

 Metro | Agenda

MEETING: METRO COUNCIL  
DATE: June 17, 2010  
DAY: Thursday  
TIME: 2:00 PM  
PLACE: Metro Council Chamber

**CALL TO ORDER AND ROLL CALL**

**1. INTRODUCTIONS**

**2. CITIZEN COMMUNICATIONS**

**3. CONSENT AGENDA**

3.1 Consideration of Minutes for the June 10, 2010 Metro Council Regular Meeting.

3.2 **Resolution No. 10-4158**, Resolution of Metro Council, Acting as the Metro Contract Review Board, For the Purpose of Approving a Contract Amendment for the Irving Street Garage Project

3.3 **Resolution No. 10-4163**, For the Purpose of Confirming the Appointment of Members to the Metro Audit Committee

**4. ORDINANCES - SECOND READING**

4.1 **Ordinance No. 10-1235B**, For the Purpose of Adopting the Annual Budget for Fiscal Year 2010-11, Making Appropriations, Levying Ad Valorem Taxes and Declaring an Emergency Park

4.2 **Ordinance No. 10-1242**, Amending the FY 2009-10 Budget and Appropriations Schedule and the FY 2009-10 through FY 2013-14 Capital Improvement Plan, and Declaring an Emergency Park

4.3 **Ordinance No. 10-1243**, For the Purpose of Re-Adopting Metro Code 7.03 (Investment Policy) for Fiscal Year 2010-2011 and Declaring an Emergency Park

**5. RESOLUTIONS**

5.1 **Resolution No. 10-4157**, For the Purpose of Adopting the Capital Improvement Plan for Fiscal Years 2010 through 2014-15 Park

5.2 **Resolution No. 10-4159**, For the Purpose of Amending and Re-Adopting Comprehensive Financial Policies for Metro Park

6. **CHIEF OPERATING OFFICER COMMUNICATION**
7. **COUNCILOR COMMUNICATION**
8. **EXECUTIVE SESSION HELD PURSUANT TO ORS 192.660(2)(d)** To conduct deliberations with persons designated by the governing body to carry on labor negotiations

**ADJOURN**

**Television schedule for June 17, 2010 Metro Council meeting**

|                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                         |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>Clackamas, Multnomah and Washington counties, and Vancouver, Wash.</b><br/> Channel 11 – Community Access Network<br/> <a href="http://www.tvctv.org">www.tvctv.org</a> – (503) 629-8534<br/> 2 p.m. Thursday, June 17 (Live)</p> | <p><b>Portland</b><br/> Channel 30 (CityNet 30) – Portland Community Media<br/> <a href="http://www.pcmtv.org">www.pcmtv.org</a> – (503) 288-1515<br/> 8:30 p.m. Sunday, June 20<br/> 2 p.m. Monday, June 21</p>                                        |
| <p><b>Gresham</b><br/> Channel 30 – MCTV<br/> <a href="http://www.mctv.org">www.mctv.org</a> – (503) 491-7636<br/> 2 p.m. Monday, June 21</p>                                                                                           | <p><b>Washington County</b><br/> Channel 30 – TVC-TV<br/> <a href="http://www.tvctv.org">www.tvctv.org</a> – (503) 629-8534<br/> 11 p.m. Saturday, June 19<br/> 11 p.m. Sunday, June 20<br/> 6 a.m. Tuesday, June 22<br/> 4 p.m. Wednesday, June 23</p> |
| <p><b>Oregon City, Gladstone</b><br/> Channel 28 – Willamette Falls Television<br/> <a href="http://www.wftvaccess.com">www.wftvaccess.com</a> – (503) 650-0275<br/> Call or visit website for program times.</p>                       | <p><b>West Linn</b><br/> Channel 30 – Willamette Falls Television<br/> <a href="http://www.wftvaccess.com">www.wftvaccess.com</a> – (503) 650-0275<br/> Call or visit website for program times.</p>                                                    |

**PLEASE NOTE: Show times are tentative and in some cases the entire meeting may not be shown due to length. Call or check your community access station web site to confirm program times.**

Agenda items may not be considered in the exact order. For questions about the agenda, call the Metro Council Office @ (503) 797-1540. Public hearings are held on all ordinances second read and on resolutions upon request of the public. Documents for the record must be submitted to the Clerk of the Council to be included in the decision record. Documents can be submitted by e-mail, fax or mail or in person to the Clerk of the Council. For additional information about testifying before the Metro Council please go to the Metro website [www.oregonmetro.gov](http://www.oregonmetro.gov) and click on public comment opportunities. For assistance per the American Disabilities Act (ADA), dial TDD 797-1804 or 797-1540 (Council Office).

Agenda Item Number 3.1

**In Consideration of Minutes of the June 10, 2010 Metro Council Regular Meeting**

*Consent Agenda*

Metro Council Meeting  
Thursday, June 17, 2010  
Metro Council Chamber



Agenda Item Number 3.2

**Resolution No. 10-4158**, Resolution of Metro Council, Acting as the Metro Contract Review Board, For the Purpose of Approving a Contract Amendment for the Irving Street Garage Project

*Consent Agenda*

Metro Council Meeting  
Thursday, June 17, 2010  
Metro Council Chamber



BEFORE THE METRO COUNCIL  
CONTRACT REVIEW BOARD

|                                       |                                         |
|---------------------------------------|-----------------------------------------|
| RESOLUTION OF METRO COUNCIL, ACTING ) | RESOLUTION NO. 10-4158                  |
| AS THE METRO CONTRACT REVIEW BOARD, ) |                                         |
| FOR THE PURPOSE OF APPROVING A )      | Introduced by Chief Operating Officer   |
| CONTRACT AMENDMENT FOR THE IRVING )   | Michael Jordan, with the concurrence of |
| STREET GARAGE PROJECT )               | Council President David Bragdon         |

WHEREAS, pursuant to ORS 279A.060 and Metro Code 2.04.058 the Metro Council is designated as the Public Contract Review Board for the agency; and

WHEREAS, on December 17, 2009, via Resolution No. 09-4102, (“For the Purpose of Authorizing an Exemption from Competitive Bidding Requirements and Adopting Findings Authorizing Use of Alternative Procurement Methods for Repair and Renovation of the Metro Regional Center Irving Street Parking Garage”), the Metro Contract Review Board authorized an alternative procurement process for the Irving Street Garage Project, and after performing an intermediate procurement process, Metro awarded the contract to repair and renovate Metro’s Irving Street Parking Garage to D&R Masonry, Inc; and

WHEREAS, under the direction of the Metro Construction Manager, D&R Masonry, Inc. is completing the repair and renovation work in accordance with the Irving Street Garage Project specifications and schedule; and

WHEREAS, Parks and Environmental Services has determined that additional work is necessary and appropriate due to the discovery of further damage to the structure of the garage, and that such work is within the contingency budget for the Irving Street Garage Project; and

WHEREAS, the original D & R Masonry contract was \$574,850 and amendments are now proposed to increase the total contract amount by a projected \$238,950, to \$813,800. The additional work has been reviewed by the Metro Construction Manager and the project engineer, and has been approved as appropriately priced; and

WHEREAS, Metro Code 2.04.058 requires Contract Review Board approval for amendments to public improvement contracts that exceed \$25,000 and are over 5% of the initial contract value; and

WHEREAS, the Metro Procurement Officer believes that amending the existing contract with D&R Masonry, Inc. is appropriate, that such action is in the best interests of Metro, and that competitively procuring the additional work would be impractical; now therefore

BE IT RESOLVED that the Metro Council acting as the Public Contract Review Board authorizes the Procurement Officer to execute contract amendments up to the amount of \$813,800 with D&R Masonry, Inc. for the Irving Street Garage Project.

ADOPTED by the Metro Council Contract Review Board this \_\_\_\_ day of \_\_\_\_\_, 2010.

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David Bragdon, Council President

Approved as to Form:

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Daniel B. Cooper, Metro Attorney

## STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 10-4158, RESOLUTION OF METRO COUNCIL, ACTING AS THE METRO CONTRACT REVIEW BOARD, FOR THE PURPOSE OF APPROVING A CONTRACT AMENDMENT FOR THE IRVING STREET GARAGE REPAIR PROJECT

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Date: May 26, 2010

Prepared by: Lydia Neill

### BACKGROUND

The Irving Street garage was placed into service in the early 1960's. Very little maintenance or improvements have been made until the recent repair project. The renewal and replacement budget has allocated a total of \$425,000 for repairs to the garage over the 2008/09 through 2011/12. The Metro Council had authorized an expenditure of an additional \$475,000 prior to the start of the project for a total project budget of \$900,000.

An open, competitive Request for Bid (RFB) was issued for the Irving Street Garage Repair project in 2009. An Intermediate Procurement Process was used to facilitate addressing the safety issues in a timely manner. The bid process consisted of a solicitation of five firms and encouraging these firms to conduct outreach to MWESB subcontractors. As a result of this process Metro received three sealed bids which ranged from \$574,850 to \$991,680. In accordance with Metro Code, the lowest responsive, responsible bidder was selected, which was D&R Masonry, Inc.

This contract was awarded on January 8, 2010 in the amount of \$574,850 and work began shortly after. The Construction Manager, Lydia Neill reports that this project has progressed as planned and that D&R Masonry, Inc. has provided construction services in accordance with the contract and has performed additional work as directed by the owner. During the completion of the repairs to the first and second floors of the garage, additional damage has been uncovered. Completion of this work is essential to insure the safety and the longevity of the structure and is best completed within the sequencing of the work currently being performed. The work including the change orders are consistently priced with the original bid and schedule of values provided.

During the course of construction, the following additional services have been approved:

|                                                                          |                |
|--------------------------------------------------------------------------|----------------|
| Change Order #1- Engineered shoring design                               | \$3,550        |
| Change Order #2- Full depth repairs, carbon fiber joist wrap and shoring | 2,200          |
| Change Order #3- Additional full depth repairs                           | 7,200          |
| Change Order #4- Additional spall and joist repair (proposed)            | <u>226,000</u> |
| Total                                                                    | \$813,800      |

It is anticipated that additional work will be required to address damage to the underside of the concrete parking decks and joists that support the structure. Approximately 2,815 square feet of damage to the decks and 1,511 linear feet of joist repair work has been completed to address all safety issues. The value of the proposed change order is based on a damage assessment resulting from extensive tracking of repairs that have been completed to date. This additional work is likely to cost \$226,000. This estimate is based on unit pricing for the underslab and joist repair. Billing will occur on an as needed basis as each floor is evaluated and demolition occurs. Staff is requesting authority to amend the contract not to exceed \$813,800.



The Construction Manager and the consulting engineer for the project have reviewed each of the change order requests and verified that the work is outside of the existing contract scope, is necessary and reasonably priced.

Metro Code 2.04.058, Public Contract Amendments, requires Metro Council approval of contract amendment or change orders that exceed \$25,000 and over 5% of the total value of the contract. With change order four the total value of the work exceeds the 5% change order limit although this amount is based on unit pricing. The poor condition of the concrete and inferior construction techniques have contributed to an increase in the scope of the damage that must be addressed. Due to the staging and disruption of business services during the construction process it is most cost effective to complete these repairs within the scope of the current work rather than rebidding this work and competing the remainder of the work at a later date. Therefore, this additional work was outside of the control of the contractor and the Parks and Environmental Services Department feels it is reasonably priced and necessary for the successful completion of the project. The Metro Procurement Officer has deemed this amendment to be appropriate and reasonably related to the original scope of work, and therefore, believes the amendment is in Metro's best interest to approve.

The Construction Manager will continue to manage and administer this contract to ensure construction is in accordance with the contract, including all plans and specifications. Staff continues to look for value engineering opportunities. The Irving Street Garage Project is scheduled to be completed by late August 2010.

#### **ANALYSIS/INFORMATION**

1. **Known Opposition:** None known.
2. **Legal Antecedents:** Metro Code 2.04.058, ORS Chapter 279C.
3. **Anticipated Effects:** Construction will continue on the Irving Street Garage project in accordance with the contract document and project schedule.
4. **Budget Impacts:** The Capital Renewal and Replacement budget includes \$900,000 for repairs to this structure. This change order request falls well within budgeted contingency amounts. It is expected that the total project costs will not exceed the total capital budget.

#### **RECOMMENDED ACTION**

Metro Council, acting as Public Contract Review Board, approves the attached contract amendment with D&R Masonry, Inc.



Agenda Item Number 3.3

**Resolution No. 10-4163**, For the Purpose of Confirming the Appointment  
of Members to the Metro Audit Committee

*Consent Agenda*

Metro Council Meeting  
Thursday, June 17, 2010  
Metro Council Chamber



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF CONFIRMING THE ) RESOLUTION NO. 10-4163  
APPOINTMENT OF MEMBERS TO THE )  
METRO AUDIT COMMITTEE ) Introduced by Council President  
) David Bragdon  
)

WHEREAS, the Metro Council has adopted Ordinance No. 10-1233, "Amending Metro Code Section 2.15.080 External Audits and Adding a New Metro Code Section 2.19.250 Audit Committee;" and

WHEREAS, the prospective members were nominated as detailed in Exhibit "A" attached hereto and the Metro Council President thereafter has appointed; and

WHEREAS, the Metro Council desires to confirm the appointments; now, therefore,

BE IT RESOLVED, that the Metro Council confirms the appointments to the Metro Audit Committee as set forth in Exhibit "A" attached hereto for the Committee positions and terms set forth therein.

ADOPTED by the Metro Council this \_\_\_\_ day of June 2010.

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David Bragdon, Council President

Approved as to Form:

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Daniel B. Cooper, Metro Attorney

**Exhibit A to Resolution No. 10-4163**

**METRO AUDIT COMMITTEE**

**Committee Member Appointments**

The chairperson of the committee, serving a one-year term, shall be elected by the Audit Committee upon attendance at the first meeting this year.

*The following person shall serve a one (1) year term and shall be eligible thereafter to serve one additional 4-year term:*

- **Grant Jones** Vice President & Treasurer, Perkins & Company

*The following person shall serve a two (2) year term and shall be eligible thereafter to serve one additional 4-year term:*

- **Mike Laney** President, Laney & Associates

*The following person shall serve a three (3) year term and shall be eligible thereafter to serve one additional 4-year term:*

- **Jason Stanley** Manager-Internal Audit Division, PERS

*The following persons shall serve a four (4) year term and shall be eligible thereafter to serve one additional 4-year term:*

- **Andrew Carlson** Management Analyst, City of Portland/Office of the Auditor
- **Kathryn Harrington** Metro Councilor, District 4
- **Terry Goldman** MERC Commissioner
- **TBD** Metro Finance & Regulatory Services

## **BIOGRAPHIES**

### **Metro Audit Committee Members**

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- Grant Jones:** Grant is a Certified Public Accountant and holds a Bachelor of Science in Business Administration from the University of Oregon. He is currently Vice President and Treasurer for Perkins & Company in Portland. Grant's areas of expertise include accounting, auditing, financial management, employee benefit plans and general business consulting.
- Mike Laney:** Mr. Laney's professional career encompasses over three decades in the areas of tax accounting, university teaching positions, finance and consulting. Mike holds an MBA in Management from the University of California-Los Angeles and is currently in professional consulting.
- Jason Stanley:** Jason Stanley is a Certified Public Accountant and Certified Fraud Examiner. He has a Bachelor of Science in Business Administration Accounting from Portland State University. Jason is currently the manager of the Internal Audit Section at PERS, previously managing and conducting audits for the Oregon Department of Transportation and the Oregon Secretary of State Audits Division.
- Andrew Carlstrom:** Andrew Carlstrom has an MBA from Portland State University. He has worked in local government since 2001 and has served in the Auditor's Office at the City of Portland since 2006 as a management analyst and City Elections Officer. Carlstrom has recently accepted a position with the Public Safety Systems Revitalization Project, also with the City of Portland.
- Kathryn Harrington:** Metro Councilor. Councilor Harrington represents District 4, which includes Northern Washington County, Cornelius, Hillsboro, Forest Grove, Northwest Beaverton, Aloha, Bonny Slope, Bethany, Raleigh Hills, West Slope, Cedar Mill and Cedar Hills.
- Terry Goldman:** MERC Commissioner. Mr. Goldman will be assuming the role of President & CEO of the Washington County Visitor's Association Board on July 1, 2010. Previously, he was General Manager of SpringHill Suites by Marriott and directed sales and marketing for InnSight Hotel Management Group. Mr. Goldman is a member of the Tri-County Lodging Association Board of Directors and has a Bachelor of Arts in Hotel Restaurant Administration from Washington State University.

## STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 10-4163, FOR THE PURPOSE OF CONFIRMING THE APPOINTMENT OF MEMBERS TO THE METRO AUDIT COMMITTEE

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Date: June 17, 2010

Prepared by: Suzanne Flynn  
Metro Auditor  
503/797-1891

## BACKGROUND

On February 11, 2010, the Metro Council adopted ordinance 10-1233 for the purpose of amending Metro Code Chapter 2.19 "Metro Advisory Committees" and establishing Code Section 2.19.250 "Audit Committee."

The Audit Committee assists the Metro Council in reviewing accounting policies and reporting practices as they relate to the Metro's Comprehensive Annual Financial Report. The Committee provides independent review and oversight of the government's financial reporting processes, internal controls, and independent auditors.

Metro Code 2.19.250 establishes (eight) 8 member positions for the Audit Committee, categorized as follows:

- a) A Metro Councilor
- b) A MERC Commissioner
- c) The Metro Auditor (non-voting capacity)
- d) Four (4) citizens recommended by the Metro Auditor
- e) Metro's head finance staff person as designated by the Metro Chief Operating Officer (non-voting capacity)

The prospective members listed in Exhibit A were nominated to serve on the Committee.

## ANALYSIS/INFORMATION

1. **Known Opposition:** none

2. **Legal Antecedents:**

Metro Code Chapter 2.19, "Metro Advisory Committees," providing generally applicable rules for the creation of committees providing advice to the Metro Council and appointment of members to such committees.

Metro Ordinance 10-1233 for the Purpose of Establishing an Audit Committee and Amending Metro Code Section 2.15.080 External Audits and Adding a New Metro Code Section 2.19.250 Audit Committee.

3. **Anticipated Effects:**

The Metro Audit Committee will begin serving the purpose established for it in Metro Code.

4. **Budget Impacts:** None

## RECOMMENDED ACTION

Metro Council confirmation of Metro Audit Committee members.



Agenda Item Number 4.1

**Ordinance No. 10-1235B**, For the Purpose of Adopting the Annual  
Budget for Fiscal Year 2010-11, Making Appropriations, Levying Ad  
Valorem Taxes and Declaring an Emergency

ORDINANCES – SECOND READING  
COUNCILOR PARK

Metro Council Meeting  
Thursday, June 17, 2010  
Metro Council Chamber



BEFORE THE METRO COUNCIL

ADOPTING THE ANNUAL BUDGET FOR ) ORDINANCE NO. 10-1235A  
 FISCAL YEAR FY 2010-11, MAKING )  
 APPROPRIATIONS, LEVYING AD VALOREM ) Introduced by Michael Jordan, Chief  
 TAXES, AND DECLARING AN EMERGENCY ) Operating Officer, with the concurrence of  
 ) Council President David Bragdon

WHEREAS, the Multnomah County Tax Supervising and Conservation Commission held its public hearing on the annual Metro budget for the fiscal year beginning July 1, 2010, and ending June 30, 2011; and

WHEREAS, recommendations from the Multnomah County Tax Supervising and Conservation Commission have been received by Metro (attached as Exhibit A and made a part of the Ordinance) and considered; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The "Fiscal Year 2010-11 Metro Budget," in the total amount of FOUR HUNDRED TWENTY ~~FIVE-SEVEN~~ MILLION ~~ONE-THREE~~ HUNDRED ~~FIFTEEN-EIGHTY FOUR~~ THOUSAND ~~THREE HUNDRED FIFTY NINE~~ DOLLARS (~~\$425,115,000~~427,384,359), attached hereto as Exhibit B, and the Schedule of Appropriations, attached hereto as Exhibit C, are hereby adopted.

2. The Metro Council does hereby levy ad valorem taxes, as provided in the budget adopted by Section 1 of this Ordinance, at the rate of \$0.0966 per ONE THOUSAND DOLLARS (\$1,000) of assessed value for operations and in the amount of THIRTY NINE MILLION ONE HUNDRED TWENTY EIGHT THOUSAND ONE HUNDRED TWENTY SEVEN DOLLARS (\$39,128,127) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2010-11. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy.

