choose to refund outstanding indebtedness when existing bond covenants or other financial structures impinge on prudent and sound financial management. Savings requirements for current or advance refundings undertaken to restructure debt may be waived by the Debt Manager and the Director of the Office of Finance Administration upon a finding that such a restructuring is in the City's overall best financial interests.
- d. **Open Market Purchase of City Securities.** The City may choose to defease its outstanding indebtedness through purchases of its securities on the open market when market conditions make such an option financially feasible. The Debt Manager and the City Treasurer shall be responsible for developing procedures for executing open market purchases and the savings objectives to be achieved by undertaking such actions.

9. USE OF CREDIT ENHANCEMENT

The City shall seek to use credit enhancement (letters of credit, bond insurance, surety bonds, etc.) when such credit enhancement proves cost-effective. Selection of credit enhancement providers shall be subject to a competitive bid process developed by the Debt Manager. Credit enhancement may be used to improve or establish a credit rating on a City debt obligation even if such credit enhancement is not cost effective if, in the opinion of the Debt Manager, the use of such credit enhancement meets the City's debt financing goals and objectives.

10. REBATE REPORTING AND COVENANT COMPLIANCE

The Debt Management Group in the Office of Finance and Administration shall establish a system of record keeping and reporting to meet the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding debt issues. Additionally, general financial reporting and certification requirements embodied in bond covenants shall be monitored to ensure that all covenants are complied with.

11. CONDUIT FINANCINGS

The City may sponsor conduit financings for those activities (i.e., economic development, housing, health facilities, etc.) that have a general public purpose and are consistent with the City's overall service and policy objectives as determined by the Portland Development Commission. All conduit financings must insulate the City completely from any credit risk or exposure and must first be approved by the Debt Manager and the Director of the Office of Finance and Administration before being submitted to City Council for authorization and implementation.

12. FINANCING PROPOSALS



Any capital financing proposal made to a City Bureau, Agency, or Commission involving a pledge or other extension of the City's credit through the sale of securities, execution of loans or leases, or making of guarantees or otherwise involving directly or indirectly the lending or pledging of the City's credit shall be referred to the Debt Manager, who in a timely manner shall be responsible for analyzing the proposal, responding to the proposal, and recommending to the Director of the Office of Finance and Administration the required action to be taken.

### 13. DERIVATIVE PRODUCTS

The City may in the future choose to enter into contracts and financing agreements involving interest rate swaps, floating/fixed rate auction or reset securities, or other forms of debt bearing synthetically determined interest rates as authorized under Oregon statutes. Before entering into such contracts or agreements, a review team consisting of the Debt Manager, the City Treasurer, and appropriate bureau staff and outside consultants shall be formed to review the risks and benefits of such financing techniques and expected impacts on the City's long-term financial operations and credit ratings. The report, when completed, shall be presented to the Director of the Office of Finance and Administration for review and approval before any recommendations are submitted to the City Council for authorization and implementation.

### 14. OTHER POLICIES AND REQUIREMENTS

- a. **Annual Audit of City.** The annual audit of the City shall describe in detail all funds and fund balances established as part of any direct debt financing of the City. The audit may also contain a report detailing any material or rate covenants contained in any direct offering of the City and whether or not such covenants have been satisfied.

### 15. CREDIT RATINGS

- a. **Rating Agency Relationships.** The Debt Manager shall be responsible for maintaining relationships with the rating agencies that currently assign ratings to the City's various debt obligations. This effort shall include providing periodic updates on the City's general financial condition along with coordinating meetings and presentations in conjunction with a new debt issuance.
- b. **Use of Rating Agencies.** The Debt Manager shall be responsible for determining whether or not a rating shall be requested on a particular financing, and which of the major rating agencies shall be asked to provide such a rating.
- c. **Minimum Long-Term Rating Requirements.** The City's minimum rating requirement for its direct, long-term, debt obligations is a rating of "A" or higher. If such a debt obligation cannot meet this requirement based on its underlying credit strength, then credit enhancement shall be sought to ensure that the minimum rating is achieved. If credit enhancement is unavailable or is determined by the Debt Manager to be uneconomic, then the obligations may be issued without a rating.

A lower rating standard may be accepted for indirect or conduit obligations, subject to the approval of the Debt Manager.

### 16. ONGOING DISCLOSURE

The Debt Manager shall be responsible for providing ongoing disclosure information to established national information repositories and for maintaining compliance with disclosure standards promulgated by state and national regulatory bodies.

# General Fund Revenue Policy

## Resolution #35006

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Adopt a General Fund Revenue Policy. (Resolution)

WHEREAS, increasing emphasis is being placed on support of city programs through the implementation and use of fees, and

WHEREAS, bureaus have been encouraged to seek new and innovative means of supporting services which might otherwise be significantly reduced or eliminated because of their relative priority in comparison to other City services and the scarcity of General Fund discretionary resources and

WHEREAS, advancements in the use of fees and charges have been achieved in piecemeal manner and in the absence of City-wide policy,

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Portland, Oregon that:

1. The General Fund Revenue Policy, attached hereto as Exhibit I, is hereby adopted as the City of Portland's General Fund Revenue Policy.
2. This policy shall apply to all General Fund bureaus of the City of Portland.
3. This policy shall apply to "non-discretionary" General Fund revenues including permits, service charges and fees, and sales, and in some cases to contracts and interagency agreements.
4. Bureaus regularly budgeting fee revenue are required to complete a Cost of Service Study.
5. Revenues effected by this policy shall be dedicated to the bureaus in which they are generated.
6. Year-end revenue shortfalls and surpluses shall be allocated to the Bureau and the General Fund budgets in accordance with completed cost-of-service studies.

Adopted by Council, June 17, 1992

Mayor J.E. Bud Clark  
Barbara Clark

SCB:jb  
Auditor of the City of Portland

June 11, 1992

EXHIBIT I

OFFICE OF FINANCE AND ADMINISTRATION

updated June 1996

POLICY OVERVIEW

The following principles underlay the City's General Fund Revenue Policy:

- ◆ City services that provide private benefit should be paid for by fees and charges. A "private benefit" should be viewed as one which benefits the user and whose quantity, quality, and/or number of units may be specified. Examples would include parks usage fees, plans review fees, site rental fees, etc. These will maximize flexibility in the use of general city taxes to meet the cost of broader public services.
- ◆ All bureaus charging fees are required to complete and present for review by OF&A and subsequently for action by Council fee studies based upon cost-of-service principles. These studies are to be updated at a minimum every two years.
- ◆ In performing fee studies and developing fee structures, bureaus shall take into account:

- ◆ The degree to which a service provides a general benefit or public good in addition to the private good provided to a specific business, property, or individual;
  - ◆ The economic impact of new or expanded fees, especially in terms of comparability with other governmental jurisdictions within the metropolitan area;
  - ◆ The true or comprehensive cost of providing a service.
  - ◆ The impact of imposing or increasing the fee upon populations at risk and the achievement of other city goals.
- ◆ All fee revenues are dedicated to the Bureau in which they are generated.

#### SCOPE OF POLICY

This Policy applies to General Fund Bureaus. Because of their financial structure, both Enterprise and Operating Funds automatically dedicate revenues to their respective services. The methodology utilized by these funds in establishing fees and charges will continue to be reviewed in their respective financial plans the initial step in the annual budget process. For General Fund bureaus, all bureau-specific revenues are dedicated to the bureaus through which they are generated. This means that bureaus are responsible for the preparation of revenue forecasts, the tracking of receipts, and the administration of all related changes during the fiscal year. Each Bureau is responsible for attaining revenue estimates. These are reported in the quarterly budget process, and adjustments are made to appropriations accordingly.

Revenue categories covered by this policy are permits, service charges and fees, and sales. Contracts and inter-agency agreements which result in surplus may also be included, provided that such surplus does not violate the conditions imposed under the contract or inter-agency agreement.

Excluded are the major non-Bureau specific General Fund revenue categories of Property Taxes, Utility License Fees, Franchise Fees, business License Fees, Lodging Tax, Interest earnings, Local Government Sources, and State Sources. These resources will continue to be categorized as discretionary and be allocated to Bureaus as part of the annual budget process. Also excluded are donations and grants.

#### GUIDELINES

The following guidelines will be followed by bureaus in developing and updating fees:

##### Bureau Responsibilities

Each Bureau which produces revenues (as identified above) is responsible for:

- ◆ Preparing annual revenue estimates as part of the annual budget request. These estimates should be developed after completion of a cost-of-service study. Annual review of fee schedules should include necessary adjustments to cover inflation.
- ◆ Monitoring actual revenue receipts throughout the fiscal year. Report on status within the quarterly budget reports.
- ◆ Adjusting budgets as necessary in response to total revenue shortfalls and surpluses occurring during the fiscal year. These adjustments will occur in conjunction with the quarterly review process. Bureaus will need to decrease appropriation when total Bureau specific resources are projected to be less than budgeted.

##### Bureau of Financial Planning Responsibilities

It is the responsibility of the Bureau of Financial Planning to work with the bureaus in developing, implementing, and monitoring fees in the following ways:

- ◆ The Bureau of Financial Planning is responsible for reviewing bureau rates and revenue estimates as well as monitoring the receipt of bureau revenues. Variances between planned and actual revenues are reported to Council in the Quarterly budget Report along with recommended actions.
- ◆ All Bureau request for adjustments related to revenues will require the review of the Office of Finance and Administration prior to Council action in accordance with procedures for the Council Calendar or Quarterly review process.

- ◆ Bureau of Financial Planning staff provide assistance to bureaus in completing fee studies.

#### Revenue Surpluses

- ◆ Current year surplus revenues above the budgeted revenue estimate shall be available to the Bureau for appropriation through the quarterly ordinance process. Additional appropriation shall be used for activities supporting the sources generating the additional fees.
- ◆ Bureaus recognizing a revenue surplus may elect to establish a reserve or “rainy day fund” with all or part of the surplus. The Bureau will develop a policy for the creation and use of the fund. Use of funds from the reserve will be identified and justified in the quarterly or annual budget process, in accordance with the policy adopted by the bureau. Such reserve accounts will be budgeted as special appropriations.
- ◆ Year-end surpluses and shortfalls shall be treated in accordance with the ratio outlined in the bureau’s cost of service study. In the absence of a cost of service study, the surplus shall be available or the shortfall absorbed at a level of 50% to the bureau and 50% to the General Fund.

#### Revenue Shortfalls

- ◆ It is the responsibility of each Bureau to achieve budgeted revenues. In the event of a projected total revenue shortfall, the Bureau is required to document other offsetting revenues, or reduce its budget within the quarterly budget report.
- ◆ Additional General Fund discretionary appropriation will not be transferred to cover revenue shortfalls without Council authorization.
- ◆ A five percent (5%) margin of error is established as acceptable for fee projection and collection. Bureaus will share any amount of surplus in the manner outlined in the section above. In the event of a shortfall, this policy shall take effect when the shortfall exceeds 5% of the total non-discretionary revenue. In such case, the bureau will reduce expenditures in non-discretionary funded programs by the same percentage identified in the cost of service study, or 50-50 in the absence of a cost of service study.

