

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY 2016-17 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2016-17 THROUGH FY 2020-21 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR A CHANGE IN OPERATIONS)

RESOLUTION NO 17-4801 Introduced by Martha Bennett, Chief Operating Officer, with the concurrence of Council President Tom Hughes

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2016-17 Budget; and

WHEREAS, Metro Code chapter 2.02.040 requires Metro Council approval to add any new position to the budget; and

WHEREAS, the need for the increase of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; and

WHEREAS, ORS 294.463(1) provides for transfers of appropriations within a fund, including transfers from contingency that do not exceed 15 percent of a fund's appropriations, if such transfers are authorized by official resolution or ordinance of the governing body, and

WHEREAS, ORS 294.463(3) provides for transfers of appropriations or of appropriations and a like amount of budget resources between funds of the municipal corporation when authorized by an official resolution or ordinance of the governing body stating the need for the transfer, and

WHEREAS, ORS 294.338(2) provides for the recognition of specific purpose donations and related additional appropriations when authorized by an official resolution or ordinance of the governing body stating the need for the recognition, and

WHEREAS, ORS 294.338(2) provides for the recognition of unanticipated non-tax revenue and related additional appropriations when authorized by an official resolution or ordinance of the governing body stating the need for the recognition, now, therefore,

BE IT RESOLVED,

- 1. That the FY 2016-17 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Resolution for the purpose of recognizing new donations and reimbursements and transferring funds from contingency to provide for increased appropriations.
2. That the FY 2016-17 through FY 2020-21 Capital Improvement Plan is hereby amended accordingly.

ADOPTED by the Metro Council this 22th day of June, 2017.

APPROVED AS TO FORM:

Handwritten signature of Alison Kean, Metro Attorney

Handwritten signature of Tom Hughes, Council President and official seal of the Metro Council

Exhibit A
Resolution No. 17-4801

ACCT	DESCRIPTION	Current Budget	Revision	Amended Budget
General Fund - Total Resources				
Total Beginning Fund Balance		27,926,217	-	27,926,217
<u>Current Revenue</u>				
401000	Real Property Taxes-Current Yr	14,123,060	-	14,123,060
401500	Real Property Taxes-Prior Yrs	300,000	-	300,000
405000	Excise Taxes	18,275,740	-	18,275,740
405500	Construction Excise Tax	2,421,550	-	2,421,550
405600	CET Administration Fee	127,450	-	127,450
410000	Federal Grants - Direct	1,868,397	-	1,868,397
410500	Federal Grants - Indirect	5,776,710	-	5,776,710
411000	State Grants - Direct	251,259	-	251,259
412000	Local Grants - Direct	1,225,000	-	1,225,000
413500	Marine Board Fuel Tax	50,000	-	50,000
413700	Gain Share-OR Str Invest Prog	121,000	-	121,000
413900	Other Local Govt Shared Rev.	428,400	-	428,400
414000	Local Government Service Fee	14,579	-	14,579
414500	Government Contributions	7,493,988	-	7,493,988
415000	Contractor's Business License	475,000	-	475,000
416500	Boat Launch Fees	270,270	-	270,270
418000	Contract and Professional Servic	187,180	-	187,180
423000	Product Sales	16,541	-	16,541
428000	Cemetery Service Sales	124,000	-	124,000
428500	Cemetery Property Sales	220,000	-	220,000
428800	Cemetery Merchandise Sales	56,000	-	56,000
450000	Admission Fees	674,594	-	674,594
451000	Rentals - Equipment	9,730	-	9,730
452000	Rentals - Space	355,784	-	355,784
452100	Rentals - Building	623,034	-	623,034
453000	Golf Course Revenues	3,301,622	-	3,301,622
455000	Food and Beverage Service Revenue	14,292	-	14,292
459200	Commissions - Outside Catering	10,270	-	10,270
462000	Parking Fees	967,570	-	967,570
465000	Miscellaneous Charges for Svc	34,595	-	34,595
470000	Interest on Investments	200,000	-	200,000
489000	Miscellaneous Revenue	49,500	-	49,500
489100	Refunds/Reimbursements	1,294,465	-	1,294,465
489110	Damages Reimbursements	-	135,000	135,000
Total Current Revenue		61,361,580	135,000	61,496,580
Total Interfund Transfers		20,711,937	-	20,711,937
TOTAL RESOURCES		\$109,999,734	\$135,000	\$110,134,734

