



Certified Public Accountants

METROPOLITAN SERVICE DISTRICT
Portland, Oregon

Schedule of Federal Financial Assistance
(Single Audit)

June 30, 1987

(With Auditors' Report Thereon)

METROPOLITAN SERVICE DISTRICT
Portland, Oregon

Schedule of Federal Financial Assistance
(Single Audit)

Year ended June 30, 1987

Table of Contents

	<u>Page(s)</u>
Auditors' Report on Supplementary Schedule of Federal Financial Assistance	1
Schedule of Federal Financial Assistance	2
Auditors' Report on Internal Accounting and Administrative Controls	3 - 5
Auditors' Report on Compliance with Federal Laws and Regulations	6 - 7



Peat Marwick

Certified Public Accountants

Peat Marwick Main & Co.

Suite 2000

1211 South West Fifth Avenue

Portland, OR 97204

AUDITORS' REPORT ON SUPPLEMENTARY SCHEDULE
OF FEDERAL FINANCIAL ASSISTANCE

To the Council
Metropolitan Service District
Portland, Oregon:

We have examined the combined financial statements of the Metropolitan Service District for the year ended June 30, 1987, and have issued our report thereon dated October 5, 1987. Our examination of such combined financial statements was made in accordance with generally accepted auditing standards and the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U. S. General Accounting Office and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Our examination was made for the purpose of forming an opinion on the combined financial statements of the Metropolitan Service District taken as a whole. The supplementary information included in the accompanying Schedule of Federal Financial Assistance is presented for purposes of additional analysis and is not a required part of the combined financial statements. Such supplementary information has been subjected to the auditing procedures applied in the examination of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

Peat Marwick Main & Co.

October 5, 1987



Metropolitan Service District

Schedule of Federal Financial Assistance

For the year ended June 30, 1987

<u>Federal grantor program title</u>	<u>Federal CFDA number</u>	<u>Program award amount</u>	<u>Total program expenditures at June 30, 1987</u>	<u>Accrued (unearned) revenue at June 30, 1986</u>	<u>Receipts</u>	<u>Expenditures</u>	<u>Accrued revenue at June 30, 1987</u>
<u>Department of Transportation</u>							
Direct programs -							
Technical studies grants Passed through Tri-County Metropolitan Transit District (Tri-met) - technical studies grants	20.505	\$ 2,440,873	2,087,688	39,408	551,839	584,303	71,874
Passed through State Department of Transportation - highway, research, planning and construction	20.505	184,800	140,177	26,408	117,098	107,168	16,478
	20.205	<u>716,178</u>	<u>591,560</u>	<u>43,404</u>	<u>195,660</u>	<u>225,168</u>	<u>72,912</u>
Total Department of Transportation		<u>3,341,851</u>	<u>2,819,425</u>	<u>109,220</u>	<u>864,595</u>	<u>916,639</u>	<u>161,264</u>
<u>Department of Education</u>							
Institute of Museum Services Conservation Project Support	45.301	<u>25,085</u>	<u>26,418</u>	<u>(1,394)</u>	<u>20,829</u>	<u>22,223</u>	<u>-</u>
Total Department of Education		<u>25,085</u>	<u>26,418</u>	<u>(1,394)</u>	<u>20,829</u>	<u>22,223</u>	<u>-</u>
Total Federal Financial Assistance Programs		<u>\$ 3,366,936</u>	<u>2,845,843</u>	<u>107,826</u>	<u>885,424</u>	<u>938,862</u>	<u>161,264</u>

Certified Public Accountants

Peat Marwick Main & Co.

Suite 2000
1211 South West Fifth Avenue
Portland, OR 97204

AUDITORS' REPORT ON INTERNAL ACCOUNTING
AND ADMINISTRATIVE CONTROLS

To the Council
Metropolitan Service District
Portland, Oregon:

We have examined the combined financial statements of the Metropolitan Service District (District) for the year ended June 30, 1987, and have issued our report thereon dated October 5, 1987. As part of our examination, we made a study and evaluation of the internal accounting and administrative controls described below to the extent we considered necessary to evaluate the systems as required by generally accepted auditing standards; the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U.S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of State and Local Governments.

The management of the Metropolitan Service District is responsible for establishing and maintaining internal control systems. In fulfilling that responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of internal control systems are to provide management with reasonable, but not absolute, assurance that resource use is consistent with laws, regulations, and policies; resources are safeguarded against waste, loss, and misuse; that transactions are executed in accordance with management's authorization; and that data are obtained, recorded, and maintained properly to permit the preparation of financial statements in accordance with generally accepted accounting principles and the preparation of Federal reports in accordance with Federal requirements. Because of inherent limitations in any system of internal accounting and administrative controls, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the systems to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.



For purposes of this report, we have classified the significant internal accounting and administrative controls in the following categories:

- o Accounting Controls
 - 1) Purchases/disbursements.
 - 2) Payroll.
 - 3) Revenue/receipts.

- o Administrative Controls Used in Administering the Major Federal Financial Assistance Program
 - 1) Political activity.
 - 2) Civil rights.
 - 3) Cash management.
 - 4) Federal financial reports.
 - 5) Cost allocation.

Our study and evaluation included all the control categories listed above except that we did not evaluate the accounting records over revenue and receipts because we believed the audit could be performed more efficiently by expanding substantive testing rather than placing reliance on the internal control system and because the accounting controls that were not evaluated are not significant to the major Federal financial assistance program.

During the year ended June 30, 1987, the Metropolitan Service District expended 74% of its total Federal financial assistance under its major Federal financial assistance program. With respect to internal control systems used in administering this major Federal financial assistance program, our study and evaluation included considering the types of errors and irregularities that could occur, determining the internal control procedures that should prevent or detect such errors and irregularities, determining whether necessary procedures are prescribed and are being followed satisfactorily, and evaluating any weaknesses.

To the Council
Metropolitan Service District
Page 3

With respect to the internal control systems used in administering the nonmajor Federal financial assistance programs, our study and evaluation was limited to a preliminary review of the systems to obtain an understanding of the control environment and the flow of transactions through the accounting system. Accordingly, our examination would not necessarily disclose material weaknesses in the internal control systems used in administering nonmajor Federal financial assistance programs.

Our study and evaluation described above was more limited than would be necessary to express an opinion on the internal control systems of the Metropolitan Service District. Accordingly, we do not express an opinion on the internal control systems of the Metropolitan Service District, taken as a whole, or on any of the control categories identified above. However, our study and evaluation and our examination disclosed no condition that we believe to be a material weakness.

This report is intended solely for the use of the Metropolitan Service District and the cognizant and other Federal and state audit agencies and should not be used for any other purpose. This restriction is not intended to limit the distribution of this report which, upon acceptance by the Metropolitan Service District, is a matter of public record.

Peat Marwick Main & Co.

October 5, 1987

Certified Public Accountants

Peat Marwick Main & Co.
Suite 2000
1211 South West Fifth Avenue
Portland, OR 97204

AUDITORS' REPORT ON COMPLIANCE
WITH FEDERAL LAWS AND REGULATIONS

To the Council
Metropolitan Service District
Portland, Oregon:

We have examined the combined financial statements of the Metropolitan Service District (District) for the year ended June 30, 1987, and have issued our report thereon dated October 5, 1987. Our examination was made in accordance with generally accepted auditing standards; the standards for financial and compliance audits contained in the Standards for Audit of Governmental Organizations, Programs, Activities, and Functions, issued by the U. S. General Accounting Office; the Single Audit Act of 1984; and the provisions of OMB Circular A-128, Audits of State and Local Governments, and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

The management of the Metropolitan Service District is responsible for the District's compliance with laws and regulations. In connection with the examination referred to above, we selected and tested transactions and records that included, but were not limited to, transactions and records relating to the major Federal financial assistance program and certain nonmajor Federal financial assistance programs. The purpose of our testing of transactions and records was to obtain reasonable assurance that the Metropolitan Service District had, in all material respects, administered its major Federal financial assistance program and executed the tested transactions in compliance with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures or on the District's combined financial statements. Such laws and regulations include those pertaining to Federal financial reports and claims for advances and reimbursements.