SUMMARY OF AD VALOREM TAX LEVY

|                              | Subject to the<br>General Government<br><u>Limitation</u> | Excluded from<br><u>the Limitation</u> |
|------------------------------|-----------------------------------------------------------|----------------------------------------|
| Operating Tax Rate Levy      | \$0.0966/\$1,000                                          |                                        |
| General Obligation Bond Levy |                                                           | \$39,128,127                           |

3. In accordance with Section 2.02.040 of the Metro Code, the Metro Council hereby authorizes positions and expenditures in accordance with the Annual Budget adopted by Section 1 of this Ordinance, and hereby appropriates funds for the fiscal year beginning July 1, 2010, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

4. The Chief Operating Officer shall make the filings as required by ORS 294.555 and ORS 310.060, or as requested by the Assessor's Office of Clackamas, Multnomah, and Washington Counties.

5. This Ordinance being necessary for the health, safety, or welfare of the Metro area, for the reason that the new fiscal year begins July 1, 2010, and Oregon Budget Law requires the adoption of a budget prior to the beginning of the fiscal year, an emergency is declared to exist and the Ordinance takes effect upon passage.

ADOPTED by the Metro Council on this 17<sup>th</sup> day of June 2010.

\_\_\_\_\_  
David Bragdon, Council President

ATTEST:

Approved as to Form:

\_\_\_\_\_  
Anthony Andersen, Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

BEFORE THE METRO COUNCIL

|                                    |   |                                            |
|------------------------------------|---|--------------------------------------------|
| ADOPTING THE ANNUAL BUDGET FOR     | ) | ORDINANCE NO. 10-1235                      |
| FISCAL YEAR FY 2010-11, MAKING     | ) |                                            |
| APPROPRIATIONS, LEVYING AD VALOREM | ) | Introduced by Michael Jordan, Chief        |
| TAXES, AND DECLARING AN EMERGENCY  | ) | Operating Officer, with the concurrence of |
|                                    | ) | Council President David Bragdon            |

WHEREAS, the Multnomah County Tax Supervising and Conservation Commission held its public hearing on the annual Metro budget for the fiscal year beginning July 1, 2010, and ending June 30, 2011; and

WHEREAS, recommendations from the Multnomah County Tax Supervising and Conservation Commission have been received by Metro (attached as Exhibit A and made a part of the Ordinance) and considered; now, therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The "Fiscal Year 2010-11 Metro Budget," in the total amount of FOUR HUNDRED TWENTY FIVE MILLION ONE HUNDRED FIFTEEN THOUSAND DOLLARS (\$425,115,000), attached hereto as Exhibit B, and the Schedule of Appropriations, attached hereto as Exhibit C, are hereby adopted.

2. The Metro Council does hereby levy ad valorem taxes, as provided in the budget adopted by Section 1 of this Ordinance, at the rate of \$0.0966 per ONE THOUSAND DOLLARS (\$1,000) of assessed value for operations and in the amount of THIRTY NINE MILLION ONE HUNDRED TWENTY EIGHT THOUSAND ONE HUNDRED TWENTY SEVEN DOLLARS (\$39,128,127) for general obligation bond debt, said taxes to be levied upon taxable properties within the Metro District for the fiscal year 2010-11. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy.

SUMMARY OF AD VALOREM TAX LEVY

|                              | Subject to the<br>General Government<br><u>Limitation</u> | Excluded from<br><u>the Limitation</u> |
|------------------------------|-----------------------------------------------------------|----------------------------------------|
| Operating Tax Rate Levy      | \$0.0966/\$1,000                                          |                                        |
| General Obligation Bond Levy |                                                           | \$39,128,127                           |

3. In accordance with Section 2.02.040 of the Metro Code, the Metro Council hereby authorizes positions and expenditures in accordance with the Annual Budget adopted by Section 1 of this Ordinance, and hereby appropriates funds for the fiscal year beginning July 1, 2010, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

4. The Chief Operating Officer shall make the filings as required by ORS 294.555 and ORS 310.060, or as requested by the Assessor's Office of Clackamas, Multnomah, and Washington Counties.

5. This Ordinance being necessary for the health, safety, or welfare of the Metro area, for the reason that the new fiscal year begins July 1, 2010, and Oregon Budget Law requires the adoption of a budget prior to the beginning of the fiscal year, an emergency is declared to exist and the Ordinance takes effect upon passage.

ADOPTED by the Metro Council on this 17<sup>th</sup> day of June 2010.

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David Bragdon, Council President

ATTEST:

Approved as to Form:

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Anthony Andersen, Recording Secretary

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Daniel B. Cooper, Metro Attorney

## STAFF REPORT

### CONSIDERATION OF ORDINANCE NO. 10-1235 ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 2010-11, MAKING APPROPRIATIONS AND LEVYING AD VALOREM TAXES, AND DECLARING AN EMERGENCY

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Date: April 1, 2010

Presented by: Michael Jordan  
Chief Operating Officer

## BACKGROUND

I am forwarding to the Metro Council for consideration and approval my proposed budget for fiscal year 2010-11.

Metro Council action, through Ordinance No. 10-1235 is the final step in the process for the adoption of Metro's operating financial plan for the forthcoming fiscal year. Final action by the Metro Council to adopt this plan must be completed by June 30, 2010.

Once the budget plan for fiscal year 2010-11 is approved by the Metro Council on April 29, the number of funds and their total dollar amount and the maximum tax levy cannot be amended without review and certification by the Tax Supervising and Conservation Commission. Adjustments, if any, by the Metro Council to increase the level of expenditures in a fund are limited to no more than 10 percent of the total value of any fund's expenditures in the period between Metro Council approval in late April 2010 and adoption in June 2010.

Exhibit A to this Ordinance will be available subsequent to the Tax Supervising and Conservation Commission hearing June 3, 2010. Exhibits B and C of the Ordinance will be available at the public hearing on April 1, 2010.

## ANALYSIS/INFORMATION

1. **Known Opposition** – Metro Council hearings will be held on the Proposed Budget during the month of April 2010. Opportunities for public comments will be provided. Opposition to any portion of the budget will be identified during that time.
2. **Legal Antecedents** – The preparation, review and adoption of Metro's annual budget is subject to the requirements of Oregon Budget Law, ORS Chapter 294. Oregon Revised Statutes 294.635 requires that Metro prepare and submit its approved budget to the Tax Supervising and Conservation Commission by May 15, 2010. The Commission will conduct a hearing on June 3, 2010 for the purpose of receiving information from the public regarding the Metro Council's approved budget. Following the hearing, the Commission will certify the budget to the Metro Council for adoption and may provide recommendations to the Metro Council regarding any aspect of the budget.
3. **Anticipated Effects** – Adoption of this ordinance will put into effect the annual FY 2010-11 budget, effective July 1, 2010.
4. **Budget Impacts** – The total amount of the proposed FY 2010-11 annual budget is \$425,115,000 and 752.60 FTE.

**RECOMMENDED ACTION**

The Chief Operating Officer recommends adoption of Ordinance No. 10-1235

M:\Asd\Finance\Confidential\BUDGET\FY09-10\Budord\Ordinance 09-1215 - Adopting Ordinance\Staff Report For Adoption Ord 09-1215.Doc



Agenda Item Number 4.2

**Ordinance No. 10-1242**, Amending the FY 2009-10 Budget and Appropriations Schedule and the FY 2009-10 through FY 2013-14 Capital Improvement Plan, and Declaring an Emergency

ORDINANCES – SECOND READING  
COUNCILOR PARK

Metro Council Meeting  
Thursday, June 17, 2010  
Metro Council Chamber



BEFORE THE METRO COUNCIL

AMENDING THE FY 2009-10 BUDGET AND ) ORDINANCE NO. 10-1242  
APPROPRIATIONS SCHEDULE AND THE FY )  
2009-10 THROUGH FY 2013-14 CAPITAL ) Introduced by Michael Jordan, Chief  
IMPROVEMENT PLAN, AND DECLARING AN ) Operating Officer, with the concurrence of  
EMERGENCY ) Council President David Bragdon

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2009-10 Budget; and

WHEREAS, Oregon Budget Law ORS 294.326 allows for the expenditure in the year of receipt of grants, gifts, bequests, and other devices received by a municipal corporation in trust for a specific purpose; and

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

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

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2009-10 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of reflecting the suspension of the Blue Lake Nature and Golf Learning Center capital project and implementing the new fleet management proposal.
2. That the FY 2009-10 through FY 2013-14 Capital Improvement Plan is hereby amended to include the changes to projects discussed in this ordinance.
3. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_ 2010.

\_\_\_\_\_  
David Bragdon, Council President

Attest:

Approved as to Form:

\_\_\_\_\_  
Anthony Andersen, Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

**Exhibit A**  
**Ordinance No. 10-1242**

| ACCT                              | DESCRIPTION                                     | Current Budget |            | Revision |        | Amended Budget |            |
|-----------------------------------|-------------------------------------------------|----------------|------------|----------|--------|----------------|------------|
|                                   |                                                 | FTE            | Amount     | FTE      | Amount | FTE            | Amount     |
| <b>General Fund</b>               |                                                 |                |            |          |        |                |            |
| <b>Total Resources</b>            |                                                 |                |            |          |        |                |            |
| <b><u>Resources</u></b>           |                                                 |                |            |          |        |                |            |
| <i>BEGBAL</i>                     | <i>Beginning Fund Balance</i>                   |                |            |          |        |                |            |
| 3500                              | Beginning Fund Balance                          |                |            |          |        |                |            |
|                                   | * Undesignated                                  |                | 7,600,000  |          | 0      |                | 7,600,000  |
|                                   | * Prior period adjustment: TOD                  |                | 5,674,357  |          | 0      |                | 5,674,357  |
|                                   | * Project Carryover                             |                | 1,280,705  |          | 0      |                | 1,280,705  |
|                                   | * Reserved for Local Gov't Grants (CET)         |                | 2,280,143  |          | 0      |                | 2,280,143  |
|                                   | * Reserve for Future Debt Service               |                | 2,606,806  |          | 0      |                | 2,606,806  |
|                                   | * Tibbets Flower Account                        |                | 201        |          | 0      |                | 201        |
|                                   | * Reserved for Future Planning Needs            |                | 814,000    |          | 0      |                | 814,000    |
|                                   | * Reserved for Future Election Costs            |                | 183,411    |          | 0      |                | 183,411    |
|                                   | * Reserved for Nature in Neighborhood Grants    |                | 700,000    |          | 0      |                | 700,000    |
|                                   | * Reserved for Reg. Afford. Housing Revolving F |                | 1,000,000  |          | 0      |                | 1,000,000  |
|                                   | * Reserved for Metro Regional Center Remodel    |                | 378,000    |          | 0      |                | 378,000    |
|                                   | * Reserved for Integrated Mobility Strategy     |                | 293,500    |          | 0      |                | 293,500    |
|                                   | * Reserve for Future Natural Areas Operations   |                | 1,023,070  |          | 0      |                | 1,023,070  |
|                                   | * Prior year PERS Reserve                       |                | 2,782,174  |          | 0      |                | 2,782,174  |
|                                   | <i>Subtotal Beginning Fund Balance</i>          |                | 26,616,367 |          | 0      |                | 26,616,367 |
| <b><u>General Revenues</u></b>    |                                                 |                |            |          |        |                |            |
| <i>EXCISE</i>                     | <i>Excise Tax</i>                               |                |            |          |        |                |            |
| 4050                              | Excise Taxes                                    |                | 13,465,381 |          | 0      |                | 13,465,381 |
| 4055                              | Construction Excise Tax                         |                | 1,400,000  |          | 0      |                | 1,400,000  |
| <i>RPTAX</i>                      | <i>Real Property Taxes</i>                      |                |            |          |        |                |            |
| 4010                              | Real Property Taxes-Current Yr                  |                | 10,802,206 |          | 0      |                | 10,802,206 |
| 4015                              | Real Property Taxes-Prior Yrs                   |                | 324,000    |          | 0      |                | 324,000    |
| <i>INTRST</i>                     | <i>Interest Earnings</i>                        |                |            |          |        |                |            |
| 4700                              | Interest on Investments                         |                | 544,008    |          | 0      |                | 544,008    |
|                                   | <i>Subtotal General Revenues</i>                |                | 26,535,595 |          | 0      |                | 26,535,595 |
| <b><u>Department Revenues</u></b> |                                                 |                |            |          |        |                |            |
| <i>GRANTS</i>                     | <i>Grants</i>                                   |                |            |          |        |                |            |
| 4100                              | Federal Grants - Direct                         |                | 2,801,806  |          | 0      |                | 2,801,806  |
| 4105                              | Federal Grants - Indirect                       |                | 9,429,597  |          | 0      |                | 9,429,597  |
| 4110                              | State Grants - Direct                           |                | 651,763    |          | 0      |                | 651,763    |
| 4120                              | Local Grants - Direct                           |                | 499,184    |          | 0      |                | 499,184    |
| <i>LGSHRE</i>                     | <i>Local Gov't Share Revenues</i>               |                |            |          |        |                |            |
| 4135                              | Marine Board Fuel Tax                           |                | 116,280    |          | 0      |                | 116,280    |
| 4139                              | Other Local Govt Shared Rev.                    |                | 456,615    |          | 0      |                | 456,615    |
| <i>GVCNTB</i>                     | <i>Contributions from Governments</i>           |                |            |          |        |                |            |
| 4145                              | Government Contributions                        |                | 313,314    |          | 0      |                | 313,314    |
| <i>LICPER</i>                     | <i>Licenses and Permits</i>                     |                |            |          |        |                |            |
| 4150                              | Contractor's Business License                   |                | 406,000    |          | 0      |                | 406,000    |
| <i>CHGSVC</i>                     | <i>Charges for Service</i>                      |                |            |          |        |                |            |
| 4160                              | Boat Ramp Use Permits                           |                | 500        |          | 0      |                | 500        |
| 4165                              | Boat Launch Fees                                |                | 152,250    |          | 0      |                | 152,250    |
| 4180                              | Contract & Professional Service                 |                | 669,658    |          | 0      |                | 669,658    |
| 4220                              | Conferences and Workshops                       |                | 2,000      |          | 0      |                | 2,000      |
| 4230                              | Product Sales                                   |                | 89,060     |          | 0      |                | 89,060     |
| 4280                              | Grave Openings                                  |                | 188,644    |          | 0      |                | 188,644    |

**Exhibit A**  
**Ordinance No. 10-1242**

| ACCT                               | DESCRIPTION                               | Current Budget |                      | Revision       |                      | Amended Budget |                   |
|------------------------------------|-------------------------------------------|----------------|----------------------|----------------|----------------------|----------------|-------------------|
|                                    |                                           | FTE            | Amount               | FTE            | Amount               | FTE            | Amount            |
| <b>General Fund</b>                |                                           |                |                      |                |                      |                |                   |
| <b>Total Resources</b>             |                                           |                |                      |                |                      |                |                   |
| 4285                               | Grave Sales                               |                | 184,504              | 0              |                      |                | 184,504           |
| 4500                               | Admission Fees                            |                | 9,038,608            | 0              |                      |                | 9,038,608         |
| 4501                               | Conservation Surcharge                    |                | 160,000              | 0              |                      |                | 160,000           |
| 4510                               | Rentals                                   |                | 894,006              | 0              |                      |                | 894,006           |
| 4550                               | Food Service Revenue                      |                | 5,733,000            | 0              |                      |                | 5,733,000         |
| 4560                               | Retail Sales                              |                | 2,416,250            | 0              |                      |                | 2,416,250         |
| 4580                               | Utility Services                          |                | 2,000                | 0              |                      |                | 2,000             |
| 4610                               | Contract Revenue                          |                | 896,397              | 0              |                      |                | 896,397           |
| 4620                               | Parking Fees                              |                | 761,000              | 0              |                      |                | 761,000           |
| 4630                               | Tuition and Lectures                      |                | 1,396,153            | 0              |                      |                | 1,396,153         |
| 4635                               | Exhibit Shows                             |                | 329,000              | 0              |                      |                | 329,000           |
| 4640                               | Railroad Rides                            |                | 912,000              | 0              |                      |                | 912,000           |
| 4645                               | Reimbursed Services                       |                | 285,000              | 0              |                      |                | 285,000           |
| 4650                               | Miscellaneous Charges for Service         |                | 13,964               | 0              |                      |                | 13,964            |
| 4760                               | Sponsorships                              |                | 10,000               | 0              |                      |                | 10,000            |
| <i>DONAT</i>                       | <i>Contributions from Private Sources</i> |                |                      |                |                      |                |                   |
| 4750                               | Donations and Bequests                    |                | 1,265,100            | 0              |                      |                | 1,265,100         |
| <i>INCGRV</i>                      | <i>Internal Charges for Service</i>       |                |                      |                |                      |                |                   |
| 4670                               | Charges for Service                       |                | 3,228                | 0              |                      |                | 3,228             |
| <i>MISCRV</i>                      | <i>Miscellaneous Revenue</i>              |                |                      |                |                      |                |                   |
| 4170                               | Fines and Forfeits                        |                | 25,000               | 0              |                      |                | 25,000            |
| 4890                               | Miscellaneous Revenue                     |                | 113,500              | 0              |                      |                | 113,500           |
| 4891                               | Reimbursements                            |                | 1,472,340            | 0              |                      |                | 1,472,340         |
| <i>EQTREV</i>                      | <i>Fund Equity Transfers</i>              |                |                      |                |                      |                |                   |
| 4970                               | Transfer of Resources                     |                |                      |                |                      |                |                   |
|                                    | * from Metro Capital Fund-Zoo Projects    |                | 100,000              | 0              |                      |                | 100,000           |
| <i>INDTRV</i>                      | <i>Interfund Reimbursements</i>           |                |                      |                |                      |                |                   |
| 4975                               | Transfer for Indirect Costs               |                |                      |                |                      |                |                   |
|                                    | * from MERC Operating Fund                |                | 2,027,654            | 0              |                      |                | 2,027,654         |
|                                    | * from Natural Areas Fund                 |                | 868,648              | 0              |                      |                | 868,648           |
|                                    | * from Solid Waste Revenue Fund           |                | 4,166,355            | 0              |                      |                | 4,166,355         |
| <i>INTSRV</i>                      | <i>Internal Service Transfers</i>         |                |                      |                |                      |                |                   |
| 4980                               | Transfer for Direct Costs                 |                |                      |                |                      |                |                   |
|                                    | * from Natural Areas Fund                 |                | 601,536              | 0              |                      |                | 601,536           |
|                                    | * from Metro Capital Fund                 |                | 7,670                | 3,583          |                      |                | 11,253            |
|                                    | * from Smith & Bybee Lakes Fund           |                | 169,899              | 0              |                      |                | 169,899           |
|                                    | * from Solid Waste Revenue Fund           |                | 2,019,522            | 0              |                      |                | 2,019,522         |
|                                    | <i>Subtotal Department Revenues</i>       |                | <i>51,649,005</i>    | <i>3,583</i>   |                      |                | <i>51,652,588</i> |
| <b>TOTAL CURRENT YEAR REVENUES</b> |                                           |                | <b>\$78,184,600</b>  | <b>\$3,583</b> | <b>\$78,188,183</b>  |                |                   |
| <b>TOTAL RESOURCES</b>             |                                           |                | <b>\$104,800,967</b> | <b>\$3,583</b> | <b>\$104,804,550</b> |                |                   |

