

**MAKING A
GREAT
PLACE**



**PUBLIC SERVICE
EXCELLENCE
INNOVATION
RESPECT
TEAMWORK
SUSTAINABILITY**

PROPOSED BUDGET **FY 2016-17**

Budget Presentation

April 14, 2016

Overview

- Budget resolution
- Budget message
- Budget by the numbers
- MERC
- Office of Metro Auditor
- Moving the budget forward
- Public Hearing



Budget message

- Budget Focus

Diversity, Equity and Inclusion

Implement Council's key initiatives

Invest in agency infrastructure

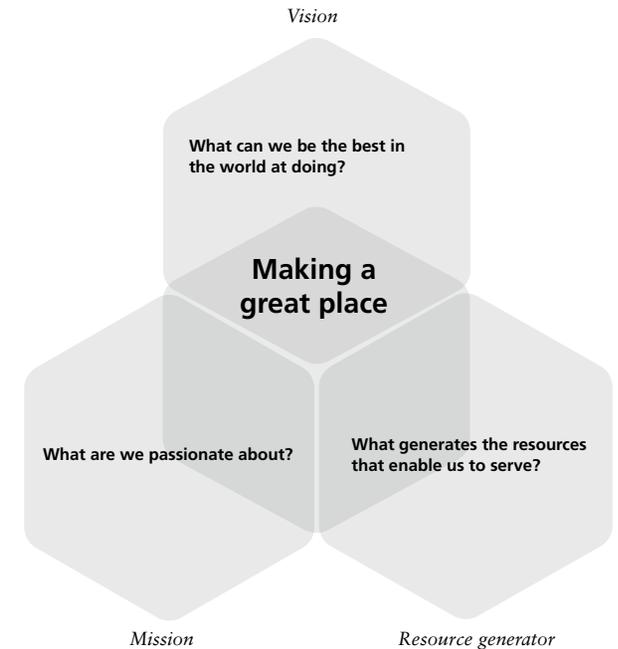
Prepare for FY 2017-18

Decision-making tools

- 6 desired regional outcomes

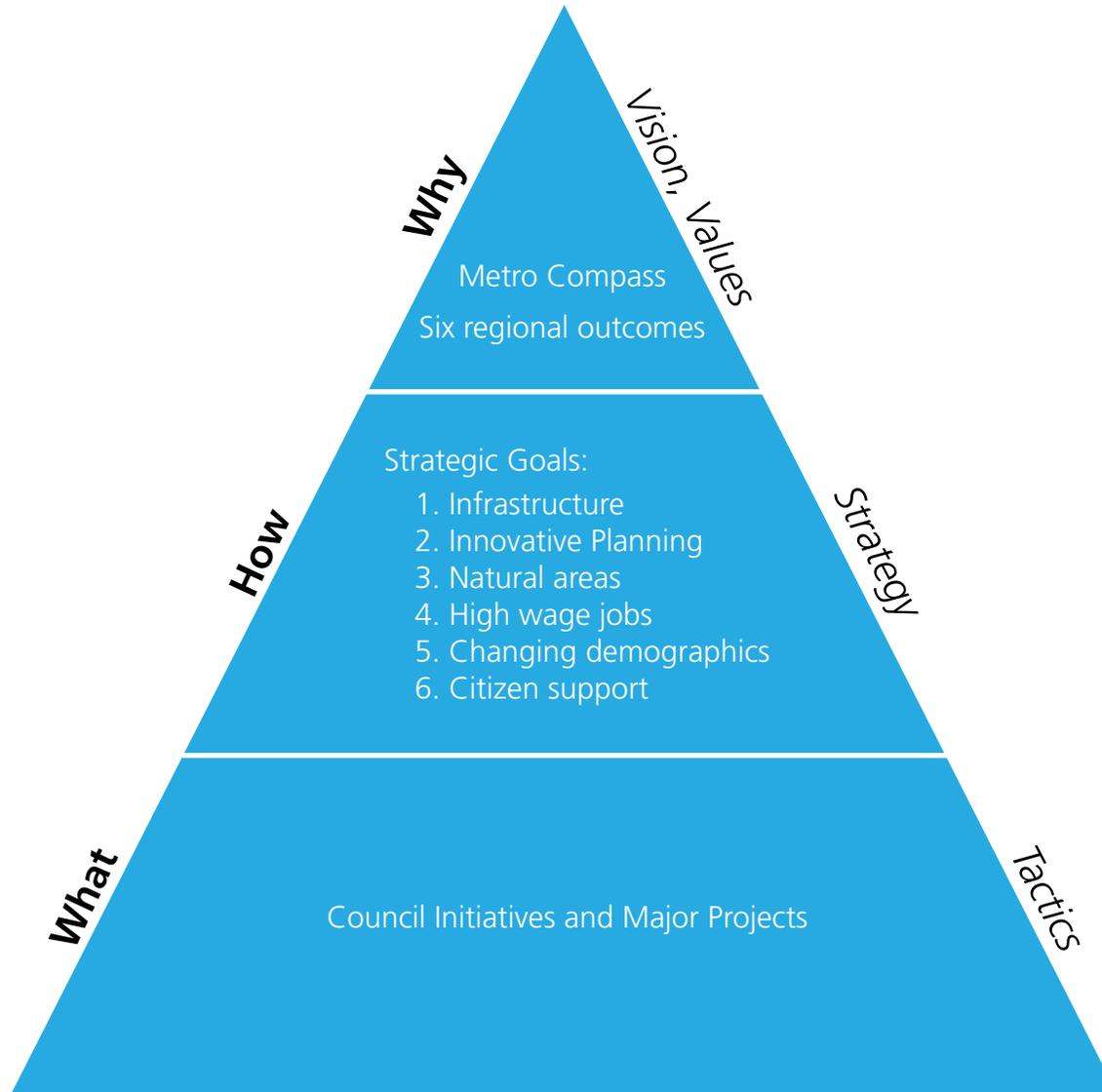


- Metro Compass



- Guidance from Council work session
- Department mission-critical plans

Decision-making tools



What the budget looks like

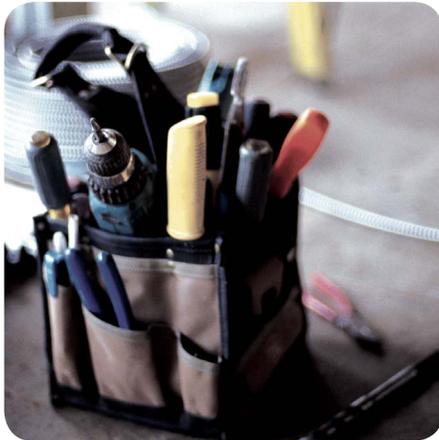
	FY 2015-16 Amended Budget	FY 2016-17 Proposed Budget	% Change
Operating Funds	\$361,400,000	\$389,700,000	8%
Bond/Capital Funds	\$122,300,000	\$101,000,000	(17%)
Debt Service Funds	\$118,500,000	\$119,600,000	1%
Other Funds	\$10,500,000	\$9,900,000	(6%)
Total All Funds	\$612,700,000	\$620,200,000	22%
FTE	844.05	852.51	1%

What the budget delivers

- Strategic goals and key initiatives identified by Council
 - Invest in public infrastructure
 - Set stage for future of region with innovative planning
 - Make investments to preserve and enhance natural environment
 - Invest in effort to increase high wage jobs
 - Respond to increasing diversity of the region's residents
 - Increase citizen involvement and engagement

What the budget delivers

- **Invest in public infrastructure**
 - Investment in Metro Regional Center through a loan
 - Investment in Technology Infrastructure
 - Maintenance for the Visitor Venues



