

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 25-5533 FOR THE PURPOSE OF AMENDING THE FY 2025-26 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2025-26 THROUGH FY 2029- 30 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR CHANGES IN OPERATIONS

Date: October 20, 2025

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Department: Finance

Presented by:
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Meeting date: November 20, 2025

Length: 20 minutes

ISSUE STATEMENT

Resolution No. 25-5533 will authorize changes in appropriations for FY2025-26 and approve changes to the FY2025-26 through FY2029-30 Capital Improvement Plan.

ACTION REQUESTED

Council adoption of Resolution No. 25-5533.

IDENTIFIED POLICY OUTCOMES

Council approval will authorize changes in appropriations requested by departments for FY2025-26 and approve changes to the FY2025-26 through FY2029-30 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 No. 25-5533 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 No. 25-5533 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 No. 25-5533.

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 authorizes the governing body of a municipal corporation to transfer appropriations within a fund or between funds after adoption of the budget, when such transfers are made by ordinance or resolution stating the purpose, need, and amount. Transfers from contingency are limited to 15 percent of the fund's original total appropriations unless approved through a supplemental budget. ORS 294.338 provides exceptions allowing expenditures outside the adopted budget when authorized by official resolution or ordinance of the governing body, including those funded by grants, gifts, reimbursements, trust funds, or other non-tax resources, as well as expenditures required due to unforeseen conditions, pressing necessities, or reimbursed service requests; ORS 294.471 allows for pressing and necessary changes, by supplemental budget, that could not be reasonably foreseen during budget development. If amended estimated expenditures contained in an individual fund are being changed by 10 percent or less from the recently amended budget the governing body may adopt at a regular meeting. 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.

The proposed budget amendment meets these statutory and policy criteria, as the changes to individual fund expenditures are less than 10 percent and transfers from contingency do not exceed 15 percent; therefore, a supplemental budget is not required.

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 \$4,846,039 in expenditure appropriations. The new total appropriations will be \$1,861,896,645 with 1,132.65 FTE. This action has the following impacts on the FY2025-26 budget and FY2025-26 through FY2029-30 Capital Improvement Plan (CIP). Details of each change can be found in Attachment 1 – Summary of November 2025 Budget Amendments.

Capital Asset Management

- 1.0 FTE increase for Project Manager II (limited duration) resulting in \$125,100 increase in personnel services from General Fund Contingency
- General Asset Management Fund increases Beginning Fund Balance by \$61,347 for carryover of unspent Safety, Climate, and Resilience funding to FY25-26
- CIP - Adjust and reprioritize electric vehicle (EV) infrastructure and upgrade projects

Communications

- Increases \$641,265 in personnel services due to reorganization from Office of the COO to Communications

Council

- \$50,000 increase to fund Collaborative Investment and Climate Action Navigator initiatives through \$25,000 pass-through from Port of Portland and \$25,000 carryover from prior year in General Fund
- \$80,090 increase in personnel services to set salaries for Council President and Councilors based on Oregon Legislature from General Fund contingency

Office of the COO

- \$594,968 decrease in personnel services due to reorganization to Communications
- \$47,750 increase in personnel services due to reorganization of 0.5 FTE from Non-departmental (ERP project)
- \$2,000,000 decrease in M&S moving Expo Sports infrastructure to MERC Venues Fund

Diversity, Equity and Inclusion

- 0.5 FTE increase for Program Assistant III converting Variable Hour Employee (VHE) hours (\$19,906) and an increase from contingency (\$15,000)

Finance

- 1.0 FTE increase for Internal Operations Policy Analyst resulting from an increase of \$125,542 increase in personnel services from contingency

Information Technology

- 1.0 FTE increase for Systems Administrator III supporting security architecture resulting in a \$82,534 increase in personnel services from General Fund contingency
- Increase General Asset Management Fund Beginning Fund Balance by \$386,846 for carryover of unspent FY24-25 to be used on three projects
- CIP - Adjust and reprioritize three projects in CIP to address carryover projects from FY2024-25

Office of the Auditor

- \$21,000 increase in personnel services to set salaries based on Oregon Legislature and pay equity adjustments from General Fund contingency

Non-Departmental

- \$2,000,000 increase in General Fund transfers to accommodate the transfer of resources of the Expo infrastructure project.

