

STAFF REPORT

FOR THE PURPOSE OF THE BUDGET COMMITTEE TO DELIBERATE ON THE FY 2023-24 PROPOSED BUDGET AND TO CONSIDER PROPOSED BUDGET AMENDMENTS TO BE INCLUDED IN THE FY 2023-24 APPROVED BUDGET

Date: May 8, 2023

Prepared by:
Cinnamon Williams, Financial Planning Director
Patrick Dennis, Budget Coordinator

Department: Office of the Chief Operating Officer

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

Meeting date: May 9, 2023

Length: 45 minutes

ISSUE STATEMENT

This meeting provides an opportunity for Council, convened as Budget Committee, to deliberate on the FY 2023-24 Proposed Budget, discuss the Chief Operating Officer's Budget Message, the Metro Auditor's budget presentation, and the department budget presentations, in the context of the Council priorities, strategic framework, racial equity outcomes, and climate action goals.

At this meeting, Council will consider two budget amendments (see attachment: FY 2023-24 Summary of Proposed Budget Amendments). If Council, in their capacity as Budget Committee, approves one or both of the budget amendments, by majority affirmative vote, the budget amendment(s) will be included in the FY 2023-24 Approved Budget. The vote to approve the budget, set property tax levies, and authorize the Chief Operating Officer to transmit the FY 2023-24 Approved Budget to the Multnomah County Tax Supervising and Conservation Commission (TSCC) will take place on May 11, 2023, in advance of the TSCC Public Budget Hearing at Metro on June 1, 2023.

This meeting is a Public Hearing and public testimony will be taken by interested members of the public and agency stakeholders. Information shared at this meeting will help guide the development of the FY 2023-24 Adopted Budget.

ACTION REQUESTED

- Council deliberation and feedback on the submitted FY 2023-24 Proposed Budget and the budget presentations.
- Council discussion of the proposed budget amendments to be incorporate into the FY 2023-24 Approved Budget.

IDENTIFIED POLICY OUTCOMES

- Development of a FY 2023-24 Adopted Budget that aligns with Council priorities.
- Budget amendments, if approved, will be incorporated into the FY 2023-24 Approved Budget.

POLICY QUESTIONS

Specific factors for Council consideration *may* include:

- Does Council have any comments or need any questions answered, to improve budget deliberations?
- Does Council require any further explanation, or can any actions be taken, to enhance the Council's understanding of the FY 2023-24 Proposed Budget, after attending the department presentations?
- Do the proposed budget amendments reflect the Council's priorities and goals?

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Council may approve or deny the proposed budget amendments, by majority Council vote, acting in their capacity as Budget Committee.

STAFF RECOMMENDATIONS

The Chief Operating Officer and Chief Financial Officer recommend that Council approve the proposed budget amendments.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

Each department's FY 2023-24 base budget was developed following the Chief Financial Officer's budget instructions released in early December 2022. 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 7, 2023, and presented by the Chief Operating Officer, acting in their capacity as the Budget Officer, on April 11, 2023, with their Budget Message.

This is the first formal opportunity for Council to amend the FY 2023-24 budget, from the Proposed Budget to the Approved Budget. Council will have another opportunity to amend the FY 2023-24 budget, from the Approved Budget to the Adopted Budget, prior to adoption. Amendments to the budget between the approved and adopted stages are limited to no more than 10% increase per fund.

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 Proposed Budget to Council, acting in their capacity as Metro's Budget Committee.

BACKGROUND

The Chief Operating Officer, acting in their capacity as the Budget Officer, presented the Metro Council, convened as Budget Committee, the FY 2023-24 Proposed Budget to fully deliberate and to

provide guidance in developing the FY 2023-24 Approved Budget, and eventually, the FY 2023-24 Adopted Budget.

ATTACHMENT

- FY 2023-24 Summary of Proposed Budget Amendments