To the Council
Metropolitan Service District
Page 2

In our opinion, for the year ended June 30, 1987, the Metropolitan Service District administered its major Federal financial assistance program in compliance, in all material respects, with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures.

Further, the results of our testing of transactions and records selected from nonmajor Federal financial assistance programs indicate that for the transactions and records tested, the Metropolitan Service District complied with those laws and regulations referred to in the second paragraph of our report. Our testing was more limited than would be necessary to express an opinion on whether the Metropolitan Service District administered the nonmajor Federal financial assistance programs in compliance, in all material respects, with those laws and regulations for which noncompliance could have a material effect on the allowability of program expenditures.

The results of our tests also indicate that for the transactions and records tested, the Metropolitan Service District complied with those laws and regulations for which noncompliance could have a material effect on the District's combined financial statements.

With respect to the transactions and records that were not tested by us, nothing came to our attention to indicate that the Metropolitan Service District had not complied with laws and regulations.

Peat Marwick Main & Co.

October 5, 1987





*Annual
Financial
Report*

Fiscal Year Ended
June 30, 1987

METRO



Annual Financial Report

Fiscal Year Ended
June 30, 1987

Metropolitan Service District, Oregon

- Independent auditor's report on examination of Financial Statements and Supplementary Data
- Audit comments and disclosures required by state regulations
- Prepared by Metro's Accounting Division

METRO

METROPOLITAN SERVICE DISTRICT

June 30, 1987

Rena Cusma, Executive Officer

COUNCIL

<u>Members</u>	<u>Representing</u>	<u>Term expires</u>
Richard Waker, Presiding Officer	District 2	January 1, 1989
Jim Gardner, Deputy Presiding Officer	District 3	January 1, 1989
Mike Ragsdale, Councilor	District 1	January 1, 1991
Corky Kirkpatrick, Councilor	District 4	January 1, 1989
Tom DeJardin, Councilor	District 5	January 1, 1989
George Van Bergen, Councilor	District 6	January 1, 1991
Sharron Kelley, Councilor	District 7	January 1, 1991
Mike Bonner, Councilor	District 8	January 1, 1991
Tanya Collier, Councilor	District 9	January 1, 1989
Larry Cooper, Councilor	District 10	January 1, 1989
David Knowles, Councilor	District 11	January 1, 1991
Gary Hansen, Councilor	District 12	January 1, 1991

Administrative Office:

2000 S. W. First Avenue
Portland, Oregon 97201-5398

Registered Agent:

A. Marie Nelson

Address of Registered Office:

2000 S. W. First Avenue
Portland, Oregon 97201-5398

METROPOLITAN SERVICE DISTRICT

Table of Contents

	<u>Page(s)</u>
Report of Independent Certified Public Accountants	1
Combined Financial Statements:	
Combined Balance Sheet - All Fund Types and Account Groups	4 - 7
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - All Governmental Fund Types and Expendable Trust Fund	9
Combined Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - All Governmental Fund Types and Expendable Trust Fund	10 - 11
Combined Statement of Revenues, Expenses and Changes in Retained Earnings/Fund Balance - Proprietary Fund Types and Similar Trust Fund	12 - 13
Combined Statement of Changes in Financial Position - Proprietary Fund Types and Similar Trust Fund	14
Notes to Combined Financial Statements	15 - 40
Supplementary Data:	
General Fund:	
Statement of Revenues - Budget and Actual	41
Statement of Expenditures - Budget and Actual	42
Special Revenue Funds:	
Combining Balance Sheet	43
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	44 - 45

METROPOLITAN SERVICE DISTRICT

Table of Contents, Continued

Page(s)

Supplementary Data, Continued:

Statements of Revenues and Expenditures - Budget and Actual:

Convention, Trade and Spectator Facilities Fund	46
Intergovernmental Resource Center Fund	47
Zoo Fund	48

Capital Projects Fund - Zoo Capital Fund -

Statement of Revenues and Expenditures - Budget and Actual	49
--	----

Proprietary Fund Types:

Enterprise Funds:

Combining Balance Sheet	51
Combining Statement of Revenues, Expenses and Changes in Retained Earnings	52 - 53
Combining Statement of Changes in Financial Position	54

Description of Solid Waste Budgetary Funds	55
--	----

Statements of Revenues and Expenditures - Budget and Actual:

Solid Waste Operating Fund	56
Solid Waste Debt Service Fund	57
Solid Waste Capital Improvement Fund	58
Solid Waste St. Johns Reserve Fund	59
Solid Waste St. Johns Final Improvement Fund	60
Solid Waste St. Johns Methane Recovery Fund	61
Building Management Fund	62
Convention Center Project Management Fund	63
Convention Center Capital Fund	64

METROPOLITAN SERVICE DISTRICT

Table of Contents, Continued

	<u>Page(s)</u>
Supplementary Data, Continued:	
Proprietary Fund Types, Continued:	
Reconciliation of Enterprise Funds' Revenues and Expenditures (Budgetary Basis) to Combining Statement of Revenues, Expenses and Changes in Retained Earnings (GAAP Basis)	66 - 67
Internal Service Fund - Insurance Fund -	
Statement of Revenues and Expenditures - Budget and Actual	68
Fiduciary Fund Types - Trust and Agency Funds:	
Combining Balance Sheet	69
Combining Statement of Changes in Assets and Liabilities - Agency Funds	70 - 71
Statements of Revenues and Expenditures - Budget and Actual:	
Sewer Assistance Fund	72
Transportation Technical Assistance Fund	73
St. Johns Rehabilitation and Enhancement Fund	74
Other Financial Schedules:	
Schedule of Property Tax Transactions and Outstanding Receivable	76 - 77
Schedule of Long-term Debt Transactions (Loans from Department of Environmental Quality)	78 - 79
Schedule of Future Debt Service Requirements (Loans from Department of Environmental Quality)	80 - 81

METROPOLITAN SERVICE DISTRICT

Table of Contents, Continued

	<u>Page(s)</u>
Supplementary Data, Continued:	
Supplementary Grant Schedules:	
Abbreviated Designations for Grantor Agencies	83
Schedules of Revenues and Expenditures by Grant:	
Zoo Fund	84
Intergovernmental Resource Center Fund (Summarized by Grantor)	85
Intergovernmental Resource Center Fund (Summarized by Grant)	86 - 88
Transportation Technical Assistance Fund	89
Schedules of Revenues and Expenditures by Grant - from inception through June 30, 1987:	
Zoo Fund	90
Intergovernmental Resource Center Fund (Summarized by Grantor)	91
Intergovernmental Resource Center Fund (Summarized by Grant)	92 - 95
Transportation Technical Assistance Fund	96 - 97

METROPOLITAN SERVICE DISTRICT

Table of Contents, Continued

	<u>Page(s)</u>
Supplementary Data, Continued:	
Supplementary Grant Schedules, Continued:	
Schedules of Closed Grant Projects:	
Intergovernmental Resource Center Fund	98 - 99
Criminal Justice Assistance Fund	100
Transportation Technical Assistance Fund	101
Convention, Trade and Spectator Facilities Fund	102
Schedule of Indirect Costs - Intergovernmental Resource Center Fund	103
Audit Comments and Disclosures Required by State Regulations:	
Introduction	105
Accounting and Internal Control System	106 - 107
Budgeting and Compliance	107
Indebtedness	107
Collateral Securing Depository Balances	107
Insurance and Fidelity Bond Coverage	107
Programs Funded from Outside Sources	108

Financial Section

Consisting of:

- Report of Independent Certified Public Accountants
- Combined Financial Statements
- Combining Statements by Fund Type
- Individual Fund Statements and Schedules
- Supplementary Information

*Report of
Independent
Certified Public
Accountants*

Certified Public Accountants

Peat Marwick Main & Co.
Suite 2000
1211 South West Fifth Avenue
Portland, OR 97204

To the Council
Metropolitan Service District
Portland, Oregon:

We have examined the combined financial statements of the Metropolitan Service District as of and for the year ended June 30, 1987, as listed in the accompanying table of contents. Our examination was made in accordance with generally accepted auditing standards and the Minimum Standards for Audits of Oregon Municipal Corporations and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the aforementioned combined financial statements present fairly the financial position of the Metropolitan Service District at June 30, 1987 and the results of its operations and the changes in financial position of its proprietary fund types and similar trust fund for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Our examination was made for the purpose of forming an opinion on the combined financial statements taken as a whole. The combining and individual fund financial statements and schedules listed as supplementary data in the table of contents are presented for purposes of additional analysis and are not a required part of the combined financial statements of the Metropolitan Service District. The information has been subjected to the auditing procedures applied in the examination of the combined financial statements and, in our opinion, is fairly stated in all material respects in relation to the combined financial statements taken as a whole.

