

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ANNUAL) RESOLUTION NO 24-5405
 BUDGET FOR FISCAL YEAR 2024-25, MAKING)
 APPROPRIATIONS AND LEVYING AD VALOREM) Introduced by Marissa Madrigal, Chief
 TAXES) Operating Officer, with the concurrence
) of Council President Lynn Peterson

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, 2024, and ending June 30, 2025; and

WHEREAS, the Multnomah County Tax Supervising and Conservation Commission certified the annual Metro budget with no recommendations or objections (Exhibit A); now, therefore,

BE IT RESOLVED,

1. The “Fiscal Year 2024-25 Metro Budget,” in the total amount of TWO BILLION NINETY SEVEN MILLION ONE HUNDRED EIGHT THOUSAND THREE HUNDRED TWENTY ONE DOLLARS (\$2,097,108,321), 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 EIGHTY SEVEN MILLION THIRTY FIVE THOUSAND SEVEN HUNDRED EIGHTY THREE DOLLARS (\$87,035,783) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2024-25. 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		\$87,035,783

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, 2024, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

4. The FY 2024-25 Adopted Budget will include the budget notes as presented in Exhibit D.

5. 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 13th day of June 2024.



Lynn Peterson, Council President

APPROVED AS TO FORM:



Carrie MacLaren, Metro Attorney



**Tax Supervising
and Conservation
Commission**

808 SW 3rd Ave, Suite 540
Portland, Oregon, 97204
(503) 988-3054
TSCC@multco.us
tscmultco.com

5/30/2024

President Lynn Peterson and Metro Council Members
Metro
600 NE Grand Avenue
Portland, Oregon 97232

RE: Metro's 2024-25 Approved Budget Certification

Dear President Lynn Peterson and Metro Council Members,

The Tax Supervising and Conservation Commission met with the Metro Council today to review, discuss, and conduct a public hearing on Metro's 2024-25 Approved Budget. This hearing and the TSCC review of the Metro budget were conducted according to ORS 294.605 to 294.705 to confirm compliance with Oregon local budget laws and to determine the adequacy of estimates necessary to support the efficient and economical administration of the district.

The budget was filed with TSCC prior to the May 15th deadline and at least 20 days prior to the budget hearing, as required by statute. The estimates (shown on the following page) were judged reasonable for the purposes indicated, and the document complied with local budget law. As a result, the TSCC certifies by a majority vote of the commissioners that it has no recommendations or objections to make concerning the budget.

Please file a copy of the materials requested in the TSCC Adopted Budget checklist no later than July 15, 2024. If extra time is needed, please request an extension from TSCC staff.

Thank you for the opportunity to discuss this budget with you.

Yours truly,
TAX SUPERVISING & CONSERVATION COMMISSION

Harmony Quiroz, Chair

Dr. Mark Wubbold, Commissioner

Matt Donahue, Commissioner

Allison Lugo Knapp, Commissioner

Tod A. Burton, Commissioner

Total FY 2024-2025 Approved Budget \$2,094,572,285

Metro

Fund	Appropriations	Unappropriated Fund Balance	Total Budget
General Fund	175,570,455	44,443,726	220,014,181
Oregon Zoo Operating Fund	78,280,111	0	78,280,111
Parks & Nature Operating Fund	42,306,014	0	42,306,014
Supportive Housing Services Fund	807,598,166	0	807,598,166
Affordable Housing Fund	314,278,891	48,281,419	362,560,310
GO Bond Debt Service Fund	83,952,869	0	83,952,869
General Asset Management Fund	20,053,122	14,562,424	34,615,546
Oregon Zoo Asset Management Fund	23,350,000	0	23,350,000
Parks and Nature Bond Fund	70,684,879	76,123,271	146,808,150
General Revenue Bond Fund	6,064,525	4,149,633	10,214,158
MERC Fund	112,740,294	0	112,740,294
Solid Waste Revenue Fund	150,809,402	11,416,076	162,225,478
Risk Management Fund	6,352,350	0	6,352,350
Cemetery Perpetual Care Fund	40,000	726,440	766,440
Smith & Bybee Wetlands Fund	692,622	323,969	1,016,591
Community Enhancement Fund	1,660,652	110,975	1,771,627
Total	\$ 1,894,434,352	\$ 200,137,933	\$ 2,094,572,285

