

Exhibit No. 2A – General Fund Changes

During the Spring Budget Monitoring Process (BMP), City bureaus

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

These changes are generally primarily technical to better align budgets with actual and projected revenues and spending. As shown in the table on below, bureaus submitted a total of 207 decision packages with a net change of \$151.3 million in total appropriations. This exhibit walks through a summary of those changes.

FY 2023-24 Spring BMP DP Summary

Decision Package Type	Number of Packages	Total Requested Adjustments
Technical Adjustments	65	\$194,422,108
GF Program Carryover	46	(\$51,347,880)
New Revenue	26	\$136,871,284
Other Adjustments	19	(\$153,117,683)
Internal Transfer	12	\$2,961,260
Compensation Set-Aside	10	\$47,656,038
Non GF Contingency	9	(\$32,874,604)
General Fund Return	6	(\$2,399,078)
New GF Request	4	\$4,071,568
Policy Set-Aside	4	\$38,135,476
Cannabis Fund Carryover	3	(\$2,945,800)
Mid-Year Reduction	3	(\$30,110,928)
	207	\$151,321,761

General Fund Summary

The Spring Supplemental Budget increases FY 2023-24 expenses—including contingency—in the General Fund by \$6.6 million.

100 - General Fund

Revenue

	2023-24 Adopted Budget	Current Revised Budget	Proposed Adjustments	Total Proposed Revised
Beginning Fund Balance	\$95,464,168	\$137,727,218	\$0	\$137,727,218
Taxes	\$365,983,450	\$365,983,450	\$0	\$365,983,450
Licenses & Permits	\$275,313,557	\$275,313,557	\$0	\$275,313,557
Charges for Services	\$17,552,226	\$17,552,226	(\$5,000)	\$17,547,226
Intergovernmental	\$45,971,978	\$45,877,011	(\$1,990,000)	\$43,887,011
Interagency Revenue	\$83,853,751	\$87,793,030	(\$1,471,823)	\$86,321,207
Fund Transfers - Revenue	\$92,941,186	\$112,106,832	\$10,041,691	\$122,148,523
Miscellaneous	\$4,343,359	\$4,343,359	(\$8,000)	\$4,335,359
General Fund Discretionary	\$0	\$0	\$0	\$0
General Fund Overhead	\$0	\$0	\$0	\$0
Total:	\$981,423,675	\$1,046,696,683	\$6,566,868	\$1,053,263,551

Expense

	2023-24 Adopted Budget	Current Revised Budget	Proposed Adjustments	Total Proposed Revised
Personnel	\$564,704,581	\$569,451,707	\$46,042,166	\$615,493,873
External Materials and Services	\$180,898,957	\$216,511,981	(\$27,070,125)	\$189,441,856
Internal Materials and Services	\$95,637,384	\$96,111,527	\$2,432,653	\$98,544,180
Capital Outlay	\$2,638,704	\$2,704,221	\$1,090,304	\$3,794,525
Debt Service	\$14,040,985	\$14,040,985	\$0	\$14,040,985
Fund Transfers - Expense	\$79,005,505	\$82,295,106	\$3,382,036	\$85,677,142
Contingency	\$44,497,559	\$65,581,156	(\$19,310,166)	\$46,270,990
Total:	\$981,423,675	\$1,046,696,683	\$6,566,868	\$1,053,263,551

Discretionary Changes

Mayor's Budget Guidance did not allow for new requests for General Fund Contingency. Additionally, the Spring BMP opened with General Fund unrestricted contingency at zero dollars in available appropriation.

New General Fund Requests (Draws on General Fund Unrestricted Contingency)

The Spring Supplemental Budget as proposed includes the following new packages:

- \$558,832 to pay missed City Unemployment Insurance bills owed to the Oregon Employment Department in FY 2021-22 (Q3 & Q4) and FY 2022-23 (Q1) due to an accounting error.
- \$393,000 to implement the City's Downtown Business Incentive Program as a result of [Ordinance 191451](#).

Compensation Set-Aside and Personnel Contingency Costs

As part of budget development, CBO budgets in a central account a portion of the Current Appropriation Level associated with cost-of-living adjustments (COLA) and health benefit increases for General Fund bureaus. These funds are known as the "compensation set-aside." In most bureaus, these costs can be absorbed by vacancies experienced in the regular course of business. However, when bureaus are at or close to full staffing through most of the fiscal year or are otherwise expected to overspend their personnel budgets, they can request the necessary compensation set-aside to cover personnel costs. Any remaining resources become available for Council to allocate for other current or future year budget needs. In FY 2023-24, the City also set aside resources for potential costs related to labor bargained agreements that were approved mid-year.

