



# Agenda

--- REGULAR COUNCIL MEETING

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646  
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: FEBRUARY 2, 1984

Day: THURSDAY

Time: 4:30 P.M. -- Council Work Session  
7:30 P.M. -- Regular Council Meeting

Place: Council Work Session -- Conference Rooms A1 and A2  
Regular Council Meeting -- Council Chamber

Approx.  
Time

4:30 CALL TO ORDER

Council Work Session on 1983-84 Second Quarter Program Progress Reports/  
1984-85 Budget Orientation and Discussion

Approx.  
Time

Presented By

7:30 CALL TO ORDER  
ROLL CALL

1. Introductions.
2. Councilor Communications.
3. Executive Officer Communications.
4. Written Communications to Council on Non-Agenda Items.
5. Citizen Communications to Council on Non-Agenda Items.

7:45 6. Presentation of Zoo Five-Year Financial Plan.

Carlson/Rich

8:15 7. Consideration of Ordinance No. 84-169, for the purpose  
of submitting Metropolitan Service District Zoo Serial  
Levy. (First Reading)

Carlson/Rich

8:30 8. Consideration of Ordinance No. 84-168, relating to the  
FY 1983-84 Budget and Appropriations Schedule, and  
amending Ordinance No. 83-153. (Second Reading)

Kirkpatrick/  
Sims

8:45 9. Committee Reports.

8:50 ADJOURN



# Memo

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646  
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: February 1, 1984  
To: Department Heads  
From: Rick Gustafson, Executive Officer  
Regarding: COUNCIL WORK SESSION  
Thursday, February 2, 1984  
4:30 p.m. - 7:00 p.m.  
Conference Room A-1 and A-2

I want to review with you the schedule and format for the department presentations at the Council Work Session. The schedule is as follows:

4:30 p.m.	Warren Iliff, Zoo
5:00 p.m.	Dan Durig, Solid Waste
5:30 p.m.	Steve Siegel, Local Government Service
6:00 p.m.	Don Carlson, General Fund
6:30 p.m.	Rick Gustafson, Organization Priorities

As we discussed at the department head meeting, the Presiding Officer is determined to adhere to this schedule and will terminate discussion at the end of your 30 minutes. Therefore, it is important to be as succinct as possible in your presentation. The following format is suggested:

1. A five to ten minute brief introduction which includes a review of your Second Quarter Program Progress report and the #1 priority of your department in the coming fiscal year. You should not present any specific budget figures.
2. The remainder of the time is for Council discussion and input regarding department programs.
3. If there is no Council discussion, you should be prepared to go into your programs in further detail for the remaining time.

Attached is a copy of my presentation to the Council on 1984-85 priorities for Metro. This will be the basis for my half-hour summation. I expect you to reinforce the priorities I have stated.

If you have any questions or concerns regarding the work session, please let me know.

srb-0671C/D4  
Attachment

Submitted at 2-2-84  
Special Meeting



# Memo

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646  
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: February 1, 1984  
To: Metro Council  
From: Rick Gustafson, <sup>Dick</sup> Executive Officer  
Regarding: 1984-85 Priorities for Metro

The single most important issue facing the Metropolitan Service District in FY 1984-85 is financial stability. There is a potential for significant revenue losses in three of our four major functional areas in the coming fiscal year. The overriding issue for General Government and Mandated Services and Local Government Assistance activities will be to find replacement revenues for the mandatory dues which expire at the end of FY 1984-85. A successful tax levy vote is anticipated for the Zoo this Spring; however, financial matters will still dominate our attention as we search for a way to establish a permanent funding base for the Zoo and develop a strategy for implementing the Master Plan. A more detailed discussion of program priorities for FY 1984-85 in each functional area is included below.

## 1. GENERAL GOVERNMENT AND MANDATED SERVICES

The major focus for Council and Executive Management next year is to find an independent stable source of revenue to replace the dues and interfund transfers which currently fund these activities.

The work to be done includes an analysis of potential revenue sources, preparation of a legislative program and development of local government and community support.

## 2. INTERGOVERNMENTAL ASSISTANCE

Coordination and technical services for local governments has been very successful. The mandatory dues, our traditional revenue for funding these activities, terminate on June 30, 1985. This necessitates an effort on the part of Metro to determine a longer term relationship with local governments. Efforts have already begun and the next fiscal year should culminate in an agreement with local governments as to how to proceed with the assistance

services that have been provided in the past. These services include transportation, data services, development services, criminal justice and technical assistance. The solution may likely require some legislative action.

### 3. SOLID WASTE

We must assure the community that there is a place to take waste in the metropolitan area. The priority issue should be landfill management which involves a) managing the full life of the St. Johns Landfill, b) seeking and obtaining a firm permit for the operation of the Wildwood Landfill, and c) embarking upon waste reduction and diversion programs that reduce the volume of waste going into St. Johns. St. Johns is projected to close in mid-1988 or early 1989. This time frame necessitates that the Council determine whether investments should be made in the Wildwood Landfill in the fiscal year 1984-85. This issue should be the highest priority to the Council in terms of assuring the citizens that they are carrying out their statutory responsibility for waste disposal.

### 4. ZOO

A significant part of the financial stability is to assure continuous operation. While a levy election will be on the ballot in May, and it is our hope that it will pass, it does not resolve the problem of long-range financial stability at the Zoo. This FY 1984-85 would be a proper time to address how, in the future, the Metro Council wants to pursue the possibility of providing a stable financial base for the Zoo. As was noted, this year we were unable to submit a tax base for the Zoo because it necessitated the creation of a district or the establishment of a tax base for the entire Metropolitan Service District organization, neither of which seemed to be popular. Legislative action may need to be pursued; certainly the possibility of a permanent base at the Zoo should be discussed and resolved by the Council. As part of the long-range financial stability, the Council should develop policies for capital programs and long-range construction and operation for the Zoo.



# Memo

Submitted at  
2-2-84 Regular  
Meeting

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646  
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: January 16, 1984

To: Metro Council

From: Rick Gustafson  
Executive Officer

*Rick*

Regarding: ZOO FIVE-YEAR FINANCIAL PLAN AND RECOMMENDATION FOR  
ZOO SERIAL LEVY

Please find attached a copy of the Five-Year Financial Plan for operating the Zoo. The memo provides background information on Zoo financial matters, assumptions for projecting future operating costs and revenue and projections on funding requirements for the Phase I projects in the recently adopted Zoo Master Plan.

As a result of the information and analysis in the attached memo, it is my recommendation that the Council request approval for the continuation of the current three-year serial levy of five million dollars per year, with two million dollars per year for capital improvements. The three million dollars per year should enable the Zoo to continue to be operated effectively as capital expansion takes place. The additional funds, along with capital funds carried over from this fiscal year, should make it possible to remodel the West Bear Grotto and complete Phases I and II of the Africa Bush Exhibit by the end of fiscal year 1986-87. In 1986, further consideration will need to be given to options for funding Zoo operations and capital improvements beyond 1986-87.

I also recommend that the Council recognize the financial policies outlined in the Five-Year Plan. Those policies, if applied, will be helpful when making financial decisions affecting the Zoo during the period of time covered by the Plan.

RG:ef

Attachment



# Memo

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646  
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: January 16, 1984  
To: Metro Council  
From: A. McKay Rich, Assistant Zoo Director, and  
Donald E. Carlson, Deputy Executive Officer  
Regarding: ZOO FIVE-YEAR FINANCIAL PLAN

This is the sixth in a series of memos relating to long-range financial planning for Metro. This memo provides background information, assumptions and five-year financial projections for operating the Zoo and discusses the relationship of the recently adopted Master Plan to the question of seeking additional operating and capital revenue.

## BACKGROUND

The Washington Park Zoo (then known as the Portland Zoological Gardens) was owned and operated by the City of Portland until July 1, 1976. From 1971 to 1976, the Portland Zoological Society contracted to manage the Zoo for the City although the City continued to provide financial support. During the period from 1969-70 to 1974-75, attendance dropped from 739,082 to 451,435 annually. With shrinking earned revenues, construction and maintenance were deferred. With most of its patrons coming from outside the City, a determination was made that the Zoo should be a regional facility and the State Legislature passed legislation enabling the City Council to transfer the Zoo to the Metropolitan Service District upon approval of a Zoo tax levy by the voters of the District. A favorable vote on a \$2 million per year five-year serial levy was approved in May 1976 and ownership and operation of the Zoo was transferred to the Service District on July 1, 1976.

With the passage of the serial levy, the Service District began to upgrade Zoo operations and physical facilities. A short-range development program was adopted to assist in this process. In January 1979, the District became a directly elected regional government with the Zoo as one of its operating departments. The development program was reaffirmed by the Council of the reorganized Metro in 1979. By the end of the first levy period--June 30, 1981--the District had expended \$4,888,247 for new improvements including remodelled:

1. Nursery
2. Entry plaza
3. Elephant barn
4. Primate house
5. Night country exhibit, and
6. New quarantine facilities

Design work was also initiated on a new Cascades Stream and Pond exhibit, construction of which was to be funded primarily by a bequest from Mr. William Schamoni.

To partially offset increasing inflation rates and to assist with funding the improved operations, the old MSD Board increased admission fees by one-third effective July 1, 1978.

As the five-year levy neared its expiration date, the new Metro Council submitted a \$5 million per year levy to the voters in May 1980. Conditions of the levy provided for \$2.7 million to be used for operational needs with \$2.3 million per year reserved for capital improvements. That levy began July 1, 1981 and expires June 30, 1984. By the end of this period, the District will have expended from the tax fund approximately \$4.4 million on projects, including:

1. Lemur and marmoset exhibits
2. Retrofitting of the railroad's steam engine
3. New maintenance facilities
4. Remodelled penguinarium
5. The Alaska Tundra exhibit

In addition, the Cascades Stream and Pond Building and the Swigert Fountain were built from private donations from the Schamoni estate and Mrs. Christine Swigert, respectively. Capital funds carried over from the five-year levy are reserved for Phase I of the Africa Bush exhibit.

Again, to help keep partially abreast with inflation, the Metro Council adjusted admission fees effective June 1, 1981. Fees are now \$2.00 for adults, 12 years through 64 years, and \$1.00 for youth, 5 through 11 years. Children under five are admitted free and senior citizens pay the same as youth. All people are admitted free after 3:00 p.m. on Tuesday afternoons. Improved operations, new special events such as the summer concerts, and new exhibits helped bring attendance to 715,707 by 1982-83.

To summarize, significant capital and operational improvements made at the Zoo from 1976-77 to 1982-83 have helped achieve the goals of:

1. Providing a unique, educational and recreational opportunity through which the public can see and experience wildlife in a naturalistic setting.
2. Contributing to the perpetuation of animals in the wild by: a) learning more about captive and wild animals; and b) educating the public regarding conservation.
3. Serving as a metropolitan cultural institution to enhance the quality of life in the metropolitan community.

While much has been accomplished to enhance the Zoo and increase its benefit to the public, much remains to be done.

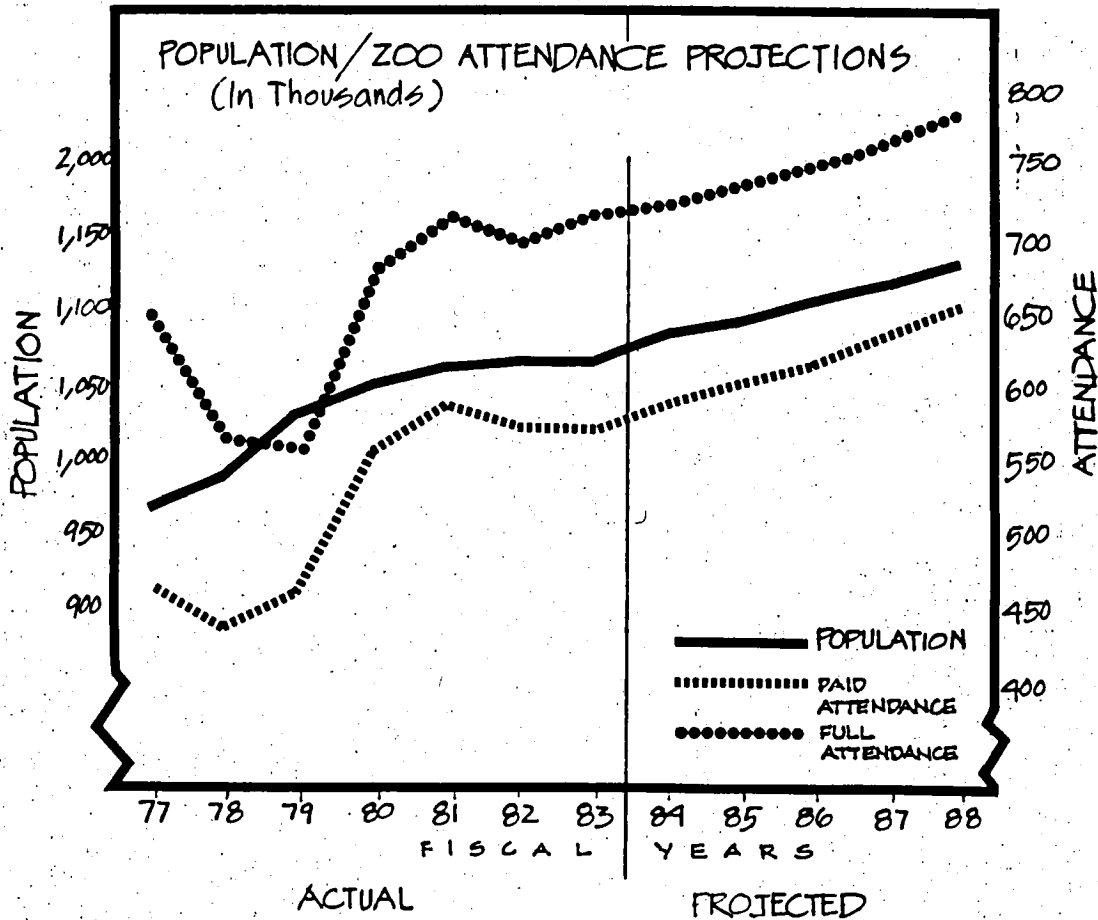
#### MAJOR ASSUMPTIONS

Renewal of a tax levy beginning July 1, 1984 requires a budget forecast to determine future revenues and expenditures. In order to achieve a reasonable forecast, a number of assumptions must be made concerning external factors as well as Metro's budgetary and fiscal policies. Discussed below are major assumptions which are used in developing expenditure projections and the mix of projected non-tax and property tax revenues.

#### A. Attendance

Attendance records were studied for the past seven years in order to develop a forecasting methodology for the next four years. Because a high correlation was found between historical population trends in Multnomah, Washington, and Clackamas Counties and Zoo paid attendance, population projections for these jurisdictions were used to forecast Zoo paid attendance. Actual paid and full attendance may be a function of many factors: weather, regional and local tourism promotions, new exhibits, animal births, special events, such as Zoo concerts, and the cost of other forms of recreation--just to mention a few. Predicting future changes in these factors, however, is very difficult. So the forecasting approach selected was a necessarily simplistic one which focuses on the single factor of regional population that has shown high correlation to Zoo attendance. The historical trends, population/attendance trends and projections are shown in the figure below:





Full attendance figures are derived from paid attendance projections assuming a constant 80 percent/20 percent split between paid and non-paid attendance. The figure shows full attendance increasing from 720,000 in 1983-84 to 780,000 in 1987-88. It should be noted that variables such as those listed earlier could significantly affect these forecasts plus or minus. It is our judgment, however, that the forecasts are prudent for projection purposes.

B. Admission Fees

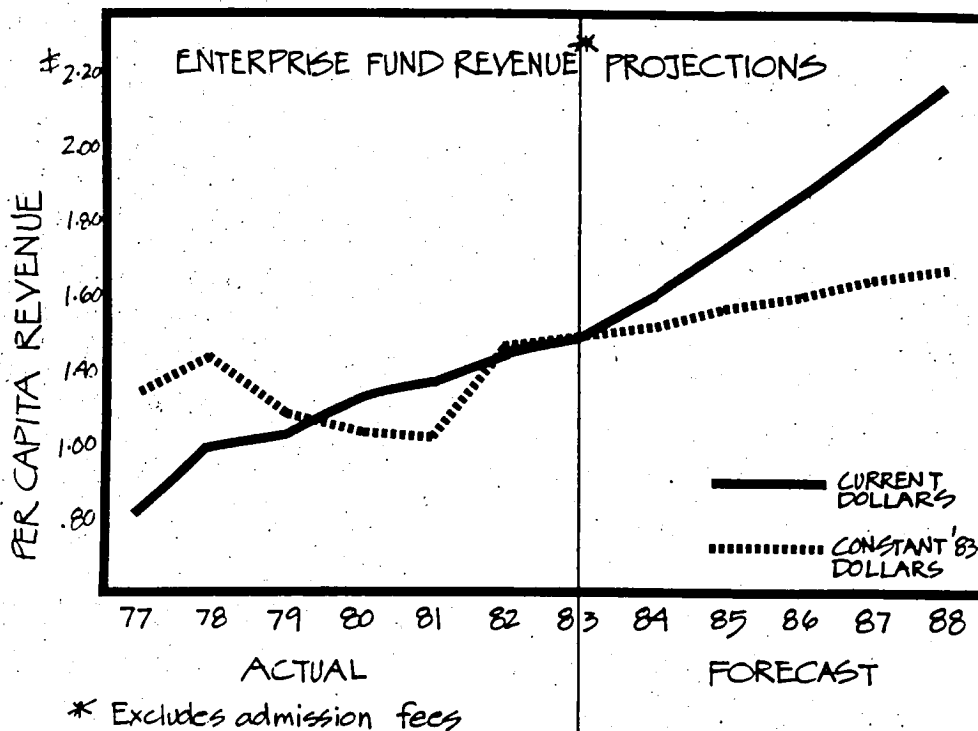
Admission fee revenue forecasts are based on the following preliminary schedule of fee increases:

<u>Effective Date</u>	<u>Adults</u>	<u>Youth</u>
Current Fee	\$2.00	\$1.00
January 1, 1985	\$2.50	\$1.25
January 1, 1987	\$3.00	\$1.50

It is assumed that full and half price admissions will remain at the historical 2:1 ratio.

C. Per Capita Enterprise Revenues Excluding Admissions

Per capita revenues for food, gifts, railroad and other services were analyzed on a constant dollar basis to establish what real growth has been in the past several years. Based on that analysis real growth of 2.5 percent per year was added to a projected average inflation rate of 5.5 percent to project actual per capita enterprise revenues for the period 1983-84 to 1987-88:



Total enterprise revenues include admissions revenue plus the per capita revenues multiplied by projected total attendance.

D. Inflation

Based on a review of local and national economic trends, an inflation factor of 5.5 percent has been built into expenditure projections.

E. Personal Services

Expenditure forecasts for personnel were based on the current level of staffing plus new positions that will be

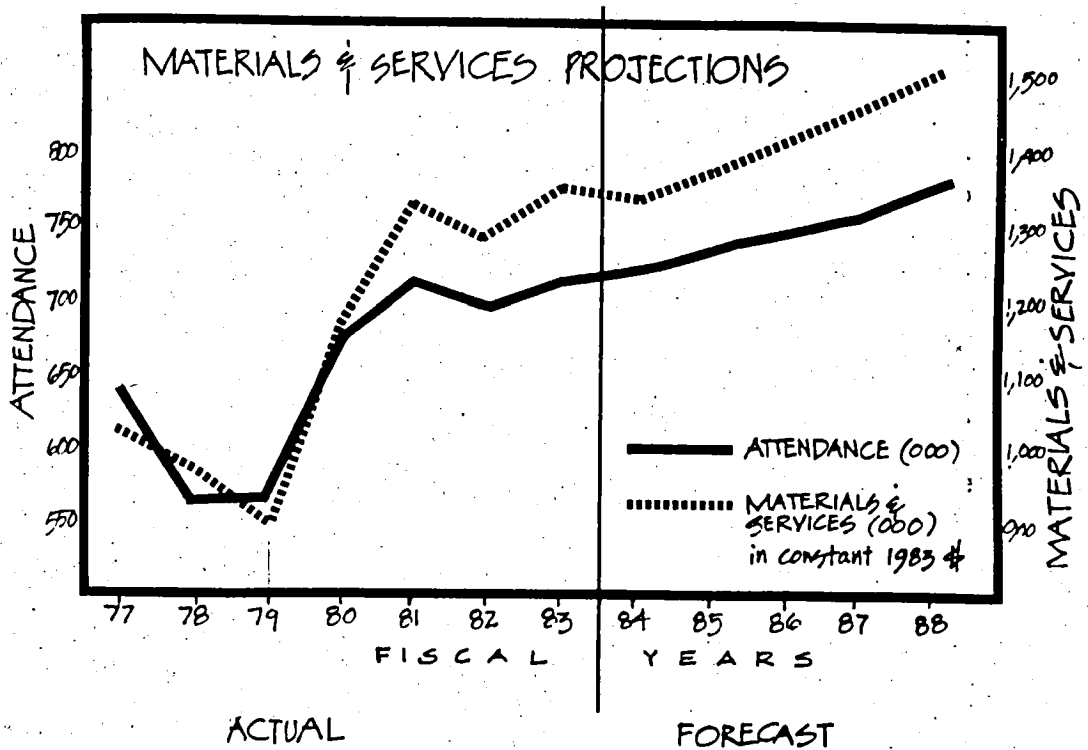
required for increasing workloads. An important new position proposed for this year is that of Maintenance Foreman. The addition of this person will allow the Buildings and Grounds Manager to assume responsibility for construction management, including developing specifications and bid documents, contracts and schedules for capital projects. A significant part of the cost for this change will be offset by the deletion of funds previously used to purchase this service from a consultant.

Zoo developments will affect staffing needs in other divisions as well. More naturalistic exhibits and an increase in the species of animals in the collection will necessitate additional animal keepers. An additional position is planned for 1985-86 in connection with the Africa Bush project. With increasing attendance and new public facilities, there will also be a need for additional maintenance and visitor services personnel. Two maintenance positions are planned for 1984-85 and a new gardening position is added during 1985-86. Visitor services staffing requirements are linked directly to attendance and special event levels. Projected costs are based on the attendance forecasts. No new full-time positions are projected for fiscal years 1987 and 1988. In summary, it is projected that five full-time employees will be added to the staff during the ensuing four and one-half years plus 3.4 full-time equivalents in visitor services or a total FTE of 8.4.

It is anticipated that new facilities, coupled with more varied services and events, will keep patrons in the Zoo longer and aid in achieving the enterprise revenues necessary to meet these costs.

