Legislative/Nominating Committee Agenda
April 28, 2023

MEMBERS
Mayor Kate Snyder, Chair
Councilor April Fournier
Councilor Pious Ali
Councilor Regina Phillips

REMOTE ACCESS INFORMATION:

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For public comment via Zoom, you will need to use the "raise your hand" feature. To raise your hand via the telephone, please hit *9. You will be unmuted by the host when it is time for public comment.

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I. Call to Order

II. Approval of Meeting minutes

a. Minutes from April 25, 2023

III. Delegation/Committee Discussion

a. Discussion: Upcoming General Assistance Bills

b. Discussion: Upcoming Housing Bills

c. FY24 Budget Update (Danielle West, Interim City Manager)

IV. Other Business

V. Adjournment

Legislative/Nominating Committee Minutes
April 25, 2023

MEMBERS
Mayor Kate Snyder, Chair
Councilor April Fournier
Councilor Pious Ali
Councilor Regina Phillips

I. Call to Order

Mayor Snyder (Chair) called the meeting to order at 8:02am. In attendance were Councilor Regina Phillips, Councilor April Fournier, Kate Knox (Bernstein Shur), Chris Feeney (Bernstein Shur), Dena Libner (Chief of Staff), Danielle West (Interim City Manager), Councilor Pious Ali, Alysia Melnick (Bernstein Shur), and Sarah Lentz (School Board Chair).

II. Approval of Meeting minutes

a. Minutes from the meeting of April 18, 2023

Councilor Phillips made a motion to approve the minutes, seconded by Councilor Fournier, vote (4-0).

III. Legislative Update

a. Review: New LDs (Bernstein Shur)

LD 1721: Committee agreed to testify in support of this bill. No public hearing has been scheduled.
LD 1559: Committee members agreed to provide written testimony before the bill's work session.
LD 1480: Committee members agreed to provide written testimony in support.
LD 1634: Committee members agreed to provide written testimony in support.
LD 1664: Committee members agreed to testify in support of this bill at the May 5 public hearing.
LD 1710: Committee requested that it be placed on the tracker.
LD 1690: Committee requested that it be placed on the tracker.
LD 236: Bernstein Shur planned to discuss with Senator Brennan and provide the Committee with additional information.

Chris recommended that LNC review the 10 GA bills scheduled to be heard on May 5, 2023. Bernstein Shur offered to prepare an overview in advance.

b. Review: Legislative Tracker (Bernstein Shur)

LD 1584: A hearing is scheduled for May 1. The Committee agreed to provide testimony in support of this bill.

V. Adjournment

Councilor Fournier made a motion to adjourn the meeting, seconded by Mayor Snyder, vote (3-0, Councilor Ali absent). The meeting adjourned at 8:58am.

Summary of General Assistance Bills to be Heard on May 5th -
City of Portland Reference Sheet

<u>LD 81</u> - "An Act to Address Recovery Residence Participation in the Municipal General Assistance Program"

Sponsor – Representative Michele Meyer

- General Assistance payment to be operator of Recovery Residence instead of landlord.

<u>LD 182</u> - "An Act to Create a 9-month Time Limit on General Assistance Benefits for Able-bodied Adults Without Dependents"

Sponsor - Senator Eric Brakey

- Maximum of 275 days every 5 years the general assistance benefits for a person with no dependents who can work.

<u>LD 183</u> - "An Act to Incorporate Time Limits on the Temporary Assistance for Needy Families Program into Municipal General Assistance Programs" *Sponsor - Senator Eric Brakey*

- Person who exhausted lifetime limit for TANF benefits will be ineligible for Municipal General Assistance benefits.

<u>LD 268</u> - "An Act to Establish a 45-day Municipal Residency Requirement for General Assistance Programs"

Sponsor - Senator Eric Brakey

- This bill establishes a 45-day residency requirement for applicants for municipal general assistance.

<u>LD 364</u> - "An Act to Prohibit the Use of General Assistance as a Replacement for Available Resources"

Sponsor - Senator Eric Brakey

- Person who refuses to use available resources will be deemed ineligible for General Assistance benefits.

<u>LD 454</u> - "An Act to Establish a 180-day State Residency Requirement for Municipal General Assistance"

Sponsor - Senator Eric Brakey

- This bill establishes a 180-day state residency requirement for applicants for municipal general assistance.

<u>LD 1426</u> - "An Act to Secure Housing for the Most Vulnerable Maine Residents by Amending the Laws Governing Municipal General Assistance" *Sponsor - Representative Kristi Mathieson*

- Overseer to be trained on General Assistance program.
- Replaces fair market value with no less than difference between income and 110% of area fair market rent.
- If GA is being used to pay rent for an applicant with lease an overseer may determine applicant's eligibility annually.
- Increases from 70% to 90% the amount reimbursement for costs of GA incurred by municipality and Indian tribe.
- Directs DHHS to reimburse municipality for 5% of the costs of paying benefits incurred through its GA program.
- Directs DHHS to provide overseers with access to database for tracking applicants for the GA program and expenses.
- Requires the DHHS to provide assistance processing applications for the GA program and establishes a 24 hour hotline to overseers and to respond to requests for assistance within 24 hours.

<u>LD 1664</u> - "An Act to Increase Reimbursement Under the General Assistance Program" – SUPPORT

Sponsor - Senator Marianne Moore

- Increases, from 70% to 90%, the reimbursement for the costs of GA incurred by each municipality and Indian tribe.

<u>LD 1675</u> - "An Act to Amend the Laws Governing the General Assistance Program Regarding Eligibility, Housing Assistance and State Reimbursement and to Establish a Working Group" - SUPPORT

Sponsor - Representative Michael Brennan

- This bill amends the law for the GA program to provide that a municipality must calculate housing assistance equivalent to rental assistance under Section 8. The bill extends eligibility from 1 to 6 months. When a municipality incurs GA costs in excess of 0.008% of state valuation relative to fiscal year for which reimbursement is being issued, the DHHS must reimburse for 90% of the amount. The bill also sets up a working group.

LD 1732 - "An Act to Expand the General Assistance Program" - SUPPORT

Sponsor - Representative Michele Meyer

- It requires overseers administering the program to complete training within 120 days of election or appointment.
- It requires municipalities to accept applications for general assistance during regular business hours.
- It amends provisions governing the municipality of responsibility to increase the provision of assistance from 30 days to 6 months when a municipality assists in relocating to another community and from 6 to 12 months when an applicant is residing in a group home, or other temporary housing.
- It increases, from 70% to 90%, the amount of state reimbursement for the costs of general assistance incurred by each municipality and Indian tribe. If a municipality elects to determine need without consideration of funds from a controlled trust, the State is to reimburse the municipality for 66 2/3% of the amount in excess of expenditures.
- It provides state reimbursement for additional program costs, including emergency general assistance, temporary housing, interpreter services and administrative expenses.
- It requires the DHHS to provide the services necessary to support municipalities, including education and training for certain state employees, 24-hour technical assistance, written decisions and a database.

