

## STAFF REPORT

### COUNCIL DISCUSSION OF BUDGET NOTES FOR THE PROPOSED FY 2024-25 BUDGET

---

Date: March 28, 2024

Prepared by:  
Joshua Burns, Interim Budget Coordinator

Department: Office of the Chief Operating  
Officer

Presented by:  
Marissa Madrigal, Chief Operating Officer  
Brian Kennedy, Chief Financial Officer

Meeting date: April 16, 2024

Length: 30 minutes

---

#### ISSUE STATEMENT

An opportunity for Council, acting as the Budget Committee, to discuss potential budget notes for the FY 2024-25 budget in the context of the Council priorities, strategic framework, racial equity outcomes, and climate action goals.

#### ACTION REQUESTED

Council discussion and development of budget notes to the submitted FY 2024-25 Proposed Budget.

#### IDENTIFIED POLICY OUTCOMES

Development of a FY 2024-25 Adopted Budget that aligns with Council priorities.

#### POLICY QUESTIONS

Specific factors for Council consideration *may* include:

- What priorities does the Council have for budget notes in the FY 2024-25 budget process and which budget note concepts should staff work with Council to develop?
- What is the right mechanism for ensuring that Council feedback on the FY 2024-25 budget is reflected in the process?

#### POLICY OPTIONS FOR COUNCIL TO CONSIDER

The Council should consider what mechanism to use to ensure that Councilor feedback is reflected in the FY 2024-25 budget. Budget notes are one option, but Council can also approve budget amendments to make specific budgetary changes to achieve desired outcomes. Additionally, the Council can provide direction to the Chief Operating Officer.

#### STAFF RECOMMENDATIONS

The Chief Operating Officer and Chief Financial Officer recommend that Council prioritize budget note and budget amendment concepts. Staff will work with the Council Office on further refining those concepts and will bring them back to Council for consideration prior to budget adoption.

## **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

Each department's FY 2024-25 base budget was developed following the Chief Financial Officer's budget instructions released in early December 2023. The base budgets allow the departments to continue existing programs and projects as adjusted for various factors such as inflation, COLAs, etc.

New programs, projects, additional appropriations, and FTE are requested through the department's budget modification request process. These requests were reviewed and analyzed by the Chief Operating Officer, Deputy Chief Operating Officers, and Chief Financial Officer. Approved requests were built into the Proposed Budget, released on April 5, 2024, and presented by the Chief Operating Officer, acting as the Budget Officer, on April 11, 2024, with their budget message.

### **Legal Antecedent**

The preparation, review and adoption of Metro's annual budget is subject to the requirements of Oregon Budget Law, ORS Chapter 294. The Chief Operating Officer, acting in their capacity as the designated Budget Officer, is required to present a balanced budget to Council, acting in their capacity as Metro's Budget Committee.

## **BACKGROUND**

The Budget Officer presented the Metro Council, acting as the Budget Committee, the FY 2024-25 Proposed Budget to fully deliberate and to provide guidance in developing the FY 2024-25 Approved Budget, and eventually, the FY 2024-25 Adopted Budget.