General Government Levy

Permanent Rate: \$0.0966 per \$1,000

Local Option: \$0.0960 per \$1,000

General Obligation Debt Levy

\$87,035,783

Exhibit B
Resolution 24-5405
Budget Summary
Fiscal Year 2024-25

	<u>Audited</u> FY 2021-22	<u>Audited</u> FY 2022-23	<u>Amended</u> FY 2023-24	Proposed FY 2024-25	Approved FY 2024-25	Adopted FY 2024-25	Change From FY 2023-24
RESOURCES							
Beginning Fund Balance	1,040,457,219	1,174,363,377	1,050,863,158	1,173,532,333	1,173,532,333	1,175,284,449	11.84%
Current Revenues							
Excise Tax	21,631,175	20,439,429	20,163,930	21,933,000	21,933,000	21,933,000	8.77%
Construction Excise Tax	3,877,675	3,598,048	3,608,000	3,848,000	3,848,000	3,848,000	6.65%
Real Property Taxes	108,248,253	113,147,011	121,149,198	122,596,036	122,596,036	122,596,036	1.19%
Business Income Tax	94,724,870	156,450,869	117,050,000	187,250,000	187,250,000	187,250,000	59.97%
Personal Income Tax	147,925,166	190,593,493	117,050,000	187,250,000	187,250,000	187,250,000	59.97%
Other Tax Revenues	67,195	60,039	67,000	67,000	67,000	67,000	-
Interest Earnings	8,117,003	16,430,461	10,493,263	8,831,403	8,831,403	8,802,253	(16.12%)
Grants	28,802,866	22,096,737	22,989,538	18,678,273	18,678,273	19,066,343	(17.07%)
Local Government Shared Revenues	19,091,779	22,993,348	24,977,236	25,942,130	25,942,130	25,942,130	3.86%
Contributions from Governments	29,575,434	1,932,395	4,977,784	5,170,270	5,170,270	5,170,270	3.87%
Licenses and Permits	583,490	587,155	596,000	590,000	590,000	590,000	(1.01%)
Charges for Services	163,861,366	189,949,587	200,686,852	220,157,556	220,157,556	220,157,556	9.70%
Contributions from Private Sources	2,496,275	3,624,840	5,646,219	4,904,109	4,904,109	4,904,109	(13.14%)
Internal Charges for Services	379,616	1,205,481	2,249,628	1,813,959	1,813,959	1,813,959	(19.37%)
Miscellaneous Revenue	3,157,731	4,944,591	14,561,575	3,609,899	3,609,899	3,609,899	(75.21%)
Other Financing Sources	107,117	64,500	-	-	-	-	-
Bond Proceeds	-	40,873,920	-	-	-	-	-
Subtotal Current Revenues	632,647,010	788,991,904	666,266,223	812,641,635	812,641,635	813,000,555	22.02%
Interfund Transfers							
Internal Service Transfers	1,687,978	308,876	2,047,792	2,446,291	2,446,291	2,446,291	19.46%
Interfund Reimbursements	34,454,714	37,905,623	46,719,700	54,983,556	54,983,556	54,983,556	17.69%
Interfund Loans	422,086	438,590	524,116	-	-	-	(100.00%)
Fund Equity Transfers	39,444,382	41,813,241	39,278,055	50,968,470	50,968,470	51,393,470	30.85%
Subtotal Interfund Transfers	76,009,160	80,466,330	88,569,663	108,398,317	108,398,317	108,823,317	22.87%
TOTAL RESOURCES	\$1,749,113,390	\$2,043,821,610	\$1,805,699,044	\$2,094,572,285	\$2,094,572,285	\$2,097,108,321	16.14%
REQUIREMENTS							
Current Expenditures							
Personnel Services	115,733,856	137,185,947	177,990,732	196,702,130	196,702,130	196,397,598	10.34%
Materials and Services	276,506,622	422,070,427	733,815,713	953,668,517	953,668,517	955,570,633	30.22%
Capital Outlay	11,257,412	14,609,483	70,877,852	61,686,031	61,686,031	62,676,031	(11.57%)
Debt Service	95,242,964	138,256,427	95,737,552	92,662,993	92,662,993	92,662,993	(3.21%)
Subtotal Current Expenditures	498,740,854	712,122,284	1,078,421,849	1,304,719,671	1,304,719,671	1,307,307,255	21.22%
Interfund Transfers							
Internal Service Transfers	1,687,978	308,876	2,047,792	2,446,291	2,446,291	2,446,291	19.46%
Interfund Reimbursements	34,454,714	37,905,623	46,719,700	54,983,556	54,983,556	54,983,556	17.69%
Fund Equity Transfers	39,444,382	41,813,241	39,278,055	50,968,470	50,968,470	51,393,470	30.85%
Interfund Loans	422,086	438,590	524,116	-	-	-	(100.00%)
Subtotal Interfund Transfers	76,009,160	80,466,330	88,569,663	108,398,317	108,398,317	108,823,317	22.87%
Contingency	-	-	349,630,746	481,316,364	481,316,364	481,405,386	37.69%
Unappropriated Fund Balance	1,174,363,377	1,251,232,996	289,076,786	200,137,933	200,137,933	199,572,363	(30.96%)
Subtotal Contingency/Ending Balance	1,174,363,377	1,251,232,996	638,707,532	681,454,297	681,454,297	680,977,749	6.62%
TOTAL REQUIREMENTS	\$1,749,113,391	\$2,043,821,610	\$1,805,699,044	\$2,094,572,285	\$2,094,572,285	\$2,097,108,321	16.14%
FULL-TIME EQUIVALENTS	1,027.20	1,102.10	1,153.45	1,172.65	1,172.65	1,170.30	
FTE CHANGE FROM FY 2023-24 AMENDED BUDGET							16.85

