

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING THE FY 2023-24 BUDGET AND APPROPRIATIONS SCHEDULE	)	RESOLUTION NO 24-5407
AND FY 2023-24 THROUGH FY 2027-28 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR	)	
CHANGES IN OPERATIONS BY SUPPLEMENTAL BUDGET	)	Introduced by Marissa Madrigal, Chief Operating Officer, with the concurrence of Council President Lynn Peterson

WHEREAS, the Metro Council has reviewed and considered the need to change appropriations within the FY 2023-24 Budget; and

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

WHEREAS, the need for the change of appropriations 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 294.338(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; and

WHEREAS, ORS 294.338(3) allows an increase in appropriations when a request for services, the cost of which is supplied by another entity, necessitates a greater expenditure of public money for any specific purpose in order to provide the services when authorized by an official resolution or ordinance of the governing body stating the need for the recognition; and

WHEREAS, ORS 294.471(1)(a) allows for the governing body to add appropriation categories to align organizational efficiencies, changes that were not ascertained when preparing the budget; now therefore

BE IT RESOLVED,

1. That the FY 2023-24 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled “June 2024 Amendment” of Exhibit A to this Resolution for the purpose of adding positions, modifying revenues and expenditures and transferring funds to and from contingency.
2. That the FY 2023-24 through FY 2027-28 Capital Improvement Plan is hereby amended accordingly.

ADOPTED by the Metro Council this 20<sup>th</sup> day of June, 2024.



Lynn Peterson, Council President

APPROVED AS TO FORM:



Carrie MacLaren, Metro Attorney

**Exhibit A**  
**Resolution 24-5407**  
**Schedule of Appropriations**

	Budget	June 2024 Amendment	Amended Budget
<b>GENERAL ASSET MANAGEMENT FUND</b>			
Asset Management Program	11,955,615	755,000	12,710,615
Non-Departmental			
Interfund Transfers	261,655	-	261,655
Contingency	10,008,793	(755,000)	9,253,793
<i>Total Appropriations</i>	22,226,063	-	22,226,063
Unappropriated Balance	14,617,375	-	14,617,375
<b>Total Fund Requirements</b>	<b>36,843,438</b>	<b>-</b>	<b>36,843,438</b>
<b>PARKS AND NATURE OPERATING FUND</b>			
Parks and Nature	29,441,134	550,000	29,991,134
Non-Departmental			
Interfund Transfers	5,933,606	-	5,933,606
Contingency	8,136,793	-	8,136,793
<i>Total Appropriations</i>	43,511,533	550,000	44,061,533
Unappropriated Balance	700,000	-	700,000
<b>Total Fund Requirements</b>	<b>44,211,533</b>	<b>550,000</b>	<b>44,761,533</b>
<b>SUPPORTIVE HOUSING SERVICES</b>			
Housing	231,659,281	111,318,656	342,977,937
Non-Departmental			
Interfund Transfers	3,370,894	-	3,370,894
Contingency	188,288,624	(111,318,656)	76,969,968
<i>Total Appropriations</i>	423,318,799	-	423,318,799
<b>Total Fund Requirements</b>	<b>423,318,799</b>	<b>-</b>	<b>423,318,799</b>
<b>Total Appropriations</b>	<b>1,516,622,258</b>	<b>550,000</b>	<b>1,517,172,258</b>
<b>Total Unappropriated Balance</b>	<b>289,076,786</b>	<b>-</b>	<b>289,076,786</b>
<b>TOTAL BUDGET</b>	<b>1,805,699,044</b>	<b>550,000</b>	<b>1,806,249,044</b>

All other funds remain the same

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION 24-5407 FOR THE PURPOSE OF AMENDING THE FY 2023-24 BUDGET AND APPROPRIATIONS SCHEDULE AND FY 2023-24 THROUGH FY 2027-28 CAPITAL IMPROVEMENT PLAN TO PROVIDE FOR CHANGES IN OPERATIONS

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Date: June 11, 2024

Prepared by:  
Joshua Burns, Interim Budget Coordinator

Department: Finance and Regulatory Services

Presented by:  
Robin Briggs, Central Services Finance Manager

Meeting date: June 20, 2024

Length: 20 minutes

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#### ISSUE STATEMENT

Resolution 24-5407 will authorize changes in appropriations for FY 2023-24 and approve changes to the FY 2023-24 through FY 2027-28 Capital Improvement Plan.

