

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ANNUAL) BUDGET FOR FISCAL YEAR 2015-16, MAKING) APPROPRIATIONS, LEVYING AD VALOREM) TAXES, AND AUTHORIZING AN INTERFUND) LOAN)	RESOLUTION NO 15-4612 Introduced by Martha Bennett, Chief Operating Officer, with the concurrence of 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, 2015, and ending June 30, 2016; 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 Resolution) and considered; now, therefore,

BE IT RESOLVED,

1. The “Fiscal Year 2015-16 Metro Budget,” in the total amount of SIX HUNDRED ELEVEN MILLION FOUR HUNDRED NINETY THREE THOUSAND EIGHT HUNDRED TWENTY SIX DOLLARS (\$611,493,826), 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 Resolution, 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 TWENTY NINE MILLION SIX HUNDRED FIFTY NINE THOUSAND SEVENTY FOUR DOLLARS (\$29,659,074) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2015-16. 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		\$29,659,074

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 Resolution, and hereby appropriates funds for the fiscal year beginning July 1, 2015, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

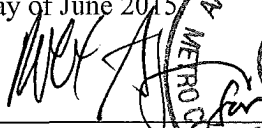
4. The Oregon Zoo Operating Fund is hereby established. Major sources of revenue will be enterprise revenues generated by the Oregon Zoo and contribution from Metro's General Fund. In the event this fund is eliminated any remaining fund balance will be returned to the General Fund.

5. The Oregon Zoo Capital Asset Management Fund is hereby established. Major sources of revenue will be capital donations and grant funds. This fund may also receive contributions from the Oregon Zoo Operating Fund or Metro's General Fund. In the event this fund is eliminated any remaining fund balance will be returned to the Oregon Zoo Operating Fund, or in the absence of that fund, the General Fund.

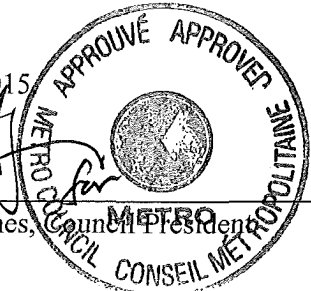
6. An interfund loan from the Solid Waste Revenue Fund to the Oregon Zoo Capital Asset Management Fund is hereby reauthorized. The loan was originally authorized in FY 2014-15 for an amount not to exceed \$3.5 million. The first installment of the loan in the amount of \$1.5 million was made January 1, 2015 leaving the balance of the loan to be made in FY 2015-16. The loan will be made to fund two large capital projects at the Oregon Zoo. The loan, including interest at a rate equal to the average yield on Metro's pooled investments, will be repaid from Oregon Zoo operating revenues. Repayment for both installments of the loan will be made over a period not to exceed ten years beginning FY 2014-15. Annual interest only payments will be made until such time as the Oregon Zoo's commitment to debt service on the FY 2013 Full Faith & Credit bonds expires on 8/1/2016. Thereafter, annual principal payments will be 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.

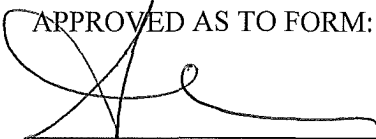
ADOPTED by the Metro Council on this 18th day of June 2015



Tom Hughes, Council President



APPROVED AS TO FORM:



Alison Kean, Metro Attorney

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ANNUAL)	RESOLUTION NO 15-4612
BUDGET FOR FISCAL YEAR 2015-16, 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, 2015, and ending June 30, 2016; 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 Resolution) and considered; now, therefore,

BE IT RESOLVED,

1. The "Fiscal Year 2015-16 Metro Budget," in the total amount of SIX HUNDRED ~~SIX-ELEVEN~~ MILLION FOUR HUNDRED ~~EIGHTY-EIGHTNINETY THREE~~ THOUSAND ~~THREE-EIGHT~~ HUNDRED ~~SIXTY-FOUR~~TWENTY SIX DOLLARS (~~\$606,488,364~~611,493,826), 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 Resolution, 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 TWENTY NINE MILLION SIX HUNDRED FIFTY NINE THOUSAND SEVENTY FOUR DOLLARS (\$29,659,074) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2015-16. 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		\$29,659,074