LD #	Category	Title	Sponsor	Bill Information	COP Position	Public Hearing	LR #	Notes
81	GA	An Act to Address Recovery Residence Participation in the Municipal General Assistance Program	Meyer	Bill Text	Staff to review	5/5/23 10:00 AM Rm 209 COB	160	
182	GA	An Act to Create a 9-month Time Limit on General Assistance Benefits for Able-bodied Adults Without Dependents	Brakey	Bill Text	Oppose and testify	5/5/23 10:00 AM Rm 209 COB	1564	Staff concerned would great barriers to individuals that rely on GA
183	GA	An Act to Incorporate Time Limits on the Temporary Assistance for Needy Families Program into Municipal General Assistance Programs	Brakey	Bill Text	Oppose and testify	5/5/23 10:00 AM Rm 209 COB	1562	Staff concerned would great barriers to individuals that rely on GA
268	GA	An Act to Establish a 45-day Municipal Residency Requirement for General Assistance Programs	Brakey	Bill Text	Oppose and testify	5/5/23 10:00 AM Rm 209 COB	628	Staff believe this would restrict use and push people onto the streets.
454	GA	An Act to Establish a 180-day State Residency Requirement for Municipal General Assistance	Brakey	Bill Text	Opposed	5/5/23 10:00 AM Rm 209 COB	627	
1426	GA	An Act to Secure Housing for the Most Vulnerable Maine Residents by Amending the Laws Governing Municipal General Assistance	Mathieson	Bill Text	Monitor	5/5/23 10:00 AM Rm 209 COB	656	
1448	GA	An Act to Change the Temporary Assistance for Needy Families Program Requirements by Reducing Benefits Commensurate with a Recipient's Salary, Reducing the Special Housing Allowance and Limiting Eligibility for 2-parent Families	Brakey	Bill Text	Monitor	4/28/23 10:00 AM Rm 209 COB	1574	
2	Housing	An Act to Address Maine's Housing Crisis	Talbot Ross	Bill Text	Monitor	4/4/23 1:00 PM Rm 216 COB	345	
3	Housing	An Act to Establish the Winter Energy Relief Payment Program to Aid Residents with High Heating Costs and to Finalize the COVID Pandemic Relief Payment Program (Emergency)	Talbot Ross	Bill Text	Support/ Submitted testimony	12/21/22 1:00 PM Rm 228 SH	601	
45	Housing	An Act to Prevent Retaliatory Evictions	Carney	Bill Text	Monitor	2/9/23 1:00 PM Rm 438 SH	47	
107	Housing	An Act Regarding Municipal Efforts to Avert Evictions and Heating Shut-offs During Winter (Emergency)	Ankeles	Bill Text	Monitor		491	
226	Housing	An Act to Address Maine's Affordable Housing Crisis	Millet	Bill Text	Monitor	4/14/23 9:01 AM Rm 216 COB	791	
250	Housing	An Act to Improve Housing by Increasing Housing Options	Pouliot	Bill Text	Monitor		1223	
314	Housing	An Act to Establish the Permanent Commission on the Status of Housing in Maine	Hickman	Bill Text	Monitor		2107	
330	Housing	An Act to Ensure Legal Representation for Residents Facing Eviction	Tipping	Bill Text	Monitor	2/16/23 1:00 PM Rm 438 SH	2017	
337	Housing	An Act to Amend the Regulations of Manufactured Housing to Increase Affordable Housing	Golek	Bill Text	Monitor		1984	
388	Housing	An Act to Require the State and Municipalities to Reimburse Landlords for Unpaid Rent During Eviction Moratoriums	Blier	Bill Text	Monitor		876	Given minimal detail re: eligibility and other parameters, this bill is too broad to determine the financial impact or to prevent abuse of such a program
462	Housing	An Act to Assist Persons Experiencing Homelessness in Areas of High Rent by Seeking a Waiver from the Federal Government	Madigan	Bill Text	Monitor	4/14/23 9:00 AM Rm 216 COB	956	
492	Housing	An Act to Repurpose Vacant Shopping Mall and Retail Space to Mixed-use Housing and Retail	Campbell	Bill Text	Monitor		2040	
599	Housing	An Act to Provide Support Services for a Transitional Housing Program for Homeless Persons	Brennan	Bill Text		4/14/23 10:00 AM Rm 209 COB	1507	Bernstein to get more information from sponsor
665	Housing	An Act to Extend the Date by Which Compliance is Required for Affordable Housing Development, Increased Numbers of Dwelling Units and Accessory Dwelling Units	Hepler	Bill Text	Monitor	4/11/23 1:30 PM Rm 216 COB	583	
1074	Housing	An Act to Authorize a General Fund Bond Issue to Fund New Affordable Housing for Low-income Households (Bond)	Daughtry	Bill Text	Monitor	4/25/23 1:00 PM Rm 228 SH	358	
1133	Housing	An Act Regarding Emergency Management Funding for Municipal Shelters	Adams	Bill Text	Monitor		1519	
1293	Housing	An Act to End Chronic Homelessness by Creating the Housing First Fund	Gattine	Bill Text	Support		1836	Testimony
1298	Housing	An Act to Allow a Local Option Sales Tax on Short-term Lodging to Fund Affordable Housing	Skold	Bill Text	Support		2113	Testimony
1310	Housing	An Act to Establish a State Emergency Rental Assistance Program (Emergency)	Warren	Bill Text	Support	4/14/23 9:00 AM Rm 216 COB	663	Testimony
1334	Housing	An Act to Establish a Managed Care Program for MaineCare Services	Millet	Bill Text	Monitor	4/18/23 1:00 PM Rm 209 COB	1205	
1377	Housing	An Act to Provide Rental Assistance for Recovery Housing	Milliken	Bill Text	Monitor		1163	
1538	Housing	An Act to Provide Tax Benefits to Persons Constructing Accessory Dwelling Units	Brenner	Bill Text	Monitor		142	Need staff input
1574	Housing	An Act to Create Rent Stabilization and Amend the Laws Regarding Termination of Tenancy and Rent Increase Limitations	Supica	Bill Text	Monitor		19	Waiting for staff feedback

1593	Housing	An Act to Increase Affordable Housing Development	Chipman	Bill Text	Monitor	4/25/23 1:30 PM Rm 216 COB	1978	Asked for staff feedback

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City of Portland, Maine

City Manager's Recommended Budget

FY24 Budget

July 1, 2023 – June 30, 2024

City of Portland | Executive Department
Danielle P. West, *Interim City Manager*

To: Mayor and Members of the Portland City Council
CC: City of Portland Leadership Team and City Staff
From: Danielle P. West, Interim City Manager
Date: April 24, 2023
Re: City Manager's FY24 Recommended Budget

Pursuant to Article VI, Section 5(e) and Article VII, Sections 5 and 6 of the City of Portland Charter, I am hereby submitting the City Manager's Recommended $332.8 million FY24 Municipal Operating Budget. I'm humbled and honored to continue leading our dedicated group of public servants during this time of transition as they work tirelessly each day to provide excellent municipal services to and for the City of Portland and its residents.

As we continue to work through the realities of post-pandemic life there are several major challenges that we continue to face. Inflation continues to affect all of our departmental budgets in one way or another through higher costs for goods and services, fuel, and labor. We also face significant reductions in revenues including, but not limited to, the expiration of $7.4 million in one-time funding to address asylum seeker related expenditures and an estimated reduction of $1.7 million in State of Maine Revenue Sharing dollars for the upcoming fiscal year. Additionally, we continue to deal with a high number of staff vacancies, roughly 250 over the last year. In order for us to continue performing the high quality of services that our community has come to expect, we must work to reduce and prevent these staff vacancies. This is why the leadership team and I have made the retention and recruitment of staff our top goal for the year.

The other – larger and more unique – challenge we face in Portland is a national one with regional and statewide implications. The State of Maine and the City of Portland continue to attract record numbers of asylum seeking families from the southern U.S. border, as well as California and New York, and circumstantially and chronically homeless individuals, all seeking emergency shelter services. Portland is proud to be a welcoming city, we take our General Assistance (GA) obligation under state law very seriously, and we understand the value and benefits of having new residents in Maine. But we are in a dire situation that we cannot continue to manage on our own. The one time $7.4 million of revenue we received from the State of Maine in FY23 was intended to address what was anticipated to be a temporary increase in asylum seeker intakes and the lack of available housing. But the volume of arrivals and intakes has not declined and instead has continued to increase over the past year. We are now sheltering almost 1,200 people on a nightly basis between our single adult shelter, family shelter, and overflow spaces. As a result, our staff is stretched thin, our shelters are beyond their capacity, we are currently unable to guarantee shelter for any new arrivals, and available permanent housing is extremely limited.

We recently even had to open the James A. Banks Portland Expo building as a temporary emergency shelter. After its first week in operation, we reached capacity with a census of 300 people. We expect to use this space through this summer until a planned transitional housing space by a private developer can open and help alleviate some of the need. I can't stress enough how more transitional housing is needed in communities around the State of Maine other than just Portland as our staff and community partners are at their maximum capacity and we have no other physical locations available to us.

In an effort to not increase the property tax rate too significantly or make major cuts to City services, the Mayor, myself, the City's Legislative Committee, and other members of City staff have been working diligently with our State and Federal delegations, as well as the Governor's Office, to find solutions and alternative sources of funding for increased GA reimbursement, transitional housing for asylum seekers, and resettlement coordination. Due to these circumstances, the budget I'm presenting continues to dedicate a significant amount of money and staff resources to providing social services, emergency shelter, public health, and long-term care to our neediest populations.