PEAT MARWICK MAIN & CO.

By Joseph F. Hoffman
Joseph F. Hoffman, Partner

October 5, 1987

SECRET

CONFIDENTIAL

*Combined
Financial
Statements*

General purpose financial statements

METROPOLITAN SERVICE DISTRICT

Combined Balance Sheet -
All Fund Types and Account Groups

June 30, 1987

<u>Assets and Other Debits</u>	<u>Governmental Fund types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
Cash and investments	\$ 405,082	2,353,630	7,697,418
Receivables:			
User and landfill fees, net of allowance for doubtful accounts of \$5,163	-	-	-
Property taxes	-	735,518	-
Federal grants	-	63,703	-
State and local grants/contracts	-	113,400	-
Landfill siting fees	-	-	-
Other	31	16,020	-
Due from other governments	-	-	-
Due from other funds	-	-	-
Inventory of materials and supplies	-	167,537	-
Advance to other governments	-	-	-
Other assets	15,821	-	-
Restricted assets -			
Cash and investments	-	-	53,670
Fixed assets, net	-	-	-
Other debits:			
Amount to be provided for payment of capital leases	-	-	-
Amount to be provided for payment of compensated absences	-	-	-
	<u>\$ 420,934</u>	<u>3,449,808</u>	<u>7,751,088</u>

(Continued)

<u>Proprietary Fund types</u>		<u>Fiduciary Fund type</u>	<u>Account groups</u>		<u>Total (memorandum only)</u>
<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-term Obligations</u>	
4,731,711	124,227	3,472,521	-	-	18,784,589
1,628,144	-	-	-	-	1,628,144
-	-	-	-	-	735,518
-	-	2,808	-	-	66,511
-	-	-	-	-	113,400
463,385	-	-	-	-	463,385
890	-	60,954	-	-	77,895
593,104	-	-	-	-	593,104
420,390	-	-	-	-	420,390
-	-	-	-	-	167,537
290,000	-	-	-	-	290,000
81,500	60,346	-	-	-	157,667
2,222,297	-	-	-	-	2,275,967
9,645,021	-	-	23,731,060	-	33,376,081
-	-	-	-	121,103	121,103
-	-	-	-	203,382	203,382
<u>20,076,442</u>	<u>184,573</u>	<u>3,536,283</u>	<u>23,731,060</u>	<u>324,485</u>	<u>59,474,673</u>

METROPOLITAN SERVICE DISTRICT

Combined Balance Sheet -
All Fund Types and Account Groups, Continued

<u>Liabilities and Fund Equity</u>	<u>Governmental Fund types</u>		
	<u>General</u>	<u>Special Revenue</u>	<u>Capital Projects</u>
Liabilities:			
Accounts payable	\$ 22,660	387,621	332,627
Salaries, withholdings and payroll taxes payable	65,619	245,539	2,167
Accrued interest payable	-	-	-
Contracts payable	-	451	53,670
City of Portland end use fee payable	-	-	-
Deferred revenue	-	710,342	-
Due to other funds	-	-	-
Unearned grant revenue	-	84,966	-
Payable from restricted assets:			
Contracts payable	-	-	-
Deposits	-	-	-
Post-closure costs payable	-	-	-
Loans payable	-	-	-
Obligations under capital leases	-	-	-
Liability for compensated absences	-	-	-
Pension benefits payable	-	-	-
Other	-	3,100	-
Total liabilities	<u>88,279</u>	<u>1,432,019</u>	<u>388,464</u>
Fund equity:			
Contributed capital, net	-	-	-
Investment in general fixed assets	-	-	-
Retained earnings	-	-	-
Fund balances -			
Unreserved	<u>332,655</u>	<u>2,017,789</u>	<u>7,362,624</u>
Total fund equity	<u>332,655</u>	<u>2,017,789</u>	<u>7,362,624</u>
Commitments and contingencies			
Total liabilities and fund equity	<u>\$ 420,934</u>	<u>3,449,808</u>	<u>7,751,088</u>

See accompanying notes to combined financial statements.

<u>Proprietary Fund types</u>		<u>Fiduciary Fund type</u>	<u>Account groups</u>		<u>Total (memorandum only)</u>
<u>Enterprise</u>	<u>Internal Service</u>	<u>Trust and Agency</u>	<u>General Fixed Assets</u>	<u>General Long-term Obligations</u>	
1,320,039	-	-	-	-	2,062,947
92,574	-	-	-	-	405,899
134,522	-	-	-	-	134,522
13,880	-	-	-	-	68,001
131,512	-	-	-	-	131,512
-	-	-	-	-	710,342
420,390	-	-	-	-	420,390
-	-	-	-	-	84,966
279,487	-	-	-	-	279,487
306,448	-	-	-	-	306,448
1,636,362	-	-	-	-	1,636,362
5,158,000	-	-	-	-	5,158,000
-	-	-	-	121,103	121,103
-	-	-	-	203,382	203,382
-	-	2,825,352	-	-	2,825,352
-	-	2,808	-	-	5,908
<u>9,493,214</u>	<u>-</u>	<u>2,828,160</u>	<u>-</u>	<u>324,485</u>	<u>14,554,621</u>
1,607,644	-	-	-	-	1,607,644
-	-	-	23,731,060	-	23,731,060
8,975,584	184,573	-	-	-	9,160,157
-	-	708,123	-	-	10,421,191
<u>10,583,228</u>	<u>184,573</u>	<u>708,123</u>	<u>23,731,060</u>	<u>-</u>	<u>44,920,052</u>
<u>20,076,442</u>	<u>184,573</u>	<u>3,536,283</u>	<u>23,731,060</u>	<u>324,485</u>	<u>59,474,673</u>

9

METROPOLITAN SERVICE DISTRICT

Combined Statement of Revenues, Expenditures and Changes
in Fund Balances - All Governmental Fund Types
and Expendable Trust Fund

For the year ended June 30, 1987

	Governmental Fund types			Expendable Trust Fund	Total (memorandum only)
	General	Special Revenue	Capital Projects		
Revenues:					
Property taxes	\$ -	5,308,692	-	-	5,308,692
Dues	618,530	-	-	-	618,530
Grants and contracts:					
Federal	-	434,264	-	-	434,264
State and local	-	513,232	-	-	513,232
Admissions	-	1,537,806	-	-	1,537,806
Charges for services	-	321,202	-	-	321,202
Vending and concessions	-	1,627,274	-	-	1,627,274
Donations and bequests	-	115,461	207,640	-	323,101
Documents and publications	4,146	-	-	-	4,146
Professional and contract service fees	3,945	88,093	-	-	92,038
Rehabilitation and enhancement fees	-	-	-	342,559	342,559
Interest	76,748	65,955	456,591	31,796	631,090
Miscellaneous	5,688	138,022	82,832	-	226,542
Total revenues	709,057	10,150,001	747,063	374,355	11,980,476
Expenditures:					
Current:					
General government operations	1,871,886	-	-	-	1,871,886
Zoo operations and development	-	5,882,658	43,944	-	5,926,602
Regional planning and development	-	1,066,471	-	-	1,066,471
Expense reimbursements - General Fund	-	903,154	-	-	903,154
Capital outlay	17,773	404,387	1,535,913	-	1,958,073
Total expenditures	1,889,659	8,256,670	1,579,857	-	11,726,186
Less administrative expense reimbursements:					
Enterprise Funds	972,647	-	-	-	972,647
Special Revenue Funds	903,154	-	-	-	903,154
Net expenditures	13,858	8,256,670	1,579,857	-	9,850,385
Revenues over (under) net expenditures	695,199	1,893,331	(832,794)	374,355	2,130,091
Other financing sources (uses):					
Operating transfers in	-	665,306	2,316,920	-	2,982,226
Operating transfers out	(654,554)	(2,316,920)	-	-	(2,971,474)
Revenues and other sources over net expenditures and other uses	40,645	241,717	1,484,126	374,355	2,140,843
Fund balances - June 30, 1986	292,010	1,776,072	5,878,498	333,768	8,280,348
Fund balances - June 30, 1987	\$ 332,655	2,017,789	7,362,624	708,123	10,421,191

See accompanying notes to combined financial statements.