General Fund Policy Set-Aside Requests

The Supplemental Budget allocates resources from a General Fund policy set-aside reserve which if Adopted as Proposed would draw down \$16.5 million from the Public Safety Set-aside which includes \$8.5 million for Portland Fire cost-bargaining and overtime and \$8 million for Police for overtime, one-time add backs, and current year overtime projections. There is also a \$1,351,022 draw on the Behavioral Health Emergency Coordination Network (BHECN) Sobering Services Set-aside. Finally, there is a \$150,000 draw from the Auditor's Office Reserve Fund to help fund over-expenditures in Personnel.

General Fund Program Carryover

As part of the Spring Supplemental Budget, General Fund bureaus may request program carryover for projects which were budgeted in the current year but will not be encumbered or spent by the end of the fiscal year. These amounts are reduced from bureau budgets and set-aside for re-budgeting as part of the Proposed and Approved Budgets for the following year. This year, a total of \$22.5 million is being carried over and budgeted in FY 2023-24. For line-item detail on these carryovers, see the table in Exhibit 4.

General Fund Return

At the direction of the FY 2023-24 Spring BMP Mayor's guidance, bureaus with General Fund underspending were directed to return discretionary General Fund resources in situations where General Funded bureaus know they will have underspending that will fall to balance based on their Year End projections. These Year End projections take into account anticipated year-end expenses and planned carryover requests. Six decision packages were submitted and reviewed according to the protocol laid out in the previous paragraph, resulting in \$1,199,539 deappropriated in the current year.

Other Adjustments

There are several adjustments that represent internal transfers, realignments, and other adjustments that do not impact General Fund discretionary or contingency balances.

Updated General Fund Contingency Balances

After Proposed Spring Supplemental Budget changes, there will be a total of \$46.2 million in General Fund contingency.

CommItem - Name	2023-24 Adopted Budget	2023-24 Revised Budget	2023-24 SPRING Recom Total	2023-24 SPRING Proposed Total
571100 - Unrestricted Contingency	\$3,000,000	\$2,494,893	\$1,380,289	\$1,380,289
571110 - Salary Adjustment Contingency	\$28,787,925	\$28,787,925	\$3,744,906	\$3,744,906
571130 - Policy Reserves	\$12,709,634	\$34,298,338	\$41,732,795	\$41,145,795
571140 - Major Maintenance/Replacement Reserves	\$0	\$0	\$0	\$0
Sum:	\$44,497,559	\$65,581,156	\$46,857,990	\$46,270,990

- **\$1.4 million will remain in GF Unrestricted Contingency**, which can be used for FY 2023-24 or FY 2024-25 needs.
- **\$3.7 will remain in Compensation Set-aside Contingency**
- **\$41.1 million will exist in Policy Set-aside**, of that amount:
 - o **\$23.0 million of this total is for General Fund program carryover**, which will be reappropriated in the FY 2024-25 Proposed Budget.
 - o Finally, a total of **\$17.0 million remains in policy set-aside** for the following:
 - \$3 million for General Fund Overhead True-up

- \$349,441 for PFMLA
 - \$50,000 for Accessibility Ongoing Set-aside (CAL)
 - \$5.7 million for General Fund Overhead Pull-Forward Reserve
 - \$3.5 million for Future Charter Reform Transition Costs
 - \$3.2 million for Public Safety Set-aside
 - \$1 million for Special Appropriations – Emergency Fund Refill (Budget Note)
 - \$167,608 for Metropolitan Levee Draw
 - \$25,000 for Water Bureau – Mt. Tabor Reservoirs
- **There will remain \$0.0 million in Capital Set-aside resources**

Exhibit No. 2B – Non-General Fund Changes

Subsequent pages provide a summary of changes in funds other than the General Fund.