Exhibit C
Resolution 24-5405
Schedule of Appropriations
Fiscal Year 2024-25

	Proposed Budget	Approved Budget	Adopted Budget	Change from Approved
GENERAL FUND				
Council	11,773,086	11,773,086	12,138,086	365,000
Office of the Auditor	1,293,729	1,293,729	1,293,729	-
Diversity, Equity and Inclusion	3,099,512	3,099,512	3,155,512	56,000
Office of Metro Attorney	4,275,293	4,275,293	4,275,293	-
Information Technology and Records Management	9,970,230	9,970,230	9,970,230	-
Communications	3,149,172	3,149,172	3,149,172	-
Finance and Regulatory Services	14,256,943	14,256,943	14,607,513	350,570
Human Resources	7,234,015	7,234,015	7,274,015	40,000
Capital Asset Management	7,698,876	7,698,876	7,723,876	25,000
Planning, Development and Research Department	43,005,031	43,005,031	43,501,147	496,116
Housing	150,000	150,000	150,000	-
Special Appropriations	2,122,735	2,122,735	2,117,735	(5,000)
Non-Departmental				
Debt Service	2,645,599	2,645,599	2,645,599	-
Interfund Transfers	36,426,979	36,426,979	36,851,979	425,000
Contingency	28,469,255	28,469,255	28,503,175	33,920
<i>Total Appropriations</i>	175,570,455	175,570,455	177,357,061	1,786,606
Unappropriated Balance	44,443,726	44,443,726	43,878,156	(565,570)
Total Fund Requirements	220,014,181	220,014,181	221,235,217	1,221,036
AFFORDABLE HOUSING FUND				
Housing	262,779,932	262,779,932	262,779,932	-
Non-Departmental				
Interfund Transfers	1,498,959	1,498,959	1,498,959	-
Contingency	50,000,000	50,000,000	50,000,000	-
<i>Total Appropriations</i>	314,278,891	314,278,891	314,278,891	-
Unappropriated Balance	48,281,419	48,281,419	48,281,419	-
Total Fund Requirements	362,560,310	362,560,310	362,560,310	-
CEMETERY PERPETUAL CARE FUND				
Non-Departmental				
Interfund Transfers	40,000	40,000	40,000	-
<i>Total Appropriations</i>	40,000	40,000	40,000	-
Unappropriated Balance	726,440	726,440	726,440	-
Total Fund Requirements	766,440	766,440	766,440	-
COMMUNITY ENHANCEMENT FUND				
Waste Prevention and Environmental Services	1,517,426	1,517,426	1,517,426	-
Non-Departmental				
Interfund Transfers	50,000	50,000	50,000	-
Contingency	93,226	93,226	93,226	-

	<i>Total Appropriations</i>	1,660,652	1,660,652	1,660,652	-
Unappropriated Balance		110,975	110,975	110,975	-
Total Fund Requirements		1,771,627	1,771,627	1,771,627	-

GENERAL ASSET MANAGEMENT FUND

Asset Management Program		11,402,067	11,402,067	12,292,067	890,000
Non-Departmental					
Interfund Transfers		400,000	400,000	400,000	-
Contingency		8,251,055	8,251,055	8,251,055	-
	<i>Total Appropriations</i>	20,053,122	20,053,122	20,943,122	890,000
Unappropriated Balance		14,562,424	14,562,424	14,562,424	-
Total Fund Requirements		34,615,546	34,615,546	35,505,546	890,000