What the budget delivers

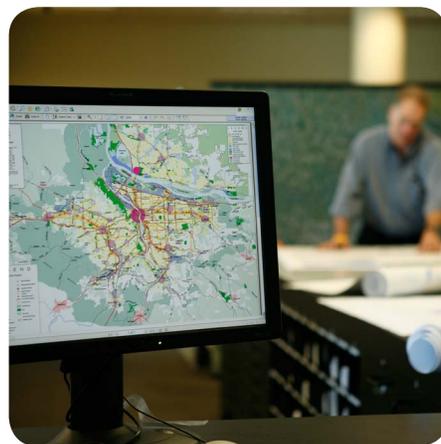
- Set the stage for the future of the region

Equitable housing program

Powell-Division and Southwest Corridor projects

Solid Waste Roadmap decisions

2018 Regional Transportation Plan



What the budget delivers

- **Make investments to preserve and enhance natural environment**

Continue to deliver on Parks and Natural Areas Local Option Levy

Implement the Parks and Natural Areas System Plan

Continue to deliver on Natural Areas Bond promises



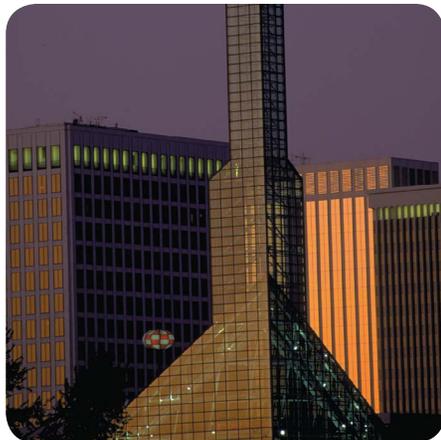
What the budget delivers

- Invest in effort to increase high wage jobs

Convention Center Hotel Project

Special appropriations for Greater Portland Inc., Economic Value Atlas, special planning projects to support jobs

Willamette Falls



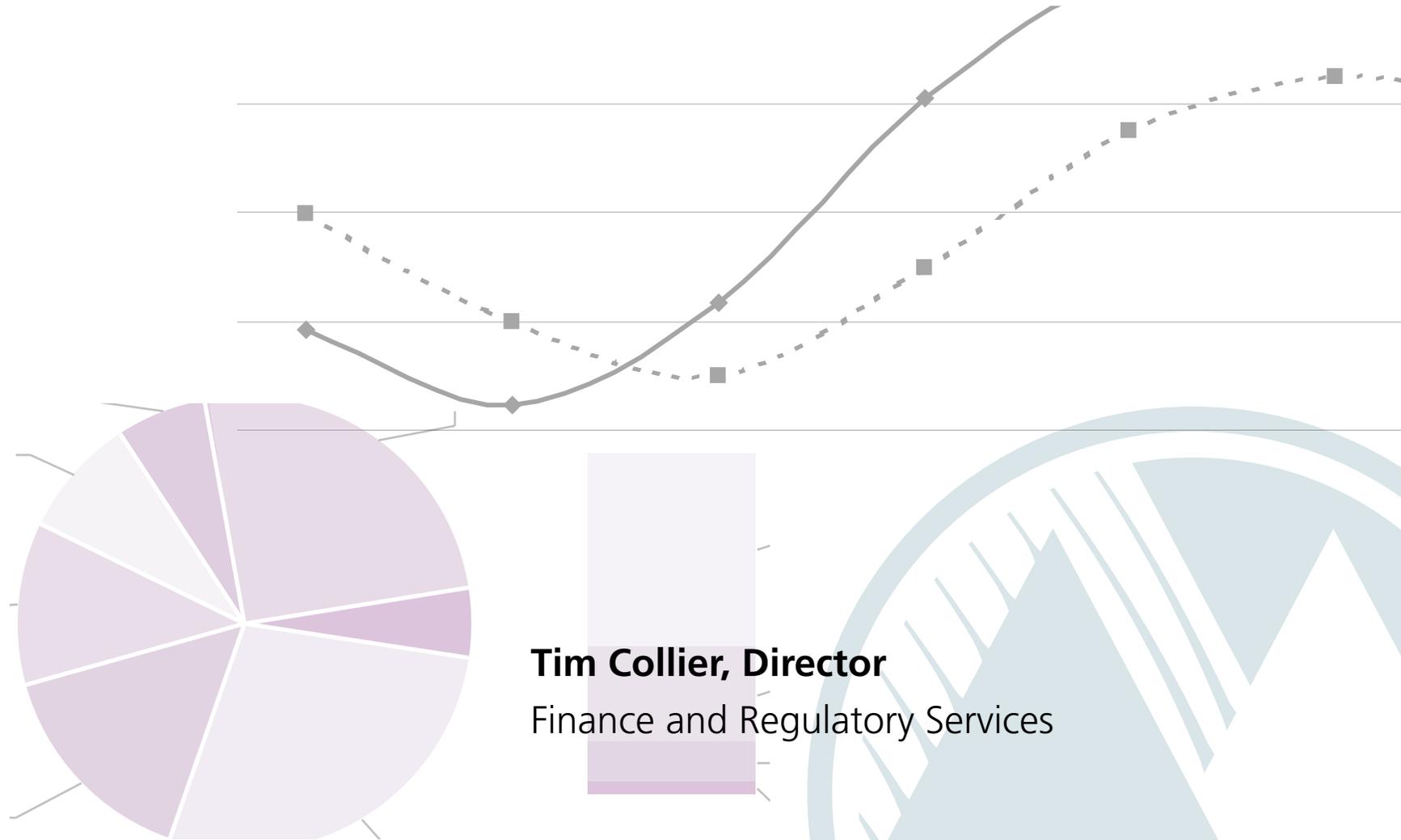
What the budget delivers

- **Respond to increasing diversity of the region's residents**
 - Continued implementation of Diversity Action Plan
 - Continued implementation of Equity Strategy and Action Plan
 - Continuing outreach to diverse communities throughout the agency
 - Specific focus on young people

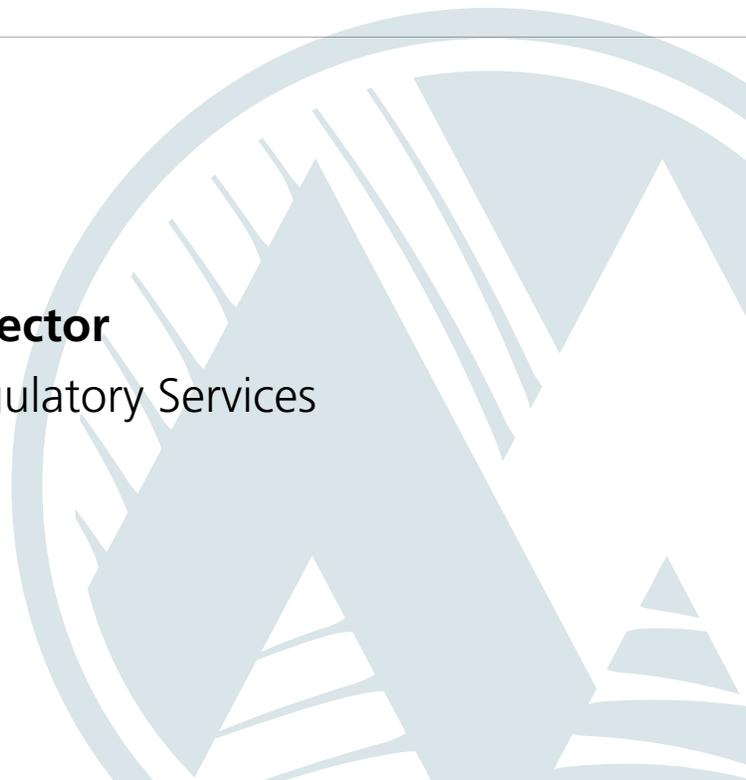
What the budget delivers

- **Increase public awareness and engagement**
 - Improving internal coordination to leverage agency outreach and engagement efforts
 - Improving agency approach for engaging diverse audiences