Fund	Bureau Program Expenses	Interfund Cash Transfers	Debt Service	Contingency	Explanation
200 - Transportation Operating Fund	(\$28,363,049)	\$0	\$0	\$24,014,954	Revisions are being made to true-up the budgets for this fund to match projected revenues and expenditures, including a reduction of \$24.7 million to capital expenses. The fund change also reflects a \$2 million contingency allocation to support the hiring of 22 new parking enforcement staff requested in the FY 2024-25 Requested Budget to establish position authority and begin recruitment. Additionally, the package reflects \$1.3 million of PCEF funding and \$1 million in funding transferred from Civic Life for Derelict RV work.
201 - Assessment Collection Fund	\$0	\$0	\$0	\$3,292	Minor adjustments in beginning fund balance, interest income, and assessment payments are reflected in a \$3,292 net increase in policy reserves.
202 - Emergency Communication Fund	\$2,437,124	\$0	\$0	(\$836,981)	The bulk of the net increased expenses are from the \$1,126,614 in Compensation Set-Aside funds the bureau requested to cover personnel over-expenditures. Additional revenue of \$473,529 is expected from 9-1-1 state tax, local jurisdiction cost share, and interest income. There is a reduction of \$836,981 from training pipeline contingency to cover projected personnel overages in overtime costs caused by extending the 2.0 overtime pilot program.
203 - Development Services Fund	(\$33,115)	\$0	\$0	\$42,689	There are two interagency adjustments in the Development Services Fund. The first is reduction of \$33,115 to the interagency agreement with the Bureau of Planning & Sustainability for the use of a Business Systems Analyst. The second adjusts the budget to include \$7,116 for five parking passes for the Commissioner's Offices for 5.5 months, and \$2,458 for an additional pass for the Fire Bureau for 9.5 months, both at the 1900 Building garage.
204 - Property Management License Fund	\$204,000	\$0	\$0	\$0	A change in the Lloyd Enhanced Services District fee structure has been developed, resulting in increased collections and payments to that district, accounting for most of the increase in bureau program expenses. Increased interest income is also reflected in higher payments to Clean & Safe and the Central Eastside Industrial District.
209 - Convention and Tourism Fund	(\$2,080,000)	\$0	\$0	\$0	Lodging and Tourism Improvement District tax revenues are being reduced, and the reductions are reflected in corresponding decreases in payments to Travel Portland in bureau program expenses.
210 - General Reserve Fund	\$0	\$1,959,798	\$0	(\$1,959,798)	Reduction in contingency of \$1.9 million funds a \$150,000 cash transfer to the Auditor's Office from the Auditor's Office Reserve subfund to fund personnel costs and a \$1.8 million cash transfer to the Portland Police Bureau from the Equipment Replacement Reserve Fund for increased external materials & services expenses.
211 - Special Finance and Resource Fund	(\$3,939,500)	\$0	(\$245,000)	(\$9,851,379)	Changes in the North Macadam and Gateway URA Debt Redemption Funds, as well as the Cully TIF District Fund (see entries below for funds 313, 315, and 325), are also reflected in this fund, which is being amended for bond proceeds transferred to Prosper Portland for these TIF districts. Specifically, a \$17.7 million reduction in bond sales is reflected in decreases in miscellaneous services, debt issuance costs, and policy reserves. The change in contingency also reflects a \$3.5 million true up to beginning fund balance.
213 - Housing Investment Fund	\$529,293	\$0	\$0	\$2,000,000	The \$2.0 million increase in contingency is due to a true-up of other miscellaneous revenues for the Rental Services Office, which also accounts for \$400,000 of the increase in that program's expenses. Another significant component (\$99,293) of the increase in program expenses is for outgoing loan disbursements funded by recognizing beginning fund balance.
216 - Children's Investment Fund	\$1,055,789	\$0	\$0	\$1,324,825	The net increase of \$2.4 million across program expenses and contingency is attributed to an increase of \$2,388,116 in beginning fund balance to accurately reflect the City's Annual Comprehensive Financial Report and a reduction of cash transfer revenue from Portland Parks & Recreation of \$7,502 to match actual impact.
217 - Grants Fund	\$16,032,053	\$0	\$0	\$0	This represents a net change across all bureaus in the Grants Fund. Changes in the Grants Fund are due to grant carryover across multiple bureaus as grant periods do not align with fiscal years, true-up of grant costs across fiscal years, and allocation of new grant resources.
219 - HOME Grant Fund	(\$11,019,160)	\$0	\$0	\$0	The outgoing loan disbursement budgets for three multifamily projects are being reduced to reflect actual expenditures, with a corresponding decrease in grant revenues.
220 - Portland Parks Memorial Fund	(\$650,000)	\$850,000	\$0	\$0	Decreasing bureau operating expenses by \$650,000 to align with projected actual expenditures and increasing the cash transfer to the Construction Fund to cover expenses incurred in that fund.
221 - Tax Increment Financing Reimbursement Fund	(\$1,482,467)	\$0	\$0	\$0	The outgoing loan disbursement budgets for the Central Eastside, River District, and Interstate subfunds are being true'd up to reflect actual spending, netting to a decrease of \$1.5 million.
222 - Police Special Revenue Fund	\$0	\$0	\$0	\$0	Fund change reflects reductions to beginning fund balance and expenses.
223 - Arts Education & Access Fund	\$0	\$0	\$0	\$0	Budget for the City Arts program is being transferred to a subfund created specifically for it. \$1.7 million is also being transferred from the miscellaneous external materials and services budget for personnel and outgoing grant subrecipient costs.
225 - Inclusionary Housing Fund	\$1,000,000	\$0	\$0	\$0	The budget for outgoing loan disbursements is increased by \$1.0 million, funded by an increase in the beginning fund balance of the Commercial Excise Tax (Residential) Finance-based Incentive subfund to reflect actual expenditures.
226 - Housing Property Fund	\$1,500,000	\$0	\$0	\$0	Beginning fund balance is recognized, with the \$1.5 million budgeted for maintenance of two PHB housing projects.
227 - Recreational Marijuana Tax Fund	(\$202,606)	\$0	\$0	\$0	Fund change reflects carryover of \$202,606 for Prosper Portland related to administration of SEED grant funds.