F. Materials and Services

For the past several years, actual expenditure for materials and services have run an average of six percent under budget, helping to create an accumulating surplus. To remedy this historical under-expenditure, the 1983-84 materials and services budget has been reduced seven percent. This reduction was further supported by an analysis of operating expenditures which revealed a close correlation between historical attendance and expenditures for materials and supplies, thereby allowing a baseline forecast of these expenditures through attendance projections, as shown below:



This basic materials and services budget was modified assuming a 5.5 percent annual rate of inflation and an anticipated increase in costs over the next four years as new exhibits are completed and programs added. Major increases will occur in landscaping, utilities, and animal foods as the collection expands due to new exhibits. Election costs will also boost the projected budgets for 1983-84, 1985-86, and 1986-87. If for some reason attendance were to decline, enterprise revenues would also decrease as would costs associated directly with visitor services such as merchandise for resale.

G. Capital Outlay

The Zoo's capital outlay budget increased significantly after 1978-79 to remedy deferred facility maintenance. To date actual expenditures have not kept pace with the budget. With the proposed increase in contract management capability, the Zoo plans to carry out the proposed facility maintenance improvements contained in Exhibit C.

H. Policy Assumptions

The following policy assumptions are incorporated in the Zoo Budget forecast for the next four fiscal years:

1. In accordance with the Master Plan, the Council will approve the design and construction of Phase I of the Africa Bush exhibit, and request voter approval of funds sufficient to remodel the West Bear Grotto, and complete Phase II of Africa Bush;
2. That property taxes collected will fund approximately fifty percent of operation and maintenance costs (personal services, materials and services, capital outlay, and the transfer to the General Fund). Conversely, that non-property tax revenues--principally enterprise revenues--will fund the other approximately fifty percent of these same costs and that the Council will annually review admission fees to meet this objective. The table below shows the non-tax revenues as a percent of operations and maintenance as found in the projections. Estimated tax collections are not shown because projected over-collections in the early years of a three-year levy distort the percentages over 100%.

<u>Projections</u>	<u>FY 1983-84</u>	<u>FY 1984-85</u>	<u>FY 1985-86</u>	<u>FY 1986-87</u>	<u>FY 1987-88</u>
Operation & Maintenance Costs	4,976,118 100.0%	5,324,809 100.0%	5,878,772 100.0%	6,330,185 100.0%	6,681,695 100.0%
Non-Tax Revenue*	2,367,258 47.4%	2,586,665 48.6%	2,876,419 48.9%	3,177,689 50.2%	3,498,654 52.4%

\*Excludes Fund Balance

3. That the Zoo's budget will provide for an unappropriated balance of \$600,000 each year to assure cash flow from July 1 to tax collection time in November and that the budget will also provide a contingency line item equal to 3% of projected operating costs excluding the General Fund transfer. While the contingency is listed, it is assumed not to be spent and is included in the following year's fund balance;

4. That revenue in excess of operating needs will be transferred to the Capital Improvement Fund to assist with the implementation of the Zoo Master Plan.

#### FIVE-YEAR OPERATING NEEDS

The five year needs for operating the Zoo are shown in Tables I and II. Table I provides a summary of the expenditure requirements for the Zoo's six operating divisions--Administration, Animal Management, Buildings and Grounds, Visitor Services, Education Services, and Public Relations, while Table II summarizes the actual and projected resources for operating the Zoo. Detailed information on requirements and resources is provided in Exhibits A and B, respectively.

#### Expenditures

Personal Services. As indicated in Table I, Personal Services is the largest item of expenditure for operating the Zoo, constituting approximately 55% of the four principal expenditure categories. It is projected that personal service expenditures will increase at an annual rate of 7.3 percent in the four years from the FY 1983-84 (current year budget) to FY 1987-88. The projected increase is attributable to the projected inflation rate of 5.5 percent and new positions necessary to staff new exhibits and provide services to the increased number of visitors who are staying at the Zoo longer, as identified in the discussion on assumptions.

As a measure of comparison, the annual rate for personal expenditure increases in the four years prior to 1983-84 was 12.7 percent, reflecting a higher period of inflation.

Materials and Services. Materials and Services expenditures are the second largest item in operating the Zoo. This category constitutes approximately 33% of the operating budget. Materials and Services costs are projected to increase from \$1,532,951 as budgeted in FY 1983-84 to 1,953,886 in FY 1987-88. The increase in Materials and Services from FY 1983-84 to FY 1987-88 is projected to be 6.25 percent per year, reflecting for the most part projected inflation, plus incremental increases for new exhibits and merchandise for resale.

Capital Outlay. The largest percentage increase of any expenditure category is for the purchase of capital items

including routine facility maintenance. It is projected that expenditures for Capital Outlay will increase from \$276,066 in FY 1983-84 to \$557,869 in FY 1987-88. This substantial increase primarily reflects the necessary facility maintenance schedule listed in Exhibit C. However, even in FY 1987-88 capital outlay is less than 10 percent of the operating budget, so the actual dollar increases in planned maintenance projects do not have a large budgeting impact.

Transfer to the General Fund. This category of expenditure is for the purchase of services from the District's support service departments and the Zoo's proportionate share of the costs of the Council and Executive Officer which are budgeted in the General Fund. Included in support services are budget, accounting, personnel, data and word processing, and printing. The General Fund transfer is based on the annual preparation of a Cost Allocation Plan which distributes central service costs to the direct service departments. These costs are based on the present allocation policy and projected to increase according to anticipated inflation at a rate of 5.5% annually. Actual future costs could vary plus or minus if the policy is modified. For example, if general government functions were given their own source of funding, the transfer would decrease.

#### Revenue

Table II shows actual and projected operating revenue for the Zoo from FY 1982-83 to FY 1987-88. To support the expenditures projected in Table II, it is anticipated the Zoo's enterprise revenues (admissions, food sales and concessions and railroad fees) will increase from \$2,157,614 in 1983-84 to \$3,318,464 for 1987-88. Although part of this increase will come as a result of the number of Zoo visitors increasing from 720,000 to 780,000 during this same period, it will be necessary for the Zoo to adjust the prices charged for its services, including admission fees. The Council should review admission fees annually but it should be noted that admission revenue projections are based on an increase in fees on January 1, 1985 and on January 1, 1987.

The tax figures shown in Table II are the amounts required to balance the projected budgets. To achieve these amounts will require about a 3 million dollar levy per year with savings from the first years' overcollection being used to compensate for the undercollection the third year. Also,

as indicated in Table II, \$200,000 of the projected 1983-84 ending fund balance will be carried forward to 1986-87 to make up the difference between the amount of funds actually needed and the amount projected to be collected from a \$3,000,000 dollar per year levy.

#### ZOO MASTER PLAN AND SHORT RANGE CAPITAL NEEDS

To serve as a guide in making decisions for the Zoo's future operations and capital improvements, the Metro Council in February 1983, approved the preparation of a Zoo Master Plan. That plan was adopted on December 20, 1983 and contains schedules and schematics for construction projects over the next 13 years. While the Metro Council will develop an overall strategy for implementing the Master Plan, several projects are suggested below to facilitate the possibility of resubmitting a three-year serial levy combining operation and capital needs. The major projects projected to be built during the next three years include:

1. Phase I of the Africa Bush exhibit which will include, in addition to the animal exhibits, a new main food facility, improvements to the concert lawn area, and a train station at the train loop near the food facility. This project will be financed with funds carried forward from the current year capital budget;
2. Remodel of the West Bear Grotto including a new underwater viewing enclosure for the polar bears to be financed primarily from new tax revenues; and
3. Phase II of the Africa Bush exhibit to be financed entirely from new tax revenues.

As indicated above, a significant portion of the projected three-year capital expenditure will be financed with funds carried forward in the Capital Improvement Fund. The projected Capital Fund balance at the end of the current fiscal year is \$4,440,483 as indicated below. Also shown below are the projected revenues and expenditures for the Capital Fund for the years 1984-85, 1985-86 and 1986-87.

The capital improvement projects suggested for the next three years will require a total of approximately \$10,860,000. Tax collections over the three years totalling approximately \$5,800,000 will enable the projects to be completed and provide sufficient funds for additional minor capital improvements during the three year period.



CAPITAL IMPROVEMENT PROJECTIONS

<u>RESOURCES</u>	<u>FY 1983-84 Budgeted</u>	<u>FY 1984-85 Projected</u>	<u>FY 1985-86 Projected</u>	<u>FY 1976-87 Projected</u>
Fund Balance	\$3,186,781	\$4,440,483	\$3,227,700	\$1,458,165
Interest	307,995	319,000	203,000	74,000
Current Taxes	2,093,000	1,800,000	1,800,000	1,800,000
Prior Year Taxes	138,000	164,000	126,400	128,560
Donations	100,000	---	---	---
Bond Reimbursement	785,459	---	---	---
Federal Grant	76,000	---	---	---
Transfer from Zoo Operating	<u>1,124,072</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>TOTAL RESOURCES</b>	<b><u>\$7,811,307</u></b>	<b><u>\$6,723,483</u></b>	<b><u>\$5,357,100</u></b>	<b><u>\$3,460,725</u></b>
 <u>REQUIREMENTS<sup>a</sup></u>				
Alaska Tundra	\$2,039,757	\$ 263,483	\$ ---	\$ ---
West Bear Grotto	489,000	2,077,300	---	---
Africa Bush I	---	1,055,000	2,716,435	617,000
Africa Bush II	---	---	1,082,500	2,743,725
Miscellaneous Improvements	<u>842,067<sup>b</sup></u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
<b>TOTAL REQUIREMENTS</b>	<b><u>\$3,370,824</u></b>	<b><u>\$3,495,783</u></b>	<b><u>\$3,898,935</u></b>	<b><u>\$3,460,725</u></b>
 ENDING FUND BALANCE	 \$4,440,483	 \$3,227,700	 \$1,458,165	 \$ -0-

<sup>a</sup> Project costs are those found in the Master Plan inflated at the rate of 5.5% per year.

<sup>b</sup> Includes concluding expenditures for the Penguinarium, Elephant Museum, Lemur Island, Sculpture Fountain, Sculpture Garden, Visitor Service Improvements, Dinosaur Park, Stream and Pond, and Master Plan.

TAX OPTIONS

The District has several ad valorem taxing options to continue Zoo operations and implement the Master Plan. All options require Council action and submission of a measure or measures to the voters for their approval. For operations, the principal options are either submittal of a tax base levy or a serial levy.

The tax base option can either be submitted by the Council for voter approval as a general Metro tax base or the Council can create a special Zoo Service District and submit a tax base request as the governing body of the Zoo District. The latter approach is more restrictive in that proceeds from the tax base levy could be spent only on activities of the Zoo District. Exhibit D attached discusses the legal authority and procedure for forming a Metro Zoo Service District.

The serial levy option can be used to fund both operating activities and capital construction needs. For operating purposes, the serial levy cannot exceed three years, and for capital purposes, a levy is limited to ten years duration. Another funding option for capital improvements could be a general obligation bond measure with debt service to be paid wholly or in part by a tax levy.

There are two options for an operating serial levy. One option is to submit to the voters a specific dollar amount for each of the years requested. The other option is to submit a tax rate in dollars per thousand of assessed valuation for each of the years requested. The rate levy option requires a certainty of knowledge concerning future projections of the assessed valuation in the District since the rate (dollars/thousand of assessed value) is multiplied by the total assessed value in the District in any given year to determine the amount collected. As indicated below, the District's tax rate for the Zoo has been declining in the past three years because the levy was constant and assessed values have increased.

	<u>FY 1981-82</u>	<u>FY 1982-83</u>	<u>FY 1983-84</u>
Tax Levy	\$5,000,000	\$5,000,000	\$5,000,000
Assessed Valuation	25.8 Billion	27.5 Billion	29.7 Billion
Tax Rate (\$/1,000 AV)	.20	.19	.17

Two factors make it difficult to project with certainty future growth in assessed valuation for determining a rate based levy. One factor is the requirement for growth in assessed valuation to be averaged on a statewide basis. At present, assessed valuation of real property cannot exceed 5% statewide. Appraisals

Metro Council  
January 16, 1984  
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made locally (on a county basis) are sent to the Department of Revenue to be averaged prior to determining local assessed valuation. This system means that growth in assessed valuation in other parts of the state can impact the growth of valuation locally (within the District's boundary). Officials of the Tax Supervising and Conservation Commission have estimated a rate for the next three years (assuming a \$5,000,000 levy per year) ranging between \$.14 and \$.17 per \$1,000 assessed valuation.

0403C/361  
DEC/AMR/ef

TABLE I

## ZOO OPERATING FUND REQUIREMENTS--SUMMARY

CATEGORY	1982-83 Actual	1983-84 Budgeted	1984-85 <sup>f</sup> Projected	1985-86 <sup>f</sup> Projected	1986-87 <sup>f</sup> Projected	1987-88 <sup>f</sup> Projected
Personal Services	2,585,223	2,748,821	3,000,697 <sup>h</sup>	3,233,974 <sup>i</sup>	3,436,302	3,646,804
Materials and Services	1,363,881	1,532,951 <sup>d</sup>	1,576,014	1,778,196 <sup>d</sup>	1,919,257 <sup>d</sup>	1,953,886
Capital Outlay	217,690	276,066	305,758	398,818	479,938	557,869
Transfer to General Fund	389,252	418,280	442,340 <sup>g</sup>	467,784	494,688	523,136
SUB-TOTAL (Operating and Maintenance Costs)	4,556,046	4,976,118	5,324,809	5,878,772	6,330,185	6,681,695
Contingency	0	136,735 <sup>b</sup>	146,474	162,330	175,065	184,757
Ending Unappropriated Balance--Unreserved	2,050,667 <sup>a</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>
Ending Unappropriated Balance--Reserved	0	200,000	401,000	272,391	0	0
TOTAL REQUIREMENTS	6,606,713	5,912,853 <sup>c</sup>	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Assumes that \$1,124,072 of this balance will be transferred to capital improvement fund during FY 1983-84.

<sup>b</sup> Assumes the 1983-84 contingency will be reduced from \$359,148 to \$136,735 and that thereafter it amounts to 3% of division operating costs.

<sup>c</sup> The figures for fiscal year 1983-84 have been revised downward in materials and services and the contingency to reduce previous underexpenditures and upward in personal services to provide for increased level of construction management.

<sup>d</sup> Election costs included in materials and services.

<sup>e</sup> Assumes a balance forward of approximately six weeks operating costs to assure cash flow from July 1 to tax collections in November.

<sup>f</sup> Assumes an inflation rate of 5.5% annually from 1983-84 to 1987-88.

<sup>g</sup> Assumes the transfer to the General Fund will continue as at present subject only to inflationary increases.

<sup>h</sup> Includes additional maintenance staff.

<sup>i</sup> Includes additional animal keeper and gardener.

TABLE II

## ZOO OPERATING FUND RESOURCES--SUMMARY

CATEGORY	1982-83 Actual	1983-84 Budgeted	1984-85 Projected	1985-86 Projected	1986-87 Projected	1987-88 Projected
Attendance Projections	715,707	720,000	734,000	745,000	765,000	780,000
Beginning Fund Balance--Unreserved	1,412,106	726,595 <sup>a</sup>	739,618 <sup>c</sup>	746,474 <sup>c</sup>	762,330 <sup>c</sup>	775,065 <sup>c</sup>
Beginning Fund Balance--Reserved	0	200,000 <sup>e</sup>	200,000 <sup>e</sup>	401,000 <sup>e</sup>	272,391 <sup>e</sup>	0
Enterprise Revenue	2,064,724	2,157,614	2,413,158 <sup>d</sup>	2,688,869 <sup>d</sup>	2,993,909 <sup>d</sup>	3,318,464 <sup>d</sup>
Property Taxes	2,703,346	2,619,000	2,946,000	2,889,600	2,892,840	3,192,733
All Other	426,537	209,644	173,507	187,550	183,780	180,190
TOTAL RESOURCES	6,606,713	5,912,853 <sup>b</sup>	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Assumes \$1,124,072 from 1983-84 revenues being transferred to capital improvements to provide funds for Africa Bush Phase I.

<sup>b</sup> Revenue figures have been adjusted in conformance with mid-year budget.

<sup>c</sup> Assumes fund balance equals previous year's unappropriated balance plus the contingency.

<sup>d</sup> Assumes enterprise revenues, excluding admissions, will increase at a per capita rate of about 8% per year and that admission fees will change as follows:

January 1985: Adults = \$2.50  
Youth = \$1.25

January 1987: Adults = \$3.00  
Youth = \$1.50

<sup>e</sup> Funds reserved to balance the budget in 1986-87.

## EXHIBIT A

## ZOO OPERATING FUND--DETAILED EXPENDITURE PROJECTIONS

	FY 82-83 Actual	FY 83-84 <sup>a</sup> Budgeted	FY 84-85 <sup>b</sup> Projected	FY 85-86 <sup>b</sup> Projected	FY 86-87 <sup>b</sup> Projected	FY 87-88 <sup>b</sup> Projected
<b>ADMINISTRATION</b>						
Personal Services	205,797	218,722	230,752	243,443	256,832	270,958
Materials and Services	164,779	264,300 <sup>c</sup>	194,065	271,522 <sup>c</sup>	303,881 <sup>c</sup>	230,358
Capital Outlay	4,005	4,617	4,871	5,139	5,422	5,721
Division Sub-Total	374,581	487,639	429,688	520,104	566,135	507,037
<b>ANIMAL MANAGEMENT</b>						
Personal Services	949,440	1,004,296 <sup>d</sup>	1,062,576	1,150,005 <sup>i</sup>	1,216,781	1,287,417
Materials and Services	216,691	191,300	219,860	249,207	262,915	283,568
Capital Outlay	9,601	19,400	21,100	22,261	23,485	24,777
Division Sub-Total	1,175,732	1,214,996	1,303,536	1,421,473	1,503,181	1,595,762
<b>BUILDINGS AND GROUNDS</b>						
Personal Services	631,090	645,909 <sup>e</sup>	759,961 <sup>g</sup>	828,581 <sup>j</sup>	876,504	927,186
Materials and Services	492,021	516,199	549,865	586,010	621,061	658,810
Capital Outlay	184,344	224,600	251,829	341,923	419,912	494,541
Division Sub-Total	1,307,455	1,386,708	1,561,655	1,756,514	1,917,477	2,080,537
<b>EDUCATIONAL SERVICES</b>						
Personal Services	268,954	303,563 <sup>f</sup>	321,314	340,101	359,982	381,018
Materials and Services	60,702	65,000	64,461	69,008	72,803	78,046
Capital Outlay	1,791	2,000	2,110	2,226	2,349	2,478
Division Sub-Total	331,447	370,563	387,885	411,335	435,134	461,542
<b>PUBLIC RELATIONS</b>						
Personal Services	71,499	73,001	84,756 <sup>h</sup>	92,170 <sup>h</sup>	98,228	104,723
Materials and Services	61,485	88,167	93,016	98,133	112,258 <sup>k</sup>	115,418
Capital Outlay	228	2,949	2,110	2,226	2,349	2,478
Division Sub-Total	133,212	164,117	179,882	192,529	212,835	222,619
<b>VISITOR SERVICES</b>						
Personal Services	458,444	503,330	541,338	579,674	627,975	675,502
Materials and Services	368,203	407,985	454,747	504,316	546,339	587,686
Capital Outlay	17,720	22,500	23,738	25,043	26,421	27,874
Division Sub-Total	844,367	933,815	1,019,823	1,109,033	1,200,735	1,291,062
<b>SUB-TOTAL--ALL DIVISIONS</b>	<b>4,166,794</b>	<b>4,557,838</b>	<b>4,882,469</b>	<b>5,410,988</b>	<b>5,835,497</b>	<b>6,158,559</b>
CONTINGENCY	0	136,735	146,474	162,330	175,065	184,757
<b>SUB-TOTAL</b>	<b>4,166,794</b>	<b>4,694,573</b>	<b>5,028,943</b>	<b>5,573,318</b>	<b>6,010,562</b>	<b>6,343,316</b>
TRANSFER TO GENERAL FUND	389,252	418,280	442,340	467,784	494,688	523,136
<b>SUB-TOTAL</b>	<b>4,556,046</b>	<b>5,112,853</b>	<b>5,471,283</b>	<b>6,041,102</b>	<b>6,505,250</b>	<b>6,866,452</b>
UNAPPROPRIATED BALANCE--UNRESERVED	2,050,667	600,000	600,000	600,000	600,000	600,000
UNAPPROPRIATED BALANCE--RESERVED	0	200,000 <sup>l</sup>	401,000 <sup>l</sup>	272,391 <sup>l</sup>	0	0
<b>TOTAL EXPENDITURE</b>	<b>6,606,713</b>	<b>5,912,853</b>	<b>6,472,283</b>	<b>6,913,493</b>	<b>7,105,250</b>	<b>7,466,452</b>

<sup>a</sup> Figures have been adjusted down for M&S in 1983-84 base period.

<sup>b</sup> Assume inflation at 5.5% per year for projections.

<sup>c</sup> Includes cost for tax elections.

<sup>d</sup> Keeper added for additional work at Penguin and Alaska Tundra Exhibit

<sup>e</sup> Buildings & Grounds Manager assumes responsibility for construction management; adds Maintenance Foreman.

<sup>f</sup> Volunteer Coordinator becomes full-time.

<sup>g</sup> Adds two maintenance workers.

<sup>h</sup> Information Assistant made full-time.

<sup>i</sup> Adds Keeper for additional work in Africa Bush.

<sup>j</sup> Adds Gardener.

<sup>k</sup> Costs associated with AAZPA Conference.

<sup>l</sup> Reserve to balance budget in 1986-87.

EXHIBIT B

ZOO OPERATING FUND--DETAILED REVENUE PROJECTIONS

	FY 82-83 Actual	FY 83-84 Budgeted	FY 84-85 Projected	FY 85-86 Projected	FY 86-87 Projected	FY 87-88 Projected
ATTENDANCE PROJECTIONS	715,707	720,000	734,000	745,000	765,000	780,000
REVENUE CATEGORIES						
FUND BALANCE--UNRESERVED	1,412,106	726,595 <sup>a</sup>	739,618 <sup>b</sup>	746,474 <sup>b</sup>	762,330 <sup>b</sup>	775,065 <sup>b</sup>
FUND BALANCE--RESERVED	0	200,000 <sup>f</sup>	200,000 <sup>f</sup>	401,000 <sup>f</sup>	272,391 <sup>f</sup>	0
ENTERPRISE REVENUE						
Admissions	944,341	961,900	1,103,202 <sup>d</sup>	1,244,150	1,405,305 <sup>e</sup>	1,563,120
Food Concessions/Vending	665,428	694,440	766,850	845,625	945,055	1,041,768
Gift Shop	207,930	230,400	264,200	305,400	351,900	397,800
Railroad	218,517	223,200	234,900	238,400	244,800	257,400
Stroller Rentals	13,636	14,400	14,700	14,900	15,300	15,600
Sale of Animals	581	15,000	10,000	20,000	10,000	20,000
Education Fees	13,756	16,054	16,936	17,868	18,851	19,888
Miscellaneous Enterprise	535	2,220	2,370	2,526	2,698	2,888
PROPERTY TAX	2,703,346	2,619,000	2,946,000 <sup>c</sup>	2,889,600 <sup>c</sup>	2,892,840 <sup>c</sup>	3,192,733
INTEREST INCOME	147,489	113,644	90,024	100,221	93,022	85,776
DONATIONS	60,213	52,000	54,263	57,877	61,061	64,419
GOVERNMENT GRANTS	53,628	40,000	25,000	25,000	25,000	25,000
MISCELLANEOUS INCOME	165,207	4,000	4,220	4,452	4,697	4,995
TOTAL REVENUE	6,606,713	5,912,853	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Reduced \$1,124,072 being transferred to Capital Fund.