Budget by the numbers



Tim Collier, Director
Finance and Regulatory Services



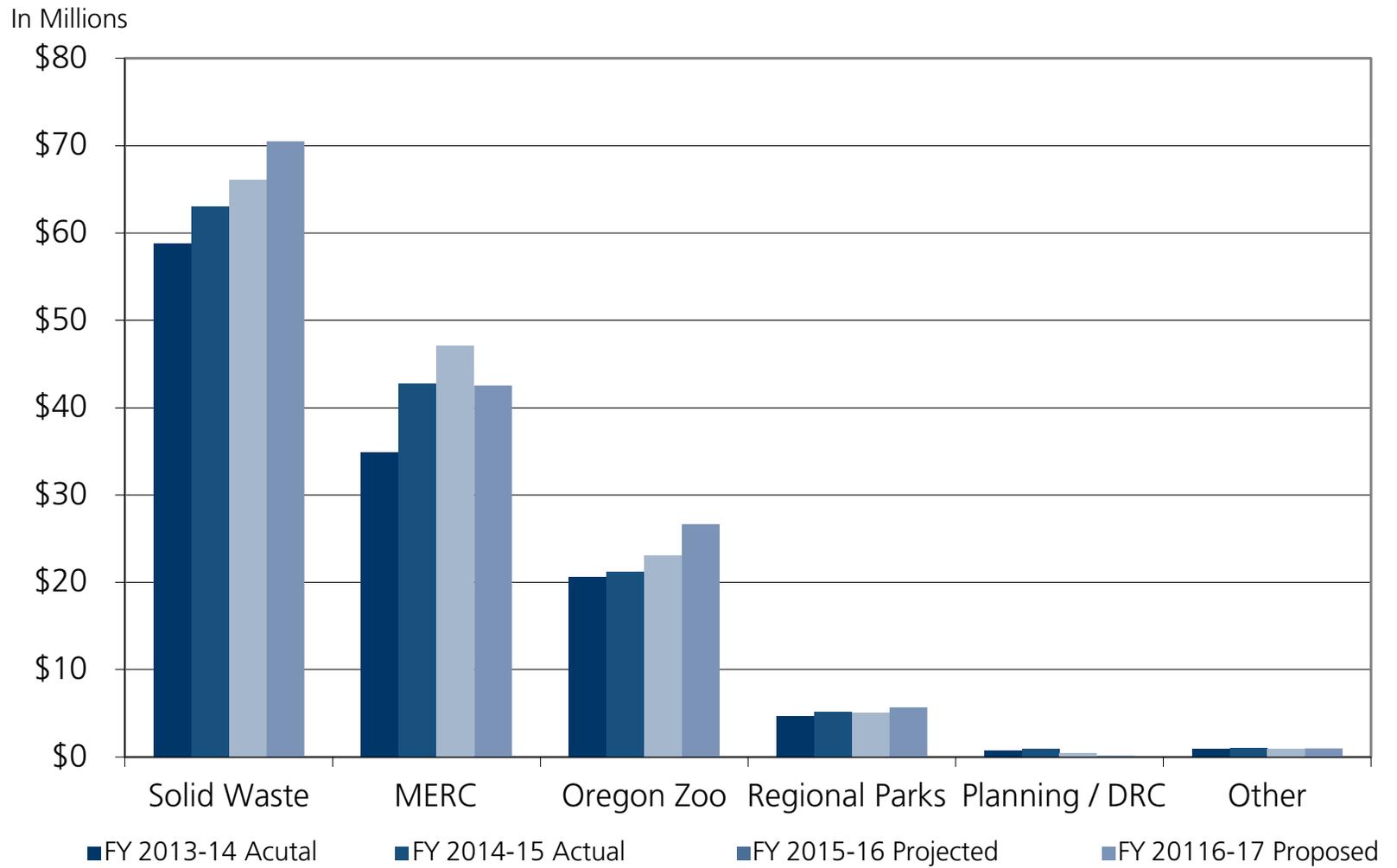
The Budget Summary

	FY 15-16 Amended Budget	FY 16-17 Proposed Budget	Budget % Change
Total Budget <i>(all resources and requirements)</i>	\$613 million	\$620 million	1%
Current Revenues	370 million	338 million	(9%)
Current Expenditures	407 million	382 million	(6%)
Wages and benefits	95.8 million	99.2 million	4%
Full-time positions	844.05 FTE	852.51 FTE	8.46 FTE

