

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 2001-02)	ORDINANCE NO. 02-943
BUDGET AND APPROPRIATIONS SCHEDULE BY)	
TRANSFERRING \$200,000 FROM CAPITAL)	
OUTLAY TO OPERATING EXPENSES AND \$554,077)	Introduced by Mike Burton,
FROM CONTINGENCY TO OPERATING EXPENSES)	Executive Officer
IN THE ZOO OPERATING FUND, AND ADDING 1.0)	
FTE FOR A BUDGET AND FINANCE POSITION;)	
AND DECLARING AN EMERGENCY)	

WHEREAS, the Metro Council has reviewed and considered the need to transfer appropriations within the FY 2001-02 Budget; and

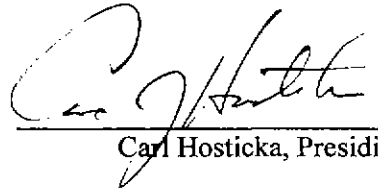
WHEREAS, the need for the transfer of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; now, therefore,

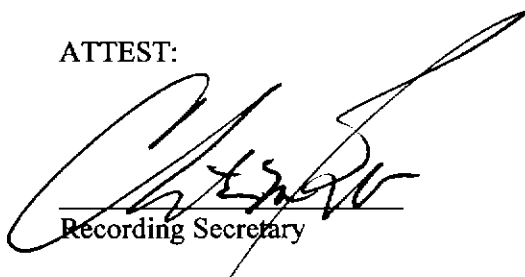
THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2001-02 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring funds from capital outlay and contingency to operating expenses in the Zoo Operating Fund to support the operations at the Oregon Zoo and adding 1.0 FTE for a budget and finance position.
2. That because this Ordinance is necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this 6th day of June, 2002.


 Carl Hosticka, Presiding Officer

ATTEST:


 Recording Secretary

Approved as to Form:

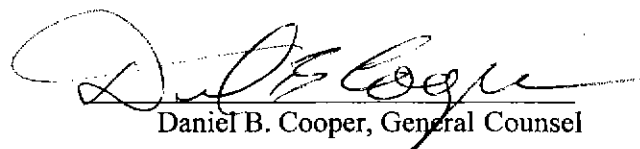

 Daniel B. Cooper, General Counsel



Exhibit A
Ordinance No. 02-943
FY 2001-02 SCHEDULE OF APPROPRIATIONS

	<u>Current</u> <u>Appropriation</u>	<u>Revision</u>	<u>Amended</u> <u>Appropriation</u>
ZOO OPERATING FUND			
Operating Expenses (PS & M&S)	\$18,924,940	\$754,077	\$19,679,017
Capital Outlay	434,000	(200,000)	\$234,000
Interfund Transfers	2,565,813	0	\$2,565,813
Contingency	850,512	(554,077)	\$296,435
Unappropriated Balance	4,064,007	0	\$4,064,007
Total Fund Requirements	\$26,839,272	\$0	\$26,839,272