# General Fund Reserves Use Policy

## Resolution #34722

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Adopt a General Reserve Use Policy. (Resolution)

WHEREAS, over the past three years, and continuing with the approved FY 1990-91 budget the City Council has endeavored to rebuild General Fund reserves; and

WHEREAS, as a result of annual transfers and one-time unexpected revenues Council was able to achieve a five percent General Reserve in just three years; and

WHEREAS, the Auditor's Annual Financial Condition Report has recommended establishment to reserve levels equal to 10 to 15 percent of annual General Fund operating revenues, and a written financial management policy that includes policies on reserve requirement; and

WHEREAS, an increase in the City's reserves decreases the City's need for short-term borrowing which is an indication of the City's financial health; and

WHEREAS, actions taken in the FY 1990-91 Approved Budget transfer \$2 million toward a second five percent reserve; and

WHEREAS, it is important for Council to adopt a policy governing Council's use of the General Fund Reserve Fund.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Portland, Oregon that the attached General Fund Reserve Fund Use Policy (summarized below) be adopted:

1. The first five percent reserve is defined as an **emergency reserve** available to fund one-time, emergency, unanticipated expenditure requirements or offset unanticipated revenue fluctuations occurring within a fiscal year.
2. The **emergency reserve** will only be accessed when the result of emergency expenditures or an unexpected revenue reduction would likely result in a negative ending balance for the General Fund.
3. **Emergency Reserve** resources must begin to be restored in the fiscal year following their use. Restoration will be consistent with the Council's past practice of budgeting transfers totaling a minimum of \$1 million dollars a year to the General Reserve Fund.
4. The second five percent reserve is defined as **counter cyclical reserve** available to either maintain General Fund current service level programs or transition expenditure growth to match slower revenue growth during the first 18 to 24 months of a recession.
5. The **counter cyclical reserve** may be used when basic revenue growth (where "basic revenue" is defined as the sum of General Fund property tax, business license, utility license/franchise fees, cigarette and liquor taxes, transient lodging taxes, and interest income) falls to below 5.5 percent for two consecutive quarters or the Financial Forecast estimates basic revenue growth will be below 5.5 percent for the next fiscal year, and one or more of the following conditions occurs in conjunction with slower revenue growth:
  - ❖ The Portland Metropolitan Area unemployment rate is reported above 6.5 percent for two consecutive quarters or the Financial Forecast estimates unemployment will average in excess of 6.5 percent for the next fiscal year.
  - ❖ The property tax delinquency rate exceeds 8 percent.
  - ❖ Actual business license year-to-year revenue growth falls below 5.5 percent for two consecutive quarters of the Financial Forecast estimates Business License revenue growth at less than 5.5 percent for the next fiscal year.

6. The Council should begin to restore **counter cyclical reserves** within 24 months of their first use.
7. Revenue shortfalls associated with bureau service reimbursement income, contract income, or cost recovery income may not be offset by a transfer of resources from the General Reserve Fund.

Adopted by Council, May 03, 1990

Mayor J.E. Bud Clark

Barbara Clark

April 26, 1990

Auditor of the City of Portland

SCB:TG:RR

## General Reserve Fund Use Policy

### INTRODUCTION

Over the past three years and continuing with the proposed FY 1990-91 budget the Council, through past actions, established the General Reserve Fund to house and clearly identify the discretionary reserve within the budget. As a result of annual transfers and one-time unexpected revenues Council was able to achieve a five percent General Reserve in just three years. A general fund reserve is needed for two reasons:

- ♦ To insulate General Fund programs and current service levels from large and unanticipated one-time expenditure requirements, a revenue reduction due to a change in state or federal legislation, resulting from adverse litigation, or similar unforeseen action.
- ♦ To temporarily insulate General Fund programs and current service levels from slower revenue growth that typically occurs during an economic recession.

This reserve is not intended to be used because General Fund expenditure growth exceeds normal revenue growth.

The level of the reserve fund is measured as a percentage of the budgeted General Fund revenues net of short-term borrowing receipts. Analysis attached as Appendix A of the December 1989 **Financial Forecast** shows that a 10 percent reserve level is required.

The following paragraphs set out policy guidelines that could govern Council's use of reserve funds.

### EMERGENCY RESERVE

The Council reserves the first five percent, or one half of the overall reserve as an Emergency Reserve. The emergency reserve is available to fund one-time emergency, unanticipated expenditure requirements or offset unanticipated revenue fluctuations occurring within a fiscal year. The reserve avoids the need to make budget adjustments outside of the normal budget hearing process. The Council can withdraw funds from the emergency reserve after the General Fund's budgeted contingency is exhausted. The emergency reserve will only be accessed when the result of emergency expenditures or an unexpected revenue reduction would be that the General Fund would likely end the fiscal year with a negative ending fund balance.

Revenue shortfalls associated with bureau service reimbursement income, contract income, or cost recovery revenues may not be offset by a transfer of resources from the General Reserve Fund.

Restoration of the Emergency Reserves will begin the fiscal year following their use. Restoration will be consistent with the Council's past practice of budgeting transfers totaling a minimum of \$1 million dollars a year to the General Reserve Fund.

### USE OF THE COUNTER CYCLICAL RESERVE

The second 5 percent of the reserve is designated as a **counter cyclical**. The Council will use this half of the reserve to either maintain General Fund current service level programs or transition expenditure growth to match slower revenue growth during the first 18- to 24 months of a recession. The counter cyclical reserve is designated for use as "bridge financing" necessary to offset slower revenue growth during a recession.

For purposes of this policy, slower or recessionary revenue growth triggers Council’s assessment of use of the reserve when:

- ◆ Basic revenue growth falls to below 5.5 percent for two (2) consecutive quarters or the Financial Forecast estimates basic revenue growth will be below 5.5 percent for the next fiscal year. Basic Revenue is defined as the sum of General Fund property tax, business license, utility license/franchise fees, cigarette and liquor taxes, transient lodging taxes, and interest income.

In addition, one or more of the following conditions must occur in conjunction with slower basic revenue growth:

- ◆ The Portland Metropolitan Area (PMSA) unemployment rate is reported above 6.5 percent for two (2) consecutive quarters or the Financial Forecast estimates PMSA unemployment will average in excess of 6.5 percent for the next fiscal year.
- ◆ The property tax delinquency rate exceeds 8 percent.
- ◆ Business license year-to-year revenue growth falls below 5.5 percent for two (2) consecutive quarters or the Financial Forecast estimates Business License revenue growth at less than 5.5 percent for the next fiscal year.

Exhibit A summarizes these indicators on an annual fiscal year basis for the period FY 1969-70 through FY 1998-99. Exhibit A shows that basic revenue growth below 5.5 percent occurred three times in the past two decades. Exhibit A should not be construed to suggest that use of reserves would avoid the need to reduce expenditure growth or possibly the absolute level of expenditures over a multi-year period.

Declines in Bureau specific cost recovery revenues, contract income, or service reimbursement income may not be offset by transfer of counter cyclical reserve resources.

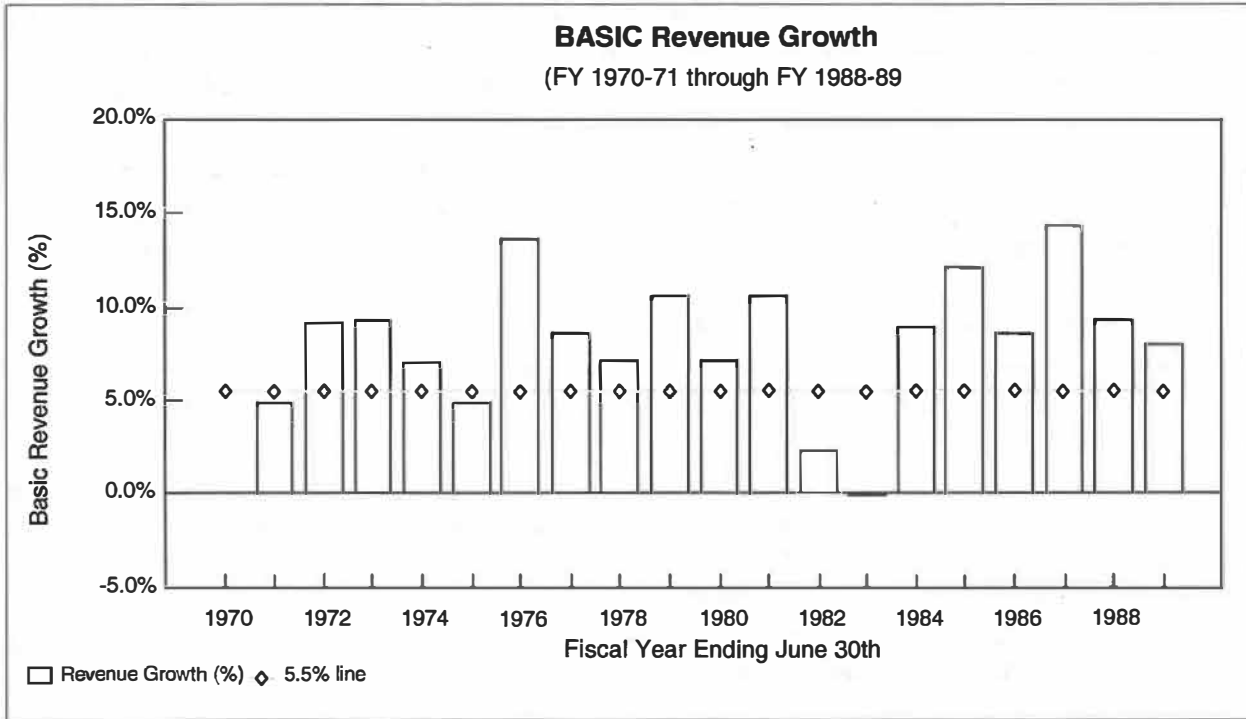
The Council should begin to restore Counter cyclical Reserves used under the guidelines within 24 months after their first use.

**Table 1: Counter Cyclical Reserves Use Indicators**

Basic Revenues			PMSA Unemployment Rate		Property Tax Delinquency Rate		Business License Revenue	
Fiscal Year	Growth (%)	Below 5.5%	Rate (%)	Over 6.5%	Rate (%)	Over 8.0%	Growth (%)	Below 5.0%
1971	4.9%	Below 5.5%	7.6%	Over 6.5%	8.2%	Over 8.0%	0.6%	Below 5.0%
1972	9.1%	NA	6.9%	Over 6.5%	7.1%	NA	5.4%	Below 5.0%
1973	9.3%	NA	5.6%	NA	6.8%	NA	14.9%	NA
1974	7.0%	NA	5.8%	NA	12.2%	Over 8.0%	33.4%	NA
1975	4.9%	Below 5.5%	7.8%	Over 6.5%	10.7%	Over 8.0%	-11.9%	Below 5.0%
1976	13.6%	NA	9.6%	Over 6.5%	9.7%	Over 8.0%	24.8%	NA
1977	8.5%	NA	7.7%	Over 6.5%	8.6%	Over 8.0%	42.9%	NA
1978	7.1%	NA	5.7%	NA	8.9%	Over 8.0%	10.9%	NA
1979	10.6%	NA	5.3%	NA	7.9%	NA	19.4%	NA
1980	7.1%	NA	5.7%	NA	11.7%	Over 8.0%	5.3%	Below 5.0%
1981	10.6%	NA	7.1%	Over 6.5%	5.9%	NA	4.8%	Below 5.0%
1982	2.3%	Below 5.5%	9.1%	Over 6.5%	6.7%	Over 8.0%	-10.9%	Below 5.0%
1983	-0.1%	Below 5.5%	10.4%	Over 6.5%	8.6%	Over 8.0%	-0.8%	Below 5.0%
1984	8.9%	NA	8.7%	Over 6.5%	8.3%	NA	5.4%	Below 5.0%
1985	12.1%	NA	7.6%	Over 6.5%	7.6%	NA	24.4%	NA
1986	8.5%	NA	7.4%	Over 6.5%	8.4%	NA	1.7%	Below 5.0%
1987	14.3%	NA	6.2%	NA	7.5%	NA	16.7%	NA
1988	9.2%	NA	5.0%	NA	7.1%	NA	19.3%	NA
1989	7.9%	NA	4.4%	NA	6.5%	NA	11.4%	NA

Note: "Basic Revenues" include General Fund property taxes, business licenses, utility licenses, transient lodging taxes, cigarette and liquor taxes, and interest income revenues.  
 NA: Not Applicable

**Figure 1 - Basic Revenue Growth vs. 5.5%**



**APPENDIX A**

**A DISCUSSION OF REQUIRED GENERAL FUND RESERVE LEVEL**

**General**

The Council, at present, is operating with a goal of funding the General Reserve Fund at 5 percent of the General Fund revenues net of short-term borrowing proceeds. As noted in the Financial Forecast, the General Reserve Fund will probably end FY 1989-90 at or very close to the desired 5 percent goal. Table 2 shows that estimated year-end balance in the General Reserve



**Table 2: General Reserve Fund Status**

Item	Audit FY 1997-98	Actual FY 1988-89	Adopted Budget FY 1989-90	Estimated Year-End FY 1989-90
<b>GENERAL RESERVE FUND DETAIL</b>				
Beginning Fund Balance	\$0	\$1,000,000	\$2,433,894	\$2,434,967
Transfers-IN	\$4,950,000	\$1,340,283	\$1,000,000	\$9,667,952
Transfers-OUT	(\$3,950,000)	\$0	\$0	(\$4,000,000)
Interest Income	\$0	\$94,684	\$103,017	\$472,481
Ending Fund Balance	\$1,000,000	\$2,434,967	\$3,536,911	\$8,575,400
Ending Fund Balance As Percent of Net Revenues	0.623%	1.409%	2.034%	4.926%
Net Revenues	\$160,591,017	\$172,784,494	\$173,926,367	\$174,087,688
5% Reserve Level (5.000%)	\$8,029,551	\$8,639,225	\$8,696,318	\$8,704,384
Over (Under)	(\$7,029,551)	(\$6,204,258)	(\$5,159,407)	(\$128,984)
(*) Total General Fund revenues less short-term borrowing proceeds				

Fund will be somewhere around 4.9 percent. The forecast for the fund currently assumes that \$3 million will be needed to fund Police and Fire retirements expected to result from recent vote approval of Fire and Police, Disability and Retirement pension reform. Another \$1 million of possible expenditures, requiring a transfer from the reserve to the General Fund, were outlined in the FY 1988-89 **Fourth Quarter Report**.