**Exhibit A  
Ordinance No. 10-1242**

| ACCT                                      | DESCRIPTION                             | Current Budget |                    | Revision    |                 | Amended Budget |                    |
|-------------------------------------------|-----------------------------------------|----------------|--------------------|-------------|-----------------|----------------|--------------------|
|                                           |                                         | FTE            | Amount             | FTE         | Amount          | FTE            | Amount             |
| <b>General Fund</b>                       |                                         |                |                    |             |                 |                |                    |
| <b>Parks &amp; Environmental Services</b> |                                         |                |                    |             |                 |                |                    |
| <i>Personal Services</i>                  |                                         |                |                    |             |                 |                |                    |
| <i>SALWGE Salaries &amp; Wages</i>        |                                         |                |                    |             |                 |                |                    |
| 5010                                      | Reg Employees-Full Time-Exempt          |                |                    |             |                 |                |                    |
|                                           | Administrative Specialist IV            | 1.00           | 45,780             | -           | 0               | 1.00           | 45,780             |
|                                           | Assistant Management Analyst            | 7.75           | 413,128            | -           | 0               | 7.75           | 413,128            |
|                                           | Director                                | 1.00           | 123,773            | -           | 0               | 1.00           | 123,773            |
|                                           | Manager I                               | 5.00           | 410,751            | -           | 0               | 5.00           | 410,751            |
|                                           | Principal Regional Planner              | -              | 0                  | 0.33        | 31,038          | 0.33           | 31,038             |
|                                           | Program Director                        | 1.00           | 102,294            | -           | 0               | 1.00           | 102,294            |
|                                           | Property Management Specialist          | 0.80           | 56,703             | -           | 0               | 0.80           | 56,703             |
|                                           | Senior Management Analyst               | 1.00           | 70,879             | -           | 0               | 1.00           | 70,879             |
|                                           | Service Supervisor II                   | 1.00           | 57,051             | -           | 0               | 1.00           | 57,051             |
|                                           | Service Supervisor III                  | 1.00           | 67,601             | -           | 0               | 1.00           | 67,601             |
| 5015                                      | Reg Empl-Full Time-Non-Exempt           |                |                    |             |                 |                |                    |
|                                           | Administrative Specialist I             | 1.00           | 37,565             | -           | 0               | 1.00           | 37,565             |
|                                           | Administrative Specialist III           | 1.00           | 45,635             | -           | 0               | 1.00           | 45,635             |
|                                           | Arborist                                | 1.00           | 53,913             | -           | 0               | 1.00           | 53,913             |
|                                           | Building Service Worker                 | 1.00           | 43,409             | -           | 0               | 1.00           | 43,409             |
|                                           | Building Services Technician            | 1.00           | 55,451             | -           | 0               | 1.00           | 55,451             |
|                                           | Maintenance Worker 2                    | 1.00           | 40,962             | -           | 0               | 1.00           | 40,962             |
|                                           | Natural Resource Technician             | 5.00           | 237,441            | -           | 0               | 5.00           | 237,441            |
|                                           | Park Ranger                             | 7.00           | 326,256            | -           | 0               | 7.00           | 326,256            |
|                                           | Park Ranger Lead                        | 1.00           | 53,914             | -           | 0               | 1.00           | 53,914             |
|                                           | Printing/Mail Services Clerk            | 1.00           | 41,413             | -           | 0               | 1.00           | 41,413             |
|                                           | Printing/Mail Services Lead             | 1.00           | 45,635             | -           | 0               | 1.00           | 45,635             |
|                                           | Program Assistant 2                     | 1.00           | 45,635             | -           | 0               | 1.00           | 45,635             |
|                                           | Program Assistant 3                     | 1.00           | 43,410             | -           | 0               | 1.00           | 43,410             |
|                                           | Safety and Security Officer             | 2.00           | 78,790             | -           | 0               | 2.00           | 78,790             |
| 5025                                      | Reg Employees-Part Time-Non-Exempt      |                |                    |             |                 |                |                    |
|                                           | Administrative Specialist I             | 0.55           | 20,649             | -           | 0               | 0.55           | 20,649             |
|                                           | Program Assistant 2                     | 0.50           | 19,698             | -           | 0               | 0.50           | 19,698             |
| 5030                                      | Temporary Employees                     |                | 313,355            |             | 0               |                | 313,355            |
| 5080                                      | Overtime                                |                | 30,426             |             | 0               |                | 30,426             |
| 5089                                      | Salary Adjustments                      |                |                    |             |                 |                |                    |
|                                           | Merit Adjustment Pool (non-represented) |                | 12,716             |             | 0               |                | 12,716             |
|                                           | Step Increases (AFSCME)                 |                | 15,698             |             | 0               |                | 15,698             |
|                                           | COLA (represented employees)            |                | 54,003             |             | 0               |                | 54,003             |
|                                           | Other Adjustments (non-represented)     |                | 9,519              |             | 0               |                | 9,519              |
|                                           | Other Adjustments (AFSCME)              |                | 10,464             |             | 0               |                | 10,464             |
|                                           | Other Adjustments (Class & Comp Study)  |                | 15,982             |             | 0               |                | 15,982             |
| <i>FRINGE Fringe Benefits</i>             |                                         |                |                    |             |                 |                |                    |
| 5100                                      | Fringe Benefits                         |                |                    |             |                 |                |                    |
|                                           | Base Fringe (variable & fixed)          |                | 984,876            |             | 8,919           |                | 993,795            |
| 5190                                      | PERS Bond Recovery                      |                | 85,489             |             | 994             |                | 86,483             |
| <b>Total Personal Services</b>            |                                         | <b>45.60</b>   | <b>\$4,070,264</b> | <b>0.33</b> | <b>\$40,951</b> | <b>45.93</b>   | <b>\$4,111,215</b> |
| <b>Total Materials &amp; Services</b>     |                                         |                | <b>\$2,852,898</b> |             | <b>\$0</b>      |                | <b>\$2,852,898</b> |
| <b>TOTAL REQUIREMENTS</b>                 |                                         | <b>45.60</b>   | <b>\$6,923,162</b> | <b>0.33</b> | <b>\$40,951</b> | <b>45.93</b>   | <b>\$6,964,113</b> |

**Exhibit A  
Ordinance No. 10-1242**

| ACCT                                                   | DESCRIPTION                                       | Current Budget |                      | Revision    |                    | Amended Budget |                      |
|--------------------------------------------------------|---------------------------------------------------|----------------|----------------------|-------------|--------------------|----------------|----------------------|
|                                                        |                                                   | FTE            | Amount               | FTE         | Amount             | FTE            | Amount               |
| <b>General Fund</b>                                    |                                                   |                |                      |             |                    |                |                      |
| <b>General Expenses</b>                                |                                                   |                |                      |             |                    |                |                      |
| <i><b>Interfund Transfers</b></i>                      |                                                   |                |                      |             |                    |                |                      |
| INDTEX                                                 | <i>Interfund Reimbursements</i>                   |                |                      |             |                    |                |                      |
| 5800                                                   | Transfer for Indirect Costs                       |                |                      |             |                    |                |                      |
|                                                        | * to Risk Mgmt Fund-Liability                     |                | 191,681              |             | 0                  |                | 191,681              |
|                                                        | * to Risk Mgmt Fund-Worker Comp                   |                | 275,463              |             | 0                  |                | 275,463              |
| EQTCHG                                                 | <i>Fund Equity Transfers</i>                      |                |                      |             |                    |                |                      |
| 5810                                                   | Transfer of Resources                             |                |                      |             |                    |                |                      |
|                                                        | * to General Revenue Bond Fund-Zoo                |                | 403,820              |             | 0                  |                | 403,820              |
|                                                        | * to Metro Capital Fund-IT Projects               |                | 50,000               |             | 0                  |                | 50,000               |
|                                                        | * to Gen'l Revenue Bond Fund-Debt Serv Acct       |                | 1,485,849            |             | 0                  |                | 1,485,849            |
|                                                        | * to MERC Fund (Tourism Opp. & Compt. Account)    |                | 692,490              |             | 0                  |                | 692,490              |
|                                                        | * to Renewal & Replacement Fund-General R&R       |                | 537,233              |             | 0                  |                | 537,233              |
|                                                        | * to Renewal & Replacement Fund-IT Renewal & Rep  |                | 253,329              |             | 0                  |                | 253,329              |
|                                                        | * to Metro Capital Fund-Parks Capital             |                | 49,000               |             | 0                  |                | 49,000               |
|                                                        | * to Renewal & Replacement Fund-Regional Center   |                | 405,000              |             | 0                  |                | 405,000              |
|                                                        | * to Metro Capital Fund-Parks Cap                 |                | 40,000               |             | 0                  |                | 40,000               |
|                                                        | * to Renewal & Replacement Fund-Parks R&R         |                | 200,000              |             | 64,370             |                | 264,370              |
|                                                        | * to Solid Waste Revenue Fund                     |                | 122,375              |             | 0                  |                | 122,375              |
| LOANEX                                                 | <i>Interfund Loan - Expenditures</i>              |                |                      |             |                    |                |                      |
| 5865                                                   | Interfund Loan - Interest                         |                |                      |             |                    |                |                      |
|                                                        | * to Solid Waste Revenue Fund                     |                | 266,250              |             | (266,250)          |                | 0                    |
| <b>Total Interfund Transfers</b>                       |                                                   |                | <b>\$4,972,490</b>   |             | <b>(\$201,880)</b> |                | <b>\$4,770,610</b>   |
| <i><b>Contingency &amp; Unappropriated Balance</b></i> |                                                   |                |                      |             |                    |                |                      |
| CONT                                                   | <i>Contingency</i>                                |                |                      |             |                    |                |                      |
| 5999                                                   | Contingency                                       |                |                      |             |                    |                |                      |
|                                                        | * Contingency                                     |                | 2,895,683            |             | 153,259            |                | 3,048,942            |
|                                                        | * Reserved for Future Planning Needs              |                | 55,580               |             | 0                  |                | 55,580               |
|                                                        | * Reserved for Future Election Costs              |                | 183,411              |             | 0                  |                | 183,411              |
|                                                        | * Reserved for Nature in Neigh Grants             |                | 342,500              |             | 0                  |                | 342,500              |
|                                                        | * Reserved for Active Transportation Partnerships |                | 176,100              |             | 0                  |                | 176,100              |
|                                                        | * Reserved for Climate Change                     |                | 47,500               |             | 0                  |                | 47,500               |
| UNAPP                                                  | <i>Unappropriated Fund Balance</i>                |                |                      |             |                    |                |                      |
| 5990                                                   | Unappropriated Fund Balance                       |                |                      |             |                    |                |                      |
|                                                        | * Stabilization Reserve                           |                | 2,352,000            |             | 0                  |                | 2,352,000            |
|                                                        | * Reserved for Future Years                       |                | 45,000               |             | 11,253             |                | 56,253               |
|                                                        | * PERS Reserve                                    |                | 3,759,384            |             | 0                  |                | 3,759,384            |
|                                                        | * Computer Replacement Reserve (Planning)         |                | 90,000               |             | 0                  |                | 90,000               |
|                                                        | * Tibbets Flower Account                          |                | 50                   |             | 0                  |                | 50                   |
|                                                        | * Reserved for Future Natural Areas Operations    |                | 804,460              |             | 0                  |                | 804,460              |
|                                                        | * Reserved for Local Gov't Grants (CET)           |                | 5,851                |             | 0                  |                | 5,851                |
|                                                        | * Reserved for Future Planning Needs              |                | 27,575               |             | 0                  |                | 27,575               |
|                                                        | * Debt Reserve for Full Faith & Credit Bonds      |                | 2,000,000            |             | 0                  |                | 2,000,000            |
|                                                        | * Reserve for Future Debt Service                 |                | 2,676,806            |             | 0                  |                | 2,676,806            |
| <b>Total Contingency &amp; Unappropriated Balance</b>  |                                                   |                | <b>\$15,461,900</b>  |             | <b>\$164,512</b>   |                | <b>\$15,626,412</b>  |
| <b>TOTAL REQUIREMENTS</b>                              |                                                   | <b>452.26</b>  | <b>\$104,800,967</b> | <b>0.33</b> | <b>\$3,583</b>     | <b>452.59</b>  | <b>\$104,804,550</b> |

**Exhibit A**  
**Ordinance No. 10-1242**

| ACCT                                                                                         | DESCRIPTION                                  | Current |                     | Revision            |                    | Amended         |                     |                     |
|----------------------------------------------------------------------------------------------|----------------------------------------------|---------|---------------------|---------------------|--------------------|-----------------|---------------------|---------------------|
|                                                                                              |                                              | FTE     | Amount              | FTE                 | Amount             | FTE             | Amount              |                     |
| <b>General Renewal &amp; Replacement Fund</b>                                                |                                              |         |                     |                     |                    |                 |                     |                     |
| <b>Renewal &amp; Replacement (this fund was formerly included in the Metro Capital Fund)</b> |                                              |         |                     |                     |                    |                 |                     |                     |
| <b><i>Resources</i></b>                                                                      |                                              |         |                     |                     |                    |                 |                     |                     |
| BEGBAL                                                                                       | <i>Beginning Fund Balance</i>                |         |                     |                     |                    |                 |                     |                     |
| 3500                                                                                         | * Prior year ending balance                  |         | 6,379,524           |                     | 0                  |                 | 6,379,524           |                     |
| GRANTS                                                                                       | <i>Grants</i>                                |         |                     |                     |                    |                 |                     |                     |
| 4100                                                                                         | Federal Grants-Direct                        |         | 500,000             |                     | 0                  |                 | 500,000             |                     |
| 4110                                                                                         | State Grants-Direct                          |         | 712,500             |                     | 0                  |                 | 712,500             |                     |
| INTRST                                                                                       | <i>Interest Earnings</i>                     |         |                     |                     |                    |                 |                     |                     |
| 4700                                                                                         | Interest on Investments                      |         | 216,559             |                     | 0                  |                 | 216,559             |                     |
| CAPGRT                                                                                       | <i>Capital Contributions &amp; Donations</i> |         |                     |                     |                    |                 |                     |                     |
| 4755                                                                                         | Capital Contributions & Donations            |         | 32,000              |                     | 0                  |                 | 32,000              |                     |
| EQTREV                                                                                       | <i>Fund Equity Transfers</i>                 |         |                     |                     |                    |                 |                     |                     |
| 4970                                                                                         | Transfer of Resources                        |         |                     |                     |                    |                 |                     |                     |
|                                                                                              | * from Solid Waste Revenue Fund              |         | 15,503              |                     | 0                  |                 | 15,503              |                     |
|                                                                                              | * from General Fund (Regional Parks)         |         | 200,000             |                     | 64,370             |                 | 264,370             |                     |
|                                                                                              | * from General Fund-IT R&R                   |         | 253,329             |                     | 0                  |                 | 253,329             |                     |
|                                                                                              | * from General Fund-MRC R&R                  |         | 405,000             |                     | 0                  |                 | 405,000             |                     |
|                                                                                              | * from General Fund-Gen'l R&R                |         | 537,233             |                     | 0                  |                 | 537,233             |                     |
|                                                                                              | * from Metro Capital Fund                    |         | 799,410             |                     | 0                  |                 | 799,410             |                     |
|                                                                                              | * from General Revenue Bond Fund-MRC R&R     |         | 0                   |                     | 0                  |                 | 0                   |                     |
| <b>TOTAL RESOURCES</b>                                                                       |                                              |         | <b>\$10,051,058</b> |                     | <b>\$64,370</b>    |                 | <b>\$10,115,428</b> |                     |
| <b>Total Materials &amp; Services</b>                                                        |                                              |         | <b>\$1,143,509</b>  |                     | <b>\$0</b>         |                 | <b>\$1,143,509</b>  |                     |
| <b><i>Capital Outlay</i></b>                                                                 |                                              |         |                     |                     |                    |                 |                     |                     |
| CAPNON                                                                                       | <i>Capital Outlay (non-CIP Projects)</i>     |         |                     |                     |                    |                 |                     |                     |
| 5740                                                                                         | Equipment & Vehicles                         |         | 10,612              |                     | 162,370            |                 | 172,982             |                     |
| 5750                                                                                         | Office Furniture & Equip                     |         | 0                   |                     | 20,000             |                 | 20,000              |                     |
| CAPCIP                                                                                       | <i>Capital Outlay (CIP Projects)</i>         |         |                     |                     |                    |                 |                     |                     |
| 5710                                                                                         | Improve-Oth thn Bldg                         |         | 1,749,940           |                     | 0                  |                 | 1,749,940           |                     |
| 5720                                                                                         | Buildings & Related                          |         | 490,887             |                     | 0                  |                 | 490,887             |                     |
| 5730                                                                                         | Exhibits and Related                         |         | 8,856               |                     | 0                  |                 | 8,856               |                     |
| 5740                                                                                         | Equipment & Vehicles                         |         | 943,422             |                     | 0                  |                 | 943,422             |                     |
| 5750                                                                                         | Office Furniture & Equip                     |         | 190,840             |                     | 0                  |                 | 190,840             |                     |
| 5760                                                                                         | Railroad Equip & Facil                       |         | 22,851              |                     | 0                  |                 | 22,851              |                     |
| <b>Total Capital Outlay</b>                                                                  |                                              |         | <b>\$3,417,408</b>  |                     | <b>\$182,370</b>   |                 | <b>\$3,599,778</b>  |                     |
| <b><i>Contingency &amp; Unappropriated Balance</i></b>                                       |                                              |         |                     |                     |                    |                 |                     |                     |
| CONT                                                                                         | <i>Contingency</i>                           |         |                     |                     |                    |                 |                     |                     |
| 5999                                                                                         | Contingency                                  |         |                     |                     |                    |                 |                     |                     |
|                                                                                              | * General contingency                        |         | 2,488,004           |                     | (118,000)          |                 | 2,370,004           |                     |
| UNAPP                                                                                        | <i>Unappropriated Fund Balance</i>           |         |                     |                     |                    |                 |                     |                     |
| 5990                                                                                         | Unappropriated Fund Balance                  |         |                     |                     |                    |                 |                     |                     |
|                                                                                              | * Renewal & Replacement - Gen'l              |         | 3,002,137           |                     | 0                  |                 | 3,002,137           |                     |
| <b>Total Contingency &amp; Unappropriated Balance</b>                                        |                                              |         | <b>\$5,490,141</b>  |                     | <b>(\$118,000)</b> |                 | <b>\$5,372,141</b>  |                     |
| <b>TOTAL REQUIREMENTS</b>                                                                    |                                              |         | <b>0.00</b>         | <b>\$10,051,058</b> | <b>0.00</b>        | <b>\$64,370</b> | <b>0.00</b>         | <b>\$10,115,428</b> |