Exhibit A
Resolution No. 17-4801

ACCT	DESCRIPTION	Current Budget	Revision	Amended Budget
General Fund - Finance and Regulatory Services				
	Total Personnel Services	4,117,209	-	4,117,209
	<u>Materials and Services</u>			
520100	Office Supplies	27,948	-	27,948
521000	Subscriptions and Dues	13,901	-	13,901
521500	Maintenance and Repairs Supplies	724	-	724
524000	Contracted Professional Svcs	162,169	-	162,169
524070	Contracted Prof Svcs - Management, Consulting and Communication Services	150,000	80,000	230,000
524600	Sponsorship Expenditures	20,149	-	20,149
526000	Maintenance and Repair Services	2,458	-	2,458
528000	Other Purchased Services	108,977	-	108,977
530000	Payments to Other Agencies	472,788	-	472,788
545000	Travel	28,867	-	28,867
545500	Staff Development	31,304	-	31,304
549000	Miscellaneous Expenditures	4,273	-	4,273
	Total Materials and Services	1,023,558	80,000	1,103,558
TOTAL REQUIREMENTS		\$5,140,767	\$80,000	\$5,220,767
TOTAL FTE		39.00	0.00	39.00

Exhibit A
Resolution No. 17-4801

ACCT	DESCRIPTION	Current Budget	Revision	Amended Budget
General Fund - Parks and Nature				
Total Personnel Services		5,800,617	-	5,800,617
<u>Materials and Services</u>				
520100	Office Supplies	49,767	-	49,767
520110	Computer Equipment	8,094	-	8,094
520120	Meetings Expenditures	12,262	-	12,262
520130	Postage	262	-	262
520500	Operating Supplies	91,881	-	91,881
520510	Operating Supplies - Small Tools, Equip	22,512	-	22,512
520550	Operating Supplies - Telecommunications	6,282	-	6,282
520580	Operating Supplies - Uniforms	5,859	-	5,859
521000	Subscriptions and Dues	4,673	-	4,673
521100	Membership and Professional Dues	2,285	-	2,285
521200	Publications and Subscriptions	1,285	-	1,285
521400	Fuels and Lubricants - General	74,556	-	74,556
521500	Maintenance and Repairs Supplies	139,157	-	139,157
522500	Retail	13,612	-	13,612
524000	Contracted Professional Svcs	721,785	135,000	856,785
524050	Contracted Prof Svcs - Advertising	85,000	-	85,000
524500	Marketing Expenditures	7,000	-	7,000
524600	Sponsorship Expenditures	16,121	-	16,121
525000	Contracted Property Services	218,781	-	218,781
525100	Utility Services	313,840	-	313,840
525500	Cleaning Services	15,997	-	15,997
526000	Maintenance and Repair Services	239,446	-	239,446
526010	Maintenance and Repair Services - Building	12,564	-	12,564
526050	Maintenance and Repair Services - Vehicles	21,988	-	21,988
526100	Capital Maintenance - CIP	10,000	-	10,000
526500	Rentals	18,336	-	18,336
528000	Other Purchased Services	47,719	-	47,719
528010	Other Purchased Services - Commissions	111,000	-	111,000
528210	Credit Card Fees	60,000	-	60,000
528400	Other Purchased Services - Printing and Graphics	183,000	-	183,000
528500	Cemetery Services Expenditures	113,603	-	113,603
529800	Glendoveer Golf Ops Contract	2,648,000	-	2,648,000
530000	Payments to Other Agencies	51,687	-	51,687
530010	License and Permit Fees	523	-	523
531000	Taxes (Non-Payroll)	167,970	-	167,970
545000	Travel	16,337	-	16,337
545500	Staff Development	54,605	-	54,605
545520	Conference Fees	3,742	-	3,742
548000	Fee Reimbursements	50,000	-	50,000
Total Materials and Services		5,621,531	135,000	5,756,531
Total Capital Outlay		90,000	-	90,000
TOTAL REQUIREMENTS		\$11,512,148	\$135,000	\$11,647,148
TOTAL FTE		46.28	0.00	46.28

Exhibit A
Resolution No. 17-4801

ACCT	DESCRIPTION	Current Budget	Revision	Amended Budget
General Fund - General Expenses				
Total Interfund Transfers		19,929,266	-	19,929,266
<i>Contingency</i>				
701001	Contingency - Opportunity Account	5,000	-	5,000
701002	Contingency - Operating	751,665	(80,000)	671,665
709000	Contingency - All Other	5,100,041	-	5,100,041
Total Contingency		5,856,706	(80,000)	5,776,706
Total Unappropriated Fund Balance		20,607,474	-	20,607,474
TOTAL REQUIREMENTS		\$46,393,446	(\$80,000)	\$46,313,446