METROPOLITAN SERVICE DISTRICT

Combined Statement of Revenues, Expenditures and Changes
in Fund Balances - Budget and Actual - All Governmental
Fund Types and Expendable Trust Fund

For the year ended June 30, 1987

	General Fund			Special Revenue Funds		
	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
Revenues:						
Property taxes	\$ -	-	-	5,010,000	5,308,692	298,692
Dues	618,565	618,530	(35)	-	-	-
Grants and contracts:						
Federal	-	-	-	578,659	434,264	(144,395)
State and local	-	-	-	632,566	513,232	(119,334)
Admissions	-	-	-	1,426,000	1,537,806	111,806
Charges for services	-	-	-	248,000	321,202	73,202
Vending and concessions	-	-	-	1,372,100	1,627,274	255,174
Donations and bequests	-	-	-	86,500	115,461	28,961
Documents and publications	3,500	4,146	646	-	-	-
Professional and contract service fees	-	3,945	3,945	91,654	88,093	(3,561)
Interest	85,500	76,748	(8,752)	99,870	65,955	(33,915)
Miscellaneous	1,400	5,688	4,288	162,750	138,022	(24,728)
Total revenues	708,965	709,057	92	9,708,099	10,150,001	441,902
Expenditures:						
Current:						
General government operations	2,034,980	1,871,886	163,094	-	-	-
Zoo operations and development	-	-	-	5,633,562	5,573,545	60,017
Regional planning and development	-	-	-	1,099,357	895,084	204,273
General operating contingency	58,693	-	58,693	425,199	-	425,199
Capital outlay	18,861	17,773	1,088	543,146	404,387	138,759
Total expenditures	2,112,534	1,889,659	222,875	7,701,264	6,873,016	828,248
Revenues over (under) expenditures	(1,403,569)	(1,180,602)	222,967	2,006,835	3,276,985	1,270,150
Other financing sources (uses):						
Operating transfers in	1,927,731	1,875,801	(51,930)	734,328	665,306	(69,022)
Operating transfers out	(760,828)	(654,554)	106,274	(3,822,764)	(3,700,574)	122,190
Total other financing sources (uses)	1,166,903	1,221,247	54,344	(3,088,436)	(3,035,268)	53,168
Revenues and other sources over (under) expenditures and other uses	(236,666)	40,645	277,311	(1,081,601)	241,717	1,323,318
Fund balances - June 30, 1986	300,000	292,010	(7,990)	1,753,584	1,776,072	22,488
Fund balances - June 30, 1987	\$ 63,334	332,655	269,321	671,983	2,017,789	1,345,806

See accompanying notes to combined financial statements.

Capital Projects Fund			Expendable Trust Fund			Total (memorandum only)		
Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)	Budget	Actual	Variance favorable (unfavorable)
-	-	-	-	-	-	5,010,000	5,308,692	298,692
-	-	-	-	-	-	618,565	618,530	(35)
-	-	-	-	-	-	578,659	434,264	(144,395)
-	-	-	-	-	-	632,566	513,232	(119,334)
-	-	-	-	-	-	1,426,000	1,537,806	111,806
-	-	-	-	-	-	248,000	321,202	73,202
-	-	-	-	-	-	1,372,100	1,627,274	255,174
225,000	207,640	(17,360)	-	-	-	311,500	323,101	11,601
-	-	-	-	-	-	3,500	4,146	646
-	-	-	-	-	-	91,654	92,038	384
484,625	456,591	(28,034)	25,000	31,796	6,796	694,995	631,090	(63,905)
-	82,832	82,832	-	-	-	164,150	226,542	62,392
<u>709,625</u>	<u>747,063</u>	<u>37,438</u>	<u>25,000</u>	<u>31,796</u>	<u>6,796</u>	<u>11,151,689</u>	<u>11,637,917</u>	<u>486,228</u>
-	-	-	-	-	-	2,034,980	1,871,886	163,094
48,581	43,944	4,637	-	-	-	5,682,143	5,617,489	64,654
-	-	-	472,185	-	472,185	1,571,542	895,084	676,458
270,236	-	270,236	160,655	-	160,655	914,783	-	914,783
<u>5,962,820</u>	<u>1,535,913</u>	<u>4,426,907</u>	-	-	-	<u>6,524,827</u>	<u>1,958,073</u>	<u>4,566,754</u>
<u>6,281,637</u>	<u>1,579,857</u>	<u>4,701,780</u>	<u>632,840</u>	-	<u>632,840</u>	<u>16,728,275</u>	<u>10,342,532</u>	<u>6,385,743</u>
<u>(5,572,012)</u>	<u>(832,794)</u>	<u>4,739,218</u>	<u>(607,840)</u>	<u>31,796</u>	<u>639,636</u>	<u>(5,576,586)</u>	<u>1,295,385</u>	<u>6,871,971</u>
2,316,920	2,316,920	-	332,840	342,559	9,719	5,311,819	5,200,586	(111,233)
-	-	-	-	-	-	<u>(4,583,592)</u>	<u>(4,355,128)</u>	<u>228,464</u>
<u>2,316,920</u>	<u>2,316,920</u>	<u>-</u>	<u>332,840</u>	<u>342,559</u>	<u>9,719</u>	<u>728,227</u>	<u>845,458</u>	<u>117,231</u>
(3,255,092)	1,484,126	4,739,218	(275,000)	374,355	649,355	(4,848,359)	2,140,843	6,989,202
<u>5,838,852</u>	<u>5,878,498</u>	<u>39,646</u>	<u>320,000</u>	<u>333,768</u>	<u>13,768</u>	<u>8,212,436</u>	<u>8,280,348</u>	<u>67,912</u>
<u>2,583,760</u>	<u>7,362,624</u>	<u>4,778,864</u>	<u>45,000</u>	<u>708,123</u>	<u>663,123</u>	<u>3,364,077</u>	<u>10,421,191</u>	<u>7,057,114</u>

METROPOLITAN SERVICE DISTRICT

Combined Statement of Revenues, Expenses and Changes
in Retained Earnings/Fund Balance - Proprietary Fund
Types and Similar Trust Fund

For the year ended June 30, 1987

	Proprietary fund types		Fiduciary fund type	Total (memorandum only)
	Enterprise	Internal Service	Pension Trust	
Operating revenues:				
Disposal fees	\$ 5,846,183	-	-	5,846,183
User fees	2,272,393	-	-	2,272,393
Regional transfer charge	2,393,365	-	-	2,393,365
Convenience charge	887,235	-	-	887,235
Landfill siting and rehabilitation fees	1,760,837	-	-	1,760,837
Intergovernmental revenue	1,910,511	-	-	1,910,511
Rental and lease income	131,692	-	-	131,692
Receipts in lieu of rent	398,306	-	-	398,306
Parking fees	38,947	-	-	38,947
Charges for services	-	356,354	-	356,354
Change in investment value	-	-	192,873	192,873
Pension contributions	-	-	552,031	552,031
Miscellaneous	56,200	11,508	-	67,708
Total operating revenues	15,695,669	367,862	744,904	16,808,435
Operating and administrative expenses:				
Payroll and fringe benefits	1,318,034	-	-	1,318,034
St. Johns Landfill operating contract, including \$290,161 rent	2,351,278	-	-	2,351,278
Clackamas Transfer & Recycling Center operating contract	2,169,851	-	-	2,169,851
DEQ landfill siting fees	974,247	-	-	974,247
Depreciation	552,237	-	-	552,237
Rent and payments in lieu of rent	427,801	-	-	427,801
Payment of administrative expenses to the General Fund	972,647	-	-	972,647
Payment to IRC Fund for services	10,752	-	-	10,752
Insurance expense	80,746	205,091	-	285,837
Claims expense	-	8,489	-	8,489
Post-closure costs	461,822	-	-	461,822
Payment of rehabilitation fees	342,559	-	-	342,559
Contractual services	1,693,770	-	-	1,693,770
Other materials and services	738,752	4,001	-	742,753
Pension benefits	-	-	472,450	472,450
Distribution to participants	-	-	272,454	272,454
Total operating and administrative expenses	12,094,496	217,581	744,904	13,056,981
Income from operations	3,601,173	150,281	-	3,751,454