All other Appropriations Remain as Previously Adopted

Exhibit B
Ordinance No. 02-943
FY 2001-02 LINE ITEM DETAIL

Zoo Operating Fund

ACCT	DESCRIPTION	Current Budget		Revision		Revised Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
Expenditures							
<i>Personal Services</i>							
<i>SALWGE</i>	<i>Salaries & Wages</i>						
5010	Reg Employees-Full Time-Exempt						
	Director II	1.00	108,618	0.00	0	1.00	108,618
	Events Coordinator	1.00	46,904	0.00	0	1.00	46,904
	Exhibits Coordinator	0.00	0	0.00	0	0.00	0
	Manager I	3.00	229,194	0.00	0	3.00	229,194
	Manager II	1.00	78,270	1.00	10,640	2.00	88,910
	Management Technician	1.00	44,366	0.00	0	1.00	44,366
	Program Analyst I	2.00	80,496	0.00	0	2.00	80,496
	Program Analyst II	1.00	45,261	0.00	0	1.00	45,261
	Program Analyst III	1.00	62,837	0.00	0	1.00	62,837
	Program Director I	1.00	90,691	0.00	0	1.00	90,691
	Program Director II	1.00	100,422	0.00	0	1.00	100,422
	Program Supervisor I	3.00	168,417	0.00	0	3.00	168,417
	Program Supervisor II	5.00	308,840	0.00	0	5.00	308,840
	Research Coordinator II	1.00	49,234	0.00	0	1.00	49,234
	Research Coordinator III	1.00	57,262	0.00	0	1.00	57,262
	Service Supervisor I	5.00	203,650	0.00	0	5.00	203,650
	Service Supervisor II	10.00	452,208	0.00	8,698	10.00	460,906
	Service Supervisor III	3.00	137,993	0.00	0	3.00	137,993
	Service Supervisor IV	1.00	62,837	0.00	0	1.00	62,837
	Veterinarian II	1.00	68,826	0.00	0	1.00	68,826
	Veterinarian I	1.00	51,546	0.00	0	1.00	51,546
	Administrative Assistant	1.00	40,206	0.00	0	1.00	40,206
	Assoc. Pub. Affairs Specialist	1.00	43,254	0.00	0	1.00	43,254
	Associate Program Supervisor	0.00	0	0.00	0	0.00	0
	Graphics/Exhibit Designer	1.00	44,366	0.00	0	1.00	44,366
	Program Coordinator	1.00	60,133	0.00	0	1.00	60,133
	Senior Public Affairs Specialist	0.00	0	0.00	0	0.00	0
5015	Reg Empl-Full Time-Non-Exempt						
	Administrative Assistant III	2.00	73,375	0.00	0	2.00	73,375
	Administrative Secretary	4.00	131,075	0.00	0	4.00	131,075
	Animal Keeper	28.00	1,108,307	0.00	0	28.00	1,108,307
	Custodian	7.00	275,847	0.00	0	7.00	275,847
	Exhibits Technician II	1.00	42,640	0.00	0	1.00	42,640
	Gardener 1	6.00	228,509	0.00	0	6.00	228,509
	Gardener 2	1.00	40,123	0.00	0	1.00	40,123
	Maintenance Electrician	1.00	59,301	0.00	0	1.00	59,301
	Maintenance Lead	1.00	52,395	0.00	0	1.00	52,395
	Maintenance Technician	1.00	50,149	0.00	0	1.00	50,149
	Maintenance Worker 1	2.00	74,755	0.00	0	2.00	74,755
	Maintenance Worker 2	12.00	513,164	0.00	0	12.00	513,164
	Master Mechanic	1.00	52,395	0.00	0	1.00	52,395
	Nutrition Technician	1.00	39,582	0.00	0	1.00	39,582

Exhibit B
Ordinance No. 02-943
FY 2001-02 LINE ITEM DETAIL

Zoo Operating Fund

ACCT	DESCRIPTION	Current Budget		Revision		Revised Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
Expenditures							
	Program Assistant 1	3.00	89,247	0.00	0	3.00	89,247
	Program Assistant 2	6.00	190,851	0.00	0	6.00	190,851
	Receptionist	1.00	25,711	0.00	0	1.00	25,711
	Secretary	0.00	0	0.00	0	0.00	0
	Security Officer 1	5.00	131,857	0.00	0	5.00	131,857
	Senior Animal Keeper	7.00	296,005	0.00	0	7.00	296,005
	Senior Gardener	1.00	45,469	0.00	0	1.00	45,469
	Typist/Receptionist-Lead	1.00	30,035	0.00	0	1.00	30,035
	Veterinary Technician	2.00	79,165	0.00	0	2.00	79,165
	Storekeeper	1.00	34,043	0.00	0	1.00	34,043
5020	Reg Employees-Part Time-Exempt						
	Graphics/Exhibit Designer	1.00	39,624	0.00	0	1.00	39,624
5025	Reg Empl-Part Time-Non-Exempt						
	Administrative Secretary	2.30	77,201	0.00	0	2.30	77,201
	Animal Keeper-PT	1.50	59,374	0.00	0	1.50	59,374
	Clerk/Bookkeeper	2.25	68,702	0.00	0	2.25	68,702
	Food Service/Retail Specialist	4.85	138,803	0.00	0	4.85	138,803
	Maintenance Worker 1-PT	0.65	24,295	0.00	0	0.65	24,295
	Maintenance Worker 2-PT	2.10	93,043	0.00	0	2.10	93,043
	Office Assistant	1.20	26,225	0.00	0	1.20	26,225
	Program Assistant 1	2.13	61,905	0.00	2,770	2.13	64,675
	Program Assistant 2	0.50	18,405	0.00	0	0.50	18,405
	Secretary	0.75	20,834	0.00	0	0.75	20,834
	Typist/Receptionist Reg.(Part Time)	0.85	24,328	0.00	0	0.85	24,328
	Video/Photography Technician	0.50	21,102	0.00	0	0.50	21,102
	Visitor Service Worker 3-reg	2.45	59,746	0.00	0	2.45	59,746
5030	Temporary Employees		836,673		63,583		900,256
5040	Seasonal Employees		1,040,416		0		1,040,416
5080	Overtime		219,483		22,819		242,302
<i>FRINGE</i>	<i>Fringe Benefits</i>						
5100	Fringe Benefits		2,928,460		14,361		2,942,821
Total Personal Services		166.03	\$12,058,450	1.00	\$122,871	167.03	\$12,181,321
<u>Materials & Services</u>							
<i>GOODS</i>	<i>Goods</i>						
5201	Office Supplies		92,457		35,600		128,057
5205	Operating Supplies		1,018,245		0		1,018,245
5210	Subscriptions and Dues		35,293		0		35,293
5214	Fuels and Lubricants		34,200		0		34,200
5215	Maintenance & Repairs Supplies		227,960		0		227,960
5219	Purchasing Card Expenditures		0		0		0
5220	Food		970,400		0		970,400
5225	Retail		600,920		0		600,920