**Exhibit A**  
**Ordinance No. 10-1242**

| ACCT                                                                                                    | DESCRIPTION                                    | Current Budget |                     | Revision      |                      | Amended Budget |                    |
|---------------------------------------------------------------------------------------------------------|------------------------------------------------|----------------|---------------------|---------------|----------------------|----------------|--------------------|
|                                                                                                         |                                                | FTE            | Amount              | FTE           | Amount               | FTE            | Amount             |
| <b>Metro Capital Fund</b>                                                                               |                                                |                |                     |               |                      |                |                    |
| <b>Capital Fund</b> (this fund formerly included renewal & replacement now budgeted in a separate fund) |                                                |                |                     |               |                      |                |                    |
| <b>Resources</b>                                                                                        |                                                |                |                     |               |                      |                |                    |
| BEGBAL                                                                                                  | <i>Beginning Fund Balance</i>                  |                |                     |               |                      |                |                    |
| 3500                                                                                                    | * Prior year ending balance                    |                | 5,628,067           |               | 150,440              |                | 5,778,507          |
|                                                                                                         | * Restricted Parks Capital Reserve (Mult. Cty) |                | 5,621               |               | 622,693              |                | 628,314            |
| INTRST                                                                                                  | <i>Interest Earnings</i>                       |                |                     |               |                      |                |                    |
| 4700                                                                                                    | Interest on Investments                        |                | 76,851              |               | 0                    |                | 76,851             |
| DONAT                                                                                                   | <i>Contributions from Private Sources</i>      |                |                     |               |                      |                |                    |
| 4750                                                                                                    | Donations and Bequests                         |                | 1,200,000           |               | 0                    |                | 1,200,000          |
| CAPGRT                                                                                                  | <i>Capital Contributions &amp; Donations</i>   |                |                     |               |                      |                |                    |
| 4755                                                                                                    | Capital Contributions & Donations              |                | 53,953              |               | 0                    |                | 53,953             |
| LOANRV                                                                                                  | <i>Interfund Loan - Resource</i>               |                |                     |               |                      |                |                    |
| 4960                                                                                                    | Interfund Loan-from Solid Waste                |                | 10,650,000          |               | (10,650,000)         |                | 0                  |
| EQTREV                                                                                                  | <i>Fund Equity Transfers</i>                   |                |                     |               |                      |                |                    |
| 4970                                                                                                    | Transfer of Resources                          |                |                     |               |                      |                |                    |
|                                                                                                         | * from General Fund (Regional Parks)           |                | 49,000              |               | 0                    |                | 49,000             |
|                                                                                                         | * from General Fund-IT Projects                |                | 0                   |               | 0                    |                | 0                  |
|                                                                                                         | * from General Fund                            |                | 90,000              |               | 0                    |                | 90,000             |
| <b>TOTAL RESOURCES</b>                                                                                  |                                                |                | <b>\$17,753,492</b> |               | <b>(\$9,876,867)</b> |                | <b>\$7,876,625</b> |
| <b>Personal Services</b>                                                                                |                                                |                |                     |               |                      |                |                    |
| SALWGE                                                                                                  | <i>Salaries &amp; Wages</i>                    |                |                     |               |                      |                |                    |
| 5010                                                                                                    | Reg Employees-Full Time-Exempt                 |                |                     |               |                      |                |                    |
|                                                                                                         | Principal Regional Planner                     | 1.00           | 86,086              | (0.33)        | (26,553)             | 0.67           | 59,533             |
| 5015                                                                                                    | Reg Employees-Full Time-Non-Exempt             |                |                     |               |                      |                |                    |
| 5030                                                                                                    | Temporary Employees                            |                | 20,880              |               | 0                    |                | 20,880             |
| 5089                                                                                                    | Salary Adjustment                              |                |                     |               |                      |                |                    |
|                                                                                                         | Merit Adjustment Pool (LIUNA)                  |                | 1,291               |               | (1,291)              |                | 0                  |
|                                                                                                         | COLA (represented employees)                   |                | 2,333               |               | (2,333)              |                | 0                  |
|                                                                                                         | Other Adjustments (AFSCME)                     |                | 861                 |               | (861)                |                | 0                  |
| FRINGE                                                                                                  | <i>Fringe Benefits</i>                         |                |                     |               |                      |                |                    |
| 5100                                                                                                    | Fringe Benefits                                |                |                     |               |                      |                |                    |
|                                                                                                         | Base Fringe (variable & fixed)                 |                | 29,142              |               | (8,919)              |                | 20,223             |
| 5190                                                                                                    | PERS Bond Recovery                             |                | 2,899               |               | (994)                |                | 1,905              |
| <b>Total Personal Services</b>                                                                          |                                                | <b>1.00</b>    | <b>\$143,492</b>    | <b>(0.33)</b> | <b>(\$40,951)</b>    | <b>0.67</b>    | <b>\$102,541</b>   |
| <b>Capital Outlay</b>                                                                                   |                                                |                |                     |               |                      |                |                    |
| CAPNON                                                                                                  | <i>Capital Outlay (non-CIP Projects)</i>       |                |                     |               |                      |                |                    |
| 5710                                                                                                    | Improve-Oth thn Bldg                           |                | 53,000              |               | 0                    |                | 53,000             |
| 5750                                                                                                    | Office Furniture & Equip                       |                | 99,000              |               | 0                    |                | 99,000             |
| CAPCIP                                                                                                  | <i>Capital Outlay (CIP Projects)</i>           |                |                     |               |                      |                |                    |
| 5710                                                                                                    | Improve-Oth thn Bldg                           |                | 9,923,748           |               | (9,337,298)          |                | 586,450            |
| 5730                                                                                                    | Exhibits and Related                           |                | 2,753,953           |               | 0                    |                | 2,753,953          |
| 5740                                                                                                    | Equipment & Vehicles                           |                | 250,000             |               | (250,000)            |                | 0                  |
| 5750                                                                                                    | Office Furniture & Equip                       |                | 197,900             |               | 0                    |                | 197,900            |
| 5760                                                                                                    | Railroad Equip & Facil                         |                | 60,000              |               | 0                    |                | 60,000             |
| <b>Total Capital Outlay</b>                                                                             |                                                |                | <b>\$13,337,601</b> |               | <b>(\$9,587,298)</b> |                | <b>\$3,750,303</b> |

**Exhibit A**  
**Ordinance No. 10-1242**

| ACCT                                                                                                    | DESCRIPTION                        | Current Budget |                     | Revision      |                      | Amended Budget |                    |
|---------------------------------------------------------------------------------------------------------|------------------------------------|----------------|---------------------|---------------|----------------------|----------------|--------------------|
|                                                                                                         |                                    | FTE            | Amount              | FTE           | Amount               | FTE            | Amount             |
| <b>Metro Capital Fund</b>                                                                               |                                    |                |                     |               |                      |                |                    |
| <b>Capital Fund</b> (this fund formerly included renewal & replacement now budgeted in a separate fund) |                                    |                |                     |               |                      |                |                    |
| <b><u>Interfund Transfers</u></b>                                                                       |                                    |                |                     |               |                      |                |                    |
| <i>EQTCHG</i>                                                                                           | <i>Fund Equity Transfers</i>       |                |                     |               |                      |                |                    |
| 5810                                                                                                    | Transfer of Resources              |                |                     |               |                      |                |                    |
|                                                                                                         | * to General Fund (General)        |                | 100,000             |               | 0                    |                | 100,000            |
|                                                                                                         | * to Renewal & Replacement         |                | 799,410             |               | 0                    |                | 799,410            |
| <i>INTCHG</i>                                                                                           | <i>Internal Service Transfers</i>  |                |                     |               |                      |                |                    |
| 5820                                                                                                    | Transfer for Direct Costs          |                |                     |               |                      |                |                    |
|                                                                                                         | * to General Fund (Planning)       |                | 7,670               |               | (7,670)              |                | 0                  |
|                                                                                                         | * to General Fund (Regional Parks) |                | 0                   |               | 11,253               |                | 11,253             |
| <b>Total Interfund Transfers</b>                                                                        |                                    |                | <b>\$907,080</b>    |               | <b>\$3,583</b>       |                | <b>\$910,663</b>   |
| <b><u>Contingency &amp; Unappropriated Balance</u></b>                                                  |                                    |                |                     |               |                      |                |                    |
| <i>CONT</i>                                                                                             | <i>Contingency</i>                 |                |                     |               |                      |                |                    |
| 5999                                                                                                    | Contingency                        |                |                     |               |                      |                |                    |
|                                                                                                         | * General contingency              |                | 2,976,986           |               | (249,483)            |                | 2,727,503          |
| <i>UNAPP</i>                                                                                            | <i>Unappropriated Fund Balance</i> |                |                     |               |                      |                |                    |
| 5990                                                                                                    | Unappropriated Fund Balance        |                |                     |               |                      |                |                    |
|                                                                                                         | * PERS Reserve                     |                | 6,647               |               | (2,718)              |                | 3,929              |
|                                                                                                         | * MRC Capital Projects             |                | 20,000              |               | 0                    |                | 20,000             |
|                                                                                                         | * Oxbow Park Nature Center Account |                | 361,686             |               | 0                    |                | 361,686            |
| <b>Total Contingency &amp; Unappropriated Balance</b>                                                   |                                    |                | <b>\$3,365,319</b>  |               | <b>(\$252,201)</b>   |                | <b>\$3,113,118</b> |
| <b>TOTAL REQUIREMENTS</b>                                                                               |                                    | <b>1.00</b>    | <b>\$17,753,492</b> | <b>(0.33)</b> | <b>(\$9,876,867)</b> | <b>0.67</b>    | <b>\$7,876,625</b> |

**Exhibit A  
Ordinance No. 10-1242**

| ACCT                            | DESCRIPTION                          | Current Budget |                     | Revision |                    | Amended Budget |                     |
|---------------------------------|--------------------------------------|----------------|---------------------|----------|--------------------|----------------|---------------------|
|                                 |                                      | FTE            | Amount              | FTE      | Amount             | FTE            | Amount              |
| <b>Solid Waste Revenue Fund</b> |                                      |                |                     |          |                    |                |                     |
| <b>Resources</b>                |                                      |                |                     |          |                    |                |                     |
| <i>Resources</i>                |                                      |                |                     |          |                    |                |                     |
| BEGBAL                          | Beginning Fund Balance               |                |                     |          |                    |                |                     |
|                                 | * St. Johns Landfill Closure Account |                | 6,948,126           |          | 0                  |                | 6,948,126           |
|                                 | * Renewal and Replacement            |                | 8,046,565           |          | 0                  |                | 8,046,565           |
|                                 | * Rate Stabilization Reserve Account |                | 6,500,001           |          | 0                  |                | 6,500,001           |
|                                 | * General Account - Working Capital  |                | 7,759,668           |          | 0                  |                | 7,759,668           |
|                                 | * General Account - Capital Reserve  |                | 5,460,000           |          | 0                  |                | 5,460,000           |
|                                 | * Prior year PERS Reserve            |                | 755,925             |          | 0                  |                | 755,925             |
| GRANTS                          | Grants                               |                |                     |          |                    |                |                     |
| 4100                            | Federal Grants - Direct              |                | 1,094,105           |          | 0                  |                | 1,094,105           |
| CHGSVC                          | Charges for Service                  |                |                     |          |                    |                |                     |
| 4180                            | Contract & Professional Service      |                | 10,000              |          | 0                  |                | 10,000              |
| 4210                            | Documents and Publications           |                | 950                 |          | 0                  |                | 950                 |
| 4230                            | Product Sales                        |                | 900,000             |          | 0                  |                | 900,000             |
| 4300                            | Disposal Fees                        |                | 26,401,276          |          | 0                  |                | 26,401,276          |
| 4305                            | Regional System Fee                  |                | 20,379,691          |          | 0                  |                | 20,379,691          |
| 4325                            | Rehabilitation & Enhance Fee         |                | 133,041             |          | 0                  |                | 133,041             |
| 4330                            | Transaction Fee                      |                | 2,525,871           |          | 0                  |                | 2,525,871           |
| 4335                            | Host Fees                            |                | 240,271             |          | 0                  |                | 240,271             |
| 4340                            | Tire Disposal Fee                    |                | 4,000               |          | 0                  |                | 4,000               |
| 4342                            | Organics Fee                         |                | 773,852             |          | 0                  |                | 773,852             |
| 4345                            | Yard Debris Disposal Fee             |                | 475,091             |          | 0                  |                | 475,091             |
| 4350                            | Orphan Site Account Fee              |                | 65,361              |          | 0                  |                | 65,361              |
| 4355                            | DEQ Promotion Fee                    |                | 558,085             |          | 0                  |                | 558,085             |
| 4360                            | Refrigeration Unit Disposal Fee      |                | 40,000              |          | 0                  |                | 40,000              |
| 4365                            | H2W Disposal Fee                     |                | 6,500               |          | 0                  |                | 6,500               |
| 4370                            | Conditionally Exempt Gen. Fees       |                | 100,000             |          | 0                  |                | 100,000             |
| 4410                            | Franchise Fees                       |                | 15,000              |          | 0                  |                | 15,000              |
| 4420                            | Natural Gas Recovery Revenue         |                | 35,000              |          | 0                  |                | 35,000              |
| 4510                            | Rentals                              |                | 3,800               |          | 0                  |                | 3,800               |
| INTRST                          | Interest Earnings                    |                |                     |          |                    |                |                     |
| 4700                            | Interest on Investments              |                | 883,119             |          | 0                  |                | 883,119             |
| MISCRV                          | Miscellaneous Revenue                |                |                     |          |                    |                |                     |
| 4170                            | Fines and Forfeits                   |                | 5,000               |          | 0                  |                | 5,000               |
| 4890                            | Miscellaneous Revenue                |                | 28,000              |          | 0                  |                | 28,000              |
| LOANRV                          | Interfund Loan - Resource            |                |                     |          |                    |                |                     |
| 4965                            | Interfund Loan - Interest            |                |                     |          |                    |                |                     |
|                                 | * from General Fund                  |                | 266,250             |          | (266,250)          |                | 0                   |
| EQTREV                          | Fund Equity Transfers                |                |                     |          |                    |                |                     |
| 4970                            | Transfer of Resources                |                |                     |          |                    |                |                     |
|                                 | * from General Fund                  |                | 122,375             |          | 0                  |                | 122,375             |
| INTSRV                          | Internal Service Transfers           |                |                     |          |                    |                |                     |
| 4980                            | Transfer for Direct Costs            |                |                     |          | 0                  |                |                     |
|                                 | * from Rehab. & Enhancement Fund     |                | 32,662              |          | 0                  |                | 32,662              |
| <b>TOTAL RESOURCES</b>          |                                      |                | <b>\$90,569,585</b> |          | <b>(\$266,250)</b> |                | <b>\$90,303,335</b> |

**Exhibit A  
Ordinance No. 10-1242**

| ACCT                                         | DESCRIPTION                                 | Current      |                     | Revision    |                       | Amended      |                     |
|----------------------------------------------|---------------------------------------------|--------------|---------------------|-------------|-----------------------|--------------|---------------------|
|                                              |                                             | FTE          | Amount              | FTE         | Amount                | FTE          | Amount              |
| <b>Solid Waste Revenue Fund</b>              |                                             |              |                     |             |                       |              |                     |
| <b>General Expenses</b>                      |                                             |              |                     |             |                       |              |                     |
| <b><i>Interfund Transfers</i></b>            |                                             |              |                     |             |                       |              |                     |
| INDTEX                                       | <i>Interfund Reimbursements</i>             |              |                     |             |                       |              |                     |
| 5800                                         | Transfer for Indirect Costs                 |              |                     |             |                       |              |                     |
|                                              | * to General Fund-Bldg                      |              | 384,516             |             | 0                     |              | 384,516             |
|                                              | * to General Fund-Support Services          |              | 3,401,974           |             | 0                     |              | 3,401,974           |
|                                              | * to General Fund                           |              | 379,865             |             | 0                     |              | 379,865             |
|                                              | * to Risk Mgmt Fund-Liability               |              | 54,569              |             | 0                     |              | 54,569              |
|                                              | * to Risk Mgmt Fund-Worker Comp             |              | 137,608             |             | 0                     |              | 137,608             |
| INTCHG                                       | <i>Internal Service Transfers</i>           |              |                     |             |                       |              |                     |
| 5820                                         | Transfer for Direct Costs                   |              |                     |             |                       |              |                     |
|                                              | * to General Fund-Planning                  |              | 422,096             |             | 0                     |              | 422,096             |
|                                              | * to General Fund-Regional Parks            |              | 3,308               |             | 0                     |              | 3,308               |
|                                              | * to General Fund-General Gov't             |              | 264,706             |             | 0                     |              | 264,706             |
|                                              | * to General Fund-Support Services          |              | 88,161              |             | 0                     |              | 88,161              |
|                                              | * to General Fund-PES Finance               |              | 408,687             |             | 0                     |              | 408,687             |
|                                              | * to General Fund-PES Administration        |              | 552,291             |             | 0                     |              | 552,291             |
|                                              | * to General Fund-SUS Administration        |              | 280,273             |             | 0                     |              | 280,273             |
|                                              | * to Risk Management Fund                   |              | 61,710              |             | 0                     |              | 61,710              |
| EQTCHG                                       | <i>Fund Equity Transfers</i>                |              |                     |             |                       |              |                     |
| 5810                                         | Transfer of Resources                       |              |                     |             |                       |              |                     |
|                                              | * to General Renewal & Replacement Fund     |              | 15,503              |             | 0                     |              | 15,503              |
|                                              | * to Rehab. & Enhancement Fund              |              | 373,312             |             | 0                     |              | 373,312             |
| 5830                                         | Residual Equity Transfer-Out                |              |                     |             |                       |              |                     |
| LOANEX                                       | <i>Interfund Loan</i>                       |              |                     |             |                       |              |                     |
| 5860                                         | Interfund Loan - Principal                  |              |                     |             |                       |              |                     |
|                                              | * to Capital Fund                           |              | 10,650,000          |             | (10,650,000)          |              | 0                   |
| <b>Total Interfund Transfers</b>             |                                             |              | <b>\$17,478,579</b> |             | <b>(\$10,650,000)</b> |              | <b>\$6,828,579</b>  |
| <b><i>Contingency and Ending Balance</i></b> |                                             |              |                     |             |                       |              |                     |
| CONT                                         | <i>Contingency</i>                          |              |                     |             |                       |              |                     |
| 5999                                         | Contingency                                 |              |                     |             |                       |              |                     |
|                                              | * Operating Account (Operating Contingency) |              | 1,950,000           |             | 0                     |              | 1,950,000           |
|                                              | * Landfill Closure Account                  |              | 6,000,151           |             | 0                     |              | 6,000,151           |
|                                              | * Renewal & Replacement Account             |              | 3,172,429           |             | 4,000,000             |              | 7,172,429           |
| UNAPP                                        | <i>Unappropriated Fund Balance</i>          |              |                     |             |                       |              |                     |
| 5990                                         | Unappropriated Fund Balance                 |              |                     |             |                       |              |                     |
|                                              | * General Account (Working Capital)         |              | 759,668             |             | 5,000,000             |              | 5,759,668           |
|                                              | * General Account (Rate Stabilization)      |              | 2,429,554           |             | (266,250)             |              | 2,163,304           |
|                                              | * General Account (Capital Reserve)         |              | 4,134,000           |             | 1,650,000             |              | 5,784,000           |
|                                              | * PERS Reserve                              |              | 952,502             |             | 0                     |              | 952,502             |
| <b>Total Contingency and Ending Balance</b>  |                                             |              | <b>\$19,398,304</b> |             | <b>\$10,383,750</b>   |              | <b>\$29,782,054</b> |
| <b>TOTAL REQUIREMENTS</b>                    |                                             | <b>92.95</b> | <b>\$90,569,585</b> | <b>0.00</b> | <b>(\$266,250)</b>    | <b>92.95</b> | <b>\$90,303,335</b> |

**Exhibit B**  
**Ordinance 10-1242**  
**Schedule of Appropriations**

|                                                 | <u>Current</u><br><u>Appropriation</u> | <u>Revision</u>      | <u>Revised</u><br><u>Appropriation</u> |
|-------------------------------------------------|----------------------------------------|----------------------|----------------------------------------|
| <b>GENERAL FUND</b>                             |                                        |                      |                                        |
| Communications                                  | 2,321,216                              | 0                    | 2,321,216                              |
| Council Office (includes COO & Strategy Center) | 3,408,277                              | 0                    | 3,408,277                              |
| Finance & Regulatory Services                   | 3,334,056                              | 0                    | 3,334,056                              |
| Human Resources                                 | 1,904,090                              | 0                    | 1,904,090                              |
| Information Services                            | 3,170,764                              | 0                    | 3,170,764                              |
| Metro Auditor                                   | 669,433                                | 0                    | 669,433                                |
| Office of Metro Attorney                        | 1,995,694                              | 0                    | 1,995,694                              |
| Oregon Zoo                                      | 27,636,683                             | 0                    | 27,636,683                             |
| Parks & Environmental Services                  | 6,923,162                              | 40,951               | 6,964,113                              |
| Planning and Development                        | 17,862,860                             | 0                    | 17,862,860                             |
| Research Center                                 | 4,279,363                              | 0                    | 4,279,363                              |
| Sustainability Center                           | 4,667,247                              | 0                    | 4,667,247                              |
| Former ORS 197.352 Claims & Judgments           | 100                                    | 0                    | 100                                    |
| Special Appropriations                          | 4,721,292                              | 0                    | 4,721,292                              |
| Non-Departmental                                |                                        |                      |                                        |
| Debt Service                                    | 1,472,340                              | 0                    | 1,472,340                              |
| Interfund Transfers                             | 4,972,490                              | (201,880)            | 4,770,610                              |
| Contingency                                     | 3,700,774                              | 153,259              | 3,854,033                              |
| Unappropriated Balance                          | 11,761,126                             | 11,253               | 11,772,379                             |
| <b>Total Fund Requirements</b>                  | <b>\$104,800,967</b>                   | <b>\$3,583</b>       | <b>\$104,804,550</b>                   |
| <b>GENERAL RENEWAL AND REPLACEMENT FUND</b>     |                                        |                      |                                        |
| Renewal & Replacement Program                   | 4,560,917                              | 182,370              | 4,743,287                              |
| Non-Departmental                                |                                        |                      |                                        |
| Contingency                                     | 2,488,004                              | (118,000)            | 2,370,004                              |
| Unappropriated Balance                          | 3,002,137                              | 0                    | 3,002,137                              |
| <b>Total Fund Requirements</b>                  | <b>\$10,051,058</b>                    | <b>\$64,370</b>      | <b>\$10,115,428</b>                    |
| <b>METRO CAPITAL FUND</b>                       |                                        |                      |                                        |
| Capital Program                                 | 13,481,093                             | (9,628,249)          | 3,852,844                              |
| Non-Departmental                                |                                        |                      |                                        |
| Interfund Transfers                             | 907,080                                | 3,583                | 910,663                                |
| Contingency                                     | 2,976,986                              | (249,483)            | 2,727,503                              |
| Unappropriated Balance                          | 388,333                                | (2,718)              | 385,615                                |
| <b>Total Fund Requirements</b>                  | <b>\$17,753,492</b>                    | <b>(\$9,876,867)</b> | <b>\$7,876,625</b>                     |