(Continued)

METROPOLITAN SERVICE DISTRICT

Combined Statement of Revenues, Expenses and Changes
in Retained Earnings/Fund Balance - Proprietary Fund
Types and Similar Trust Fund, Continued

	Proprietary fund types		Fiduciary fund type	Total (memorandum only)
	<u>Enterprise</u>	<u>Internal Service</u>	<u>Pension Trust</u>	
Non-operating revenues (expenses):				
Loss on write-down of fixed assets	\$ (34,600)	-	-	(34,600)
Interest on investments	324,333	10,089	-	334,422
Interest expense	<u>(349,570)</u>	<u>-</u>	<u>-</u>	<u>(349,570)</u>
Non-operating revenues (expenses), net	<u>(59,837)</u>	<u>10,089</u>	<u>-</u>	<u>(49,748)</u>
Net income	3,541,336	160,370	-	3,701,706
Depreciation on fixed assets that reduces contributed capital	<u>91,448</u>	<u>-</u>	<u>-</u>	<u>91,448</u>
Increase in retained earnings	3,632,784	160,370	-	3,793,154
Retained earnings/fund balance - June 30, 1986	<u>5,342,800</u>	<u>24,203</u>	<u>-</u>	<u>5,367,003</u>
Retained earnings/fund balance - June 30, 1987	<u>\$ 8,975,584</u>	<u>184,573</u>	<u>-</u>	<u>9,160,157</u>

See accompanying notes to combined financial statements.

METROPOLITAN SERVICE DISTRICT

Combined Statement of Changes in Financial Position -
Proprietary Fund Types and Similar Trust Fund

For the year ended June 30, 1987

	Proprietary fund types		Fiduciary fund type	Total (memorandum only)
	Enterprise	Internal Service	Pension Trust	
Working capital provided from operations:				
Net income	\$ 3,541,336	160,370	-	3,701,706
Add charges to operations not affecting working capital in the current year:				
Depreciation	552,237	-	-	552,237
Post-closure costs	461,822	-	-	461,822
Loss on write-down of fixed assets	<u>34,600</u>	<u>-</u>	<u>-</u>	<u>34,600</u>
Working capital provided from operations	4,589,995	160,370	-	4,750,365
Increase in pension benefits payable	-	-	465,339	465,339
Increase in liabilities payable from restricted assets	<u>173,972</u>	<u>-</u>	<u>-</u>	<u>173,972</u>
Total working capital provided	<u>4,763,967</u>	<u>160,370</u>	<u>465,339</u>	<u>5,389,676</u>
Working capital used:				
Additions to plant and equipment	2,623,306	-	-	2,623,306
Current maturities of loan payable	588,000	-	-	588,000
Increase in restricted assets	<u>635,794</u>	<u>-</u>	<u>-</u>	<u>635,794</u>
Total working capital used	<u>3,847,100</u>	<u>-</u>	<u>-</u>	<u>3,847,100</u>
Increase in working capital	\$ <u>916,867</u>	<u>160,370</u>	<u>465,339</u>	<u>1,542,576</u>
Elements of net increase (decrease) in working capital:				
Cash and investments	(51,253)	121,213	448,892	518,852
Receivables	843,477	-	16,447	859,924
Due from other governments	593,104	-	-	593,104
Due from other funds	420,390	-	-	420,390
Other assets	78,614	38,374	-	116,988
Advance to other governments	290,000	-	-	290,000
Accounts, salaries and other payables	(772,075)	783	-	(771,292)
Due to other funds	(420,390)	-	-	(420,390)
Loan payable within one year	<u>(65,000)</u>	<u>-</u>	<u>-</u>	<u>(65,000)</u>
Increase in working capital	\$ <u>916,867</u>	<u>160,370</u>	<u>465,339</u>	<u>1,542,576</u>

See accompanying notes to combined financial statements.

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements

June 30, 1987

(1) Summary of Significant Accounting Policies

The following is a summary of significant accounting policies utilized by the Metropolitan Service District (Metro) in preparation of the accompanying combined financial statements.

(a) Basis of Accounting

The Governmental Fund types, the Expendable Trust Fund and the Agency Funds are maintained using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become measurable and available and expenditures are recorded when the liability for them is incurred, except for:

- o interfund transactions;
- o revenues from grants and contracts which are recorded as earned.

Significant revenues which are measurable and available under the modified accrual basis of accounting are:

- o Federal and state grants;
- o interest earned on temporary investments;
- o property taxes received within approximately 60 days of the end of a fiscal year.

The Proprietary Fund types and Pension Trust Fund are accounted for utilizing the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded at the time they are earned and expenses are recorded at the time liabilities are incurred.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(b) Cash and Investments

Cash and investments consist of each fund's portion of pooled cash balances, time certificates of deposit, and investments in the State Treasurer's investment pool. Such investments are stated at cost, which approximates market. Interest earned on investments is allocated monthly based upon each fund's average monthly cash balance. Pension plan investments are stated at market value and consist principally of insurance contracts, public utility bonds, and residential and commercial mortgages.

(c) Property Taxes Receivable

Uncollected property taxes are shown on the combined balance sheet as a receivable. Property taxes collected and remitted to Metro by county treasurers within approximately 60 days of fiscal year end are recognized as revenue. The remaining balance is recorded as deferred revenue because it is not deemed available to finance operations of the current period.

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic remittances of collections to entities levying taxes. Property taxes become a lien against the property as of January 1 for personal property and on July 1 for real property and are payable in three installments which are due on November 15, February 15 and May 15.

(d) Inventory of Materials and Supplies

Inventory, comprised primarily of food and gift shop items held for resale, are valued at cost (first-in, first-out method) and charged as expenditures upon sale.

(e) Zoo Specimens and Animal Food

The cost of acquiring zoo specimens and the cost of animal food are charged against operations as such costs are incurred.

(f) Materials and Volunteer Services Donated to Zoo

Donated materials relating to improvements are recorded at estimated fair values when received. Other volunteer services and donated supplies are not accounted for in the combined financial statements as there is no reasonable basis for valuing these donations.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(g) General Fixed Assets

Fixed assets purchased by Metro are stated at cost. Fixed assets acquired by donation from the City of Portland and the Portland Zoological Society are stated at the basis of the predecessor entity. All other donated fixed assets are stated at estimated fair market value when received. Purchases of fixed assets are recorded as capital outlay expenditures in the Governmental Funds and capitalized in the General Fixed Assets Account Group. Depreciation is not recorded on general fixed assets. Maintenance and repairs are charged to expenditures in various Governmental Funds as incurred and not capitalized. Upon disposal, the General Fixed Assets Account Group is relieved of the asset's original cost or other basis; any receipt from such disposal is accounted for as revenue in the General Fund or Special Revenue Funds.

(h) Proprietary Fund Type Fixed Assets

Fixed assets are stated at cost. Normal maintenance and repairs are charged to operations as incurred. Replacements which improve or extend the lives of property are capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the related assets, which range from 5 to 40 years. Gains or losses realized from sales or retirements are credited or charged to operations.

(i) Restricted Assets and Liabilities

Cash and investments have been restricted for future payment of retainages on several construction projects, deposits made by vendors for bid bond purposes and future payment of post-closure costs to be incurred at the St. Johns Landfill.