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 Resolution, and hereby appropriates funds for the fiscal year beginning July 1, 2015, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

4. The Oregon Zoo Operating Fund is hereby established. Major sources of revenue will be enterprise revenues generated by the Oregon Zoo and contribution from Metro's General Fund. In the event this fund is eliminated any remaining fund balance will be returned to the General Fund.

5. The Oregon Zoo Capital Asset Management Fund is hereby established. Major sources of revenue will be capital donations and grant funds. This fund may also receive contributions from the Oregon Zoo Operating Fund or Metro's General Fund. In the event this fund is eliminated any remaining fund balance will be returned to the Oregon Zoo Operating Fund, or in the absence of that fund, the General Fund.

6. An interfund loan from the Solid Waste Revenue Fund to the Oregon Zoo Capital Asset Management Fund is hereby reauthorized. The loan was originally authorized in FY 2014-15 for an amount not to exceed \$3.5 million. The first installment of the loan in the amount of \$1.5 million was made January 1, 2015 leaving the balance of the loan to be made in FY 2015-16. The loan will be made to fund two large capital projects at the Oregon Zoo. The loan, including interest at a rate equal to the average yield on Metro's pooled investments, will be repaid from Oregon Zoo operating revenues. Repayment for both installments of the loan will be made over a period not to exceed ten years beginning FY 2014-15. Annual interest only payments will be made until such time as the Oregon Zoo's commitment to debt service on the FY 2013 Full Faith & Credit bonds expires on 8/1/2016. Thereafter, annual principal payments will be 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.

ADOPTED by the Metro Council on this 18th day of June 2015.

Tom Hughes, Council President

APPROVED AS TO FORM:

Alison Kean, Metro Attorney

Exhibit A
Resolution 15-4612



**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/tsccl

June 4, 2015

Metro Council
600 NE Grand Avenue
Portland, Oregon 97232

Dear President Hughes and Councilors:

The Tax Supervising and Conservation Commission met on June 5, 2014 to review, discuss and conduct a public hearing on Metro's 2015-16 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 11, 2015. 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 2015-16, 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, 2015.

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

Yours very truly,

TAX SUPERVISING & CONSERVATION COMMISSION

Terry McCall, Chair

Gülgün U Mersereau, Commissioner

Brendan P. Watkins, Commissioner

Steven B. Nance, Commissioner

David Barringer, Commissioner

Commissioners

Terry McCall, Chair
Steven B. Nance
Gülgün U Mersereau
Brendan P. Watkins
David Barringer

**Exhibit A
Resolution 15-4612**

Metro
2015-16 Approved Budget

June 4, 2015

	Budget Estimates	Unappropriated Portion
General Fund	\$104,979,455	\$16,184,630
General Asset Management Fund	6,641,478	0
General Obligation Bond Debt Service Fund	29,945,825	44,200
General Revenue Bond Fund	88,632,031	9,506,487
MERC Fund	88,075,703	0
Natural Areas Fund	45,427,310	3,101,335
Parks & Natural Areas Local Option Levy Fund	17,263,212	0
Open Spaces Fund	391,986	0
Zoo Infrastructure & Animal Welfare Bond Fund	61,307,612	36,796,453
Zoo Operating Fund	39,390,870	0
Zoo Capital Asset Management Fund	7,138,023	602,500
Cemetery Perpetual Care Fund	577,666	577,666
Community Enhancement Fund	2,734,502	1,008,036
Risk Management Fund	3,976,722	1,101,850
Smith & Bybee Wetlands Fund	3,179,393	1,752,279
Solid Waste Revenue Fund	106,826,576	22,180,060
Total Budget Estimates	\$606,488,364	\$92,855,496