GENERAL OBLIGATION DEBT SERVICE FUND

Non-Departmental					
Debt Service		83,952,869	83,952,869	83,952,869	-
	<i>Total Appropriations</i>	83,952,869	83,952,869	83,952,869	-
Total Fund Requirements		83,952,869	83,952,869	83,952,869	-

GENERAL REVENUE BOND FUND

Bond Account					
Debt Service		6,064,525	6,064,525	6,064,525	-
	<i>Total Appropriations</i>	6,064,525	6,064,525	6,064,525	-
Unappropriated Balance		4,149,633	4,149,633	4,149,633	-
Total Fund Requirements		10,214,158	10,214,158	10,214,158	-

MERC FUND

MERC		85,704,586	85,704,586	86,129,586	425,000
Non-Departmental					
Interfund Transfers		12,448,414	12,448,414	12,448,414	-
Contingency		14,587,294	14,587,294	14,587,294	-
	<i>Total Appropriations</i>	112,740,294	112,740,294	113,165,294	425,000
Total Fund Requirements		112,740,294	112,740,294	113,165,294	425,000

NATURAL AREAS FUND

Parks and Nature		-	-	-	-
Non-Departmental					
Contingency		-	-	-	-
	<i>Total Appropriations</i>	-	-	-	-
Total Fund Requirements		-	-	-	-

OREGON ZOO ASSET MANAGEMENT FUND

Visitor Venues - Oregon Zoo		22,953,600	22,953,600	22,953,600	-
Non-Departmental					
Interfund Transfers		396,400	396,400	396,400	-
	<i>Total Appropriations</i>	23,350,000	23,350,000	23,350,000	-
Total Fund Requirements		23,350,000	23,350,000	23,350,000	-

OREGON ZOO OPERATING FUND

Visitor Venues - Oregon Zoo	43,078,294	43,078,294	42,986,905	(91,389)
Non-Departmental				
Interfund Transfers	21,666,040	21,666,040	21,666,040	-
Contingency	13,535,777	13,535,777	13,627,166	91,389
<i>Total Appropriations</i>	78,280,111	78,280,111	78,280,111	-
Total Fund Requirements	78,280,111	78,280,111	78,280,111	-

PARKS AND NATURE BOND FUND

Parks and Nature	57,992,239	57,992,239	58,321,489	329,250
Non-Departmental				
Interfund Transfers	3,692,640	3,692,640	3,692,640	-
Contingency	9,000,000	9,000,000	8,670,750	(329,250)
<i>Total Appropriations</i>	70,684,879	70,684,879	70,684,879	-
Unappropriated Balance	76,123,271	76,123,271	76,123,271	-
Total Fund Requirements	146,808,150	146,808,150	146,808,150	-

PARKS AND NATURE OPERATING FUND

Parks and Nature	31,564,899	31,564,899	30,521,936	(1,042,963)
Non-Departmental				
Interfund Transfers	6,592,824	6,592,824	6,592,824	-
Contingency	4,148,291	4,148,291	5,191,254	1,042,963
<i>Total Appropriations</i>	42,306,014	42,306,014	42,306,014	-
Total Fund Requirements	42,306,014	42,306,014	42,306,014	-

RISK MANAGEMENT

Finance and Regulatory Services	5,564,501	5,564,501	5,564,501	-
Non-Departmental				
Contingency	787,849	787,849	787,849	-
<i>Total Appropriations</i>	6,352,350	6,352,350	6,352,350	-
Unappropriated Balance	-	-	-	-
Total Fund Requirements	6,352,350	6,352,350	6,352,350	-

SMITH AND BYBEE WETLANDS FUND

Parks and Nature	225,000	225,000	225,000	-
Non-Departmental				
Interfund Transfers	67,622	67,622	67,622	-
Contingency	400,000	400,000	400,000	-
<i>Total Appropriations</i>	692,622	692,622	692,622	-
Unappropriated Balance	323,969	323,969	323,969	-
Total Fund Requirements	1,016,591	1,016,591	1,016,591	-

SOLID WASTE FUND

Waste Prevention and Environmental Services	114,388,575	114,388,575	115,138,575	750,000
Non-Departmental				
Interfund Transfers	20,661,990	20,661,990	20,661,990	-
Contingency	15,758,837	15,758,837	15,008,837	(750,000)
<i>Total Appropriations</i>	150,809,402	150,809,402	150,809,402	-
Unappropriated Balance	11,416,076	11,416,076	11,416,076	-
Total Fund Requirements	162,225,478	162,225,478	162,225,478	-