There are two principal reasons for building a reserve;

- ◆ First, large unexpected one-time expenditures are more easily funded from a reserve. Temporary or permanent reductions in programs are avoided. For example, the current reserve allows funding of Fire and Police retirement related personal services expenses without disruption of General Fund programs.
- ◆ Second, a “counter-cyclical” reserve is required to ameliorate the effects of an economic downturn on General Fund revenue growth. A slower regional economy will slow revenue growth relative to expenses. The result is a resource gap that, in the absence of a reserve, can probably only be eliminated by expenditure reductions. In addition it should be noted that actions by the State Legislature or the Public Utilities Commission (PUC) can also adversely affect revenue growth.

The General Reserve Fund is now at a level that allows the Council to use reserves to counteract one-time fluctuations in revenues and expenditures or meet large unexpected one-time expenditures. The 5 percent level is not adequate to offset the combination of slower revenue growth and fund large unexpected expenditures. That is it would not provide any insulation against the effects of an economic downturn. The following paragraphs develop alternative estimates of General Reserve Fund levels that would provide a reserve capable of funding extraordinary one-time expenditure requirements and ameliorate the effects of an economic downturn, adverse legislation, or adverse PUC decisions.

### Revenue History FY 1974-75 To FY 1988-89

Table 3 summarizes historical General Fund discretionary revenue growth characteristics. In table 2 revenue is summarized for the “Big Four” revenues and “All Other” discretionary revenues. Two discretionary revenue streams are shown in Table 2. The top line of Table 2 represents “unadjusted” discretionary revenues, i.e., total revenues less short-term borrowing, contracts, service reimbursements, and grants and donations. The “adjusted” line, at the bottom of Table 2 nets out Federal Revenue Sharing transfers to the General Fund, other irregular or one-time transfers, and construction permit revenues.

**Table 3: General Fund Revenue Growth**

City of Portland Characteristics, FY 1974-75 to FY 1988-89			
Item		Growth Rates (%).....	
		Compound Annual	Maximum Minimum
General Fund Discretionary		5.5%	12.2% 0.6%
Big Four Revenue		9.2%	14.4% 2.1%
Property Taxes	811-814	7.7%	13.2% 2.4%
Transient Lodgings	821	12.0%	31.4% -9.2%
Business Licenses	831	11.7%	42.9% -10.9%
Utility License	832	13.3%	22.1% 2.9%
All Other Discretionary (**)		-2.8%	16.9% -7.4%
Adjusted Discretionary (*)		8.5%	14.5% 0.0%

(\*) Net of Federal Revenue Sharing, one-time or irregular transfers and construction permits.  
 (\*\*) Average of 6 negative changes

This line more accurately reflects the General Fund’s current organizational make-up and revenue mix.

Table 3 shows that overall, General Fund discretionary revenues have at worst gone flat or grown only marginally during the periods of slower regional growth. The compound annual growth rate over the past 15 years has been about 5.5 percent. The worst year of growth for the “unadjusted” discretionary revenue stream was apparently FY 1976-77 at the tail end of a recession. The “adjusted” discretionary revenue stream showed no growth during FY 1982-83. A larger Federal Revenue Sharing transfer (up \$1.4 million) and other one-time transfers (up about \$3.4 million) totaling an estimated \$4.8 million, allowed the City to temporarily support higher expenditure levels.

The Big Four revenues have never failed to grow and the lowest overall year-to-year growth appears to be about 2.1 percent. It is interesting to note the difference in growth characteristics. Property Taxes and Utility Franchise/License Fees appear to have a growth floor in the 2 to 2.5 percent range. Transient Lodging and Business License Taxes both declined during the last recession. Transient Lodging taxes declined by about 9 percent between FY 1979-80 and FY 1980-81 (at \$10.03 million) and did not reach a new high until FY 1984-85 (at \$11.5 million). All Other discretionary revenues appears to be more volatile but the long run trend appears to be downward. This probably reflects the fact that miscellaneous fees and charges are not indexed to a price index and are not regularly reviewed to reflect rising costs.

**Alternative Reserve Level Calculations**

Table 3 seems to show that during an economic downturn revenue growth will at best slow considerably. How much depends on the nature, severity, timing, and length of the downturn. Tables 4 and 5 use the information above and other **Financial Forecast** information to develop three cases or alternative reserve level calculations.

**CASE 1**

Case 1 uses the Lower Bound revenue forecast shown in Figures 4 and 5 of the **Financial Forecast**.

The onset of an economic downturn during late FY 1989-90 creates an estimated gap, during FY 1990-91 of about \$2.8 million between expenditures and revenues. During the second year (FY 1991-92) the estimated gap widens to \$5.6 million. Creation of a reserve large enough to get through the first year translates into a General Reserve Fund totaling about \$11.5 million. This would be composed of a 5 percent element for unexpected expenses plus a \$2.8 million counter-cyclical element. This works out to a total reserve level that is 6.6 percent of Net Revenues as defined above.

Adding the insurance of a second year raises the required reserve level to about \$17.1 million. This works out to a total reserve level of just under 10 percent. A conservative approach argues for the 10 percent level. The reason for this is timing. A recession is likely to result in slower revenue growth during or within a fiscal year. This requires some initial use of the counter cyclical reserve element to get through a part of a year. Adding the second year, really the first full year, would give Council the opportunity to make revenue and expenditure adjustments with the implementation of a new budget. Thus, under the two-year column in Table 3, the \$8.35 million counter cyclical reserve would be used to adjust to slower revenue growth over an 18 to 24 month period. The other reserve elements, the “unexpected expenses” reserve would still be available for the extraordinary one-time expenditure requirements.

The “Case 1” calculations are attractive because they “fall out” of the annual **Financial Forecast**. This calculation can be replicated from year to year. The major drawback associated with the approach is that it depends on a specific (DRI) recession forecast. The specifics and details of the recession forecast that produces the lower bound revenue forecast are different every forecast cycle. Calculations from year-to-year may result in variations in the required reserve level.

**Table 4: Case 1**

CASE 1	
Cyclical Reserve Calculations Use Lower Bound Revenue Forecast	
FY 1990-91 General Fund Net Revenues	\$174,087,688
Item	Required Reserve
Unexpected Expense.(5.00%)	\$8,704,384
Counter cyclical Reserve.....	\$9,912,685
Required Reserve Fund Level.....	\$18,617,070
Reserve Level Percentage.....	10.7%

**CASE 2**

Case 2 uses the lowest overall historical year-to-year growth rate of 0.6 percent to compute a counter cyclical reserve element. Under this alternative the difference between the “Most Likely” forecast and lower 0.6 percent discretionary revenue growth translates into about \$7.7 million gap between revenues and expenditures. As shown at the top of table 4, the required reserve level amounts to about \$16.4 million or about 9.4 percent of revenues. The counter cyclical reserve element would total about \$7.7 million. Comparison with Case 1, suggests that this would be large enough to get through a 12 to 18 month period of slow revenue growth.

**CASE 3**

Case 3 uses the lowest growth rate for each major category shown in Table 2 and estimated year-end FY 1989-90 revenues to compute an overall lower bound revenue estimate for FY 1990-91. For example, Transient Lodging Taxes are forecast to increase by about 7 percent during FY 1990-91. Table 2 shows a worst case growth of -9.2 percent. The difference between the forecast and negative growth results in a revenue gap. Doing this for other major categories yields an estimated shortfall of about \$9.9 million. The required reserve level for this case is \$18.6 million. This equates to about 10.7 percent of forecast FY 1990-91 General Fund revenues net of short-term borrowing. A counter-cyclical reserve totaling \$9.9 million would, judging from Case 1, probably be sufficient to offset slower revenue growth over an 18 to 24 month period.

**Table 5: Case 2 and Case 3**

CASE 2	
Cyclical Reserve Calculation	
Use Lowest Year-to-Year Overall Growth	
Item	Required Reserve
Unexpected Expense.(5.00%)	\$8,704,384
Counter cyclical Reserve.....	\$7,699,782
Required Reserve Fund Level.....	\$16,404,167
Reserve Level Percentage.....	9.4%

CASE 3	
Cyclical Reserve Calculations	
Use Lowest Year-to-Year Overall Growth	
Item	Required Reserve
Unexpected Expense.(5.00%)	\$8,704,384
Counter cyclical Reserve.....	\$9,912,685
Required Reserve Fund Level.....	\$18,617,070
Reserve Level Percentage.....	10.7%

**Conclusion**

The three different reserve level calculations shown above suggest that the desired General Reserve Fund level is about 10 percent of total annual General Fund Revenues net of short-term borrowing receipts. About 5 percentage points constitutes a reserve for large unexpected one-time expenditures. An additional 5 percentage points would provide a counter-cyclical reserve. A 10 percent General Reserve Fund level would give the Council flexibility to contend with the combination of large one-time unexpected expenditures and slower revenue growth due to an economic downturn. The analysis above suggests that the 5 percent counter-cyclical reserve element would provide about 12 to 24 months of leeway in adjusting to the effects of slower revenue growth due to an economic slowdown.

# Interagency Agreement Policy Resolution #35089

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Revise Interagency Agreement Policy for the City of Portland (Resolution No. 35089)

WHEREAS, an Interagency Agreement Policy was adopted by Council (Resolution No. 34580), effective July 1, 1989 upon acknowledging the need for such a policy, consisting of a set of standards and guidelines governing the Interagency Agreement process throughout each fiscal year.

WHEREAS, the IBIS Interagency Agreement Committee, in conjunction with the Bureau of Financial Planning, proposes updates to the policy and revisions to the billing dispute resolution process described under Guideline V of the City's policy.

WHEREAS, the Council of the City of Portland acknowledges a need to revise the Interagency Agreement Policy.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland, Oregon that:

1. The Revised Interagency Agreement Policy (Exhibit I) shall be adopted by the Council and shall be in full force and effect, beginning December 9, 1992.
2. All Interagency Agreements entered into by bureaus/agencies of the City of Portland after December 8, 1992 shall follow the revised policy standards and guidelines set forth therein.

