

PBOT


PORTLAND BUREAU OF TRANSPORTATION

1120 SW Fifth Avenue, Suite 800 Portland, OR 97204 503.823.5185
Fax 503.823.7576 TTY 503.823.6868 www.portlandoregon.gov/transportation

Chloe Eudaly Commissioner Chris Warner Interim Director

April 20, 2019

TO: Jessica Kinard
City Budget Office

FROM: Chris Warner 
Portland Bureau of Transportation

SUBJECT: Portland Bureau of Transportation
FY 19-20 Spring Budget Adjustment

Attached is the FY 19-20 Spring Budget Monitoring Report (BMP) submittal for the Portland Bureau of Transportation (PBOT). This submittal includes the following;

- FY 19-20 Budget Amendment Request Report
- FY 19-20 Year End Projections

Adjustments include carryover adjustments for projects and programs, adjustments to interagency agreements with bureaus, and other technical adjustments. General Transportation Revenue (GTR) was not allocated to any new items. The enclosed projections correspond with the Oregon Department of Transportation's April forecast.

If you have any questions, please contact Ryan Kinsella in the Bureau of Transportation at 503-823-7140.

Attachments

c: Commissioner Eudaly
Marshall Runkel, Office of Commissioner Eudaly
Noah Siegel, Portland Bureau of Transportation
Millicent Williams, Portland Bureau of Transportation
Jeramy Patton, Portland Bureau of Transportation
Ryan Kinsella, Portland Bureau of Transportation



The Portland Bureau of Transportation fully complies with Title VI of the Civil Rights Act of 1964, the ADA Title II, and related statutes and regulations in all programs and activities. For accommodations, complaints and information, call (503) 823-5185, City TTY (503) 823-6868, or use Oregon Relay Service: 711.

TR - Portland Bureau of Transportation**DP Type****Technical Adjustments****Request Name: 9833 -Technical Adjustments****Package Description**

Included within this decision package are various technical adjustments: carryover adjustments for projects and programs, adjustments to interagency agreements with bureaus, and other technical adjustments. General Transportation Revenue (GTR) was not allocated to any new items.

There were three items for which FY 2018-19 underspending has not been carried over and budgeted in FY 2019-20. These include \$40,000 for the congestion pricing study, \$290,1000 for the asset management software upgrade (Maximo), \$211,217 for the NW Streetcar extension costs.

Several multi-year planning projects will not be fully spent by year end, and so funding will be deappropriated from the FY 2019-20 budget and carried over into the FY 2020-21 Adopted Budget. These projects include: Complete Streets (\$89,200 carryover), Freight Master Plan (\$120,000), Seismic Plan (\$100,000), Active Transportation (\$150,000), Transportation Planning (\$52,648),

Other technical adjustments include the budgeting the final payment to Multnomah County for the Sellwood Bridge, the correction of budget data for a loan to the Government Bond Redemption Fund and various interagency adjustments. Budget was also allocated to cover the planned costs for rent and tenant improvements for the Parking Enforcement division. Lastly, there were several adjustments to the Parking Facilities Fund: increase cash transfer to the Transportation Operating Fund, a reduction of revenues and corresponding decrease in contingency.

Service Impacts

There are minimal service impacts within these technical adjustments, most of which are delays to program or project delivery.

Equity Impacts

As the adjustments made in this package are all technical, there are no equity impacts associated with these adjustments.

| Account Name | | 2019-20 SPRING Requested Adj |
|--------------|---------------------------------|------------------------------|
| Expense | Contingency | -1,745,203 |
| | Debt Service | 3,333,500 |
| | External Materials and Services | 273,620 |
| | Fund Transfers - Expense | -2,833,500 |
| | Internal Materials and Services | -3,201,319 |
| | Personnel | -241,848 |
| Expense | Sum: | -4,414,750 |

| Account Name | | 2019-20 SPRING Requested Adj |
|--------------|-------------------------------|------------------------------|
| Revenue | Beginning Fund Balance | -378,862 |
| | Charges for Services | -2,756,430 |
| | Fund Transfers - Revenue | 500,000 |
| | General Fund Discretionary | 0 |
| | Interagency Revenue | 7,000 |
| | Miscellaneous Fund Allocation | -1,786,458 |
| Revenue | Sum: | -4,414,750 |

TR - Portland Bureau of Transportation DP Type Technical Adjustments

Request Name: 9946 -CIP Technical Adjustments

Package Description

This package includes adjustments that allocates budget across commitment items in order to avoid over expenditure at the major object-level. These adjustments do not increase or decrease the overall CIP appropriation.

Service Impacts

Overall, PBOT spent 40% of the CIP. Several projects were delayed or the bid occurred late in the fiscal year, and so construction costs will shift to the next fiscal year. Adjustments to these projects will be made in subsequent budget processes. These projects include:

Naito Parkway
 Capitol Hwy: Mult Village – W Portland
 Halsey: 114th-162nd
 42nd Ave Bridge
 Foster Woodstock

Equity Impacts

Each project is reviewed and evaluated to determine the equity score received when the project was in the planning and project development phases. On a micro/individual level, the project managers use this information to help inform conversations with the community as they perform project-related Public Involvement tasks. As we take a systems-wide/macro approach, we use the equity matrix to help inform where projects will be implemented and when those projects will be installed.