<sup>b</sup> Includes previous year unappropriated balance plus Contingency.

<sup>c</sup> Property tax collected from \$3 million levy plus prior year's collections.

<sup>d</sup> Assumes 25% fee increase effective 1/1/85.

<sup>e</sup> Assumes 20% fee increase effective 1/1/87.

<sup>f</sup> Fund balance reserved to balance budget in 1986-87.

## MAINTENANCE BUDGET

ZOO CAPITAL REPLACEMENT PROGRAM  
BUILDINGS AND GROUNDS

YEAR/COST \$ X 1000

ITEM	1983-84	1984-85	1985-86	1986-87	1987-88	TOTAL
VEHICLE IMPROVEMENT/REPLACEMENT	10.0	25.1	30.0	35.0	40.0	140.1
OFFICE FURNITURE/ EQUIPMENT	4.0	4.5	5.0	5.5	10.0	29.0
OUTDOOR FURNITUE/EQUIPMENT	5.0	5.0	5.0	10.0	10.0	35.0
TOOLS AND EQUIPMENT	5.0	5.5	6.0	6.5	7.0	30.0
TRAIN IMPROVEMENT/REPLACEMENT	28.4	30.0	32.0	34.0	36.0	160.4
TRACK IMPROVEMENT/REPLACEMENT	10.0	10.0	10.0	15.0	15.0	60.0
ADMINISTRATION BUILDING						
EXTERIOR UPGRADE				25.0		25.0
REROOF			10.0			10.0
INTERIOR FINISHES	15.0	5.0	2.0		5.0	27.0
HVAC UPGRADE				10.0		10.0
LIGHTING UPGRADE		5.0				5.0
TICKETING/CONCESSION KIOSKS						
REFINISHING	1.7			5.0		6.7
AIR CONDITIONING		3.0				3.0
TIGER TERRACE/GIFT SHOP						
INTERIOR FINISHES/PAINTING	3.0			15.6	25.0	43.6
ROOF REPAIR		2.0				2.0
HANDICAP ACCESS		2.0				2.0
NEW FLOOR COVERING			5.0			5.0
REPAIR FLOOR DRAINS	2.0					2.0
UPGRADE ELECTRICAL			5.0			5.0
EDUCATION OFFICES						
INTERIOR REMODEL	15.0					15.0
INSULATION	8.0					8.0
ROOF REPLACEMENT	10.0			2.0		12.0
HVAC UPGRADE	25.0					25.0
RAILROAD ROUNDHOUSE						
OFFICE INSTALLATION		5.0				5.0
RESTROOM INSTALLATION			10.0			10.0
LIGHTING UPGRADE		5.0				5.0
FLOOR LEVELING				15.0		15.0
HVAC UPGRADE		5.0				5.0
CHILDREN'S ZOO & NURSERY						
PAINTING				5.0		5.0
REROOF		5.0				5.0
HVAC UPGRADE				10.0		10.0
UPGRADE ELECTRICAL		2.0				2.0
MEETING CENTER						
ACCESS FROM OUTSIDE ZOO	10.0					10.0
ROOF REPAIRS	1.0			3.0		4.0
INTERIOR REMODEL				15.0		15.0



MAINTENANCE BUDGET

ZOO CAPITAL REPLACEMENT PROGRAM  
BUILDINGS AND GROUNDS

ITEM	YEAR/COST X 1000					TOTAL
	1983-84	1984-85	1985-86	1986-87	1987-88	
QUARANTINE BUILDING REPLACE LOADING DOCK					25.0	25.0
RESEARCH CENTER						
EXTERIOR REFINISH			30.0			30.0
INTERIOR REFINISH	2.0	2.0	10.0			14.0
STORM WINDOWS				20.0		20.0
SOUTH SIDE AWNINGS			8.0			8.0
WEATHERIZE			2.0			2.0
UPGRADE FLOOR DRAINAGE			3.0			3.0
REPAIR WATER DAMAGE		10.0				10.0
UPGRADE HVAC				10.0		10.0
FELINE HOUSE						
KEEPER AREA REMODEL		2.0		3.0		5.0
REFINISH EXTERIOR					20.0	20.0
REMOVE N.C. HOLDING WINDOWS				20.0		20.0
REROOF NIGHT COUNTRY			3.0			3.0
REROOF REMAINING BUILDING				5.0		5.0
MOVE DARKROOM				5.0		5.0
EAST BEAR GOTTOS						
PAINT BARS IN MOAT		1.0				1.0
EXTERIOR REFINISH					15.0	15.0
ROOF REPAIRS			5.0			5.0
ELEPHANT BUILDING						
REPAINT					10.0	10.0
INSULATION/WEATHERIZATION			2.0		10.0	12.0
ROOF REPAIR	2.5			5.0	5.0	12.5
FASCIA REPAIR	1.0					1.0
REPLACE BROKEN WINDOWS	2.0					2.0
RESURFACE FLOORS			15.0			15.0
IMPROVE FLOOR DRAINAGE			10.0			10.0
REMODEL RESTROOMS					10.0	10.0
UPGRADE LIGHTING	2.0					2.0
BANDSHELL						
REPAINT					5.0	5.0
AUTOMATIC SPRINKLER SYSTEM				10.0		10.0
ADD HEATING	1.0					1.0
ADD RAILING AT STAGE	2.0					2.0
ADD FRONT STAGE AREA	2.0					2.0
PRIMATE HOUSE						
REPAINT					20.0	20.0
INSULATION				10.0		10.0
REROOF		10.0			15.0	25.0
UPGRADE FLOOR DRAINAGE			10.0			10.0
FINISH CHIMP INTER. ROOMS	3.0	5.0				8.0

MAINTENANCE BUDGET

ZOO CAPITAL REPLACEMENT PROGRAM  
BUILDINGS AND GROUNDS

ITEM	YEAR/COST X 1000					TOTAL
	1983-84	1984-85	1985-86	1986-87	1987-88	
HOOF STOCK SHELTERS						
ELAND BARN RENOVATIONS	2.0					2.0
ROOF REPAIRS	1.0					1.0
GIRAFFE BARN						
ROOF REPAIRS			2.0			2.0
MAINTENANCE COMPLEX						
REPAINT					5.0	5.0
REROOF ELECTRICAL SHOP			2.0			2.0
PLANT STORAGE			10.0			10.0
MANURE STORAGE			5.0			5.0
COMMISSARY						
REPAINT INTERIOR/EXTERIOR					10.0	10.0
WEATHERIZE			1.2		5.0	6.2
REROOF			3.0		15.0	18.0
REPAIR CONCRETE FLOOR					10.0	10.0
REDUCE SIZE OF FREEZER			25.0			25.0
UPGRADE GRAPHICS AREA			10.0		4.0	14.0
EMPLOYEE PARKING LOT						
ADD LIGHTING					2.0	2.0
PAVE		10.0			20.0	30.0
FENCE		3.7				3.7
PERIMETER FENCE UPGRADE	5.0	5.0	5.0	7.0	20.0	42.0
WATER SYSTEM						
REPAIR LEAKS	2.0	2.0	12.0	5.0	10.0	31.0
RESTORE LOOP SYSTEM		10.0	6.7			16.7
MOVE WATER METER	10.0			27.3		37.3
GAS SYSTEM						
REPAIR AND REPLACE	2.0	2.0	10.0	5.0	15.0	34.0
ELECTRICAL SYSTEM						
REPLACE FEEDERS	10.0	10.0	10.0	15.0	25.0	70.0
RESTORE LOOP SYSTEM		10.0				10.0
UPGRADE PANELS	2.0	5.0	5.0	10.0	15.0	37.0
NEW SUBSTATION				25.0	25.0	50.0
EXTERIOR LIGHTING						
REWIRE FOR 480 VOLTS	5.0					5.0
INSTALL ENERGY EFFICIENT FIXTURES	5.0	5.0	5.0	7.0	8.0	30.0
ADD LIGHTS FOR SECURITY	5.0	5.0	5.0	7.0	8.3	30.3
ROADS						
RESURFACE AS NEEDED	5.0	5.0	5.0	10.0	10.0	35.0
WASHINGTON PARK STATION						
EXTERIOR/INTERIOR			2.0	2.0	4.2	8.2
BUILD RESTROOMS		30.0				30.0
YEARLY TOTAL \$ X 1000	224.6	251.8	341.9	419.9	494.5	1717.7

## MCEWEN, HANNA, GISVOLD, RANKIN &amp; VANKOTEN

(FOUNDED AS CAKE &amp; CAKE-1886)

ATTORNEYS AT LAW

SUITE 1408

STANDARD PLAZA

1100 S. W. SIXTH

PORTLAND, OREGON 97204

AREA CODE 503  
TELEPHONE 226-7321RALPH H. CAKE  
(1891-1973)  
NICHOLAS JAUREGUI  
(1896-1974)HERBERT C. HARDY  
OF COUNSELDONALD W. MCEWEN  
JOSEPH J. HANNA, JR.  
DEAN P. GISVOLD  
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JAMES RAY STREINZ  
MICHAEL A. HOLSTUN  
TIMOTHY R. STRADER

October 6, 1983

Mr. E. Andrew Jordan  
General Counsel  
Metropolitan Service District  
527 S.W. Hall Street  
Portland, OR 97201

Dear Andy:

This is to confirm our recent telephone conversations regarding your letter to Dean Gisvold of August 16, 1983, in which you requested that we provide a legal opinion as to whether Metro may establish a zoo service district pursuant to ORS 268.335. We will address each of the questions set forth in your letter in the order you raised them.

I. Authorized Functions of Metro Service Districts.

Your first question was whether ORS 268.335 permits the creation of service districts for any function authorized by ORS Ch. 268, or whether the function must be authorized both by ORS Ch. 268 and ORS Ch. 451. The statute does not provide a clear answer. It provides:

(1) A metropolitan service district may establish service districts as provided by ORS chapter 451 and this chapter . . . .

(2) Notwithstanding those districts authorized under ORS 451.010, a metropolitan service district may create service districts only for purposes authorized by this chapter.

There have as yet been no court cases or Attorney General's decisions interpreting this statute so as to answer the question you have posed. Further, the minutes of the committee hearings during the 1977 Legislature do not reflect that matter was even considered by the Legislature.

Mr. E. Andrew Jordan  
October 6, 1983  
Page Two

We have discussed the legislative intent with a number of people responsible in some degree for the legislation, including Fred Neal, who was legislative counsel and the principal drafter of the legislation. It is Fred's recollection that it was his intent that Metro could create a special service district for any of the purposes authorized in ORS Ch. 268, but that the procedures outlined in ORS Ch. 451 were to be followed. He believes that his testimony before the Senate Committee on Local Government and Elections may have addressed this issue. We have not yet traveled to the State Archives in Salem to listen to the tapes of the legislative hearings, but will do so if you would like us to confirm his recollection.

Dean Gisvold and I both agree that ORS 268.335 should be read to permit Metro to create a service district for any of the purposes authorized in ORS 268. ORS 268.335(1) simply refers to ORS Ch. 451 with respect to the procedure for the creation of such a service district, and ORS 268.335(2) simply limits the permissible functions of the service district to those stated in ORS 268.

Even if a court were to determine that the service district must be authorized both by ORS Ch. 268 and ORS Ch. 451, however, ORS 451.010(1)(d) permits the creation of service districts to provide public parks and recreation facilities. In our opinion, this language is broad enough to include a zoo service district.

## II. Boundary Commission and Voter Approval.

You also asked whether creation of a zoo service district would require the approval of a local government boundary commission or approval by the voters.

District formation and change of organization proceedings must be initiated, conducted and completed as provided by ORS 198.705 to 198.955. ORS 451.435(1). ORS 198.705 to 198.955 is the District Procedure Boundary Act. That statute provides: "Except as otherwise provided by ORS 199.410 to 199.519 [the local government boundary commission statute], all district formation or change of organization proceedings shall be initiated, conducted and completed as provided by ORS 198.705 to 198.955." (Emphasis added.) ORS 198.715(2). Thus, this statute recognizes the application of the local government boundary commission statute.

Mr. E. Andrew Jordan  
October 6, 1983  
Page Three

Other indications that the local government boundary commission statute applies are found in ORS 198.775(1) and (2), where costs which may be incurred by local government boundary commission are mentioned. Further, ORS 198.795 provides that the county board where the petition is filed has original and exclusive jurisdiction over a formation proceeding, "except as provided by ORS 199.410 to 199.519." Finally, ORS 199.476 provides that, "notwithstanding the principal Act," the filing agency must submit a petition for a major boundary change to the boundary commission if the proposed district is within the jurisdiction of that commission. A "major boundary change" clearly includes the formation of a district, ORS 199.415(12), and "district" includes both a metropolitan service district organized under ORS Ch. 268 and a county service district organized under ORS Ch. 451. ORS 199.420(3) and (7).

We conclude that boundary commission approval must be obtained for the creation of a zoo service district.

As the attached outline of the sequential steps involved in creation of a zoo service district indicates, voter approval is not required for the formation of a zoo service district. However, the statutes authorize referendum elections at several steps in the formation process. See ORS 198.810(2); ORS 451.487.

### III. Revenue Sources.

ORS 451.490 explicitly provides seven sources of funds to finance the construction, operation or maintenance of service facilities for a district. These include service or user charges in the district, connection charges, district ad valorem taxes and sale of bonds. Further, ORS 451.547 specifically authorizes a district to establish a tax base in accordance with Art. XI, § 11 of the Constitution of the State of Oregon. Pursuant to that constitutional provision, voter approval would be required for ad valorem taxation in the district.

### IV. Approval of Other Cities and Counties.

ORS 451.435(1) provides that no county or portion thereof may be included within a district which provides services in more than one county without the consent of the governing body of the affected county. Standing alone, this section would appear to require county approval of the creation of a Metro zoo service district. However, ORS 268.335 provides that for the purposes of ORS Ch. 451, metropolitan service districts shall be

Mr. E. Andrew Jordan  
October 6, 1983  
Page Four

considered a county. Since the zoo service district would not provide more than one county with services because the metropolitan service district is the only "county," in our opinion no approval of county governing bodies would be required for the creation of the zoo service district.

The same is not true for cities, however. ORS 199.462(2) provides:

Subject to any provision to the contrary in the principal Act of the affected district or city and subject to the process transfer of territory:

a. Territory within a city may not be included within or annexed to a district without the consent of the city council.

Further, ORS 198.720 provides that a petition seeking to incorporate territory within a city in a proposed district must contain a certified copy of a resolution of the governing body of the city approving the petition.

#### V. Metro Support Services.

You advised that currently the Zoo pays for Metro's support services, including legal, accounting, counsel expenses and administration, by means of interfund transfers. We have found no legal impediment to Metro's continued provision of such services to the zoo service district. The most probable means of providing such services would be pursuant to a contract entered into between the zoo service district and Metro.

#### VI. Metro Executive Officer's Role.

ORS 451.485 provides that the county court shall be the governing body of any service district established under ORS 451.410 to 451.600. Pursuant to ORS 268.335, the district council created by ORS 268.150 is considered the county court for purposes of ORS Ch. 451. Consequently, the Metro Board would be responsible for management of the Zoo. Its use of the executive officer to accomplish that end would be subject to the Board's discretion.

Finally, you have asked for an outline of the sequential process involved in the formation of a zoo service district. We have prepared such an outline, together with a best-case timeline, which is attached hereto.

McEWEN, HANNA, GISVOLD, RANKIN & VANKOTEN

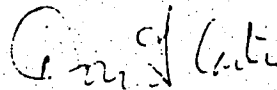
Mr. E. Andrew Jordan  
October 6, 1983  
Page Five

If you would like to discuss any of the matters contained herein in further detail, or after your review of this letter you have further questions, please do not hesitate to call.

Best wishes.

Very truly yours,

McEWEN, HANNA, GISVOLD, RANKIN & VankOTEN



Don G. Carter

DGC:tn  
Enclosure  
cc: Dean Gisvold

OUTLINE OF FORMATION OF ZOO SERVICE DISTRICT

Time Line - Day

I) Petition

A. Engineering Plans

1. Prior to initiation of formation of district, county court may cause engineering plans to be prepared. ORS 451.440(1).
2. If the district is formed, the district may be required to reimburse county for cost. ORS 451.440(2), ORS 198.845.

1

B. Alternative Means of Initiating Formation

1. Petition

- a. Necessary elements set out in ORS 198.750.
- b. Petition must be signed by fifteen percent of registered voters or 100 registered voters, whichever is greater, resident in the territory subject to the petition, ORS 198.755(1)(a), or fifteen owners of the land or the owners of ten percent of the acreage in the proposed district, ORS 198.755(1)(b).
- c. Must be accompanied by bond. ORS 198.775

2. Order of County Board

- a. Applies if district is to be located entirely within one county. ORS 198.835.
- b. Since Metro is the county under ORS 268.335, this approach appears possible.

C. Petition Must Include Resolution of City Governing Bodies Approving It. ORS 198.720(1).

D. Petition is Filed With County Board. ORS 198.800.

II. Local Government Boundary Commission

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A. County Board Must File Petition With Boundary Commission Within Ten Days. ORS 199.476(1).

1. Filing with the Boundary Commission suspends the proceeding under the principal Act. ORS 199.476(2).



OUTLINE OF FORMATION OF ZOO SERVICE DISTRICT (Cont.)

Time Line - Day

2. Petition must be accompanied by an economic feasibility analysis and estimate of tax rate required. ORS 199.476(1).

B. If the Boundary Commission Does Not Act Within 120 Days After Receiving the Petition, It is Considered Approved. ORS 199.476(2), (3).

C. Boundary Commission Action

1. Upon receipt of the petition, the commission must

a. Cause a study to be made of the proposal. ORS 199.461(1)(a).

b. Conduct one or more public hearings on the proposal. ORS 199.461(1)(b).

2. Hearing

a. Notice of hearing must be published not more than 25 days nor less than 15 days before the hearing.

b. Hearing.

3. Standards for review of commission as set out in ORS 199.462.

a. Commission must consider economic, demographic and other factors.

b. Territory within a city may not be included within a district without the consent of the city council.

4. Commission may approve proposed boundary or modify it. ORS 199.461(3).

5. Commission must file final order with Secretary of State, assessor and county clerk of each affected county, city and district. ORS 199.461(4).

III. County Board (MSD Board) Action

A. Hearing

1. When a legally sufficient petition has been filed, a hearing must be set not less than 30 or more than 50 days after the filing of the petition. ORS 198.800(1). (Recall that filing with boundary commission suspended this period.)

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OUTLINE OF FORMATION OF ZOO SERVICE DISTRICT (Cont.)

Time Line - Day

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2. Notice of the hearing must be posted and published. ORS 198.800(2).
3. At hearing, the board must apply standards set forth in ORS 199.462. ORS 198.805(1).

B. Order for Formation

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1. After hearing, board shall enter order approving the petition as presented or modified and setting a final hearing on the petition not less than 30 nor more than 50 days after the date of the order. ORS 198.810.
2. No election is necessary unless written requests for an election are filed at or before the final hearing by not less than fifteen percent of the registered voters or 100 registered voters, whichever is less. ORS 198.810(2).
3. At the final hearing, if the required number of voters has requested an election, the board must set an election at the next available election date not less than 35 days after the date of the order. ORS 198.815(2).

206  
(if election required)

4. Before commencing construction, the board must make an order setting forth what service facilities will be constructed, maintained and operated, how they will be financed, etc. ORS 451.485.
5. The order required by ORS 451.485 is subject to referendum by resolution of the board or by petition submitted within 60 days after the date of the order and signed by ten percent of the voters of the district. ORS 451.487.



# Memo

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646  
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: January 25, 1984

To: Rick Gustafson  
Executive Officer

From: Donald E. Carlson *DE*  
Deputy Executive Officer

Regarding: REVISED SCHEDULE FOR COUNCIL CONSIDERATION AND ADOPTION OF  
ZOO LEVY ORDINANCE.

Following discussion with Ray Phelps in the Secretary of State's Office and Andy Jordan, I am recommending faster action by the Council on the Zoo Levy Ordinance. If the measure is to be included in the Voters' Pamphlet, the Ordinance must be adopted by mid-February. ORS 255.265 requires the Secretary of State to print the measure in the pamphlet "...if the district election authority (Council) not later than the 70th day before the primary or general election (March 6), files the measure and other information with the secretary, and if the time for filing a petition for judicial review of the ballot title under ORS 255.155 has passed...."

ORS 255.155 provides a 20 day period from the time a ballot title is filed with the election officer for any person to object that the title is insufficient, not concise or unfair. If the objection is filed within the 20 day period, the Circuit Court will review the title, hear arguments and certify a new title to the elections officer. In order to accommodate the 20 day review period and meet the March 6 filing deadline with the Secretary of State, the ballot title should be filed with the Multnomah County Director of Records and Elections by no later than February 15, 1984.

Ray Phelps indicated that a challenge to our ballot title would not knock it out of the pamphlet. He indicated they have about a 10 day period after March 6 before they start printing the pamphlet. Andy Jordan indicated we should be able to go through a Circuit Court review in that period of time.

I have attached copies of ORS 255.265 and 255.155.

Based upon this information, I recommend the following Council review schedule:

Memorandum  
January 25, 1984  
Page Two

<u>Date</u>	<u>Purpose</u>
February 2, 1984	Council meeting. First reading on Levy Ordinance and explanation of Zoo Financial Plan.
February 13, 1984	Council Coordinating Committee mark-up session.
February 13, 1984	Special Council meeting. Second reading and adoption of Zoo Levy Ordinance.