#### ACTION REQUESTED

Council adoption of Resolution 24-5407.

#### IDENTIFIED POLICY OUTCOMES

Council approval will authorize changes in appropriations requested by departments for FY 2023-24 and approve requested changes to the FY 2023-24 through FY 2027-28 Capital Improvement Plan.

#### POLICY QUESTION

Council should consider whether the changes in appropriations have been justified, that adequate funds exist for identified needs, and that proposed changes to the Capital Improvement Plan appear appropriate.

#### POLICY OPTIONS FOR COUNCIL TO CONSIDER

Adoption of Resolution 24-5407 will provide sufficient appropriations to accommodate the changes in operations outlined by departments. Adoption will allow for changes to capital projects due to operational factors.

Disapproval of Resolution 24-5407 will require departments to reevaluate their proposed changes to operations and capital plans.

#### STAFF RECOMMENDATIONS

The Chief Operating Officer and Chief Financial Officer recommend adoption of Resolution 24-5407.

## **STRATEGIC CONTEXT & FRAMING COUNCIL DISCUSSION**

### **Relationship to Metro’s Strategic Plan, racial equity, and climate action goals**

By funding additional expenditures for operations, the Agency will more efficiently be able to focus on programming related to our guiding principles of racial justice, climate justice and resiliency, and shared prosperity.

**Known Opposition:** None known.

**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 an increase in appropriations when a request for services, the cost of which is supplied by another entity, necessitates a greater expenditure of public money for any specific purpose in order to provide the services when authorized by an official resolution or ordinance of the governing body stating the need for the recognition. ORS 294.463 (4) provides that public testimony be allowed if any funds are changing by more than 10 percent of a fund’s expenditures. 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. ORS 294.471 allows for pressing and necessary changes, by supplemental budget, that could not be reasonably foreseen during budget development.

**Anticipated Effects:** This action provides for changes in operations and capital improvement plans as described below.

**Budget Impacts:** This action increases appropriations by \$550,000. The new total appropriations will be \$1,806,249,044 with 1,153.45 FTE. This action has the following impacts on the FY 2023-24 budget and FY 2023-24 through FY 2027-28 Capital Improvement Plan (CIP). Details of each change can be found in Attachment 5 – Summary of June 2024 Budget Amendments.

- **Parks and Nature Operating Fund: Increase appropriations by \$550,000**
  - Parks and Nature increase of \$200,000 for Oregon Watershed Enhancement Board grant
  - Glendoveer Golf Course increase of \$350,000 for Contracted Professional Services
- **Changes in the General Asset Management Fund, MERC Fund, Supportive Housing Services Fund, and Waste Prevention and Environmental Services Fund do not increase each respective fund’s appropriations**

**Below is a summary of all the proposed changes from Resolution 24-5407 that impact appropriations or CIP:**

### **Appropriation Changes:**

- **Total Appropriations** increase: \$550,000
  - **Parks and Nature Operating Fund** increase by \$550,000

**FTE Changes:**

- This amendment does not impact total FTE

**Capital Improvement Plan (CIP):**

The following proposed changes to the Capital Improvement Plan (CIP) for FY 2023-24 are:

- **Capital Asset Management** increase of \$750,000 – Attachment 1
- **Oregon Convention Center** no financial change – Attachment 2
- **Portland'5** no financial change – Attachment 3
- **Waste Prevention and Environmental Services** no financial change – Attachment 4

For details about CIP changes, see Attachments 1-4.