| Account Name | | 2019-20 SPRING Requested Adj |
|----------------|---------------------------------|------------------------------|
| Expense | Capital Outlay | -11,850,000 |
| | External Materials and Services | 7,486,458 |
| | Internal Materials and Services | 25,000 |
| | Personnel | 6,336,217 |
| Expense | Sum: | 1,997,675 |

| Account Name | | 2019-20 SPRING Requested Adj |
|----------------|-------------------------------|------------------------------|
| Revenue | Beginning Fund Balance | 211,217 |
| | Miscellaneous Fund Allocation | 1,786,458 |
| Revenue | Sum: | 1,997,675 |

Business Area Projection Report

Portland Bureau of Transportation - Fund 200

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|---------------------------------|-----------------------------------|------------------------------|------------------------------|---|
| Capital Outlay | 116,716,096 | 22,893,678 | 30,524,904 | 26% |
| Contingency | 157,951,694 | 0 | 246,193,512 | 156% |
| Debt Service | 20,598,922 | 9,369,178 | 17,265,422 | 84% |
| External Materials and Services | 84,264,875 | 55,089,546 | 76,786,227 | 91% |
| Fund Transfers - Expense | 13,315,147 | 14,440,597 | 13,315,147 | 100% |
| Internal Materials and Services | 32,995,127 | 23,742,485 | 31,656,647 | 96% |
| Personnel | 127,856,579 | 86,239,504 | 114,986,005 | 90% |
| Sum: | 553,698,440 | 211,774,987 | 530,727,864 | 96% |

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|-------------------------------|-----------------------------------|------------------------------|------------------------------|---|
| Beginning Fund Balance | 258,804,298 | 0 | 258,804,300 | 100% |
| Bond & Note Proceeds | 15,438,121 | 8,500,000 | 8,500,000 | 55% |
| Charges for Services | 79,170,532 | 57,688,719 | 73,431,680 | 93% |
| Fund Transfers - Revenue | 31,085,718 | 17,725,218 | 31,085,718 | 100% |
| General Fund Discretionary | 0 | 0 | 0 | |
| Interagency Revenue | 33,519,378 | 23,376,801 | 31,169,048 | 93% |
| Intergovernmental | 94,051,771 | 56,613,008 | 88,480,648 | 94% |
| Licenses & Permits | 16,102,192 | 11,649,825 | 14,793,060 | 92% |
| Miscellaneous | 4,126,430 | 6,068,370 | 6,068,370 | 147% |
| Miscellaneous Fund Allocation | 0 | 0 | 0 | |
| Taxes | 21,400,000 | 12,718,081 | 18,395,000 | 86% |
| Sum: | 553,698,440 | 194,340,023 | 530,727,824 | 96% |

Revenue Discussion

Business Area Projection Report

Beginning Fund Balance matches the balance included in the FY 2018-19 CAFR's ending fund balance.

Tax revenues are projected to be 86% of budget. Revenues from the 10-cent local gas tax are expected to be significantly impacted by the state's closure of non-essential businesses. Estimates are based on ODOT's statewide projections for fuel sales, scaled to local traffic impacts. Projections assume losses of 21% in March; 50% in April; 38% in May and 21% in June. Heavy Vehicle Use Tax projections reflect estimated transfers from the Bureau of Revenue and Financial Services through year-end.

License and Permit revenues are projected to be within ten percent of budget. The bureau is currently evaluating the impacts of the current shutdown and anticipated recession on permit volumes and associated revenues. Revenues associated with development will experience a lag before declining as current projects are processed and the development pipeline slows.

Charges for Services are projected to be within ten percent of budget. Significant impacts are expected to several revenue streams for the remainder of FY 19-20 and for FY 20-21.

On-street parking revenues have declined by approximately 90% compared to original projections. Impacts for the fiscal year are dependent in part on when that state and city's stay-home orders are lifted. Preliminary estimates for total FY 19-20 losses compared to budget range from \$6.5 to \$8.5 million.

Parking citation revenues have declined by nearly 100%, resulting in a loss of \$0.7 million per month.

Permit and Reserved parking impacts are under review. Because parking permits are renewed on an annual basis, they are not directly impacted by the current shutdown but will be affected by the anticipated recession that follows. Special parking permits, including delivery and other commercial permits, renew in June and are expected to be impacted by deteriorating economic conditions. Renewals for Area Parking Permits are staggered throughout the year, with the next major renewal (Central Eastside) occurring in May.

Impacts to Reserved Parking, or Temporary Street Use Permits, are also under review. Short-term cash flow was impacted by delays in processing permits as the bureau transitioned staff to work from home. PBOT anticipates higher exposure in the near-term to metered area reserved parking, which is paid on a day-rate and therefore linked to more activities that will be cancelled while stay-home orders remain in effect. Barricade parking and parking operations fees, which are paid on a weekly basis and have stronger links to long-term construction activity, will experience lagging impacts as development slows.

Impacts to fees from utility permits and inspections, land use and building plan reviews, and public works permits are under review. As these are linked to longer-term projects, revenue losses are expected to lag as in-development projects are completed but the development pipeline is reduced.

Intergovernmental revenues are projected to be within ten percent of budget. The bureau continues to evaluate the impacts of intergovernmental losses on the current year and financial forecast. Revenues from the State Highway Fund are impacted by reductions in motor fuels sales, weight-mile taxes and DMV fees (i.e. driver's licenses, auto registrations), which are experiencing varying levels of losses on differing timelines. Data from ODOT shows statewide vehicle traffic is down 40% compared to baseline expectations, translating to a comparable decline in revenue from gas taxes. Weight-mile taxes from heavy trucking are experiencing a smaller decline of 10%. Both are expected to experience a recovery to normal recessionary levels, with weight-mile taxes experiencing a slower recovery. DMV fees will see delayed impacts as current economic conditions reduce future vehicle sales and therefore registration fees. Under ODOT's baseline forecast, losses for the current fiscal year are estimated at \$5.1 million compared to the FY 19-20 budget. This baseline assumes a recovery beginning in late May, resulting in lower losses for the month of June.