DEC:ef  
Attachments

cc: Corky Kirkpatrick  
Andy Jordan  
Kay Rich

member within such time that a candidate for the vacancy could not be nominated under the procedures of this chapter before the regular district election, the Secretary of State by rule shall provide a nominating schedule when practicable so that candidates' names may be printed on the regular election ballot. With regard to this vacancy, requirements of publication of notice and sample ballots may be waived. The rule shall require notice of the vacancy and nominating procedure to the district electors by the most reasonable and expeditious means practicable under the circumstances, including but not limited to single publication in a newspaper of general circulation in the district. [Formerly 259.075]

**255.250** [Amended by 1955 c.96 §2; repealed by 1957 c.608 §231]

**255.260** [Repealed by 1957 c.608 §231]

**255.265** Printing of proposed district measure in voters' pamphlet; filing; fees; "district" defined. (1) For the purpose of this section, "district" means:

(a) A mass transit district organized under ORS 267.010 to 267.390;

(b) A metropolitan service district organized under ORS chapter 268;

(c) A port organized under ORS 777.005 to 777.725; and

(d) The Port of Portland established by ORS 778.010.

(2) The Secretary of State shall print in the primary or general election voters' pamphlet any district measure, and any information appearing on the ballot relating to the measure, if the district election authority, not later than the 70th day before the primary or general election, files the measure and other information with the secretary, and if the time for filing a petition for judicial review of the ballot title under ORS 255.155 has passed. The district shall pay to the Secretary of State the cost of including the measure and other information in the pamphlet as determined by the secretary. [Formerly 259.045; 1981 c.173 §35]

**255.275** Consolidated use of election supplies. The county clerk, when practical, shall use the same election notices, election boards, polling places, official and sample ballots, poll books, equipment and materials necessary for the conduct of the elections. [Formerly 259.220]

**255.285** Combining of election precincts. (1) The county clerk may combine precincts for any district election not later than the 30th day before the election.

(2) The poll book for a district election precinct which contains the names of more than 500 electors need not be divided. [Formerly 259.120]

**255.288** Posting map of proposed boundaries for election on boundary question. At any election in which the question of establishing or changing the exterior boundaries of a district or the question of establishing or changing boundaries of electoral zones or subdistricts within a district is submitted to a vote, the election officer shall post in each voting compartment or by each shelf or table, within view of the elector, a map indicating the proposed boundaries. [1983 c.350 §74]

**255.291** Ballot to state position or zone number of candidate. In a district in which a position or zone number is assigned to each office on the district board, the ballot shall state the position or zone number of the office to which the candidate seeks election. The candidate's name shall appear on the ballot only for the designated position or zone. [1983 c.350 §79]

**255.295** Preparing abstract; certification of results. (1) Not later than the 20th day after the date of an election held on the same day as a primary or general election, or not later than the 10th day after an election held on any other day, the county clerk shall prepare an abstract of the votes and deliver it to the district election authority. Not later than the fifth day after receiving the abstract the district election authority shall determine from it the result of the election.

(2) A certificate of election shall be issued by the county clerk only after the district election authority has notified the county clerk in writing of the result of the election. [Formerly 259.200]

**255.305** Expenses paid by district; apportionment of expenses. (1) Except as otherwise provided by ORS 198.775, 261.210 and 607.025, the expenses incurred for a district election shall be paid by that district.

(2) When two or more districts hold an election on the same day, the expenses of the election shall be equitably apportioned among the districts.

(3) The Secretary of State by rule:

(a) May designate a formula for the apportionment of expenses under subsection (2) of this section; and

the prospective petition declared that no such person would be paid.

(b) No person is being paid for obtaining signatures, when the statement included with the prospective petition declared that one or more such persons would be paid.

(4) Each sheet of signatures on an initiative petition shall contain the caption of the ballot title. Each sheet of signatures on a referendum petition shall contain the number of the ordinance to be referred and the date it was adopted by the district board. Each sheet of signatures shall be attached to a full and correct copy of the measure to be initiated or referred.

(5) The reverse side of the cover of an initiative or referendum petition and both sides of a signature sheet may be used for obtaining signatures on an initiative or referendum petition. If both sides of a signature sheet are used, each side shall contain the information required on a signature sheet under subsection (4) of this section.

(6) Not more than 20 signatures on the cover or on each side of each sheet of the initiative or referendum petition shall be counted. The cover of the initiative or referendum petition, if the cover is used to gather signatures, and each signature sheet shall be verified on its face by the signed statement of the circulator that the individuals signed the cover or sheet in the presence of the circulator and that the circulator believes each individual is an elector registered in the district. [1979 c.190 §292; 1981 c.909 §8; 1983 c.756 §12]

**255.145 Preparation of ballot title for certain measures.** (1) When a prospective petition for a district measure to be referred is filed with the election officer, the officer shall authorize the circulation of the petition containing the title of the measure as enacted by the district election authority or, if there is no title, the title supplied by the petitioner filing the prospective petition. The election officer immediately shall send two copies of the prospective petition to the district attorney of the county in which the administrative office of the district is located.

(2) When a prospective petition for a district measure to be initiated is filed with the election officer, the officer immediately shall send two copies of it to the district attorney of the county in which the administrative office of the district is located.

(3) Not later than the fifth day after receiving the copies of the prospective petition, the district attorney shall provide a ballot title for the district measure to be initiated or referred

and return one copy of the prospective petition and the ballot title to the election officer. Unless the circuit court certifies a different title, this ballot title shall be the title printed on the ballot.

(4) A copy of the ballot title shall be furnished to the chief petitioner. [1979 c.190 §293]

**255.155 Procedure for person dissatisfied with title.** (1) Any person dissatisfied with a ballot title filed with the election officer by the district attorney or district election authority may petition the circuit court of the judicial district in which the administrative office of the district is located seeking a different title and stating the reasons the title filed with the court is insufficient, not concise or unfair. The petition must be filed not later than the 20th day after the title is filed with the election officer. The court shall review the title and measure to be initiated or referred, hear arguments, if any, and certify to the election officer a title for the measure which meets the requirements of ORS 250.035 and 250.039.

(2) The review by the circuit court shall be the first and final review, and shall be conducted expeditiously to insure the orderly and timely circulation of petitions or conduct of the election at which the measure is to be submitted to the electors. [1979 c.190 §294; 1983 c.514 §13a]

**255.165 Signature requirements.** (1) A petition to refer or initiate a district measure must be signed by a number of electors registered in the district that is not less than 25 percent of all votes cast in the district for the office of Governor at the most recent election at which a candidate for Governor was elected to a full term.

(2) A petition to refer a district measure must be filed with the elections officer not later than the 30th day after adoption of the district ordinance sought to be referred. [1979 c.190 §295; 1983 c.350 §75]

**255.175 Filing officer; filing requirements.** (1) An initiative or referendum petition relating to a district measure shall be filed with the election officer for signature verification.

(2) An initiative or referendum petition relating to a district measure shall not be accepted for filing if it contains less than 100 percent of the required number of signatures. [1979 c.190 §296]

**255.185 Date of election on measure initiated or referred by electors.** (1) In a district that holds regular district elections, if an initiative or referendum petition contains the

Submitted at 2-2-84  
regular meeting

STAFF REPORT

Agenda Item No. 8

Meeting Date 2-2-84

CONSIDERATION OF PROPOSED AMENDMENTS TO ORDINANCE  
NO. 84-168

Date: February 2, 1984

Presented by: Jennifer Sims

FACTUAL BACKGROUND AND ANALYSIS

Several matters related to this agenda item have come to our attention since this item was introduced. At this time, two additional Budget/Appropriation Schedule amendments are proposed and an action establishing a new personnel classification is requested. A revised Appropriation Schedule is attached. The details are as follows:

1. The existing Data Processing Division budget provides for the lease of new disc drives for both the DEC PDP 1134 and the Pixel. Bids have been received and the Contract Review Committee has given approval. Considering the December 31, 1983, financial reports, it appears that the disc drives can be purchased outright at a substantial savings plus a much needed Pixel printer can be bought. This would be accomplished by transferring \$14,710 in Materials & Services savings to Capital Outlay. This would be combined with the remaining Capital budget of \$4,276. Attachment 1 describes the areas of savings and projected costs.
2. A new terminal is needed immediately for FY 1984-85 budget preparation. Last month we assumed that we could manage possibly until next fiscal year, but the press of long-term funding issues and the budget schedule have made this a priority. It is proposed that this be funded through a transfer from the Budget & Administrative Services Division, Materials & Services to the Data Processing Division's Capital Outlay expenses. The proposed transfer is \$1,200.
3. Recently the half-time Criminal Justice Department secretary resigned. This position provides support to both the Metro Criminal Justice Director and the Tri-County Youth Services Consortium. Instead of replacing the secretary when future funding is uncertain, we propose to contract with the TCYSC for an amount equal to our secretarial support obligation. Metro program support will be provided

by the current Development Services Department secretary. This can be accomplished by transferring \$1,270 from Criminal Justice, Personal Services to Materials & Services.

4. The original Staff Report (January 10, 1984) proposes the addition of a new position in the Zoo, Buildings & Grounds Division. While the proposed ordinance would authorize the position and expenditure, it does not establish a new classification which is also required by the Personnel Rules, Section 26. Therefore, a resolution to establish the position is proposed which would address this requirement. See Resolution No. 84-449.

In addition to these action items, there are two new points of information that may require Council action in the future. These items are as follows:

1. Because less revenue was received than anticipated in the Criminal Justice Technical Assistance Fund, it is necessary to transfer \$3,201.05 from the General Fund to the TA Fund to meet contractual obligations. No change in the Appropriation Schedule is requested at this time.
2. An additional \$7,762 will be transferred from the General Fund to the Planning Fund to cover grant match and contractual obligations for liaison services by Bob Duncan (\$6,762) and participation in NARC Cooperative (\$1,000). No change in the Appropriation Schedule is requested at this time.

#### EXECUTIVE OFFICER'S RECOMMENDATION

Adopt as amended Ordinance No. 84-168 amending the FY 1983-84 Budget Appropriation Schedule and adopt Resolution No. 84-449 establishing a new classification of Maintenance Foreman.

#### COMMITTEE CONSIDERATION AND RECOMMENDATION

JS/gl  
0683C/373  
2/2/84

Attachments



ATTACHMENT 1  
 DEC DISK PURCHASE  
 January 30, 1984

BUDGET ALLOCATION/RECOMMENDED CHANGES

Capital Budget:

	<u>Budget</u>	<u>Spent</u>	<u>Encumbered</u>	<u>Available for Reassignment</u>
INRO:	57,105	53,599	1,000	2,500
TEK:	38,840	36,320	--	2,520
Misc.:	--	750	--	-750
Net Available from Current Capital Budget				4,276 (may have more)

Materials & Services Budget:

	<u>Account Code</u>	<u>Budget</u>	<u>Spent</u>	<u>Encumbered</u>	<u>Available for Reassignment</u>
Travel	(7100)	1,000	0	0	1,000
Conference	(7110)	1,500	0	1,000	500
Tuition	(7120)	1,000	100	500	400
Dues/Sub.	(7130)	300	20	120	160
Telephone	(7230)	2,000	780	1,220	--
Maintenance	(7330)	20,400	6,690	12,480	1,230
Supplies	(7410)	6,000	1,980	3,000	1,020
Contractual	(7500)	2,000	640	--	1,360
Lease	(7770)	44,400	15,140	20,890	8,370
Misc.	(7900)	2,000	430	900	670
		<u>80,600</u>	<u>25,780</u>	<u>40,110</u>	<u>14,710</u>

Cost of New Disks and Printer for PIXEL:

85 MB Disk - PIXEL	\$5,500
Freight	150
	<u>\$5,650</u>
Printer for PIXEL	<u>\$1,200</u> (max.)
PIXEL Total	<u>\$6,850</u>
300 MB Drive for DEC PDP/11-34	\$11,235
Install	650
Freight	100
	<u>\$11,985</u>
<u>Total Cost:</u>	<u>\$18,835</u>
Identified as available	\$ 4,276
	<u>14,710</u>
	<u>\$18,986</u>

EXHIBIT B

SCHEDULE OF APPROPRIATIONS  
(As Amended February 2, 1984)

<u>GENERAL FUND</u>	<u>Current Appropriation FY 1983-84</u>	<u>Amendment</u>	<u>Revised Appropriation</u>
<b>Council</b>			
Personal Services	\$ 58,897	0	\$ 58,897
Materials & Services	54,520	0	54,520
Capital Outlay	0	0	0
Subtotal	<u>\$113,417</u>	0	<u>\$113,417</u>
<b>Executive Management</b>			
Personal Services	\$216,448	\$(12,000)	\$204,448
Materials & Services	22,575	12,000	34,575
Capital Outlay	1,350	0	1,350
Subtotal	<u>\$240,373</u>	0	<u>\$240,373</u>
<b>Finance &amp; Administration</b>			
Personal Services	\$ 630,891	\$(2,425)	\$ 628,466
Materials & Services	672,608	22,640	695,248
Capital Outlay	97,155	15,910	113,065
Subtotal	<u>\$1,400,654</u>	<u>\$36,125</u>	<u>\$1,436,779</u>
<b>Public Affairs</b>			
Personal Services	\$202,459	\$7,165	\$209,624
Materials & Services	46,140	1,500	47,640
Capital Outlay	0	0	0
Subtotal	<u>\$248,599</u>	<u>\$8,665</u>	<u>\$257,264</u>
<b>General Expense</b>			
Contingency	\$ 89,684	\$(14,790)	\$ 74,894
Transfers	163,169	0	163,169
Subtotal	<u>\$252,853</u>	<u>\$(14,790)</u>	<u>\$238,063</u>
<b>Total General Fund Requirements</b>	<b>\$2,255,896</b>	<b>\$30,000</b>	<b>\$2,285,896</b>
<u>PLANNING FUND</u>			
<b>Development Services</b>			
Personal Services	\$199,298	0	\$199,298
Materials & Services	62,470	0	62,470
Capital Outlay	0	0	0
Subtotal	<u>\$261,768</u>	0	<u>\$261,768</u>
<b>Transportation</b>			
Personal Services	\$447,327	\$7,219	\$454,546
Materials & Services	238,455	(5,081)	233,374
Capital Outlay	0	0	0
Subtotal	<u>\$685,782</u>	<u>\$2,138</u>	<u>\$687,920</u>

<u>PLANNING FUND</u>	<u>Current Appropriation FY 1983-84</u>	<u>Amendment</u>	<u>Revised Appropriation</u>
Criminal Justice			
Personal Services	\$86,993	(1,270)	\$85,723
Materials & Services	2,400	1,270	3,670
Capital Outlay	0	0	0
Subtotal	<u>\$89,393</u>	0	<u>\$89,393</u>
General Expense			
Transfers	<u>\$527,811</u>	<u>\$(2,138)</u>	<u>\$525,673</u>
Subtotal	<u>\$527,811</u>	<u>\$(2,138)</u>	<u>\$525,673</u>
Total Planning Fund Requirements	\$1,564,754	0	\$1,564,754
<u>TRANSPORTATION TECHNICAL ASSISTANCE FUND</u>			
Materials & Services	<u>\$473,805</u>	0	<u>\$473,805</u>
Total Transportation Technical Assistance Fund Requirements	\$473,805	0	\$473,805
<u>CRIMINAL JUSTICE ASSISTANCE FUND</u>			
Materials & Services	<u>\$450,000</u>	0	<u>\$450,000</u>
Total Criminal Justice Assistance Fund Requirements	\$450,000	0	\$450,000
<u>SEWER ASSISTANCE FUND</u>			
Materials & Services	\$2,000,000	0	\$2,000,000
Transfers	5,000	0	5,000
Contingency	<u>1,315,000</u>	0	<u>1,315,000</u>
Total Sewer Assistance Fund	\$3,320,000	0	\$3,320,000
<u>ZOO OPERATING FUND</u>			
Personal Services	\$2,729,321	\$ 19,500	\$2,748,821
Materials & Services	1,648,533	(115,582)	1,532,951
Capital Outlay	276,066	0	276,066
Transfers	3,469,380	303,972	3,773,352
Contingency	<u>359,148</u>	<u>(222,413)</u>	<u>136,735</u>
Total Zoo Operating Fund Appropriation	<u>\$8,482,448</u>	<u>\$(14,523)</u>	<u>\$8,467,925</u>
Unappropriated Balance	<u>600,000</u>	<u>200,000</u>	<u>800,000</u>
Total Zoo Operating Fund Requirements	\$9,082,448	\$185,477	\$9,267,925

<u>ZOO CAPITAL FUND</u>	<u>Current Appropriation FY 1983-84</u>	<u>Amendment</u>	<u>Revised Appropriation</u>
Capital Projects	\$5,585,812	\$(2,335,055)	\$3,250,757
Contingency	<u>591,942</u>	<u>(411,875)</u>	<u>180,067</u>
Total Zoo Capital Fund	\$6,177,754	\$(2,746,930)	\$3,430,824
Unappropriated Balance	<u>0</u>	<u>4,380,483</u>	<u>4,380,483</u>
Total Zoo Capital Fund Requirements	\$6,177,754	\$1,633,553	\$7,811,307
<u>SOLID WASTE OPERATING FUND</u>			
Personal Services	\$ 694,950	\$(7,165)	\$ 687,785
Materials & Services	5,860,580	7,300	5,867,880
Capital Outlay	15,200	2,200	17,400
Transfers	2,321,710	0	2,321,710
Contingency	<u>540,862</u>	<u>(9,500)</u>	<u>531,362</u>
Total Solid Waste Operating Fund Requirements	\$9,433,302	\$(7,165)	\$9,426,137
<u>SOLID WASTE CAPITAL FUND</u>			
Capital Projects	\$6,349,600	\$70,000	\$6,419,600
Transfer	165,700	0	165,700
Contingency	<u>575,000</u>	<u>(70,000)</u>	<u>505,000</u>
Total Solid Waste Capital Fund	\$7,090,300	0	\$7,090,300
<u>SOLID WASTE DEBT SERVICE FUND</u>			
Materials & Services	<u>\$824,700</u>	<u>0</u>	<u>\$824,700</u>
Total Solid Waste Debt Service Fund Requirements	\$824,700	0	\$824,700
<u>SOLID WASTE ST. JOHNS RESERVE FUND</u>			
Unappropriated Balance	<u>\$337,500</u>	<u>0</u>	<u>\$337,500</u>
Total St. Johns Reserve Fund Requirements	\$337,500	0	\$337,500

JS/gl  
0683C/373  
02/02/84

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF AUTHORIZING        )  
A NEW CLASSIFICATION OF                )  
MAINTENANCE FOREMAN                    )

RESOLUTION NO. 84-449

WHEREAS, Metro Personnel Rules, Section 26, require that any new classification added to the Classification Plan requires Council approval; and

WHEREAS, Ordinance No. 84-168 amends the FY 1983-84 Budget and Appropriations Schedule to include funding for a Maintenance Foreman; now, therefore,

BE IT RESOLVED,

That the Metro Council approves the addition of a Maintenance Foreman classification attached hereto as Exhibit A to the Metro Position Classification Plan.

ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1984.

\_\_\_\_\_  
Presiding Officer

JS/gl  
0683C/373  
02/02/84

## EXHIBIT A

Metro  
Class No.:

Established:  
Revised:  
EEO:

### MAINTENANCE FOREMAN

#### MISSION STATEMENT

To supervise and coordinate building and grounds maintenance activities; to inspect and review the activities of buildings and grounds maintenance workers; do other work as required.

#### DISTINGUISHING CHARACTERISTICS

The maintenance foreman is a supervisory class in the Buildings and Grounds Division of Metro's Washington Park Zoo. Buildings and Grounds Division is responsible for maintenance and upkeep of facilities and grounds. The maintenance foreman is responsible for overseeing the daily activities of maintenance work crews including mechanics, gardeners, janitors, maintenance workers and electrician. This position differs from the Buildings and Grounds Manager position which establishes major work objectives and functions as the division head.

#### PRINCIPAL FUNCTIONS

The duties include but are not limited to:

##### 1. SUPERVISION

- Organizes and supervises maintenance activities.
- Develops work schedules for crews and individuals.
- Instructs and trains workers in proper work habits and techniques.
- Maintains records on employees.

##### 2. COORDINATION

- Confers with work order initiator to determine nature and scope of work.
- Adjusts work schedules to ensure timely completion of work projects and assignments.
- Coordinates activities in emergency situations to ensure that corrective action is taken.
- Prepares necessary reports and maintains records.

##### 3. INSPECTION

- Inspects facilities and grounds to identify deficiencies and safety hazards.

- Prepares necessary reports and maintains records on inspections.
- Inspects work and progress and upon completion to ensure quality of workmanship.

#### 4. WORKER ACTIVITIES

- Performs maintenance activities as necessary.
- Provides technical assistance as required.

### REQUIRED KNOWLEDGE AND SKILLS

#### Thorough Knowledge Of:

Materials, methods, general tools and equipment used in maintenance operations, including gardening maintenance and electrical; occupational hazards involved and the safety precautions necessary in the area of work assignment.

#### Working Knowledge Of:

First Aid practices and the administration of appropriate first aid; supervisory and work planning methods.

#### Skill To:

Make thorough observations of work projects; document observations and interpret findings to develop problem solutions; supervise and coordinate the work of numerous maintenance workers; coordinate a variety of activities, prioritize tasks, maintain work schedules to assure the timely completion of work; train new employees, assign work, supervise and inspect the work of maintenance personnel; keep comprehensive and accurate records; react quickly to hazardous conditions; establish and maintain effective working relationships with employees; meet and deal courteously with the public.

### WORKING CONDITIONS

Duties are performed in a variety of settings including exposure to environmental elements, hazardous working conditions and may include contact with dangerous animals.

### RECRUITING INFORMATION

#### 1. Sources

Other zoos and botanical gardens or units of local governments.

#### 2. Satisfactory combination of experience and training that demonstrate possession of the required knowledge and skill levels.



# Memo

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646  
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: January 16, 1984

To: Metro Council

From: Rick Gustafson  
Executive Officer

Regarding: ZOO FIVE-YEAR FINANCIAL PLAN AND RECOMMENDATION FOR  
ZOO SERIAL LEVY

Please find attached a copy of the Five-Year Financial Plan for operating the Zoo. The memo provides background information on Zoo financial matters, assumptions for projecting future operating costs and revenue and projections on funding requirements for the Phase I projects in the recently adopted Zoo Master Plan.

As a result of the information and analysis in the attached memo, it is my recommendation that the Council request approval for the continuation of the current three-year serial levy of five million dollars per year, with two million dollars per year for capital improvements. The three million dollars per year should enable the Zoo to continue to be operated effectively as capital expansion takes place. The additional funds, along with capital funds carried over from this fiscal year, should make it possible to remodel the West Bear Grotto and complete Phases I and II of the Africa Bush Exhibit by the end of fiscal year 1986-87. In 1986, further consideration will need to be given to options for funding Zoo operations and capital improvements beyond 1986-87.

I also recommend that the Council recognize the financial policies outlined in the Five-Year Plan. Those policies, if applied, will be helpful when making financial decisions affecting the Zoo during the period of time covered by the Plan.