Adopted by the Council, Dec. 16, 1992

Mayor Bud Clark                      Barbara Clark

JEC:LMS                                  Auditor of the City of Portland

December 4, 1992

## **EXHIBIT I**

Revised November 2, 1992

## **INTRODUCTION**

The City of Portland has a budgeting process that establishes controls at organizational and programmatic levels called appropriation units. These units are cost centers that collect all the appropriate costs associated with the organization or program. Frequently, one organizational unit is better equipped either logistically or economically to provide services that fulfill the organizational or programmatic need of another organizational unit. Due to specific funding requirements and in order to hold managers responsible for the budgets, programs and organizations that they control, there is a need to insure that costs are allocated among appropriate cost centers. The method of assigning these costs is called an Interagency Agreement.

## **BACKGROUND**

The Interagency Agreement (IA) was first implemented by the City of Portland during FY 1974-75. In its current form, an Interagency Agreement is akin to a contractual agreement between two city agencies/bureaus for either the provision of services or the purchase or replacement of equipment from any of the internal service funds. The receiver is a bureau of the City receiving specific services from another City bureau through an Interagency Agreement. The provider is a bureau of the City which provides specific services to another bureau of the City through an Interagency Agreement.

In theory, the receiver agency requests a specific level of service from a provider agency. Upon reaching the tentative agreement, the provider offers a cost estimate to the receiver. If the receiver agency is in agreement with the cost estimate of the providers agency for the services requested, the bureau manager signs and returns the Interagency Service Agreement (Bud 5) to the provider agency. Also, the fact that rates periodically change to reflect increased/decreased costs in materials and labor must be taken into consideration when providers/receivers are entering into new agreements. Bud 5's should provide a clear and detailed description of the services to be provided and received.

Further, most of the internal service funds were established by ordinance during FY 1974-75. Internal service fund interagency are unique in that the internal service bureaus (i.e. Communications Services, Printing and Distribution Services, Fleet Services, Insurance and Claims, Worker's Compensation, Computer Services, Justice Center) furnish receiver bureaus with a Bud 5 indicating the budgeted amount of service for the current fiscal year and an estimate based on the current level of service for the subsequent fiscal year.

An internal service fund, the Intermediate Debt Service Fund, has been established for the acquisition of equipment under the Master Lease program. This fund is managed by the Office of Finance and Administration (OF&A) and is used to collect lease payments from bureaus financing acquisitions through this program. OF&A's Debt Management Division is responsible for preparing BUD 5's for bureaus acquiring equipment and/or facilities under an existing Master Lease or the 1984 Facilities Lease Purchase.

Sometimes the receiver bureau wishes to obtain additional services or to delete existing services with the provider, generally after consultation. When this occurs, the receiver bureau makes the necessary changes on the BUD 5 and returns a copy to the provider bureau for its approval. After the provider bureau has agreed to these service changes and both bureaus have signed the agreement, the receiver bureau may then include the revised figure in its budget request. If the receiver agency does not agree with the provider agency's cost estimate, it must resolve the disagreement with the provider agency. In terms of the calendar for the Budget Process, a three-week turn-around is provided for the receiver bureaus to notify the provider bureaus of any changes in service level requests.

In practice, because of the short time frame involved, the I/A process can break down due to:

1. The lateness of the BUD 5's to the receivers,
2. The bureaus not signing their interagency agreements,
3. Disagreement as to the content of the agreement,
4. Bureaus not informing each other when changes have occurred, etc.

When there are requests for new or replacement equipment from Fleet Services, Printing and Distribution and Distribution Services, or Communication Services, the receiver agency includes only the additional rental or replacement charges for that equipment in its interagency agreement for services. In addition, the BUD 6 Form allows bureaus to provide a description of any equipment to be purchased and the purchase amount. This form is a Cash Transfer (BUD 6). The cost of purchasing the equipment is also listed on the Line Item Worksheet (BUD 1), Line Item 573000 (Equipment Cash Transfers).

In summary, the Interagency Agreement (BUD 5) establishes a mutually agreed upon budget amount for anticipated services to be provided or received. The Cash Transfer (BUD 6) establishes the amount of equipment purchases in much the same manner.

Due to the numerous problems incurred in recent years and the ever-increasing usage of the Interagency Agreements, it became necessary to establish formal policy citing standards and guidelines to allow for a more efficient and effective Interagency Agreement process and to provide a method for conflict resolution. The process was first introduced in FY 1989-90.

## GUIDELINE I: FORMAT OF THE INTERAGENCY AGREEMENT

The format of a complete Interagency Agreement (I/A) will include the following:

1. The I/A will be written, not verbal, and will be completed on the BUD 5 form provided by OF&A or its equivalent.
2. The I/A will reasonably define the service to be provided in quantitative terms and whenever possible, qualitative terms.
3. The I/A will clearly state the price and quantity or elements of the service(s) to be provided so that any necessary amendments/adjustments may be made easily. This will also assist bureaus in reducing or increasing services to meet their program needs. This requirement may be fulfilled by making reference to procedures manuals or an indication that documentation is available upon request.
4. The I/A will define the process by which amendments/adjustments may be made to the original agreement.
5. In the case of an unanticipated mid-year amendment, the proper supporting documentation with respect to the changes will be provided. The Interagency Service/Cash Transfer Agreement form includes columns labeled "original", "revised", and "adjustment" to accommodate policy requirements.
6. The I/A will define the billing process and schedule.

Interagency Agreements will only be accepted by the Office of Finance and Administration, Bureau of Financial Planning, if they have been completed according to the above requirements and if they have been signed by both the providers' and the receiver's authorized bureau representative, thus indicating they have entered into an agreement. **If a completed Interagency Agreement is not received by OF&A, it will not be put in the budget.**

Copies of any subsequent signed I/A Change Forms to amend an agreement shall be sent to all parties involved, i.e., the provider, receiver, budget analyst, etc.

## GUIDELINE II: RATE SETTING

**Brief summary of RATE METHODOLOGY** -- Since there are typically no General Fund or other subsidies built in provider budgets, Interagency providers must charge the full cost of services provided. This includes not only current services, but also the planning for future provision of services.

Rates will be developed based on the cost-of-services data. Each service category must be identified at a level which can be measured (in terms of cost and quantity) and, if possible, comparable to similar externally-provided services. Cost must include both direct and indirect costs. Indirect costs may include elements of both General Fund and bureau administrative overhead.

As a result, every rate structure must be composed of two or more elements, with the elements dependent on the type of associated costs (fixed or variable) involved. The computation will also include direct and indirect administrative costs which are part of the rates. Direct costs cover the supervisory functions (i.e., personnel and related materials and supplies) directly associated with managing work production. Indirect costs include administrative support functions like accounting, budgeting, payroll, billing, rental space, personnel and the like. These tasks are performed by a central administrative staff within the providing bureau. (The Office of Finance and Administration is nearing the completion of the **Cost of Service Manual** that describes rate setting methodologies and procedures. The anticipated distribution date is December 1992.)

In the case of General Services, the Interagency Agreement (BUD 5) separately identifies a charge for General Fund Overhead which has not been included as part of the service rate computations. The General Fund Overhead is a cost to an internal service fund for certain centralized services not covered under Interagency Agreements. Services of this kind include central accounting, treasury, purchasing, payroll, legal services and personnel. General Fund Overhead will continue to be included, in some way, as a part of the rate computations, denoting the true cost of all services provided to the receivers.

The basic premise of the rate development philosophy is that the rates of Interagency providers will reflect the true cost of operations.

Each year, prior to the development of bureau budgets and in conformance with the budget calendar, providers will contact receiving bureaus and present estimates of service costs. This contact will include the following:

1. Notification to receivers of any major changes in their rate methodology. Rate development by the provider bureaus will be timed to meet the requirements of the fiscal year budget calendar considering the availability of overhead targets and budget costs.
2. An estimate of the service quantity and quality that is to be provided in the subsequent year.
3. Providers will make available to receiver's information concerning the development of their interagency rates. This includes detail concerning the methodology of rate construction and cost basis of rates. Upon request by receiver bureaus, other providers will also make this information available.
4. This information will provide the basis of discussions between the provider and receiver to arrive at a mutually agreeable level of service and associated costs.

Annually, after bureau budget submission to OF&A, providers will hold work sessions with receivers to review and explore modifications to rate methodologies for implementation in the following budget process. This rate methodology review will involve:

1. Notice of work sessions regarding the development of their rate methodology annually after submittal of the budget. Any agreed upon changes in methodology will apply to the following year's budget process.
2. Providers must develop rates in any one of several ways consistent with the provider's service: flat rates, fixed plus variable rates, rates based on prior experience, etc. Whatever the methodology chosen, the objective of the rate setting process must be a fair allocation of the provider's costs among all receivers of a service.

### **GUIDELINE III: RATE APPLICATION**

For each class of I/A receivers, rates will be uniformly applied. Special arrangements or any sort of exception from standard rates or components of rates for the provision of services by provider bureaus will not be made unless otherwise directed by Council.

### **GUIDELINE IV: BILLING PROCEDURES**

Billing documents and supporting data will be submitted to the Accounting Division in a timely manner and in conformance with the processing schedules set forth by the Office of Finance and Administration. There will be a full description of the type of service provided, reference made to authorizing work order numbers, as well as a breakdown of either the quantity and rate being charged or the actual costs being billed. Billings will indicate the period of time during which the services were provided and the date of the billing transaction (within the current accounting period). All billings must have an appropriate authorized signature along with the name, position and telephone number of the person preparing the billing.

Billings for the interagency services fall into three categories: premium/dedicated/cash transfers, charges driven by inventories, and charges based upon specific services or usage. The first category includes insurance premiums and dedicated interagency appropriation. The second category includes billings for assigned equipment (vehicles, telephones, radios), rent and lease financing charges. The third category covers work order charges and other variable cost services like fuel, motor pool, and long distance. In addition, equipment cash transfers would fall into the third category. (These examples are not exhaustive.)



Documents submitted to record direct billings for a service, i.e., printing services, telephone service, etc., must include the following:

1. Description of the service which was provided
2. The price elements of the service(s) which was (were) provided including quantity and any other direct and indirect charges applied.

The Accounting Division of the Office of Finance and Administration will only accept and process billings which are billed in the same FY for which the services/purchases were provided/made. Therefore, the final billing of all internal services must be complete and submitted to the Accounting Division in time to be included in **Period 13, Run 1. If actual amounts are not known in time for Run 1, then estimates may be substituted and adjusted to actuals in Run 2. If a receiver wants to challenge a billed amount, it must be filed and resolved prior to Run 2.**

#### **GUIDELINE V: DISPUTE RESOLUTION PROCESS**

There are two separate types of dispute resolution processes:

- a. Policy disputes - including rate methodology; and,
- b. Billing disputes - involving the application of set rates, and/or serving provision within an existing Interagency Agreement.

In both cases, parties are encouraged to resolve dispute between themselves. However, experience has shown the need for a dispute resolution process.

##### **A. Policy Dispute Resolution**

In cases of disputes relating to policy issues such as rate methodology, either party may submit issues to the Interagency Review Board (IARB), comprised of non-involved Bureau Managers appointed by the OF&A Director on a case-by-case basis for resolution. The IARB will issue a report of its finding and recommendations. Parties to the dispute will have ten (10) days to accept its recommendations. If not, the report and issues will be placed on the Council agenda for final resolution.

##### **B. Billing Dispute Resolution**

In the case of billing disputes, the following procedure will be utilized:

###### **Step I - Receiver Agency:**

1. Formally objects to billing in dispute by writing to provider describing the billings and why receiver believes they are incorrect.

###### **Step II - Provider Agency:**

1. Receives written description of disputed billings from receiver. Provider and receiver agencies then have 20 working days to resolve the dispute. To the degree the dispute is resolved in the receiver's favor, provider will return the cash **plus interest**.

###### **Step III - Provider and Receiver Agencies:**

1. If the dispute is not resolved within 20 working days as noted above, provider and receiver shall submit written justification for their positions to the Office of Finance and Administration in conformance with the following process:
  - a. Position papers must be submitted within 10 working days which clearly:
    - ❖ Defines the dispute
    - ❖ Provides relevant information in support of the Bureau's position.
    - ❖ States the steps that were taken in an attempt to resolve the disputed issues.