It is important to note that under the State's GA law, municipalities are currently reimbursed for 70% of the GA costs described above, and the municipality is required to cover the remaining 30%. There are currently, however, several bills before the State Legislature that seek to increase this reimbursement to 90% in an attempt to avoid further adverse impacts on municipal budgets across the State. In order to present you with a budget within the guidance you provided, this budget includes a presumption that the GA reimbursement formula will change and/or one-time funding will be provided to the City to address the significant needs it faces in response to this dire situation. Therefore, if we do not secure one of these funding sources, we will need to make cuts to core municipal services or push our municipal tax rate increase up to at least 10.4% or more.

Another important factor in our ability to be able to close our budget gap this year is the third installment and use of the federal American Rescue Plan Act (ARPA) funds. As you know, in addition to using ARPA funds to fund specific one-time necessary public priority projects, the City Council approved a phased plan to help cover revenue losses over the course of three budget cycles. We used $8.75 million in FY22 to cover revenue losses, $5.5 million in FY23, and this FY24 recommended budget includes the use of $2.75 million plus pulls in an additional $2 million of ARPA funds which had been intended for use in FY23, but are being held in part for FY24 to help address the revenue shortfall. It's important to note that next year we will not have any significant remaining City ARPA funds to help close any budget gaps we may face.

In addition to revenue losses, GA budget increases, and inflation, we continue to face many other cost increases including debt service costs (an approximately $1.2 million increase in our pension obligation bond debt service alone), Cumberland County's tax, our required METRO contribution, and in contractually obligated union wage increases.

While we always ask our Department Directors to take a hard look at their budgets every year and achieve any cost savings, there are things they need in order to be able to continue to provide core municipal services. Facing a tax rate increase in excess of 14% just to maintain existing levels of those core City services, we were required to make many tough decisions in order to present you with a recommended budget that contains a property tax rate increase lower than inflation.

We worked hard to reduce existing expenses, respond to required full-time equivalent (FTE) employee increases and staffing changes, while at the same time increasing revenue streams to avoid having to cut any existing FTE staff positions. We, however, continue to defer adding most new position requests that were not offset by associated revenues and addressing other needs. In most cases, Department Directors are still struggling with workloads that exceed pre-COVID levels with staff headcounts that are below pre-COVID levels. With very limited exceptions we have been unable to restore or add positions within most Departments. Despite these realities, we have worked to address some of the Council's stated priorities including additional funding for our Justice, Diversity, Equity and Inclusion work, more than doubling our funding for homeless shelter operations (an over 100% increase from $5.25 million in FY23 to in excess of $10.6 million for FY24), significantly increasing investment in other asylum seeker transitional housing options, all while attempting to maintain other levels of core services and not bring forward a tax rate increase above inflation.

In light of all this, I'm presenting you with a recommended budget that includes a **6.1% increase in the tax rate** on the city side of the overall budget with a new city-side mill rate of **$6.96 per $1,000 of assessed property value**. It is important to note that should there be any additional priorities or services the Council would like to address in this year's budget, I felt it most appropriate for those decisions to be made by the Finance Committee/Council during the upcoming budget review process.

To provide some context on changes in the City budget over the last several fiscal years, the following is a chart that outlines the City, County, and School portions of the tax levy since FY16:

FY16 - FY24 City of Portland Tax Levy History & Breakdown							
	MUNICIPAL PORTION				SCHOOL PORTION		OVERALL
Fiscal Year	City Tax Levy	City % of Total	County Tax Levy	County % of Total	School Tax Levy	School % of Total	City of Portland Tax Levy
FY16	$75,785,193	47.6%	$5,240,009	3.3%	$78,073,211	49.1%	$159,098,413
FY17	78,445,570	47.8%	5,417,119	3.3%	80,331,376	48.9%	164,194,065
FY18	80,187,454	47.5%	5,907,743	3.5%	82,787,921	49.0%	168,883,118
FY19	83,323,749	46.9%	6,288,845	3.5%	88,003,431	49.5%	177,616,025
FY20	86,173,337	46.3%	6,640,316	3.6%	93,345,139	50.1%	186,158,792
FY21	86,743,535	46.1%	7,011,159	3.7%	94,338,744	50.2%	188,093,438
FY22	83,867,622	44.1%	7,147,309	3.8%	99,083,251	52.1%	190,098,182
FY23	89,023,703	44.4%	7,563,215	3.8%	103,851,071	51.8%	200,437,989
FY24 Rec	94,353,230	44.0%	9,206,423	4.3%	110,850,008	51.7%	214,409,661
The City portion of the overall tax levy has increased by $18.6M or 24.5% since FY16 (2.8% CAGR)							
The County portion of the overal tax levy has increased by $2.3M or 75.7% since FY16 (11.1% CAGR)*							
The School portion of the overall tax levy has increased by $32.8M or 47.0% since FY16 (4.5% CAGR)							

* Note: FY24 County Tax Levy inludes (and FY25 through FY28 will include) an additional $761,342.80 due to County change to 6/30 year end

CAGR = Compound Annual Growth Rate

FY23 RECAP

While our outlook remains hopeful, I'm cognizant of the toll the pandemic and the current labor market continues to have on our workforce. They have had to do more with less given budget constraints, but also due to major staff vacancies in many of our front-line service departments. We've also had several vacancies in our Department Director positions, which means many staff members have been doing multiple jobs at any one given time.

First, our Health & Human Services Department has faced many challenges this year, but continues to respond impressively when confronted with these complex situations. Despite these challenges, there have also been many proactive successes worthy of highlighting.

The Oxford Street Shelter placed a total of 96 clients, 34 of whom were long-term stayers into permanent housing. The 96 housing placements represent 20,418 bed nights or 56 years. The 34 long-term stayer placements represented 15,394 of those bed nights or 75%. The Family Shelter placed 42 families representing 146 individuals into housing placements. It's important to keep in mind that this number represents those families staying in the Family Shelter buildings proper, and not the multiple overflow spaces we are currently occupying such as hotels.

I'm also pleased to report that we opened the new Homeless Services Center at 654 Riverside Street (which replaces the now shuttered Oxford Street Shelter) last month with 208 beds. While this emergency shelter was full on night one, clients now have access to a facility that was specifically designed to serve as an emergency shelter facility all with on-site access to critical wrap-around services like meals, a Greater Portland Health medical and dental clinic, and housing counseling. We also established a neighborhood advisory group to ensure our commitment to being a good neighbor while operating this facility.

Over the past year, the Public Health Division has continued its efforts in responding to the ongoing COVID-19 pandemic, notably with the reinvigoration of the Immunization Program as part of the Portland Public Health Clinic. In November 2022, the Public Health Clinic celebrated one year in the new space at 39 Forest Avenue, where they have continued to provide STD, primary care, and harm reduction services to Portland's underserved communities. The Immunization Program organized City staff and community vaccination clinics and prevention efforts, resulting in the administration of 1,188 COVID-19 vaccinations given since July 1, 2022. In March 2022, the Harm Reduction Program expanded its services to include the distribution of Fentanyl Test Strip kits. Since the start of this expanded service, staff has distributed 1,292 Fentanyl Test Strip kits, amounting to 3,876 individual strips distributed. These new initiatives reflect the Public Health Division's commitment to providing essential services and responding to the evolving public health needs of the community.

For our Planning & Urban Development Department, 2022 included a significant amount of both development review and long range planning activity. With regard to new housing within the city, 317 housing units (not including single and two family homes) were approved, 65 of them on-site affordable units. Currently, approximately 1,500 housing units are under construction, the product of thousands of approvals over the previous five years. Significant approvals shepherded through the planning review process in 2022 included 129 housing units on a former City-owned property at 57 Douglass Street, a Master Development Plan at 385 Congress Street that includes 297 housing units, a hotel, and a publicly accessible pocket park, a new teen shelter, creation of an Institutional Overlay Zone to accommodate a new campus for the Roux Institute, as well as campus expansions for both the University of Southern Maine and the University of New England. A total of $707,916 was committed to the Jill C. Duson Housing Trust as a result of Hotel Inclusionary approvals. As a result of the Impact Fee Ordinance created by Planning & Urban Development and adopted by the Council in 2018, $825,790 was collected through development review to support parks & recreation, wastewater, and transportation infrastructure.