Exhibit A
Resolution No. 17-4801

ACCT	DESCRIPTION	Current Budget	Revision	Amended Budget
Oregon Zoo Asset Management Fund				
<u>Revenues</u>				
	Total Beginning Fund Balance	5,600,629	-	5,600,629
	<i>Current Revenue</i>			
470000	Interest on Investments	17,500	-	17,500
475500	Capital Contrib and Donations	488,000	385,334	873,334
	Total Current Revenue	505,500	385,334	890,834
	Total Interfund Transfers	1,047,308	-	1,047,308
TOTAL RESOURCES		\$7,153,437	\$385,334	\$7,538,771
<u>Expenditures</u>				
	<i>Materials and Services</i>			
526100	Capital Maintenance - CIP	128,883	-	128,883
	Total Materials and Services	128,883	-	128,883
	<i>Capital Outlay</i>			
571000	Improve-Other than Bldg	62,029	-	62,029
572000	Buildings and Related	625,617	-	625,617
573000	Exhibits and Related	1,012,532	385,334	1,397,866
574000	Equipment and Vehicles	107,985	-	107,985
574500	Vehicles	163,093	-	163,093
575000	Office Furn and Equip	15,000	-	15,000
576000	Railroad Equip and Facilities	1,237,109	-	1,237,109
	Total Capital Outlay	3,223,365	385,334	3,608,699
	<i>Contingency</i>			
700000	Contingency	1,804,299	-	1,804,299
	Total Contingency	1,804,299	-	1,804,299
	Total Unappropriated Fund Balance	1,996,890	-	1,996,890
TOTAL REQUIREMENTS		\$7,153,437	\$385,334	\$7,538,771
TOTAL FTE		-	-	-

Exhibit B
Resolution 17-4801
Schedule of Appropriations

	<u>Current Appropriation</u>	<u>Revision</u>	<u>Revised Appropriation</u>
GENERAL FUND			
Council	4,802,334	-	4,802,334
Office of the Auditor	701,182	-	701,182
Office of Metro Attorney	2,458,903	-	2,458,903
Information Services	4,968,788	-	4,968,788
Communications	1,846,982	-	1,846,982
Finance and Regulatory Services	5,140,767	80,000	5,220,767
Human Resources	3,004,980	-	3,004,980
Property and Environmental Services	2,624,973	-	2,624,973
Parks and Nature	11,512,148	135,000	11,647,148
Planning and Development Department	15,784,579	-	15,784,579
Research Center	4,556,613	-	4,556,613
Special Appropriations	4,272,000	-	4,272,000
Non-Departmental		-	
Debt Service	1,932,038	-	1,932,038
Interfund Transfers	19,929,266	-	19,929,266
Contingency	5,856,706	(80,000)	5,776,706
<i>Total Appropriations</i>	89,392,259	135,000	89,527,259
Unappropriated Balance	20,607,474	-	20,607,474
Total Fund Requirements	\$109,999,733	\$135,000	\$110,134,733
OREGON ZOO ASSET MANAGEMENT FUND			
Visitor Venues - Oregon Zoo	3,352,248	385,334	3,737,582
Non-Departmental		-	
Interfund Transfers	-	-	-
Contingency	1,804,299	-	1,804,299
<i>Total Appropriations</i>	5,156,547	385,334	5,541,881
Unappropriated Balance	1,996,890	-	1,996,890
Total Fund Requirements	\$7,153,437	\$385,334	\$7,538,771
Total Appropriations	543,521,670	520,334	544,042,004
Total Unappropriated Balance	95,743,931	-	95,743,931
TOTAL BUDGET	\$639,265,601	\$520,334	\$639,785,935

All other Appropriations remain as Previously Adopted

STAFF REPORT

FOR THE PURPOSE OF AMENDING THE FY 2016-17 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2016-17 THROUGH FY 2020-21 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR A CHANGE IN OPERATIONS

Date: June 22, 2017

Presented by: Lisa Houghton 503-797-1829

BACKGROUND

Several items have been identified that necessitate amendment to the budget.

Asset Management and Capital Planning Project

Financial Planning and Regulatory Services is engaged in an agency-wide project to develop an asset management and capital planning framework. The project's steering committee provided strategic direction in April 2017 that necessitated acceleration of several components of the project. As a result, project costs originally anticipated to be spent in FY 2017-18 will be spent in the current year. The project's total scope and budget will not be increased as a result of this request.

This action requests the transfer of \$80,000 from the General Fund contingency.

Natural Areas Management- Litigation Award for Damages to Metro Property

The Parks and Nature Department of the General Fund received \$135,000 in settlement funds from litigation regarding cross cutting of trees on Metro properties. The damage reimbursement, received in late 2016, is to be used in restoration of natural areas.