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	\$29,659,074

EXHIBIT B
Resolution 15-4612
Schedule of Appropriations

	Adopted Budget
GENERAL FUND	
Council	4,965,840
Office of the Auditor	771,000
Office of Metro Attorney	2,391,040
Information Services	4,530,996
Communications	3,059,613
Finance and Regulatory Services	4,921,912
Human Resources	2,731,331
Property and Environmental Services	2,709,192
Parks and Nature	9,938,198
Planning and Development Department	18,184,820
Research Center	4,633,285
Special Appropriations	4,743,062
Non-Departmental	
Debt Service	1,861,882
Interfund Transfers	19,934,904
Contingency	3,971,542
<i>Total Appropriations</i>	89,348,617
Unappropriated Balance	16,309,150
Total Fund Requirements	\$105,657,767
CEMETERY PERPETUAL CARE FUND	
Unappropriated Balance	577,666
Total Fund Requirements	\$577,666
COMMUNITY ENHANCEMENT FUND	
Property and Environmental Services	1,325,952
Non-Departmental	
Interfund Transfers	60,514
Contingency	340,000
<i>Total Appropriations</i>	1,726,466
Unappropriated Balance	1,008,036
Total Fund Requirements	\$2,734,502
GENERAL ASSET MANAGEMENT FUND	
Asset Management Program	3,309,310
Non-Departmental	
Interfund Transfers	1,311,500
Contingency	2,317,468
<i>Total Appropriations</i>	6,938,278
Total Fund Requirements	\$6,938,278
GENERAL OBLIGATION DEBT SERVICE FUND	
Non-Departmental	
Debt Service	29,901,625
<i>Total Appropriations</i>	29,901,625
Unappropriated Balance	44,200
Total Fund Requirements	\$29,945,825
GENERAL REVENUE BOND FUND	
Bond Accounts	73,410,000
Bond Account	
Debt Service	5,450,544
Interfund Transfers	265,000
<i>Total Appropriations</i>	79,125,544
Unappropriated Balance	9,506,487
Total Fund Requirements	\$88,632,031

EXHIBIT B
Resolution 15-4612
Schedule of Appropriations

	Adopted Budget
MERC FUND	
MERC	57,906,623
Non-Departmental	
Interfund Transfers	9,001,335
Contingency	23,949,245
	<i>Total Appropriations</i>
	90,857,203
Total Fund Requirements	\$90,857,203
NATURAL AREAS FUND	
Parks and Nature	30,573,251
Non-Departmental	
Interfund Transfers	1,752,724
Contingency	10,000,000
	<i>Total Appropriations</i>
	42,325,975
Unappropriated Balance	3,101,335
Total Fund Requirements	\$45,427,310
OPEN SPACES FUND	
Parks and Nature	391,986
	<i>Total Appropriations</i>
	391,986
Total Fund Requirements	\$391,986
OREGON ZOO CAPITAL ASSET MANAGEMENT FUND	
Visitor Venues - Oregon Zoo	6,076,314
Non-Departmental	
Interfund Transfers	198,400
Contingency	260,809
	<i>Total Appropriations</i>
	6,535,523
Unappropriated Balance	602,500
Total Fund Requirements	\$7,138,023
OREGON ZOO OPERATING FUND	
Visitor Venues - Oregon Zoo	34,523,282
Non-Departmental	
Interfund Transfers	3,917,588
Contingency	950,000
	<i>Total Appropriations</i>
	39,390,870
Total Fund Requirements	\$39,390,870
OREGON ZOO INFRASTRUCTURE/ANIMAL WELFARE FUND	
Visitor Venues - Oregon Zoo	19,838,503
Non-Departmental	
Interfund Transfers	704,656
Contingency	3,968,000
	<i>Total Appropriations</i>
	24,511,159
Unappropriated Balance	36,796,453
Total Fund Requirements	\$61,307,612
PARKS AND NATURAL AREAS LOCAL OPTION LEVY FUND	
Parks and Nature	11,880,354
Visitor Venues - Oregon Zoo	-
Property and Environmental Services	-
Special Appropriations	1,500,000
Non-Departmental	
Interfund Transfers	3,950,019
Contingency	782,839
	<i>Total Appropriations</i>
	18,113,212
Total Fund Requirements	\$18,113,212