In addition to review of new developments, Planning & Urban Development has a host of long range and policy initiatives under way. Planning for significant open spaces, such as Congress Square Park, Portland Harbor Common, and Western Promenade improvements occurred in 2022, and numerous transportation planning initiatives such as the launch of the City's first bikeshare program, design of the union branch trail, community engagement for the Better Bikeways Initiative, the Libbytown Safety & Accessibility Project, East Coast Greenway/Veranda Street Bikeway design, and further implementation of the Neighborhood Byways network. Significant progress was made in 2022 on projects that will be rolled out for public review starting in the first half of 2023, including ReCode Phase II, a proposal for climate resiliency zoning tools, shoreland zoning amendments, and the Historic Preservation Impact Study, each with implications for sustainability, equity, housing opportunities, and Portland's economy.

Our small business community, which is the backbone of Portland's economy and contributes so much to its authenticity and character, has faced and continues to face challenges from the pandemic. In response, the City created various pandemic related business assistance loan and grant programs which resulted in an investment of over $330,000 in 61 businesses during FY22. In FY23, the focus returned to non-pandemic related business assistance programs and, to date in FY23, the Portland Development Corporation has approved four new loan applications, providing a total of $490,000 in funding for these Portland businesses. This focus will continue for FY24.

The ARPA funded Microenterprise Program launched in the Spring of 2022, supporting 51 low-moderate income small business owners with approximately $270,000 in funding. Our Housing & Economic Development Department was awarded additional ARPA funding in the Fall of 2022 for business program grants due to the success of the first round of funding. ARPA funds are also being utilized to offer grants to aspiring day care providers and existing centers to open or expand, adding much needed day care slot openings to Portland. To date with use of $145,000 in funds, 49 new slots for care have been documented.

The Housing and Economic Development Department also administers the Brownfields Program, which provides funding for assessment and cleanup of environmentally contaminated properties to facilitate redevelopment. The City's Brownfields Assessment Fund and Revolving Loan Fund are important tools available to assist redevelopment projects in the city. Staff is awaiting the results of a recent application to EPA for additional assessment grant funding of up to $500,000. The EPA should be announcing grant awards later this Spring. The City recently received an additional $3 million to recapitalize the City Brownfields Revolving Loan Fund.

Housing availability and affordability continue to be a focus for City officials. To that end, the Council's Housing and Economic Development Committee (HEDC) recently recommended approval of the 2023 Affordable Housing Development and TIF Application. The application was drafted by staff in the Housing and Economic Development Department and includes guidance from the HEDC on goals and priorities for the use of the available funds. When approved by the Council, the application will be released and will make over $9 million dollars from the City's HOME Program and the Jill C. Duson Housing Trust Fund available to housing developers.

Our Permitting and Inspections Department continues to see its workload increase. The department continues to be impacted by recent citizen-initiated referendum questions passed by voters. This includes the Green New Deal, Rent Control ordinance, and regulations related to Marijuana retail establishments. In FY22, the Department managed an increase in workload, staff shortages, and dealing with returning to more of a pre-pandemic model. In FY23, the Department is continuing to manage record breaking numbers on top of additional Rent Control Referendum amendments that have impacted its workload.

In FY22, permitting staff processed 2,399 building permits, 1,692 electrical permits and 464 plumbing permits. Permit numbers continue to increase each year, and during the current fiscal year we are continuing on that same trend for permit numbers. The City's four Building Inspectors performed 5,976 inspections in FY22, which was an increase from FY21. So far in FY23 (7/1/2022-3/31/2023), they have executed 5,180 inspections. Zoning has also had an increase in permit reviews due to the sheer number of permit applications. In FY22, they reviewed 958 permits and so far in FY23 they have reviewed 768 permits.

In FY22, staff issued 1,469 business licenses and performed 1,322 Health Inspections. So far in FY23 (7/1/2022-3/31/2023), 1,038 business licenses have been issued and 937 Health Inspections have occurred. The city currently has 65 licensed marijuana businesses and 15 pending, of those are 35 licensed marijuana retail stores.

In our Housing Safety Office, the division was required to collect data on more than 20,000 units, staff a Rent Board, investigate illegal rent increases, and to educate the public on both of the voter-approved Tenants Rights ordinances. This work is in addition to the safety inspections they conduct of rental units in Portland. The City's four inspectors are both Certified Code Enforcement and Certified Fire Inspectors. They handle Long-Term, Short-Term, Complaints, and now Rent Inspections. In FY22, the Inspectors performed 3,204 inspections. The office issued 4,639 Long-Term licenses and 744 Short-Term licenses. So far in FY23 (7/1/2022-3/31/2023), they have executed 2,835 inspections and issued 3,550 Long-Term and 673 Short-Term Registrations.

The Portland International Jetport continued its record for customer service in 2022, winning the Airports Council International's Easiest Airport Journey & Most Dedicated Staff in North America awards. The Jetport also saw significant improvement in passenger volumes despite lingering negative pandemic related impacts on air travel nationwide early in 2022. The Jetport saw all-time record passenger volume in June and October 2022 but remained down 9.3% in passenger boardings in 2022 compared to pre-pandemic 2019 levels. Leisure travel continued to outpace business travel, and thanks to Maine's strong leisure tourism market, the Jetport was nearly back to 2019 levels during the summer season. The busy June - October summer travel season saw the Jetport down just 1% from 2019 levels. Although passenger recovery was strong in 2022, pandemic related reductions were still present and kept operating revenues below 2019 levels. Operating revenues were 9.1% below FY19 in FY22. Thankfully federal relief funding for airports remained available to overcome this reduction. Revenues are expected to fully recover and exceed pre-pandemic levels in FY24 with outbound seat capacity for 2023 up 5% over 2022 and 3% over 2019, our busiest year. Breeze Airways will begin its inaugural service to the Jetport on May 17, 2023. The Jetport's FY24 operating revenues are budgeted at $28.9 million, which is up 23.1% from FY23 and up 10.7% over FY19. This is a good indicator of the strength of Portland and Maine's economy.

We also remain committed to our sustainability goals outlined in our climate action plan, One Climate Future. Over this past year we've achieved successes in implementing components of it. The first phase of Electrify Everything! concluded last fall and helped residents implement more than 100 electrification projects in their homes. During our Earth Day celebration on April 22 the Sustainability Office announced the launch of Electrify Bikes!, which will help income eligible residents purchase an e-bike in order to provide reliable transportation that does not require fossil fuels. Later this spring they will launch DIY Electrify!, which will provide incentives for residents to purchase induction cooktops and energy saving tools such as clothes drying racks. We have also built on the successful community composting program to expand the number of public composting sites and bring composting to City facilities for the first time. City facilities include City Hall, the new Homeless Services Center, and the Barron Center. We plan to add additional City buildings during upcoming months.

We continue to deploy EV charging infrastructure as part of our partnership with EVgo. Four stalls of fast charging recently came online in the parking lot at the corner of Spring Street and High Street. The neighborhood charging hubs at East End School and Deering Oaks are now complete and will be operational before the end of April. The Sustainability Office is working closely with EVgo to site an additional hub with DC fast chargers and additional community charging hubs that will be installed during the upcoming fiscal year.

Later this Spring the Sustainability Team will also launch a summer long campaign to educate the public about the City's Landcare Ordinance and offer tips on how to manage property sustainably. In addition to public events it will include lawn signs members of the public can display that promote Mow Tall Until Fall – encouraging neighbors to keep grass between 3.5" - 4" tall in order to promote healthy roots and to allow lower growing plants such as clover to feed pollinators.

We are additionally pleased to be launching our Sustainable Neighborhood Program, through which the Sustainability Team will work directly with neighborhood organizations to help them select and implement sustainable actions in their neighborhoods. The goal of the program is to build community resilience by connecting neighbors and helping them collaborate on projects that will make their neighborhood more sustainable. Earlier this spring we called for neighborhood groups to apply to be participants in the inaugural year of the program. We were pleased to announce during our Earth Day celebration that Parkside and Libbytown developed the most thorough and responsive applications and we look forward to working with them this year. Next spring we will invite additional neighborhoods to apply for the program with the goal of onboarding two neighborhoods each year.

Furthering our commitment to our environment and open spaces, our Parks, Recreation and Facilities Department budget supports many community and Council priorities, from maintaining 67 parks and 30 city and school playgrounds, to planting 150 trees annually. The budget supports beautification and enjoyment of the city through the Parks Division, which oversees planting of perennial plants, tulip beds, urban meadows and orchards, oversight of 8 miles of multi-use bike paths, and basic maintenance of our 67 parks and open spaces spread over 1,300 acres.