Interagency revenues are projected to be within ten percent of budget.

Fund Transfers- Revenue are projected to be within ten percent of budget.

Bond and Note Proceeds are projected to be 55% of budget. The shortfall is due to project delays with capital projects for which bond funding is planned, but bonds have not been issued.

Miscellaneous revenues are projected to be approximately \$1.9 million over budget. The variance is primarily due to higher interest earnings due to higher than budgeted cash balances and interest rates.

Revenue Risks

The bureau is encountering unprecedented uncertainty to revenues due to policy responses to COVID-19. Total losses will depend largely on the length of time lockdown orders are in effect, and the rate at which the economy recovers. As such, there is significant variability between optimistic and pessimistic scenarios.

Expenditure Discussion

Business Area Projection Report

Total Personnel Services are projected to be within ten percent of budget. In response to the current crisis, PBOT has taken several immediate steps to reduce personnel expense: hiring of non-critical positions has been suspended; and the bureau has anticipated three unpaid furlough days for non-represented employees through the end of FY 19-20. Further savings are projected in FY 20-21 through an additional seven unpaid furlough days for non-represented employees, along with the suspension of COLA and merit increases. The ten furlough days included in these projections can be taken at any time between now and October 14. The 3/7 split between fiscal years is for projection purposes only, not a declared timeline for when the days will be taken.

Total External Material & Services are projected to be within ten percent of budget. In response to the current crisis, the bureau has frozen all discretionary expenditures on materials.

Total Internal Material & Services are projected to be within ten percent of budget. A portion of this savings is due to reduced interagency expenditures for some paving activities, which will be accompanied by a reduction in interagency revenues.

Total Capital Outlay is projected to be 26% of budget. Construction on several major projects has been impacted by the state's lockdown measures in response to COVID-19.

Unappropriated Ending Fund Balance is projected to be \$246,193,512. The increase over the FY 19-20 revised budget is due to underspending on capital projects. These under-spent funds will be carried forward into FY 20-21.

Expenditure Risks

As with revenues, expenditures face significant uncertainty in the current crisis. Added costs from crisis response are being tracked in accordance with citywide guidance.

Other Notes

Business Area Projection Report

Portland Bureau of Transportation - Fund 200

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|---------------------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Capital Outlay | 130,466,096 | -13,750,000 | 116,716,096 | -12% | 19,898,947 | 22,893,678 | 30,524,904 | 26% |
| Contingency | 159,131,911 | -1,180,217 | 157,951,694 | -1% | 0 | 0 | 246,193,512 | 156% |
| Debt Service | 17,265,422 | 3,333,500 | 20,598,922 | 16% | 5,801,828 | 9,369,178 | 17,265,422 | 84% |
| External Materials and Services | 74,054,797 | 10,210,078 | 84,264,875 | 12% | 40,325,414 | 55,089,546 | 76,786,227 | 91% |
| Fund Transfers - Expense | 16,648,647 | -3,333,500 | 13,315,147 | -25% | 10,565,620 | 14,440,597 | 13,315,147 | 100% |
| Internal Materials and Services | 33,337,357 | -342,230 | 32,995,127 | -1% | 21,761,082 | 23,742,485 | 31,656,647 | 96% |
| Personnel | 122,287,210 | 5,569,369 | 127,856,579 | 4% | 76,528,736 | 86,239,504 | 114,986,005 | 90% |
| Sum: | 553,191,440 | 507,000 | 553,698,440 | 0% | 174,881,626 | 211,774,987 | 530,727,864 | 96% |

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|-------------------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Beginning Fund Balance | 258,804,298 | 0 | 258,804,298 | 0% | 0 | 0 | 258,804,300 | 100% |
| Bond & Note Proceeds | 15,438,121 | 0 | 15,438,121 | 0% | 8,500,000 | 8,500,000 | 8,500,000 | 55% |
| Charges for Services | 79,170,532 | 0 | 79,170,532 | 0% | 52,980,520 | 57,688,719 | 73,431,680 | 93% |
| Fund Transfers - Revenue | 30,585,718 | 500,000 | 31,085,718 | 2% | 14,160,813 | 17,725,218 | 31,085,718 | 100% |
| General Fund Discretionary | 0 | 0 | 0 | #DIV/0 | 0 | 0 | 0 | |
| Interagency Revenue | 33,512,378 | 7,000 | 33,519,378 | 0% | 20,491,730 | 23,376,801 | 31,169,048 | 93% |
| Intergovernmental | 94,051,771 | 0 | 94,051,771 | 0% | 51,392,799 | 56,613,008 | 88,480,648 | 94% |
| Licenses & Permits | 16,102,192 | 0 | 16,102,192 | 0% | 10,684,924 | 11,649,825 | 14,793,060 | 92% |
| Miscellaneous | 4,126,430 | 0 | 4,126,430 | 0% | 5,178,609 | 6,068,370 | 6,068,370 | 147% |
| Miscellaneous Fund Allocation | 0 | 0 | 0 | #DIV/0 | 0 | 0 | 0 | |
| Taxes | 21,400,000 | 0 | 21,400,000 | 0% | 11,339,500 | 12,718,081 | 18,395,000 | 86% |
| Sum: | 553,191,440 | 507,000 | 553,698,440 | 0% | 174,728,895 | 194,340,023 | 530,727,824 | 96% |

Business Area Projection Report

| | | | | | | | |
|---------------|-----------|---------------|----|----------------|---------------|-----|--|
| Sum: | | | | 349,610,521.15 | | | |
| 1,106,382,880 | 1,014,000 | 1,107,396,880 | 0% | 406,115,011 | 1,061,455,688 | 96% | |
| Sum: | | | | 349,610,521.15 | | | |

Revenue Discussion

Beginning Fund Balance matches the balance included in the FY 2018-19 CAFR's ending fund balance.