EXHIBIT B
Resolution 15-4612
Schedule of Appropriations

	Adopted Budget
RISK MANAGEMENT	
Finance and Regulatory Services	2,049,980
Non-Departmental	
Interfund Transfers	324,892
Contingency	500,000
<i>Total Appropriations</i>	2,874,872
Unappropriated Balance	1,101,850
Total Fund Requirements	3,976,722
SMITH AND BYBEE WETLANDS FUND	
Parks and Nature	300,000
Non-Departmental	
Interfund Transfers	127,114
Contingency	1,000,000
<i>Total Appropriations</i>	1,427,114
Unappropriated Balance	1,752,279
Total Fund Requirements	\$3,179,393
SOLID WASTE FUND	
Property and Environmental Services	60,834,416
Finance and Regulatory Services	582,014
Non-Departmental	
Interfund Transfers	7,804,021
Contingency	16,028,619
<i>Total Appropriations</i>	85,249,070
Unappropriated Balance	21,976,356
Total Fund Requirements	107,225,426
Total Appropriations	518,717,514
Total Unappropriated Balance	92,776,312
TOTAL BUDGET	\$611,493,826

EXHIBIT C
Resolution 15-4612
Budget Summary

	Audited FY 2012-13	Audited FY 2013-14	Amended FY 2014-15	Proposed FY 2015-16	Approved FY 2015-16	Adopted FY 2015-16	Change From 2014-15
RESOURCES							
Beginning Fund Balance	302,267,337	270,798,054	221,363,195	188,214,353	188,214,353	192,552,003	(14.97%)
Current Revenues							
Excise Tax	15,357,261	16,002,790	16,597,648	17,367,350	17,367,350	17,367,350	4.64%
Construction Excise Tax	2,349,487	2,537,894	2,000,000	2,475,000	2,475,000	2,475,000	23.75%
Real Property Taxes	51,517,060	59,245,166	60,039,021	54,407,424	54,407,424	54,407,424	(9.38%)
Other Tax Revenues	28,792	49,581	40,000	50,000	50,000	50,000	25.00%
Interest Earnings	985,975	1,619,111	1,151,647	1,545,039	1,545,039	1,545,039	34.16%
Grants	10,990,550	9,527,318	10,927,570	21,774,276	21,774,276	21,774,982	99.26%
Local Government Shared Revenues	15,019,185	16,370,050	14,280,785	14,937,140	14,937,140	14,937,140	4.60%
Contributions from Governments	3,803,556	3,789,794	3,849,193	3,875,098	3,875,098	3,875,098	0.67%
Licenses and Permits	375,160	369,855	380,000	380,000	380,000	380,000	0.00%
Charges for Services	118,143,005	120,619,348	126,766,857	135,717,198	135,717,198	136,055,198	7.06%
Contributions from Private Sources	2,775,604	2,989,785	2,249,622	1,357,773	1,357,773	1,357,773	(39.64%)
Internal Charges for Services	530,292	419,536	317,509	272,284	272,284	272,284	(14.24%)
Miscellaneous Revenue	1,041,723	639,915	992,320	3,041,162	3,041,162	3,091,868	206.47%
Other Financing Sources	13,131,753	1,800,316	-	-	-	-	
Bond Proceeds	42,577	-	-	112,000,000	112,000,000	112,000,000	
Subtotal Current Revenues	236,091,980	235,980,459	239,592,172	369,199,744	369,199,744	369,589,156	54.10%
Interfund Transfers							
Internal Service Transfers	3,780,834	3,507,438	2,259,646	4,924,719	4,924,719	5,123,119	117.94%
Interfund Reimbursements	12,535,326	12,398,211	14,125,785	15,935,080	15,935,080	15,935,080	12.81%
Interfund Loans	-	2,361,980	3,472,940	1,933,577	1,933,577	1,933,577	(44.32%)
Fund Equity Transfers	17,084,227	17,125,884	21,071,608	26,280,891	26,280,891	26,360,891	24.72%
Subtotal Interfund Transfers	33,400,387	35,393,513	40,929,979	49,074,267	49,074,267	49,352,667	19.90%