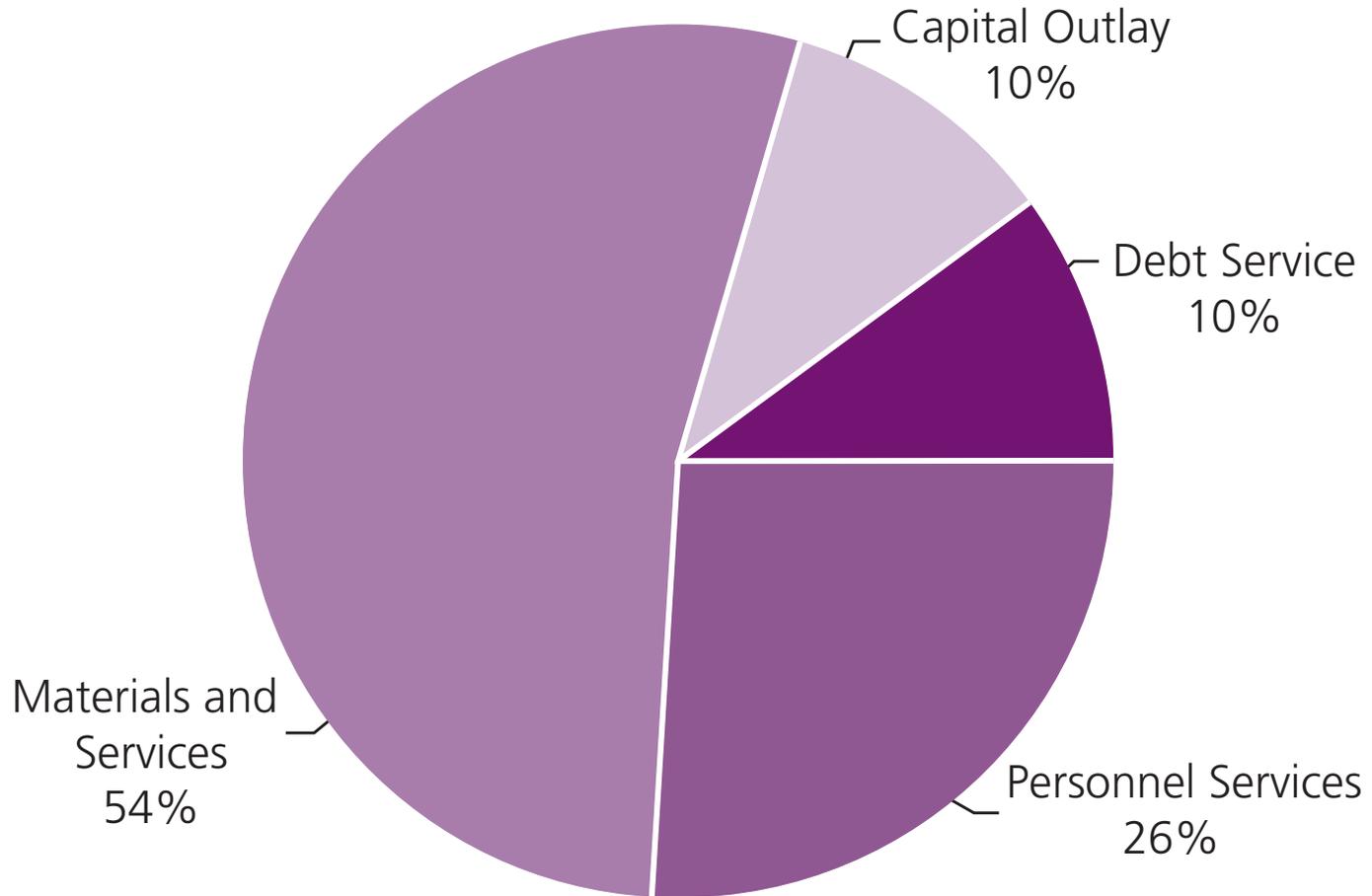
Budget by fund

	FY 2015-16 Amended Budget	FY 2016-17 Proposed Budget	% Change
Operating Funds			
General Fund	\$105,700,000	108,500,000	3%
MERC Fund	90,900,000	104,800,000	15%
Oregon Zoo Operating Fund	39,400,000	41,600,000	6%
Parks and Natural Areas Levy Fund	18,200,000	17,600,000	(3%)
Solid Waste Revenue Fund	107,200,000	117,200,000	9%
<i>Total Operating</i>	\$361,400,000	\$389,700,000	8%
Bond/Capital Funds			
General Assets Management Fund	8,100,000	17,200,000	112%
Natural Areas Fund	45,400,000	35,500,000	(22%)
Open Spaces Fund	400,000	800,000	100%
Oregon Zoo Capital Asset Management Fund	7,100,000	6,800,000	(4%)
Oregon Zoo Infrastructure Bond Fund	61,300,000	40,700,000	(34%)
<i>Total Bond/Capital</i>	\$122,300,000	\$101,000,000	(17%)
Debt Service Funds			
General Obligation Bond Debt Service Fund	29,900,000	31,300,000	
General Revenue Bond Fund	88,600,000	88,300,000	
<i>Total Debt Service</i>	\$118,500,000	\$119,600,000	1%
Other Funds			
Cemetery Perpetual Care Fund	600,000	600,000	
Rehabilitation & Enhancement Fund	2,700,000	2,500,000	
Risk Management Fund	4,000,000	3,900,000	
Smith & Bybee Wetlands Fund	3,200,000	2,900,000	
<i>Total Other</i>	\$10,500,000	\$9,900,000	(6%)
Total All Funds	\$612,700,000	\$620,200,000	1%
FTE	844.05	852.51	1%