						The fund adjustments reflect true-up for fund balance and reductions of beginning fund balance for subfund reallocation. Includes movement from the main fund to sub funds of \$1,379,145 related to PCEF allocations to PBOT and \$1,979,208 related to Parks.
229 - PDX Clean Energy Community Benefits Fund	(\$6,909,877)	\$0	\$0	\$101,517,553		
230 - Affordable Housing Development Fund	\$0	\$0	\$0	\$0		Budget (\$4.8 million) for outgoing loan disbursements is being transferred between various housing projects to reflect where the funds are actually being spent.
231 - Citywide Obligations Reserve Fund	\$0	(\$2,158,107)	\$0	\$33,107		A technical correction reduced the total amount in the Citywide Obligations Reserve Fund by \$2,125,000 due to a reduction in cash transfer expense to the General Fund by \$2,158,107 and an increase of \$33,107 in policy reserves. These changes include a \$166,893 cash transfer from the legal priorities subfund to the Attorney's Office and the net reduction is balanced with adjustments to the General Fund with a net-zero impact to citywide resources.
232 - 2020 Parks Local Option Levy Fund	\$0	\$9,992,498	\$0	(\$9,992,498)		Reducing cash transfer from levy fund to the General Fund by \$9.99 million and reducing personnel services costs to balance
303 - Waterfront Renewal Bond Sinking Fund	(\$203,000)	\$0	\$0	\$0		The budget for the debt service fund for the Downtown Waterfront TIF district, which is planned to be closed, is being adjusted to true up fund balance, tax increment collections, and interest income in preparation for closing the funds. Oregon Revised Statutes 457 directs the City to return all remaining tax increment collections once bonds have been repaid.
304 - Interstate Corridor Debt Service Fund	\$0	\$0	\$0	\$0		All debt for the Interstate Corridor has been paid in FY 2023-24 and maximum indebtedness has been reached for this TIF district. Tax increment collections are only eligible to be used to service debt. As all debt has been repaid, revenues fall to ending balance and will be returned to the counties in FY 2024-25 for reallocation to the overlapping taxing jurisdictions.
306 - South Park Blocks Redemption Fund	(\$95,000)	\$0	\$0	\$0		The budget for the debt service fund for the South Park Blocks TIF district, which is planned to be closed, is being adjusted to true up fund balance, tax increment collections, and interest income in preparation for closing the funds. Oregon Revised Statutes 457 directs the City to return all remaining tax increment collections once bonds have been repaid.
309 - Lents Town Center URA Debt Redemption Fund	\$0	\$0	\$0	\$0		All debt for the Lents Town Center has been paid in FY 2023-24 and maximum indebtedness has been reached for this TIF district. Tax increment collections are only eligible to be used to service debt. As all debt has been repaid, revenues fall to ending balance and will be returned to the counties in FY 2024-25 for reallocation to the overlapping taxing jurisdictions.
310 - Central Eastside Ind. District Debt Service Fund	\$0	\$0	(\$6,650)	\$0		All debt for the Central Eastside has been paid in FY 2023-24 and maximum indebtedness has been reached for this TIF district. Tax increment collections are only eligible to be used to service debt. As all debt has been repaid, revenues fall to ending balance and will be returned to the counties in FY 2024-25 for reallocation to the overlapping taxing jurisdictions. The \$6,650 reduction in debt service is specifically for bonded debt interest.