MERC

- Expo:
 - \$25,956 decrease in Personnel Services for reorganization
 - CIP - \$2,000,000 increase for Expo Sports Infrastructure project transferred from Council
- Oregon Convention Center:
 - \$71,345 decrease in Personnel Services for reorganization
 - \$40,000 increase in M&S for EV Infrastructure upgrades supported by General Asset Management Fund
 - CIP - Reprioritize seven projects to address carryover projects from FY2024-25
- Portland's:
 - \$250,000 increase in M&S for a facility conditions assessment

- \$250,000 increase for ASCH Roof and Drains carryover from FY2024-25, not an increase to the project
 - CIP - One project added as carryforward from FY2024-25
- **Oregon Zoo**
 - \$300,000 increase for EV Facility Upgrades funded from General Asset Management Fund into Oregon Zoo Asset Management Fund
 - CIP - \$1,280,000 increase for projects due to scope and timing for Oregon Zoo Asset Management Fund
 - \$3,300,000 decrease due to scope and schedule for Zoo Bond '24
 - CIP - \$8,300,000 decrease for projects due to scope and timing for Zoo Bond '24
- **Parks and Nature**
 - Parks and Nature Operating Fund increase \$402,710 in M&S
 - Cemetery operations increase of \$207,000 offset by increased revenue projection
 - \$19,575 for EV charger costs transferred from General Asset Management Fund
 - \$113,135 project costs supported by Clean Water Services and Rails to Trails Conservancy grants
 - CIP - \$152,000 decrease for projects due to scope and timing
 - CIP - Adjust and reprioritize 24 projects in CIP to address carryover projects from FY2024-25 and project scope and schedule refinement in Parks and Nature Bond Fund
 - CIP - \$870,000 increase for added projects in Parks and Nature R&R Fund
- **Planning, Development and Research**
 - \$250,000 increase in M&S for early project development assistance for 2028-30 RFFA selected projects
- **Waste Prevention and Environmental Services**
 - Solid Waste Fund decreases \$269,000 in Capital
 - CIP - Adjust and reprioritize 12 projects in CIP to address carryover projects from FY2024-25 and project scope and schedule refinement in Solid Waste Fund
 - Community Enhancement Fund increases \$55,000 in appropriations for Community Enhancement Grants (CEG)

Below is a summary of all the proposed changes from Resolution No. 25-5533 that impact appropriations or CIP:

Appropriation Changes:

- Total Appropriations increase: \$4,846,039
 - General Fund increase by \$445,136
 - General Asset Management Fund increase by \$658,193
 - MERC Fund increase by \$2,040,000
 - Oregon Zoo Asset Management Fund increase by \$300,000
 - Parks and Nature Bond Fund increase by \$1,000,000
 - Parks and Nature Operating Fund increase by \$402,710

FTE Changes:

- **Total FTE** increase 3.5 FTE
 - DEI: 0.5 FTE
 - IT: 1.0 FTE
 - FINANCE: 1.0 FTE
 - CAM: 1.0 FTE (Limited Duration through 6/30/2027)

Capital Improvement Plan (CIP):

The following proposed changes to the Capital Improvement Plan (CIP) for FY 2025-26 are:

- Capital Asset Management increase of \$150,000
- Expo increase of \$2,000,000
- IT R&R increase of \$551,000
- OCC *net zero*
- P5 increase of \$250,000
- Parks and Nature increase of \$2,067,791
- Waste Prevention and Environmental Services *decrease* of \$269,000
- Zoo *decrease* of \$7,020,000

For details about CIP changes, see Attachments 2-9.

ATTACHMENTS

- Resolution 25-5533
- Exhibit A – Schedule of Appropriations
- Exhibit B – Schedule of FTE
- Attachment 1 – Summary of November 2025 Amendments
- Attachments 2-9 - Capital Improvement Plan changes