**Exhibit B**  
**Ordinance 10-1242**  
**Schedule of Appropriations**

|                                   | <u>Current</u><br><u>Appropriation</u> | <u>Revision</u>           | <u>Revised</u><br><u>Appropriation</u> |
|-----------------------------------|----------------------------------------|---------------------------|----------------------------------------|
| <b>SOLID WASTE REVENUE FUND</b>   |                                        |                           |                                        |
| Operating Account                 |                                        |                           |                                        |
| Finance & Administrative Services | 2,248,470                              | 0                         | 2,248,470                              |
| Sustainability Center             | 8,076,135                              | 0                         | 8,076,135                              |
| Parks & Environmental Services    | 37,969,514                             | 0                         | 37,969,514                             |
| Subtotal                          | <u>48,294,119</u>                      | <u>0</u>                  | <u>48,294,119</u>                      |
| Landfill Closure Account          |                                        |                           |                                        |
| Parks & Environmental Services    | 2,250,783                              | 0                         | 2,250,783                              |
| Subtotal                          | <u>2,250,783</u>                       | <u>0</u>                  | <u>2,250,783</u>                       |
| Renewal and Replacement Account   |                                        |                           |                                        |
| Parks & Environmental Services    | 1,770,000                              | 0                         | 1,770,000                              |
| Subtotal                          | <u>1,770,000</u>                       | <u>0</u>                  | <u>1,770,000</u>                       |
| General Account                   |                                        |                           |                                        |
| Parks & Environmental Services    | 1,377,800                              | 0                         | 1,377,800                              |
| Subtotal                          | <u>1,377,800</u>                       | <u>0</u>                  | <u>1,377,800</u>                       |
| General Expenses                  |                                        |                           |                                        |
| Interfund Transfers               | 17,478,579                             | (10,650,000)              | 6,828,579                              |
| Contingency                       | 11,122,580                             | 4,000,000                 | 15,122,580                             |
| Subtotal                          | <u>28,601,159</u>                      | <u>(6,650,000)</u>        | <u>21,951,159</u>                      |
| Unappropriated Balance            | 8,275,724                              | 6,383,750                 | 14,659,474                             |
| <b>Total Fund Requirements</b>    | <b><u>\$90,569,585</u></b>             | <b><u>(\$266,250)</u></b> | <b><u>\$90,303,335</u></b>             |

*All other appropriations remain as previously adopted*

## **STAFF REPORT**

### **IN CONSIDERATION OF ORDINANCE NO. 10-1242 AMENDING THE FY 2009-10 BUDGET AND APPROPRIATIONS SCHEDULE AND THE FY 2009-10 THROUGH 2013-14 CAPITAL IMPROVEMENT PLAN AND DECLARING AN EMERGENCY**

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Date: May 7, 2010

Presented by: Kathy Rutkowski 503-797-1630  
Tim Collier 503-797-1913

## **BACKGROUND**

### *Amend Blue Lake Nature and Golf Learning Center Project Budget and CIP*

The FY 2009-10 Adopted Budget provided for the construction of the Blue Lake Nature and Golf Learning Center. Funding for feasibility, design and preliminary engineering was provided from the balance of the "Multnomah County Reserve" restricted to use on former Multnomah County facilities. Financing for construction was provided in the form of a \$10,650,000 interfund loan from the Solid Waste Revenue Fund to the Regional Parks Capital Account of the Metro Capital Fund. The first year of full construction costs were budgeted in the Metro Capital Fund including the addition of a 2-year limited duration project manager. The first year of interest only debt service on the interfund loan was to be paid by the General Fund to the Solid Waste Revenue Fund.

In February, 2010 the Metro Council determined that economic conditions were not right for the project to proceed to construction. The project was halted until such time as it is deemed to be financially feasible and self supporting. Since the project did not proceed to construction the interfund loan was not executed. The project manager has been transferred to other priority projects for the remaining length of the authorized position duration (through 6/30/2011). The remaining balance of the former Multnomah County Reserve will be used to fund a portion of the continued personal services costs of the project manager.

These actions require several budgetary modifications. Since the duties of the project manager are no longer related to a capital construction project the position must be moved from the Metro Capital Fund to the General Fund. In addition, the remaining balance of the Multnomah County Reserve must be transferred from the Metro Capital Fund to the General Fund to assist in funding the remaining personal services costs of the project manager. And finally, the project construction costs, the interfund loan and interest only debt service payment are removed from the budget in order to provide greater transparency and more accurately reflect the decisions of the Metro Council.

It was initially anticipated that the balance remaining in the Multnomah County Reserve would be approximately \$84,000, sufficient to fund the remaining FY 2009-10 costs associated with the project manager position as well as provide for a \$44,000 carryover to be applied toward FY 2010-11. After a full reconciliation of all project costs the balance remaining is only slightly over \$11,000. However, on March 4, 2010 the Council adopted ordinance 10-1236 amending the FY 2009-10 budget and appropriations schedule. One of the actions in that ordinance was to correct an oversight in FY 2008-09 and provide for a reimbursement to the General Fund of \$82,400. This additional revenue was unplanned in the FY 2010-11 beginning fund balance projections and is now available to fund the personal services costs of the project manager position.

The Capital Improvement Plan for the FY 2009-10 through FY 2013-14 will also be amended to reflect the revised budget and the suspension of the project.

### *Fleet Management*

In response to the Metro Auditor's 2009 review of fleet operations, Metro Parks & Environmental Services (PES) has taken steps to terminate its contract with Multnomah County for vehicle/equipment purchase and maintenance. Per the agreement with Multnomah County this termination will take effect on July 1, 2010.

In order to manage fleet services internally a software tracking system and automation of fuel tracking systems will be required. The purchase price is estimated at a cost of approximately \$39,880. In addition, due to the age and condition of certain equipment formerly provided by Multnomah County, a backhoe, dump truck, two trailers, a flail mower, and a sprayer used in the Cemeteries Program and Blue Lake Park need to be replaced. Most of this equipment is more than 10 years old and is beyond its useful life. Immediate purchase is necessary to meet the business needs of these two program areas. Cost for replacement of this equipment is \$142,490.

Expenditures identified above, approximately \$182,370, will be made through the Renewal and Replacement Fund. Oregon budget law limits the amount that may be transferred out of contingency during the year by Council action to no more than 15 percent of the value of a fund's total appropriation. As a result, this action is limited to a transfer from the Renewal and Replacement fund contingency of no more than \$118,000. The remaining funding will be provided through a transfer from the General Fund of \$64,370.

Upon termination of the Contract, funds accumulated and set aside in the Multnomah County renewal and replacement account as per the specifications in the agreement will become available to Metro, and deposited in the Metro Renewal and Replacement Fund. The General Fund will be reimbursed for its contribution under this budget action at that time.

An amendment to the Capital Improvements Plan accompanies the budget action, in accordance with Metro's capital policies.

### **ANALYSIS/INFORMATION**

1. **Known Opposition:** None known.
2. **Legal Antecedents:** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction. ORS 294.326(3) provides an exemption to Oregon Budget Law allowing for the expenditure in the year of receipt of grants, gifts and bequests received by a municipal corporation in trust for a specific purpose.
3. **Anticipated Effects:** This action recognizes the suspension of the Blue Lake Nature and Golf Learning Center project providing greater transparency and more accurately reflecting the decisions of the Metro Council. It provides funding necessary to immediately implement certain aspects of the new fleet management operations.



**4. Budget Impacts:** action has the following impact on the FY 2009-10 annual budget:

- Eliminates the \$10,650,000 million interfund loan authorized from the solid waste revenue fund to provide short-term financing for the Blue Lake Nature and Golf Learning Center project;
- Removes approximately \$9.9 million in remaining capital costs associated with the Blue Lake Nature and Golf Learning Center from the Metro Capital Fund budget;
- Transfers the project manager back to the General Fund to work on other identified high priority projects; and
- Provides \$182,370 in additional appropriation in the Renewal and Replacement Fund to immediately implement certain aspects of the new fleet management operations.

**RECOMMENDED ACTION**

The Chief Operating Officer recommends adoption of this Ordinance.



Agenda Item Number 4.3

**Ordinance No. 10-1243**, For the Purpose of Re-Adopting Metro Code  
7.03 (Investment Policy) for Fiscal Year 2010-2011 and Declaring an  
Emergency

ORDINANCES – SECOND READING  
COUNCILOR PARK

Metro Council Meeting  
Thursday, June 17, 2010  
Metro Council Chamber



BEFORE THE METRO COUNCIL

|                                      |   |                                      |
|--------------------------------------|---|--------------------------------------|
| FOR THE PURPOSE OF RE-ADOPTING METRO | ) | ORDINANCE NO. 10-1243                |
| CODE 7.03 (INVESTMENT POLICY) FOR    | ) |                                      |
| FISCAL YEAR 2010-2011 AND DECLARING  | ) | Introduced by Michael Jordan, Chief  |
| AN EMERGENCY                         | ) | Operating Office in concurrence with |
|                                      | ) | Council President Bragdon            |

WHEREAS, Metro Code Section 7.03 contains the investment policy which applies to all cash-related assets held by Metro; and

WHEREAS, the Investment Advisory Board reviews and approves the Investment Policy for submission to Metro Council; and

WHEREAS, the Investment Coordinator has proposed no changes to the Investment Policy; and

WHEREAS, the Investment Advisory Board voted to recommend no changes, to Metro Code 7.03 and submit to the Metro Council for approval and readoption; now therefore,

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That Metro Code Chapter 7.03 is hereby re-adopted as attached hereto in Exhibit A to this ordinance.
2. That this Ordinance being necessary for the health, safety, or welfare of the Metro area, for the reason that the new fiscal year begins, July 1, 2010 and Oregon Budget Law requires the adoption of a budget prior to the beginning of the fiscal year, and that re-adoption of the Investment Policy should coincide with the adoption of the annual budget, an emergency is declared to exist and this Ordinance shall take effect immediately, pursuant to Metro Charter Section 39(1).

ADOPTED by the Metro Council this 17th day of June 2010.

\_\_\_\_\_  
David Bragdon, Council President

Attest:

Approved as to Form:

\_\_\_\_\_  
Anthony Andersen, Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

CHAPTER 7.03

INVESTMENT POLICY\*\*

| SECTIONS | TITLE                                                  |
|----------|--------------------------------------------------------|
| 7.03.010 | Scope                                                  |
| 7.03.020 | General Objectives                                     |
| 7.03.030 | Standards of Care                                      |
| 7.03.040 | Safekeeping and Custody                                |
| 7.03.050 | Suitable and Authorized Investments                    |
| 7.03.060 | Investment Parameters                                  |
| 7.03.070 | Reporting                                              |
| 7.03.080 | Policy Adoption and Re-Adoption                        |
| 7.03.090 | List of Documents Used in Conjunction with this Policy |

\*\*Former Chapter 2.06 (readopted April 9, 1998; amended December 10, 1998; readopted April 15, 1999; readopted April 27, 2000; readopted December 11, 2001; readopted October 3, 2002; renumbered by Ordinance No. 02-976, Sec. 1; readopted June 12, 2003; amended and readopted April 7, 2005, by Ordinance No. 05-1075; readopted April 20, 2006; readopted June 21, 2007; amended and readopted June 26, 2008, by Ordinance No. 08-1190; amended and readopted June 25, 2009, by Ordinance No. 09-1216.)

7.03.010 Scope

These investment policies apply to all cash-related assets included within the scope of Metro's audited financial statements and held directly by Metro.

Funds held and invested by trustees or fiscal agents are excluded from these policies; however, such funds are subject to the regulations established by the state of Oregon.

Funds of Metro will be invested in compliance with the provisions of ORS 294.035 to 294.048; ORS 294.125 to 294.145; ORS 294.810; and other applicable statutes. Investments will be in accordance with these policies and written administrative procedures. Investment of any tax-exempt borrowing proceeds and of any debt service funds will comply with the 1986 Tax Reform Act provisions and any subsequent amendments thereto.

(Ordinance No. 90-365. Amended by Ordinance No. 97-684, Sec. 1; Ordinance No. 02-976, Sec. 1; Ordinance No. 05-1075; and Ordinance No. 09-1216, Sec. 1.)

7.03.020 General Objectives

Due to Metro's fiduciary responsibility, safety of capital and availability of funds to meet payment requirements are the overriding objectives of the investment program. Investment yield targets are secondary.

(a) Safety. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio and security of funds and investments. The objective will be to mitigate credit risk and interest rate risk.

(1) Credit Risk. Metro will minimize credit risk, the risk of loss due to the financial failure of the security issuer or backer, by:

- Limiting exposure to poor credits and concentrating the investments in the safest types of securities.
- Pre-qualifying the financial institutions, broker/dealers, and advisers with which Metro will do business.
- Diversifying the investment portfolio so that potential losses on individual securities will be minimized. For securities not backed by the full faith and credit of the federal government, diversification is required in order that potential losses on individual securities would not exceed the income generated from the remainder of the portfolio.
- Actively monitoring the investment portfolio holdings for ratings changes, changing economic/market conditions, etc.

(2) Interest Rate Risk. Metro will minimize the risk that the market value of securities in the portfolio will fall due to changes in general interest rates by:

- Structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity.

- Investing operating funds primarily in shorter-term securities or short-term investment pools.

(b) Liquidity. The investment officer shall assure that funds are constantly available to meet immediate payment requirements, including payroll, accounts payable and debt service.

(c) Yield. The investment portfolio shall be designed with the objective of regularly exceeding the average return on 90-day U.S. Treasury Bills. The investment program shall seek to augment returns above this level, consistent with risk limitations described in this policy and prudent investment principles.

This policy shall not preclude the sale of securities prior to their maturity in order to improve the quality, net yield, or maturity characteristic of the portfolio.

(d) Legality. Funds will be deposited and invested in accordance with statutes, ordinances and policies governing Metro.

(Ordinance No. 87-228, Sec. 3. Amended by Ordinance No. 90-365; Ordinance No. 02-976, Sec. 1; Ordinance No. 05-1075.)

#### 7.03.030 Standards of Care

(a) Prudence. The standard of prudence to be applied by the investment officer shall be the "prudent investor" rule: "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived." The prudent investor rule shall be applied in the context of managing the overall portfolio.

(b) Delegation of Authority. The Chief Operating Officer is the investment officer of Metro. The authority for investing Metro funds is vested with the investment officer, who, in turn, designates the investment manager to manage the day-to-day operations of Metro's investment portfolio, place purchase orders and sell orders with dealers and financial institutions, and prepare reports as required.



(c) Investment Advisory Board (IAB). There shall be an investment advisory board composed of five (5) members.

- (1) Terms of Service. The term of service for citizens appointed to the IAB shall be three (3) calendar years. The term of appointment shall be staggered so that not more than two (2) members' terms expire in any calendar year.
- (2) Appointment. The investment officer shall recommend to the Council for confirmation the names of persons for appointment to the IAB.
- (3) Duties. The IAB shall meet quarterly. The IAB will serve as a forum for discussion and act in an advisory capacity for investment strategies, banking relationships, the legality and probity of investment activities and the establishment of written procedures for the investment operations.

(d) Quarterly Reports. At each quarterly meeting, a report reflecting the status of the portfolio will be submitted for review and comment by at least three (3) members of the IAB. Discussion and comment on the report will be noted in minutes of the meeting. If concurrence is not obtained, notification will be given to the investment officer, including comments by the IAB.

(e) Monitoring the Portfolio. The investment manager will routinely monitor the contents of the portfolio comparing the holdings to the markets, relative values of competing instruments, changes in credit quality, and benchmarks. If there are advantageous transactions, the portfolio may be adjusted accordingly.

(f) Indemnity Clause. Metro shall indemnify the investment officer, chief financial officer, investment manager, staff and the IAB members from personal liability for losses that might occur pursuant to administering this investment policy.

The investment officer, acting in accordance with written procedures and exercising due diligence, shall not be held personally responsible for a specific security's credit risk or market price changes, provided that these deviations are reported to the council as soon as practicable.

(g) Accounting Method. Metro shall comply with all required legal provisions and Generally Accepted Accounting Principles (GAAP). The accounting principles are those contained in the pronouncements of authoritative bodies, including, but not necessarily limited to, the American Institute of Certified

Public Accountants (AICPA); the Financial Accounting Standards Board (FASB); and the Government Accounting Standards Board (GASB).

(Ordinance No. 05-1075.)

7.03.040 Safekeeping and Custody

(a) Authorized Financial Dealers and Institutions. The investment officer shall maintain a listing of all authorized dealers and financial institutions that are approved for investment purposes. Financial institutions must have a branch in Oregon. Any firm is eligible to apply to provide investment services to Metro and will be added to the list if the selection criteria are met. Additions or deletions to the list will be made by the investment officer and reviewed by the IAB. At the request of the investment officer, the firms performing investment services for Metro shall provide their most recent financial statements or Consolidated Report of Condition (call report) for review. Further, there should be in place proof as to all the necessary credentials and licenses held by employees of the broker/dealers who will have contact with Metro, as specified by but not necessarily limited to the National Association of Securities Dealers (NASD), Securities and Exchange Commission (SEC), etc. At minimum, the investment officer and the IAB shall conduct an annual evaluation of each firm's qualifications to determine whether it should be on the authorized list.

Securities dealers not affiliated with a Qualified Financial Institution, as defined in ORS 294.035, will be required to have headquarters located in the states of Oregon, Washington or Idaho and, if not headquartered in the state of Oregon, to have an office located in Oregon. Notwithstanding the above, securities dealers who are classified as primary dealers with the New York Federal Reserve Bank are also eligible.

(b) Internal Controls. The investment officer shall maintain a system of written internal controls, which shall be reviewed annually by the IAB and the independent auditor. The controls shall be designed to prevent loss of public funds due to fraud, error, misrepresentation or imprudent actions.

Metro's independent auditor at least annually shall audit investments according to generally accepted auditing standards and this ordinance.

(c) Delivery vs. Payment. All securities purchased pursuant to this investment policy will be delivered by either book entry or physical delivery to a third party for safekeeping

by a bank designated as custodian. Purchase and sale of all securities will be on a payment versus delivery basis. Delivery versus payment will also be required for all repurchase transactions and with the collateral priced and limited in maturity in compliance with ORS 294.035(2)(j).

(d) Safekeeping. The trust department of the bank designated as custodian will be considered to be a third party for the purposes of safekeeping of securities purchased from that bank. The custodian shall issue a safekeeping receipt to Metro listing the specific instrument, rate, maturity and other pertinent information.

Notwithstanding the preceding, an exception to the delivery versus payment policy is made when purchasing State and Local Government Series Securities (SLGS) from the United States Treasury's Bureau of Public Debt to satisfy arbitrage yield restriction requirements of the Internal Revenue Code for tax-exempt bond issues.

(Ordinance No. 05-1075.)

#### 7.03.050 Suitable and Authorized Investments

(Definitions of terms and applicable authorizing statutes are listed in the "Summary of Investments Available to Municipalities" provided by the State Treasurer.)

(a) Investment Types. The following investments are permitted by this policy and ORS 294.035 and 294.810.

- (1) U.S. Treasury Bills, Notes, Bonds, Strips  
(Separate Trading of Registered Interest and Principal of Securities) and/or State and Local Government Series Securities (SLGS)
- (2) Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises
- (3) Certificates of Deposit (CD) from commercial banks in Oregon and insured by the Federal Deposit Insurance Corporation (FDIC)
- (4) Repurchase Agreements (Repo's)
- (5) Banker's Acceptances (BA)
- (6) Commercial Paper (CP) issued by a financial institution, commercial, industrial or utility business enterprise

- (7) State of Oregon and Local Government Securities with A ratings or better
- (8) State of Oregon Investment Pool
- (9) Market Interest Accounts and Checking Accounts

(b) Collateralization. Deposit-type securities (i.e., Certificates of Deposit) and all bank deposits for any amount exceeding FDIC coverage shall be collateralized through the Public Funds Collateralization Program as required by ORS Chapter 295. ORS Chapter 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Public Funds Collateralization Program. Bank depositories are required to pledge collateral against any public funds deposits in excess of deposit insurance amounts. ORS 295 sets the specific value of the collateral, as well as the types of collateral that are acceptable.