The budget also supports Recreational activities for the community such as the Before and After School Program with 1,000 participants, a youth basketball league with 500 participants, a Senior Adult program with over 500 participants, three city pools, and the Riverside Golf Course. Our Public Assembly Division runs our city venues and cultural institutions such as Merrill Auditorium, The Portland Expo, Troubh Ice Arena, and Ocean Gateway. Our Custodial Division cleans all City buildings, and cleans our public park toilets daily. And our Cemetery Division budget supports maintenance and operation of 13 City cemeteries, including 11 historic cemeteries that are largely full, and Evergreen Cemetery and Forest City Cemetery which are still active and offer families a beautiful location to bury and remember loved ones.

FY23 BUDGET GOALS & REALITIES

Over the last several months we have had several workshops and budget discussions with the Council and Finance Committee to set shared expectations for the upcoming budget year. During those discussions the Council was clear that they would consider any tax rate increase above inflation to be unacceptable and set guidance on an increase of between 5 and 7%. The majority of the Council also noted they did not want to see cuts to core municipal services. Based on this guidance, I asked Departments to prepare their budgets conservatively. However, due to the significant challenges facing the City, most of them revenue related, the requested year-over-year tax levy increase based on Department requested budgets was over 17%.

It was incredibly difficult to close the budget gap from the requested 17% down to within Council guidance. Ultimately, I had to make revisions to their proposals, set aside certain requests, and recommend fee increases to help balance the budget and double down on our lobbying efforts in Augusta to highlight the incredible work the City is doing to shelter asylum seekers and request additional funding and assistance. It was also important for me to balance the needs of our workforce in the budget since retention and recruitment has been a major issue. As a result, this budget does include funding for some retention strategies and wage adjustments given the extremely tight labor market and the significant number of vacancies we have had.

Portland prides itself on having the most diverse revenue base in Northern New England with nearly 58% of our FY24 estimated general fund revenue coming from non-property tax sources (charges for services, licenses and permits, intergovernmental revenue and more). As was stated before, balancing the budget with a 6.1% increase this year is only due to the use of those diverse revenue funds, ARPA funds, and debt service reserves. Otherwise, we'd be facing a much higher tax rate increase or a reduction in the level of core municipal services we would be able to provide.

DEPARTMENT HIGHLIGHTS

Health & Human Services: In FY22 our total City HHS budget was $35.9 million and that figure is rising to nearly $55.2 million for FY24. Despite a decrease in anticipated spending from FY23 to FY24, HHS still remains our largest Department budget by a significant margin. Our budget for sheltering is of particular note - we are more than doubling our homeless shelters budget (FY23 Oxford Street Shelter budget was $5.25 million and FY24 Homeless Services Center budget is $10.66 million) and our Family Shelters budget is also rising by over 35%.

Public Works: The Public Works Department continues to have a challenging time with managing the number of vacancies they have due to the current labor market. This budget does not include any new staffing requests nor any major operational changes in services provided.

Parks, Recreation & Facilities: This budget includes a 7% increase or roughly $750,000, and specifically includes the hiring of an Assistant Parks Director to help with the significant number of parks projects that the Department has on its agenda.

Planning & Urban Development: This budget includes a 20% increase in FY24 or roughly $300,000 due to the inclusion of the $150,000 bike share program expense which is fully reimbursable from outside revenue sources for the next two years.

Police: Of note with this budget is a reminder that the recently approved Community Development Block Grant (CDBG) budget recommendations for this year included a change in the funding plan for our $150,000 community policing program. Instead of funding this program with CDBG revenue, we recommended and have now made those dollars available for public CDBG applicants, and therefore are funding the community policing program in this budget via the property tax levy.

Dispatch: This budget includes a 53% increase due to the addition of contracting service and a Deputy Director position to help with the staffing challenges. We are working incredibly hard to increase staffing at the dispatch center and reduce use of overtime which is one of the main factors of the increase. It is worth noting that the City is reimbursed for a portion of our costs from our dispatch partners in South Portland and Cape Elizabeth.

Fire: The Fire Department includes an almost 6% increase related to two new required positions at the Jetport. In 2022, due to an increase in flight volume, the Jetport moved to an Index C level Airport. In order to meet FAA requirements at the Index C level, the Fire Department's Air Rescue Station is required to respond with additional resources to emergencies. As such, four additional firefighters had to be added in the middle of the FY23 budget. The Department was able to fund two of these positions from the FY23 budget and the FY24 budget includes the addition of the two other positions to meet the requirements.

Assessor: This budget includes a 14% increase for contract and temporary staff assistance to help process work related to LD 290 and complex commercial valuations and appeals.

Public Buildings & Waterfront: Includes an approximately $662,000 increase due to an estimated $340,000 in facility upgrades being required by the US Customs and Border Protections and a variety of other budget inflationary pressures on parts and labor.

Permitting & Inspections: This budget includes a 15% increase mostly due to the increase in work from the recent voter-approved referendum questions. This marks several consecutive years of increased workload for the Department at the same time that the overall volume of permitting and inspections work continues to increase. We are continuing to assess how to best handle the increased workload and volume and will discuss the work in progress to address those issues during our Finance Committee reviews next month.

City Council: The Council's budget includes a 26% increase partly due to an increase in funds for the City's legislative lobbying efforts and $50,000 for the design phase for a future MLK memorial in the city.

City Clerk: This budget includes a 59% increase due primarily to the City Charter amendment which required incorporating funds for launching a clean elections campaign program.

City Manager: The budget includes a 26% increase due primarily to the new Justice, Diversity, Equity and Inclusion director and funds to hire an associate for that director during the upcoming fiscal year.

Information Technology: This budget includes a 16% increase due to several critical new position requests that have been repeatedly requested by the Department and the many Departments supported by IT. We currently have just under one IT staff for every 100 City employees and this is far below industry and municipal standards. IT network and cybersecurity has also become increasingly important over the last several years and the budget includes an IT security position.

Wage Adjustment: This budget includes funding for potential future wage and contract increases from various Departments, which are anticipated to be needed in the upcoming fiscal year. The City has eight labor unions along with the non-union workforce and three Council appointed positions.

BUDGET CHALLENGES

During this budget cycle the City of Portland faced several significant budget challenges which made our budget goals incredibly difficult to achieve. The immensity of the challenges highlighted the fantastic work of our budgeting team who were able to limit the City tax levy increase to just 40 cents via offsetting budget reductions and revenue additions. This was in spite of the fact that our four largest budget challenges alone represented more than triple the amount of tax increase that is being proposed to be passed along to the taxpayers.

Loss of $7.4M in State of Maine Funding: In FY23 the City received $7.4 million of lump sum payment from the State of Maine to support the regional efforts to house asylum seekers. The funding was provided in light of historic levels of asylum seeker intakes into the State via Portland. This funding is not currently continued in the State of Maine's upcoming budget, but the historic levels of asylum seeker arrivals in Portland persists with roughly 1,200 arrivals during 2023 to date. The loss of this revenue triggered a 50-cent increase in the local mill rate, an approximately 7.6% increase from this line item alone.

State Revenue Sharing: Our State revenue sharing projection from the State of Maine is projected to decrease by $1.7 million from the prior year projection. This presents a significant budget challenge for the City. This decrease triggered a 12-cent increase in the local mill rate.

Increase in Cumberland County Tax: The budget for payments to Cumberland County for their tax assessments to the City is increasing by over $1.6 million. The increase is related to higher costs for County operations and a County switch from a calendar year to a fiscal year. This increase in expense triggered an 11-cent increase in the local mill rate.

Reduction in Programmed American Rescue Plan Act (ARPA) Revenues: The City utilized a participatory budgeting process to allocate our ARPA funds. Funding for sheltering the unhoused was set at $7.5 million in the FY23 budget and this was set to decrease to $2.75 million in the FY24 budget and $0 in FY25. At this point our ARPA funds have been fully allocated towards the public priorities from our participatory process and the vast majority of the funds have been for social services/addressing homelessness/housing. The decrease in programmed ARPA funds from FY23 to FY24 of $4.75 million represented a 32-cent increase to the mill rate.

Health Insurance: There is a nearly $1.9 million increase in the estimated cost of our health insurance plan. We are raising premiums for employees by 4% to help partially offset this increase.

