



CITY OF

PORTLAND, OREGON

Tom Potter, Mayor

TO: Commissioner Sam Adams
Commissioner Randy Leonard
Commissioner Dan Saltzman
Commissioner Erik Sten
Auditor Gary Blackmer

FROM: Mayor Tom Potter *Tom Potter*

DATE: May 7, 2007

SUBJECT: Additional One-Time Revenue for FY 2007-08 Approved Budget

OMF has advised me of \$2 million in additional revenue in FY 2006-07 from higher than expected business license receipts. These funds were received and reported following the April 15 business tax filing deadline. This will result in \$2 million in additional one-time funds for FY 2007-08. The timing of this good news fits well with budget approval on May 16.

Council Execs met last week and developed a list of currently unfunded priority requests to include in the Approved Budget. These include:

- | | | |
|---------------------------------------|-----------|--------------------|
| • Wordstock Event | \$100,000 | Commissioner Sten |
| • School/Family/Housing Initiative | \$30,000 | Commissioner Sten |
| • 24/7 T Support for Fire | \$70,000 | Commissioner Sten |
| • Platinum Bicycle Master Plan | \$100,000 | Commissioner Adams |
| • ArtsPartners | \$100,000 | Commissioner Adams |
| • Burnside Couch Enhancement Planning | \$500,000 | Commissioner Adams |

These requests total \$900,000. I am directing OMF to include these items in the "change memo" they are distributing today. We will use this as the basis for approving the Proposed Budget as amended by the change memo.

Additionally, the Parks Bureau is tabling \$450,000 in requests for Westmoreland Park currently included in the Proposed Budget until next year when engineering studies are completed. Instead, the change memo should reflect the following requests for Parks:

- | | | |
|------------------------------------|-----------|-----------------------|
| • Tree Policy & Code Project | \$260,336 | Commissioner Saltzman |
| • City Nature Trail Planning | \$45,379 | Commissioner Saltzman |
| • Parks Service Level Work | \$80,000 | Commissioner Saltzman |
| • Westmoreland Stadium Engineering | \$65,000 | Commissioner Saltzman |

In addition to the requests that can now be funded, there are other requests that are important to the Council and the community and that have already received scrutiny in the FY 2007-08 budget process. I propose that these items should be considered for priority funding in the fall BuMP if additional one-time funds are realized at year-end. I'm also asking OMF to include in the revised financial policies that we'll consider in June a provision that dedicates at least 25% of unanticipated ending fund balance, as determined by OMF and reported in the fall Budget Monitoring Process, to capital expenditures as an important step to begin funding our unmet asset management needs.

Here's a partial list, and I welcome your input on others, so that we together develop a list of requests that will be the first to be funded with any additional one-time funds in the fall.

- Additional cost of archives center at PSU above what's been budgeted.
- Balance of original request for visioning and strategic planning, once Council adopts the vision.
- Emergency operations center or regional training center facility costs if sites are identified.
- Funds that may be needed to acquire buildings or other assets that Multnomah County may not need, assisting the City in its needs for facilities while providing the County with additional one-time funds.