RG:ef

Attachment





# Memo

METROPOLITAN SERVICE DISTRICT 527 S.W. HALL ST., PORTLAND, OREGON 97201 503 221-1646  
Providing Zoo, Transportation, Solid Waste and other Regional Services

Date: January 16, 1984  
To: Metro Council  
From: A. McKay Rich, Assistant Zoo Director, and Donald E. Carlson, Deputy Executive Officer  
Regarding: ZOO FIVE-YEAR FINANCIAL PLAN

This is the sixth in a series of memos relating to long-range financial planning for Metro. This memo provides background information, assumptions and five-year financial projections for operating the Zoo and discusses the relationship of the recently adopted Master Plan to the question of seeking additional operating and capital revenue.

## BACKGROUND

The Washington Park Zoo (then known as the Portland Zoological Gardens) was owned and operated by the City of Portland until July 1, 1976. From 1971 to 1976, the Portland Zoological Society contracted to manage the Zoo for the City although the City continued to provide financial support. During the period from 1969-70 to 1974-75, attendance dropped from 739,082 to 451,435 annually. With shrinking earned revenues, construction and maintenance were deferred. With most of its patrons coming from outside the City, a determination was made that the Zoo should be a regional facility and the State Legislature passed legislation enabling the City Council to transfer the Zoo to the Metropolitan Service District upon approval of a Zoo tax levy by the voters of the District. A favorable vote on a \$2 million per year five-year serial levy was approved in May 1976 and ownership and operation of the Zoo was transferred to the Service District on July 1, 1976.

With the passage of the serial levy, the Service District began to upgrade Zoo operations and physical facilities. A short-range development program was adopted to assist in this process. In January 1979, the District became a directly elected regional government with the Zoo as one of its operating departments. The development program was reaffirmed by the Council of the reorganized Metro in 1979. By the end of the first levy period--June 30, 1981--the District had expended \$4,888,247 for new improvements including remodelled:

1. Nursery
2. Entry plaza
3. Elephant barn
4. Primate house
5. Night country exhibit, and
6. New quarantine facilities

Design work was also initiated on a new Cascades Stream and Pond exhibit, construction of which was to be funded primarily by a bequest from Mr. William Schamoni.

To partially offset increasing inflation rates and to assist with funding the improved operations, the old MSD Board increased admission fees by one-third effective July 1, 1978.

As the five-year levy neared its expiration date, the new Metro Council submitted a \$5 million per year levy to the voters in May 1980. Conditions of the levy provided for \$2.7 million to be used for operational needs with \$2.3 million per year reserved for capital improvements. That levy began July 1, 1981 and expires June 30, 1984. By the end of this period, the District will have expended from the tax fund approximately \$4.4 million on projects, including:

1. Lemur and marmoset exhibits
2. Retrofitting of the railroad's steam engine
3. New maintenance facilities
4. Remodelled penguinarium
5. The Alaska Tundra exhibit

In addition, the Cascades Stream and Pond Building and the Swigert Fountain were built from private donations from the Schamoni estate and Mrs. Christine Swigert, respectively. Capital funds carried over from the five-year levy are reserved for Phase I of the Africa Bush exhibit.

Again, to help keep partially abreast with inflation, the Metro Council adjusted admission fees effective June 1, 1981. Fees are now \$2.00 for adults, 12 years through 64 years, and \$1.00 for youth, 5 through 11 years. Children under five are admitted free and senior citizens pay the same as youth. All people are admitted free after 3:00 p.m. on Tuesday afternoons. Improved operations, new special events such as the summer concerts, and new exhibits helped bring attendance to 715,707 by 1982-83.

To summarize, significant capital and operational improvements made at the Zoo from 1976-77 to 1982-83 have helped achieve the goals of:

1. Providing a unique, educational and recreational opportunity through which the public can see and experience wildlife in a naturalistic setting.
2. Contributing to the perpetuation of animals in the wild by: a) learning more about captive and wild animals; and b) educating the public regarding conservation.
3. Serving as a metropolitan cultural institution to enhance the quality of life in the metropolitan community.

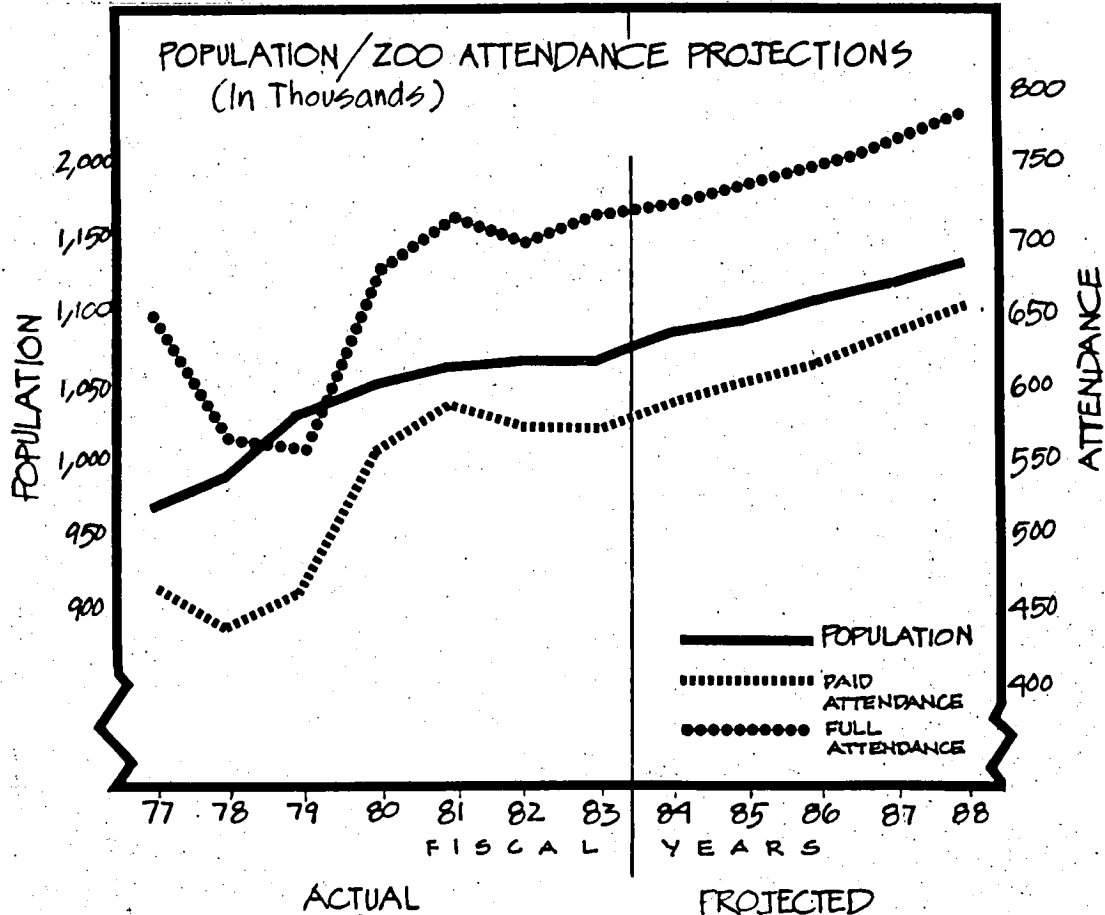
While much has been accomplished to enhance the Zoo and increase its benefit to the public, much remains to be done.

#### MAJOR ASSUMPTIONS

Renewal of a tax levy beginning July 1, 1984 requires a budget forecast to determine future revenues and expenditures. In order to achieve a reasonable forecast, a number of assumptions must be made concerning external factors as well as Metro's budgetary and fiscal policies. Discussed below are major assumptions which are used in developing expenditure projections and the mix of projected non-tax and property tax revenues.

##### A. Attendance

Attendance records were studied for the past seven years in order to develop a forecasting methodology for the next four years. Because a high correlation was found between historical population trends in Multnomah, Washington, and Clackamas Counties and Zoo paid attendance, population projections for these jurisdictions were used to forecast Zoo paid attendance. Actual paid and full attendance may be a function of many factors: weather, regional and local tourism promotions, new exhibits, animal births, special events, such as Zoo concerts, and the cost of other forms of recreation--just to mention a few. Predicting future changes in these factors, however, is very difficult. So the forecasting approach selected was a necessarily simplistic one which focuses on the single factor of regional population that has shown high correlation to Zoo attendance. The historical trends, population/attendance trends and projections are shown in the figure below:



Full attendance figures are derived from paid attendance projections assuming a constant 80 percent/20 percent split between paid and non-paid attendance. The figure shows full attendance increasing from 720,000 in 1983-84 to 780,000 in 1987-88. It should be noted that variables such as those listed earlier could significantly affect these forecasts plus or minus. It is our judgment, however, that the forecasts are prudent for projection purposes.

B. Admission Fees

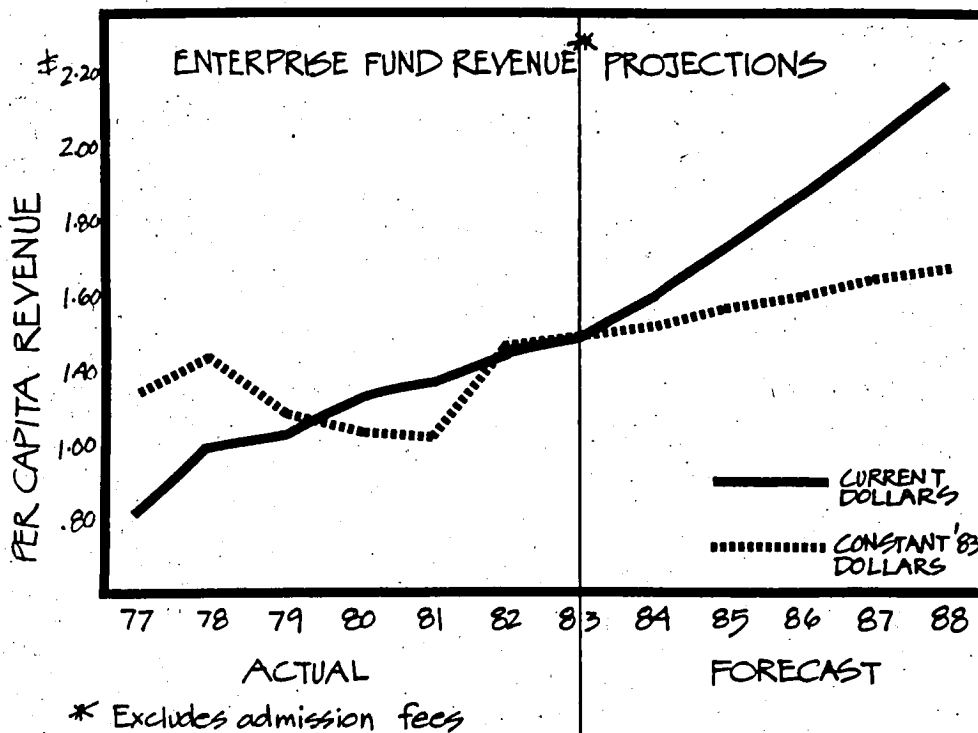
Admission fee revenue forecasts are based on the following preliminary schedule of fee increases:

<u>Effective Date</u>	<u>Adults</u>	<u>Youth</u>
Current Fee	\$2.00	\$1.00
January 1, 1985	\$2.50	\$1.25
January 1, 1987	\$3.00	\$1.50

It is assumed that full and half price admissions will remain at the historical 2:1 ratio.

C. Per Capita Enterprise Revenues Excluding Admissions

Per capita revenues for food, gifts, railroad and other services were analyzed on a constant dollar basis to establish what real growth has been in the past several years. Based on that analysis real growth of 2.5 percent per year was added to a projected average inflation rate of 5.5 percent to project actual per capita enterprise revenues for the period 1983-84 to 1987-88:



Total enterprise revenues include admissions revenue plus the per capita revenues multiplied by projected total attendance.

D. Inflation

Based on a review of local and national economic trends, an inflation factor of 5.5 percent has been built into expenditure projections.

E. Personal Services

Expenditure forecasts for personnel were based on the current level of staffing plus new positions that will be

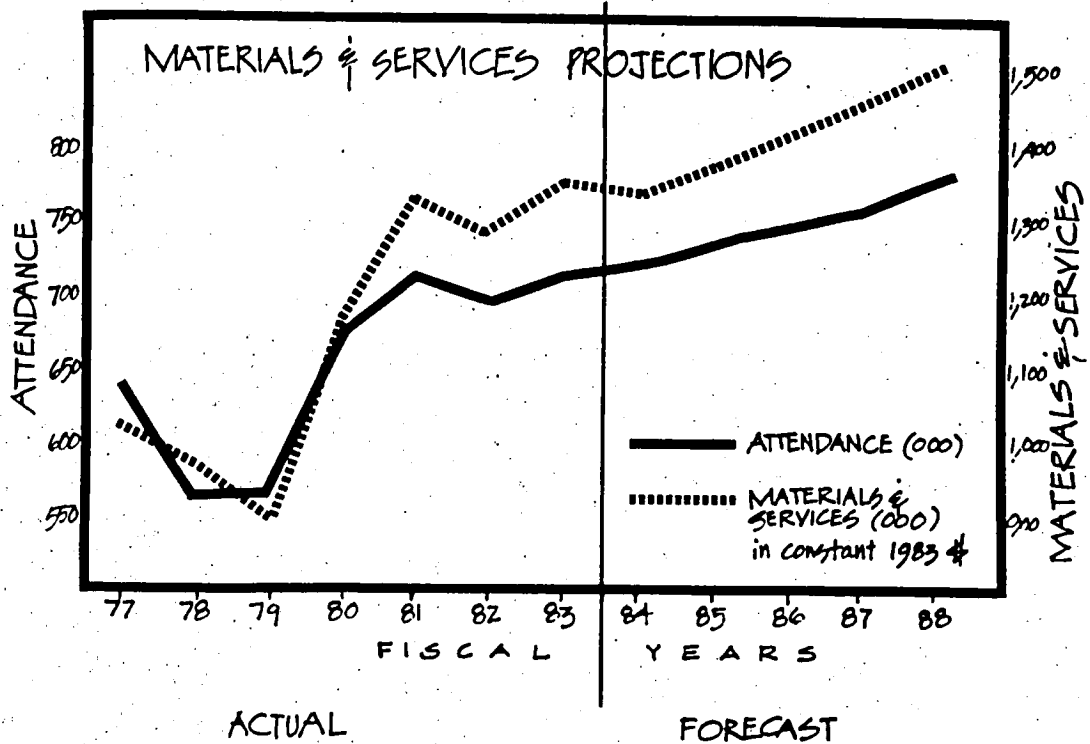
required for increasing workloads. An important new position proposed for this year is that of Maintenance Foreman. The addition of this person will allow the Buildings and Grounds Manager to assume responsibility for construction management, including developing specifications and bid documents, contracts and schedules for capital projects. A significant part of the cost for this change will be offset by the deletion of funds previously used to purchase this service from a consultant.

Zoo developments will affect staffing needs in other divisions as well. More naturalistic exhibits and an increase in the species of animals in the collection will necessitate additional animal keepers. An additional position is planned for 1985-86 in connection with the Africa Bush project. With increasing attendance and new public facilities, there will also be a need for additional maintenance and visitor services personnel. Two maintenance positions are planned for 1984-85 and a new gardening position is added during 1985-86. Visitor services staffing requirements are linked directly to attendance and special event levels. Projected costs are based on the attendance forecasts. No new full-time positions are projected for fiscal years 1987 and 1988. In summary, it is projected that five full-time employees will be added to the staff during the ensuing four and one-half years plus 3.4 full-time equivalents in visitor services or a total FTE of 8.4.

It is anticipated that new facilities, coupled with more varied services and events, will keep patrons in the Zoo longer and aid in achieving the enterprise revenues necessary to meet these costs.

F. Materials and Services

For the past several years, actual expenditure for materials and services have run an average of six percent under budget, helping to create an accumulating surplus. To remedy this historical under-expenditure, the 1983-84 materials and services budget has been reduced seven percent. This reduction was further supported by an analysis of operating expenditures which revealed a close correlation between historical attendance and expenditures for materials and supplies, thereby allowing a baseline forecast of these expenditures through attendance projections, as shown below:



This basic materials and services budget was modified assuming a 5.5 percent annual rate of inflation and an anticipated increase in costs over the next four years as new exhibits are completed and programs added. Major increases will occur in landscaping, utilities, and animal foods as the collection expands due to new exhibits. Election costs will also boost the projected budgets for 1983-84, 1985-86, and 1986-87. If for some reason attendance were to decline, enterprise revenues would also decrease as would costs associated directly with visitor services such as merchandise for resale.

G. Capital Outlay

The Zoo's capital outlay budget increased significantly after 1978-79 to remedy deferred facility maintenance. To date actual expenditures have not kept pace with the budget. With the proposed increase in contract management capability, the Zoo plans to carry out the proposed facility maintenance improvements contained in Exhibit C.

H. Policy Assumptions

The following policy assumptions are incorporated in the Zoo Budget forecast for the next four fiscal years:

1. In accordance with the Master Plan, the Council will approve the design and construction of Phase I of the Africa Bush exhibit, and request voter approval of funds sufficient to remodel the West Bear Grotto, and complete Phase II of Africa Bush;
2. That property taxes collected will fund approximately fifty percent of operation and maintenance costs (personal services, materials and services, capital outlay, and the transfer to the General Fund). Conversely, that non-property tax revenues--principally enterprise revenues--will fund the other approximately fifty percent of these same costs and that the Council will annually review admission fees to meet this objective. The table below shows the non-tax revenues as a percent of operations and maintenance as found in the projections. Estimated tax collections are not shown because projected over-collections in the early years of a three-year levy distort the percentages over 100%.

<u>Projections</u>	<u>FY 1983-84</u>	<u>FY 1984-85</u>	<u>FY 1985-86</u>	<u>FY 1986-87</u>	<u>FY 1987-88</u>
Operation & Maintenance Costs	4,976,118 100.0%	5,324,809 100.0%	5,878,772 100.0%	6,330,185 100.0%	6,681,695 100.0%
Non-Tax Revenue*	2,367,258 47.4%	2,586,665 48.6%	2,876,419 48.9%	3,177,689 50.2%	3,498,654 52.4%

\*Excludes Fund-Balance

3. That the Zoo's budget will provide for an unappropriated balance of \$600,000 each year to assure cash flow from July 1 to tax collection time in November and that the budget will also provide a contingency line item equal to 3% of projected operating costs excluding the General Fund transfer. While the contingency is listed, it is assumed not to be spent and is included in the following year's fund balance;



4. That revenue in excess of operating needs will be transferred to the Capital Improvement Fund to assist with the implementation of the Zoo Master Plan.

#### FIVE-YEAR OPERATING NEEDS

The five year needs for operating the Zoo are shown in Tables I and II. Table I provides a summary of the expenditure requirements for the Zoo's six operating divisions--Administration, Animal Management, Buildings and Grounds, Visitor Services, Education Services, and Public Relations, while Table II summarizes the actual and projected resources for operating the Zoo. Detailed information on requirements and resources is provided in Exhibits A and B, respectively.

#### Expenditures

Personal Services. As indicated in Table I, Personal Services is the largest item of expenditure for operating the Zoo, constituting approximately 55% of the four principal expenditure categories. It is projected that personal service expenditures will increase at an annual rate of 7.3 percent in the four years from the FY 1983-84 (current year budget) to FY 1987-88. The projected increase is attributable to the projected inflation rate of 5.5 percent and new positions necessary to staff new exhibits and provide services to the increased number of visitors who are staying at the Zoo longer, as identified in the discussion on assumptions.

As a measure of comparison, the annual rate for personal expenditure increases in the four years prior to 1983-84 was 12.7 percent, reflecting a higher period of inflation.

Materials and Services. Materials and Services expenditures are the second largest item in operating the Zoo. This category constitutes approximately 33% of the operating budget. Materials and Services costs are projected to increase from \$1,532,951 as budgeted in FY 1983-84 to 1,953,886 in FY 1987-88. The increase in Materials and Services from FY 1983-84 to FY 1987-88 is projected to be 6.25 percent per year, reflecting for the most part projected inflation, plus incremental increases for new exhibits and merchandise for resale.

Capital Outlay. The largest percentage increase of any expenditure category is for the purchase of capital items

including routine facility maintenance. It is projected that expenditures for Capital Outlay will increase from \$276,066 in FY 1983-84 to \$557,869 in FY 1987-88. This substantial increase primarily reflects the necessary facility maintenance schedule listed in Exhibit C. However, even in FY 1987-88 capital outlay is less than 10 percent of the operating budget, so the actual dollar increases in planned maintenance projects do not have a large budgeting impact.

Transfer to the General Fund. This category of expenditure is for the purchase of services from the District's support service departments and the Zoo's proportionate share of the costs of the Council and Executive Officer which are budgeted in the General Fund. Included in support services are budget, accounting, personnel, data and word processing, and printing. The General Fund transfer is based on the annual preparation of a Cost Allocation Plan which distributes central service costs to the direct service departments. These costs are based on the present allocation policy and projected to increase according to anticipated inflation at a rate of 5.5% annually. Actual future costs could vary plus or minus if the policy is modified. For example, if general government functions were given their own source of funding, the transfer would decrease.

### Revenue

Table II shows actual and projected operating revenue for the Zoo from FY 1982-83 to FY 1987-88. To support the expenditures projected in Table II, it is anticipated the Zoo's enterprise revenues (admissions, food sales and concessions and railroad fees) will increase from \$2,157,614 in 1983-84 to \$3,318,464 for 1987-88. Although part of this increase will come as a result of the number of Zoo visitors increasing from 720,000 to 780,000 during this same period, it will be necessary for the Zoo to adjust the prices charged for its services, including admission fees. The Council should review admission fees annually but it should be noted that admission revenue projections are based on an increase in fees on January 1, 1985 and on January 1, 1987.

The tax figures shown in Table II are the amounts required to balance the projected budgets. To achieve these amounts will require about a 3 million dollar levy per year with savings from the first years' overcollection being used to compensate for the undercollection the third year. Also,

as indicated in Table II, \$200,000 of the projected 1983-84 ending fund balance will be carried forward to 1986-87 to make up the difference between the amount of funds actually needed and the amount projected to be collected from a \$3,000,000 dollar per year levy.

#### ZOO MASTER PLAN AND SHORT RANGE CAPITAL NEEDS

To serve as a guide in making decisions for the Zoo's future operations and capital improvements, the Metro Council in February 1983, approved the preparation of a Zoo Master Plan. That plan was adopted on December 20, 1983 and contains schedules and schematics for construction projects over the next 13 years. While the Metro Council will develop an overall strategy for implementing the Master Plan, several projects are suggested below to facilitate the possibility of resubmitting a three-year serial levy combining operation and capital needs. The major projects projected to be built during the next three years include:

1. Phase I of the Africa Bush exhibit which will include, in addition to the animal exhibits, a new main food facility, improvements to the concert lawn area, and a train station at the train loop near the food facility. This project will be financed with funds carried forward from the current year capital budget;
2. Remodel of the West Bear Grotto including a new underwater viewing enclosure for the polar bears to be financed primarily from new tax revenues; and
3. Phase II of the Africa Bush exhibit to be financed entirely from new tax revenues.

