

METRO COUNCIL

Work Session Worksheet

Presentation Date: November 5, 2008 Time: 10:00 am - noon Length: 2 hours

Presentation Title: FY 2009-10 Budget Planning Session

Department: Office of the Chief Operating Officer

Presenters: Budget Officer Michael Jordan, COO with Finance Team and Strategy Team

ISSUE & BACKGROUND

This session will be divided into two parts:

Part I: Tactical

The tactical session will include presentation and discussion of key budget assumptions necessary to begin preparation of the FY 2009-10 budget.

1. Key Budget Assumptions (material attached)
Background information about key budget assumptions provides an overview of the budget basics, revenue and expenditures. We will use meeting time to discuss and determine consensus on a limited number of the key assumptions including labor costs, PERS, PERS reserves and excise tax.
2. Tonnage Update
The current decline in tonnage, while anticipated for FY 2008-09, now appears deeper than originally forecast. This has implications for both the Solid Waste system and the collection of per-ton General Fund excise tax in the current year and for FY 2009-10.
3. Early look at Quarter 1 (full report will be made on November 25)
In addition to the tonnage report, we will bring forward any concerns from the initial review of the first quarter financial reports.
4. Commitments for FY 2009-10
Council's three year spending plan for the General Fund reserves will enter its third and final year in FY 2009-10. We will provide a brief status report on the elements of the plan.

5. FY 2009-10: Appropriating the “Legal Budget” by Fund and Organizational Unit
The structure of the FY 2009-10 budget will change as we move to full implementation of the Sustainable Metro Initiative (SMI). A single operating unit such as Parks and Environmental Services will now manage its budgeted resources across multiple funds, creating the need for increased monitoring to avoid possible Oregon budget law exceptions.

Part II: Strategic

The second hour will include a discussion about the strategic direction of the FY 2009-10 budget, lead by the Budget Officer and the Strategy Center. See separate material.