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		FTE	Amount	FTE	Amount	FTE	Amount
Expenditures							
<i>SVCS</i>	<i>Services</i>						
5240	Contracted Professional Svcs		1,034,644		138,784		1,173,428
5251	Utility Services		1,536,165		200,000		1,736,165
5255	Cleaning Services		31,000		0		31,000
5260	Maintenance & Repair Services		485,995		200,000		685,995
5265	Rentals		160,712		0		160,712
5280	Other Purchased Services		453,743		56,822		510,565
5290	Operations Contracts		0		0		0
<i>IGEXP</i>	<i>Intergov't Expenditures</i>						
5300	Payments to Other Agencies		24,858		0		24,858
<i>OTHEXP</i>	<i>Other Expenditures</i>						
5450	Travel		83,010		0		83,010
5455	Training and Conference Fees		25,960		0		25,960
5490	Miscellaneous Expenditures		50,928		0		50,928
Total Materials & Services			\$6,866,490		\$631,206		\$7,497,696
Capital Outlay							
<i>CAPNON</i>	<i>Capital Outlay (Non-CIP Projects)</i>						
5710	Improve-Oth thn Bldg (non-CIP)		102,700		(95,000)		7,700
5720	Buildings & Related (non-CIP)		160,000		(113,400)		46,600
5730	Exhibits and Related (non-CIP)		70,400		8,400		78,800
5740	Equipment & Vehicles (non-CIP)		100,900		0		100,900
5750	Office Furn & Equip (non-CIP)		0		0		0
5760	Railroad Eq & Facil (non-CIP)		0		0		0
<i>CAPCIP</i>	<i>Capital Outlay (CIP Projects)</i>						
5715	Improve-Oth thn Bldg (CIP)		0		0		0
5725	Buildings & Related (CIP)		0		0		0
5735	Exhibits and Related (CIP)		0		0		0
5765	Railroad Equip & Facil (CIP)		0		0		0
Total Capital Outlay			\$434,000		(\$200,000)		\$234,000
Interfund Transfers							
<i>INTCHG</i>	<i>Internal Service Transfers</i>						
5800	Transfer for Indirect Costs						
	* to Support Services		1,894,483		0		1,894,483
	* to Risk Mgmt-Liability		122,218		0		122,218
	* to Risk Mgmt-Worker Comp		116,879		0		116,879
<i>EQTCHG</i>	<i>Fund Equity Transfers</i>						
5810	Transfer of Resources						
	* to General Revnue Bond Fund		432,233		0		432,233
	* to Zoo Capital Fund		0		0		0
Total Interfund Transfers			\$2,565,813		\$0		\$2,565,813

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ACCT	DESCRIPTION	Current Budget		Revision		Revised Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
Expenditures							
<i>Contingency and Ending Balance</i>							
<i>CONT</i>	<i>Contingency</i>						
5999	Contingency		850,512		(554,077)		296,435
<i>UNAPP</i>	<i>Unappropriated Fund Balance</i>						
5990	Unappropriated Fund Balance		4,064,007		0		4,064,007
Total Contingency and Ending Balance			\$4,914,519		(\$554,077)		\$4,360,442
TOTAL REQUIREMENTS		166.03	\$26,839,272	1.00	\$0	167.03	\$26,839,272

BUDGET AND FINANCE COMMITTEE REPORT

CONSIDERATION OF ORDINANCE NO. 02-943, FOR THE PURPOSE OF AMENDING THE FY 01-02 BUDGET AND APPROPRIATIONS SCHEDULE TRANSFERRING \$200,000 FROM CAPITAL OUTLAY TO OPERATING EXPENSES AND \$554,077 FROM CONTINGENCY TO OPERATING EXPENSES IN THE ZOO OPERATING FUND, AND ADDING 1.0 FTE FOR A BUDGET AND FINANCE POSITION; AND DECLARING AN EMERGENCY

Date: May 23, 2002

Presented by: Councilor McLain

Committee Recommendation: At its May 23 meeting, the committee considered Ordinance 02-943 and voted unanimously to send the resolution to the Council for adoption. Voting in favor: Councilors Atherton, Bragdon, McLain, Monroe and Chair Burkholder.