**ATTACHMENTS**

- Resolution 24-5407
- Exhibit A – Schedule of Appropriations
- Attachments 1-4 - Capital Improvement Plan changes
- Attachment 5 – Summary of June 2024 Amendments









**Budget Amendment for FY2023-24**  
**Capital Improvement Plan (CIP) Detail Changes**  
**Waste Prevention and Environmental Services**

Financial Planning Use

Attachment 4

Resolution 24-5407

New? Y/N	Project ID	Project Title	GL Acct	Fund ID	Dept ID	FY 2023-24			FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	Notes (i.e delay/cancel other projects, contingency)
						CIP	Change Request*	CIP Amended	CIP Amended	CIP Amended	CIP Amended	CIP Amended	
N	RID003	RID Annex Acquisition	579000	536	34100	3,800,000	100,000	3,900,000	-	-	-	-	Completed project slightly over budget
N	SWR004	MCS MSS POS System Upgrade	579000	536	34100	300,000	150,000	450,000	-	-	-	-	Vendor finalized; project cost increases
N	SWS004	Integrated Garbage & Recycling Data System	579000	536	34100	300,000	(102,000)	198,000	-	-	-	-	Lower FY24 cost than budgeted estimate; continues in FY25.
N	SMC035	MCS Fire Suppression System	579000	536	34100	250,000	(150,000)	100,000	-	-	-	-	Lower FY24 cost than budgeted estimate; continues in FY25.
N	SMS024	MSS Signage & Wayfinding	579000	536	34100	65,000	2,000	67,000	-	-	-	-	Slightly higher cost than budget.
N	CEN043	MCS Bay 2 & 3 Concrete Repairs	579000	534	34100	1,050,000	(250,000)	800,000	-	-	-	-	Lower project cost than budgeted estimate.
N	SMS008	MSS Transfer Scale Replacement	579000	534	34100	1,035,000	(150,000)	885,000	-	-	-	-	Lower FY24 cost than budgeted estimate; continues in FY25.
N	SMC028	MCS Safe Roof Access	579000	534	34100	655,000	400,000	1,055,000	-	-	-	-	Unforeseen structural issue driving cost higher than budget
N	STH035	MSS Pit Wall Repair Phase I	579000	534	34100	350,000	(180,000)	170,000	-	-	-	-	Lower FY24 cost than budgeted estimate; continues in FY25.
Y	CEN051	MCS Loader Repair	579000	534	34100	-	150,000	150,000	-	-	-	-	Unexpected loader repair needed in FY24.
Y	CEN050	MCS Push Wall Repair	579000	534	34100	-	30,000	30,000	-	-	-	-	Central push wall repairs needed to start in FY24.
								-	-	-	-		
								-	-	-	-		
								-	-	-	-		
								-	-	-	-		
								-	-	-	-		

## June 2024 Budget Amendments Summary

The following requested budget amendments would *increase* appropriations as follows:

- **TOTAL FUND APPROPRIATION** increase: \$550,000
  - **General Asset Management Fund** net increase by \$0
  - **Parks and Nature Operating Fund** increase by \$550,000
  - **Supportive Housing Services Fund** net increase by \$0

The following requested budget amendments request no change in FTE.

The following proposed changes to the FY 2023-24 Capital Improvement Plan (CIP) are:

- **Capital Asset Management** *no appropriation needed*
  - 2 projects reprioritized – FY2023-24 CIP increase of \$750,000
- **Oregon Convention Center** *no appropriation needed*
  - 3 projects reprioritized – net zero change in current CIP expected costs
- **Portland'5** *no appropriation needed*
  - 4 projects reprioritized – net zero change in current CIP expected costs
- **Waste Prevention and Environmental Services** *no appropriation needed*
  - 11 projects reprioritized – net zero change in current CIP expected costs

## Budget Amendments and Capital Improvement Plan (CIP) Changes

Below is a list, by department, of each requested budget amendment. *Financial Planning (FP)* has provided a *brief analysis* of each request to support decision making. Associated CIP changes can be found as attachments.

