



Program #90024 - City Supplemental Payments FY 2024 Department Requested

Department: Community Services **Program Contact:** Britta Schinske
Program Offer Type: Existing **Program Offer Stage:** Department Requested
Related Programs:
Program Characteristics: In Target

Executive Summary

In 1984, Multnomah County entered into intergovernmental revenue sharing agreements with the cities of Portland, Gresham, Troutdale and Fairview, whereby dedicated County road funds receipts are transferred when County roads are annexed. The supplemental payments executed by this program offer fulfill the funding requirements of these agreements as they pertain to County road funds.

Program Description

These agreements require the County to transfer prescribed revenue amounts it receives from the County gas tax and State highway funding. County road funds are transferred to the cities, where they are commingled into the cities' transportation operating budgets. The cities are not required to report how County funds are used. The cities' allowed uses of these funds are defined under ORS 366, which requires funds only be used for the construction, reconstruction, improvement, repair, maintenance, operation and use of public highways, roads, streets and the administration thereof.

For Troutdale and Fairview, the supplemental payment formula is adjusted annually based on the Consumer Price Index – Urban Index for the Portland metropolitan area. For Portland and Gresham, the supplemental payment formula is adjusted based on actual receipts collected by the County.

- Planned FY 2024 Payments:
- City of Fairview \$16,626
 - City of Troutdale \$20,496
 - City of Gresham \$4,712,137
 - City of Portland \$35,834,407

Between 1984 and 2023 the County has transferred 607 miles of roads to the cities.

This program offer does not deliver any county services and is submitted for the provision of a supplemental payment to the cities. The agreements remain subject to future appropriations by any future Board of County Commissioners or City Councils. The formulas in these agreements were intended to remain permanent unless amended by mutual agreement.

Performance Measures

Measure Type	Primary Measure	FY22 Actual	FY23 Budgeted	FY23 Estimate	FY24 Offer
Output	N/A	N/A	N/A	N/A	N/A
Outcome	N/A	N/A	N/A	N/A	N/A

Performance Measures Descriptions

County road funds are transferred to cities, where they are commingled in the cities' transportation operating budgets. The cities are not required to report how county funds are used. The cities' use of these funds are defined under Oregon Revised Statutes 366, which requires funds only be used for construction, reconstruction, improvement, repair, maintenance, operation and use on public highways, roads, streets and the administration thereof.

Legal / Contractual Obligation

Funding obligations are prescribed in the city/county agreements.

Revenue/Expense Detail

	Adopted General Fund	Adopted Other Funds	Department Requested General Fund	Department Requested Other Funds
Program Expenses	2023	2023	2024	2024
Contractual Services	\$0	\$43,755,177	\$0	\$40,583,666
Total GF/non-GF	\$0	\$43,755,177	\$0	\$40,583,666
Program Total:	\$43,755,177		\$40,583,666	
Program FTE	0.00	0.00	0.00	0.00

Program Revenues				
Intergovernmental	\$0	\$37,355,177	\$0	\$34,183,666
Taxes	\$0	\$6,400,000	\$0	\$6,400,000
Total Revenue	\$0	\$43,755,177	\$0	\$40,583,666

Explanation of Revenues

Monies transferred to the cities originate from State Highway Money and County Gas Tax received by Multnomah County. These revenues coming to Multnomah County are transferred through a pass-through payment to the cities under prescribed revenue sharing formulas.

Significant Program Changes

Last Year this program was: FY 2023: 90024 City Supplemental Payments

Changes to the way that the ODOT and the DMV have impacted the amount of State Highway Fund that is allocated to Multnomah County. In addition, the gas tax revenue continues to decline both local and state resulting in about a \$1.9M decline in revenue to the Road Fund. A \$0.02 gas tax increase in 2024 (from HB 2017) at the state level will help offset the decline in the state gas tax in FY24, expect gas tax revenue to decline after that increase unless the Legislature acts to supplement transportation funding in the 2024 long legislative session. Multnomah County's share of State Highway Fund revenue dropped by 1% in FY2024, while the City's did not, which has also affected our resources.