**Step IV - Office of Finance and Administration:**

1. Issues a decision on the dispute within 10 working days after receiving the request. (During the budget season, from January 1 through March 31, this 10-day period may need to be extended indefinitely, dependent upon available staff within OF&A.) If the provider and receiver agencies do not accept the decision of OF&A, OF&A will submit its report to the Commissioner-In-Charge of the respective bureaus, with a copy to the rest of Council. When the dispute is finally resolved, to the degree the resolution is in the receiver's favor, provider will make cash restitution **plus interest**.

NOTE: Again, it must be determined by the Office of Finance and Administration that the bureaus in dispute have taken all possible steps to resolve the disputed issues. Also, bureaus are encouraged to settle any and all apparent I/A disputes prior to the beginning of the Budget Process, either by stipulation or arbitration. Arbitration prior to the submission of the bureau's budgets will yield a maximum level of agreement. However, once the Budget Process begins, time for arbitration of disputes will be very, very limited, if not non-existent.

# City Investment Policy

## Resolution #35925

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Adopt City of Portland Investment Policy. (Resolution)

WHEREAS, the City of Portland is allowed under State of Oregon law to invest its idle funds in United States Government or United States Agency securities; time deposits and bankers' acceptances of financial institutions located within Oregon; in commercial paper of financial institutions and corporations; and in the Local Government Investment Pool; and

WHEREAS, State of Oregon law (ORS 294.135) requires that the City of Portland annually adopt a formal Investment Policy; and

WHEREAS, there is a need to clearly define the criteria for operation of the City's investment portfolio; and

WHEREAS, the primary objective of the Investment Policy is to establish a conservative set of investment criteria that will prudently protect the City's principal sums and enable the City to generate a fair rate of return; and

WHEREAS, the Public Finance and Treasury Division of the Office of Finance and Administration is charged with responsibility for managing the City's investments; and

WHEREAS, the Office of Finance and Administration has developed a formal Investment Policy after seeking the advice of the City's Investment Advisory Committee; and

WHEREAS, the City of Portland is required under State of Oregon law (ORS 294.135) to submit the Investment Policy for review by the State of Oregon Short-Term Fund Board;

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Portland, Oregon that:

1. The Investment Policy, attached hereto as Exhibit I, fulfills all State of Oregon, City Charter and Code mandated requirements, and is hereby adopted as the City of Portland's Investment Policy.
2. The City Treasurer shall submit the adopted Investment Policy to the State of Oregon Short-Term Fund Board for their review.
3. The City Treasurer shall be responsible for the implementation of the Investment Policy.
4. Amendments to the Investment Policy must be approved by the City Council.
5. This resolution shall remain in effect from the date of adoption unless a change is directed by Council.

September 7, 1995

### **PURPOSE**

This Policy sets forth current criteria for the operation of the investment portfolio. As economic conditions change, the Policy may need to be amended to reflect new trends and opportunities within the framework of this Policy. It will be recognized that the primary objective of the Investment Policy is to establish a conservative set of investment criteria that will prudently protect the City's principal sums and enable the City to generate a fair rate of return from its investment activities.

This Policy applies to the investment of all funds on deposit at the City of Portland Treasurer's Office, as well as all trust funds for which the City has investment responsibility. Funds held by Trustee or Fiscal Agents are excluded, if the City does not have explicit investment authority. Deferred Compensation funds have separate rules and are not covered within this Policy. The estimated investments covered herein range from \$350 million to \$750 million.

## **RESPONSIBILITY**

The City Treasurer will be responsible for the implementation of this Policy. In the absence of the City Treasurer, the City's Chief Deputy Treasurer or the Director of the Bureau of Financial Management shall perform the investment duties. Any amendments to this Policy must be approved by the City Council after seeking the advice of the Director of the Office of Finance and Administration, the City Treasurer, and the City's Investment Advisory Committee. The Director of the Office of Finance and Administration (or designee) will establish the maximum investment level with each Oregon financial institution after consulting with the Investment Advisory Committee. The City Council will adopt a City Investment Policy annually.

## **TYPES OF INVESTMENT AND DIVERSIFICATION**

The following types of investments will be permitted in the City's investment portfolio:

- ◆ **United States Treasury Debt Obligations**
  - ◆ Maximum % of Portfolio 100%
  - ◆ Maximum Maturity 7 Years
  - ◆ Securities held for safekeeping at the City's custodian Bank or successor.
- ◆ **United States Agency Debt Obligations**
  - ◆ Maximum % of Portfolio 100%
  - ◆ Maximum Maturity 2 Years
  - ◆ Maximum % of Portfolio Per Issuer 100%
  - ◆ Securities held for safekeeping at the City's custodian Bank or successor.
- ◆ **Repurchase Agreements Secured by United States Treasury Debt Obligations**
  - ◆ Maximum % of Portfolio 30%
  - ◆ Maximum Maturity 30 days
  - ◆ Repurchase agreements with brokerage firms will only be executed with dealers from the list of Government Security Dealers reporting to the Market Reports Division of the Federal Reserve Bank of New York
  - ◆ Repurchase agreements cannot exceed 2% of brokerage firm's liabilities.
  - ◆ A signed repurchase agreement will be obtained in advance of the initial execution of an investment.
  - ◆ Securities which serve as collateral for repurchase agreements must be delivered to the City's Trust Account at the City's custodian bank or successor on a delivery versus payment basis.
  - ◆ Only United States Treasury Securities shall be used in conjunction with the repurchase agreement and such securities shall have a maturity of not longer than three years.
  - ◆ The price paid by the Treasurer for United States Treasury Securities in the repurchase agreement shall not exceed amounts or percentages prescribed by written policy of the Oregon Investment Council or the Oregon Short-Term Fund Board created by ORS 294.885.
- ◆ **Time Deposits in State of Oregon Financial Institutions Collateralized 25% by Securities as Required by Oregon Revised Statutes**
  - ◆ Maximum % of Portfolio 50%
  - ◆ Maximum Maturity 1 Year
  - ◆ Maximum % of Portfolio Per Issuer 25%
  - ◆ Securities held in vault at the City's Treasury
- ◆ **Bankers' Acceptance Issued by Financial Institutions in Compliance With the Provisions of ORS 294.035**

- ❖ Maximum Percent of Portfolio 50%
- ❖ Maximum Maturity 6 Months
- ❖ Maximum Percent of Portfolio Per Issuer 25%
- ❖ Securities held for safekeeping at the City's custodian Bank or successor Bank.
- ◆ State of Oregon Local Government Investment Pool

The legal maximum as provided under ORS 294.810.

- ◆ Commercial Paper Issued by United States Corporations in Compliance With the Provisions of ORS 294.035
  - ❖ Investment Rating A-1, P-1
  - ❖ Maximum Percent of Portfolio 25%
  - ❖ Maximum Maturity 270 Days
  - ❖ Maximum Percent of Portfolio Per Issuer 5%
  - ❖ Securities held for safekeeping through the City's custodian Bank or successor

### **INVESTMENT DIVERSIFICATION**

Diversification requirements must be met on the settlement date of an investment transaction. If due to unanticipated cash needs, the investment in any security type or financial issuer later exceeds the limitations in this policy, the Treasurer is responsible for bringing the investment portfolio back into compliance as soon as is practical.

### **DISTRIBUTION OF PORTFOLIO MATURITIES**

Distribution, by maturity, of the investments is illustrated below:

#### Maturity Percentage of Funds

0-2 Years 50-100%

2-7 Years 0-50%

This maturity structure applies to the Treasury's estimate of the lowest cash balance that the portfolio will reach during the next seven years. If, for example, the projected lowest cash balance is \$200 million, then up to \$100 million may be invested in the two to seven year maturity range. All other funds must be invested in less than two-year maturities and must meet the City's cash flow requirements. The City's Investment Advisory Committee will be consulted prior to implementing a strategy of purchasing securities with maturities beyond two years. The portfolio's weighted average maturity shall not exceed eighteen (18) months.

### **BROKERAGE ALLOCATION**

The Treasury will maintain a current list of all brokerage firms that have been approved by the Director of the Office of Finance and Administration (or designee) to conduct investment business with the City. The Treasury will obtain a minimum of three quotes from different brokers before it executes a government securities transaction, or purchases commercial paper issued by a corporation outside of Oregon on the national market. The allocation of brokerage business will be based upon which brokerage firm offers the best price to the City on each particular transaction. Where two or more brokers have offered the same best price, allocation will go to the investment firm that has provided the best service to the City.

When purchasing bankers' acceptances or commercial paper, the Treasury will compare interest rates on similar investments from other investment dealers. The Treasury will also determine that the rates being offered the city are rates comparable to those available for similar investments in the national market.

When purchasing time deposits, the Treasury will obtain interest rate offers from all Oregon financial institutions approved to do business with the City. The time deposits will be allocated to the highest interest rate offered the City, consistent with the maximum deposit levels set for each financial institution by the Director of the Office of Finance and Administration (or designee).

#### **METHOD OF ACCOUNTING**

The City shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies including but not necessarily limited to, the American Institute of Certified Public Accountants (AICPA); the Financial Accounting Standards Board (FASB); and the Government Accounting Standards Board (GASB).

#### **REPORTING REQUIREMENTS**

The City Treasurer will provide the following reports on a monthly basis to the City's Investment Advisory Committee and the Director of the Office of Finance and Administration (or designee):

- ◆ A list of securities owned, with all maturities over one year priced at both cost and market value.
- ◆ A list of all investment transactions showing the net gain or loss on each investment.

#### **INTERNAL CONTROLS**

The internal controls of the City of Portland's Treasury are reviewed and tested by the City's internal and external auditors.

#### **PERFORMANCE EVALUATION**

The City's investment performance shall be reviewed monthly by the Director of the Bureau of Financial Management. The City's portfolio yield will be compared monthly to the yield of U.S. Treasury Securities with a maturity similar to the average maturity of the City's portfolio.

#### **ANALYSIS OF INVESTMENT RISKS**

In analyzing the City's Investment Portfolio, there are three major risks that the City incurs through its investment activities. The first risk that the City faces is the interest rate risk. This risk is the uncertainty of the size of future incomes from securities caused by fluctuations in the general level of interest rates in the capital markets. Interest rates have fluctuated dramatically over the last ten years and, therefore, the City's Investment Policy is designed to minimize the interest rate risk. This is accomplished by limiting investments to a maximum maturity of seven years, and by investing to meet the City's cash flow requirements.

The second risk that the City faces can be termed the purchasing power risk. This risk can be defined as the uncertainty of the purchasing power of interest and principal to be received in the future. It can be easily recognized that if the amount of income from a security in current dollars remains unchanged over a period of time while the price index is rising, then the amount of income in constant dollars declines and the constant value of the principal to be received also declines.

The final risk is the financial risk of not receiving principal and interest when due from an issuer. The design of the types of investments permitted by the Investment Policy seeks to minimize this risk by the conservative nature of the permissible investments and by establishing safe limits on the level of investments with Oregon financial institutions and issuers of commercial paper. A portfolio policy stressing a relatively short maturity serves to additionally minimize the financial risk.

Thus, it is the conclusion that the shorter the portfolio is in maturity, the less risk the City is incurring with regard to the three major risks that it faces. The policy of keeping 100% of the funds in seven year or less maturities leaves open the flexibility to earn capital gains on the City's investments by shifting funds out to longer maturity when interest rates are falling, yet avoids the extreme amount of exposure to the interest rate risk and purchasing power risk that we would incur in an even longer-term portfolio.