(j) Capitalized Interest

Interest costs in the Proprietary Fund types are capitalized as part of the costs of fixed assets during the period of construction based on the related weighted average net borrowing costs incurred. Interest earned on temporary investments acquired with the proceeds of such borrowed funds from the date of the borrowing until the assets are ready for their intended use is used to reduce the interest costs capitalized on the constructed assets. During fiscal 1987, no interest costs were capitalized.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(k) Grants

Unreimbursed expenditures for all grants in the Governmental Fund types due from grantor agencies are reflected in the combined financial statements as receivables and revenues. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability in the combined balance sheet.

Amounts received from grantor agencies for which Metro acts in a pass-through capacity are recorded in a Fiduciary Fund type as a liability.

Capital grants in Enterprise Funds restricted by the grantor for capital outlay projects are credited directly to contributed capital as received and the related project costs are capitalized as fixed assets. Contributed capital is subsequently reduced in an amount equivalent to the depreciation on such fixed assets.

Metro allocates indirect costs, primarily administrative costs, to grants in compliance with a cost allocation plan subject to the approval of Metro's cognizant agency. The plan in effect for fiscal 1987 allocated indirect costs to all grants which allow indirect costs at a rate of approximately 50% of the direct personnel costs.

(l) Leases

Leases which meet certain criteria established by the Financial Accounting Standards Board and adopted by the Governmental Accounting Standards Board are classified as capital leases and the assets and related liabilities are recorded at amounts equal to the lesser of the present value of minimum lease payments or the fair value of the leased property at the beginning of the lease term. Capital leases of general fixed assets are recorded at the inception of the leases as expenditures and other financing sources in Governmental Fund types and as assets and liabilities in the General Fixed Asset and General Long-term Obligations Account groups, respectively, at the present value of the minimum lease payments, using the interest rates stated in the leases. Lease payments are recorded as expenditures on the due date; the portion of the payments applicable to principal, determined by using interest rates implicit in the leases, is reported as a reduction of the capitalized lease obligation in the General Long-term Debt Account Group. Leases which do not meet the criteria of a capital lease are classified as operating leases and related rentals are charged to expenditures or expenses as appropriate.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(m) Interfund Transactions

It is Metro's policy to record certain administrative expenditures for other funds in the General Fund. Such expenditures are reimbursed by the various funds to the General Fund which accounts for such reimbursements as deductions from total expenditures. Additionally, certain operating revenues and expenditures under generally accepted accounting principles have been presented as transfers among funds for budgetary purposes in the combined statement of revenues, expenditures and changes in fund balances - budget and actual - all Governmental Fund types and Expendable Trust Funds. The amounts of such interfund charges are based upon management's estimates (which are periodically updated) as reflected in the operating budgets.

(n) Liability for Compensated Absences

Accumulated unpaid vacation benefits in the Governmental Fund types are recorded as expenditures to the extent they are expected to be liquidated with expendable available resources. The amount payable from future resources is recorded in the General Long-term Obligations Account Group. Accumulated unpaid vacation benefits in the Proprietary Fund types are recorded as earned. Accumulated sick leave does not vest and is, therefore, recorded when leave is taken.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(o) Budget

A budget is prepared for each Governmental Fund type in accordance with the modified accrual basis of accounting and legal requirements set forth in the Oregon Local Budget Law. The original budget is adopted by the Council by resolution prior to the beginning of Metro's fiscal year (July 1 through June 30). Budget amounts shown in the combined financial statements include the original budget amounts and all appropriation transfer and amendment amounts approved by the Council. The ordinance authorizing appropriations for each fund establishes maximum authorized expenditure levels. Personal services, materials and services, capital outlay and other expenditures by department in the General Fund and total personal services, materials and services, capital outlay and other expenditures in all other budgeted funds are the levels of control established by ordinance. The detail budget document, however, is required to contain more specific, detailed information about the above mentioned expenditure categories. Unexpected additional resources and budget revisions may be added to the budget through the use of a supplemental budget or by an ordinance passed by the Council amending the budget. A supplemental budget requires hearings before the public, publication in newspapers and approval by the Council. Original, amended and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require the approval of the Council. Metro adopted nine budget amendments and one supplemental budget during the year ended June 30, 1987.

(p) Total (Memorandum Only) Columns

The total (memorandum only) columns in the combined financial statements represent an aggregate of the columnar statements by fund type and account group; they do not represent consolidated financial information.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(2) Organization and Operation

The Metropolitan Service District was organized under the provisions of Oregon Revised Statutes (ORS) Chapter 268 to make available in the Portland metropolitan area public services not adequately available through previously authorized governmental agencies. Subject to the limitations of state law, Metro may provide the metropolitan area aspects of sewerage, solid and liquid waste disposal, control of surface water, public transportation and zoo facilities. ORS 268 further allows the District to acquire, construct, alter, maintain, administer and operate major cultural, convention, exhibition, sports and entertainment facilities. It may also provide local area aspects of those public services that are transferred to the District by agreement between Metro and other public corporations, cities or counties. Formation of the District, which includes parts of Clackamas, Multnomah and Washington Counties, was approved by voters within the District on May 26, 1970.

The 1975 Oregon Legislature expanded ORS 268 to include operations and maintenance of zoo facilities. As a result of this legislation and the passage of a special tax levy, Metro began operation and funding of the Washington Park Zoo as of July 1, 1976. This was accomplished by the assumption of the assets and liabilities of the Portland Zoological Society, with the Society providing sufficient funds to pay past liabilities. In addition, pursuant to an agreement effective July 1, 1976, the City of Portland transferred ownership of land, buildings, animals and other assets related to the zoo, except for a railroad line and equipment subject to a perpetual lease agreement, to Metro.

By a vote of the electorate on May 23, 1978, as provided for by Chapter 665, Oregon Laws 1977, Regular Session, the Metro Council was expanded to consist of twelve part-time councilors, each elected on a nonpartisan basis from a single subdistrict. Additionally, approval was also granted, effective January 1, 1979, to abolish the Columbia Region Association of Governments and transfer its planning activities to Metro.

The 1987 Oregon legislature amended ORS 268 to provide that unless the electors of the District first approve the financing of the facilities, the District shall not construct new facilities or acquire existing facilities (except by means of an intergovernmental agreement). By vote of the electorate in November 1986, the District was authorized to finance, construct and operate a regional convention center.

Included in the District's combined financial statements are all activities and organizations with which the District exercises oversight authority as demonstrated by financial interdependency and/or authoritative appointment of governing authority. The District has no potential component units.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(3) Description of Funds

Metro's financial operations are accounted for in the following funds and account groups:

Governmental Fund Types

General Fund

This fund accounts primarily for Metro's administrative activities. Principal resources of the fund are provided by dues assessed to member governmental bodies within Metro's district and reimbursements from other funds which benefit from General Fund activities. The dues assessment is based on the population within the member district. The 1987 rate was \$.51 per person. Metro has the authority to assess this same rate through July 1, 1989.

Special Revenue Funds

These funds account for revenues from specific sources. Included are the following:

Convention, Trade and Spectator Facilities Fund - accounts for funding of planning activities related to convention, trade and spectator facilities in the Metro region. Principal sources of revenues are contracts, intergovernmental agreements and state grants.

Intergovernmental Resource Center Fund - accounts for funding and operation of planning activities in the area of data services, transportation, development services and criminal justice. Principal sources of revenues are Federal, state and local grants.

Zoo Fund - accounts for funding and operation of the Washington Park Zoo. Principal sources of revenues are admissions, concessions, and a special serial tax levy of \$5,000,000, which expired June 30, 1987. A new three-year levy was passed in March 1987 for \$5,500,000 per year through June 30, 1990.

Capital Projects Fund

The Zoo Capital Fund accounts for the major capital improvement projects at the Washington Park Zoo. Principal resources include donations, interest and a portion of the serial levy approved for the zoo and transferred from the Zoo Fund.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

Proprietary Fund Types

Enterprise Funds

These funds account for the financing of predominantly self-supporting activities which are funded on a user charge basis or to meet management's desire to control and measure costs of service. Included are the following funds:

Solid Waste Fund - accounts for revenues, derived primarily from fees imposed for the disposal of solid waste, and expenses for the implementation, administration and enforcement of Metro's Solid Waste Management Plan. This fund also accounts for the St. Johns Landfill and Clackamas Transfer & Recycling Center operations. This fund consists of six budgetary funds accounted for as an Enterprise Fund in accordance with generally accepted accounting principles.

