

BEFORE THE METRO COUNCIL

ADOPTING THE ANNUAL BUDGET FOR) ORDINANCE NO. 13-1300A
 FISCAL YEAR FY 2013-14, MAKING)
 APPROPRIATIONS, LEVYING AD VALOREM) Introduced by Martha Bennett, Chief
 TAXES, AND AUTHORIZING AN INTERFUND) Operating Officer, with the concurrence of
 LOAN) Council President Tom Hughes

WHEREAS, the Multnomah County Tax Supervising and Conservation Commission held its public hearing on the annual Metro budget for the fiscal year beginning July 1, 2013, and ending June 30, 2014; and

WHEREAS, recommendations from the Multnomah County Tax Supervising and Conservation Commission have been received by Metro (attached as Exhibit A and made a part of the Ordinance) and considered; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The “Fiscal Year 2013-14 Metro Budget,” in the total amount of FOUR HUNDRED NINETY MILLION SIX HUNDRED THIRTY FIVE THOUSAND FIVE HUNDRED SEVEN (\$490,635,507), attached hereto as Exhibit B, and the Schedule of Appropriations, attached hereto as Exhibit C, are hereby adopted.

2. The Metro Council does hereby levy ad valorem taxes, as provided in the budget adopted by Section 1 of this Ordinance, at the rate of \$0.0966 per ONE THOUSAND DOLLARS (\$1,000) of assessed value for operating rate levy; at the rate of \$0.0960 per ONE THOUSAND DOLLARS (\$1,000) of assessed values for local option rate levy and in the amount of THIRTY SEVEN MILLION SIX HUNDRED SEVENTY NINE THOUSAND FOUR HUNDRED NINETY SEVEN (\$37,679,497) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2013-14. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy.

SUMMARY OF AD VALOREM TAX LEVY

| | Subject to the General Government <u>Limitation</u> | Excluded from <u>the Limitation</u> |
|------------------------------|---|--|
| Operating Tax Rate Levy | \$0.0966/\$1,000 | |
| Local Option Tax Rate Levy | \$0.0960/\$1,000 | |
| General Obligation Bond Levy | | \$37,679,497 |

3. In accordance with Section 2.02.040 of the Metro Code, the Metro Council hereby authorizes positions and expenditures in accordance with the Annual Budget adopted by Section 1

of this Ordinance, and hereby appropriates funds for the fiscal year beginning July 1, 2013, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

4. The Parks and Natural Areas Local Option Levy Fund is hereby created for the purpose of accounting for property taxes received under the local option levy authorization approved by the voters of the Metro region on May 21, 2013. Major revenue source for the fund includes but is not limited to property taxes. In the event of the elimination of this fund, any fund balance remaining shall revert to the General Fund.


5. An interfund loan from the Solid Waste Revenue Fund to the Natural Areas Local Option Levy Fund in an amount not to exceed \$5.0 million is hereby authorized. The loan will be made to provide cash flow for authorized levy expenditures prior to the receipt of the first tax revenues in November/December 2013. The loan, including interest at a rate equal to the average yield on Metro's pooled investments, will be repaid from the Natural Areas Local Option Levy Fund prior to June 30, 2014.

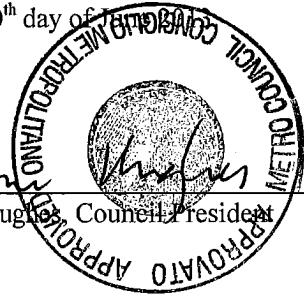
6. An interfund loan from the General Fund to the MERC Fund in an amount not to exceed \$2.2 million is hereby authorized. The loan will be made to provide financing of the Eastside Streetcar Local Improvement District assessment on the Oregon Convention Center. The loan, including interest at a rate equal to the average yield on Metro's pooled investments, will be repaid from Oregon Convention Center revenues and/or reserves. Repayment will be over a period not to exceed ten years beginning FY 2013-14 and provide for a minimum of \$220,000 annual principal payments due no later than June 30th of each fiscal year

7. The Chief Operating Officer shall make the filings as required by ORS 294.458 and ORS 310.060, or as requested by the Assessor's Office of Clackamas, Multnomah, and Washington Counties.

