

STAFF REPORT

IN CONSIDERATION OF RESOLUTION 26-5590, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2026-27 THROUGH 2030-31 AND RE-ADOPTING METRO'S FINANCIAL POLICIES

Date: June 8, 2026

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

Department: Office of the Chief Operating Officer

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

Meeting date: June 18, 2026

Length: 20 minutes

ISSUE STATEMENT

Council action, through Resolution 26-5590, will adopt the Capital Improvement Plan (CIP) for FY 2026-27 through FY 2030-31 (five-year CIP) and will re-adopt Metro's Financial Policies.

ACTION REQUESTED

Council consideration of Resolution 26-5590.

IDENTIFIED POLICY OUTCOMES

- Adoption of the five-year CIP approves capital projects as detailed in Exhibit A and directs that project expenditures for FY 2026-27 are appropriated.
- Re-adoption of Metro's Financial Policies, as outlined in Exhibit B, for FY 2026-27.

POLICY QUESTIONS

- Does the five-year CIP align with Capital Asset Management Policies designed to operate and maintain physical assets in a manner that protects public investments and ensures that assets achieve their maximum useful life?
- Do the Financial Policies appear to safeguard agency assets, promote effective and efficient operations, and support achieving Metro's strategic goals?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Annual adoption of the five-year CIP and the re-adoption of the Financial Policies is required to stay compliant with Metro's Financial Policies.

STAFF RECOMMENDATIONS

The Chief Operating Officer and Chief Financial Officer recommend that Council adopt Resolution 26-5590.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

- The five-year CIP outlines Metro's long-range capital planning process. Exhibit A provides details of the five-year CIP.

- Metro’s Financial Policies were first adopted in 2004 through Council action on Resolution 04-3465. Since that time, Council has re-adopted the Financial Policies annually in conjunction with adoption of the annual budget. For FY 2026-27, the Financial Policies were reorganized and updated for clarity, consistency, and improved documentation of existing practices, informed by Government Finance Officers Association (GFOA) best practices. No substantive policy changes were made.

1. Known Opposition – None known at this time.

2. Legal Antecedents –

- The preparation, review and adoption of Metro’s annual budget is subject to the requirements of Oregon Budget Law, ORS Chapter 294.
- Financial Policies detailing post issuance compliance are designed to comply with applicable provisions of the Internal Revenue Code of 1986 and SEC Rule 15c2-12 as amended from time to time.

3. Anticipated Effects – The adopted five-year CIP and the re-adopted Financial Policies will be effective as of July 1, 2026.

4. Financial Impacts – The adopted five-year CIP will include 158 projects with FY2026-27 appropriations of \$91,683,557 and total estimated costs for five years of \$327,567,930.

BACKGROUND

- The five-year CIP:
 - The table below provides a summary of the five-year CIP:

	Total Projects	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31	5 YR Total
Capital Asset Management	10	\$ 1,525,000	\$ 375,000	\$ 425,000	\$ 375,000	\$ 400,000	\$ 3,100,000
Information Technology	11	\$ 1,425,000	\$ 450,000	\$ 600,000	\$ 350,000	\$ 860,000	\$ 3,685,000
Non-Departmental	1	\$ 9,200,000	\$ 5,000,000	\$ -	\$ -	\$ -	\$ 14,200,000
Parks and Nature	40	\$ 39,018,557	\$ 27,241,500	\$ 27,177,798	\$ 12,655,000	\$ 11,406,750	\$ 117,499,605
Visitor Venues - MERC	45	\$ 18,651,000	\$ 5,505,000	\$ 6,418,000	\$ 6,815,000	\$ 13,034,325	\$ 50,423,325
Visitor Venues - Oregon Zoo	10	\$ 13,466,000	\$ 23,650,000	\$ 41,750,000	\$ 16,000,000	\$ -	\$ 94,866,000
Waste Prevention and Environmental Services	41	\$ 8,398,000	\$ 14,443,000	\$ 4,882,000	\$ 8,171,000	\$ 7,900,000	\$ 43,794,000
Total	158	\$ 91,683,557	\$ 76,664,500	\$ 81,252,798	\$ 44,366,000	\$ 33,601,075	\$ 327,567,930

- Financial Policies re-adopted for FY 2026-27:
 - Financial Policies include general and specific policies that are either required to align with federal or state laws and regulations or developed to establish procedures and practices that meet agency goals and practices. Highlights of the policies include:
 - The policies will be reviewed annually by the Council and adopted alongside the budget.
 - A definition of a balanced budget is one in which current year revenues meet or exceed current year expenditures.
 - Any use of fund balance in an operating fund will be fully explained in the adopted budget document.
 - A study to assess the affordability of any new program will be done before the program is implemented.
 - One-time revenues will be used to pay for one-time costs or added to fund balance.
 - Post issuance compliance policies are designed to comply with applicable provisions of the Internal Revenue Code of 1986 and SEC Rule 15c2-12 as amended from time to time.
 - Capital asset management policies establish the framework for overall capital asset planning and management.