Debt Service: Our debt service is up 3.9% or roughly $2.05 million overall. This is mostly attributable to an increase in debt service related to our 2001 pension obligation bonds, enterprise fund debt, and estimated interest expense on our upcoming 2023 bond issue.

METRO: The FY24 budget includes a 3.35% increase in our METRO contribution or an additional $105,000.

Portland Public Library: The Portland Public Library has requested a 5% increase in FY24 funding or $215,649.

POSITIVE BUDGET DRIVERS

Excise Tax: Excise taxes are still a significant source of revenue for the city's transportation needs. Despite rising interest rates and car prices, we are projecting excise taxes to rise to $11.25 million in FY24, a budgeted increase of $750,000.

Property Valuation: Property valuation is estimated to grow by $150 million resulting in nearly $1 million in additional revenue for municipal use and $1.1 million for School use.

Interest Income: The City has a strict investment policy which prioritizes safety and capital preservation. The City has taken advantage of the rising interest rate environment and expanded our portfolio of fully insured certificates of deposit. As a result, we are expecting an increase in interest income to help offset the property tax levy of approximately $2 million.

Credit Rating Upgrade: Last year Standard & Poor's Global Ratings (S&P) raised its credit rating on all of Portland's general obligation debt up to 'AAA' from 'AA+'. This elevated the City rating to the highest available measure of creditworthiness from S&P. The highly coveted 'AAA' rating significantly reduces debt service costs on bonds issued with the rating in place and creates additional demand for City municipal bonds. The rating increase is due to continued growth in the local economy, very strong financial management and financial policies, and very well managed debt metrics. The upgrade marks the second rating increase from the S&P in the last five years. The reduction in debt service costs continues to be significant during a time when cost savings for both the City and Schools is badly needed. The AAA rating typically reduces total interest costs on a debt issue by an estimated 10 to 15 basis points when compared to similar costs prior to our recent upgrades (savings of $10,000 to $15,000 per million of debt issued).

BALANCING THE BUDGET

At this time, the growth of non-tax revenues and property valuation results in a City side tax rate increase for municipal services of 6.1%. This means the city-side mill rate is $6.96 per $1,000 of assessed property value. The impact of this increase on an average homeowner with a property valued at $375,000 would be $150.

CONCLUSION

I would like to thank the Finance Director Brendan O'Connell, the Finance Department staff, Human Resources Director Anne Torregrossa, and Communications Director Jessica Grondin for their assistance in developing this budget recommendation and presentation, as well as the hard work and diligence of all of the Department Directors and their staff in developing their budget requests.

I'd also like to thank all City employees for the work they've done in helping us accomplish the many goals we've achieved over the last several years, as well as the exemplary municipal services they provide each and every day. And I'd like to express my sincere gratitude for the way in which they have continued to perform top-notch public service in light of the many challenges we face including staffing shortages. It has been a long and ever-changing year in which we've faced many obstacles, and I'm proud of how we all worked together to keep our community strong and continue to provide excellent services to and for our City.

Finally, I'd like to thank the Council for advising us on your priorities and working collaboratively with staff over the last year. We look forward to reviewing this proposed budget in more detail with you in the weeks ahead.

Sincerely,

Danielle P. West
Interim City Manager

CITY OF PORTLAND, MAINE

COMPARATIVE BUDGET PLAN FY2024

July 1, 2022 - June 30, 2023

July 1, 2023 - June 30, 2024

City Manager's Recommendation

		FY23	FY24	FY24-CM / FY23 $ +/( )	%
CITY GENERAL FUND REVENUES					
31	Property Taxes	$96,586,918	$103,559,653	$6,972,735	7.2%
31	Other Local Taxes	6,078,477	5,588,477	(490,000)	-8.1%
32	Licenses & Permits	7,079,950	7,312,873	232,923	3.3%
33	Intergovernmental Revenue	64,392,196	40,158,019	(24,234,177)	-37.6%
34	Charges for Services	38,696,672	40,723,175	2,026,503	5.2%
35	Fines, Forfeits and Penalties	1,966,254	2,085,204	118,950	6.0%
36	Use of Money and Property	10,882,236	13,028,881	2,146,645	19.7%
39	Other Sources	43,163,239	48,113,223	4,949,984	11.5%
	Fund Balance Use / (Restoration)	-	761,343	761,343	
	Total General Fund Revenues	$268,845,942	$261,330,848	($7,515,094)	-2.8%
GENERAL FUND EXPENDITURES					
100-11	City Council	$426,699	$532,220	$105,521	24.7%
100-12	City Clerk	681,447	1,085,708	404,261	59.3%
100-13	Executive	1,047,862	1,328,780	280,918	26.8%
100-14	Assessor	478,268	547,107	68,839	14.4%
100-15	Finance Administration	1,320,399	1,392,938	72,539	5.5%
	Treasury	731,669	823,920	92,251	12.6%
	Total Finance	2,052,068	2,216,858	164,790	8.0%
100-16	Legal	1,050,737	1,081,002	30,265	2.9%
100-17	Human Resources	1,261,163	1,368,502	107,339	8.5%
100-18	Parking Administration	1,534,970	1,561,443	26,473	1.7%
	Elm Street Garage	304,572	293,774	(10,798)	-3.5%
	Spring Street Garage	516,845	506,836	(10,009)	-1.9%
	Temple Street Garage	117,800	119,120	1,320	1.1%
	Total Parking/Garages	2,474,187	2,481,173	6,986	0.3%
100-19	Economic Development Admin	883,824	979,625	95,801	10.8%
	Portland Development Corp	28,522	39,122	10,600	37.2%
	Housing & Community Development	574,738	778,390	203,652	35.4%
	Total Housing & Economic Development	1,487,084	1,797,137	310,053	20.8%
100-21	Police Administration	1,329,925	1,371,288	41,363	3.1%
	Uniformed Operations Group	10,837,455	11,506,750	669,295	6.2%
	Bureau Investigative Services	2,047,944	2,272,627	224,683	11.0%
	Operations Support Services	966,425	997,159	30,734	3.2%
	Jetport Security	580,738	503,433	(77,305)	-13.3%
	Total Police	15,762,487	16,651,257	888,770	5.6%

CITY OF PORTLAND, MAINE

COMPARATIVE BUDGET PLAN FY2024

July 1, 2022 - June 30, 2023

July 1, 2023 - June 30, 2024

City Manager's Recommendation

		FY23	FY24	FY24-CM / FY23 $ +/( )	%
100-22	Fire Administration	769,636	899,791	130,155	16.9%
	Code Enforcement & Comm Svcs	326,899	359,553	32,654	10.0%
	Field Operations	15,878,547	16,492,965	614,418	3.9%
	Operations Support Services	935,001	1,045,755	110,754	11.8%
	Air Rescue	1,263,589	1,474,498	210,909	16.7%
	Total Fire	19,173,672	20,272,562	1,098,890	5.7%
100-23	Dispatch Services	2,418,809	3,694,113	1,275,304	52.7%
100-24	Planning & Urban Dev. Admin	255,084	282,684	27,600	10.8%
	Planning	1,316,183	1,616,527	300,344	22.8%
	Total Planning & Urban Development	1,571,267	1,899,211	327,944	20.9%
100-25	Permitting & Inspections Administration	193,366	206,737	13,371	6.9%
	Inspections	1,254,118	1,381,204	127,086	10.1%
	Housing Safety	653,111	824,333	171,222	26.2%
	Business Licensing	356,150	372,004	15,854	4.5%
	Total Permitting & Licensing	2,456,745	2,784,278	327,533	13.3%
100-29	Information Technologies	2,892,962	3,212,243	319,281	11.0%
100-31	Public Works Administration	787,173	830,122	42,949	5.5%
	Streets	1,906,294	1,948,821	42,527	2.2%
	Solid Waste	2,807,094	3,055,233	248,139	8.8%
	Communications	199,907	214,763	14,856	7.4%
	Portland Downtown District	411,055	474,349	63,294	15.4%
	Winter Operations	1,504,853	1,450,785	(54,068)	-3.6%
	Island Services	823,097	956,062	132,965	16.2%
	Traffic & Transportation Operations	1,667,028	1,758,878	91,850	5.5%
	Transportation Engineering	484,194	511,808	27,614	5.7%
	Engineering	1,346,075	1,392,734	46,659	3.5%
	Fleet Services	4,376,633	4,482,128	105,495	2.4%
	Total Public Works	16,313,403	17,075,683	762,280	4.7%
100-33	Parks Rec & Facilities Admin	514,589	528,648	14,059	2.7%
	Parks	1,057,088	1,199,129	142,041	13.4%
	Forestry	834,291	883,527	49,236	5.9%
	Athletic Facilities	942,489	1,031,807	89,318	9.5%
	Cemeteries	785,723	696,000	(89,723)	-11.4%
	Recreation	1,809,159	1,859,046	49,887	2.8%
	Aquatics	536,670	564,029	27,359	5.1%
	Golf Course	1,050,902	1,186,340	135,438	12.9%
	Golf Course Restaurant	29,660	32,960	3,300	11.1%
	Ice Arena	531,153	570,647	39,494	7.4%
	Public Assemblies	924,265	1,038,567	114,302	12.4%
	Concessions	532,466	583,436	50,970	9.6%
	Custodial Services	1,003,164	1,031,921	28,757	2.9%
	Merrill Auditorium	147,514	221,519	74,005	50.2%
	Total Parks Rec & Facilities	10,699,133	11,427,576	728,443	6.8%