8. This Ordinance being necessary for the health, safety, or welfare of the Metro area, for the reason that the new fiscal year begins July 1, 2013, and Oregon Budget Law requires the adoption of a budget prior to the beginning of the fiscal year, an emergency is declared to exist and the Ordinance takes effect upon passage.

ADOPTED by the Metro Council on this 20th day of June 2013


Tom Hughes, Council President



ATTEST:


Kelsey Newell, Recording Secretary

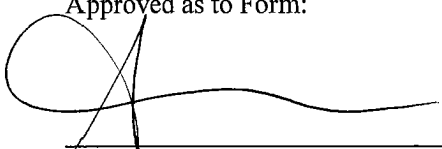
Approved as to Form:

Alison Kean Campbell, Metro Attorney

EXHIBIT A
Ordinance No. 13-1300A



**Tax Supervising
& Conservation
Commission**

PO Box 8428
Portland, Oregon
97207-8428

Telephone (503) 988-3054

Fax: (503) 988-3053

E-Mail:
TSCC@multco.us

Web Site:
www.tscmultco.com/tsc/

June 6, 2013

Metro Council
600 NE Grand Avenue
Portland, Oregon 97232

Dear President Hughes and Councilors:

The Tax Supervising and Conservation Commission met on June 6, 2012 to review, discuss and conduct a public hearing on Metro's 2013-14 Approved Budget. This hearing was conducted pursuant to ORS 294.605 to 294.705 to confirm compliance with applicable laws and to determine the adequacy of estimates necessary to support efficient and economical administration of the district.

The budget was filed timely on May 7, 2013. The Commission hereby certifies by a majority vote of members of the Commission that it has no objections or recommendations to make with respect to the budget.

For 2013-14, estimates were judged to be reasonable for the purpose shown and the document was found to be in substantial compliance with Local Budget Law. The budget estimates and levy amounts, as shown in the approved budget, are shown on the attached page.

Please file a complete copy of the adopted budget with the Commission no later than August 31, 2013.

We appreciate having the opportunity to discuss this budget with you.

Yours very truly,

TAX SUPERVISING & CONSERVATION COMMISSION

Javier Fernandez, Chair




Susan Schneider, Vice Chair



Brendan P. Watkins, Commissioner



Terry McCall, Commissioner



Steven B. Nance, Commissioner

Commissioners

Javier Fernandez, Chair
Terry McCall
Steven B. Nance
Susan Schneider
Brendan P. Watkins

EXHIBIT A
Ordinance No. 13-1300A

Metro
2013-14 Approved Budget

June 6, 2013

| | <u>Budget Estimates</u> | <u>Unappropriated Portion</u> |
|--|-----------------------------|-----------------------------------|
| General Fund | \$111,320,879 | \$14,971,701 |
| General Obligation Bond Debt Service Fund | 36,494,125 | 146,450 |
| General Asset Management Fund | 12,227,868 | 486,312 |
| General Revenue Bond Fund | 2,874,715 | 5,393 |
| MERC Fund | 69,701,875 | 11,455,264 |
| Natural Areas Fund | 66,263,355 | 9,129,631 |
| Open Spaces Fund | 643,064 | 0 |
| Zoo Infrastructure Fund | 66,578,439 | 35,371,118 |
| Parks & Natural Areas Local Option Levy Fund | 10,216,770 | 0 |
| Pioneer Cemetery Perpetual Care Fund | 445,067 | 445,067 |
| Rehabilitation & Enhancement Fund | 2,266,179 | 1,543,581 |
| Risk Management Fund | 4,469,238 | 1,050,326 |
| Smith & Bybee Wetlands Fund | 3,600,569 | 3,225,467 |
| Solid Waste Revenue Fund | 94,564,477 | 18,407,491 |
| Total Budget Estimates | \$481,666,620 | \$96,237,801 |

Property Tax Levies, as approved by Budget Committee:

| | |
|--|-------------------------------|
| Permanent Rate – General Government | \$0.0966 / \$ 1,000 AV |
| Parks/Natural Areas Local Option – General Government | \$0.0960 / \$1,000 AV |
| Debt Service - Not Subject to Limit | \$37,679,497 |