This action requests recognition of \$135,000 in damages reimbursement and additional associated appropriations authority.

Oregon Zoo Capital Improvement Projects- Additional Capital Contribution from the Oregon Zoo Foundation and Allocation of Oregon Zoo Bond Reserves per Metro Council Resolution 17-4780

The Oregon Zoo Bond program proposes amending the fiscal year 2016-17 budget to account for two changes in planned spending. First, the Oregon Zoo Foundation received a grant in the amount of \$385,334 from Portland General Electric for the installation of solar panels on the Zoo Education Center. As non-bond revenue, this is recognized in the Zoo Asset Management Fund and a corresponding expenditure amount will be appropriated.

Second, this amendment updates the Capital Improvement Plan to reflect approved Council Resolution 17-4780, for the Purpose of Amending the Oregon Zoo Bond Implementation Plan and to Allocate Program Reserves. That resolution assigned unallocated bond resources to the Polar Bear, Primate, and Rhino habitats, as well as for the zoo electrical infrastructure improvements.

This action requests the recognition of a \$385,334 capital donation and provides additional associated appropriations authority.

This action also amends the FY 2016-17 through 2020-21 Capital Improvement Plan. Attachment 1 outlines the Capital Project Details changes requested.

MERC Venues Capital Improvement Plan Changes (CIP changes only)

Throughout the year, the MERC capital program confronts many project challenges, which sometimes require changes to original project scopes, schedules or budgets. Specifically, many capital projects are currently experiencing significant disparities between project cost estimates and bid amounts due to the rapidly rising costs of commercial construction in the Portland Metro Area.

Portland's 5 proposes four amendments to their capital projects to accommodate the unforeseen cost overruns on the Building Re-key project and the Schnitzer Backstage Door design requirements. The proposed amendments do not increase Portland's 5 capital budget but instead decreases the Orchestra Shell and Keller LED Lighting Conversion projects budgets and increases the Building Re-key and Schnitzer Backstage Door projects by the same amounts for a net zero effect.

The Expo Center is also proposing capital project amendments to take advantage of product pricing, seasonal capacity, and a return on investment opportunity. The Expo team has strategically chosen to delay the HVAC Review and Repair project to FY 2018-19 and use this project budget to fund both the materials purchase for the Halls D&E Roof refurbishment and the Expo sign replacement on Hall A.

The self-production of Expo's annual Drive-in Movie Extravaganza require the use of a high-powered, high definition projector. Expo proposes to delay purchase of scaffolding and the retrofit exhaust fans project to FY 2017-18 or later and instead increase the budget for Audio Video equipment purchase to accommodate the purchase of a high-powered projector. The proposed amendments do not increase Expo's capital budget but instead increases and decreases the projects budgets listed above by the same amounts for a net zero effect.

This action amends the FY 2016-17 through FY 2020-21 Capital Improvement Plan. Attachment 2 outlines the Capital Project Details changes requested.

Solid Waste Transfer Stations Capital Improvement Plan Changes (CIP changes only)

The Break Room Trailer and Camera Expansion projects for Metro South and Central Transfer Stations have both incurred costs higher than originally anticipated. As a result the capital project budgets need to be amended. Due to the reprioritization and cancellation of other FY 2016-17 capital projects, no additional appropriation is necessary.

This action amends the FY 2016-17 through FY 2020-21 Capital Improvement Plan. Attachment 3 outlines the Capital Project Details changes requested.

ANALYSIS/INFORMATION

1. **Known Opposition:** None known.
2. **Legal Antecedents:** ORS 294.463(1) provides for transfers of appropriations within a fund, including transfers from contingency that do not exceed 15 percent of a fund's appropriation, if such transfers are authorized by official resolution or ordinance of the governing body. ORS 294.463(3) provides for transfers of appropriations or of appropriations and a like amount of budget resources between funds of the municipal corporation when authorized by an official resolution or ordinance of the governing body stating the need for the transfer. ORS 294.338(2) allows an increase in appropriations due to specific purpose grants or gifts when authorized by an official resolution or ordinance of the governing body stating the need for the recognition. ORS 294.338(3) allows for an increase in appropriations due to unanticipated non-tax revenue when authorized by an official

resolution or ordinance of the governing body stating the need for the recognition. Metro code chapter 2.02.040 requires the Metro Council to approve the addition of any position to the budget. Metro's adopted financial policies require any project exceeding \$100,000 or an existing CIP project increasing greater than 20 percent to receive Council approval.