Tax revenues are projected to be 86% of budget. Revenues from the 10-cent local gas tax are expected to be significantly impacted by the state's closure of non-essential businesses. Estimates are based on ODOT's statewide projections for fuel sales, scaled to local traffic impacts. Projections assume losses of 21% in March; 50% in April; 38% in May and 21% in June. Heavy Vehicle Use Tax projections reflect estimated transfers from the Bureau of Revenue and Financial Services through year-end.

License and Permit revenues are projected to be within ten percent of budget. The bureau is currently evaluating the impacts of the current shutdown and anticipated recession on permit volumes and associated revenues. Revenues associated with development will experience a lag before declining as current projects are processed and the development pipeline slows.

Charges for Services are projected to be within ten percent of budget. Significant impacts are expected to several revenue streams for the remainder of FY 19-20 and for FY 20-21.

On-street parking revenues have declined by approximately 90% compared to original projections. Impacts for the fiscal year are dependent in part on when that state and city's stay-home orders are lifted. Preliminary estimates for total FY 19-20 losses compared to budget range from \$6.5 to \$8.5 million.

Parking citation revenues have declined by nearly 100%, resulting in a loss of \$0.7 million per month.

Permit and Reserved parking impacts are under review. Because parking permits are renewed on an annual basis, they are not directly impacted by the current shutdown but will be affected by the anticipated recession that follows. Special parking permits, including delivery and other commercial permits, renew in June and are expected to be impacted by deteriorating economic conditions. Renewals for Area Parking Permits are staggered throughout the year, with the next major renewal (Central Eastside) occurring in May.

Impacts to Reserved Parking, or Temporary Street Use Permits, are also under review. Short-term cash flow was impacted by delays in processing permits as the bureau transitioned staff to work from home. PBOT anticipates higher exposure in the near-term to metered area reserved parking, which is paid on a day-rate and therefore linked to more activities that will be cancelled while stay-home orders remain in effect. Barricade parking and parking operations fees, which are paid on a weekly basis and have stronger links to long-term construction activity, will experience lagging impacts as development slows.

Impacts to fees from utility permits and inspections, land use and building plan reviews, and public works permits are under review. As these are linked to longer-term projects, revenue losses are expected to lag as in-development projects are completed but the development pipeline is reduced.

Intergovernmental revenues are projected to be within ten percent of budget. The bureau continues to evaluate the impacts of intergovernmental losses on the current year and financial forecast. Revenues from the State Highway Fund are impacted by reductions in motor fuels sales, weight-mile taxes and DMV fees (i.e. driver's licenses, auto registrations), which are experiencing varying levels of losses on

Business Area Projection Report

differing timelines. Data from ODOT shows statewide vehicle traffic is down 40% compared to baseline expectations, translating to a comparable decline in revenue from gas taxes. Weight-mile taxes from heavy trucking are experiencing a smaller decline of 10%. Both are expected to experience a recovery to normal recessionary levels, with weight-mile taxes experiencing a slower recovery. DMV fees will see delayed impacts as current economic conditions reduce future vehicle sales and therefore registration fees. Under ODOT's baseline forecast, losses for the current fiscal year are estimated at \$5.1 million compared to the FY 19-20 budget. This baseline assumes a recovery beginning in late May, resulting in lower losses for the month of June.

Interagency revenues are projected to be within ten percent of budget.

Fund Transfers- Revenue are projected to be within ten percent of budget.

Bond and Note Proceeds are projected to be 55% of budget. The shortfall is due to project delays with capital projects for which bond funding is planned, but bonds have not been issued.

Miscellaneous revenues are projected to be approximately \$1.9 million over budget. The variance is primarily due to higher interest earnings due to higher than budgeted cash balances and interest rates.

Revenue Risks

The bureau is encountering unprecedented uncertainty to revenues due to policy responses to COVID-19. Total losses will depend largely on the length of time lockdown orders are in effect, and the rate at which the economy recovers. As such, there is significant variability between optimistic and pessimistic scenarios.

Expenditure Discussion

Total Personnel Services are projected to be within ten percent of budget. In response to the current crisis, PBOT has taken several immediate steps to reduce personnel expense: hiring of non-critical positions has been suspended; and the bureau has anticipated three unpaid furlough days for non-represented employees through the end of FY 19-20. Further savings are projected in FY 20-21 through an additional seven unpaid furlough days for non-represented employees, along with the suspension of COLA and merit increases. The ten furlough days included in these projections can be taken at any time between now and October 14. The 3/7 split between fiscal years is for projection purposes only, not a declared timeline for when the days will be taken.

Total External Material & Services are projected to be within ten percent of budget. In response to the current crisis, the bureau has frozen all discretionary expenditures on materials.