September 20, 2000

**MEMORANDUM**

TO: Mayor Vera Katz

Commissioner Jim Francesconi

Commissioner Charlie Hales

Commissioner Dan Saltzman

Commissioner Erik Sten

City Auditor Gary Blackmer

FROM: Tim Grewe

SUBJECT: Council Resolution on Investment Policy

Attached is the Investment Policy developed by the Office of Finance and Administration. Oregon law pertaining to the investment of public funds requires the annual adoption of an Investment Policy. The City's Investment Advisory Committee has reviewed the Policy and unanimously recommended its adoption by Council. The three member Investment Advisory Committee is appointed by Council and is comprised of public volunteers with economics, investment and/or cash management experience.

The Investment Policy continues to reflect the conservative strategies the City has utilized since the adoption of its first Policy in 1978. The Policy's basic strategies, which have generated above average returns, remain in tact. Two minor changes were made in this year's policy: (1) the maximum percentage of the portfolio that can be invested in any single United States Agency is being increased from 50% of the portfolio to 100% and (2) the maximum maturity for commercial paper is being expanded from 180 days to 270 days. These changes are being made because bank time deposits are not currently offering competitive rates of return. Consequently, the changes will expand the City's capacity in other permissible investment alternatives and will provide additional investment management flexibility without increasing credit risk to the City. These changes will also provide needed capacity to accommodate the City's proposed PERS pension bond issue. Our policy remains more conservative than state law allows and fully protects the City's cash reserves.

If you have any questions, please call David Thurman directly at 823-6822.

TG:DS:jb

Attached

# **Local Improvement District Financing Policy**

## **Resolution #34847**

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Establish a Local Improvement District Financing Policy for evaluating, forming and financing local improvement projects. (Resolution)

### **THE COUNCIL OF THE CITY OF PORTLAND FINDS THAT**

1. WHEREAS, the City of Portland forms, finances and constructs more than \$1 million in voluntary local improvement district projects, annually; and
2. WHEREAS, the City of Portland has provided financial security for local improvement projects by pledging the City's taxing authority; and
3. WHEREAS, Ballot Measure 5 imposes new restrictions and conditions on the use of the City's taxing authority by requiring City-wide voter approval of unlimited tax general obligation improvement bonds; and
4. WHEREAS, existing local improvement district financing policies do not address the changing requirements of Ballot Measure 5; and
5. WHEREAS, it is critical to the long-term financial health of the City to have financial policies which protect City resources, and provide adequate security for City bondholders; and
6. WHEREAS, the local improvement district program is an important method for financing local transportation, sewer, water and other capital improvements; and
7. WHEREAS, the City's local improvement district financing policy must be responsive to the varied financial requirements of each local improvement district; and
8. WHEREAS, the Auditor's Office convened a Policy Committee consisting of the Auditor's Office, Office of Transportation, Bureau of Environmental Services, Water Bureau, Office of Finance and Administration, and Public Financial Management, the City's financial advisor; and
9. WHEREAS, the Policy Committee reviewed the issues affecting the City's LID Program and developed recommendations to be included in the LID Financing Policy; and
10. WHEREAS, the Auditor's Office presented the Policy Committee recommendations to the Auditor's Office Budget Advisory Committee on April 23, 1991, and to City Council in informal session on April 30, 1991;

### **NOW, THEREFORE, BE IT RESOLVED THAT**

1. The City of Portland adopts the Local Improvement District Financing Policy, as set forth in Attachment A; and
2. The Local Improvement District Financing Policy governs all future local improvement projects, including projects which City Council has formed by ordinance, and for which City Council has not awarded a construction contract; and
3. The Local Improvement District Financing Policy supplements all existing City policies related to local improvement districts, assessments and assessment financing; and
4. The Auditor's Office is directed to work with participants on the Policy Committee, existing advisory bodies, property owners and other interested citizens to obtain public review and comment; and
5. The Auditor's Office is directed to prepare City Charter and Code amendments, as needed, to codify this policy after receiving public review and comment.

Attachment A

City of Portland



## Local Improvement District Financing Policy

### A. Purpose and Intent.

The LID Financing Policy is intended to facilitate the use of the local improvement district process in a manner which protects the City's financial condition. The Policy prescribes a process to (1) evaluate the financial feasibility of local improvement projects, (2) measure financial risk of project default, and (3) identify sources of financial security for long-term assessment financing. Through this process, the City will be able to make reasoned policy decisions about the purpose of the local improvement, the responsibilities of property owners, the contributions (if any) of City resources, and the means of responding to financial risk.

### B. Findings.

1. The City of Portland forms, finances and constructs more than \$1 million in voluntary local improvement district projects, annually.
2. The City of Portland has provided financial security for local improvement projects by pledging the City's taxing authority.
3. Ballot Measure 5 imposes new restrictions and conditions on the use of the City's taxing authority by requiring City-wide voter approval of general obligation improvement bonds.
4. Existing local improvement district financing policies do not address the changing requirements of Ballot Measure 5.
5. It is critical to the long-term financial health of the City to have financial policies which protect City resources, and provide adequate security for City bondholders.

The local improvement district program is an important method for financing local transportation, sewer, water and other capital improvements.

The City's local improvement district financing policy must be responsive to the varied financial requirements of each local improvement district.

### C. Responsibilities.

The following general responsibilities will govern the evaluation of a proposed local improvement project prior to City Council adoption of an ordinance to form a local improvement district:

1. The chief petitioners shall be responsible for responding to any financial concerns or conditions raised by the City as a result of a technical or financial evaluation of the proposed local improvement project.
2. The lead public works bureau shall be responsible for assisting property owners with the procedures to file a petition to form a local improvement district. To the greatest extent possible, the bureau should attempt to identify financing issues early in the petition process, and include the Auditor's Office in a review of possible financial options.
3. The Auditor's Office shall be responsible for evaluating the financial feasibility and measuring the financial risk of a proposed local improvement project based on this Policy.

### D. Feasibility Tests.

The City Auditor shall use the following tests when evaluating the financial feasibility of a local improvement project. These tests, and any resulting financial security issues, shall be completed and addressed before the Auditor's Office prepares and files an ordinance to form a local improvement district. The Auditor's Office will perform the financial evaluation with assistance and involvement from public works bureaus, the Office of Finance and Administration, the Portland Development Commission, petitioners and other interested parties.

**Table 6:**

Feasibility Test	Standard or Condition
Value to Assessment Ratio	Individual properties must have a value to assessment ratio of 2:1 or greater. Exceptions to this standard will be accepted for aberrant ratios as noted under Waiver Criteria.
Aberrant Value to Assessment Ratio	Ratios below 2:1 will be accepted on properties representing no more than 5% of estimated assessments. No individual aberrant property may represent more than 2% of estimated assessments. No individual aberrant property may have a ratio less than 1.5:1.
Diversity of Ownership	The City will require additional security for projects where 3 or less property owners represent more than 50% of estimated assessments.
Diversity of Development	The City may require additional security for projects involving vacant property which represents more than 25% of total assessments.
Bankruptcy	The City will require additional security for properties which are involved in a bankruptcy proceeding.
Waiver Criteria	<ul style="list-style-type: none"> <li>◆ Project involving less than 12 properties, and for which more than 75% of assessment estimates are on residential property.</li> <li>◆ The value to assessment and aberrant ratio standards may be waived if affected property owners file financial statements demonstrating ability to pay assessments, and if total real market property value exceeds total taxes and assessment liens.</li> <li>◆ Publicly owned property is exempt from all feasibility tests.</li> <li>◆ The project advances expressed City goals or objectives, and adequate security is identified by City Council.</li> <li>◆ The project is included in an urban renewal area, and is secured by the Portland Development Commission.</li> </ul>
Conditions for Developer LIDs	<ul style="list-style-type: none"> <li>◆ Developer/chief petitioner files current financial statements.</li> <li>◆ No delinquent property taxes or assessments.</li> <li>◆ Bond, letter of credit or other security equal to total project costs.</li> </ul>

**E. Improvement Bond Program Security and Structure**

The City Council shall use the following security arrangements and bonding structure when approving long-term financing of local improvement assessments. These guidelines are intended to provide adequate financial securities to market limited general obligation improvement bonds at the lowest possible interest cost to property owners. In addition, the guidelines set forth the order of security to be provided in the event that a property owner defaults on a local improvement assessment loan.

**Table 7:**

Security or Structural Consideration	Standard or Condition
Lien Enforcement	The City shall use active collection and foreclosure practices to collect delinquent local improvement assessments.
Primary Security	The City places a municipal lien on property to secure local improvement assessments. Additional security is pledged by developers based on the value to lien ratio test of 2:1.
Secondary Security	The City shall adjust the interest rate on local improvement assessment loans to provide for insurance for improvement bonds. The adjustment shall be determined by City Council, based on a recommendation of the Office of Finance and Administration, the Auditor's Office and the City's financial advisor. The interest rate adjustment shall be fixed at the time the Auditor's Office sets the permanent interest rate on assessment loans, following a bond sale. Proceeds shall be deposited in a dedicated reserve account to be used to cover debt service payments in the event of an assessment loan default.
Ultimate Security	The General Fund shall be ultimately responsible for securing improvement bonds. In the event that a property owner default of an assessment loan requires debt service payments beyond the coverage established in improvement bond reserve account, City enterprise funds shall make payments on behalf of the General Fund as set forth in the bond sale ordinance. Participation by each enterprise fund shall be proportionate based on the types of local improvement projects involved in the bond sale.
Interest Rate Bump	The Auditor's Office and Office of Finance and Administration shall provide that the interest rate adjustment authorized by City Code is sufficient to administrative costs, cash flow requirements and the reserve requirements set forth in City Code and this Policy.
Contract versus Bond Length	The City shall structure improvement bonds to mature at least 2 years following the last scheduled installment payment of an assessment loan financed by the bond sale.
Bond Amortization Schedule	The City shall offer monthly and semi-annual installment plans for the convenience of property owners. The City shall encourage early payoff and prepayment of assessment loans and use of 10 year loan terms wherever possible.

## E. Definitions

The following definitions are used for the purposes of this Policy:

**Aberrant Value:** Exceptions to set criteria.

**Assessment:** Share of public improvement costs apportioned to LID property based on the total Actual Cost (defined in HB 2550) less any project subsidy.

**Bare Land LID:** An LID which includes predominantly unimproved land.

**Bond Reserve Fee:** A separate fee (distinct from Financing Fees) charged to property owners to provide a separate reserve fund as additional security for the bonds issued to finance assessment contracts.

**Contingent Liability:** Potential debt service payments (including unrecovered principal repayment after the foreclosure and sale of property) to be paid if assessment payments are not made on a timely basis.

**Developer LID:** Local Improvement District formed to install public improvements (streets, sidewalks, lighting, sewers, or water) before private improvements are constructed or completed.

**Financing Fees:** Charges to LID participants who elect to finance assessments which cover the cost incurred by the City in the provision of such financing. These costs include, but are not limited to, fees to consultants, bond counsel, underwriters and paying agents, and the cost of preparing and printing the official statement.

**Letters of Credit:** An irrevocable commitment by a credit worthy bank or financial institution to make payments upon demand. Generally required by a developer wishing to proceed with an LID which does not conform to financial criteria established by the City. The Letter of Credit (LC) is generally posted for the estimated total cost of the improvements and subject to draw by the City without further approval.

**Lien:** Legally enforceable claim on the property second only to taxes and superior to other mortgage liens.

**Property:** Land, identified by a discrete tax lot number, plus any existing improvements to the land.

**Property Value:** Real Market Value as determined by Assessor in conformance with HB 2550 or an appraisal by a certified (MAI) appraiser of the market value of the property as of the completion of the public improvements.

**Total Liens:** All taxes due (current, deferred and delinquent), existing and proposed City assessments, mortgage, and any other legal claim on the property, regardless of lien position.

**Value to Lien Ratio:** The value of the property, less any taxes or co-equal liens, compared to the estimated LID assessment.