SUPPORTIVE HOUSING SERVICES

Housing	466,856,937	466,856,937	466,856,937	-
Non-Departmental				
Interfund Transfers	4,456,449	4,456,449	4,456,449	-
Contingency	336,284,780	336,284,780	336,284,780	-
<i>Total Appropriations</i>		807,598,166	807,598,166	807,598,166
Total Fund Requirements		807,598,166	807,598,166	807,598,166
Total Appropriations	1,894,434,352	1,894,434,352	1,897,535,958	3,101,606
Total Unappropriated Balance	200,137,933	200,137,933	199,572,363	(565,570)
TOTAL BUDGET	2,094,572,285	2,094,572,285	2,097,108,321	2,536,036

Exhibit D – Resolution 24-5405 FY 2024-25 Council Budget Notes

BUDGET NOTE #1

Councilor Lewis

Budget Note Title:

Unallocated General Fund Reserve for Capital— Climate Resilience

Budget Note Narrative:

Allocate the undesignated general fund resources after required reserves are fully funded to expanded capital reserves. The current estimate of this amount for FY 2024-25 is approximately \$2 million. This budget note will designate these funds in the general fund contingency for climate justice and resilience projects related to Metro assets. Priority will be given to projects in the Capital Improvement Plan (CIP) that are eligible for Direct Pay incentives.

The Chief Operating Officer will return to Council in November 2024 with a budget amendment to allocate these funds to projects and make the necessary appropriations.

STAFF REPORT

IN CONSIDERATION OF RESOLUTION 24-5405, FOR THE PURPOSE ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2024-25, MAKING APPROPRIATIONS, AND LEVYING AD VALOREM TAXES

Date: June 6, 2024

Prepared by:
Joshua Burns, Interim Budget Coordinator

Department: Office of the Chief Operating Officer

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

Meeting date: June 13, 2024

Length: 20 minutes

ISSUE STATEMENT

Council action, through Resolution 24-5405, will be the final step in the adoption of Metro's FY 2024-25 budget. Final action by the Council must be completed by June 30, 2024.

ACTION REQUESTED

Council consideration of the FY 2024-25 budget as amended on June 6, 2024.

IDENTIFIED POLICY OUTCOME

Council adoption of the FY 2024-25 budget.

POLICY QUESTIONS

All questions were resolved ahead of the June 13, 2024, Council meeting to adopt the FY 2024-25 budget.

POLICY OPTIONS FOR COUNCIL TO CONSIDER

Council adoption of the FY 2024-25 budget must occur prior to July 1, 2024.

STAFF RECOMMENDATIONS

The Chief Operating Officer and Chief Financial Officer recommend that Council adopt Resolution 24-5405.

STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION

After considerable deliberation of the FY 2024-25 Proposed Budget, Council adopted Resolution 24-5397, approving the FY 2024-25 budget, setting property tax levies and authorizing transmission of the approved budget to the Multnomah County Tax Supervising and Conservation Commission.

After the budget was approved by Council on May 2, 2024, Metro departments submitted budget amendments that Council discussed on June 4, 2024. Council voted to include budget amendments into the FY 2024-25 adopted budget on June 6, 2024. Council also voted to include Councilor-submitted budget notes in the FY 2024-25 Adopted Budget on June 6, 2024.

Budget amendments and notes, approved by Council on June 15, 2023, were incorporated into Resolution 24-5405.

Additionally, the Multnomah County Tax Supervising Conservation Commission's letter certifying the FY 2024-25 Approved Budget, from the May 30, 2024 Budget Hearing, will be attached to Resolution 24-5405, as an exhibit.

On June 13, 2024, Council will consider Resolution 24-5405, for the purpose of adopting Metro's FY 2024-25 budget.

1. Known Opposition – None known at this 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 required that Metro prepare and submit its approved budget to the Multnomah County Tax Supervising and Conservation Commission by May 15th, 2024. The Commission conducted a hearing on May 30, 2024.

3. Anticipated Effects – Adopted budget will be effective as of July 1, 2024.

4. Budget Impacts – The total appropriations of the FY 2024-25 Adopted Budget will be \$2,097,108,321 and 1,170.30 FTE.

BACKGROUND

Oregon Budget Law requires local governments to prepare their annual budgets in three legislatively defined stages; Proposed, Approved and Adopted. The agency's current processes and calendar allow the agency to meet this requirement.

ATTACHMENT

Resolution #24-5405 – For the Purpose of Adopting the Annual Budget for Fiscal Year 2024-25, Making Appropriations and Levying Ad Valorem Taxes

Exhibit A – TSCC Certification Letter

Exhibit B – Budget Summary

Exhibit C – Schedule of Appropriations

Exhibit D – Budget Notes