Total Internal Material & Services are projected to be within ten percent of budget. A portion of this savings is due to reduced interagency expenditures for some paving activities, which will be accompanied by a reduction in interagency revenues.

Total Capital Outlay is projected to be 26% of budget. Construction on several major projects has been impacted by the state's lockdown measures in response to COVID-19.

Unappropriated Ending Fund Balance is projected to be \$246,193,512. The increase over the FY 19-20 revised budget is due to underspending on capital projects. These under-spent funds will be carried forward into FY 20-21.

Expenditure Risks

As with revenues, expenditures face significant uncertainty in the current crisis. Added costs from crisis response are being tracked in accordance with citywide guidance.

Other Notes

Business Area Projection Report

Business Area Projection Report

Portland Bureau of Transportation - Fund 606

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|---------------------------------|-----------------------------------|------------------------------|------------------------------|---|
| Capital Outlay | 6,991,688 | 3,152,008 | 3,891,688 | 56% |
| Contingency | 4,671,756 | 0 | 6,989,473 | 150% |
| Debt Service | 1,768,061 | 1,768,061 | 1,768,061 | 100% |
| External Materials and Services | 7,732,629 | 3,916,991 | 8,814,912 | 114% |
| Fund Transfers - Expense | 1,024,508 | 156,762 | 1,024,508 | 100% |
| Internal Materials and Services | 2,184,745 | 1,683,550 | 2,159,745 | 99% |
| Personnel | 810,600 | 494,333 | 700,000 | 86% |
| Sum: | 25,183,987 | 11,171,704 | 25,348,387 | 101% |

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|------------------------|-----------------------------------|------------------------------|------------------------------|---|
| Beginning Fund Balance | 12,790,806 | 0 | 12,790,806 | 100% |
| Charges for Services | 11,197,900 | 10,462,103 | 11,197,900 | 100% |
| Interagency Revenue | 1,095,281 | 875,245 | 1,095,281 | 100% |
| Miscellaneous | 100,000 | 240,127 | 300,000 | 300% |
| Sum: | 25,183,987 | 11,577,474 | 25,383,987 | 101% |

Revenue Discussion

Beginning Fund Balance matches the ending fund balance in the FY 2018-2019 CAFR. This was projected to be within ten percent of budget. This was updated as part of the Fall BMP. Service charges and fees are project to be 20% below budget. Revenues from parking fees has been reduced by 85-90% below forecast due to the impact related to COVID-19. Rents in the parking garage's retail space is expected to be 25-30% below budget. This is due to the mayor's three-month rent deferral option on city owned retail space. Impacts for the fiscal year are dependent in part on when that state and city's stay-home orders are lifted.

Miscellaneous revenues are projected to be over 200% above budget due to higher interest revenue. The higher interest revenue is a result of a higher beginning fund balance. The beginning fund balance is 235% over the FY 19-20 requested budget. This is due to delays in major maintenance in FY 18-19.

Revenue Risks

The bureau is encountering unprecedented uncertainty to revenues due to policy responses to COVID-19. Total losses will depend largely on the length of time lockdown orders are in effect, and the rate at which the economy recovers. As such, there is significant variability between optimistic and pessimistic scenarios.

Expenditure Discussion

Business Area Projection Report

Personal Services is expected to be within 10% of budget. There was a vacant position that was not filled and subsequently removed from the FY 20-21 requested budget. In response to the current crisis, PBOT has taken several immediate steps to reduce personnel expense: hiring of non-critical positions has been suspended; and the bureau has anticipated three unpaid furlough days for non-represented employees through the end of FY 19-20. Further savings are projected in FY 20-21 through an additional seven unpaid furlough days for non-represented employees, along with the suspension of COLA and merit increases. The ten furlough days included in these projections can be taken at any time between now and October 14. The 3/7 split between fiscal years is for projection purposes only, not a declared timeline for when the days will be taken. Total External Materials and Services is expected to be 10% below budget. This mostly can be attributed to delays in major maintenance projects. In response to the current crisis, the bureau has frozen all discretionary expenditures on materials. Internal Materials and Services is expected to be 55-60% below budget. This is also primarily due to delays in major maintenance projects. Capital Outlay will be 20-25% below budget due to a delay in a technology upgrade on the pay stations. Other Fund transfers is expected to be 158% over budget. This is the result of an agreement within PBOT for the parking facilities fund to transfer 500,000 in FY 19-20 to parking enforcement. Parking enforcement will use these funds to pay for improvements on their new office space, which will be in the Naito & Davis SmartPark garage. Contingency is expected to be 33% over budget. This is due to the delay of the above-mentioned project and major maintenance.

Expenditure Risks

COVID-19 is having a much smaller impact on the variable of expense risk in the parking garages. Fund level expenses such as cash transfers and debt services will continue to be incurred regardless of operations. The fund has already incurred approximately 70% of these costs. The capital improvement project at the 10th and Yamhill garage will continue until completion. Further delays on this project and other major maintenance work are the main sources of risk to the expenditure forecast. Operational expenses such as security and janitorial must continue throughout the downturn in order to protect and maintain the city's assets.