# ORDINANCE No. 176601

\*Adopt the annual budget of the City of Portland and establish appropriations for the fiscal year beginning July 1, 2003. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds that:

1. The Multnomah County Tax Supervising and Conservation Commission (TSCC) held its public hearing on the City of Portland's FY 2003-04 budget on June 19, 2003 and certified the City's FY 2003-04 budget and proposed levies on that date.
2. For FY 2003-04 the document provides specific position authorization and line item expenditure and revenue detail for all City bureaus and funds.
3. After the preparation, approval, public notice, and presentation to the TSCC of the City's Approved Budget, it is advisable to update the estimates of resources and requirements contained in the FY 2003-04 Budget prior to final adoption as allowed under Oregon State budget statutes.
4. The changes to be incorporated in the Adopted Budget include:
  - a. The carryover of appropriations for certain activities or projects previously authorized in the FY 2002-03 budget but not expected to be expended by June 30, 2003. Carryover appropriations will be budgeted in contingency pending determination of realizing budgeted year-end balance for FY 2002-03.
  - b. Technical adjustments including program revenue adjustments; updated estimates for interagency agreements; updated estimates for General Fund overhead recovery; and numerous minor adjustments needed in order to make the resource and requirement estimates as up-to-date and technically accurate as possible prior to adoption of the FY 2003-04 budget.
5. The budget should be adopted so that there is no delay in establishing budget authority for conducting City business on July 1, 2003.
6. The Council expresses specific direction to bureaus to ensure proper attention is given to work items in the form of Budget Notes included in the Adopted Budget document.

NOW, THEREFORE, the Council directs:

- a. The Fiscal Year 2003-04 budget of the City of Portland is hereby adopted.

- b. Expenditures in accordance with the annual budget adopted in Section 1.a of this Ordinance, amounts are hereby appropriated for the fiscal year beginning July 1, 2003, from the funds and for the purposes listed on Attachment 1, Table 1. This schedule of appropriations incorporates the changes referred to in the Findings of this ordinance.
- c. The Mayor and the Auditor are hereby authorized to draw warrants on the appropriations made in Section 1.b of this Ordinance as provided in Section 2-508 of the City Charter.
- d. The number of authorized full-time positions is hereby limited to the number of such positions listed for each fund and bureau in the FY 2003-04 Adopted Budget unless otherwise authorized by Council.

The Mayor, the Commissioners and the Auditor, within their respective jurisdictions, are authorized to fill vacant positions in accordance with the Human Resources Administrative Rules unless otherwise directed by Council. Salaries for each appointee shall be set in accordance with the Compensation Plan of the City of Portland unless otherwise directed by the Council.

- e. Special expenditure limitations are hereby established as follows:
  - i. Expenditures may not exceed the amounts listed for the major object categories in the FY 2003-04 Adopted Budget, as amended throughout the fiscal year by the appropriate authority. The "major object categories" include personal services, external materials and services, internal materials and services, capital outlay, equipment cash transfers, contingency, fund-level cash transfers, debt retirement, and inventory increases.
  - ii. Bureau managers may adjust their line item budgets as needed, subject to the limitations described below.
    - (a) Line item budget adjustments may not change the appropriation amounts shown in Attachment 2, Appropriation Schedule – FY 2003-04, Table 10 except with approval from the City Council as provided for in ORS 294.450, 294.326, or 294.455 or through the Supplemental Budget process provided for in ORS 294.455 and ORS 294.480.
    - (b) Line item budget adjustments may only change the totals for the major object categories of the bureau program budget with written authorization from the Commissioner-in-Charge and subsequent reporting in the trimester Budget Monitoring Reports that bureaus submit to the Office of Management and Finance.
  - iii. Expenditures for internal materials & services (line items 551000 through 559000) may only be used to obtain services from City of Portland agencies. Any line item budget adjustment that changes an internal materials & services amount must be agreed to by both the bureau providing the service and the bureau receiving the service, in accordance with the City's policy on interagency agreements adopted by the City Council on June 21, 1989 and revised on December 4, 1992.
  - iv. Fund-level cash transfers may not exceed the amounts detailed in the FY 2003-04 Adopted Budget without approval from the City Council.

- v. The capital outlay category is to be used for the purchase of "fixed assets," which are defined as tangible assets having a unit cost of at least \$5,000 and an expected life of at least one year. The capital outlay category is subdivided into land, buildings, improvements, and equipment/furniture. "Improvements" are fixed assets other than buildings that add value to land, cost at least \$10,000, and have an expected life of at least 10 years. "Equipment and furniture" (line item 564000) is defined as fixed assets other than land, buildings, and improvements.
  - vi. Expenditures on Federal and State grant projects are limited to those grants that have been accepted and approved by the City Council.
- f. Special budget monitoring provisions are hereby authorized for FY 2003-04:
- The Financial Planning Division of the Office of Management and Finance is directed to prepare a trimester report to Council regarding budgetary performance and fiscal status and is authorized to require City bureaus to submit such information as is necessary to prepare this report, including the status of Budget Notes included in the FY 2003-04 Adopted Budget.
- g. Resolution number 33526, directing Council increases to the General Fund capital set aside, adopted by Council June 13, 1996, is hereby rescinded.
  - h. The FY 2003-04 Adopted Budget will be prepared in accordance with Council policy directions and state budget law.
  - i. The FY 2003-04 Adopted Budget will include the Budget Notes as presented in Attachment 3 titled Budget Notes.

Section 2. The Council declares that an emergency exists, as it necessary to adopt the Fiscal Year 2003-04 budget and establish appropriation without delay in order to provide authority to transact the financial affairs of the City of Portland for Fiscal Year 2003-04; therefore, this ordinance shall be in force and effect from and after the start of the Fiscal Year beginning July 1, 2003.

Passed by the Council,  
Mayor Vera Katz  
Office of Management and Finance  
TG:MM  
June 19, 2003

**Gary Blackmer**  
Auditor of the City of Portland  
  
By  
Deputy

## **ORDINANCE No. 177595**

\*Levy taxes for the City of Portland for the fiscal year beginning July 1, 2003, and direct the Chief Administrative Officer to submit said tax levy and other certifications to the County Assessors of Multnomah, Clackamas, and Washington Counties. (Ordinance)

The City of Portland ordains:

Section 1. The City Council finds that:

1. The FY 2003-04 Budget for the City of Portland was adopted and appropriations made by the City Council on June 19, 2003 by Ordinance.
2. On November 5, 2002, voters in the City of Portland approved a five-year local option levy in support of children's programs, approving a tax rate of \$0.4026 per \$1,000 of assessed value.
3. On November 5, 2002, voters in the City of Portland approved a five-year local option levy in support of parks' operations and improvements, approving a tax rate of \$0.3900 per \$1,000 of assessed value.
4. The City has approved tax increment collection. The collection will be used to pay existing urban renewal debt service requirements and other urban renewal indebtedness.
5. The Department of Revenue has issued a Form "UR-50 Notice to Assessor" in addition to the Notice of Property Tax Levy (Form LB-50), on which the City is required to categorize its levies by Option selected, either 1, 2, or 3 or new plans. The form UR-50 also requires the City to certify the Maximum to Collect From All Methods, the Amount of Special Levy, and the Maximum to Collect From the Division of Taxes method.
6. In no case will an urban renewal district receive more than the amount of increment revenue allowed under the statutory formula outlined in ORS 457.440.
7. Collection of tax levy revenues is contingent on the actual assessed value.
8. The City will certify and collect property tax revenues based upon the assessed values as determined by the respective County Assessors of Multnomah, Clackamas, and Washington counties.



NOW, THEREFORE, the Council directs:

- a. Taxes are hereby categorized and levied for municipal purposes for the fiscal year beginning July 1, 2003, on all taxable property, both real and personal, within the corporate limits of the City of Portland as follows:

a.1. For General Government the permanent tax rate of \$4.5770 per \$1,000 of assessed valuation.

a.2. For General Government - to be credited to the Fire and Police Disability and Retirement Fund, the amount then added to the levy for Firemen's Relief and Pension Fund will total ninety two million, twenty one thousand, six hundred twenty two dollars.

\$92,021,622

a.3. For children's levy the taxing rate of \$0.4026 per \$1,000 assessed value.

a.4. For parks' levy the taxing rate of \$0.3900 per \$1,000 assessed.

a.5. Excluded from Limitation – for bonded indebtedness, the estimated sum of six million, six hundred seventy nine thousand, one hundred seventy six dollars.

\$6,679,176

- b. The Chief Administrative Officer of the Office of Management and Finance is hereby directed to certify on the Form LB-50 the tax levies made in Section 1.a through 1.b hereof to the Assessors of Multnomah, Clackamas, and Washington Counties.
- b. In order to continue the City's active urban renewal districts and provide for potential future tax revenue for obligations of; the Waterfront Renewal Bond Sinking Fund, the Central Eastside Industrial District Debt Fund, the Airport Way Debt Service Fund, the South Park Renewal Debt Service Fund, the Oregon Convention Center Area Debt Service Fund, the Lents Town Center District Debt Service Fund, the River District Debt Service Fund, the Interstate Corridor Debt Service Fund, and the Macadam Debt Service Fund, the Assessors of Multnomah, Clackamas, and Washington Counties are hereby instructed to implement the procedures specified by ORS 457.420 to ORS 457.440 and other applicable state law relative to tax increment financing of urban renewal indebtedness, subject to the certifications contained in section 1.d.
- b. The Chief Administrative Officer of the Office of Management and Finance is hereby directed to certify that the City of Portland requests that tax increment revenue be collected for urban renewal bonded indebtedness and other indebtedness in FY 2003-04 for Airport Way, Central Eastside, Convention Center, South Park Blocks, Downtown Waterfront, Lents Town Center District, River District, North Macadam District, North Interstate District and Gateway Regional Center District debt service requirements as outlined below. This means that on Form UR-50, the following amounts will be certified for urban renewal collections:

<b>Tax Increment Authority for FY 2003-04 by Plan Area</b>	<b>Amount from Division of Tax</b>	<b>Special Levy</b>	<b>Estimated Division of Tax</b>	<b>Amount of Special Levy</b>	<b>Estimated Collections</b>	
<b>Part 1: Option One Plans</b> <i>(must be existing plan)</i>						
Central Eastside	100.0%	No	4,697,188	0	4,694,670	b. C
<b>Part 2: Option Two Plans</b> <i>(must be existing plan)</i>						olle
Not Applicable to Portland						ctio
<b>Part 3: Option Three Plans</b> <i>(must be existing plan)</i>						n
Airport Way	2,540,000	Yes	2,540,000	4,620,000	7,160,000	of
Downtown Waterfront	7,710,000	Yes	7,710,000	7,260,000	14,970,000	the
South Park Blocks	5,660,000	Yes	5,660,000	1,660,000	7,320,000	tax
Convention Center	5,740,000	Yes	5,740,000	1,460,000	7,200,000	inc
<b>Part 4: New Plans</b>						re
Lents Town Center District	100.0%	No	4,365,400	0	4,365,400	me
River District	100.0%	No	9,151,643	0	9,151,643	nt
North Macadam District	100.0%	No	1,453,173	0	1,453,173	rev
North Interstate District	100.0%	No	3,106,490	0	3,106,490	enu
Gateway Regional Center	0.0%	No	1,007,569	0	1,007,569	es
<b>Urban Renewal Totals</b>			<b>\$45,431,463</b>	<b>\$15,000,000</b>	<b>\$60,428,945</b>	

is contingent on actual assessed value growth. The City will certify and collect the tax increment revenues only if the increase in assessed value is sufficient to allow the tax increment collection without forcing the City's other levies into compression under the \$10 limit.

- b. The Chief Administrative Officer shall submit the tax levy and other certifications to the County Assessors of Multnomah, Clackamas and Washington Counties.

Section 2. The Council declares that an emergency exists inasmuch as it is necessary to certify the above amounts to the County Assessors by July 15, 2003; therefore, this Ordinance shall be in force and effect from and after its passage.