(Ordinance No. 05-1075. Amended by Ordinance No. 09-1216, Sec. 1.)

#### 7.03.060 Investment Parameters

(a) Diversification by Maturity. Only investments which can be held to maturity shall be purchased. Investments shall not be planned or made predicated upon selling the security prior to maturity. This restriction does not prohibit the use of repurchase agreements under ORS 294.135(2).

Maturity limitations shall depend upon whether the funds being invested are considered short-term or long-term funds. All funds shall be considered short-term, except those reserved for capital projects (e.g., bond sale proceeds).

##### (1) Short-Term Funds.

(A) Investment maturities for operating funds and bond reserves shall be scheduled to meet projected cash flow needs. Funds considered short-term will be invested to coincide with projected cash needs or with the following serial maturity:

25% minimum to mature under three months  
75% minimum to mature under 18 months  
100% minimum to mature under five years

(B) Investments may not exceed five (5) years. Investment maturities beyond 18 months may be made when supported by cash flow projections which reasonably demonstrate that liquidity requirement will be met. Maturities beyond 18 months will be limited to direct U.S. Treasury obligations.

(2) Long-Term Funds.

(A) Maturity scheduling shall be timed according to anticipated need. ORS 294.135 permits investment beyond 18 months for any bond proceeds or funds accumulated for any purpose that the district is permitted by state law to accumulate and hold funds for a period exceeding one (1) year. The maturities should be made to coincide as nearly as practicable with the expected use of the funds.

(B) Investment of capital project funds shall be timed to meet projected contractor payments. The drawdown schedule used to guide the investment of the funds shall evidence the approval of the investment officer and review of the Chief Financial Officer.

(b) Diversification by Investment. The investment officer will diversify the portfolio to avoid incurring unreasonable risks inherent in over-investing in specific instruments, individual financial institutions, or maturities.

The maximum percentages of the portfolio and the maximum maturities for investments are as follows:

| Security                                                                                  | Maximum Percent of Portfolio | Maximum Maturity |
|-------------------------------------------------------------------------------------------|------------------------------|------------------|
| U.S. Treasury Bills, Notes, Bonds, Strips and/or State and Local Government Series (SLGS) | 100%                         |                  |
| Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises          | 100%                         |                  |

| Security                                                                                                                                                                                                                     | Maximum Percent of Portfolio                           | Maximum Maturity                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|
| Certificates of Deposit (CD)<br>Commercial Banks in Oregon Insured by FDIC                                                                                                                                                   | 100%                                                   |                                                                                                                                 |
| Repurchase Agreements (Repo's)                                                                                                                                                                                               | 50%                                                    | 90-day maturity                                                                                                                 |
| Bankers Acceptances (BA)                                                                                                                                                                                                     | 25%                                                    |                                                                                                                                 |
| Commercial Paper (CP) - Issued by a financial institution, commercial, industrial, or utility business enterprise.<br><br>For a corporation headquartered in Oregon<br><br>For a corporation headquartered outside of Oregon | 35%                                                    | A-1 and P-1 only, 90-day maturity;<br>A-2 and P-2, A-1/P-2, or A-2/P1, 60-day maturity<br><br>A-1 and P-1 only; 90-day maturity |
| State of Oregon and Local Government Securities with A ratings or better                                                                                                                                                     | 25%                                                    |                                                                                                                                 |
| State of Oregon Investment Pool                                                                                                                                                                                              | 100%                                                   |                                                                                                                                 |
| Market Interest Accounts and Checking Accounts                                                                                                                                                                               | Minimum necessary for daily cash management efficiency |                                                                                                                                 |

(c) Diversification by Financial Institution.

- (1) Qualified Institutions. The investment officer shall maintain a listing of financial institutions and securities dealers recommended by the IAB. Any financial institution and/or securities dealer is eligible to make an application to the investment officer and upon due consideration and approval hold available funds.

A listing of the eligible institutions shall be held by the investment officer and provided any fiduciary agent or trustee.

- (2) Diversification Requirements. The combination of investments in Certificates of Deposit and Banker's Acceptances invested with any one institution shall not exceed 25 percent of the total available funds or 15 percent of the equity of the institution.

The following limitations avoid over-concentration in securities from a specific issuer or business sector:

| <b>Type of Security</b>                    | <b>Limitation</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|--------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| U.S. Government Treasuries                 | No limitations                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
| U.S. Government Agencies                   | Securities of U.S. Government Agencies and U.S. Government Sponsored Enterprises as defined under ORS 294.035 and/or 294.040. No more than 40 percent of the portfolio in any one agency.                                                                                                                                                                                                                                                                                              |
| Certificates of Deposit - Commercial Banks | No more than the lesser of 25 percent of the total available funds or 15 percent of the equity of the financial institution may be invested with any one institution.                                                                                                                                                                                                                                                                                                                  |
| Repurchase Agreements                      | <p>May be purchased from any qualified institution provided the master repurchase agreement is effective and the safekeeping requirements are met. All repurchase agreements will be fully collateralized by general obligations of the U.S. Government, the agencies and instrumentalities of the United States or enterprises sponsored by the United States government, marked to market.</p> <p>The investment officer shall not enter into any reverse repurchase agreements.</p> |

| Type of Security                      | Limitation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|---------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Bankers Acceptances                   | <p>Must be guaranteed by, and carried on the books of, a qualified financial institution whose short-term letter of credit rating is rated in the highest category by one or more nationally recognized statistical rating organizations.</p> <p>Qualified institution means:</p> <ul style="list-style-type: none"> <li>i) A financial institution that is located and licensed to do banking business in the state of Oregon; or</li> <li>ii) A financial institution located in the states of California, Idaho, or Washington that is wholly owned by a bank holding company that owns a financial institution that is located and licensed to do banking business in the state of Oregon.</li> </ul> <p>No more than the lesser of 25 percent of the total available funds or 15 percent of the equity of the financial institution may be invested with any one institution.</p> |
| Commercial Paper                      | No more than 5 percent of the total portfolio with any one corporate entity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
| State and Local Government Securities | No more than 15 percent of the total portfolio in any one local entity.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| State of Oregon Investment Pool       | Not to exceed the maximum amount established in accordance with ORS 294.810, with the exception of pass-through funds (in and out within 10 days)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |

(d) Total Prohibitions. The investment officer may not make a commitment to invest funds or sell securities more than 14 business days prior to the anticipated date of settlement of the purchase or sale transaction and may not agree to invest funds or sell securities for a fee other than interest. Purchase of standby or forward commitments of any sort are specifically prohibited.

(e) Adherence to Investment Diversification. Diversification requirements must be met on the day an investment



transaction is executed. If due to unanticipated cash needs, investment maturities or marking the portfolio to market, the investment in any security type, financial issuer or maturity spectrum later exceeds the limitations in the policy, the investment officer is responsible for bringing the investment portfolio back into compliance as soon as is practical.

(f) Competitive Selection of Investment Instruments. Before the investment officer invests any surplus funds, a competitive offering solicitation shall be conducted orally, or alternatively through an electronic competitive bidding platform that compares several offers of the same security class like commercial paper, new issue GSE's and treasury issues. Offerings will be requested from financial institutions for various options with regards to term and instrument. The investment officer will accept the offering, which provides the highest rate of return within the maturity required and within the prudent investor rule. Records will be kept of offerings and the basis for making the investment decision.

(Ordinance No. 05-1075. Amended by Ordinance No. 08-1190.)

#### 7.03.070 Reporting

(a) Methods. A transaction report shall be prepared by the investment manager not later than one business day after the transaction, unless a trustee, operating under a trust agreement, has executed the transaction. The trustee agreement shall provide for a report of transactions to be submitted by the trustee on a monthly basis.

Quarterly reports shall be prepared for each regular meeting of the IAB to present historical information for the past 12-month period. Copies shall be provided to the Chief Operating Officer and the Metro Council.

(b) Performance Standards. The overall performance of Metro's investment program is evaluated quarterly by the IAB using the objectives outlined in this policy. The quarterly report which confirms adherence to this policy shall be provided to the Metro Council as soon as practicable.

The performance of Metro's portfolio shall be measured by comparing the average yield of the portfolio at month-end against the performance of the 90-day U.S. Treasury Bill issue maturing closest to 90 days from month-end and the Local Government Investment Pool's monthly average yield.

(Ordinance No. 05-1075.)

7.030.080 Policy Adoption and Re-adoption

(a) The investment policy must be reviewed by the IAB and the Oregon Short-Term Fund Board prior to adoption by the Metro Council. Adoption of this policy supersedes any other previous Council action or policy regarding Metro's investment management practices.

(b) This policy shall be subject to review and re-adoption annually by the Metro Council in accordance with ORS 294.135.

(Ordinance No. 05-1075.)

7.030.090 List of Documents Used in Conjunction with this Policy

The following documents are used in conjunction with this policy and are available from the investment manager upon request:

- List of Authorized Brokers and Dealers
- List of Primary Dealers
- Calendar of Federal Reserve System Holidays
- Calendar of Local Government Investment Pool Holidays
- Broker/Dealer Request for Information
- Oregon State Treasury's Summary of Liquid Investments Available to Local Governments for Short-Term Fund Investment
- Oregon State Treasury's U.S. Government and Agency Securities for Local Government Investment Under ORS 294.035 and 294.040
- Oregon State Treasury's List of Qualified Depositories for Public Funds
- Attorney General's letter of advice: Certificates of Deposit, ORS 294.035 and ORS 295
- Oregon Revised Statute Chapter 294 - County and Municipal Financial Administration
- Oregon Revised Statute Chapter 295 - Depositories of Public Funds and Securities
- Government Finance Officers Association Glossary of Cash Management Terms

(Ordinance No. 05-1075.)

Agenda Item Number 5.1

**Resolution No. 10-4157**, For the Purpose of Adopting the Capital  
Improvement Plan for Fiscal Years 2010 through 2014-15

RESOLUTIONS  
COUNCILOR PARK

Metro Council Meeting  
Thursday, June 17, 2010  
Metro Council Chamber



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE ) RESOLUTION NO. 10-4157  
CAPITAL IMPROVEMENT PLAN FOR FISCAL ) Introduced by Michael Jordan, Chief  
YEARS 2010-11 THROUGH 2014-15 ) Operating Officer with concurrence of  
 ) the Council President

WHEREAS, Metro recognizes the need to prepare a long-range plan estimating the timing, scale and cost of its major capital projects and equipment purchases; and

WHEREAS, Metro centers and services have inventoried existing major capital assets, prepared status reports on current capital projects and assessed future capital needs; and

WHEREAS, Metro's Chief Operating Officer has directed the preparation of a Capital Improvement Plan for fiscal years 2010-11 through 2014-15 that projects Metro's major capital spending needs over the next five years, assesses the impact of capital projects on the forecasted financial condition of Metro funds, and assesses the impact on operating costs; and

WHEREAS, the Metro Council has reviewed the FY 2010-11 through FY 2014-2015 Capital Improvement Plan; and

WHEREAS, the Metro Council has conducted a public hearing on the FY 2010-11 budget including the FY 2010-11 through FY 2014-15 Capital Improvement Plan; now therefore

BE IT RESOLVED that the Metro Council hereby authorizes the following:

1. That the FY 2010-11 through FY 2014-15 Capital Improvement Plan, summarized on Exhibit A, is hereby adopted.
2. That the FY 2010-11 capital projects from the FY 2010-11 through FY 2014-15 Capital Improvement Plan be included and appropriated in the FY 2010-11 budget.

ADOPTED by the Metro Council this \_\_\_\_ day of \_\_\_\_\_ 2010.

\_\_\_\_\_  
David Bragdon, Metro Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

## Total Project Summary with Major Funding Source

Exhibit "A" Resolution 10-4157

|          |      |      |
|----------|------|------|
| Priority | Fund | Dept |
|----------|------|------|

**Finance**

|                                         | Prior Years     | 2010-2011        | 2011-2012  | 2012-2013  | 2013-2014  | 2014-2015  | Grand Total      | Funding Source                 |
|-----------------------------------------|-----------------|------------------|------------|------------|------------|------------|------------------|--------------------------------|
| <b>Solid Waste General Account</b>      |                 |                  |            |            |            |            |                  |                                |
| 1 Solid Waste Information System (SWIS) | \$75,000        | \$750,000        | \$0        | \$0        | \$0        | \$0        | \$825,000        | Fund Balance - Capital Reserve |
| <b>Total - Finance</b>                  | <b>\$75,000</b> | <b>\$750,000</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> | <b>\$825,000</b> |                                |

## Total Project Summary with Major Funding Source

Exhibit "A" Resolution 10-4157

| Information Services                             |                                                      | Prior Years        | 2010-2011          | 2011-2012        | 2012-2013        | 2013-2014        | 2014-2015        | Grand Total        | Funding Source                         |
|--------------------------------------------------|------------------------------------------------------|--------------------|--------------------|------------------|------------------|------------------|------------------|--------------------|----------------------------------------|
| <b>All Funds</b>                                 |                                                      |                    |                    |                  |                  |                  |                  |                    |                                        |
| 1                                                | Replace/Acquire Desktop Computers                    | \$709,202          | \$80,000           | \$80,000         | \$80,000         | \$80,000         | \$80,000         | \$1,109,202        | Fund Balance - Capital Reserve         |
| <b>General Fund Capital Fund - 612</b>           |                                                      |                    |                    |                  |                  |                  |                  |                    |                                        |
| 1                                                | Domain Integration                                   | \$60,000           | \$40,000           | \$0              | \$0              | \$0              | \$0              | \$100,000          | Fund Balance - Capital Reserve         |
| 2                                                | Develop Enterprise Business Applications Software    | \$334,528          | \$50,000           | \$0              | \$0              | \$0              | \$0              | \$384,528          | Fund Balance - Capital Reserve         |
| <b>General Fund Renewal and Replacement Fund</b> |                                                      |                    |                    |                  |                  |                  |                  |                    |                                        |
| 1                                                | Net Appliance Alex File Server                       | \$0                | \$132,600          | \$0              | \$0              | \$0              | \$143,531        | \$276,131          | Fund Balance - Renewal and Replacement |
| 2                                                | Upgrade of Business Enterprise Software (PeopleSoft) | \$114,805          | \$133,365          | \$0              | \$138,753        | \$0              | \$144,358        | \$531,281          | Fund Balance - Renewal and Replacement |
| 3                                                | Enterprise Productivity Platform Upgrade and Licensi | \$614,776          | \$209,270          | \$10,824         | \$0              | \$0              | \$0              | \$834,870          | Fund Balance - Renewal and Replacement |
| 4                                                | Information Technology R&R Projects                  | \$122,822          | \$555,769          | \$415,310        | \$195,300        | \$226,349        | \$226,501        | \$1,742,051        | Fund Balance - Renewal and Replacement |
| <b>Total - Information Services</b>              |                                                      | <b>\$1,956,133</b> | <b>\$1,201,004</b> | <b>\$506,134</b> | <b>\$414,053</b> | <b>\$306,349</b> | <b>\$594,390</b> | <b>\$4,978,063</b> |                                        |

## Total Project Summary with Major Funding Source

Exhibit "A" Resolution 10-4157

**Metro Exposition-Recreation Commission**

|                                                       | Prior Years      | 2010-2011          | 2011-2012          | 2012-2013        | 2013-2014        | 2014-2015          | Grand Total        | Funding Source               |
|-------------------------------------------------------|------------------|--------------------|--------------------|------------------|------------------|--------------------|--------------------|------------------------------|
| <b>MERC Fund</b>                                      |                  |                    |                    |                  |                  |                    |                    |                              |
| 1 Expo - Food & Beverage Upgrades                     | \$0              | \$325,000          | \$0                | \$0              | \$0              | \$0                | \$325,000          | F&B Contract Investment Fund |
| 2 Expo - Parking Lot Asphalt Maint/Replace            | \$75,000         | \$0                | \$50,000           | \$50,000         | \$50,000         | \$50,000           | \$275,000          | Fund Balance                 |
| 3 Expo - Portable Bleacher Replacement                | \$0              | \$0                | \$80,000           | \$80,000         | \$80,000         | \$80,000           | \$320,000          | Fund Balance                 |
| <b>MERC Fund</b>                                      |                  |                    |                    |                  |                  |                    |                    |                              |
| 1 OCC - Kitchen Remodel                               | \$375,000        | \$525,000          | \$0                | \$0              | \$0              | \$0                | \$900,000          | F&B Contract Investment Fund |
| 2 OCC - Small Wares Purchase                          | \$0              | \$300,000          | \$0                | \$0              | \$0              | \$0                | \$300,000          | F&B Contract Investment Fund |
| 3 OCC - Leg Up Program Store Project                  | \$0              | \$150,000          | \$0                | \$0              | \$0              | \$0                | \$150,000          | F&B Contract Investment Fund |
| 4 OCC - Construction costs with Kitchen Remodel       | \$0              | \$100,000          | \$0                | \$0              | \$0              | \$0                | \$100,000          | 5% Reserve Account Capital   |
| 5 OCC - Hand Dryers                                   | \$0              | \$150,000          | \$0                | \$0              | \$0              | \$0                | \$150,000          | MTOCA                        |
| 6 OCC - Removeable Airwall Repair and Retrofit        | \$0              | \$560,000          | \$0                | \$0              | \$0              | \$0                | \$560,000          | MTOCA                        |
| 7 OCC - VAV Controllers and CO2 Sensors on AHYs L     | \$0              | \$105,000          | \$0                | \$0              | \$0              | \$0                | \$105,000          | MTOCA                        |
| 8 OCC - Signage Upgrade                               | \$0              | \$150,000          | \$0                | \$0              | \$0              | \$0                | \$150,000          | TLT Reserves                 |
| 9 OCC - Sizzler Block Plaza Construction Project      | \$0              | \$660,000          | \$0                | \$0              | \$0              | \$0                | \$660,000          | Fund Balance                 |
| 10 OCC - Parking Management System and Equipment      | \$0              | \$130,000          | \$0                | \$0              | \$0              | \$0                | \$130,000          | TLT Reserves                 |
| 11 OCC - Lighting Retrofit                            | \$0              | \$751,645          | \$0                | \$0              | \$0              | \$0                | \$751,645          | Grants                       |
| <b>MERC Fund</b>                                      |                  |                    |                    |                  |                  |                    |                    |                              |
| 1 PCPA - Arlene Schnitzer Concert Hall Roof           | \$0              | \$100,000          | \$0                | \$0              | \$0              | \$0                | \$100,000          | Donations - MERC             |
| 2 PCPA - Keller Auditorium Boiler Replacement         | \$0              | \$100,000          | \$0                | \$0              | \$0              | \$0                | \$100,000          | Donations - MERC             |
| 3 PCPA - Food & Beverage Capital Investment           | \$0              | \$325,000          | \$0                | \$0              | \$0              | \$0                | \$325,000          | F&B Contract Investment Fund |
| 4 PCPA - Hatfield Lighting Retrofit                   | \$0              | \$0                | \$129,070          | \$0              | \$0              | \$0                | \$129,070          | Grants                       |
| 5 PCPA - Hatfield Chiller Replacement                 | \$0              | \$89,000           | \$337,000          | \$0              | \$0              | \$0                | \$426,000          | Friends of PCPA              |
| 6 PCPA - Newmark Dimmer System                        | \$0              | \$0                | \$140,000          | \$0              | \$0              | \$0                | \$140,000          | Friends of PCPA              |
| 7 PCPA - Arlene Schnitzer Concert Hall Boiler Replace | \$0              | \$0                | \$100,000          | \$0              | \$0              | \$0                | \$100,000          | Friends of PCPA              |
| 8 PCPA - Hatfield Cultural Video Project              | \$0              | \$0                | \$522,188          | \$0              | \$0              | \$0                | \$522,188          | Grants                       |
| 10 PCPA - Keller Stage Floor                          | \$0              | \$0                | \$0                | \$100,000        | \$0              | \$0                | \$100,000          | Friends of PCPA              |
| 11 PCPA - Arlene Schnitzer Cooling Tower              | \$0              | \$0                | \$0                | \$0              | \$110,000        | \$0                | \$110,000          | Friends of PCPA              |
| 12 PCPA - Newmark Stage Floor                         | \$0              | \$0                | \$0                | \$0              | \$100,000        | \$0                | \$100,000          | Friends of PCPA              |
| 12 PCPA - Arlene Schnitzer Chiller                    | \$0              | \$0                | \$0                | \$0              | \$250,000        | \$0                | \$250,000          | Friends of PCPA              |
| 13 PCPA - ASCH Lighting System                        | \$0              | \$0                | \$0                | \$0              | \$0              | \$300,000          | \$300,000          | Friends of PCPA              |
| 14 PCPA - Keller Dimmer System                        | \$0              | \$0                | \$0                | \$0              | \$0              | \$275,000          | \$275,000          | Friends of PCPA              |
| 15 PCPA - Winningstad Orchestra Seating Floor         | \$0              | \$0                | \$0                | \$0              | \$0              | \$150,000          | \$150,000          | Friends of PCPA              |
| 16 PCPA - Hatfield Passenger Elevators                | \$0              | \$0                | \$0                | \$0              | \$0              | \$300,000          | \$300,000          | Friends of PCPA              |
| 17 PCPA - ASCH Passenger Elevators                    | \$0              | \$0                | \$0                | \$0              | \$0              | \$300,000          | \$300,000          | Friends of PCPA              |
| <b>Total - Metro Exposition-Recreation Commission</b> | <b>\$450,000</b> | <b>\$4,520,645</b> | <b>\$1,358,258</b> | <b>\$230,000</b> | <b>\$590,000</b> | <b>\$1,455,000</b> | <b>\$8,603,903</b> |                              |