Building Management Fund - accounts for revenues and expenses related to leasing and managing Metro's central office space at 2000 S. W. First Avenue, Portland, Oregon. Principal sources of revenue are sublease income and charges to user funds. Expenses primarily consist of lease payments, maintenance and utilities costs.

Convention Center Fund - accounts for revenues and expenses related to the management and construction of the Oregon Convention Center in Portland, Oregon. The principal source of revenue currently is intergovernmental revenue from a 3 percent Multnomah County lodging tax. An expected future source of revenue upon the Center's opening in 1990 is user fees. General obligation bond proceeds, state grants and City of Portland Local Improvement District funds will be used to finance the construction of the Center. Expenses primarily consist of project management and marketing during the phases prior to the Center's opening in 1990.

Internal Service Fund

An internal service fund is used to account for activities or services furnished by a designated department to other organizational units within the entity. Charges are made to the various "user" departments to support these activities.

Insurance Fund - accounts for insurance activities and services performed primarily for other organizational units within Metro. Revenues are derived primarily by charges to user funds, interest and loss reimbursements from insurance companies. Expenses consist primarily of insurance premiums, claims paid (deductibles) and studies related to insurance issues.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

Fiduciary Fund Types

Agency Funds

Metro's Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations.

Sewer Assistance Fund - accounts for funds from the State of Oregon Department of Environmental Quality (DEQ). Metro acts in a custodial capacity for funds received and passed through to local jurisdictions.

Transportation Technical Assistance Fund - accounts for Federal and state transportation planning grants received by Metro and passed through to local jurisdictions.

Pension Trust Fund

Pension Plan Fund - accounts for Metro's contributions to two defined contribution pension plans for the benefit of substantially all employees. Resources are contributions, based upon a percentage of participants' wages, and interest and other earnings on investments. This Non-expendable Trust Fund is accounted for and reported in a manner similar to Proprietary Funds since capital maintenance is critical.

Expendable Trust Fund

St. Johns Rehabilitation and Enhancement Fund - accounts for funds received and expenditures for rehabilitation and enhancement of the area in and around the St. Johns Landfill. Primary resources are rehabilitation and enhancement fees and interest on investments. Expenditures are for planning and implementation of rehabilitation and enhancement programs in the area. This Expendable Trust Fund is accounted for and reported in a manner similar to Governmental Funds.

Account Groups

General Fixed Assets - accounts for Metro's investment in fixed assets not recorded in the Proprietary Fund types.

General Long-term Obligations - accounts for Metro's obligations under capital leases and accrued vacation liabilities payable from future resources.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(4) Individual Fund Disclosures

Generally accepted accounting principles require disclosure, as part of the combined financial statements, of certain information concerning individual funds.

Metro made the following budget basis expenditures in excess of the budgeted appropriation:

<u>Fund</u>	<u>Budget category</u>	<u>Amount</u>
Solid Waste Operating Fund	Capital outlay	\$ 7,303
Transportation Technical Assistance Fund	Materials and services	<u>433</u>

(5) Cash and Investments

Deposits

At June 30, 1987, the carrying amount of Metro's cash deposits with various financial institutions presented in the accompanying financial statements was \$112,132 and the corresponding bank balances were \$141,999. The entire amount of the bank balance was covered by Federal depository insurance or by collateral held by Metro's agent, First Interstate Bank, in Metro's name. Metro also has cash on hand of \$23,900. Oregon statutes require each depository throughout the period of its possession of public funds to maintain on deposit securities having a value not less than 25% of the certificates of participation issued by its pool manager.

Investments

Policies officially adopted by the Investment Advisory Committee and the Metro Council authorize Metro to invest in obligations of the U. S. Treasury and agencies, time certificates of deposit, bankers' acceptances, and the State Treasurer's investment pool. The Pension Trust Fund is also authorized to invest in, but is not limited to, stocks, mortgages, insurance contracts, bonds and other evidences of indebtedness or ownership.

During the period, there were no known violations of legal or contractual provisions for deposits and investments.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

Metro's investments are categorized below to give an indication of the level of risk assumed by the entity at year end. Category 1 includes investments that are insured or registered or for which the securities are held by Metro or its agent in Metro's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the broker's or dealer's trust department or agent in Metro's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the broker or dealer, or by its trust department or agent but not in Metro's name.

	Category			Carrying amount	Market value
	<u>1</u>	<u>2</u>	<u>3</u>		
Certificates of deposit	\$ 8,102,052	-	-	8,102,052	8,102,052
Money market investments	639,605	-	-	639,605	639,605
Pooled short-term pension investments, primarily insurance contracts, residential and commercial mortgages and public utility bonds	-	-	2,764,398	2,764,398	2,764,398
	<u>\$ 8,741,657</u>	<u>-</u>	<u>2,764,398</u>	11,506,055	11,506,055
Investment in Oregon State Treasurer's investment pool				<u>9,418,469</u>	<u>9,418,469</u>
Total investments				<u>\$ 20,924,524</u>	<u>20,924,524</u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

The Pension Trust Fund owns all of the investments included in Category 3 above. Cash and investments are reflected on the combined balance sheets as follows:

Unrestricted	\$ 18,784,589
Restricted	<u>2,275,967</u>
	<u>\$ 21,060,556</u>

(6) Due From Other Governments

Metro has entered into an intergovernmental agreement with Multnomah County, Oregon to receive the proceeds of a 3% room tax levied on hotels and motels within the County's boundaries. At June 30, 1987, \$593,104 is owed to Metro for taxes levied and collected subsequent to year end by Multnomah County but not remitted to Metro by that date.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(7) Fixed Assets

Fixed assets by major class for the General Fixed Asset Account Group and the Enterprise Funds are as follows:

	Balance June 30, <u>1986</u>	<u>Additions</u>	Disposals and <u>transfers</u>	Balance June 30, <u>1987</u>
<u>General Fixed Asset Account Group</u>				
Land	\$ 2,573,449	-	-	2,573,449
Buildings	16,266,578	1,678,355	(65,271)	17,879,662
Improvements	757,424	93,750	-	851,174
Equipment	1,074,458	82,994	(20,578)	1,136,874
Office furniture	339,059	126,131	263	465,453
Railroad equipment and facilities	573,448	20,750	-	594,198
Capitalized leased equipment	230,250	-	-	230,250
Leasehold improvements	<u>278,071</u>	<u>-</u>	<u>(278,071)</u>	<u>-</u>
	<u>\$ 22,092,737</u>	<u>2,001,980</u>	<u>(363,657)</u>	<u>23,731,060</u>
<u>Enterprise Funds</u>				
Land	1,708,043	945,378	-	2,653,421
Buildings	4,113,690	912,747	-	5,026,437
Improvements	211,940	47,652	-	259,592
Equipment	242,107	77,137	(148,570)	170,674
Office furniture	146,050	71,618	-	217,668
Leasehold improvements	<u>3,448,671</u>	<u>568,774</u>	<u>278,071</u>	<u>4,295,516</u>
	9,870,501	2,623,306	129,501	12,623,308
Less accumulated depreciation	<u>2,540,020</u>	<u>552,237</u>	<u>(113,970)</u>	<u>2,978,287</u>
	<u>\$ 7,330,481</u>	<u>2,071,069</u>	<u>243,471</u>	<u>9,645,021</u>

An agreement effective July 1, 1976, transferred title of real property in the amount of \$4,063,148, accounted for in the General Fixed Asset Account Group, from the City of Portland to Metro. The agreement provides that such property must be used for zoo or zoo-related purposes and, if such property ceases to be used for such purposes or is used for other purposes, title reverts to the City.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

As of June 1, 1980, the City of Portland and Metro entered into an agreement whereby Metro assumed the responsibility for operating the St. Johns Landfill (see note 19). Under this agreement, the City of Portland retains ownership of the property. Therefore, Metro's cost of expansion and improvements at the landfill are recorded as leasehold improvements in the Solid Waste Enterprise Fund and are amortized over the expected life of the landfill.