As indicated above, a significant portion of the projected three-year capital expenditure will be financed with funds carried forward in the Capital Improvement Fund. The projected Capital Fund balance at the end of the current fiscal year is \$4,440,483 as indicated below. Also shown below are the projected revenues and expenditures for the Capital Fund for the years 1984-85, 1985-86 and 1986-87.

The capital improvement projects suggested for the next three years will require a total of approximately \$10,860,000. Tax collections over the three years totalling approximately \$5,800,000 will enable the projects to be completed and provide sufficient funds for additional minor capital improvements during the three year period.

CAPITAL IMPROVEMENT PROJECTIONS

<u>RESOURCES</u>	<u>FY 1983-84 Budgeted</u>	<u>FY 1984-85 Projected</u>	<u>FY 1985-86 Projected</u>	<u>FY 1976-87 Projected</u>
Fund Balance	\$3,186,781	\$4,440,483	\$3,227,700	\$1,458,165
Interest	307,995	319,000	203,000	74,000
Current Taxes	2,093,000	1,800,000	1,800,000	1,800,000
Prior Year Taxes	138,000	164,000	126,400	128,560
Donations	100,000	---	---	---
Bond Reimbursement	785,459	---	---	---
Federal Grant	76,000	---	---	---
Transfer from Zoo Operating	<u>1,124,072</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>TOTAL RESOURCES</b>	<b><u>\$7,811,307</u></b>	<b><u>\$6,723,483</u></b>	<b><u>\$5,357,100</u></b>	<b><u>\$3,460,725</u></b>
 <u>REQUIREMENTS<sup>a</sup></u>				
Alaska Tundra	\$2,039,757	\$ 263,483	\$ ---	\$ ---
West Bear Grotto	489,000	2,077,300	---	---
Africa Bush I	---	1,055,000	2,716,435	617,000
Africa Bush II	---	---	1,082,500	2,743,725
Miscellaneous Improvements	<u>842,067<sup>b</sup></u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
<b>TOTAL REQUIREMENTS</b>	<b><u>\$3,370,824</u></b>	<b><u>\$3,495,783</u></b>	<b><u>\$3,898,935</u></b>	<b><u>\$3,460,725</u></b>
 <b>ENDING FUND BALANCE</b>	 <b>\$4,440,483</b>	 <b>\$3,227,700</b>	 <b>\$1,458,165</b>	 <b>\$ -0-</b>

<sup>a</sup> Project costs are those found in the Master Plan inflated at the rate of 5.5% per year.

<sup>b</sup> Includes concluding expenditures for the Penguinarium, Elephant Museum, Lemur Island, Sculpture Fountain, Sculpture Garden, Visitor Service Improvements, Dinosaur Park, Stream and Pond, and Master Plan.

TAX OPTIONS

The District has several ad valorem taxing options to continue Zoo operations and implement the Master Plan. All options require Council action and submission of a measure or measures to the voters for their approval. For operations, the principal options are either submittal of a tax base levy or a serial levy.

The tax base option can either be submitted by the Council for voter approval as a general Metro tax base or the Council can create a special Zoo Service District and submit a tax base request as the governing body of the Zoo District. The latter approach is more restrictive in that proceeds from the tax base levy could be spent only on activities of the Zoo District. Exhibit D attached discusses the legal authority and procedure for forming a Metro Zoo Service District.

The serial levy option can be used to fund both operating activities and capital construction needs. For operating purposes, the serial levy cannot exceed three years, and for capital purposes, a levy is limited to ten years duration. Another funding option for capital improvements could be a general obligation bond measure with debt service to be paid wholly or in part by a tax levy.

There are two options for an operating serial levy. One option is to submit to the voters a specific dollar amount for each of the years requested. The other option is to submit a tax rate in dollars per thousand of assessed valuation for each of the years requested. The rate levy option requires a certainty of knowledge concerning future projections of the assessed valuation in the District since the rate (dollars/thousand of assessed value) is multiplied by the total assessed value in the District in any given year to determine the amount collected. As indicated below, the District's tax rate for the Zoo has been declining in the past three years because the levy was constant and assessed values have increased.

	<u>FY 1981-82</u>	<u>FY 1982-83</u>	<u>FY 1983-84</u>
Tax Levy	\$5,000,000	\$5,000,000	\$5,000,000
Assessed Valuation	25.8 Billion	27.5 Billion	29.7 Billion
Tax Rate (\$/1,000 AV)	.20	.19	.17

Two factors make it difficult to project with certainty future growth in assessed valuation for determining a rate based levy. One factor is the requirement for growth in assessed valuation to be averaged on a statewide basis. At present, assessed valuation of real property cannot exceed 5% statewide. Appraisals

Metro Council  
January 16, 1984  
Page 14

made locally (on a county basis) are sent to the Department of Revenue to be averaged prior to determining local assessed valuation. This system means that growth in assessed valuation in other parts of the state can impact the growth of valuation locally (within the District's boundary). Officials of the Tax Supervising and Conservation Commission have estimated a rate for the next three years (assuming a \$5,000,000 levy per year) ranging between \$.14 and \$.17 per \$1,000 assessed valuation.

0403C/361  
DEC/AMR/ef

## EXHIBIT A

## ZOO OPERATING FUND--DETAILED EXPENDITURE PROJECTIONS

	FY 82-83 Actual	FY 83-84 <sup>a</sup> Budgeted	FY 84-85 <sup>b</sup> Projected	FY 85-86 <sup>b</sup> Projected	FY 86-87 <sup>b</sup> Projected	FY 87-88 <sup>b</sup> Projected
<b>ADMINISTRATION</b>						
Personal Services	205,797	218,722	230,752	243,443	256,832	270,958
Materials and Services	164,779	264,300 <sup>c</sup>	194,065	271,522 <sup>c</sup>	303,881 <sup>c</sup>	230,358
Capital Outlay	4,005	4,617	4,871	5,139	5,422	5,721
Division Sub-Total	374,581	487,639	429,688	520,104	566,135	507,037
<b>ANIMAL MANAGEMENT</b>						
Personal Services	949,440	1,004,296 <sup>d</sup>	1,062,576	1,150,005 <sup>i</sup>	1,216,781	1,287,417
Materials and Services	216,691	191,300	219,860	249,207	262,915	283,568
Capital Outlay	9,601	19,400	21,100	22,261	23,485	24,777
Division Sub-Total	1,175,732	1,214,996	1,303,536	1,421,473	1,503,181	1,595,762
<b>BUILDINGS AND GROUNDS</b>						
Personal Services	631,090	645,909 <sup>e</sup>	759,961 <sup>g</sup>	828,581 <sup>j</sup>	876,504	927,186
Materials and Services	492,021	516,199	549,865	586,010	621,061	658,810
Capital Outlay	184,344	224,600	251,829	341,923	419,912	494,541
Division Sub-Total	1,307,455	1,386,708	1,561,655	1,756,514	1,917,477	2,080,537
<b>EDUCATIONAL SERVICES</b>						
Personal Services	268,954	303,563 <sup>f</sup>	321,314	340,101	359,982	381,018
Materials and Services	60,702	65,000	64,461	69,008	72,803	78,046
Capital Outlay	1,791	2,000	2,110	2,226	2,349	2,478
Division Sub-Total	331,447	370,563	387,885	411,335	435,134	461,542
<b>PUBLIC RELATIONS</b>						
Personal Services	71,499	73,001	84,756 <sup>h</sup>	92,170 <sup>h</sup>	98,228	104,723
Materials and Services	61,485	88,167	93,016	98,133	112,258 <sup>k</sup>	115,418
Capital Outlay	228	2,949	2,110	2,226	2,349	2,478
Division Sub-Total	133,212	164,117	179,882	192,529	212,835	222,619
<b>VISITOR SERVICES</b>						
Personal Services	458,444	503,330	541,338	579,674	627,975	675,502
Materials and Services	368,203	407,985	454,747	504,316	546,339	587,686
Capital Outlay	17,720	22,500	23,738	25,043	26,421	27,874
Division Sub-Total	844,367	933,815	1,019,823	1,109,033	1,200,735	1,291,062
<b>SUB-TOTAL--ALL DIVISIONS</b>	4,166,794	4,557,838	4,882,469	5,410,988	5,835,497	6,158,559
<b>CONTINGENCY</b>	0	136,735	146,474	162,330	175,065	184,757
<b>SUB-TOTAL</b>	4,166,794	4,694,573	5,028,943	5,573,318	6,010,562	6,343,316
<b>TRANSFER TO GENERAL FUND</b>	389,252	418,280	442,340	467,784	494,688	523,136
<b>SUB-TOTAL</b>	4,556,046	5,112,853	5,471,283	6,041,102	6,505,250	6,866,452
<b>UNAPPROPRIATED BALANCE--UNRESERVED</b>	2,050,667	600,000	600,000	600,000	600,000	600,000
<b>UNAPPROPRIATED BALANCE--RESERVED</b>	0	200,000 <sup>l</sup>	401,000 <sup>l</sup>	272,391 <sup>l</sup>	0	0
<b>TOTAL EXPENDITURE</b>	6,606,713	5,912,853	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Figures have been adjusted down for M&S in 1983-84 base period.

<sup>b</sup> Assume inflation at 5.5% per year for projections.

<sup>c</sup> Includes cost for tax elections.

<sup>d</sup> Keeper added for additional work at Penguin and Alaska Tundra Exhibit

<sup>e</sup> Buildings & Grounds Manager assumes responsibility for construction management; adds Maintenance Foreman.

<sup>f</sup> Volunteer Coordinator becomes full-time.

<sup>g</sup> Adds two maintenance workers.

<sup>h</sup> Information Assistant made full-time.

<sup>i</sup> Adds Keeper for additional work in Africa Bush.

<sup>j</sup> Adds Gardener.

<sup>k</sup> Costs associated with AAZPA Conference.

<sup>l</sup> Reserve to balance budget in 1986-87.

EXHIBIT B  
ZOO OPERATING FUND--DETAILED REVENUE PROJECTIONS

	FY 82-83 Actual	FY 83-84 Budgeted	FY 84-85 Projected	FY 85-86 Projected	FY 86-87 Projected	FY 87-88 Projected
ATTENDANCE PROJECTIONS	715,707	720,000	734,000	745,000	765,000	780,000
REVENUE CATEGORIES						
FUND BALANCE--UNRESERVED	1,412,106	726,595 <sup>a</sup>	739,618 <sup>b</sup>	746,474 <sup>b</sup>	762,330 <sup>b</sup>	775,065 <sup>b</sup>
FUND BALANCE--RESERVED	0	200,000 <sup>f</sup>	200,000 <sup>f</sup>	401,000 <sup>f</sup>	272,391 <sup>f</sup>	0
ENTERPRISE REVENUE						
Admissions	944,341	961,900	1,103,202 <sup>d</sup>	1,244,150	1,405,305 <sup>e</sup>	1,563,120
Food Concessions/Vending	665,428	694,440	766,850	845,625	945,055	1,041,768
Gift Shop	207,930	230,400	264,200	305,400	351,900	397,800
Railroad	218,517	223,200	234,900	238,400	244,800	257,400
Stroller Rentals	13,636	14,400	14,700	14,900	15,300	15,600
Sale of Animals	581	15,000	10,000	20,000	10,000	20,000
Education Fees	13,756	16,054	16,936	17,868	18,851	19,888
Miscellaneous Enterprise	535	2,220	2,370	2,526	2,698	2,888
PROPERTY TAX	2,703,346	2,619,000	2,946,000 <sup>c</sup>	2,889,600 <sup>c</sup>	2,892,840 <sup>c</sup>	3,192,733
INTEREST INCOME	147,489	113,644	90,024	100,221	93,022	85,776
DONATIONS	60,213	52,000	54,263	57,877	61,061	64,419
GOVERNMENT GRANTS	53,628	40,000	25,000	25,000	25,000	25,000
MISCELLANEOUS INCOME	165,207	4,000	4,220	4,452	4,697	4,995
TOTAL REVENUE	6,606,713	5,912,853	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Reduced \$1,124,072 being transferred to Capital Fund.

<sup>b</sup> Includes previous year unappropriated balance plus Contingency.

<sup>c</sup> Property tax collected from \$3 million levy plus prior year's collection

<sup>d</sup> Assumes 25% fee increase effective 1/1/85.

<sup>e</sup> Assumes 20% fee increase effective 1/1/87.

<sup>f</sup> Fund balance reserved to balance budget in 1986-87.



TABLE I

## ZOO OPERATING FUND REQUIREMENTS--SUMMARY

CATEGORY	1982-83 Actual	1983-84 Budgeted	1984-85 <sup>f</sup> Projected	1985-86 <sup>f</sup> Projected	1986-87 <sup>f</sup> Projected	1987-88 <sup>f</sup> Projected
Personal Services	2,585,223	2,748,821	3,000,697 <sup>h</sup>	3,233,974 <sup>i</sup>	3,436,302	3,646,804
Materials and Services	1,363,881	1,532,951 <sup>d</sup>	1,576,014	1,778,196 <sup>d</sup>	1,919,257 <sup>d</sup>	1,953,886
Capital Outlay	217,690	276,066	305,758	398,818	479,938	557,869
Transfer to General Fund	389,252	418,280	442,340 <sup>g</sup>	467,784	494,688	523,136
SUB-TOTAL (Operating and Maintenance Costs)	4,556,046	4,976,118	5,324,809	5,878,772	6,330,185	6,681,695
Contingency	0	136,735 <sup>b</sup>	146,474	162,330	175,065	184,757
Ending Unappropriated Balance--Unreserved	2,050,667 <sup>a</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>
Ending Unappropriated Balance--Reserved	0	200,000	401,000	272,391	0	0
TOTAL REQUIREMENTS	6,606,713	5,912,853 <sup>c</sup>	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Assumes that \$1,124,072 of this balance will be transferred to capital improvement fund during FY 1983-84.

<sup>b</sup> Assumes the 1983-84 contingency will be reduced from \$359,148 to \$136,735 and that thereafter it amounts to 3% of division operating costs.

<sup>c</sup> The figures for fiscal year 1983-84 have been revised downward in materials and services and the contingency to reduce previous underexpenditures and upward in personal services to provide for increased level of construction management.

<sup>d</sup> Election costs included in materials and services.

<sup>e</sup> Assumes a balance forward of approximately six weeks operating costs to assure cash flow from July 1 to tax collections in November.

<sup>f</sup> Assumes an inflation rate of 5.5% annually from 1983-84 to 1987-88.

<sup>g</sup> Assumes the transfer to the General Fund will continue as at present subject only to inflationary increases.

<sup>h</sup> Includes additional maintenance staff.

<sup>i</sup> Includes additional animal keeper and gardener.

TABLE II

## ZOO OPERATING FUND RESOURCES--SUMMARY

CATEGORY	1982-83 Actual	1983-84 Budgeted	1984-85 Projected	1985-86 Projected	1986-87 Projected	1987-88 Projected
Attendance Projections	715,707	720,000	734,000	745,000	765,000	780,000
Beginning Fund Balance--Unreserved	1,412,106	726,595 <sup>a</sup>	739,618 <sup>c</sup>	746,474 <sup>c</sup>	762,330 <sup>c</sup>	775,065 <sup>c</sup>
Beginning Fund Balance--Reserved	0	200,000 <sup>e</sup>	200,000 <sup>e</sup>	401,000 <sup>e</sup>	272,391 <sup>e</sup>	0
Enterprise Revenue	2,064,724	2,157,614	2,413,158 <sup>d</sup>	2,688,869 <sup>d</sup>	2,993,909 <sup>d</sup>	3,318,464 <sup>d</sup>
Property Taxes	2,703,346	2,619,000	2,946,000	2,889,600	2,892,840	3,192,733
All Other	426,537	209,644	173,507	187,550	183,780	180,190
TOTAL RESOURCES	6,606,713	5,912,853 <sup>b</sup>	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Assumes \$1,124,072 from 1983-84 revenues being transferred to capital improvements to provide funds for Africa Bush Phase I.

<sup>b</sup> Revenue figures have been adjusted in conformance with mid-year budget.

<sup>c</sup> Assumes fund balance equals previous year's unappropriated balance plus the contingency.

<sup>d</sup> Assumes enterprise revenues, excluding admissions, will increase at a per capita rate of about 8% per year and that admission fees will change as follows:

January 1985: Adults = \$2.50  
Youth = \$1.25

January 1987: Adults = \$3.00  
Youth = \$1.50

<sup>e</sup> Funds reserved to balance the budget in 1986-87.

## MAINTENANCE BUDGET

ZOO CAPITAL REPLACEMENT PROGRAM  
BUILDINGS AND GROUNDS

YEAR/COST \$ X 1000

ITEM	1983-84	1984-85	1985-86	1986-87	1987-88	TOTAL
VEHICLE IMPROVEMENT/REPLACEMENT	10.0	25.1	30.0	35.0	40.0	140.1
OFFICE FURNITURE/ EQUIPMENT	4.0	4.5	5.0	5.5	10.0	29.0
OUTDOOR FURNITUE/EQUIPMENT	5.0	5.0	5.0	10.0	10.0	35.0
TOOLS AND EQUIPMENT	5.0	5.5	6.0	6.5	7.0	30.0
TRAIN IMPROVEMENT/REPLACEMENT	28.4	30.0	32.0	34.0	36.0	160.4
TRACK IMPROVEMENT/REPLACEMENT	10.0	10.0	10.0	15.0	15.0	60.0
ADMINISTRATION BUILDING						
EXTERIOR UPGRADE				25.0		25.0
REROOF			10.0			10.0
INTERIOR FINISHES	15.0	5.0	2.0		5.0	27.0
HVAC UPGRADE				10.0		10.0
LIGHTING UPGRADE		5.0				5.0
TICKETING/CONCESSION KIOSKS						
REFINISHING	1.7			5.0		6.7
AIR CONDITIONING		3.0				3.0
TIGER TERRACE/GIFT SHOP						
INTERIOR FINISHES/PAINTING	3.0			15.6	25.0	43.6
ROOF REPAIR		2.0				2.0
HANDICAP ACCESS		2.0				2.0
NEW FLOOR COVERING			5.0			5.0
REPAIR FLOOR DRAINS	2.0					2.0
UPGRADE ELECTRICAL			5.0			5.0
EDUCATION OFFICES						
INTERIOR REMODEL	15.0					15.0
INSULATION	8.0					8.0
ROOF REPLACEMENT	10.0			2.0		12.0
HVAC UPGRADE	25.0					25.0
RAILROAD ROUNDHOUSE						
OFFICE INSTALLATION		5.0				5.0
RESTROOM INSTALLATION			10.0			10.0
LIGHTING UPGRADE		5.0				5.0
FLOOR LEVELING				15.0		15.0
HVAC UPGRADE		5.0				5.0
CHILDREN'S ZOO & NURSERY						
PAINTING				5.0		5.0
REROOF		5.0				5.0
HVAC UPGRADE				10.0		10.0
UPGRADE ELECTRICAL		2.0				2.0
MEETING CENTER						
ACCESS FROM OUTSIDE ZOO	10.0					10.0
ROOF REPAIRS	1.0			3.0		4.0
INTERIOR REMODEL				15.0		15.0

MAINTENANCE BUDGET

ZOO CAPITAL REPLACEMENT PROGRAM  
BUILDINGS AND GROUNDS

ITEM	YEAR/COST X 1000					TOTAL
	1983-84	1984-85	1985-86	1986-87	1987-88	
QUARANTINE BUILDING						
REPLACE LOADING DOCK					25.0	25.0
RESEARCH CENTER						
EXTERIOR REFINISH			30.0			30.0
INTERIOR REFINISH	2.0	2.0	10.0			14.0
STORM WINDOWS				20.0		20.0
SOUTH SIDE AWNINGS			8.0			8.0
WEATHERIZE			2.0			2.0
UPGRADE FLOOR DRAINAGE			3.0			3.0
REPAIR WATER DAMAGE		10.0				10.0
UPGRADE HVAC				10.0		10.0
FELINE HOUSE						
KEEPER AREA REMODEL		2.0		3.0		5.0
REFINISH EXTERIOR					20.0	20.0
REMOVE N.C. HOLDING WINDOWS				20.0		20.0
REROOF NIGHT COUNTRY			3.0			3.0
REROOF REMAINING BUILDING				5.0		5.0
MOVE DARKROOM				5.0		5.0
EAST BEAR GOTTOS						
PAINT BARS IN MOAT		1.0				1.0
EXTERIOR REFINISH					15.0	15.0
ROOF REPAIRS			5.0			5.0
ELEPHANT BUILDING						
REPAINT					10.0	10.0
INSULATION/WEATHERIZATION			2.0		10.0	12.0
ROOF REPAIR	2.5			5.0	5.0	12.5
FASCIA REPAIR	1.0					1.0
REPLACE BROKEN WINDOWS	2.0					2.0
RESURFACE FLOORS			15.0			15.0
IMPROVE FLOOR DRAINAGE			10.0			10.0
REMODEL RESTROOMS					10.0	10.0
UPGRADE LIGHTING	2.0					2.0
BANDSHELL						
REPAINT					5.0	5.0
AUTOMATIC SPRINKLER SYSTEM				10.0		10.0
ADD HEATING	1.0					1.0
ADD RAILING AT STAGE	2.0					2.0
ADD FRONT STAGE AREA	2.0					2.0
PRIMATE HOUSE						
REPAINT					20.0	20.0
INSULATION				10.0		10.0
REROOF		10.0			15.0	25.0
UPGRADE FLOOR DRAINAGE			10.0			10.0
FINISH CHIMP INTER. ROOMS	3.0	5.0				8.0

MAINTENANCE BUDGET

ZOO CAPITAL REPLACEMENT PROGRAM  
BUILDINGS AND GROUNDS

ITEM	YEAR/COST X 1000					TOTAL
	1983-84	1984-85	1985-86	1986-87	1987-88	
HOOF STOCK SHELTERS						
ELAND BARN RENOVATIONS	2.0					2.0
ROOF REPAIRS	1.0					1.0
GIRAFFE BARN						
ROOF REPAIRS			2.0			2.0
MAINTENANCE COMPLEX						
REPAINT					5.0	5.0
REROOF ELECTRICAL SHOP			2.0			2.0
PLANT STORAGE			10.0			10.0
MANURE STORAGE			5.0			5.0
COMMISSARY						
REPAINT INTERIOR/EXTERIOR					10.0	10.0
WEATHERIZE			1.2		5.0	6.2
REROOF			3.0		15.0	18.0
REPAIR CONCRETE FLOOR					10.0	10.0
REDUCE SIZE OF FREEZER			25.0			25.0
UPGRADE GRAPHICS AREA			10.0		4.0	14.0
EMPLOYEE PARKING LOT						
ADD LIGHTING					2.0	2.0
PAVE		10.0			20.0	30.0
FENCE		3.7				3.7
PERIMETER FENCE UPGRADE	5.0	5.0	5.0	7.0	20.0	42.0
WATER SYSTEM						
REPAIR LEAKS	2.0	2.0	12.0	5.0	10.0	31.0
RESTORE LOOP SYSTEM		10.0	6.7			16.7
MOVE WATER METER	10.0			27.3		37.3
GAS SYSTEM						
REPAIR AND REPLACE	2.0	2.0	10.0	5.0	15.0	34.0
ELECTRICAL SYSTEM						
REPLACE FEEDERS	10.0	10.0	10.0	15.0	25.0	70.0
RESTORE LOOP SYSTEM		10.0				10.0
UPGRADE PANELS	2.0	5.0	5.0	10.0	15.0	37.0
NEW SUBSTATION				25.0	25.0	50.0
EXTERIOR LIGHTING						
REWIRE FOR 480 VOLTS	5.0					5.0
INSTALL ENERGY EFFICIENT FIXTURES	5.0	5.0	5.0	7.0	8.0	30.0
ADD LIGHTS FOR SECURITY	5.0	5.0	5.0	7.0	8.3	30.3
ROADS						
RESURFACE AS NEEDED	5.0	5.0	5.0	10.0	10.0	35.0
WASHINGTON PARK STATION						
EXTERIOR/INTERIOR			2.0	2.0	4.2	8.2
BUILD RESTROOMS		30.0				30.0
YEARLY TOTAL \$ X 1000	224.6	251.8	341.9	419.9	494.5	1717.7

## MCEWEN, HANNA, GISVOLD, RANKIN &amp; VANKOTEN

(FOUNDED AS CAKE &amp; CAKE-1886)

ATTORNEYS AT LAW

SUITE 1408

STANDARD PLAZA

1100 S W SIXTH

PORTLAND, OREGON 97204

AREA CODE 503  
TELEPHONE 226-7321RALPH H CAKE  
(1891-1973)  
NICHOLAS JAUREGUY  
(1896-1974)HERBERT C. HARDY  
OF COUNSELDONALD W MCEWEN  
JOSEPH J HANNA, JR.  
DEAN P GISVOLD  
ROBERT D RANKIN  
VICTOR W VANKOTEN  
JANICE M STEWART  
DIANE M HICKEY  
DON G CARTER  
WARREN R SPENCER  
JAMES RAY STREINZ  
MICHAEL A HOLSTUN  
TIMOTHY R. STRADER

October 6, 1983

Mr. E. Andrew Jordan  
General Counsel  
Metropolitan Service District  
527 S.W. Hall Street  
Portland, OR 97201

Dear Andy:

This is to confirm our recent telephone conversations regarding your letter to Dean Gisvold of August 16, 1983, in which you requested that we provide a legal opinion as to whether Metro may establish a zoo service district pursuant to ORS 268.335. We will address each of the questions set forth in your letter in the order you raised them.