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EXHIBIT C
Ordinance 13-1300A
FY 2013-14 SCHEDULE OF APPROPRIATIONS

| | Adopted Budget |
|--|---------------------------|
| GENERAL FUND | |
| Communications | 2,701,648 |
| Council Office | 3,938,637 |
| Finance & Regulatory Services | 4,628,354 |
| Human Resources | 2,219,337 |
| Information Services | 3,915,095 |
| Metro Auditor | 725,382 |
| Office of Metro Attorney | 2,061,480 |
| Oregon Zoo | 31,585,451 |
| Parks & Environmental Services | 8,818,344 |
| Planning and Development | 14,216,023 |
| Research Center | 3,644,374 |
| Sustainability Center | 3,916,131 |
| Special Appropriations | 5,350,265 |
| Non-Departmental | |
| Debt Service | 1,720,071 |
| Interfund Transfers | 7,146,409 |
| Contingency | 4,290,572 |
| <i>Total Appropriations</i> | 100,877,573 |
| Unappropriated Balance | 15,946,701 |
| Total Fund Requirements | \$116,824,274 |
| GENERAL ASSET MANAGEMENT FUND | |
| Asset Management Program | 10,018,546 |
| Non-Departmental | |
| Contingency | 2,785,481 |
| <i>Total Appropriations</i> | 12,804,027 |
| Unappropriated Balance | 686,312 |
| Total Fund Requirements | \$13,490,339 |
| GENERAL OBLIGATION BOND DEBT SERVICE FUND | |
| Debt Service | 36,347,675 |
| Unappropriated Balance | 146,450 |
| Total Fund Requirements | \$36,494,125 |
| GENERAL REVENUE BOND FUND | |
| Debt Service | 2,869,322 |
| Unappropriated Balance | 5,393 |
| Total Fund Requirements | \$2,874,715 |
| MERC FUND | |
| MERC | 47,913,967 |
| Non-Departmental | |
| Interfund Transfers | 5,131,804 |
| Contingency | 10,979,029 |
| <i>Total Appropriations</i> | 64,024,800 |
| Unappropriated Balance | 8,770,342 |
| Total Fund Requirements | \$72,795,142 |

EXHIBIT C
Ordinance 13-1300A
FY 2013-14 SCHEDULE OF APPROPRIATIONS

| | Adopted Budget |
|--|---------------------------|
| NATURAL AREAS FUND | |
| Sustainability Center | 35,247,915 |
| Non-Departmental | |
| Interfund Transfers | 1,885,809 |
| Contingency | 20,000,000 |
| <i>Total Appropriations</i> | 57,133,724 |
| Unappropriated Balance | 9,129,631 |
| Total Fund Requirements | \$66,263,355 |
| NATURAL AREAS LOCAL OPTION LEVY FUND | |
| Oregon Zoo | 297,413 |
| Parks & Environmental Services | 2,296,544 |
| Sustainability Center | 5,227,100 |
| Special Appropriations | 750,000 |
| Non-Departmental | |
| Interfund Transfers | 929,953 |
| Contingency | 715,760 |
| <i>Total Appropriations</i> | 10,216,770 |
| Unappropriated Balance | 0 |
| Total Fund Requirements | \$10,216,770 |
| OPEN SPACES FUND | |
| Sustainability Center | 643,064 |
| Total Fund Requirements | \$643,064 |
| OREGON ZOO INFRASTRUCTURE AND ANIMAL WELFARE FUND | |
| Oregon Zoo | 25,765,168 |
| Non-Departmental | |
| Interfund Transfers | 242,153 |
| Contingency | 5,200,000 |
| <i>Total Appropriations</i> | 31,207,321 |
| Unappropriated Balance | 35,371,118 |
| Total Fund Requirements | \$35,371,118 |
| CEMETERY PERPETUAL CARE FUND | |
| Unappropriated Balance | 445,067 |
| Total Fund Requirements | \$445,067 |
| REHABILITATION & ENHANCEMENT FUND | |
| Sustainability Center | 330,990 |
| Non-Departmental | |
| Interfund Transfers | 114,602 |
| Contingency | 280,000 |
| <i>Total Appropriations</i> | 725,592 |
| Unappropriated Balance | 1,549,335 |
| Total Fund Requirements | \$2,274,927 |