Enterprise revenue

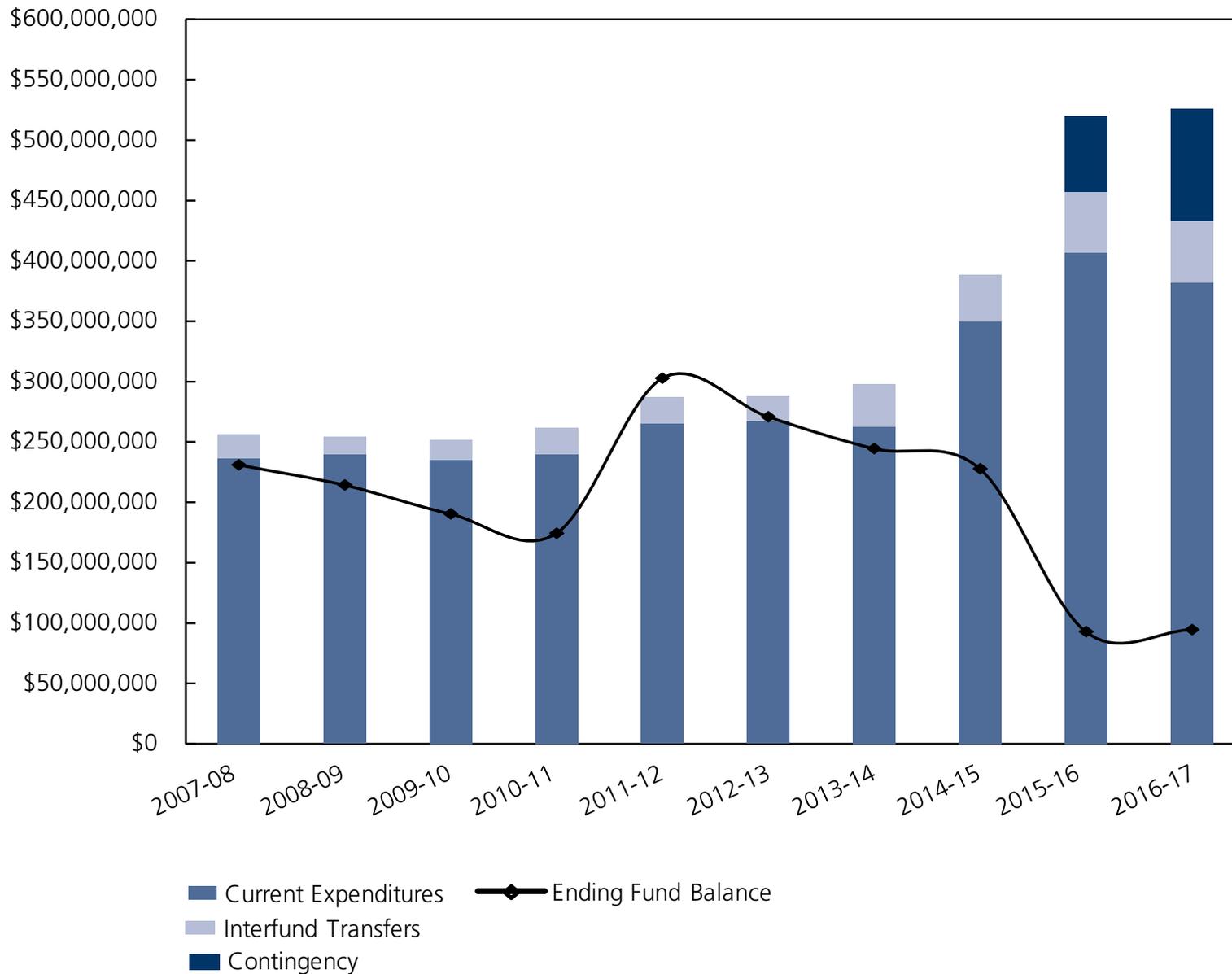


Category of Expense

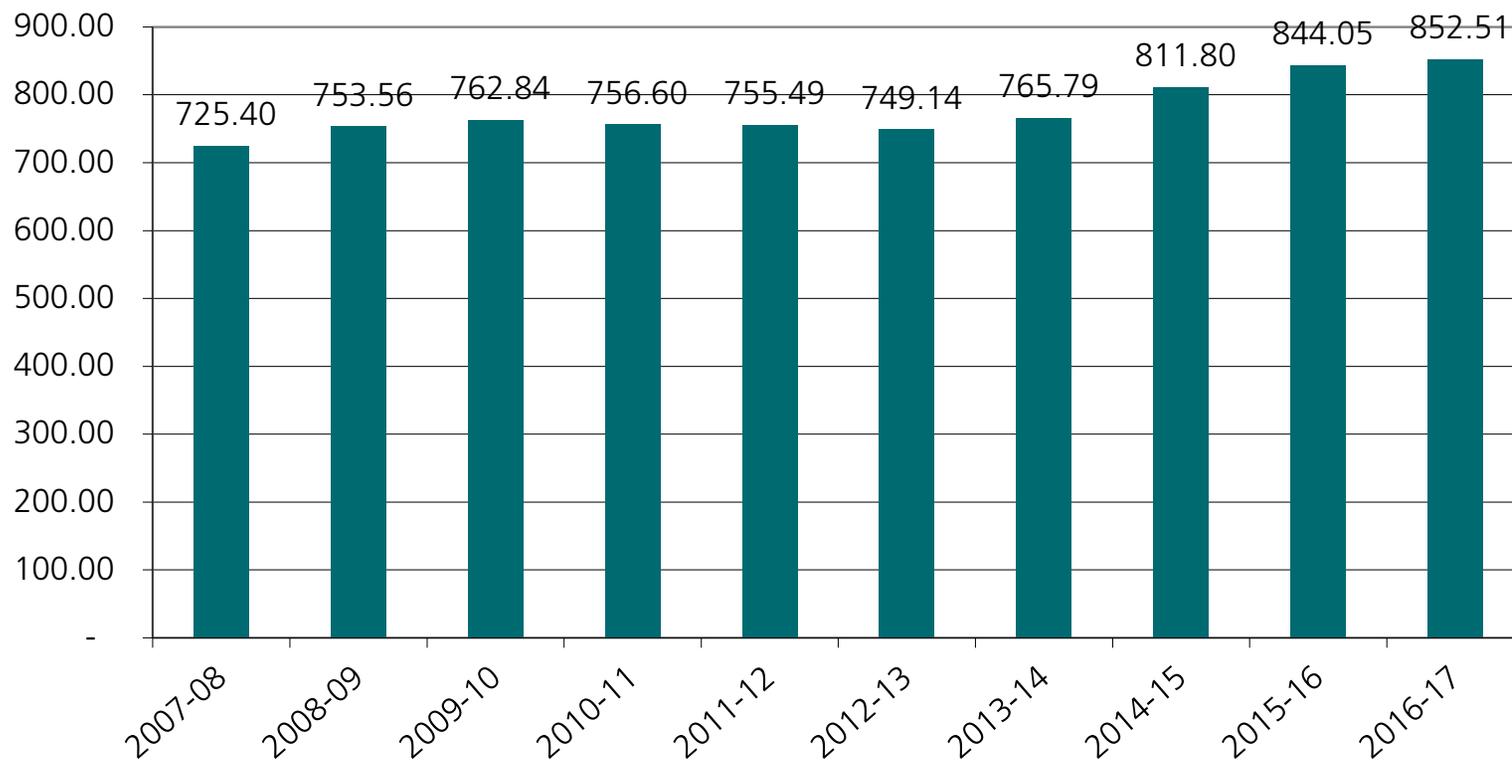


Total current expenditures: \$382,237,042

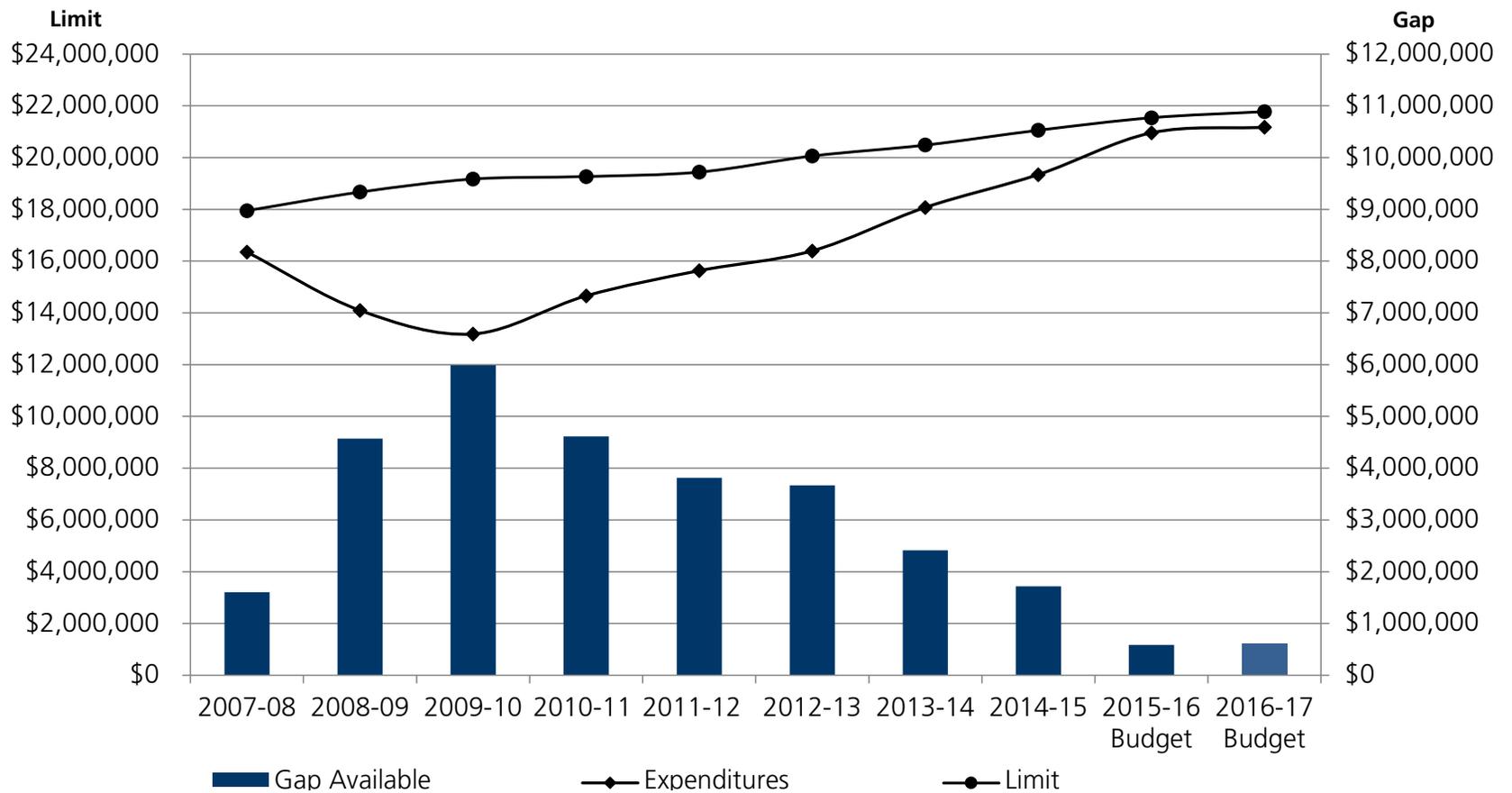
10-year expenditure history



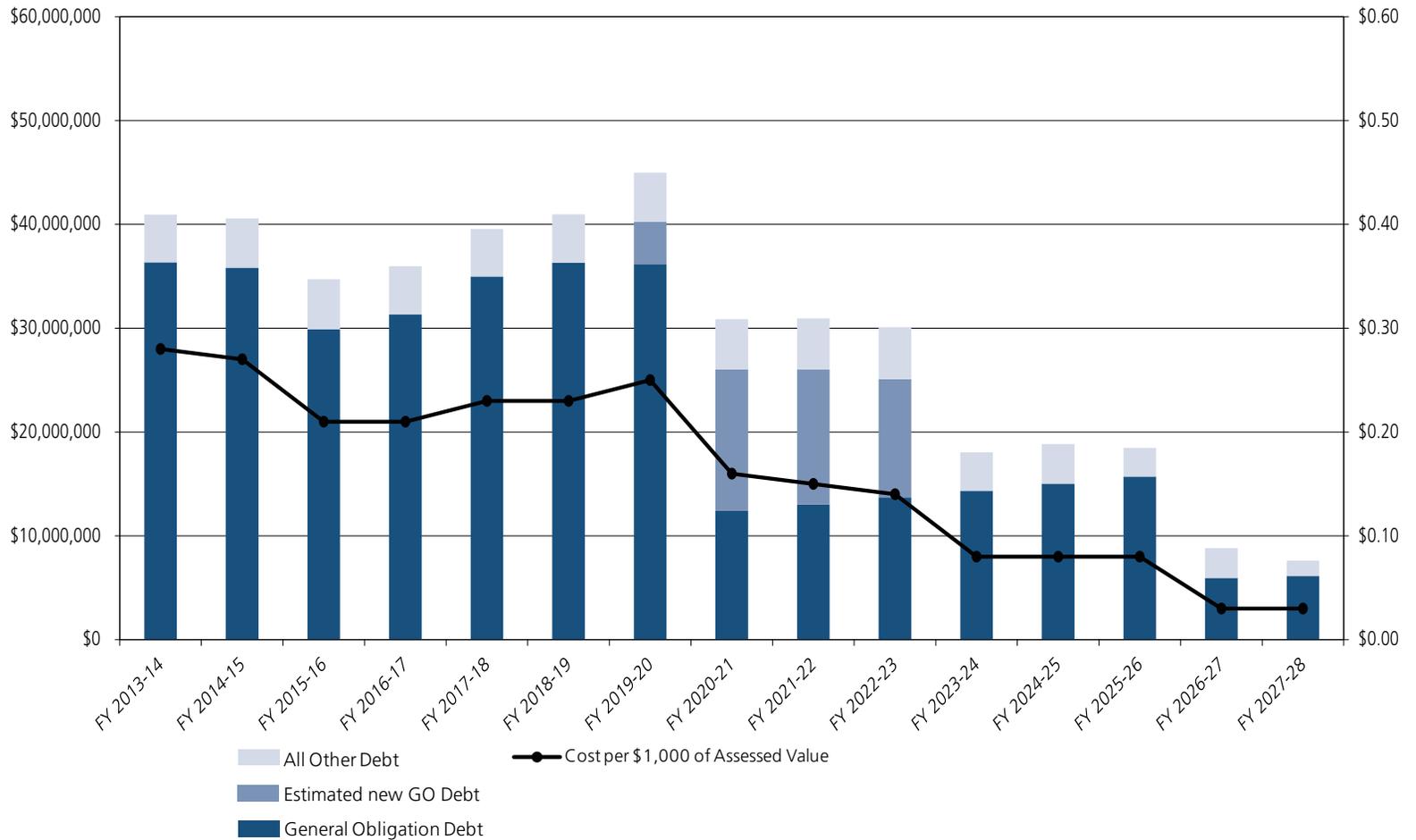
10-year total agency FTE history



Charter Limitation on expenditures



Debt service obligations



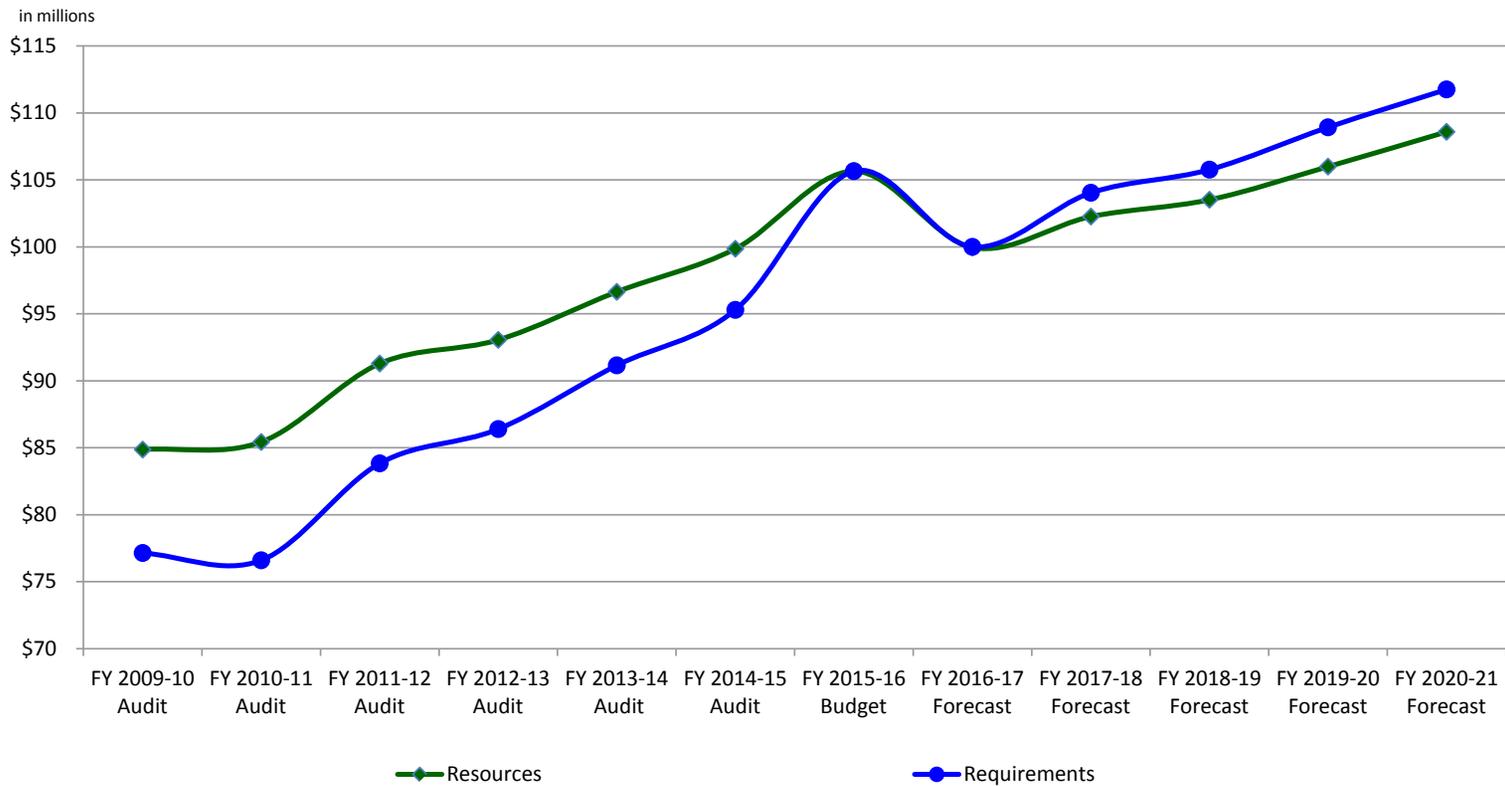
Property tax levy

	Principal	Interest	Fiscal Year Debt Service
General Obligation Refunding Bonds			
Metro Washington Park Zoo Oregon Project 2005 Series	2,210,000	88,400	2,298,400
Natural Areas 2014 Series	4,810,000	2,039,150	6,849,150
General Obligation Bonds			
Natural Areas 2007 Series	5,095,000	254,750	5,349,750
Natural Areas 2012A Series	2,790,000	2,840,950	5,630,950
Oregon Zoo Infrastructure 2012A Series	2,260,000	2,168,325	4,428,325
Oregon Zoo Infrastructure 2016 Series	4,975,000	1,779,167	6,754,167
TOTAL FY 2016-17 GO DEBT SERVICE PAYMENTS	\$22,140,000	\$9,170,742	\$31,310,742

Property Taxes	FY 2015-16 Amended Budget	FY 2016-17 Proposed Budget
Permanent Operating Rate <i>(per thousand)</i>	9.66¢	9.66¢
Parks and Natural Areas Local Option Levy <i>(per thousand)</i>	9.60¢	9.60¢
Debt service <i>(per thousand)</i>	20¢	21¢
Average homeowner (\$200,000 assessed value) (\$250,000 market value)	\$79	\$81