CITY OF PORTLAND, MAINE

COMPARATIVE BUDGET PLAN FY2024

July 1, 2022 - June 30, 2023

July 1, 2023 - June 30, 2024

City Manager's Recommendation

		FY23	FY24	FY24-CM / FY23 $ +/( )	%
100-35	Public Bldgs & Waterfront Admin	458,517	479,394	20,877	4.6%
	Trades	617,991	657,625	39,634	6.4%
	School HVAC	618,574	735,454	116,880	18.9%
	Public Safety Bldg.	317,100	390,120	73,020	23.0%
	City Hall	778,587	851,356	72,769	9.3%
	Merrill Auditorium (PB)	207,455	281,815	74,360	35.8%
	Hadlock Stadium	299,395	319,495	20,100	6.7%
	Expo Building	207,870	273,580	65,710	31.6%
	Canco Road Buildings	407,130	408,730	1,600	0.4%
	Other Public Buildings	321,627	223,567	(98,060)	-30.5%
	Waterfront	1,504,009	1,779,944	275,935	18.3%
	Total Public Buildings & Waterfront	5,738,255	6,401,080	662,825	11.6%
100-44	HHS - Administration	508,407	539,378	30,971	6.1%
	Public Health	2,877,587	2,988,798	111,211	3.9%
	Social Services	60,000,745	36,827,723	(23,173,022)	-38.6%
	Barron Center	17,076,665	14,829,605	(2,247,060)	-13.2%
	Total HHS	80,463,404	55,185,504	(25,277,900)	-31.4%
100-47	Debt Service	52,546,994	54,596,478	2,049,484	3.9%
100-48	Public Library	4,312,969	4,528,618	215,649	5.0%
100-51	Pension	9,448,120	10,911,142	1,463,022	15.5%
100-52	Health Insurance	18,154,207	20,018,555	1,864,348	10.3%
	Workers' Comp	1,697,605	1,722,605	25,000	1.5%
	FICA	1,325,660	1,578,873	253,213	19.1%
	Group Life	230,240	260,451	30,211	13.1%
	Unemployment	100,000	100,000	-	0.0%
	Total Employee Benefits	21,507,712	23,680,484	2,172,772	10.1%
100-61	Contingency	350,000	250,000	(100,000.00)	-28.6%
100-62	Liability Insurance	901,907	971,678	69,771	7.7%
100-65	Regional Transportation Program	67,939	66,522	(1,417.00)	-2.1%
	Contributions	709,645	488,416	(221,229)	-31.2%
	Total Memberships/Contributions	777,584	554,938	(222,646)	-28.6%
100-67	Wage Adjustment	(150,000)	2,346,263	2,496,263	-1664.2%
	Total General Fund Expenditures	258,144,938	248,881,595	(9,263,343)	-3.6%
100-63	County Tax	7,563,215	9,206,423	1,643,208	21.7%
100-65	Metro Assessment	3,137,789	3,242,830	105,041	3.3%
Total General Fund and Assessments		$268,845,942	$261,330,848	($7,515,094)	-2.8%

CITY OF PORTLAND, MAINE

COMPARATIVE BUDGET PLAN FY2024

July 1, 2022 - June 30, 2023

July 1, 2023 - June 30, 2024

City Manager's Recommendation

		FY23	FY24	FY24-CM / FY23 $ +/( )	%
ENTERPRISE FUND REVENUES					
31	Property Taxes, Current Year	-	-	-	
32	Licenses & Permits	$8,700	$7,200	($1,500)	-17.2%
33	Intergovernmental	5,716,660	2,577,283	(3,139,377)	-54.9%
34	Charges for Services	38,302,827	39,552,717	1,249,890	3.3%
36	Use of Money and Property	24,484,568	29,145,565	4,660,997	19.0%
39	Other Sources	523,596	520,821	(2,775)	-0.5%
	Fund Balance Use / (Surplus)	(3,893,155)	(335,111)	3,558,044	-91.4%
	Total Enterprise Fund Revenues	$65,143,196	$71,468,475	$6,325,279	9.7%
ENTERPRISE FUND EXPENDITURES					
530	Fish Pier	$427,217	$421,638	($5,579)	-1.3%
570	Sewer Finance Admin	101,027	97,248	(3,779)	-3.7%
	Sewer Public Works Admin	883,910	918,110	34,200	3.9%
	Sewer Operations	2,987,120	2,913,802	(73,318)	-2.5%
	Sewer Communications	65,992	70,886	4,894	7.4%
	Sewer Engineering	635,197	661,115	25,918	4.1%
	Sewer Debt Service	9,234,630	9,805,378	570,748	6.2%
	Sewer Fringe Benefits	1,531,681	1,571,738	40,057	2.6%
	Sewer PWD Assessment	13,879,425	16,588,680	2,709,255	19.5%
	Total Sewer	29,318,982	32,626,957	3,307,975	11.3%
571	Stormwater Finance Admin	280,160	299,211	19,051	6.8%
	Stormwater Management	1,853,709	2,455,063	601,354	32.4%
	Stormwater Debt Service	2,660,693	3,405,428	744,735	28.0%
	Stormwater Fringe Benefits	351,984	440,212	88,228	25.1%
	Total Stormwater	5,146,546	6,599,914	1,453,368	28.2%
583	Jetport Admin	1,239,982	1,254,338	14,356	1.2%
	Jetport Marketing	429,390	462,130	32,740	7.6%
	Jetport Fringe, Indirects & Chargebacks	4,587,702	4,971,391	383,689	8.4%
	Jetport Field	4,617,834	5,242,086	624,252	13.5%
	Jetport General Aviation	18,576	19,072	496	2.7%
	Jetport Operations	2,773,732	3,044,191	270,459	9.8%
	Jetport Terminal	7,624,682	8,575,374	950,692	12.5%
	Jetport Parking	5,074,541	5,192,557	118,016	2.3%
	Jetport Airfield Deicing	713,945	729,414	15,469	2.2%
	Jetport Anticipated Surplus	3,170,067	2,329,413	(840,654)	-26.5%
	Total Jetport	30,250,451	31,819,966	1,569,515	5.2%
Total Enterprise Fund Expenditures		65,143,196	$71,468,475	$6,325,279	9.7%
TOTAL CITY EXPENDITURES		$333,989,138	$332,799,323	($1,189,815)	-0.4%

TAX RATE COMPUTATION--FY2024
City Manager's Recommendation

	General Fund	County Tax	City General Fund	Enterprise Funds	TOTAL CITY
Total Expenditures	$252,124,425	$9,206,423	$261,330,848	$71,468,475	$332,799,323
Less: Revenues	(157,009,852)	-	(157,009,852)	(71,803,586)	(228,813,438)
Surplus	(761,343)	-	(761,343)	335,111	(426,232)
Tax Levy	**$94,353,230**	**$9,206,423**	**$103,559,653**	-	**$103,559,653**
Valuation	*14,879,000,000*				
Tax Rate:					
FY24	$6.34	$0.62	***$6.96***	$0.00	**$6.96**
FY23	$6.05	$0.51	*$6.56*	$0.00	$6.56
$ Increase	***0.29***	***0.11***	***0.40***	-	***0.40***
% of Total Increase	***4.4%***	***1.7%***	***6.1%***	***0.0%***	***6.1%***