EXHIBIT C
Ordinance 13-1300A
FY 2013-14 SCHEDULE OF APPROPRIATIONS

| | Adopted Budget |
|-------------------------------------|---------------------------|
| RISK MANAGEMENT FUND | |
| Finance & Regulatory Services | 2,616,951 |
| Non-Departmental | |
| Interfund Transfers | 301,961 |
| Contingency | 500,000 |
| <i>Total Appropriations</i> | 3,418,912 |
| Unappropriated Balance | 1,050,326 |
| Total Fund Requirements | \$4,469,238 |
| SMITH AND BYBEE LAKES FUND | |
| Parks & Environmental Services | 65,000 |
| Non-Departmental | |
| Interfund Transfers | 110,102 |
| Contingency | 200,000 |
| <i>Total Appropriations</i> | 375,102 |
| Unappropriated Balance | 3,225,467 |
| Total Fund Requirements | \$3,600,569 |
| SOLID WASTE REVENUE FUND | |
| Finance & Regulatory Services | 2,179,938 |
| Sustainability Center | 5,842,884 |
| Parks & Environmental Services | 45,107,091 |
| Non-Departmental | |
| Interfund Transfers | 7,766,403 |
| Contingency | 15,293,514 |
| <i>Total Appropriations</i> | 76,189,830 |
| Unappropriated Balance | 17,475,653 |
| Total Fund Requirements | \$93,665,483 |
| Total Appropriations | \$396,833,712 |
| Total Unappropriated Balance | \$93,801,795 |
| TOTAL BUDGET | \$490,635,507 |

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 13-1300 ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2013-14, MAKING APPROPRIATIONS, LEVYING AD VALOREM TAXES, AND AUTHORIZING AN INTERFUND LOAN

Date: April 3, 2013

Presented by: Martha Bennett
Chief Operating Officer

BACKGROUND

I am forwarding to the Metro Council for consideration and approval my proposed budget for fiscal year 2013-14.

Metro Council action, through Ordinance No. 13-1300 is the final step in the process for the adoption of Metro's operating financial plan for the forthcoming fiscal year. Final action by the Metro Council to adopt this plan must be completed by June 30, 2013.

Once the budget plan for fiscal year 2013-14 is approved by the Metro Council on May 2, 2013, the number of funds and the maximum tax levy cannot be amended without review and certification by the Tax Supervising and Conservation Commission. Adjustments, if any, by the Metro Council to increase the level of expenditures in a fund are limited to no more than 10 percent of the total value of any fund's expenditures in the period between Metro Council approval in early May 2013 and adoption in June 2013.

Exhibit A to this Ordinance will be available subsequent to the Tax Supervising and Conservation Commission hearing June 6, 2013. Exhibits B and C of the Ordinance will be available at the public hearing on April 25, 2013.

ANALYSIS/INFORMATION

1. **Known Opposition** – Metro Council hearings will be held on the Proposed Budget on April 25, 2013 and May 2, 2013. Opportunities for public comments will be provided. Opposition to any portion of the budget will be identified during that 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. Oregon Revised Statutes 294.635 requires that Metro prepare and submit its approved budget to the Tax Supervising and Conservation Commission by May 15, 2013. The Commission will conduct a hearing on June 6, 2013 for the purpose of receiving information from the public regarding the Metro Council's approved budget. Following the hearing, the Commission will certify the budget to the Metro Council for adoption and may provide recommendations to the Metro Council regarding any aspect of the budget.
3. **Anticipated Effects** – Adoption of this ordinance will put into effect the annual FY 2013-14 budget, effective July 1, 2013.
4. **Budget Impacts** – The total amount of the proposed FY 2013-14 annual budget is \$481,666,620 and 752.55 FTE.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of Ordinance No. 13-1300