

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION 25-5494 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

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Date: June 9, 2025

Prepared by:  
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Department: Finance and Regulatory Services

Presented by:  
Amanda Akers, Budget Manager  
Jon Irwin, Financial Analyst

Meeting date: June 26, 2025

Length: 20 minutes

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#### ISSUE STATEMENT

Resolution 25-5494 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 25-5494.

#### 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 25-5494 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 25-5494 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 25-5494.

#### 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 \$1,008,500 in expenditure appropriations. The new total appropriations will be \$2,301,917,966 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 June 2025 Budget Amendments.

- **Human Resources**
  - Adjust contingency (\$200,000) to support personnel expenses associated with pay equity requirements.
- **Capital Asset Management**
  - Re-allocation from one project to create a secondary project for ADA scope did not adjust appropriations.
- **Information Technology**
  - Re-allocation from one project to a redundant internet connection project did not adjust appropriations.
- **EXPO**
  - One-time update to general fund transfer revenue increases the fund by \$800,000 to support operational and fund balance needs. \$400,000 of the transfer is budgeted in

FY25-26, and if approved, would not be transferred in the FY25-26 budget.

- **OCC**
  - Re-allocation from one project to waterproofing and IT infrastructure projects did not adjust appropriations.
- **Oregon Zoo**
  - Re-allocation of four projects in CIP that did not adjust appropriations.
- **Parks and Nature**
  - One-time update to grant revenues increases the fund by \$208,500 to support Fern Hill restoration projects.
- **Waste Prevention and Environmental Services**
  - Re-allocation from one project to support point-of-sale upgrade that did not adjust appropriations.

**Below is a summary of all the proposed changes from Resolution 25-5494 that impact appropriations or CIP:**

**Appropriation Changes:**

- **Total Appropriations** increase: \$1.0 million
  - **MERC Operating Fund** increase by \$800,000
  - **Parks and Nature Operating Fund** increase by \$208,500

**FTE Changes:**

- **Total FTE** requested: 0.0 FTE

**Capital Improvement Plan (CIP):**

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

- **Capital Asset Management** net zero increase – Attachment 2
- **Information Technology** net zero increase – Attachment 3
- **OCC** net zero increase – Attachment 4
- **Oregon Zoo** increase of \$1,041,000 – Attachment 5
- **Parks and Nature** increase of \$1,324,685 – Attachment 6
- **WPES** net zero increase – Attachment 7

For details about CIP changes, see Attachments 2-7.

**ATTACHMENTS**

1. Summary of June 2025 Amendments
2. Capital Improvement Plan Changes