Background: Due to the nature of Metro's budget preparation and adoption process, the Zoo must make its revenue and expenditure estimates well in advance of the start of each fiscal year. Historically, the Zoo has submitted a budget amendment late in each fiscal year that includes budget adjustments based on the revenues and expenditures that have actually occurred.

The proposed ordinance reflects budget changes requested by the Zoo for the current budget year (FY 01-02).

Committee Discussion: Kathy Kiaunis, Deputy Zoo Director, presented the staff report. She initially focused on the overall revenue and expenditure projections for the fiscal year. She noted that year-end revenues are estimated to exceed budgeted amounts by about \$550-600,000. Increased expenditures will result in a net projected increase in the beginning fund balance for FY 02-03 of \$50-100,000.

Ms. Kiaunis then reviewed the major budget adjustments contained in the proposed ordinance. She noted that the ordinance would transfer \$554,000 from the contingency to cover increased expenditures and \$200,000 from capital outlay to materials and services. She explained that a \$200,000 transfer from contingency was needed to address increased utility costs resulting from a delayed billing for water and sewer services by the city of Portland (\$125,000) and increases in utility rates (\$75,000) that exceeded the 18.5% increase that had been included in the adopted budget. She indicated that nearly \$100,000 would be transferred from contingency for expenditures associated with two events that will not occur until FY 02-03 (an additional premium concert and the temporary butterfly exhibit). Revenue from these events will exceed these expenditures but will not be booked until FY 02-03. Ms. Kiaunis also noted that the transfer from contingency includes funding for a new budget and finance officer position at the Zoo.

Ms. Kiaunis explained that the capital outlay transfer related to several roofing projects. She noted that the adopted budget had included funding for roofing projects in both materials and services and capital outlay. Because cost savings could be achieved by using a single contractor, the Zoo chose to combine the funds into materials and services. In addition, she noted that the Zoo found unexpected structural damage in one roof that resulted in an unbudgeted expenditure of \$96,000.

The committee had no questions concerning the ordinance.

STAFF REPORT

CONSIDERATION OF ORDINANCE 02-943 AMENDING THE FY2001-02 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING \$200,000 FROM CAPITAL OUTLAY TO OPERATING EXPENSES AND TRANSFERRING \$554,077 FROM CONTINGENCY TO OPERATING EXPENDITURES IN THE ZOO OPERATING FUND, AND ADDING 1.0 FTE FOR A BUDGET AND FINANCE POSITION, AND DECLARING AN EMERGENCY

Date: March 18, 2002

Prepared by: Kathy Kiaunis

BACKGROUND

Every year in the spring, the Zoo comes forward with a budget adjustment to incorporate changes that have occurred since the budget was formulated, usually at least 17 months prior. We wait long enough into the year to see if the adopted budget will be a fair approximation of what is actually going to occur, and make any necessary adjustments.

The Zoo earns over 60% of its operating revenue. This revenue is highly dependent on attendance, which is highly dependent on weather. The Zoo prepares the budget conservatively. As a result of these factors, an adjustment is usually required to reflect any changes that have occurred during the year. The Zoo presently estimates that its year-end revenues will exceed the budgeted amount by \$550,000 to \$600,000. If the estimate is correct, the beginning fund balance for FY02-03 will exceed the currently budgeted amount by approximately \$50,000 to \$100,000. It is important to understand that the revenue estimate is a volatile number. Two weekends of very good or very bad weather could double or eliminate the \$50,000 to \$100,000 estimate.

The adjustments needed in this fiscal year are needed for three primary reasons: delays in billing by the City of Portland for water and sewer costs, additional demand for education programs funded by grants or user fees not anticipated at budget adoption, and program additions to enhance revenues. In addition, a transfer of roofing project money from the capital outlay account to materials and services is planned. A total of \$554,077 is necessary to be transferred from the Zoo's operating fund contingency, and \$200,000 transferred from the operating fund capital outlay account.