### Central Services

<p><b>Capital Asset Management - CIP Update</b></p>	<p><b>\$800,000 increase to project budget for MRC Plaza and Parking Areas</b></p> <p>Requesting to increase the project budget for the MRC Plaza and Parking Areas by \$800,000. The funding is to come from a \$755,000 reduction of General Asset Management Contingency, and a \$45,000 reduction to other projects.</p> <p>This increases the total project budget from \$2,800,000 to \$3,600,000 due to additional waterproofing deficiencies that need correction to correct leaks and future maintenance.</p>
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### Housing

<p><b>Increase to County partner SHS spending due to increased revenue forecast</b></p>	<p><b>Move \$111,318,656 from Contingency to increase budget for county partner Supportive Housing Services spending</b></p> <p>Metro's adopted budget for county partner SHS spending in FY24 is \$212.1 million, which was based on the estimated distribution amount of the original tax forecast of \$234.1 million. This year the revenue forecast was increased to \$356.7 million.</p> <p>This amendment will increase the budget for county partner SHS spending to \$323.5 million. This amount is estimated based on county spending as reported through quarter 3, with an estimate for spending in quarter 4.</p>
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### Oregon Convention Center

<p><b>Technical Correction - Capital Improvement Plan</b></p>	<p><b>Shift \$990,000 to support 3 Projects</b></p> <p>This is a technical correction to the March Budget Amendment Cycle. Funds were shifted incorrectly from project 8R223C Waterproofing: Rain Garden &amp; Parking Garage to reprioritize other CIP projects.</p> <p>These funds should have been instead shifted from these projects:</p> <ul style="list-style-type: none"> <li>• Waterproofing: P1 Parking Level Traffic Coating (\$975k)</li> <li>• Portland Ballroom Service Corridor Programming (\$15k)</li> </ul> <p>No appropriation changes are needed.</p>
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## Portland's

<p><b>Capital Improvement Plan Update</b></p>	<p><b>Shift \$420,000 to support 2 projects:</b></p> <p>P5 had two projects from the FY22-23 CIP plan have delayed starts that continued into FY23-24 years. These projects are not over their total budget, but they are over their FY23-24 budget.</p> <p>The two projects increasing in this amendment are:                  1) Keller Auditorium light board                  2) Antoinette Hatfield Hall front of house elevators</p> <p>No appropriation changes are needed. Funding to come from shifting one other project to FY2025-26, and a second project that is below budget.</p>
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## Parks and Nature

<p><b>Parks &amp; Nature Operating Fund</b></p>	
<p><b>Increase Grant Revenue</b></p>	<p><b>Increase revenues and corresponding expenditures due to receiving Oregon Watershed Enhancement Board (OWEB) grant</b></p> <p>Parks and Nature has received a \$200,000 grant from the Oregon Watershed Enhancement Board, to be used in FY2023-24.</p> <p>This amendment request would increase appropriations by \$200,000.</p>
<p><b>Glendoveer Golf Course Sub-Fund</b></p>	
<p><b>Increase Revenues and Expenditures</b></p>	<p><b>Increase Contracted Professional Services by \$350,000</b></p> <p>Parks and Nature is anticipating higher than estimated revenues and expenses due to favorable weather conditions at Glendoveer Golf Course. When golf course revenues increase, there are corresponding increases to operating costs.</p> <p>Parks and Nature is requesting a \$350,000 increase to revenues and expenditures related to operations at Glendoveer Golf Course. This amendment would increase appropriations by \$350,000.</p>

## Waste Prevention and Environmental Services

<p><b>Capital Improvement Plan Updates</b></p>	<p><b>Adjust and reprioritize 11 projects in the CIP to address health, safety, and deferred maintenance needs (one-time)</b></p> <p>No operating, appropriation, or FTE impact.</p>
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