311 - Bancroft Bond Interest and Sinking Fund	\$0	\$0	\$500,000	\$0		Liens collection is being reduced in this fund, with a corresponding reduction in debt service reserves, which is also being drawn from for a \$500,000 increase in bonded debt retirement expenses.
312 - Convention Center Area Debt Service Fund	(\$211,000)	\$0	\$0	\$0		The budget for the debt service fund for the Convention Center Area TIF district, which is planned to be closed, is being adjusted to true up fund balance, tax increment collections, and interest income in preparation for closing the funds. Oregon Revised Statutes 457 directs the City to return all remaining tax increment collections once bonds have been repaid.
313 - North Macadam URA Debt Redemption Fund	\$0	\$0	\$1,372,000	\$0		Tax increment collections for this fund are expected to be higher than planned, and the budget is being amended to apply revenues toward additional overnight (du jour) bonds or will fall to ending balance.
314 - Special Projects Debt Service Fund	\$0	\$115,000	\$0	\$0		Cash transfer expenses increased by \$115,000 in the Special Projects Debt Service Fund to transfer excess revenue to the General Fund.
315 - Gateway URA Debt Redemption Fund	\$0	\$0	\$320,000	\$0		Tax increment collections for this fund are expected to be higher than planned, and the budget is being amended to apply revenues toward additional overnight (du jour) bonds or will fall to ending balance.
325 - Cully Tax Increment Fin Dist Debt Svc	\$0	\$0	(\$389,700)	\$0		The incremental assessed value for this fund was lower than expected, resulting in less tax increment revenues than budgeted. The budget is being amended to reflect reductions in both revenues and the amount of debt that can be issued.
401 - Local Improvement District Fund	\$86,000	(\$3,485,818)	\$270,000	(\$74,750)		Most of the increase in program expenses is for increased expenses related to LID Fund-supported server upgrades and personnel costs in the Revenue Collection program in the General Fund, which also explains most of the change in contingency as the program expenses are paid for by a draw from it. Additionally, LID project estimates have been updated through year-end. No bond sales are occurring this fiscal year, leading to reduced transfers out to other funds, mostly to PBOT. Bonded debt interest is being increased by \$270,000.
402 - Parks Capital Improvement Program Fund	(\$23,043,222)	\$0	\$0	\$6,273,852		Reduce existing bureau program expenses by \$23,043,222 and increase fund contingency by \$6,273,852 to account for current year capital projects. The bureau fully budgets available funds at the beginning of the year to aid with capital acquisition, development, and maintenance, then adjusts due to changes in SDC revenues and actual projects commenced during the year.
600 - Sewer System Operating Fund	\$3,465,100	(\$20,875,262)	\$0	\$10,745,162		The fund adjustments reflect movement of residential and commercial SDC revenue ... The bureau is also making a series of adjustments related to contingency - drawing on \$2.7 million for new, urgent, and unforeseen expenses, but also adding \$13,463,395 to contingency, netting the overall contingency contribution in the table.
601 - Hydroelectric Power Operating Fund	\$0	\$0	\$0	(\$634,769)		The fund adjustment reflects actions to make the beginning fund balance consistent with the FY 2022-23 ending fund balance.