CITY OF PORTLAND, MAINE

FY2024 Non-Tax Revenue

Excludes Taxes & Surplus

City Manager's Recommendation

Department	FY22 Collected	FY23 Est (budget)	FY24 Est (budget)	FY24 Est vs FY23 Est (budget)	%
General Fund Revenues:					
City Council	$5,000	$5,000	$55,000	$50,000	1000.0%
City Clerk	219,334	183,643	178,383	(5,260)	-2.9%
Executive	867,776	915,794	1,011,867	96,073	10.5%
Assessor	985	500	500	-	0.0%
Finance	28,424,153	28,763,280	29,980,688	1,217,408	4.2%
Legal	185,352	201,587	233,537	31,950	15.8%
Human Resources	53,692	56,388	71,420	15,032	26.7%
Parking	12,244,477	9,965,776	10,367,220	401,444	4.0%
Housing & Economic Dev	1,137,685	1,487,084	1,697,137	210,053	14.1%
Police	2,586,986	2,350,462	2,141,946	(208,516)	-8.9%
Fire	5,157,274	5,305,845	5,716,754	410,909	7.7%
Dispatch Services	1,088,296	1,127,544	1,791,996	664,452	58.9%
Planning & Development	555,337	683,322	855,350	172,028	25.2%
Permitting & Inspections	7,009,718	5,282,589	5,512,512	229,923	4.4%
Information Technology	299,942	322,599	380,407	57,808	17.9%
Public Works	6,477,465	5,896,834	6,215,651	318,817	5.4%
Parks, Rec & Facilities	8,790,526	7,538,313	8,155,210	616,897	8.2%
Public Bldgs & Waterfront	3,654,835	2,092,379	4,061,084	1,968,705	94.1%
HHS--Administration	-	-	-	-	-
HHS--Public Health	1,526,014	1,869,838	1,884,824	14,986	0.8%
HHS--Social Services	27,503,382	49,606,117	27,770,151	(21,835,966)	-44.0%
HHS--Barron Center	18,423,283	20,852,437	19,100,566	(1,751,871)	-8.4%
Employee Benefits	6,941,837	7,046,332	8,083,301	1,036,969	14.7%
Insurance	432,049	216,063	237,377	21,314	9.9%
Debt Service Reimb.	20,125,991	24,982,556	27,316,928	2,334,372	9.3%
Memberships / Other	640,266	640,265	563,566	(76,699)	-12.0%
Total General Fund:	$154,351,655	$177,392,547	$163,383,375	($14,009,172)	-7.9%
Enterprise Funds Revenue:					
Fish Pier Authority	686,100	643,448	676,628	33,180	5.2%
Sewer	28,910,905	30,197,514	31,192,953	995,439	3.3%
Stormwater	7,117,032	7,944,938	8,114,039	169,101	2.1%
Jetport	30,703,557	30,250,451	31,819,966	1,569,515	5.2%
Total Enterprise Funds:	$67,417,593	$69,036,351	$71,803,586	$2,767,235	4.0%
Total City Revenue	$221,769,249	$246,428,898	$235,186,961	($11,241,937)	-4.6%

FY2024 CITY BUDGET SUMMARY
by category
City Manager's Recommendation

	FY23 Approp.	FY24 Proposed	FY24 / FY23 $ +/-	FY24 / FY23 % +/-	% Of Total
01 Personnel--General Fund	$91,947,482	$100,113,935	$8,166,453	8.9%	38.3%
--Ent Funds	7,866,336	8,405,324	538,988	6.9%	11.8%
Total	99,813,818	108,519,259	8,705,441	8.7%	32.6%
02+ Contractual--General Fund	112,934,961	93,467,607	(19,467,354)	-17.2%	35.8%
--Ent Funds	31,643,667	35,788,210	4,144,543	13.1%	50.1%
Total	144,578,628	129,255,817	(15,322,811)	-10.6%	38.8%
55+ Supplies--General Fund	6,752,993	7,989,862	1,236,869	18.3%	3.1%
--Ent Funds	1,283,813	1,337,384	53,571	4.2%	1.9%
Total	8,036,806	9,327,246	1,290,440	16.1%	2.8%
63 Utilities--General Fund	3,884,487	4,257,601	373,114	9.6%	1.6%
--Ent Funds	1,559,010	1,256,150	(302,860)	-19.4%	1.8%
Total	5,443,497	5,513,751	70,254	1.3%	1.7%
70 Capital--General Fund	779,025	905,365	126,340	16.2%	0.3%
--Ent Funds	3,822,300	5,221,020	1,398,720	36.6%	7.3%
Total	4,601,325	6,126,385	1,525,060	33.1%	1.8%
75 Debt Svc--Total GF	52,546,994	54,596,478	2,049,484	3.9%	20.9%
--Ent Funds	11,702,503	13,017,624	1,315,121	11.2%	18.2%
Total	64,249,497	67,614,102	3,364,605	5.2%	20.3%
75 Jetport Rev Bond Debt Svc	4,095,500	4,113,350	17,850	0.4%	5.8%
Jetport Surplus	3,170,067	2,329,413	(840,654)	-26.5%	3.3%
Total General Fund	268,845,942	261,330,848	(7,515,094)	-2.8%	100.0%
Total Enterprise Funds	65,143,196	71,468,475	6,325,279	9.7%	100.0%
Total	$333,989,138	$332,799,323	($1,189,815)	-0.4%	100.0%

FY24-CM: 04/21/23

City of Portland
FY24 Staffing FTE Change
City Manager's Recommendation

Department	FY19	FY20	FY21	FY22	FY23	FY24	+/- Chg
General Fund:							
City Council	-	-	-	-	-	-	-
City Clerk	7.9	7.9	7.9	7.9	8.6	8.7	0.1
Executive	10.5	9.5	8.5	8.5	10.5	11.5	1.0
Assessor	5.9	5.9	5.7	5.9	5.9	5.9	-
Finance	25.0	25.0	24.4	25.0	25.0	25.0	-
Legal	7.0	7.0	7.0	8.0	9.0	9.0	-
Human Resources	11.0	10.5	11.3	11.5	12.0	12.60	0.6
Parking	29.6	30.0	29.0	29.2	29.2	29.0	(0.2)
Housing & Economic Dev.	7.1	7.0	16.0	16.0	16.8	15.8	(1.0)
Police	226.3	227.0	224.0	189.0	187.0	187.0	-
Fire	226.0	226.0	224.0	224.0	226.0	229.0	3.0
Dispatch Services				36.0	36.0	37.0	1.0
Planning & Urban Dev.	24.0	24.0	17.0	17.0	17.0	17.0	-
Permitting & Inspections	28.0	28.5	30.8	35.0	36.0	40.0	4.0
Information Technologies	17.3	16.0	16.0	15.8	16.0	19.0	3.0
Public Works	131.0	131.5	122.1	126.5	129.0	129.5	0.5
Parks & Recreation	142.0	141.7	116.4	113.7	126.7	130.4	3.7
Public Bldgs & Waterfront	24.5	24.5	22.0	24.0	24.4	24.6	0.2
HHS Administration	5.0	4.0	4.0	4.0	5.0	5.0	-
Public Health	27.1	28.3	32.3	32.8	38.4	36.6	(1.8)
Social Services	87.8	93.5	94.5	96.2	118.0	163.6	45.6
Barron Center	244.0	246.8	237.6	245.0	244.8	201.4	(43.4)
Total HHS:	*363.9*	*372.6*	*368.4*	*378.0*	*406.2*	*406.6*	*0.4*
General Fund Subtotal:	**1,287.0**	**1,294.6**	**1,250.5**	**1,271.0**	**1,321.3**	**1,337.6**	16.3
Enterprise Funds:							
Sewer Fund	33.0	33.0	34.0	34.0	34.0	34.0	-
Stormwater Fund	10.0	10.0	9.0	10.0	10.0	10.0	-
Jetport Fund	56.0	59.0	57.0	57.0	58.0	58.0	-
Enterprise Subtotal:	**99.0**	**102.0**	**100.0**	**101.0**	**102.0**	**102.0**	-
Total City Employees:	**1,386.0**	**1,396.6**	**1,350.5**	**1,372.0**	**1,423.3**	**1,439.6**	16.3