

## **Nick Sauvie Analysis of City Expenditures FY 2010 - 11**

**March 21, 2011**

This analysis was compiled from DRAFT maps and data produced by the City of Portland Financial Planning Division in March 2011 and presented at city budget hearings. The city and Mayor Sam Adams deserve credit for producing these documents that for the first time allow citizens to evaluate equity in public investment in Portland neighborhoods. As with any new process, there may be bugs in the report. City officials have stated that many projects have long periods of development; that large expenditures can skew the data; that infrastructure in different parts of the city differ in age and condition; and that over time, per capita expenditures by district should equalize.

At the March 8, 2011 budget hearing, city officials indicated that eventually about 20 maps will be produced. Thus far, data has been provided for four bureaus – Fire, Parks, Police and Transportation. Together the expenditures reported from these bureaus total \$518.6 million, or 15% of the city's \$3.5 billion annual budget. The reported revenues totaled only about 10% of total city revenues. Sources such as utility payments, fees and transfers from other government agencies make up a large portion of city revenues and aren't accounted for in the city data.

### **How to use this analysis:**

The city provided demographic data for eight districts, including square miles of area, number of Residents, Jobs and Users (Users = Residents+Jobs). The revenue and expenditures include both local revenues or spending and a citywide share that is allocated to each district. This analysis uses that data to calculate per capita totals both per Resident and per User.

Most of the chart categories are self-explanatory. "Resident % City" equals the total per capita revenue or expenditure for a district divided by the city average per capita expenditure. "User % City" gives the corresponding percentage per User. "Livability Good+VG" percentages are derived from the Auditor's "2009-2010 Service Levels and Accomplishments" survey; the percentage listed equals district residents that rated the overall livability of their neighborhood "good" or "very good."

In the Revenue chart, "Rev/Expense" divides the Total General Fund Revenue provided by the city from the "General Fund Revenue Adopted Budget Resources FY 2010-11" map with the Total Expenditures for Parks, Transportation, Police and Fire. Only in NW and SW did General Fund Revenues exceed expenses for these bureaus and on average General Fund Revenues were about 70% of those expenses.

**Findings:**

During 2010-11 city spending on Parks, Transportation, Police and Fire was heavily targeted to the Central City. The Central City was the only district where these expenditures exceeded the city average either per Resident or per User. East Portland ranked next to last in per Resident (68% of city average) and third to last per User (83% of city average).

East Portland overall livability consistently rates much lower than the other districts in Portland. In East Portland only 63% of residents rated their neighborhood good or very good. Only one other district is rated below 90% in overall livability and all the other districts range between 87%-94%. The data suggest that low livability in East Portland is related to low public expenditures.

East Portland ranked last in combined city per capita spending on Parks and Transportation. Spending on those two key "quality of life" bureaus equaled only 45% of the city per Resident average and 55% of the per User average. Again, only in the Central City were per capita expenses for these two bureaus higher than the city average. Per Resident expenses in the Central City were nearly seven times the city average and more than double the per User average. In East Portland, Police and Fire Spending was close to the city per Resident average and exceeded the per User average.

The "Schools, Poverty and Race" chart compiles figures for Jobs, Users and Residents per square mile, as well as Jobs per Resident. In the "Neigh Hi School" category, a representative high school was selected for each district except the Central City. There is a high correlation between the percentage of students eligible for free and reduced lunch and the percentage of non-white students.

This chart also includes Grand Total of the Parks, Transportation, Police and Fire Expenditures per square mile, Residents per square mile and Jobs per Resident. East Portland population density exceeds the city average and is only 12.7% less than that of the Central City. East Portland has only 0.33 Jobs per Resident, which is comparable to the rate for inner NE and SE neighborhoods. Unlike comparable districts, East Portland is far from the parts of the city with surplus jobs, the Central City (4.41 Jobs per Resident) and NW (1.41). SW, N and Central NE are close to the city average of 0.63 Jobs per Resident. Interestingly, the city average is very close to the national workforce participation rate, which is 64%.

To receive a complete Excel spreadsheet, contact lore wintergreen, 503-823-4035 or [lore.wintergreen@portlandoregon.gov](mailto:lore.wintergreen@portlandoregon.gov).