## Total Project Summary with Major Funding Source

Exhibit "A" Resolution 10-4157

| Oregon Zoo                                       |                                                     | Prior Years        | 2010-2011           | 2011-2012           | 2012-2013           | 2013-2014          | 2014-2015          | Grand Total         | Funding Source                         |
|--------------------------------------------------|-----------------------------------------------------|--------------------|---------------------|---------------------|---------------------|--------------------|--------------------|---------------------|----------------------------------------|
| <b>Zoo Infrastructure and Animal Welfare</b>     |                                                     |                    |                     |                     |                     |                    |                    |                     |                                        |
| 1                                                | Construction Bond Issuance                          | \$29,682           | \$120,000           | \$500,000           | \$0                 | \$0                | \$0                | \$649,682           | GO Bonds Zoo                           |
| 2                                                | Veterinary Hospital                                 | \$628,239          | \$6,697,812         | \$1,873,945         | \$0                 | \$0                | \$0                | \$9,199,996         | GO Bonds Zoo                           |
| 3                                                | Zoo Infrastructure and Animal Welfare Master Planni | \$100,000          | \$997,505           | \$748,129           | \$0                 | \$0                | \$0                | \$1,845,634         | GO Bonds Zoo                           |
| 4                                                | Plan District - Land Use                            | \$200,000          | \$1,008,000         | \$723,105           | \$0                 | \$0                | \$0                | \$1,931,105         | GO Bonds Zoo                           |
| 5                                                | Water Main Replacement                              | \$45,602           | \$254,398           | \$0                 | \$0                 | \$0                | \$0                | \$300,000           | GO Bonds Zoo                           |
| 6                                                | More Humane Enclosures for Apes & Monkeys           | \$0                | \$0                 | \$0                 | \$0                 | \$0                | \$100,000          | \$100,000           | GO Bonds Zoo                           |
| 7                                                | Penguin Filtration System Replacement               | \$280,000          | \$720,000           | \$0                 | \$0                 | \$0                | \$0                | \$1,000,000         | GO Bonds Zoo                           |
| 8                                                | Improving Elephant On Site Facilities               | \$6,159            | \$0                 | \$4,900,000         | \$9,800,000         | \$4,900,000        | \$0                | \$19,606,159        | GO Bonds Zoo                           |
| 9                                                | Upgrading Zoo Facilities to Save Water and Energy   | \$446,132          | \$0                 | \$0                 | \$0                 | \$0                | \$100,000          | \$546,132           | GO Bonds Zoo                           |
| 10                                               | Conservation Education Facility                     | \$30,000           | \$100,000           | \$100,000           | \$0                 | \$0                | \$0                | \$230,000           | GO Bonds Zoo                           |
| 11                                               | Elephant Offsite Facility                           | \$12,885           | \$4,799,115         | \$4,800,000         | \$2,388,000         | \$0                | \$0                | \$12,000,000        | GO Bonds Zoo                           |
| 12                                               | Polar Bear Space Renovation                         | \$0                | \$0                 | \$0                 | \$0                 | \$0                | \$100,000          | \$100,000           | GO Bonds Zoo                           |
| <b>General Fund Renewal and Replacement Fund</b> |                                                     |                    |                     |                     |                     |                    |                    |                     |                                        |
| 1                                                | Zoo Renewal and Replacement Projects                | \$640,602          | \$635,502           | \$505,485           | \$474,077           | \$753,687          | \$502,119          | \$3,511,472         | Fund Balance - Renewal and Replacement |
| 2                                                | Zoo Micros POS System                               | \$10,000           | \$173,600           | \$0                 | \$0                 | \$0                | \$0                | \$183,600           | Fund Balance - Renewal and Replacement |
| 3                                                | Perimeter USDA Fence                                | \$30,000           | \$57,305            | \$58,451            | \$59,620            | \$60,813           | \$62,029           | \$328,218           | Fund Balance - Renewal and Replacement |
| 4                                                | Zoo Parking Lot Replacement                         | \$20,000           | \$20,400            | \$20,808            | \$21,224            | \$21,649           | \$22,082           | \$126,163           | Fund Balance - Renewal and Replacement |
| 5                                                | 750 kw Generator                                    | \$0                | \$149,630           | \$0                 | \$0                 | \$0                | \$0                | \$149,630           | Fund Balance - Renewal and Replacement |
| 6                                                | Zoo Railroad Track Replacement                      | \$22,627           | \$45,707            | \$23,541            | \$24,012            | \$24,492           | \$24,982           | \$165,361           | Fund Balance - Renewal and Replacement |
| 7                                                | Roof Replacement Africafe                           | \$0                | \$0                 | \$0                 | \$131,165           | \$0                | \$0                | \$131,165           | Fund Balance - Renewal and Replacement |
| 8                                                | Penguinarium Interpretive Graphics                  | \$0                | \$0                 | \$0                 | \$0                 | \$0                | \$100,510          | \$100,510           | Fund Balance - Renewal and Replacement |
| <b>Zoo Capital Projects Fund</b>                 |                                                     |                    |                     |                     |                     |                    |                    |                     |                                        |
| 1                                                | Red Ape Reserve "Orangutan"                         | \$3,253,953        | \$350,000           | \$0                 | \$0                 | \$0                | \$0                | \$3,603,953         | Fund Balance - Capital Reserve         |
| <b>Total - Oregon Zoo</b>                        |                                                     | <b>\$5,755,881</b> | <b>\$16,128,974</b> | <b>\$14,253,464</b> | <b>\$12,898,098</b> | <b>\$5,760,641</b> | <b>\$1,011,722</b> | <b>\$55,808,780</b> |                                        |

## Total Project Summary with Major Funding Source

Exhibit "A" Resolution 10-4157

| Parks and Environmental Services                        | Prior Years | 2010-2011   | 2011-2012   | 2012-2013   | 2013-2014 | 2014-2015 | Grand Total | Funding Source                         |
|---------------------------------------------------------|-------------|-------------|-------------|-------------|-----------|-----------|-------------|----------------------------------------|
| <b>General Fund Renewal and Replacement Fund</b>        |             |             |             |             |           |           |             |                                        |
| 1 M. James Gleason Boat Ramp - Phase III & IV           | \$1,544,500 | \$55,000    | \$0         | \$0         | \$0       | \$0       | \$1,599,500 | Grants - State Marine Board            |
| 2 M. James Gleason - Parking Lot Repaving               | \$0         | \$0         | \$337,500   | \$0         | \$0       | \$0       | \$337,500   | Fund Balance - Renewal and Replacement |
| 3 Blue Lake Wetland, Pathway, Trail                     | \$0         | \$0         | \$195,595   | \$0         | \$0       | \$0       | \$195,595   | Fund Balance - Renewal and Replacement |
| 4 Oxbow Park Hardened River Access                      | \$0         | \$0         | \$0         | \$0         | \$0       | \$303,253 | \$303,253   | Fund Balance - Renewal and Replacement |
| 5 Regional Parks Renewal and Replacement                | \$114,123   | \$535,117   | \$468,991   | \$15,185    | \$125,180 | \$204,598 | \$1,463,194 | Fund Balance - Renewal and Replacement |
| <b>General Fund</b>                                     |             |             |             |             |           |           |             |                                        |
| 1 Council/COO Building Space Remodel                    | \$82,983    | \$160,000   | \$0         | \$0         | \$0       | \$0       | \$242,983   | Fund Balance                           |
| <b>General Fund Renewal and Replacement Fund</b>        |             |             |             |             |           |           |             |                                        |
| 1 Carpet Replacement                                    | \$128,395   | \$141,161   | \$120,150   | \$0         | \$0       | \$0       | \$389,706   | Fund Balance - Renewal and Replacement |
| 2 Parking Structure Waterproofing                       | \$450,000   | \$450,000   | \$0         | \$0         | \$0       | \$0       | \$900,000   | Fund Balance - Renewal and Replacement |
| 3 Council Chamber Audio/Visual Upgrades                 | \$143,300   | \$0         | \$0         | \$140,851   | \$0       | \$0       | \$284,151   | Fund Balance - Renewal and Replacement |
| 4 Metro Regional Center Roof Replacement                | \$0         | \$0         | \$0         | \$0         | \$512,404 | \$0       | \$512,404   | Fund Balance - Renewal and Replacement |
| 5 Renewal and Replacement Property Services             | \$56,070    | \$125,082   | \$113,785   | \$20,535    | \$104,743 | \$0       | \$420,215   | Fund Balance - Renewal and Replacement |
| <b>Solid Waste General Account</b>                      |             |             |             |             |           |           |             |                                        |
| 1 Metro Central Organics/Food Handling Area Improve     | \$0         | \$350,000   | \$0         | \$0         | \$0       | \$0       | \$350,000   | Fund Balance - Capital Reserve         |
| 2 Metro Central Storm Water Improvements                | \$0         | \$150,000   | \$0         | \$0         | \$0       | \$0       | \$150,000   | Fund Balance - Capital Reserve         |
| 3 Improvements to Metro South truck entrance/exit       | \$0         | \$110,000   | \$0         | \$0         | \$0       | \$0       | \$110,000   | Fund Balance - Capital Reserve         |
| 4 Metro South - New Operations Supervisors' Office      | \$0         | \$0         | \$100,000   | \$0         | \$0       | \$0       | \$100,000   | Fund Balance - Capital Reserve         |
| 5 Metro Central - Tarping Station                       | \$0         | \$0         | \$200,000   | \$0         | \$0       | \$0       | \$200,000   | Fund Balance - Capital Reserve         |
| 6 Expansion of MCS-HHW facility                         | \$0         | \$0         | \$0         | \$863,000   | \$0       | \$0       | \$863,000   | Fund Balance - Capital Reserve         |
| 7 Future Master Facility Plan Improvements              | \$0         | \$0         | \$0         | \$1,000,000 | \$0       | \$0       | \$1,000,000 | Fund Balance - Capital Reserve         |
| 8 Reader Board at MSS entrance                          | \$0         | \$0         | \$0         | \$0         | \$200,000 | \$0       | \$200,000   | Fund Balance - Capital Reserve         |
| <b>Solid Waste Landfill Closure</b>                     |             |             |             |             |           |           |             |                                        |
| 1 St Johns - Perimeter Dike Stabilization and Seepage C | \$456,771   | \$1,666,783 | \$6,000     | \$3,000     | \$3,000   | \$3,000   | \$2,138,554 | Grants                                 |
| 2 St. Johns - Re-establish Proper Drainage              | \$868,365   | \$5,000     | \$5,000     | \$0         | \$0       | \$0       | \$878,365   | Fund Balance - Landfill Closure        |
| 3 St. Johns - Landfill Remediation                      | \$0         | \$1,000,000 | \$1,000,000 | \$1,000,000 | \$0       | \$0       | \$3,000,000 | Fund Balance - Landfill Closure        |
| <b>SW Renewal &amp; Replacement Account</b>             |             |             |             |             |           |           |             |                                        |
| 1 SW Renewal and Replacement Acct Non CIP               | \$45,717    | \$82,000    | \$100,000   | \$100,000   | \$100,000 | \$0       | \$427,717   | Fund Balance - Renewal and Replacement |
| 2 Metro Central HHW - Roof replacement                  | \$0         | \$150,000   | \$0         | \$0         | \$0       | \$0       | \$150,000   | Fund Balance - Renewal and Replacement |
| 3 Metro South - Compactor Replacement                   | \$303,638   | \$300,000   | \$0         | \$0         | \$0       | \$0       | \$603,638   | Fund Balance - Renewal and Replacement |
| 4 Metro South- Replace Ventilation System Component     | \$10,000    | \$130,000   | \$0         | \$0         | \$0       | \$0       | \$140,000   | Fund Balance - Renewal and Replacement |
| 5 Metro Central - Scalehouse "C" Scale Replacement      | \$0         | \$130,000   | \$0         | \$0         | \$0       | \$0       | \$130,000   | Fund Balance - Renewal and Replacement |
| 6 Metro South Transfer Station Bays -1 & 2 Ventilatio   | \$0         | \$0         | \$110,000   | \$0         | \$0       | \$0       | \$110,000   | Fund Balance - Renewal and Replacement |
| 7 Metro South - Modify Entry Way to Operations Bld.     | \$0         | \$0         | \$175,000   | \$0         | \$0       | \$0       | \$175,000   | Fund Balance - Renewal and Replacement |
| 8 Metro Central - Replace metal wall system             | \$0         | \$0         | \$170,000   | \$0         | \$0       | \$0       | \$170,000   | Fund Balance - Renewal and Replacement |
| 9 Metro Central - Baler Conveyor                        | \$0         | \$0         | \$220,000   | \$0         | \$0       | \$0       | \$220,000   | Fund Balance - Renewal and Replacement |
| 10 Metro South Transfer Station - Roof replacment       | \$0         | \$0         | \$0         | \$335,000   | \$0       | \$0       | \$335,000   | Fund Balance - Renewal and Replacement |
| 11 Metro Central - Replace Slow Speed Shredder          | \$0         | \$0         | \$0         | \$600,000   | \$0       | \$0       | \$600,000   | Fund Balance - Renewal and Replacement |
| 12 Metro Central Standby Power Generator                | \$0         | \$0         | \$0         | \$135,000   | \$0       | \$0       | \$135,000   | Fund Balance - Renewal and Replacement |
| 13 Metro Central Station - High Speed Shredder Replace  | \$0         | \$0         | \$0         | \$0         | \$300,000 | \$0       | \$300,000   | Fund Balance - Renewal and Replacement |

## Total Project Summary with Major Funding Source

Exhibit "A" Resolution 10-4157

|                 |             |             |
|-----------------|-------------|-------------|
| <b>Priority</b> | <b>Fund</b> | <b>Dept</b> |
|-----------------|-------------|-------------|

| <b>Parks and Environmental Services</b>         | <b>Prior Years</b> | <b>2010-2011</b> | <b>2011-2012</b> | <b>2012-2013</b> | <b>2013-2014</b> | <b>2014-2015</b> | <b>Grand Total</b> | <b>Funding Source</b> |
|-------------------------------------------------|--------------------|------------------|------------------|------------------|------------------|------------------|--------------------|-----------------------|
| <b>Total - Parks and Environmental Services</b> | \$4,203,862        | \$5,540,143      | \$3,322,021      | \$4,212,571      | \$1,345,327      | \$510,851        | \$19,134,775       |                       |

|          |      |      |
|----------|------|------|
| Priority | Fund | Dept |
|----------|------|------|

### Total Project Summary with Major Funding Source

Exhibit "A" Resolution 10-4157

| Research Center                                    |                    |                 |                 |                 |                 |                 |                    |                |
|----------------------------------------------------|--------------------|-----------------|-----------------|-----------------|-----------------|-----------------|--------------------|----------------|
|                                                    | Prior Years        | 2010-2011       | 2011-2012       | 2012-2013       | 2013-2014       | 2014-2015       | Grand Total        | Funding Source |
| <b>Planning Fund</b>                               |                    |                 |                 |                 |                 |                 |                    |                |
| 2 Transportation Modeling Services Cluster Upgrade | \$161,576          | \$25,000        | \$50,000        | \$68,200        | \$25,000        | \$25,000        | \$354,776          | Other          |
| <b>Planning Fund</b>                               |                    |                 |                 |                 |                 |                 |                    |                |
| 1 Regional Land Information System (RLIS)          | \$864,616          | \$32,000        | \$27,000        | \$23,000        | \$32,000        | \$19,000        | \$997,616          | Other          |
| <b>Total - Research Center</b>                     | <b>\$1,026,192</b> | <b>\$57,000</b> | <b>\$77,000</b> | <b>\$91,200</b> | <b>\$57,000</b> | <b>\$44,000</b> | <b>\$1,352,392</b> |                |

|          |      |      |
|----------|------|------|
| Priority | Fund | Dept |
|----------|------|------|

## Total Project Summary with Major Funding Source

Exhibit "A" Resolution 10-4157

| Sustainability Center                |                                                   | Prior Years         | 2010-2011           | 2011-2012           | 2012-2013           | 2013-2014           | 2014-2015          | Grand Total          | Funding Source           |
|--------------------------------------|---------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|--------------------|----------------------|--------------------------|
| <b>Natural Areas Fund</b>            |                                                   |                     |                     |                     |                     |                     |                    |                      |                          |
| 1                                    | Natural Areas Acquisition                         | \$61,392,319        | \$31,513,590        | \$36,005,264        | \$21,292,644        | \$20,937,532        | \$1,685,259        | \$172,826,608        | G.O. Bonds - Open Spaces |
| <b>Natural Areas Fund</b>            |                                                   |                     |                     |                     |                     |                     |                    |                      |                          |
| 1                                    | 40-Mile Loop Trail Construction at Blue Lake Park | \$0                 | \$939,000           | \$0                 | \$0                 | \$0                 | \$0                | \$939,000            | Grants                   |
| 2                                    | Graham Oaks Nature Park                           | \$2,927,007         | \$750,000           | \$0                 | \$0                 | \$0                 | \$0                | \$3,677,007          | G.O. Bonds - Open Spaces |
| 4                                    | Willamette Cove Nature Park                       | \$0                 | \$0                 | \$0                 | \$300,000           | \$0                 | \$0                | \$300,000            | G.O. Bonds - Open Spaces |
| <b>Total - Sustainability Center</b> |                                                   | <b>\$64,319,326</b> | <b>\$33,202,590</b> | <b>\$36,005,264</b> | <b>\$21,592,644</b> | <b>\$20,937,532</b> | <b>\$1,685,259</b> | <b>\$177,742,615</b> |                          |

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 10-4157, FOR THE PURPOSE OF ADOPTING THE CAPITAL IMPROVEMENT PLAN FOR FISCAL YEARS 2010-11 THROUGH 2014-15

Date: May 24, 2010

Presented by: Margo Norton, Director, Finance and Regulatory Services  
Karen Feher, Capital Improvement Plan Coordinator

## BACKGROUND

The Capital Improvement Plan (CIP) for Fiscal Years 2010-11 through 2014-15 represents Metro's long-range capital planning process. Metro has established a sound base to forecast the agency's capital needs and balance those needs with available resources. As a result, Metro has been able to coordinate the financing and timing of its capital improvements in a way that maximizes the benefits to the public and provides opportunities to save money. If a project comes up unexpectedly during the year, departments must follow an established amendment process to submit the project to Council for approval. The Council usually has given prior direction for the project, and the amendment comes forward in conjunction with a contract award or, if no contract is required, through a separate resolution.