TOTAL RESOURCES	\$571,759,704	\$542,172,026	\$501,885,346	\$606,488,364	\$606,488,364	\$611,493,826	20.84%
REQUIREMENTS							
Current Expenditures							
Personnel Services	75,457,497	77,453,540	87,057,148	95,128,052	95,128,052	95,596,989	9.27%
Materials and Services	99,065,661	103,802,766	134,094,308	206,404,553	206,404,553	208,053,727	53.92%
Capital Outlay	25,753,073	40,159,489	74,036,540	61,307,858	61,307,858	64,431,558	(17.19%)
Debt Service	67,285,032	40,937,067	41,971,000	37,214,051	37,214,051	37,214,051	(11.33%)
Subtotal Current Expenditures	267,561,263	262,352,862	337,158,996	400,054,514	400,054,514	405,296,325	18.65%
Interfund Transfers							
Internal Service Transfers	3,780,834	3,507,438	2,259,646	4,924,719	4,924,719	5,123,119	117.94%
Interfund Reimbursements	12,535,326	12,398,211	14,125,785	15,935,080	15,935,080	15,935,080	12.81%
Fund Equity Transfers	17,084,227	17,125,884	21,071,608	26,280,891	26,280,891	26,360,891	24.72%
Interfund Loans	-	2,361,980	3,472,940	1,933,577	1,933,577	1,933,577	(44.32%)
Subtotal Interfund Transfers	33,400,387	35,393,513	40,929,979	49,074,267	49,074,267	49,352,667	19.90%
Contingency	-	-	73,348,959	64,504,087	64,504,087	64,068,522	(12.06%)
Unappropriated Fund Balance	270,798,054	244,425,650	50,447,412	92,855,496	92,855,496	92,776,312	84.06%
Subtotal Contingency/Ending Balance	270,798,054	244,425,650	123,796,371	157,359,583	157,359,583	156,844,834	27.11%
TOTAL REQUIREMENTS	\$571,759,704	\$542,172,026	\$501,885,346	\$606,488,364	\$606,488,364	\$611,493,826	20.84%
FULL-TIME EQUIVALENTS	749.14	765.79	811.80	836.70	836.70	842.35	
FTE CHANGE FROM FY 2014-15 AMENDED BUDGET							30.55

STAFF REPORT

CONSIDERATION OF RESOLUTION 15-4612 ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2015-16, MAKING APPROPRIATIONS, LEVYING AD VALOREM TAXES, AND AUTHORIZING AN INTERFUND LOAN

Date: March 24, 2015

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 2015-16.

Metro Council action, through Resolution No. 15-4612 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, 2015.

Once the budget plan for fiscal year 2015-16 is approved by the Metro Council on May 7, 2015, 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 2015 and adoption in June 2015.

Exhibit A to this Resolution will be available subsequent to the Tax Supervising and Conservation Commission hearing June 4, 2015. Exhibits B and C of the Resolution will be available at the public hearing on April 16, 2015.

ANALYSIS/INFORMATION

1. **Known Opposition** – Metro Council hearings will be held on the Proposed Budget on April 16, 2015 and May 7, 2015. 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, 2015. The Commission will conduct a hearing on June 4, 2015 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 Resolution will put into effect the annual FY 2015-16 budget, effective July 1, 2015.
4. **Budget Impacts** – The total amount of the proposed FY 2015-16 annual budget is \$606,488,364 and 836.70 FTE.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of Resolution No. 15-4612