3. **Anticipated Effects:** This action provides for changes in operations as described above, recognizes and appropriates new capital donations and damages awarded and provides additional appropriations for changes in operations.
4. **Budget Impacts:** This action has the following impact on the FY 2016-17 budget:
 - Provides \$80,000 for the Asset Management and Capital Planning project via a transfer from the General Fund contingency.
 - Recognizes \$135,000 of damages reimbursement and provides additional associated appropriations authority in the General Fund.
 - Recognizes \$385,334 of capital donations and provides additional associated appropriations authority in the Zoo Asset Management Fund.
 - Approves Capital Improvement Plan amendments for numerous projects at the Oregon Zoo, the EXPO Center, Portland's P5 Centers for the Arts and the Solid Waste Central and South Transfer Stations.

RECOMMENDED ACTION

The Chief Operating Office recommends adoption of this Resolution.

Mid-year Amendment TO FY 2016-17 BUDGET
Capital Project Detail

Attachment 1

Resolution 17-4801

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget					Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							Prior Years	2016-17	2017-18	2018-19	2019-20		
Oregon Zoo Asset Management Fund – Capital Projects Subfund													
N	ZIP006	Education Center	572000	325	27000	6/30/2017	-	1,078,855	-	-	-	-	Grants and Donations Recognizing \$385,334 PGE Grant
Oregon Zoo Infrastructure and Animal Welfare Fund													
N	ZIP006	Education Center	572000	320	27000	6/30/2017	9,552,002	6,011,911	-	-	-	-	
N	ZIP004	Polar Bear	573000	320	27000	9/30/2021	184,706	750,000	2,500,000	10,150,000	11,150,000	1,221,481	Zoo Bond Revenue
N	ZIP005	Primate & Rhino Habitats	573000	320	27000	6/30/2020	1,909	75,000	2,500,000	5,250,000	9,019,160	-	Zoo Bond Revenue
Y	Misc.	Electrical Infrastructure	Misc	320	27000	12/31/2017	-	500,000	1,000,000	-	-	-	Zoo Bond Revenue

Mid-year Amendment TO FY 2016-17 BUDGET
Capital Project Detail

Attachment 2

Resolution 17-4801

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget					Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2016-17	2017-18	2018-19	2019-20	2020-21		
Portland'5 Centers for the Arts													
N	8R092	ACSH Orchestra Shell Rigging	572000	554	58999	08.31.2018	64,701	125,000					
N	8R123	AHH/ASCH/Keller Building Re- Key & Key Control Software	572000	554	58999	06.30.2017	148,933	0					
N	8R094	Keller Auditorium LED Lighting Conversion	572000	554	58999	06.30.2022	90,635	0					
N	8R157	ASCH Backstage Entry Door Replacement	572000	554	58999	06.30.2018	85,000	0					
Expo													
N	8R137	HVAC Review & Repair	572000	556	56999	06.30.2020	0	0					
N	8R149	Hall A Carpet, Paint, Sign	572000	556	56999	06.30.2020	25,000	0					
N	8R136	Halls D&E Roof Refurbishment	572000	556	56999	06.30.2018	924,500	1,898,750					
N	8N065	Halls ABCDE Retrofit Exhaust Fans	572000	556	56999	06.30.2020	0	0					
N	8N066	Scaffolding Purchase	574000	556	56999	06.30.2020	0	0					
N	8N020	Audio Visual Equipment	574000	556	56999	06.30.2020	85,000	0					

Capital Project Detail

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	Est. End Date	Revised Project Budget						Source/s of Funding (Carry Fwd, Grant, etc.)	Other Project Comments
							2017	2018	2019	2020	2021	2022		
N	77106	MCS Camera Expansion	575000	536	34100	6/30/2017	130,000	-	-	-	-	-	Cancellation of MCS Organics / Food Handling Project (#76872) funds	Accepted bid/proposal on the camera expansion was higher than budgeted expectations. Due to reprioritizing and canceling of SW R&R projects, the increase of \$30,000 can be absorbed in original CO appropriation
N	77102	MSS Camera Expansion	575000	536	34100	6/30/2017	130,000	-	-	-	-	-	Cancellation of MCS Organics / Food Handling Project (#76872) funds	Accepted bid/proposal on the camera expansion was higher than budgeted expectations. Due to reprioritizing and canceling of SW R&R projects, the increase of \$30,000 can be absorbed in original CO appropriation
N	77122	MSS Breakroom Trailer	572000	534	34100	6/30/2017	75,000	-	-	-	-	-	Cancellation of MCS replacement of Slow Speed Shredder project (#76889)	Costs to finish up the break trailer will exceed budgeted expectations. Due to reprioritizing and canceling of SW R&R projects, the increase of \$25,000 can be absorbed in original CO appropriation