Exhibit A provides a listing of the CIP projects and their major funding source. The resolution approves the entire capital budget and directs that projects for FY 2010-11 be approved, and project expenditures for FY 2010-11 be appropriated, as amended, in the FY 2010-11 budget. During the Fiscal Year 2008-09 budget process, Council approved raising the individual project amount needing Council approval from \$50,000 to \$100,000 and this CIP continues to reflect that change.

A major change to the total number of projects from the Proposed Budget is the addition of thirty-one Metropolitan Exposition Recreation Commission (MERC) projects previously reported outside of the Capital Improvement Plan. The MERC projects are composed of seventeen Portland Center for the Performing Arts projects, eleven Oregon Convention Center projects and three Expo Center projects. These projects add \$7.2 million to the five-year Capital Improvement Plan total.

Of the eight new projects (not including the addition of the MERC thirty-one projects), the majority are a result of the Zoo Infrastructure and Animal Welfare Bond. The sixty-two remaining projects received Council approval in prior years. The following table shows the number of projects by Center, Exhibit A to the Resolution shows the individual projects by Center:

| Center/Service        | #   | Prior Years | FY 2010-2011 | FY 2011-2012 | FY 2012-2013 | FY 2013-2014 | FY 2014-2015 | 5-Year Total | Pct    | Grand Total |
|-----------------------|-----|-------------|--------------|--------------|--------------|--------------|--------------|--------------|--------|-------------|
| Finance               | 1   | 75,000      | 750,000      | -            | -            | -            | -            | 750,000      | 0.39   | 825,000     |
| Information Services  | 7   | 1,956,133   | 1,201,004    | 506,134      | 414,053      | 306,349      | 594,390      | 3,021,930    | 1.58   | 4,978,063   |
| MERC                  | 31  | 450,000     | 4,520,645    | 1,358,258    | 230,000      | 590,000      | 1,455,000    | 8,153,903    | 4.28   | 8,603,903   |
| Oregon Zoo            | 21  | 5,755,881   | 16,128,974   | 14,253,464   | 12,898,098   | 5,760,641    | 1,011,722    | 50,052,899   | 26.25  | 55,808,780  |
| PES                   | 35  | 4,203,862   | 5,540,143    | 3,322,021    | 4,212,571    | 1,345,327    | 510,851      | 14,930,913   | 7.83   | 19,134,775  |
| Research Center       | 2   | 1,026,192   | 57,000       | 77,000       | 91,200       | 57,000       | 44,000       | 326,200      | 0.17   | 1,352,392   |
| Sustainability Center | 4   | 64,319,326  | 33,202,590   | 36,005,264   | 21,592,644   | 20,937,532   | 1,685,259    | 113,423,289  | 59.49  | 177,742,615 |
| Total Metro           | 101 | 77,786,394  | 61,400,356   | 55,522,141   | 39,438,566   | 28,996,849   | 5,301,222    | 190,659,134  | 100.00 | 268,445,528 |

The five year total for this CIP is \$190.7 million. Two areas dominate the CIP, the Zoo Bond expenditures of \$45.7 million and the Natural Area Bond expenditures of \$111.4 million

## ANALYSIS/INFORMATION

### 1. **Known Opposition:** None

2. **Legal Antecedents:** Metro's adopted financial policies require the annual adoption of a Capital Improvement Plan and the annual review of Metro's Comprehensive Financial Policies.
3. **Anticipated Effects:** The resolution signifies the Council has reviewed and approved the CIP covering the years FY 2011-2015.

Within the 101 projects planned during the five years covered by this CIP, thirty-six percent are projects for replacing or improving existing facilities (\$68.7 million); fifty-eight percent purchase land through the Natural Areas Program (\$111.4 million) the remaining six percent purchase equipment and complete some restoration (\$10.6 million). The total cost for these projects during the five years is estimated to be \$190.7 million.

This Resolution is the formal instrument by which the five-year plan will be adopted. Projects with planned expenditures in FY 2010-11 will be incorporated into the Adopted Budget.

4. **Budget Impacts:** The plan's FY 2010-11 expenditures will be appropriated in the FY 2010-11 Adopted Budget.

#### **RECOMMENDED ACTION**

Resolution No. 10-4157 is an important component of the annual budget process. The Chief Operating Officer with the concurrence of the Council President recommends adoption.





Agenda Item Number 5.2

**Resolution No. 10-4159**, For the Purpose of Amending and  
Re-Adopting Comprehensive Financial  
Policies for Metro

RESOLUTIONS  
COUNCILOR PARK

Metro Council Meeting  
Thursday, June 17, 2010  
Metro Council Chamber



BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF AMENDING AND ) RESOLUTION NO. 10-4159  
READOPTING COMPREHENSIVE )  
FINANCIAL POLICIES FOR METRO ) Introduced by Mike Jordan, Chief Operating Officer,  
with concurrence of the Council President

WHEREAS, Metro recognizes the importance of comprehensive financial policies to provide a framework for the overall fiscal management of the agency; and

WHEREAS, the Government Finance Officers Association (GFOA) and the National Advisory Council on State and Local Budgeting (NACSLB) recommend the establishment and adoption of financial policies as a key budget and financial management practice; and

WHEREAS the Metro Council approved Resolution No. 04-3465 on June 17, 2004, "For the Purpose of Adopting Comprehensive Financial Policies for Metro" and reviews these policies annually as part of the budget process; and

Whereas the Metro Council last reviewed these policies on June 25, 2009; and

WHEREAS, Metro's comprehensive financial policies should be amended due to the requirements of Governmental Accounting Standards Board, Statement No. 54; now therefore

BE IT RESOLVED that the Metro Council amends the current financial policies to conform to GASB Statement No. 54; re-adopts the comprehensive financial policies as shown in Exhibit A of this resolution, entitled "Metro Financial Policies;" and rescinds Resolution No. 04-3465.

ADOPTED by the Metro Council this \_\_\_\_\_ day of \_\_\_\_\_, 2010.

\_\_\_\_\_  
David Bragdon, Council President

Approved as to Form:

\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney

## Metro's Financial Policies

### General policies

1. Metro's financial policies shall be reviewed annually by the Council and shall be published in the adopted budget.
2. Metro shall prepare its annual budget and Comprehensive Annual Financial Report consistent with accepted public finance professional standards.
3. The Chief Financial Officer shall establish and maintain appropriate financial and internal control procedures to assure the integrity of Metro's finances.
4. Metro shall comply with all applicable state and federal laws and regulations concerning financial management and reporting, budgeting and debt administration.

### Accounting, auditing and financial reporting

1. Metro shall annually prepare and publish a Comprehensive Annual Financial Report including financial statements and notes prepared in conformity with generally accepted accounting principles as promulgated by the Governmental Accounting Standards Board.
2. Metro shall maintain its accounting records on a basis of accounting consistent with the annual budget ordinance.
3. Metro shall have an independent financial and grant compliance audit performed annually in accordance with generally accepted auditing standards.

### Budgeting and financial planning

1. As prescribed in Oregon budget law, total resources shall equal total requirements in each fund, including contingencies and fund balances. However, Metro considers a budget to be balanced whenever budgeted revenues equal or exceed budgeted expenditures. Beginning fund balances shall not be considered as revenue, nor shall contingencies or ending fund balances be considered expenditures, in determining whether a fund is in balance.
2. Metro shall maintain fund balance reserves that are appropriate to the needs of each fund. Targeted reserve levels shall be established and reviewed annually as part of the budget process. Use of fund balance to support budgeted operations in the General Fund, an operating fund, or a central service fund shall be explained in the annual budget document; such explanation shall describe the nature of the budgeted reduction in fund balance and its expected future impact. Fund balances in excess of future needs shall be evaluated for alternative uses.
  - a. *The Metro Council delegates to the Chief Operating Officer the authority to assign (and un-assign) additional amounts intended to be used for specific purposes more narrow than the overall purpose of the fund established by Council. A schedule of such assignments shall be included within the adopted budget document.*
  - b. *Metro considers restricted amounts to have been spent prior to unrestricted (committed, assigned, or unassigned) amounts when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. Within unrestricted amounts, committed amounts are considered to have been spent first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.*
  - c. *The following information shall be specified by Council in the establishment of Stabilization Arrangements as defined in GASB Statement No. 54: a) the authority for establishing the arrangement (resolution or ordinance), b) the requirements, if any, for*

## EXHIBIT A

*additions to the stabilization amount, c) the specific conditions under which stabilization amounts may be spent, and d) the intended stabilization balance.*

3. Metro staff shall regularly monitor actual revenues and expenditures and report to Council at least quarterly on how they compare to budgeted amounts, to ensure compliance with the adopted budget. Any significant changes in financial status shall be timely reported to the Council.
4. Metro shall use its annual budget to identify and report on department or program goals and objectives and measures of performance.
5. A new program or service shall be evaluated before it is implemented to determine its affordability.
6. Metro shall authorize grant-funded programs and associated positions for a period not to exceed the length of the grant unless alternative funding can be secured.
7. Each operating fund will maintain a contingency account to meet unanticipated requirements during the budget year. The amount shall be appropriate for each fund.
8. Metro shall prepare annually a five-year forecast of revenues, expenditures, other financing sources and uses, and staffing needs for each of its major funds, identifying major anticipated changes and trends, and highlighting significant items which require the attention of the Council.
9. Metro will annually prepare a cost allocation plan prepared in accordance with applicable federal guidelines to maintain and maximize the recovery of indirect costs from federal grants, and to maintain consistency and equity in the allocation process.

### **Capital asset management**

1. Metro shall budget for the adequate maintenance of capital equipment and facilities and for their orderly replacement, consistent with longer-term planning for the management of capital assets.
2. The Council's previously-adopted policies governing capital asset management are incorporated by reference into these policies.

### **Cash management and investments**

1. Metro shall maintain an investment policy in the Metro Code, which shall be subject to annual review and re-adoption.
2. Metro shall schedule disbursements, collections and deposits of all funds to ensure maximum cash availability and investment potential.
3. Metro shall manage its investment portfolio with the objectives of safety of principal as the highest priority, liquidity adequate to needs as the second highest priority and yield from investments as its third highest priority.

### **Debt management**

1. Metro shall issue long-term debt only to finance capital improvements, including land acquisition, that cannot be readily financed from current revenues, or to reduce the cost of long-term financial obligations.
2. Metro will not use short-term borrowing to finance operating needs unless specifically authorized by the Council.
3. Metro shall repay all debt issued within a period not to exceed the expected useful life of the improvements financed by the debt.
4. Metro shall fully disclose financial and pertinent credit information as it relates to Metro's outstanding securities.
5. Metro shall strive to obtain the highest credit ratings to ensure that borrowing costs are minimized and Metro's access to credit is preserved.

## EXHIBIT A

6. Equipment and vehicles should be financed using the least costly method, including comparison to direct cash expenditure. This applies to purchase using operating leases, capital leases, bank financing, company financing or any other purchase programs.

### **Revenues**

1. Metro shall estimate revenues through an objective, analytical process.
2. Metro shall strive to maintain a diversified and balanced revenue system to protect it from short-term fluctuations in any one revenue source.
3. One-time revenues shall be used to support one-time expenditures or increase fund balance.
4. Metro shall pursue appropriate grant opportunities; however, before accepting any grant, Metro will consider the current and future implications of either accepting or rejecting it. The Chief Financial Officer may establish criteria to be used in evaluating the potential implications of accepting grants.

## STAFF REPORT

### IN CONSIDERATION OF RESOLUTION NO. 10-4159 AMENDING AND RE-ADOPTING COMPREHENSIVE FINANCIAL POLICIES FOR METRO

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Date: May 24, 2010

Presented by: Margo Norton, 503-797-1934  
Don Cox, 503-797-1632  
Kathy Rutkowski, 503-797-1630

## BACKGROUND

The Metro Council adopted its comprehensive financial policies in June 2004 (Resolution No. 04-3465) and annually reviews and re-approves the policies by resolution as part of the annual budget process. Recently the Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the Metro Council to make certain policy decisions regarding the use of resources and classifications of fund balance in order for staff to prepare correctly the Comprehensive Annual Financial Report (CAFR) in compliance with generally accepted accounting principles (GAAP). Moss Adams LLP, Metro's external financial auditor, previewed this change with Council in January when it delivered the FY 2008-09 audit opinion. Our analysis shows that, for the most part, implementing GASB Statement No. 54 will be a formalization of Metro's current practices.

The purpose of today's action is to amend Metro's Comprehensive Financial Policies to incorporate the GASB Statement No. 54 principles and to re-approve the policies. The complete accounting policy, incorporating the decisions of the Metro Council reflected in the resolution will be maintained by the Director of Finance and Regulatory Services.

### New Classification Requirements

GASB Statement No. 54 introduces a restructuring and redefinition of fund balance components for governmental fund types. Enterprise funds such as the Solid Waste and MERC funds are not included. For the governmental funds, the categories of fund balance beginning in FY 2010-11, from most restrictive to least restrictive, will include: *non-spendable*, *restricted*, *committed*, *assigned* and *unassigned* amounts for external financial reporting purposes. The non-spendable and restricted categories are technical in nature or restricted by an external party and will be determined by Finance and Regulatory Services staff based upon the facts and circumstances. The committed and assigned categories arise from actions that the Metro Council may take, usually during the budget process. Bond holders will consider how available fund balances are to meet bond and full faith and credit obligations.

In accordance with GASB Statement No. 54, the Metro Council in its normal course of business retains sole authority to take formal action to designate what amount of resource, including fund balance, is to be used only for specific purposes and be considered *committed* fund balance. Such commitments of fund balance can only be removed by the Council through a legislative action to remove or change any such commitment.

The Council, by definition and at a minimum, has *assigned* resources and fund balance whenever the Council establishes a fund other than the General Fund. The amounts within such funds will be defined, at a minimum, as assigned; in many instances the source of the funds may require a designation more restrictive than the minimum *assigned*. To implement the provisions of the standard for *assigned* amounts in greater detail than this fund level, and for designations of such within the General Fund, staff require direction from Council as to whether the Council desires to retain sole authority for assignment of resources/fund balance, or whether to delegate such authority to the Chief Operating Officer.

Staff recommends that the Council delegate this authority to the Chief Operating Officer. The COO is currently designated as the Budget Officer. Metro’s current practice is to seek Council authority, usually during the budget adoption process or subsequent budget amendments, for any use of reserves. These assignments are recorded in the line item detail of the budget. The current financial policies already require that the budget disclose and explain any use of fund balance. Now, under GASB Statement No. 54, such documented decisions by the designated level of authority will be the basis for such reporting, and this decision-making authority is required to be disclosed in the notes to the financial statements.

The attachment “GASB 54 – Fund Balance Designation” illustrates how fund balances in the government funds would be designated for reporting purposes.

### **Policy for Order of Expenditure**

Further, GASB Statement No. 54 requires Metro to state its policy regarding the order of expending resources and fund balance from these classifications of restricted, committed, assigned and unassigned. The Council may choose any order of expenditure. Staff recommends the expenditure of the most restricted funds first and therefore in the following order: restricted, committed, assigned, and then unassigned. This is consistent with our current policy. In the event of special circumstances, the Council could choose to deviate from this order by specifying it as an exception in any enabling legislation. The policy for order of expenditure is required to be disclosed in the notes to the financial statements within the Comprehensive Annual Financial Report (CAFR).

### **Policy for Stabilization Arrangements**

Finally, GASB Statement No. 54 requires certain conditions to be present for balances to be classified as a stabilization arrangement, and the Comprehensive Financial Policies are proposed to be amended to conform to these stated requirements:

- a) the authority for establishing the arrangement (resolution or ordinance),
- b) the requirements, if any, for additions to the stabilization amount,
- c) the conditions under which stabilization amounts may be spent, and
- d) the intended stabilization balance.

A “stabilization arrangement” is a technical term and should not be confused with other instances where Metro currently employs the term (“stabilization reserve”, “recovery rate stabilization account”). In our opinion Metro does not have any current arrangements that meet the technical definition of a stabilization arrangement. Nevertheless, the policy must address what Metro would do if it made such an arrangement.

### **Effect of Council Action**

Council approval will result in an amendment of the Comprehensive Financial Policies to include the decisions made in the three areas noted above and contained in the resolution in the *italicized* section. Following Council approval, Finance and Regulatory Services will develop and maintain procedures to implement and document these Council decisions once the Council has chosen from the alternatives.

## **ANALYSIS/INFORMATION**

- 1. Known Opposition:** None known.



2. **Legal Antecedents:** Resolution No. 04-3465, adopting Comprehensive Financial Policies for Metro, which is annually reviewed and readopted as part of the budget process.
3. **Anticipated Effects:** This action permits Metro to conform to generally accepted accounting principles as one step to receiving an unqualified opinion on its financial statements.
4. **Budget Impacts:** There are no changes to the level of resources or expenditures from this action. There will be a revised classification structure of fund balance amounts, which will be detailed in budget schedules in accordance with the definitions and actions taken in accordance with the financial policies.

#### **RECOMMENDED ACTION**

The Chief Operating Officer recommends adoption of this resolution.

## GASB 54 - Fund Balance Designation

| Fund                                               | FY 2010-11 DESIGNATIONS |                     |                    |                    |                     |
|----------------------------------------------------|-------------------------|---------------------|--------------------|--------------------|---------------------|
|                                                    | Non-spendable           | Restricted          | Committed          | Assigned           | Unassigned          |
| General Fund                                       |                         |                     |                    |                    |                     |
| Undesignated                                       |                         |                     |                    |                    | 5,706,490           |
| Reserved for TOD (not including Assets for Resale) |                         | 4,758,727           |                    |                    |                     |
| Project Carryover                                  |                         |                     |                    |                    | 886,724             |
| Reserved for Local Gov't Grants (CET)              |                         |                     | 2,000,000          |                    |                     |
| Reserve for Future Debt Service                    |                         |                     |                    |                    | 2,846,099           |
| Tibbets Flower Account                             |                         | 212                 |                    |                    |                     |
| Reserved for Climate Change Project                |                         |                     |                    |                    | 47,500              |
| Reserved for Regional Investment Strategy          |                         |                     |                    |                    | 2,821,907           |
| Restricted Parks Reserve (Multnomah County)        |                         | 44,000              |                    |                    |                     |
| Reserved for Future Planning Needs                 |                         |                     |                    |                    | 539,306             |
| Reserved for Future Election Costs                 |                         |                     |                    |                    | 183,411             |
| Reserved for Nature in Neighborhood Grants         |                         |                     |                    |                    | 501,660             |
| Reserved for Active Transportation Partnerships    |                         |                     |                    |                    | 176,100             |
| Reserve for Future Natural Areas Operations        |                         |                     |                    |                    | 804,460             |
| Prior year PERS Reserve                            |                         |                     |                    |                    | 3,759,384           |
| General Obligation Bond Debt Service Fund          |                         | 12,045,000          |                    |                    |                     |
| General Revenue Bond Fund                          |                         |                     |                    |                    |                     |
| Debt Service Account                               |                         |                     |                    | 5,677              |                     |
| Project Account (prior year balance)               |                         |                     |                    | 216,890            |                     |
| Metro Capital Fund                                 |                         |                     |                    |                    |                     |
| Information Services Account                       |                         |                     |                    | 90,000             |                     |
| Zoo Capital Account                                |                         | 287,709             |                    |                    |                     |
| Oxbow Park Nature Center Account                   |                         |                     |                    | 359,929            |                     |
| Natural Areas Fund                                 |                         | 50,775,000          |                    |                    |                     |
| Open Spaces Fund                                   |                         | 318,942             |                    |                    |                     |
| Oregon Zoo Infrastructure & Animal Welfare Fund    |                         | 2,121,338           |                    |                    |                     |
| Pioneer Cemetery Perpetual Care Fund               | 316,297                 |                     |                    |                    |                     |
| Rehab. And Enhancement Fund                        |                         | 1,988,304           |                    |                    |                     |
| Smith and Bybee Wetlands Fund                      |                         | 3,987,047           |                    |                    |                     |
| General Renewal and Replacement Fund               |                         |                     |                    | 6,766,197          |                     |
| <b>TOTAL FUND BALANCE DESIGNATIONS</b>             | <b>\$316,297</b>        | <b>\$76,326,279</b> | <b>\$2,000,000</b> | <b>\$7,438,693</b> | <b>\$18,273,041</b> |