Other Notes

Business Area Projection Report

Portland Bureau of Transportation - Fund 606

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|---------------------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Capital Outlay | 4,991,688 | 2,000,000 | 6,991,688 | 29% | 2,744,776 | 3,152,008 | 3,891,688 | 56% |
| Contingency | 5,236,742 | -564,986 | 4,671,756 | -12% | 0 | 0 | 6,989,473 | 150% |
| Debt Service | 1,768,061 | 0 | 1,768,061 | 0% | 1,768,061 | 1,768,061 | 1,768,061 | 100% |
| External Materials and Services | 9,832,629 | -2,100,000 | 7,732,629 | -27% | 3,426,712 | 3,916,991 | 8,814,912 | 114% |
| Fund Transfers - Expense | 524,508 | 500,000 | 1,024,508 | 49% | 139,344 | 156,762 | 1,024,508 | 100% |
| Internal Materials and Services | 5,018,834 | -2,834,089 | 2,184,745 | -130% | 1,571,816 | 1,683,550 | 2,159,745 | 99% |
| Personnel | 735,600 | 75,000 | 810,600 | 9% | 425,430 | 494,333 | 700,000 | 86% |
| Sum: | 28,108,062 | -2,924,075 | 25,183,987 | -12% | 10,076,139 | 11,171,704 | 25,348,387 | 101% |

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|------------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Beginning Fund Balance | 12,958,451 | -167,645 | 12,790,806 | -1% | 0 | 0 | 12,790,806 | 100% |
| Charges for Services | 13,954,330 | -2,756,430 | 11,197,900 | -25% | 9,620,884 | 10,462,103 | 11,197,900 | 100% |
| Interagency Revenue | 1,095,281 | 0 | 1,095,281 | 0% | 775,085 | 875,245 | 1,095,281 | 100% |
| Miscellaneous | 100,000 | 0 | 100,000 | 0% | 215,826 | 240,127 | 300,000 | 300% |
| Sum: | 28,108,062 | -2,924,075 | 25,183,987 | -12% | 10,611,795 | 11,577,474 | 25,383,987 | 101% |
| Sum: | | | | | 20,687,934.5 | | | |
| | | | | | | | | |
| | 56,216,124 | -5,848,150 | 50,367,974 | -12% | | 22,749,179 | 50,732,374 | 101% |
| Sum: | | | | | 20,687,934.5 | | | |

Revenue Discussion

Business Area Projection Report

Beginning Fund Balance matches the ending fund balance in the FY 2018-2019 CAFR. This was projected to be within ten percent of budget. This was updated as part of the Fall BMP. Service charges and fees are project to be 20% below budget. Revenues from parking fees has been reduced by 85-90% below forecast due to the impact related to COVID-19. Rents in the parking garage's retail space is expected to be 25-30% below budget. This is due to the mayor's three-month rent deferral option on city owned retail space. Impacts for the fiscal year are dependent in part on when that state and city's stay-home orders are lifted.

Miscellaneous revenues are projected to be over 200% above budget due to higher interest revenue. The higher interest revenue is a result of a higher beginning fund balance. The beginning fund balance is 235% over the FY 19-20 requested budget. This is due to delays in major maintenance in FY 18-19.

Revenue Risks

The bureau is encountering unprecedented uncertainty to revenues due to policy responses to COVID-19. Total losses will depend largely on the length of time lockdown orders are in effect, and the rate at which the economy recovers. As such, there is significant variability between optimistic and pessimistic scenarios.

Expenditure Discussion

Personal Services is expected to be within 10% of budget. There was a vacant position that was not filled and subsequently removed from the FY 20-21 requested budget. In response to the current crisis, PBOT has taken several immediate steps to reduce personnel expense: hiring of non-critical positions has been suspended; and the bureau has anticipated three unpaid furlough days for non-represented employees through the end of FY 19-20. Further savings are projected in FY 20-21 through an additional seven unpaid furlough days for non-represented employees, along with the suspension of COLA and merit increases. The ten furlough days included in these projections can be taken at any time between now and October 14. The 3/7 split between fiscal years is for projection purposes only, not a declared timeline for when the days will be taken. Total External Materials and Services is expected to be 10% below budget. This mostly can be attributed to delays in major maintenance projects. In response to the current crisis, the bureau has frozen all discretionary expenditures on materials. Internal Materials and Services is expected to be 55-60% below budget. This is also primarily due to delays in major maintenance projects. Capital Outlay will be 20-25% below budget due to a delay in a technology upgrade on the pay stations. Other Fund transfers is expected to be 158% over budget. This is the result of an agreement within PBOT for the parking facilities fund to transfer 500,000 in FY 19-20 to parking enforcement. Parking enforcement will use these funds to pay for improvements on their new office space, which will be in the Naito & Davis SmartPark garage. Contingency is expected to be 33% over budget. This is due to the delay of the above-mentioned project and major maintenance.

Expenditure Risks

COVID-19 is having a much smaller impact on the variable of expense risk in the parking garages. Fund level expenses such as cash transfers and debt services will continue to be incurred regardless of operations. The fund has already incurred approximately 70% of these costs. The capital improvement project at the 10th and Yamhill garage will continue until completion. Further delays on this project and other major maintenance work are the main sources of risk to the expenditure forecast. Operational expenses such as security and janitorial must continue throughout the downturn in order to protect and maintain the city's assets.

Other Notes

Business Area Projection Report

Portland Bureau of Transportation - Fund 212

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|--------------|-----------------------------------|------------------------------|------------------------------|---|
| Contingency | 8,340,523 | 0 | 8,405,363 | 101% |
| Sum: | 8,340,523 | 0 | 8,405,363 | 101% |

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|--------------------------|-----------------------------------|------------------------------|------------------------------|---|
| Beginning Fund Balance | 7,580,523 | 0 | 7,580,323 | 100% |
| Fund Transfers - Revenue | 700,000 | 700,000 | 700,000 | 100% |
| Miscellaneous | 60,000 | 124,840 | 124,840 | 208% |
| Sum: | 8,340,523 | 824,840 | 8,405,163 | 101% |

Revenue Discussion

Beginning Fund Balance is projected to be on budget.