General Fund

Five-year forecast Nov. 2015



MERC

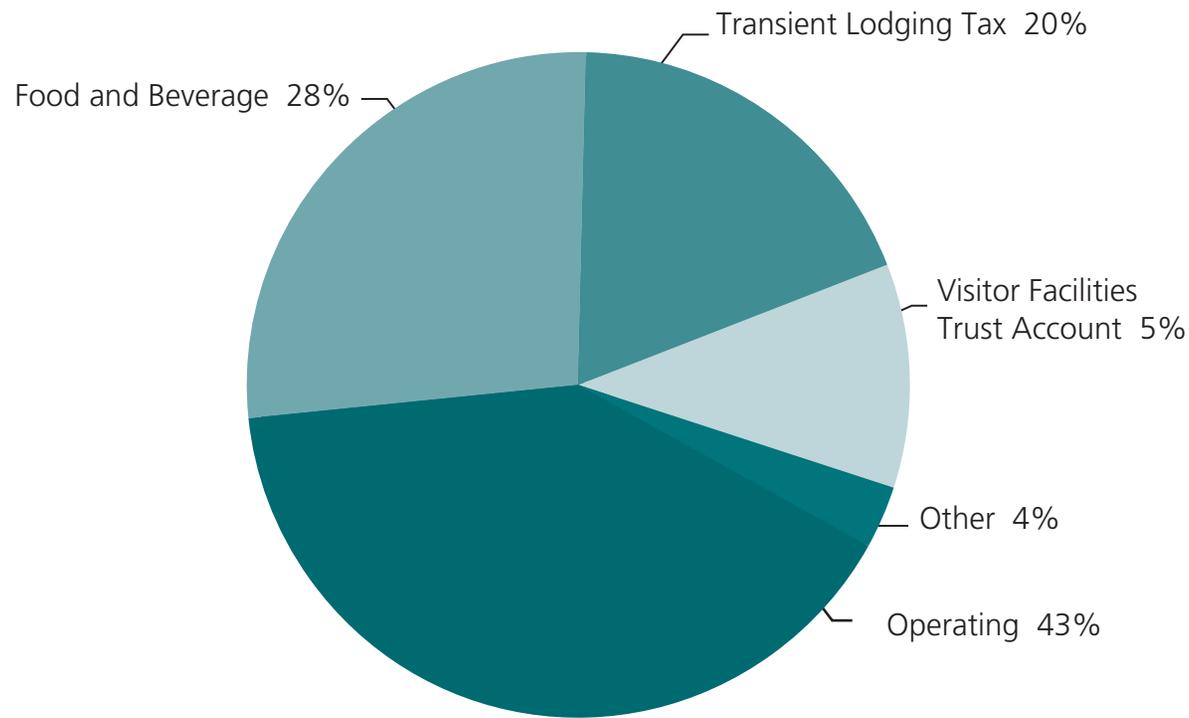
Tim Collier, Director
Finance and Regulatory Services



MERC Fund Summary

	FY 2015-16 Amended Budget	FY 2016-17 Proposed Budget	% Change
Total Budget			
	\$90,857,203	\$104,751,630	15%
Current Budget			
Revenues	57,722,243	63,901,933	11%
Expenses	66,997,658	70,270,616	5%
<i>Net Operations</i>	<i>(\$9,275,415)</i>	<i>(\$6,368,683)</i>	<i>(31%)</i>
Personnel Summary			
Wages & Benefits	\$19,860,619	\$20,575,407	3.6%
Full-time positions	186.35	189.95	1.9%