I. Authorized Functions of Metro Service Districts.

Your first question was whether ORS 268.335 permits the creation of service districts for any function authorized by ORS Ch. 268, or whether the function must be authorized both by ORS Ch. 268 and ORS Ch. 451. The statute does not provide a clear answer. It provides:

(1) A metropolitan service district may establish service districts as provided by ORS chapter 451 and this chapter . . . .

(2) Notwithstanding those districts authorized under ORS 451.010, a metropolitan service district may create service districts only for purposes authorized by this chapter.

There have as yet been no court cases or Attorney General's decisions interpreting this statute so as to answer the question you have posed. Further, the minutes of the committee hearings during the 1977 Legislature do not reflect that matter was even considered by the Legislature.

Mr. E. Andrew Jordan  
October 6, 1983  
Page Two

We have discussed the legislative intent with a number of people responsible in some degree for the legislation, including Fred Neal, who was legislative counsel and the principal drafter of the legislation. It is Fred's recollection that it was his intent that Metro could create a special service district for any of the purposes authorized in ORS Ch. 268, but that the procedures outlined in ORS Ch. 451 were to be followed. He believes that his testimony before the Senate Committee on Local Government and Elections may have addressed this issue. We have not yet traveled to the State Archives in Salem to listen to the tapes of the legislative hearings, but will do so if you would like us to confirm his recollection.

Dean Gisvold and I both agree that ORS 268.335 should be read to permit Metro to create a service district for any of the purposes authorized in ORS 268. ORS 268.335(1) simply refers to ORS Ch. 451 with respect to the procedure for the creation of such a service district, and ORS 268.335(2) simply limits the permissible functions of the service district to those stated in ORS 268.

Even if a court were to determine that the service district must be authorized both by ORS Ch. 268 and ORS Ch. 451, however, ORS 451.010(1)(d) permits the creation of service districts to provide public parks and recreation facilities. In our opinion, this language is broad enough to include a zoo service district.

## II. Boundary Commission and Voter Approval.

You also asked whether creation of a zoo service district would require the approval of a local government boundary commission or approval by the voters.

District formation and change of organization proceedings must be initiated, conducted and completed as provided by ORS 198.705 to 198.955. ORS 451.435(1). ORS 198.705 to 198.955 is the District Procedure Boundary Act. That statute provides: "Except as otherwise provided by ORS 199.410 to 199.519 [the local government boundary commission statute], all district formation or change of organization proceedings shall be initiated, conducted and completed as provided by ORS 198.705 to 198.955." (Emphasis added.) ORS 198.715(2). Thus, this statute recognizes the application of the local government boundary commission statute.

Mr. E. Andrew Jordan  
October 6, 1983  
Page Three

Other indications that the local government boundary commission statute applies are found in ORS 198.775(1) and (2), where costs which may be incurred by local government boundary commission are mentioned. Further, ORS 198.795 provides that the county board where the petition is filed has original and exclusive jurisdiction over a formation proceeding, "except as provided by ORS 199.410 to 199.519." Finally, ORS 199.476 provides that, "notwithstanding the principal Act," the filing agency must submit a petition for a major boundary change to the boundary commission if the proposed district is within the jurisdiction of that commission. A "major boundary change" clearly includes the formation of a district, ORS 199.415(12), and "district" includes both a metropolitan service district organized under ORS Ch. 268 and a county service district organized under ORS Ch. 451. ORS 199.420(3) and (7).

We conclude that boundary commission approval must be obtained for the creation of a zoo service district.

As the attached outline of the sequential steps involved in creation of a zoo service district indicates, voter approval is not required for the formation of a zoo service district. However, the statutes authorize referendum elections at several steps in the formation process. See ORS 198.810(2); ORS 451.487.

### III. Revenue Sources.

ORS 451.490 explicitly provides seven sources of funds to finance the construction, operation or maintenance of service facilities for a district. These include service or user charges in the district, connection charges, district ad valorem taxes and sale of bonds. Further, ORS 451.547 specifically authorizes a district to establish a tax base in accordance with Art. XI, § 11 of the Constitution of the State of Oregon. Pursuant to that constitutional provision, voter approval would be required for ad valorem taxation in the district.

### IV. Approval of Other Cities and Counties.

ORS 451.435(1) provides that no county or portion thereof may be included within a district which provides services in more than one county without the consent of the governing body of the affected county. Standing alone, this section would appear to require county approval of the creation of a Metro zoo service district. However, ORS 268.335 provides that for the purposes of ORS Ch. 451, metropolitan service districts shall be



Mr. E. Andrew Jordan  
October 6, 1983  
Page Four

considered a county. Since the zoo service district would not provide more than one county with services because the metropolitan service district is the only "county," in our opinion no approval of county governing bodies would be required for the creation of the zoo service district.

The same is not true for cities, however. ORS 199.462(2) provides:

Subject to any provision to the contrary in the principal Act of the affected district or city and subject to the process transfer of territory:

a. Territory within a city may not be included within or annexed to a district without the consent of the city council.

Further, ORS 198.720 provides that a petition seeking to incorporate territory within a city in a proposed district must contain a certified copy of a resolution of the governing body of the city approving the petition.

#### V. Metro Support Services.

You advised that currently the Zoo pays for Metro's support services, including legal, accounting, counsel expenses and administration, by means of interfund transfers. We have found no legal impediment to Metro's continued provision of such services to the zoo service district. The most probable means of providing such services would be pursuant to a contract entered into between the zoo service district and Metro.

#### VI. Metro Executive Officer's Role.

ORS 451.485 provides that the county court shall be the governing body of any service district established under ORS 451.410 to 451.600. Pursuant to ORS 268.335, the district council created by ORS 268.150 is considered the county court for purposes of ORS Ch. 451. Consequently, the Metro Board would be responsible for management of the Zoo. Its use of the executive officer to accomplish that end would be subject to the Board's discretion.

Finally, you have asked for an outline of the sequential process involved in the formation of a zoo service district. We have prepared such an outline, together with a best-case timeline, which is attached hereto.

MCEWEN, HANNA, GISVOLD, RANKIN & VANKOTEN

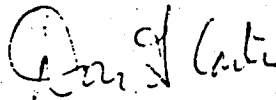
Mr. E. Andrew Jordan  
October 6, 1983  
Page Five

If you would like to discuss any of the matters contained herein in further detail, or after your review of this letter you have further questions, please do not hesitate to call.

Best wishes.

Very truly yours,

MCEWEN, HANNA, GISVOLD, RANKIN & VANKOTEN

  
Don G. Carter

DGC:tn  
Enclosure  
cc: Dean Gisvold

OUTLINE OF FORMATION OF ZOO SERVICE DISTRICT

Time Line - Day

I) Petition

A. Engineering Plans

1. Prior to initiation of formation of district, county court may cause engineering plans to be prepared. ORS 451.440(1).
2. If the district is formed, the district may be required to reimburse county for cost. ORS 451.440(2), ORS 198.845.

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B. Alternative Means of Initiating Formation

1. Petition

- a. Necessary elements set out in ORS 198.750.
- b. Petition must be signed by fifteen percent of registered voters or 100 registered voters, whichever is greater, resident in the territory subject to the petition, ORS 198.755(1)(a), or fifteen owners of the land or the owners of ten percent of the acreage in the proposed district, ORS 198.755(1)(b).
- c. Must be accompanied by bond. ORS 198.775

2. Order of County Board

- a. Applies if district is to be located entirely within one county. ORS 198.835.
- b. Since Metro is the county under ORS 268.335, this approach appears possible.

C. Petition Must Include Resolution of City Governing Bodies Approving It. ORS 198.720(1).

D. Petition is Filed With County Board. ORS 198.800.

II. Local Government Boundary Commission

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A. County Board Must File Petition With Boundary Commission Within Ten Days. ORS 199.476(1).

1. Filing with the Boundary Commission suspends the proceeding under the principal Act. ORS 199.476(2).

OUTLINE OF FORMATION OF ZOO SERVICE DISTRICT (Cont.)

Time Line - Day

2. Petition must be accompanied by an economic feasibility analysis and estimate of tax rate required. ORS 199.476(1).
- B. If the Boundary Commission Does Not Act Within 120 Days After Receiving the Petition, It is Considered Approved. ORS 199.476(2), (3).
- C. Boundary Commission Action
  1. Upon receipt of the petition, the commission must
    - a. Cause a study to be made of the proposal. ORS 199.461(1)(a).
    - b. Conduct one or more public hearings on the proposal. ORS 199.461(1)(b).
  2. Hearing
    - a. Notice of hearing must be published not more than 25 days nor less than 15 days before the hearing.
    - b. Hearing.
  3. Standards for review of commission as set out in ORS 199.462.
    - a. Commission must consider economic, demographic and other factors.
    - b. Territory within a city may not be included within a district without the consent of the city council.
  4. Commission may approve proposed boundary or modify it. ORS 199.461(3).
  5. Commission must file final order with Secretary of State, assessor and county clerk of each affected county, city and district. ORS 199.461(4).

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III. County Board (MSD Board) Action

A. Hearing

1. When a legally sufficient petition has been filed, a hearing must be set not less than 30 or more than 50 days after the filing of the petition. ORS 198.800(1). (Recall that filing with boundary commission suspended this period.)

OUTLINE OF FORMATION OF ZOO SERVICE DISTRICT (Cont.)

Time Line - Day

2. Notice of the hearing must be posted and published. ORS 198.800(2).
3. At hearing, the board must apply standards set forth in ORS 199.462. ORS 198.805(1).

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B. Order for Formation

1. After hearing, board shall enter order approving the petition as presented or modified and setting a final hearing on the petition not less than 30 nor more than 50 days after the date of the order. ORS 198.810.
2. No election is necessary unless written requests for an election are filed at or before the final hearing by not less than fifteen percent of the registered voters or 100 registered voters, whichever is less. ORS 198.810(2).
3. At the final hearing, if the required number of voters has requested an election, the board must set an election at the next available election date not less than 35 days after the date of the order. ORS 198.815(2).
4. Before commencing construction, the board must make an order setting forth what service facilities will be constructed, maintained and operated, how they will be financed, etc. ORS 451.485.
5. The order required by ORS 451.485 is subject to referendum by resolution of the board or by petition submitted within 60 days after the date of the order and signed by ten percent of the voters of the district. ORS 451.487.

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206  
(if election required)

CONSIDERATION OF ORDINANCE NO. 84-169 FOR THE  
PURPOSE OF SUBMITTING METROPOLITAN SERVICE  
DISTRICT ZOO SERIAL LEVY

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Date: January 23, 1984

Presented by: D. Carlson/K. Rich

FACTUAL BACKGROUND AND ANALYSIS

Policy Framework

Consideration and adoption of Ordinance No. 84-169 is a significant step towards financial stability for Metro in general and the Zoo in particular. The Executive Officer and Council have been discussing Metro's financial future during the past six months. Part of this discussion has led to the promulgation of Long-Range Financial Policies. Financial principles and policies recommended by the Council Coordinating Committee for Council adoption on January 26, 1984, relating to the Zoo are as follows:

"To assist in the achievement of the broad goal of providing financial stability for Metro, the following general principles are adopted:

1. Each functional area shall have identified sources of revenue;
2. Each functional area shall prepare a five-year financial plan; and
3. Any new functions assumed by Metro shall have a source of funding.

To aid decision-making in each of the functional areas, the following policies are adopted:

Zoo Operations

1. The Zoo shall rely on the property tax for a portion of its revenues.
2. Approximately 50 percent non-tax revenues shall be maintained for funding Zoo operations.
3. The Council shall annually review admission fees to assist in meeting Objective 2 above.

4. The Council shall develop a policy of maintaining a proper balance between funds used for animal and non-animal capital improvements and the use of private versus public funds.
5. As indicated in the adopted Master Plan, the priority for capital investments shall be the completion of the Zoo's development and the replacement of non-standard exhibits.
6. It shall be the policy of the Council to provide special benefits to residents of the region who pay taxes to help support the Zoo."

#### Ordinance Analysis

Ordinance No. 84-169 has two major purposes: 1) It submits to the voters the type and amount of the proposed tax levy, and 2) it defines the Ballot Title for the proposed levy.

In regard to the first purpose, the Ordinance, if adopted, submits a three-year serial levy to the voters at the May 15, 1984, primary election. The levy request is for \$5,000,000 per year for a total of \$15,000,000. The ordinance establishes the use of the revenue to defray both operating expenses and capital expenses at the Zoo. The levy will provide \$3,000,000 per year for operating purposes and \$2,000,000 per year for capital purposes. Justification for the amount of the proposed levy is found in the "Zoo Five-Year Financial Plan" dated January 16, 1984. Attached to this report are three key pieces of information from that Plan which show the revenue and expenditure needs for operating and expanding the Zoo during the next five years. Included are: Table I--Zoo Operating Fund Requirements; Table II--Zoo Operating Fund Resources; and a table titled "Capital Improvement Projections."

In regard to the second purpose, the Ordinance defines the Ballot Title for the measure which must meet certain statutory requirements as to form and content. ORS 310.390 requires the Ballot Title to consist of: a "caption" by which the measure is commonly referred (not more than 10 words); a "question" which states the purpose of the measure and is phrased so an affirmative response to the question corresponds to an affirmative vote on the measure (not more than 20 words); and, a concise and impartial "explanation" which gives the purpose and reasons for the measure. The "explanation" must be plainly worded and avoid as much as possible the use of technical terms and should not advocate a yes or no vote on the question (not more than 150 words).

Tax Levy Schedule

As indicated in the Ordinance, the date of the levy election is May 15, 1984. Prior to that date the Ordinance directs filing of the Ballot Title with the Director of the Multnomah County Records and Elections by no later than March 15, 1984, and filing of the Ordinance and "Zoo Five-Year Financial Plan" with the Multnomah County Tax Supervising and Conservation Commission (TSCC) by no later than March 9, 1984. These two filing dates are explained in the attached letter from Gil Gutjahr of the TSCC (his comments regarding the wording of the Ballot Title refer to an earlier draft of the ordinance). The suggested schedule for Council consideration and adoption of this Ordinance is as follows:

<u>Date</u>	<u>Purpose</u>
February 2, 1984	First reading and explanation of Zoo Financial Plan to Council.
February 13, 1984	Council Coordinating Committee mark-up session.
February 23, 1984	Second reading and Council adoption.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 84-169.

COMMITTEE CONSIDERATION AND RECOMMENDATION

DEC:ef  
0617C/373  
01/23/84

Attachments



TABLE I

## ZOO OPERATING FUND REQUIREMENTS--SUMMARY

CATEGORY	1982-83 Actual	1983-84 Budgeted	1984-85 <sup>f</sup> Projected	1985-86 <sup>f</sup> Projected	1986-87 <sup>f</sup> Projected	1987-88 <sup>f</sup> Projected
Personal Services	2,585,223	2,748,821	3,000,697 <sup>h</sup>	3,233,974 <sup>i</sup>	3,436,302	3,646,804
Materials and Services	1,363,881	1,532,951 <sup>d</sup>	1,576,014	1,778,196 <sup>d</sup>	1,919,257 <sup>d</sup>	1,953,886
Capital Outlay	217,690	276,066	305,758	398,818	479,938	557,869
Transfer to General Fund	389,252	418,280	442,340 <sup>g</sup>	467,784	494,688	523,136
SUB-TOTAL (Operating and Maintenance Costs)	4,556,046	4,976,118	5,324,809	5,878,772	6,330,185	6,681,695
Contingency	0	136,735 <sup>b</sup>	146,474	162,330	175,065	184,757
Ending Unappropriated Balance--Unreserved	2,050,667 <sup>a</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>	600,000 <sup>e</sup>
Ending Unappropriated Balance--Reserved	0	200,000	401,000	272,391	0	0
TOTAL REQUIREMENTS	6,606,713	5,912,853 <sup>c</sup>	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Assumes that \$1,124,072 of this balance will be transferred to capital improvement fund during FY 1983-84.

<sup>b</sup> Assumes the 1983-84 contingency will be reduced from \$359,148 to \$136,735 and that thereafter it amounts to 3% of division operating costs.

<sup>c</sup> The figures for fiscal year 1983-84 have been revised downward in materials and services and the contingency to reduce previous underexpenditures and upward in personal services to provide for increased level of construction management.

<sup>d</sup> Election costs included in materials and services.

<sup>e</sup> Assumes a balance forward of approximately six weeks operating costs to assure cash flow from July 1 to tax collections in November.

<sup>f</sup> Assumes an inflation rate of 5.5% annually from 1983-84 to 1987-88.

<sup>g</sup> Assumes the transfer to the General Fund will continue as at present subject only to inflationary increases.

<sup>h</sup> Includes additional maintenance staff.

<sup>i</sup> Includes additional animal keeper and gardener.

TABLE II

## ZOO OPERATING FUND RESOURCES--SUMMARY

CATEGORY	1982-83 Actual	1983-84 Budgeted	1984-85 Projected	1985-86 Projected	1986-87 Projected	1987-88 Projected
Attendance Projections	715,707	720,000	734,000	745,000	765,000	780,000
Beginning Fund Balance--Unreserved	1,412,106	726,595 <sup>a</sup>	739,618 <sup>c</sup>	746,474 <sup>c</sup>	762,330 <sup>c</sup>	775,065 <sup>c</sup>
Beginning Fund Balance--Reserved	0	200,000 <sup>e</sup>	200,000 <sup>e</sup>	401,000 <sup>e</sup>	272,391 <sup>e</sup>	0
Enterprise Revenue	2,064,724	2,157,614	2,413,158 <sup>d</sup>	2,688,869 <sup>d</sup>	2,993,909 <sup>d</sup>	3,318,464 <sup>d</sup>
Property Taxes	2,703,346	2,619,000	2,946,000	2,889,600	2,892,840	3,192,733
All Other	426,537	209,644	173,507	187,550	183,780	180,190
TOTAL RESOURCES	6,606,713	5,912,853 <sup>b</sup>	6,472,283	6,913,493	7,105,250	7,466,452

<sup>a</sup> Assumes \$1,124,072 from 1983-84 revenues being transferred to capital improvements to provide funds for Africa Bush Phase I.

<sup>b</sup> Revenue figures have been adjusted in conformance with mid-year budget.

<sup>c</sup> Assumes fund balance equals previous year's unappropriated balance plus the contingency.

<sup>d</sup> Assumes enterprise revenues, excluding admissions, will increase at a per capita rate of about 8% per year and that admission fees will change as follows:

January 1985: Adults = \$2.50  
Youth = \$1.25

January 1987: Adults = \$3.00  
Youth = \$1.50

<sup>e</sup> Funds reserved to balance the budget in 1986-87.

### CAPITAL IMPROVEMENT PROJECTIONS

<u>RESOURCES</u>	<u>FY 1983-84 Budgeted</u>	<u>FY 1984-85 Projected</u>	<u>FY 1985-86 Projected</u>	<u>FY 1976-87 Projected</u>
Fund Balance	\$3,186,781	\$4,440,483	\$3,227,700	\$1,458,165
Interest	307,995	319,000	203,000	74,000
Current Taxes	2,093,000	1,800,000	1,800,000	1,800,000
Prior Year Taxes	138,000	164,000	126,400	128,560
Donations	100,000	---	---	---
Bond Reimbursement	785,459	---	---	---
Federal Grant	76,000	---	---	---
Transfer from Zoo Operating	<u>1,124,072</u>	<u>---</u>	<u>---</u>	<u>---</u>
<b>TOTAL RESOURCES</b>	<b><u>\$7,811,307</u></b>	<b><u>\$6,723,483</u></b>	<b><u>\$5,357,100</u></b>	<b><u>\$3,460,725</u></b>
 <u>REQUIREMENTS<sup>a</sup></u>				
Alaska Tundra	\$2,039,757	\$ 263,483	\$ ---	\$ ---
West Bear Grotto	489,000	2,077,300	---	---
Africa Bush I	---	1,055,000	2,716,435	617,000
Africa Bush II	---	---	1,082,500	2,743,725
Miscellaneous Improvements	<u>842,067<sup>b</sup></u>	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>
<b>TOTAL REQUIREMENTS</b>	<b><u>\$3,370,824</u></b>	<b><u>\$3,495,783</u></b>	<b><u>\$3,898,935</u></b>	<b><u>\$3,460,725</u></b>
 ENDING FUND BALANCE	 \$4,440,483	 \$3,227,700	 \$1,458,165	 \$ -0-

<sup>a</sup> Project costs are those found in the Master Plan inflated at the rate of 5.5% per year.