Miscellaneous revenues are projected to be \$64,840 higher than budget due to interest earnings.

Fund Transfers – Revenue is projected to be on budget.

Revenue Risks

None. Projections reflect funds received to date.

Expenditure Discussion

Requirements are projected to be unspent. FY 19-20 Ending Fund Balance is projected to be \$8,405,363, which is \$64,840 higher than budgeted. The increase in balance is due to higher than budgeted interest earnings.

Expenditure Risks

The bureau's reserve fund is intended to cover shortfalls arising from emergencies and economic downturns. The five-year forecast update will evaluate the extent to which the Reserve Fund will be required.

Other Notes

Business Area Projection Report

Portland Bureau of Transportation - Fund 212

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|--------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Contingency | 8,340,523 | 0 | 8,340,523 | 0% | 0 | 0 | 8,405,363 | 101% |
| Sum: | 8,340,523 | 0 | 8,340,523 | 0% | 0 | 0 | 8,405,363 | 101% |

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|--------------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Beginning Fund Balance | 7,580,523 | 0 | 7,580,523 | 0% | 0 | 0 | 7,580,323 | 100% |
| Fund Transfers - Revenue | 700,000 | 0 | 700,000 | 0% | 700,000 | 700,000 | 700,000 | 100% |
| Miscellaneous | 60,000 | 0 | 60,000 | 0% | 110,797 | 124,840 | 124,840 | 208% |
| Sum: | 8,340,523 | 0 | 8,340,523 | 0% | 810,797 | 824,840 | 8,405,163 | 101% |

Sum: 810,797.03

| | | | | | | | |
|-------------------|----------|-------------------|-----------|--|-------------------|-------------------|-------------|
| 16,681,046 | 0 | 16,681,046 | 0% | | 824,840 | 16,810,526 | 101% |
| Sum: | | | | | 810,797.03 | | |

Revenue Discussion

Beginning Fund Balance is projected to be on budget.

Miscellaneous revenues are projected to be \$64,840 higher than budget due to interest earnings.

Fund Transfers – Revenue is projected to be on budget.

Revenue Risks

None. Projections reflect funds received to date.

Expenditure Discussion

Business Area Projection Report

Requirements are projected to be unspent. FY 19-20 Ending Fund Balance is projected to be \$8,405,363, which is \$64,840 higher than budgeted. The increase in balance is due to higher than budgeted interest earnings.

Expenditure Risks

The bureau's reserve fund is intended to cover shortfalls arising from emergencies and economic downturns. The five-year forecast update will evaluate the extent to which the Reserve Fund will be required.

Other Notes

Business Area Projection Report

Portland Bureau of Transportation - Fund 217

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|---------------------------------|-----------------------------------|------------------------------|------------------------------|---|
| Capital Outlay | 28,265,103 | 8,098,041 | 11,817,413 | 42% |
| External Materials and Services | 4,316,454 | 1,220,484 | 1,627,312 | 38% |
| Internal Materials and Services | 5,404,403 | 2,413,344 | 3,217,792 | 60% |
| Personnel | 7,416,865 | 2,909,389 | 3,879,185 | 52% |
| Sum: | 45,402,825 | 14,641,257 | 20,541,702 | 45% |

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|-------------------|-----------------------------------|------------------------------|------------------------------|---|
| Intergovernmental | 45,402,825 | 11,768,104 | 20,503,207 | 45% |
| Miscellaneous | 0 | 28,871 | 38,495 | #DIV/0 |
| Sum: | 45,402,825 | 11,796,976 | 20,541,702 | 45% |

Revenue Discussion

Intergovernmental revenues are projected to be 45% of budget. The variance in revenues reflects lower projected spending on projects.

Miscellaneous revenues are projected to be \$38,495 due to interest earnings.

Revenue Risks

Expenditure Discussion

Total Personnel Services are projected to be 52% of budget. Progress on grant-funded projects has been slower than planned.

Total External Material & Services are projected to be 38% of budget. Progress on grant-funded projects has been slower than planned.

Total Internal Material & Services are projected to be 60% of budget. Progress on grant-funded projects has been slower than planned.

Total Capital Outlay is projected to be 42% of budget. Progress on grant-funded projects has been slower than planned.

Ending Fund Balance is projected to be zero.

Expenditure Risks

Construction progress has been impacted by the city's current state of emergency.

Other Notes

Business Area Projection Report

Portland Bureau of Transportation - Fund 217

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|---------------------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Capital Outlay | 28,365,103 | -100,000 | 28,265,103 | 0% | 7,202,975 | 8,098,041 | 11,817,413 | 42% |
| External Materials and Services | 4,666,454 | -350,000 | 4,316,454 | -8% | 982,915 | 1,220,484 | 1,627,312 | 38% |
| Internal Materials and Services | 5,404,403 | 0 | 5,404,403 | 0% | 1,526,927 | 2,413,344 | 3,217,792 | 60% |
| Personnel | 6,966,865 | 450,000 | 7,416,865 | 6% | 2,511,885 | 2,909,389 | 3,879,185 | 52% |
| Sum: | 45,402,825 | 0 | 45,402,825 | 0% | 12,224,703 | 14,641,257 | 20,541,702 | 45% |