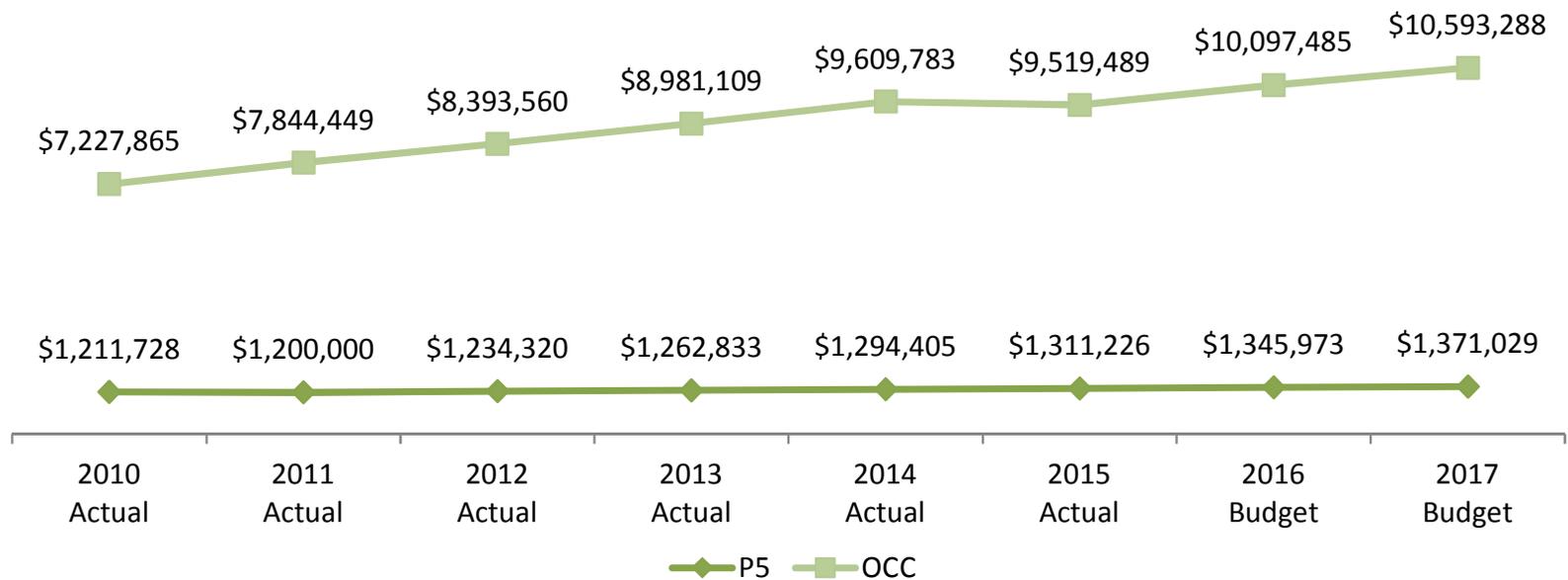
Current Resources



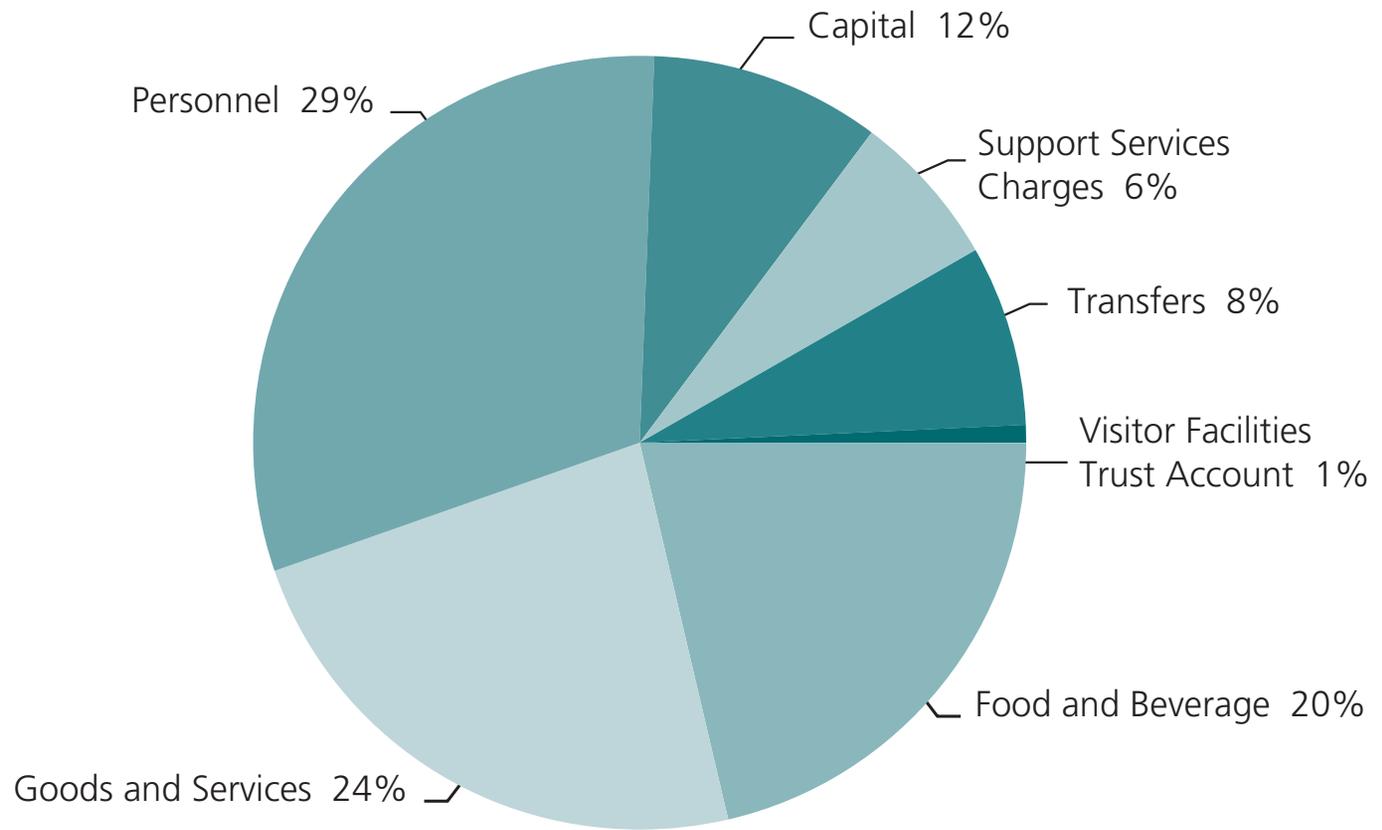
Total current resources: \$63,901,933

Transient Lodging Tax (TLT)

The total TLT forecast of \$12.0 million, is an increase of 5% over the FY 2015-16 Budget.



Current Expenditures



Total current expenditures: \$70,270,616

Venue Summary

	FY 2015-16 Amended Budget	FY 2016-17 Proposed Budget	% Change	% Total
Venue Total Budget				
OCC	\$50,755,850	\$59,505,648	17%	57%
Portland'5	\$24,891,490	\$27,734,388	11%	26%
Expo	\$10,408,880	\$10,445,435	0%	10%
Admin	\$4,800,983	\$7,066,159	47%	7%
<i>Total</i>	\$90,857,203	\$104,751,630	15%	100%
Venue Full Time Positions				
OCC	114.65	115.65	1%	61%
Portland'5	49.40	52.40	6%	28%
Expo	15.80	15.30	(3%)	8%
Admin	6.50	6.60	2%	3%
<i>Total</i>	186.35	189.95	2%	100%



Office of the Metro Auditor

FY 2016-17 Proposed Budget



Mission

- Ensure that Metro is accountable to the public
- Ensure that Metro activities are transparent
- Improve the efficiency, effectiveness and quality of Metro services and activities

Accomplishments FY 2015-16



Audits completed

- ▣ Accountability Hotline Case #183 (August 2015)
- ▣ Nature in Neighborhoods (December 2015)
- ▣ Community Planning and Development Grants (February 2016)
- ▣ Frequent Flyer Benefits Follow-up (February 2016)
- ▣ Financial Condition (June 2016)
- ▣ Glendoveer Operating Agreement (June 2016)

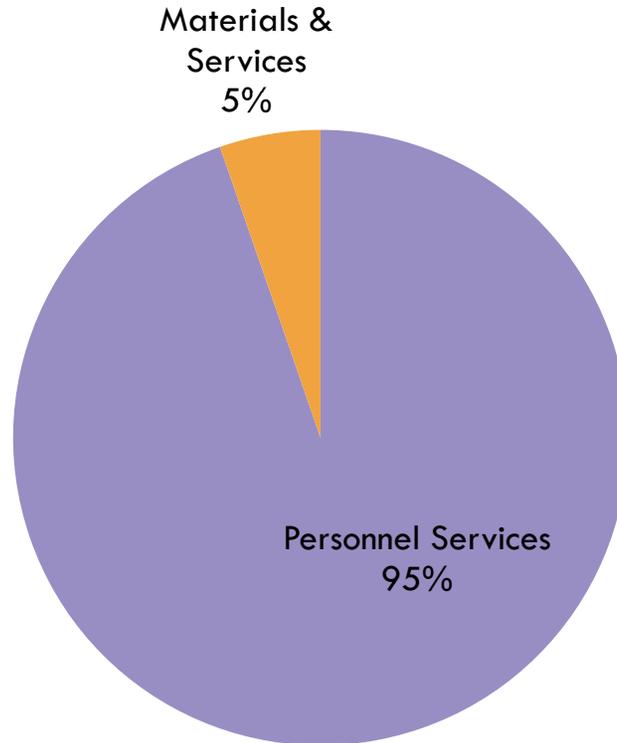
Accomplishments FY 2015-16



- Completed 6 audits
- Managed 17 reports on the Accountability Hotline
- Administered contract with external auditor for financial audit



Proposed FY2016-17 Budget





Comparison to Previous Years

	FY2014-15 Actual	FY2015-16 Amended	FY2016-17 Proposed
Personnel	\$521,793	\$733,338	\$671,870
Materials & Services	\$37,538	\$37,662	\$37,662
TOTAL	\$559,331	\$771,000	\$709,532



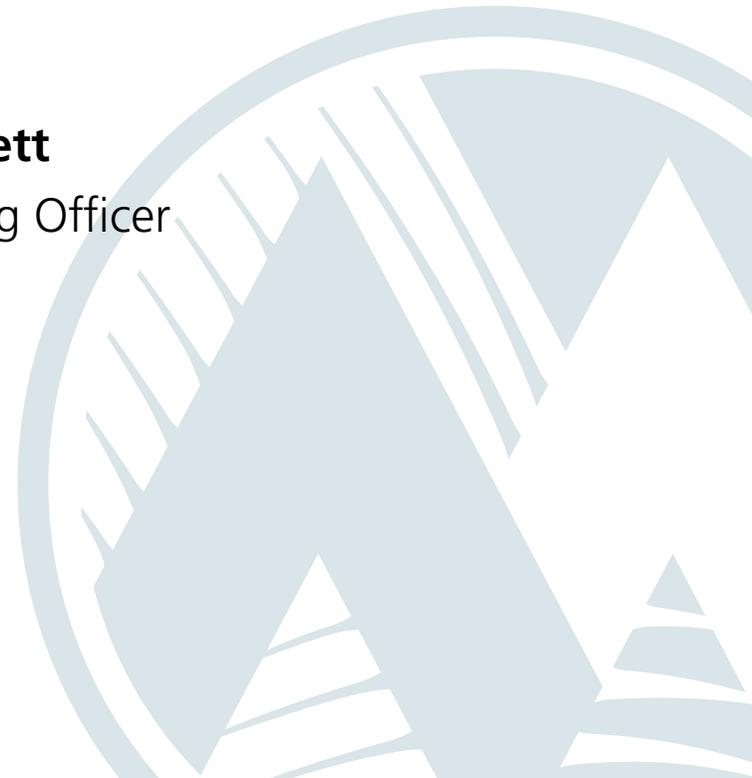
Upcoming Audits:

- Zoo organizational culture
- Convention center hotel project management
- Social media usage

Moving the budget forward

Martha Bennett

Chief Operating Officer



Moving the budget forward

- Approving, and ultimately adopting a balanced budget now becomes the Council's challenge

Does the budget move Metro and the region in the right direction?

Does the budget strike the right balance in responding to both program needs and ensuring funding for future years?

Does the budget reflect your guidance?

Does the budget continue to maintain the confidence of Metro's citizens?

Next important dates

			Public Hearing
April	April 14	Budget introduced	*
	April 19	Council worksession on proposed budget	
May	May 5	Public Hearing Resolution to approve budget, set tax levy, forward budget to TSCC Budget ordinance continued to June	*
	May 15	Budget documents to TSCC	
June	June 9	TSCC review and hearing	*
	June 16	Final amendments	*
	June 23	Budget adoption	*
July	July 1	New budget begins	
	July 15	Tax levy submitted to counties	

Acknowledgements

Thanks to:

Finance Team

Program Managers and Analysts

Senior Leadership Team

Cover Design

Creative Services

Thank you



To view Metro's budget and the budget message in its entirety please visit:

www.oregonmetro.gov/budget