The following adjustments are required to amend the Zoo's FY2001-02 budget:

MATERIALS AND SERVICES

Water/Sewer—Increased Costs and Delayed Billing

The Zoo requests a transfer of \$200,000 from contingency to materials and services to pay for utilities. Although the Zoo budgeted an 18.5% increase in utility costs for FY01-02 based on the best information available at the time, actual costs are \$75,000 higher than budgeted. In addition, the City's water and sewer billings for May and June 2001, totaling \$125,000, arrived too late to pay in FY00-01. The delayed bills resulted in a savings of \$125,000 in last year's budget that was carried forward as increased beginning fund balance for FY01-02. Thus there is a zero net impact on fund balance. The Zoo has an aggressive utility conservation program, and will continue to implement additional conservation measures as rate increases make them cost effective.

Roofing projects

Many roofs at the Zoo needed replacement based on the Zoo's capital replacement plan and roof inspections. A large roofing bid package was put together in order to obtain the best bid price for the series of roofs. Roofing and improvement funds budgeted in capital outlay were combined with roofing funds in materials and services to consolidate the funds for the roofing project contract. In addition, the swamp exhibit roof was unexpectedly found to have structural damage, and was repaired in this fiscal year, totaling \$96,000. To accomplish these roofing projects, a transfer of \$200,000 from the Construction and Maintenance division's capital outlay account to the materials and services account is needed.

Programs to Enhance Revenue

Concert - A premium concert is being added to the summer concert series to generate more revenue for FY02-03. The additional concert requires a budget increase of \$47,384 for associated materials and services. A premium concert produces approximately \$27,000 in net revenue over above expenses.

Butterfly Exhibit – A temporary butterfly exhibit is being developed to increase attendance and revenues for FY02-03. Some of the expenses for the exhibit need to be incurred in the current fiscal year. The amendment requests \$52,000 to cover current year expenses. The revenues from the exhibit will cover the exhibit expenses and increase Zoo revenues in FY02-03 by \$288,000.

Administration

An increase in professional services of \$50,000 for legal and consultant fees related to pending land use issues and City of Portland planning requirements related to new exhibits and parking issues. The use of outside counsel was approved by Metro's General Counsel.

Living Collections and Education

Several projects, including Pygmy rabbits, condors, and cold-blooded kingdom expenditures necessitate increases in the Living Collections budget of \$64,350. Grant funding covers the majority of the conservation project expenditures.

Grant funding allowed the Zoo to connect the Steller Cove exhibit to the Zoo network, and requires an increase to the budget of \$9,689. Grant funding also supported the development of new Bird of Prey curriculum, and necessitates an increase of \$7,783.

PERSONAL SERVICES

Administration

The Zoo is adding 1.0 FTE for a Budget and Finance Manager. The total cost for the remainder of this year for this new position is \$16,000. The Zoo must continually wear two hats, as both a government entity and a business. The Zoo earns over 60% of its operating revenue through enterprise activities, which represents over \$12 million in FY02-03. The costs of operating in this setting continue to rise, and the Zoo would benefit from the addition of a position dedicated to budget and financial issues. The new position would be responsible for the development of a business plan that should help identify strategies for ensuring the Zoo's long-term financial health. The position will oversee budget development, internal financial controls and reporting procedures. The position will coordinate closely with Metro ASD to ensure compliance with Metro requirements, standards, and requests.

Construction and Maintenance

Additional labor, due to exhibit construction and repairs and needed backfilling for illness, necessitates an increase of \$34,300 in Personal Services.

Education

Several programs benefited from increased registrations or additional grant funding, that necessitated increases in temporary staffing to carry out the program. Programs include summer camp, overnights, Zoo Animal Presenters, Urban Nature Overnights, Birds of Prey, Animal Quest, and sidewalk naturalists. The total adjustment for these programs is \$56,665. Education programs will generate over \$100,000 in program revenues over budgeted amounts.

Class and Compensation Study

Study results require an adjustment of \$15,906 to regular salaries and benefits in the Education and Marketing divisions.

Summary Table

Personal Services	122,871
Materials and Services	631,206
Capital Outlay	(200,000)
Contingency	(554,077)

ANALYSIS/INFORMATION

Anticipated Effects. Adopted legislation will allow the Zoo to meet obligations and comply with Oregon Budget Law.

Budget Impacts. A total of \$554,077 transferred from the Zoo's operating fund contingency, and \$200,000 transferred from the operating fund capital outlay account.

RECOMMENDED ACTION

Passage of Ordinance No. 02-943 for the purpose of adopting a budget amendment for FY2001-02.