

STAFF REPORT

IN CONSIDERATION OF RESOLUTION 25-5471 FOR THE PURPOSE OF AMENDING THE FY 2024-25 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2024-25 THROUGH FY 2028-29 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR CHANGES IN OPERATIONS

Date: March 03, 2025

Prepared by:
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Department: Finance and Regulatory Services

Presented by:
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Amanda Akers, Budget Manager

Meeting date: March 20, 2025

Length: 20 minutes

ISSUE STATEMENT

Resolution 25-5471 will authorize changes in appropriations for FY 2024-25 and approve changes to the FY 2024-25 through FY 2028-29 Capital Improvement Plan.

ACTION REQUESTED

Council adoption of Resolution 25-5471.

IDENTIFIED POLICY OUTCOMES

Council approval will authorize changes in appropriations requested by departments for FY 2024-25 and approve changes to the FY 2024-25 through FY 2028-29 Capital Improvement Plan

POLICY QUESTION

Council should consider whether the changes in appropriations have been justified, that adequate funds exist for identified needs, and that proposed changes to the Capital Improvement Plan appear appropriate.

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Adoption of Resolution 25-5471 will provide sufficient appropriations to accommodate the changes in operations outlined by departments. Adoption will allow for changes to capital projects due to operational factors.

Disapproval of Resolution 25-5471 will require departments to reevaluate their proposed changes to operations and capital plans.

STAFF RECOMMENDATIONS

The Chief Operating Officer and Chief Financial Officer recommend adoption of Resolution 25-5471.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Relationship to Metro's Strategic Plan, racial equity, and climate action goals

By funding additional expenditures for operations, the Agency will more efficiently be able to focus on programming related to our guiding principles of racial justice, climate justice and resiliency, and shared prosperity.

Known Opposition: None known.

Legal Antecedents: ORS 294.463(1) provides for transfers of appropriations within a fund, including transfers from contingency that do not exceed 15 percent of a fund's appropriation if such transfers are authorized by official resolution or ordinance of the governing body. ORS 294.463(3) provides for transfers of appropriations or of appropriations and a like amount of budget resources between funds of the municipal corporation when authorized by an official resolution or ordinance of the governing body stating the need for the transfer. ORS 294.338(2) allows an increase in appropriations due to specific purpose grants or gifts when authorized by an official resolution or ordinance of the governing body stating the need for the recognition. ORS 294.338(3) allows an increase in appropriations when a request for services, the cost of which is supplied by another entity, necessitates a greater expenditure of public money for any specific purpose in order to provide the services when authorized by an official resolution or ordinance of the governing body stating the need for the recognition. ORS 294.463 (4) provides that public testimony be allowed if any funds are changing by more than 10 percent of a fund's expenditures. Metro code chapter 2.02.040 requires the Metro Council to approve the addition of any position to the budget. Metro's adopted financial policies require any project exceeding \$100,000 or an existing CIP project increasing greater than 20 percent to receive Council approval. ORS 294.471 allows for pressing and necessary changes, by supplemental budget, that could not be reasonably foreseen during budget development.

Anticipated Effects: This action provides for changes in operations and capital improvement plans as described below.

Budget Impacts: This action has a net increase of \$2,300,000 in expenditure appropriations. The new total appropriations will be \$2,300,909,466 with 1,181.3 FTE. This action has the following impacts on the FY 2024-25 budget and FY 2024-25 through FY 2028-29 Capital Improvement Plan (CIP). Details of each change can be found in Attachment 1 – Summary of March 2025 Budget Amendments.

- **Capital Asset Management**
 - Re-allocation of four capital project based on timing to make improvements to the MRC Plaza did not adjust appropriations.
- **Information Technology**
 - Re-allocation from one project to a replacement data server supporting Planning, Development and Research did not adjust appropriations.
- **Parks and Nature**
 - One-time update to revenues increases the fund by \$100,000 to support Personnel/M&S needs.
 - Adding \$125 million in bond sale revenue with \$2.2 million earmarked for arbitrage and bond issuance costs. All remaining proceeds will fall to ending fund balance and used for future bond needs.

- **EXPO**
 - Re-allocation of four project to prioritize the HVAC in Hall E&D and Website Development project. No adjustment to appropriations.
- **Waste Prevention and Environmental Services**
 - Re-allocation of ten projects in CIP that did not adjust appropriations.
- **Oregon Zoo**
 - Convert temporary help support to 0.5 FTE for ongoing animal care
 - Add 2.0 FTE for Zoo Bond administration. Support from contingency.

Below is a summary of all the proposed changes from Resolution 25-5471 that impact appropriations or CIP:

Appropriation Changes:

- **Total Appropriations** increase: \$2.3 million
 - **Parks and Nature Bond Fund** increase by \$2.2 million
 - **Parks and Nature Operating Fund** increase by \$100,000

FTE Changes:

- **Total FTE** requested: 2.5 FTE
 - Oregon Zoo: 2.5 FTE

Capital Improvement Plan (CIP):

The following proposed changes to the Capital Improvement Plan (CIP) for FY 2024-25 are:

- **Capital Asset Management** increase of \$100,000 – Attachment 2
- **Information Technology** net zero increase – Attachment 3
- **EXPO** net zero increase – Attachment 4
- **WPES** net zero increase – Attachment 5

For details about CIP changes, see Attachments 2-5.

ATTACHMENTS

- Resolution 25-5471
- Exhibit A – Schedule of Appropriations
- Exhibit B – Schedule of FTE
- Attachment 1 – Summary of March 2025 Amendments
- Attachments 2-5 - Capital Improvement Plan changes