<sup>b</sup> Includes concluding expenditures for the Penguinarium, Elephant Museum, Lemur Island, Sculpture Fountain, Sculpture Garden, Visitor Service Improvements, Dinosaur Park, Stream and Pond, and Master Plan.

# TAX SUPERVISING & CONSERVATION COMMISSION

Multnomah County, Oregon

1510 Portland Building  
Portland, Oregon 97204

1120 S.W. Fifth Avenue  
503/248-3054

January 13, 1984

Mr. Donald E. Carlson  
Deputy Executive Officer  
Metropolitan Service District  
527 S.W. Hall Street  
Portland, Oregon 97201

Dear Don:

With reference to the serial levy ballot title you sent over for review and comment, please note the following:

1. Notice of the election and the complete proposal must be filed with the Commission not less than 55 days before the election (March 22, 1984). Thereafter, the Commission will set a date for public hearing and discussion of the proposal with the District. ORS 294.655.

The intent of this statute is to permit a review of the ballot measure before it is filed with the election officer. The filing time with the election officer is 40 days before the election (April 6), however, as Mr. Robertson explains, it would greatly enhance election procedures if the filing could be made 61 days before the election. If you take the 61 day route, give the ballot measure to us a few days before filing with elections.

The Five-Year Operating Financial Plan Report, dated January 9, 1984, should be adequate to meet "proposal" filing requirements, assuming that the Report is adopted by the Metro Board.

2. I would suggest that there be included in the findings part of the ordinance, perhaps Section 4, a statement of policy which identifies the amount of the levy, in dollars and in percentage, to be allocated to operations and to capital.
3. It would be preferable to change all "woulds" to "wills" in the ballot measure.

Mr. Donald E. Carlson  
Metropolitan Service District

January 13, 1984  
Page 2

4. The allowable content of a ballot measure now consists of a caption, the question and a 150 word explanation. Formerly, the law allowed a separate Purpose and Explanation section. The Purpose and Explanation will have to be combined into one. ORS 310.390.
5. The last sentence of the ballot measure should be adjusted to allow use of capital funds for more than just the African-Bush and Polar animals. Consider changing the sentence to read "The capital funds will be used to finance building of new exhibits for African-Bush animals, polar bears and other animals and to improve and equip existing zoo facilities."
6. I don't like use of the word "basic" in the caption. Is there anything at the Zoo that is not basic? We certainly would not want to fund "unbasic Zoo operations". How about saying, "Serial Levy for Washington Park Zoo Operations and Exhibits".


I also question use of the phrase "by offsetting cost increases due to inflation" shown in the next to last sentence of the Explanation. What inflation? There is no inflation. In other words, it is best to stay away from statements that could be suggestively argumentative.

Could you say, "The Operating funds will enable the Zoo to continue the same level of services currently being provided and to maintain and operate new exhibits."

That is all I see for now.

Sincerely,

TAX SUPERVISING & CONSERVATION COMMISSION

  
G. J. Gutjahr  
Administrative Officer

GJG:pj

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF SUBMITTING ) ORDINANCE NO. 84-169  
METROPOLITAN SERVICE DISTRICT )  
ZOO SERIAL LEVY ) Introduced by the  
 ) Executive Officer

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

Section 1. Short Title

This ordinance shall be known as the "Zoo Serial Levy Ordinance" and may be so cited and pleaded and shall be cited herein as "this ordinance."

Section 2. Definitions

A. "Council" means the Council of the Metropolitan Service District.

B. "District" means the Metropolitan Service District and all of the land and territory included within the boundaries of the District.

C. "Zoo" means the Washington Park Zoo of Portland, Oregon, operated by the District under ORS 268.310(5).

Section 3. Findings

A. ORS 268.310(5) permits the District to "acquire, construct, alter, maintain, administer and operate metropolitan zoo facilities."

B. ORS 268.315 provides that "For the purpose of performing the functions set forth in subsection (5) of ORS 268.310, the District, when authorized at any properly called election held for such purpose, shall have the power to levy an ad valorem tax on all taxable property within its boundaries not to exceed in any one year

one-half of one percent (.005) of the true cash value of all taxable property within the boundaries of such district, computed in accordance with ORS 308.207."

C. The Zoo currently receives approximately 59 percent of its total revenues including those for capital improvements from serial levies that will expire at the end of FY 1984.

D. The Zoo, with unique educational and recreational offerings, is utilized by and benefits District residents.

E. A regional funding base is necessary to provide for continued adequate care, maintenance and development of the Zoo's animal collection, programs and physical facilities.

F. During fiscal years 1985 through 1987 property tax revenues of \$5,000,000 each year totalling \$15,000,000 for the three-year period will be needed to fund Zoo operating and capital expenses. Approximately \$3,000,000 each year or 60 percent are needed for operating expenses and \$2,000,000 each year or 40 percent are needed for capital expenses.

#### Section 4. Purpose

The purposes of this ordinance are:

A. To provide for the health and welfare of District residents by providing for the maintenance and operation of the Zoo, and for the construction and renovation of Zoo exhibits.

B. To approve submission of a mixed three-year operating and capital serial levy to be effective on July 1, 1984, to the voters on May 15, 1984, the revenues of which will be used for purposes permitted under ORS 268.310(5) and to pay the costs of holding the election.

Section 5. Submission of Tax Levy

The Council approves and hereby directs that a three-year mixed operating and capital serial levy of \$5,000,000 each year for three years, a total of \$15,000,000 for the three-year period, be submitted to the voters on May 15, 1984. If approved by the voters, this levy shall be effective July 1, 1984.

Section 6. Ballot Title

A. The Ballot Title for the levy described in Section 5 of this ordinance shall be as follows:

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CAPTION:  
(10 words)

CONTINUATION OF SERIAL LEVY  
DEDICATED TO ZOO OPERATIONS AND EXHIBITS

QUESTION:  
(20 words)

Shall the Metropolitan Service District continue to levy \$5,000,000 each year for three years for Zoo operating and capital expenses?

EXPLANATION:  
(150 words)

This levy authorizes the Metropolitan Service District to continue to serially levy \$5,000,000 annually for three years for a total of \$15,000,000 property tax outside the six percent limitation specified in the Oregon Constitution. Proceeds will be dedicated entirely to support Zoo operations and capital construction. The Zoo is owned and operated by the Metropolitan Service District. In 1980, District voters approved two serial levies for Zoo operations and exhibits totalling \$15,000,000; \$5,000,000 each year for three years. These levies expire in mid-1984. This proposed levy will provide \$3,000,000 each year for Zoo operations and \$2,000,000 each year for capital construction. The Operating funds will enable the Zoo to continue the same level of services currently provided and to operate new exhibits. The Capital funds will be used to finance building of new exhibits for African animals, polar bears and other animals and to improve and equip existing Zoo facilities.

B. The above Ballot Title shall be filed with the Director of Records and Elections of Multnomah County not later than March 15, 1984.



Section 7. Submission of Proposal to Tax Supervising and Conservation Commission.

This ordinance and supporting financial information titled "Zoo Five-Year Financial Plan" shall be filed with the Multnomah County Tax Supervising and Conservation Commission not later than March 9, 1984, as required by ORS 294.655.

ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1984.

\_\_\_\_\_  
Presiding Officer

ATTEST:

\_\_\_\_\_  
/gl  
0510C/366  
1/23/84

CONSIDERATION OF FY 1983-84 BUDGET AMENDMENTS

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Date: January 10, 1984

Presented by: Jennifer Sims

FACTUAL BACKGROUND AND ANALYSIS

The attached proposed ordinance provides for various budget and appropriation schedule changes. The package of detailed budget amendments (Exhibit A) is available upon request. A description and rationale for the proposed revisions for each fund follows:

General Fund

Transfers from the contingency totaling \$14,790 are recommended for the following:

1. Add \$5,500 salary and \$1,665 fringe costs for the Public Information Specialist in Public Affairs. The position is budgeted .25 FTE in the General Fund and .75 FTE in Solid Waste. Actual time spent has not reflected the budget due to heavier General Fund demands. The proposed transfer would add .25 FTE in the General Fund to provide for the anticipated workload for the remainder of the fiscal year and cover expenses to date.
2. Add funds for unanticipated sublease and moving expenses under Materials and Services. Costs total \$4,000 in the Budget & Administration Services Division.
3. Add \$1,700 salary and fringes for temporary help for the Budget and Administrative Services Division. This is necessary to pay for additional help for extraordinary unanticipated sick leave in word processing.
4. Add \$1,500 to contractual services in the Public Affairs Department for the Small Cities Assistance program. This additional expenditure for an East Washington County urban services study was approved by the Council on November 22, 1983.
5. Add \$425 to the Data Resource Center (DRC) personal services budget for vacation cash out for an employee who was laid-off.

In addition to transfers from contingency various transfers of appropriation are proposed which have no additional expense required.

1. Resource estimates have been revised as follows:  
a) transfer from Transportation Planning reduced by \$2,138 from \$403,212 to \$401,074, and b) interest increased \$2,138 from \$7,000 to \$9,138.
2. Metro's contract with outside legal counsel must be extended. The Executive Officer is proceeding with recruitment. A transfer of \$12,000 from Personal Services, General Counsel to Materials & Services, contractual services is proposed in the Executive Management budget.
3. In Budget and Administrative Services vacation help was hired under provisions for temporary employees rather than contractual services as budgeted. As a result a transfer of \$800 is needed from Materials and Services, contractual services to Personal Services, temporary and fringes.
4. The DRC has secured more contracts of a pass-through nature than expected when the budget was prepared. Up to \$30,000 may be received during the fiscal year for work which Metro would then complete through an outside contract. It is proposed that the General Fund resources item, Contracts, be increased by \$30,000 and a corresponding expense for contractual services be added.
5. Several projects are also proposed to be accomplished by the DRC using purchased services rather than temporary staff as budgeted. These include development of an employment data base geocoded to block groups, a household size survey and purchase of population and employment forecasts. A transfer of \$5,350 from Personal Services to Materials and Services is requested.

#### Planning Fund

Refined and revised budget estimates have been prepared for the Transportation Department. The changes, by category, are as follows:

Personal Services - allocate merit increases to positions and modify fringe costs to reflect the actual billing rate of 30.41 percent. The net increase is \$7,219.

Materials and Services - Add funds for second bike map printing, delete the McLoughlin DEIS consultant, add funding to data processing to give locals more technical assistance. The net decrease is \$5,081.

Transfers - Reduce for actual computer costs and lowered overhead billing rate. The net decrease is \$2,138.

No amendments are proposed at this time for the Development Services Department budget. However, commitments have been made for dues funded expenses which may require Council action later in the fiscal year. These are as follows:

1. As agreed in the budget process, dues will supplement the LCDC grant award as needed. \$30,000 was budgeted this fiscal year, yet Metro received only \$22,500 for the biennium. Half will be expended this year requiring \$11,600 from dues to support the program.
2. An FY 1982-83 salary expense of \$1,972 was carried into this year. While the funding is available in the form of increased carryover, it was not budgeted.
3. Several grants have been closed requiring close-out audits. Grant dollars pay for the audits but unbudgeted match is needed. This will total \$672.

These items will only need Council action if the total dues transfer to the Planning fund is exceeded over the year. It appears, at this point, that savings in the areas may compensate for the above list.

#### Solid Waste Operating Fund

A handful of amendments are proposed for this fund, most of which can be accomplished through transfers among programs. Proposed changes are as follows:

1. Transfer \$9,500 from contingency for a contractual obligation in Waste Reduction.
2. Reduce Materials & Services in all programs and transfer \$1,000 to Capital outlay for video equipment. This item is budgeted but research has revealed higher than anticipated costs for the needed equipment.
3. Transfer \$1,200 from Materials & Services to Capital Outlay for purchase of a computer terminal. This will be devoted to Solid Waste use for accessing and manipulating data.

There are additional changes in Solid Waste programs which do not result in changes to the overall appropriation level. For the next Coordinating Committee, staff will provide information on Solid Waste program changes occurring as a result of the new Washington County Transfer & Recycling Center (WTRC) program.

#### Solid Waste Capital Fund

Resources are amended to recognize the actual fund balance and loan requirements.

Projects are amended based on revised cost estimates. CTRC costs are up \$325,860 due to construction claims and the wash rack construction. No construction work will be done on the St. Johns Landfill methane project resulting in a (\$30,000) adjustment and \$122,552 additional funds are allocated to final cover. Wildwood land costs are reduced by \$348,412 with a correlated reduction in budgeted loan proceeds.

As a result of the above changes. The contingency is reduced by \$70,000 so that total fund resources and expenses are unchanged.

#### Zoo Operating Fund

During the process of formulating a four-year budget projection, it became apparent that the current year should be included as a part of that process for consistency with the major assumptions. The proposed mid-year adjustments come as a result of that process.

On the revenue side of the Operating budget, we recognize an increase in the previously estimated fund balance of \$353,273. We also anticipate modest increases in the same of gifts and rentals. However, we overestimated revenues from admissions, food concessions, the railroad and the sale of animals to an amount of \$195,100, most of which was in admissions due to a deferral in a change of fees. The net effect is an anticipated increase in revenues of \$185,477.

In reviewing past actual expenditures for Materials and Services, it appeared we had underspent that category by an average of 6 percent per year for several years. To avoid carrying that probability into the projections, we reduced the Materials and Services budget a total of \$115,582. Also, to bring the contingency into line with a policy of a contingency equaling 3 percent of division expenditures, the contingency was reduced \$222,413.

In Personal Services, we are proposing the addition of a Maintenance Foreman to allow the Buildings & Grounds Manager who is qualified in the field to assume responsibility for construction management. This will give us better control of not only the major construction projects but also these capital replacement programs in our Capital Outlay budgets. The cost for this change is estimated at \$19,500. This cost will be offset by deleting the funds in Contract Services, previously used to employ a consultant for this service.

Past practice has been to transfer savings in operations to the Capital Fund to assist the capital improvements program. In keeping with that practice, it is proposed that an additional \$303,972 be transferred to the Capital Fund. This will assist with reserving the funds needed to build Phase I of the Africa Bush Exhibit as now envisioned in the Master Plan.

It is also proposed that the unappropriated balance be increased \$200,000 with that money reserved to augment tax revenues during the third year of the next levy period.

#### Zoo Capital Fund

In the Zoo Capital Fund adjustments have been made both in the fund balance and in estimated project expenditures that will allow us to proceed with the design of the West Bear Grotto as called for in the Master Plan including some remodel of the Bear Walk Cafe. This will allow us to reserve the funds for Africa-Bush Phase I. Because no work will proceed on the latter project this year, those funds are reserved in a Capital Fund unappropriated balance. Adjustments have also been made to proceed with the contract to complete the Alaskan Tundra Exhibit including some reserve for work during the first quarter of next fiscal year.

#### EXECUTIVE OFFICER'S RECOMMENDATION

Adopt Ordinance No. 84-168 amending the FY 1983-84 Budget and Appropriations Schedule.

#### COMMITTEE CONSIDERATION AND RECOMMENDATION

On January 16, 1984, the Council Coordinating Committee recommended adoption of the proposed ordinance with one amendment. The Committee recommends a reduction in the Personal Services appropriation for the Solid Waste Operating Fund to correspond to the proposed increase in the General Fund of .25 FTE for Public Information Specialist 2. The total proposed reduction of \$7,165 is reflected in the attached appropriations schedule.

BEFORE THE COUNCIL OF THE  
METROPOLITAN SERVICE DISTRICT

AN ORDINANCE RELATING TO THE )      ORDINANCE NO. 84-168  
FY 1983-84 BUDGET AND APPROPRIA- )  
TIONS SCHEDULE; AND AMENDING )  
ORDINANCE NO. 83-153 )

THE COUNCIL OF THE METROPOLITAN SERVICE DISTRICT HEREBY ORDAINS:

The amendments to the FY 1983-84 Budget of the Metropolitan Service District (Metro) attached hereto as Exhibit "A" and amendments to the FY 1983-84 Appropriations attached hereto as Exhibit "B" to this Ordinance are hereby adopted.

ADOPTED by the Council of the Metropolitan Service District  
this \_\_\_\_\_ day of \_\_\_\_\_, 1984.

\_\_\_\_\_  
Presiding Officer

ATTEST:

\_\_\_\_\_  
Clerk of the Council

JS/gl  
0130C/353

ORDINANCE NO. 84-168

## EXHIBIT B

SCHEDULE OF APPROPRIATIONS

<u>GENERAL FUND</u>	<u>Current Appropriation FY 1983-84</u>	<u>Amendment</u>	<u>Revised Appropriation</u>
<b>Council</b>			
Personal Services	\$ 58,897	0	\$ 58,897
Materials & Services	54,520	0	54,520
Capital Outlay	0	0	0
Subtotal	<u>\$113,417</u>	0	<u>\$113,417</u>
<b>Executive Management</b>			
Personal Services	\$216,448	\$(12,000)	\$204,448
Materials & Services	22,575	12,000	34,575
Capital Outlay	1,350	0	1,350
Subtotal	<u>\$240,373</u>	0	<u>\$240,373</u>
<b>Finance &amp; Administration</b>			
Personal Services	\$ 630,891	\$(2,425)	\$ 628,466
Materials & Services	672,608	38,550	711,158
Capital Outlay	97,155	0	97,155
Subtotal	<u>\$1,400,654</u>	<u>\$36,125</u>	<u>\$1,436,779</u>
<b>Public Affairs</b>			
Personal Services	\$202,459	\$7,165	\$209,624
Materials & Services	46,140	1,500	47,640
Capital Outlay	0	0	0
Subtotal	<u>\$248,599</u>	<u>\$8,665</u>	<u>\$257,264</u>
<b>General Expense</b>			
Contingency	\$ 89,684	\$(14,790)	\$ 74,894
Transfers	163,169	0	163,169
Subtotal	<u>\$252,853</u>	<u>\$(14,790)</u>	<u>\$238,063</u>
<b>Total General Fund Requirements</b>	<b>\$2,255,896</b>	<b>\$30,000</b>	<b>\$2,285,896</b>
<u>PLANNING FUND</u>			
<b>Development Services</b>			
Personal Services	\$199,298	0	\$199,298
Materials & Services	62,470	0	62,470
Capital Outlay	0	0	0
Subtotal	<u>\$261,768</u>	0	<u>\$261,768</u>
<b>Transportation</b>			
Personal Services	\$447,327	\$7,219	\$454,546
Materials & Services	238,455	(5,081)	233,374
Capital Outlay	0	0	0
Subtotal	<u>\$685,782</u>	<u>\$2,138</u>	<u>\$687,920</u>



<u>PLANNING FUND</u>	<u>Current Appropriation FY 1983-84</u>	<u>Amendment</u>	<u>Revised Appropriation</u>
Criminal Justice			
Personal Services	\$86,993	0	\$86,993
Materials & Services	2,400	0	2,400
Capital Outlay	0	0	0
Subtotal	\$89,393	0	\$89,393
General Expense			
Transfers	\$527,811	\$(2,138)	\$525,673
Subtotal	\$527,811	\$(2,138)	\$525,673
Total Planning Fund Requirements	\$1,564,754	0	\$1,564,754
<u>TRANSPORTATION TECHNICAL ASSISTANCE FUND</u>			
Materials & Services	\$473,805	0	\$473,805
Total Transportation Technical Assistance Fund Requirements	\$473,805	0	\$473,805
<u>CRIMINAL JUSTICE ASSISTANCE FUND</u>			
Materials & Services	\$450,000	0	\$450,000
Total Criminal Justice Assistance Fund Requirements	\$450,000	0	\$450,000
<u>SEWER ASSISTANCE FUND</u>			
Materials & Services	\$2,000,000	0	\$2,000,000
Transfers	5,000	0	5,000
Contingency	1,315,000	0	1,315,000
Total Sewer Assistance Fund	\$3,320,000	0	\$3,320,000
<u>ZOO OPERATING FUND</u>			
Personal Services	\$2,729,321	\$ 19,500	\$2,748,821
Materials & Services	1,648,533	(115,582)	1,532,951
Capital Outlay	276,066	0	276,066
Transfers	3,469,380	303,972	3,773,352
Contingency	359,148	(222,413)	136,735
Total Zoo Operating Fund Appropriation	\$8,482,448	\$(14,523)	\$8,467,925
Unappropriated Balance	600,000	200,000	800,000
Total Zoo Operating Fund Requirements	\$9,082,448	\$185,477	\$9,267,925

<u>ZOO CAPITAL FUND</u>	<u>Current Appropriation FY 1983-84</u>	<u>Amendment</u>	<u>Revised Appropriation</u>
Capital Projects	\$5,585,812	\$(2,335,055)	\$3,250,757
Contingency	591,942	(411,875)	180,067
Total Zoo Capital Fund	\$6,177,754	\$(2,746,930)	\$3,430,824
Unappropriated Balance	0	4,380,483	4,380,483
Total Zoo Capital Fund Requirements	\$6,177,754	\$1,633,553	\$7,811,307
<u>SOLID WASTE OPERATING FUND</u>			
Personal Services	\$ 694,950	\$(7,165)	\$ 687,785
Materials & Services	5,860,580	7,300	5,867,880
Capital Outlay	15,200	2,200	17,400
Transfers	2,321,710	0	2,321,710
Contingency	540,862	(9,500)	531,362
Total Solid Waste Operating Fund Requirements	\$9,433,302	\$(7,165)	\$9,426,137
<u>SOLID WASTE CAPITAL FUND</u>			
Capital Projects	\$6,349,600	\$70,000	\$6,419,600
Transfer	165,700	0	165,700
Contingency	575,000	(70,000)	505,000
Total Solid Waste Capital Fund	\$7,090,300	0	\$7,090,300
<u>SOLID WASTE DEBT SERVICE FUND</u>			
Materials & Services	\$824,700	0	\$824,700
Total Solid Waste Debt Service Fund Requirements	\$824,700	0	\$824,700
<u>SOLID WASTE ST. JOHNS RESERVE FUND</u>			
Unappropriated Balance	\$337,500	0	\$337,500
Total St. Johns Reserve Fund Requirements	\$337,500	0	\$337,500

JS/srb  
9303B/277-4/6  
01/17/84

ORDINANCE NO. 84-168