602 - Water Fund	(\$53,155,500)	\$0	\$0	\$60,165,175	The fund adjustment reflects reductions in the CIP by \$53.1 million based on projected spending through the end of the fiscal year. Much of those resources, along with further \$7 million in reductions in technical adjustments, were placed in Contingency.
603 - Golf Fund	\$1,417,316	\$0	\$0	\$93,684	Increase contingency in the Golf fund by \$93,684 and increase bureau operating expenses within the Golf Fund by \$1,417,316 to balance increases in golf fee and lease revenues.
604 - Portland International Raceway Fund	\$234,892	\$0	\$0	\$204,108	Increase bureau program expenses by \$234,892 for expected maintenance and personnel expenses countered by additional expected events and revenue. Increase contingency by \$204,108.
605 - Solid Waste Management Fund	\$0	\$0	\$0	\$0	The fund adjustments reflects reductions in personnel services (\$35k) to be used for the purchase of new vehicles.
606 - Parking Facilities Fund	(\$2,583,887)	\$0	\$0	\$412,720	The fund adjustments reflect true-ups of projected underpending, including those related to repair & maintenance, security, and operating supplies.
607 - Spectator Venues & Visitor Activities Fund	\$548,000	\$0	\$655,000	\$52,877,000	Budget is incorporated for the anticipated receipt of bond proceeds earmarked for the renovation of the Veteran's Memorial Coliseum, with most of the proceeds (\$53.4 million) placed in contingency but also \$655,000 for debt issuance costs and bond and note discounts. The increase in bureau program expenses reflects additional spending anticipated by year end and is supported by a draw from the fund's contingency.
608 - Environmental Remediation Fund	\$0	\$0	\$0	\$160,000	The fund adjustments reflect adjustments to contingency based on higher expected interest earnings.
609 - Sewer System Debt Redemption Fund	\$0	\$0	(\$21,135,262)	\$0	The fund adjustment reflects technical adjustment movement to pay \$16,745,196 in principle debt payments and \$4,390,066 in debt interest payments. This was covered through higher expected interest earnings and a cash transfer from the Operating Fund TO Debt Redemption Fund.
612 - Water Bond Sinking Fund	\$0	\$0	\$0	\$0	Reduce beginning fund balance by \$5,352,790 to match ACFR, reduce debt service reserves (non appropriation category) to balance.
614 - Sewer System Construction Fund	\$0	\$0	\$0	\$1,100,000	The fund adjustments reflect adjustments to contingency based on higher expected interest earnings.
615 - Water Construction Fund	\$0	(\$47,991,036)	\$0	\$0	The fund adjustments reflects actions taken to align budgeted beginning fund balance with the ACFR.
617 - Sewer System Rate Stabilization Fund	\$0	\$0	\$0	\$750,000	The fund adjustments reflect adjustments to contingency based on higher expected interest earnings.
700 - Health Insurance Operating Fund	\$7,500,000	\$0	\$0	\$0	Increase of \$7.5 million due to significantly higher (5.4%) employee enrollments. All increased expenditure from medical claim costs is offset by increased enrollment revenue.
701 - Facilities Services Operating Fund	\$3,246,180	\$0	\$0	(\$437,630)	The fund change reflects made to bureau customer interagency agreements, including \$2.8 million in additional bureau requested services. The fund change also reflects an internal transfer of capital and major maintenance reserves to be budgeted out of external materials and services.
702 - CityFleet Operating Fund	\$6,434,084	\$0	\$0	(\$4,319,030)	The fund change reflects made to bureau customer interagency agreements, including \$2.1 million in additional bureau requested services. The fund change also reflects technical adjustments to align budget with projected spending through the end of the year.
703 - Printing & Distribution Services Operating Fund	(\$679,000)	\$0	\$0	\$839,400	Most of the decrease in bureau program expenses is due to expected customer service requests which have not come to fruition, and P&D is transferring this budget back to contingency, which is also being increased to reflect additional revenues from customer bureaus.
704 - Insurance and Claims Operating Fund	\$3,000,000	\$0	\$0	(\$2,285,492)	\$2.3 million is drawn from reserves to cover higher claims payments than originally forecasted. The increase in program expenses also includes a relatively small increase in services provided at the request of a customer bureau and a cash transfer from the General Fund for Attorney's fees and costs.
705 - Workers' Comp. Self Insurance Operating Fund	\$3,105,000	\$0	\$0	(\$3,091,548)	\$3.1 million is drawn from reserves to cover higher claims payments than originally forecasted that may be closed by June. The change in program expenses also reflect much smaller amounts to prevent over expenditure of the personnel budget and increases in services requested by customer bureaus.
706 - Technology Services Fund	\$851,753	\$125,000	\$0	\$1,095,816	\$463,300 of the increase in bureau program expenses reflect additional service requests from customer bureaus, while the remaining \$388,453 are draws from contingency mostly for the Microsoft Server licensing project and Radio/Video capital outlay replacement. Regarding cash transfer expenses, \$125,000 is being transferred from the fund's reserves to Procurement's budget in the General Fund for the Ariba project. The net change in contingency mostly reflects additional revenues from customer bureaus for various services but also draws for the cash transfer for the Ariba project and other uses mentioned above.
707 - Portland Police Assoc Health Insuranc Fund	\$3,000,000	\$0	\$0	(\$2,500,000)	Transfer of \$2.5 million from contingency to external materials and services to cover increased claim costs. Increase in program expenditures by \$3 million to account for same medical claim increases.
800 - Fire & Police Disability & Retirement Fund	\$2,170,971	\$0	\$0	(\$2,170,971)	The fund adjustments draws from contingency to cover higher-than-anticipated current year expenses.