Passed by the Council,

Mayor Katz  
Office of Management and Finance  
TG:MM  
June 19, 2003

Gary Blackmer  
Auditor of the City of Portland

By  
Deputy

## ORDINANCE No. 177593

\*Elect to accept funds from the State of Oregon under the State Revenue Sharing Program for FY 2003-04 (Ordinance)

The City of Portland Ordains:

Section 1. The Council finds:

1. The State of Oregon enacted a State Revenue Sharing Program through the enactment of Senate Bill 11 by the 1977 Oregon Legislative Assembly.
2. Pursuant to ORS 221.770 the City of Portland must elect to receive the State Revenue Sharing Program funds and must notify the State of Oregon Department of Administrative Services of said election prior to July 31, 2003.

NOW THEREFORE, the Council directs:

- a. The Office of Management and Finance is hereby authorized to notify the State of Oregon Department of Administrative Services, Internal Support Division, that pursuant to ORS 221.770, the City of Portland hereby elects to receive state revenues for the fiscal year 2003-04.

Section 2. The Council declares that an emergency exists, as it necessary to notify the State of Oregon Executive Department by July 31, 2003 regarding the City's election to receive State Revenue Sharing Funds for the FY 2003-04 Budget; therefore, this ordinance shall be in force and effect from and after its passage.

Adopted by the Council,  
Mayor Vera Katz  
Office of Management and Finance  
TG:MM  
June 19, 2003

Gary Blackmer  
Auditor of the City of Portland

By  
Deputy

# ORDINANCE No. 177594

\*Close two funds and create one new fund in FY 2003-04 effective July 1, 2003. (Ordinance)

The City of Portland ordains:

Section 1. The Council finds:

1. The closing of two funds and the establishment of one new fund will improve the financial management and accounting of the City through the proper tracking of financial activity.

NOW, THEREFORE, the Council directs:

- a. Close Parks Bond Construction Fund (504).
- b. Close Capital Improvement Fund (503).
- c. Open the Parks Local Option Levy Fund (230) and include it in the FY 2002-03 Adopted Budget. The Parks' Local Option Levy Fund is established to manage the five-year local option levy in support of Parks' operation, maintenance, and capital programs.

Section 2. The Council declares that an emergency exists as it is necessary to close and open the above City funds on the designated effective date in order to properly transact the financial affairs of the City of Portland as budgeted for FY 2003-04; therefore this ordinance shall be in force and effect from and after its passage by the Council.

Passed by the Council,

Gary Blackmer

Mayor Katz  
Office of Management and Finance  
MM  
June 19, 2003

Auditor of the City of Portland

By

Deputy



June 19, 2003

**Tax Supervising  
& Conservation  
Commission**

PO Box 8428  
Portland, Oregon  
97207-8428

Telephone (503) 988-3054

Fax: (503) 988-3058

E-Mail:  
TSCC@co.multnomah.or.us

Web Site:  
[www.co.multnomah.or.us/  
orgs/tsc/](http://www.co.multnomah.or.us/orgs/tsc/)

Mayor and Council  
City of Portland  
1220 SW 5th  
Portland, Oregon 97204

Dear Mayor and Council Members:

The Tax Supervising and Conservation Commission met on June 19, 2003 to review, discuss and conduct a public hearing on the City of Portland 2003-04 budget. This hearing was conducted pursuant to ORS 294.605-705 to confirm compliance with applicable laws and to determine the adequacy of estimates necessary to support efficient and economical administration of the City.

The 2003-04 budget, filed June 5, 2003, is hereby certified by a majority vote of members of the Commission with the following objections and recommendations, which will require a written response.

**Objections:**

**Setting the Tax Levy**

1. The Budget Committee must approve any tax levies or rates in accordance with ORS 294.406. The amount or rate is established by the budget committee and cannot be increased after approval. The budget committee did not approve the levy rates for the two new local option levies. The board shall at the time of adoption levy the Local Option Levy for the Parks at \$.3900 and the Children's Local Option Levy at \$.4026 in the resolution that levies taxes for 2003-04.
2. In the Budget Committee motion to approve the levy for the FPD&R Fund the levy set exceeded the amount necessary to balance the fund by an amount of \$191,000. The board shall at the time of adoption levy the amount of \$92,021,622 as required by the budget for FPD&R Fund in the resolution that levies taxes for 2003-04.

**Recommendations:**

**Publication**

ORS 294.421 requires two notices of the budget committee meeting to be published not less than five days and not more than 30 days prior to the first meeting. These two notices are required to be separated by five days. The City's notices did not meet the five day separation requirement. We would recommend that in the future the timing of these notices be better planned. Also we would recommend closer proofing as the notices twice reflected the wrong year in dates within the notice.

**Commissioners**  
Richard Anderson  
Anthony Jankans  
Lynn McNamara  
Carol Samuels  
Julie Van Noy

**Over Expenditures**

The audit for the year ending June 30, 2002 notes over expenditures in appropriations in 18 funds as follows:

Emergency Communication Fund	Contingency	\$ 2,296
Public Safety Fund	Personal Services	5,275
Cable Fund	Materials & Services	21,970
Parks Construction Fund	Interest	17,538
Parks Endowment Fund	Materials & Services	584
Sewer System Operating Fund	Principal	142,300
	Interest	1,124,883
Water Fund	Interest	405,693
Hydroelectric Power Operating Fund	Interest	8,372
Portland International Raceway	Interest	13,630
Solid Waste Management	Interest	22,939
Environmental Remediation	Interest	474
Health Insurance Operating Fund	Interest	12,876
Facilities Services Operating Fund	Overhead Charges	306
	Interest	22,797
Fleet Services Operating Fund	Interest	168,402
Printing and Distribution Services Fund	Interest	64,578
Insurance and Claims Operating Fund	Interest	29,225
Workers' Comp. Self-Insurance Operating Fund	Interest	29,275
Information Technology Fund	Interest	358,811

We recommend that expenditures be more closely monitored during the year and any necessary adjustments be made before appropriations are exceeded.

Aside from the above exceptions, estimates were judged to be reasonable for the purpose shown and the document was found to be in substantial compliance with Local Budget Law. The budget estimates and levy amounts, as shown in the approved budget, are listed on the following pages.

Please file a complete copy of the adopted budget with the Commission within 15 days of adoption. The response to the Commission objections and recommendations should be included either in the adopting resolution or within a letter that accompanies the adopted budget.

We appreciate having the opportunity to discuss this budget with you.

Yours very truly,

**TAX SUPERVISING & CONSERVATION COMMISSION**

  
Julie VanNoy, Commissioner

  
Richard Anderson, Commissioner

  
Anthony Jankans, Commissioner

  
Carol Samuels, Commissioner

City of Portland Approved Budget	<u>Fund Totals</u>	<u>Unappropriated Portion</u>
General	370,156,296	
General Reserve	35,937,416	
BFRES Facilities Bond Construction	22,958,300	
Emergency Communication	13,127,307	
Fire & Police Disability & Retirement	111,812,582	
FPD&R Reserve	750,000	
Public Safety	855,024	
Supplemental Retirement Program Trust	96,018	88,818
Bonded Debt Interest and Sinking	6,890,123	
Golf	7,256,389	
Golf Revenue Bond Redemption	1,449,500	643,000
Parks Construction	10,026,614	
Parks Endowment	79,700	79,000
Parks Local Option Levy	8,707,989	
Portland International Raceway	1,697,399	
Portland Parks Memorial Trust	4,271,422	
Spectator Facilities Operating	14,989,731	
Environmental Remediation	821,027	
Hydropower Bond Redemption	7,988,585	4,306,766
Hydropower Operating	991,200	
Hydro Renewal/Replacement	8,571,085	
Sewage Disposal Debt Redemption	71,155,049	10,000
Sewer System Operating	380,765,153	
Sewer Revolving Loan	1,835,176	
Sewer System Construction	173,642,997	
Sewer Rate Stabilization	14,063,138	
Sewer System Safety Net	1,284,949	
Solid Waste Management	5,988,809	
Washington County Supply Bond Redemption	3,704,464	1,672,614
Water Bond Sinking	16,182,211	
Water Construction	109,549,943	51,185,592
Water	160,809,936	
Water Growth Impact	1,666,461	1,666,461
Airport Way Debt Service	8,480,168	1,350,000
Assessment Collection	63,321	
Bancroft Bond	14,923,427	9,588,606
Cable	6,014,873	2,301,748
Central Eastside Industrial District Debt	4,310,182	
Children's Investment Fund	9,211,866	
Convention & Tourism	2,311,800	170,897
Convention Center Area Debt Service	6,481,814	
Gateway URA Debt Redemption	912,447	
HOME Grant	5,118,221	
Housing & Community Development	16,632,980	
Housing Investment	27,174,455	
Interstate Corridor Debt Service	2,828,212	
Lents Town Center UR Area Debt Redemption	4,040,775	
LID Construction	13,836,685	
North Macadam UR Area Debt Redemption	1,315,982	
Development Services	31,835,106	1,067,911
Property Management License	4,212,634	

<b>City of Portland Approved Budget</b>	<b>Fund Totals</b>	<b>Unappropriated Portion</b>
River District UR Area Debt Redemption	8,256,086	
South Park Renewal Debt Service	6,570,744	
Waterfront Renewal Bond Sinking	15,682,952	1,681,000
Gas Tax Bond Redemption	1,916,709	
Parking Facilities Debt Redemption	3,737,226	
Parking Facilities	11,447,865	
Transportation Operating	147,779,784	
Transportation Reserve	702,582	
Business License Surcharge	13,000,000	
Communications Services Operating	22,408,520	
Facilities Services	35,557,019	
Federal Grants	21,834,186	
Vehicle Services Operating	32,739,417	8,404,731
Government Bond Redemption	20,498,974	
Health Insurance	50,412,312	
Information Technology	22,567,336	
Insurance & Claims Operating	21,379,931	
Pension Debt Redemption	24,302,981	10,949,814
Printing & Distribution Services Operating	7,753,206	
Special Finance & Resource	152,232,000	
Special Projects Debt Redemption	6,173,435	521,042
Workers' Compensation Operating	16,254,778	
<b>GRAND TOTAL ALL FUNDS</b>	<b>2,372,994,984</b>	<b>95,688,000</b>

**Tax Levy:**

Permanent Rate - General Government Category	4.5770
Parks Local Option - General Government Category	0.3900
Children's Initiative Local Option - General Government Category	0.4026
Bonded Debt Fund - Not Subject to Limit	6,679,176
Fire & Police Disability & Retirement -General Government Category	92,021,622

**Urban Renewal Divide the Tax:**

Downtown Waterfront	Option 3	7,710,000
South Park Blocks	Option 3	5,660,000
Central Eastside	Option 1	100%
Lents Town Center	New Plan	100%
River District	New Plan	100%
Airport Way	Option 3	2,540,000
Convention Center	Option 3	5,740,000
Macadam District	New Plan	100%
Interstate Corridor	New Plan	100%
Gateway Regional Center	New Plan	100%

**Urban Renewal Special Levies:**

Downtown Waterfront	7,260,000
South Park Blocks	1,660,000
Airport Way	4,620,000
Convention Center	1,460,000
<b>Total Special Levy</b>	<b>15,000,000</b>



**Office of Management and Finance**  
Tim Grewe, Chief Administrative Officer

**Bureau of Financial Services**  
Ken Rust, Chief Financial Officer

**Financial Planning Division**

Mark Murray, Director  
Kristine Adams-Wannberg  
Drew Barden, City Economist  
Sheila Craig  
Jordan Epstein  
Kourosh Ghaemmaghami  
Celia Heron  
Mike Johnson  
Doug Le  
Wendy Lear  
Courtney Lords  
Nancy McKinnon  
Larry Nelson  
Andrew Scott  
Bob Tomlinson

**Public Finance and Treasury Division**

Eric Johansen  
Ken Bartocci  
Patty Tigue

**Support Staff**

Teresa Conley  
Shelley Hamlin

Office of Management and Finance  
Financial Planning Division  
1120 SW Fifth Avenue, Room 1250  
Portland, Oregon 97204  
(503) 823-5288

Website: <http://www.ci.portland.or.us/finance/>