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|-------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Intergovernmental | 45,402,825 | 0 | 45,402,825 | 0% | 11,702,657 | 11,768,104 | 20,503,207 | 45% |
| Miscellaneous | 0 | 0 | 0 | #DIV/0 | 25,778 | 28,871 | 38,495 | #DIV/0 |
| Sum: | 45,402,825 | 0 | 45,402,825 | 0% | 11,728,435 | 11,796,976 | 20,541,702 | 45% |
| Sum: | | | | | 23,953,137.21 | | | |

| | | | | | | | | |
|-------------|-------------------|----------|-------------------|-----------|----------------------|-------------------|-------------------|------------|
| | 90,805,650 | 0 | 90,805,650 | 0% | | 26,438,233 | 41,083,404 | 45% |
| Sum: | | | | | 23,953,137.21 | | | |

Revenue Discussion

Intergovernmental revenues are projected to be 45% of budget. The variance in revenues reflects lower projected spending on projects.

Miscellaneous revenues are projected to be \$38,495 due to interest earnings.

Revenue Risks

Expenditure Discussion

Business Area Projection Report

Total Personnel Services are projected to be 52% of budget. Progress on grant-funded projects has been slower than planned.

Total External Material & Services are projected to be 38% of budget. Progress on grant-funded projects has been slower than planned.

Total Internal Material & Services are projected to be 60% of budget. Progress on grant-funded projects has been slower than planned.

Total Capital Outlay is projected to be 42% of budget. Progress on grant-funded projects has been slower than planned.

Ending Fund Balance is projected to be zero.

Expenditure Risks

Construction progress has been impacted by the city's current state of emergency.

Other Notes

Business Area Projection Report

Portland Bureau of Transportation - Fund 308

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|-----------------------|-----------------------------------|------------------------------|------------------------------|---|
| Debt Service | 1,743,750 | 1,743,750 | 1,743,750 | 100% |
| Debt Service Reserves | 1,673,047 | 0 | 1,673,047 | 100% |
| Sum: | 3,416,797 | 1,743,750 | 3,416,797 | 100% |

| Major Object | 2019-20 SPRING Requested Total | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Requested Total |
|--------------------------|-----------------------------------|------------------------------|------------------------------|---|
| Beginning Fund Balance | 1,673,047 | 0 | 1,723,027 | 103% |
| Fund Transfers - Revenue | 1,743,750 | 1,672,764 | 1,743,750 | 100% |
| Miscellaneous | 0 | 24,371 | 24,371 | #DIV/0 |
| Sum: | 3,416,797 | 1,697,135 | 3,491,148 | 102% |

Revenue Discussion

Beginning Fund Balance is higher than budget by \$49,980 due to accumulated interest earnings. Funds will be applied to planned redemption of the bonds in FY 20-21.

Miscellaneous is projected to be over budget by \$24,371 due to unbudgeted interest income. Funds will be applied to planned redemption of the bonds in FY 20-21.

Revenue Risks

Expenditure Discussion

Expenditures are projected to be on budget.

Expenditure Risks

Other Notes

Business Area Projection Report

Portland Bureau of Transportation - Fund 308

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|-----------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Debt Service | 1,743,750 | 0 | 1,743,750 | 0% | 1,743,750 | 1,743,750 | 1,743,750 | 100% |
| Debt Service Reserves | 1,673,047 | 0 | 1,673,047 | 0% | 0 | 0 | 1,673,047 | 100% |
| Sum: | 3,416,797 | 0 | 3,416,797 | 0% | 1,743,750 | 1,743,750 | 3,416,797 | 100% |

| Major Object | 2019-20 SPRING Revised Base | 2019-20 SPRING Total ADJ | 2019-20 SPRING Requested Total | Requested Adjustment as % of Total Requested Budget | 2019-20 February Actuals YTD | 2019-20 March Actuals YTD | 2019-20 SPRING Projection | % Projected Actuals to Budget |
|--------------------------|-----------------------------------|--------------------------------|---|---|------------------------------------|------------------------------|---------------------------------|----------------------------------|
| Beginning Fund Balance | 1,673,047 | 0 | 1,673,047 | 0% | 0 | 0 | 1,723,027 | 103% |
| Fund Transfers - Revenue | 1,743,750 | 0 | 1,743,750 | 0% | 1,672,764 | 1,672,764 | 1,743,750 | 100% |
| Miscellaneous | 0 | 0 | 0 | #DIV/0 | 21,567 | 24,371 | 24,371 | #DIV/0 |
| Sum: | 3,416,797 | 0 | 3,416,797 | 0% | 1,694,331 | 1,697,135 | 3,491,148 | 102% |
| Sum: | | | | | 3,438,081.03 | | | |

| | | | | | | | | |
|-------------|------------------|----------|------------------|-----------|---------------------|------------------|------------------|-------------|
| | 6,833,594 | 0 | 6,833,594 | 0% | | 3,440,885 | 6,907,945 | 101% |
| Sum: | | | | | 3,438,081.03 | | | |

Revenue Discussion

Beginning Fund Balance is higher than budget by \$49,980 due to accumulated interest earnings. Funds will be applied to planned redemption of the bonds in FY 20-21.

Miscellaneous is projected to be over budget by \$24,371 due to unbudgeted interest income. Funds will be applied to planned redemption of the bonds in FY 20-21.

Revenue Risks

Expenditure Discussion

Business Area Projection Report

Expenditures are projected to be on budget.

Expenditure Risks

Other Notes