(8) Loans Payable

Loans payable to the State of Oregon Department of Environmental Quality (DEQ) and included in the Solid Waste Enterprise Fund consist of the following at June 30, 1987:

	Balance June 30, <u>1986</u>	Principal payments	Balance June 30, <u>1987</u>
Loan 115, payable in annual principal installments ranging from \$150,000 to \$175,000 through October 1992. Interest rate varies from 4% to 6% over the life of the loan and is payable semi-annually on April 1 and October 1	\$ 1,140,000	150,000	990,000
Loan 117, payable in annual principal installments ranging from \$200,000 to \$216,000 through October 1987. Interest rate varies from 4% to 6% over the life of the loan and is payable semi-annually on April 1 and October 1	416,000	200,000	216,000
Loan 118, payable in annual principal installments ranging from \$12,000 to \$337,000 through August 2002. Interest rate varies from 5.2% to 7.9% over the life of the loan and is payable semi-annually on February 1 and August 1	<u>4,125,000</u>	<u>173,000</u>	<u>3,952,000</u>
	<u>\$ 5,681,000</u>	<u>523,000</u>	<u>5,158,000</u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

Loan 115 is for implementation of the solid waste plan. Metro intends to apply for additional loan or grant monies as funds are required to implement its solid waste plan; however, such additional amounts received in excess of the current balance are subject to the approval of DEQ.

Loan 117 is for expansion of the St. Johns Landfill.

Loan 118 is for the site development for the former Energy Recovery Facility and site development, design and construction of the Clackamas Transfer & Recycling Center. Under the provisions of its agreement with DEQ, Metro has pledged all of the solid waste disposal user fees collected subsequent to May 18, 1981. However, DEQ shall not unreasonably withhold its consent to a subordination of part or all of the pledged fees upon written request from Metro supported by a financing plan for a resource recovery facility accompanied by an underwriter's statement of necessity for subordination. In addition, Metro has agreed not to discontinue operation or dispose of the Clackamas Transfer & Recycling Center without the prior approval of DEQ.

Loans 115 and 117 are not collateralized.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

Maturities of loan principal and interest are as follows:

Fiscal year ending June 30	Loan 115		Loan 117		Loan 118		Total requirements	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
1988	\$ 160,000	40,600	216,000	4,968	212,000	282,692	588,000	328,260
1989	160,000	33,000	-	-	224,000	266,918	384,000	299,918
1990	160,000	25,400	-	-	225,000	250,677	385,000	276,077
1991	160,000	17,800	-	-	225,000	235,298	385,000	253,098
1992	175,000	10,500	-	-	229,000	220,463	404,000	230,963
Later years	175,000	3,500	-	-	2,837,000	1,065,154	3,012,000	1,068,654
	<u>\$ 990,000</u>	<u>130,800</u>	<u>216,000</u>	<u>4,968</u>	<u>3,952,000</u>	<u>2,321,202</u>	<u>5,158,000</u>	<u>2,456,970</u>

(9) General Long-term Obligations Account Group

The change in the balance of the liability in the General Long-term Obligations Account Group is as follows:

	Balance at June 30, 1986	Decrease in liability	Balance at June 30, 1987
Liability for compensated absences	\$ 206,703	(3,321)	203,382
Obligations under capital leases	<u>166,911</u>	<u>(45,808)</u>	<u>121,103</u>
	<u>\$ 373,614</u>	<u>(49,129)</u>	<u>324,485</u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(10) End Use Fee Payable

Effective January 1, 1987, Metro is required to contribute annually to the City of Portland \$.40 for each ton of solid waste deposited at the St. Johns Landfill. This contribution, to be used by the City for implementation of the landfill end use plan, will continue until the landfill has reached capacity and is limited to the amount needed to effectuate the end use plan. Metro has recorded a liability to the City of Portland for \$131,512 in the Solid Waste Enterprise Fund which represents the required contribution as of June 30, 1987.

(11) Deferred Revenue

Deferred revenue as of June 30, 1987 consists of:

Taxes receivable and not collected within sixty days after year end	\$ 681,499
Contract revenue received in advance of work performed	<u>28,843</u>
	<u>\$ 710,342</u>

(12) Capital Lease Obligations

Metro has capital lease agreements for a copy machine, high speed printer, telephone system and some office equipment. The agreements are for varying periods through 1991. Interest rates range from 6.5% to 13%.

The future minimum lease payments are:

Fiscal year ending <u>June 30</u>	
1988	\$ 53,618
1989	30,623
1990	30,623
1991	<u>25,519</u>
Total minimum lease payments	140,383
Less amount representing interest	<u>19,280</u>
Net present value of future minimum lease payments	<u>\$ 121,103</u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(13) Contributed Capital

Changes in contributed capital in the Enterprise Funds for the year ended June 30, 1987 are as follows:

	<u>Solid Waste Funds</u>	<u>Building Management Fund</u>	<u>Total</u>
Balance, June 30, 1986	\$ 1,421,021	-	1,421,021
Additions	-	278,071	278,071
Depreciation on fixed assets that reduces contributed capital (\$682,356 total accumulated depreciation at June 30, 1987)	<u>63,641</u>	<u>27,807</u>	<u>91,448</u>
Balance, June 30, 1987	<u>\$ 1,357,380</u>	<u>250,264</u>	<u>1,607,644</u>

(14) Residual Equity Transfers

For the year ended June 30, 1987, residual equity transfers in and out amounted to \$278,071. This amount reflects transfers from the General Fixed Asset Account Group to the Building Management Fund, accounted for as contributed capital in this proprietary fund.

(15) Pension Plans

Substantially all employees, other than five employees who participate in the State of Oregon Public Employees Retirement System (PERS), are covered under a defined contribution plan whereby Metro contributes 5% of the employee's salary and the employee vests in the contributions and earnings growth of the plan at 40% after two years of employment and an additional 20% per year for the next three years. Additionally, all employees who work 20 or more hours per week are eligible for a defined contribution plan whereby 6% of the employee's salary is contributed by Metro and is immediately fully vested. These plans are administered by the Executive Officer of Metro and are included in the Pension Trust Fund.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

In addition to the above plans, Metro makes contributions to PERS, a statewide multi-employer defined benefit plan to which Metro and five Metro employees, who have elected to remain in the State retirement system, contribute. Metro's contribution rate was 6.52% of employee compensation for the year ended June 30, 1987 and will remain at that rate until January 1, 1988, at which time the rate will be 6.00%. Pension expenditures are recorded as funded. Assuming a 7.5% rate of return on investments, the plan's net assets (\$329,481) as of December 31, 1985, the date of the latest actuarial valuation, exceeded the actuarially computed present value of vested and nonvested accumulated plan benefits by \$142,236 and there was no total unfunded supplemental value (prior service cost liability) for active employees at that date. Separate information as to the actuarially computed present value of vested accumulated plan benefits and nonvested accumulated plan benefits is not available from the actuary.

Metro's pension contributions approximated \$564,000 for the year ended June 30, 1987 for all of the above plans.

(16) Interfund Balances

Interfund receivable and payable balances at June 30, 1987 are as follows:

<u>Fund</u>	<u>Interfund receivable</u>	<u>Interfund payable</u>
Solid Waste Enterprise Fund	\$ 420,390	-
Convention Center Enterprise Fund	<u>-</u>	<u>420,390</u>

This interfund loan was authorized by the Metro Council in Resolution No. 86-680.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(17) Segment Information for Enterprise Funds

Metro maintains three Enterprise Funds: the Solid Waste Fund accounts for self-supporting activities which are rendered to the general public on a user charge basis; the Building Management Fund accounts for the operations of the leased office facility at 2000 S. W. First Avenue for which management desires a periodic determination of revenues earned and expenses incurred for management control and accountability purposes; the Convention Center Fund accounts for construction, marketing and operations of the Oregon Convention Center which will be operated on a user charge basis, supplemented by intergovernmental revenues.

	<u>Solid Waste Fund</u>	<u>Building Management Fund</u>	<u>Convention Center Fund</u>	<u>Total</u>
Operating revenue	\$ 13,213,455	571,592	1,910,622	15,695,669
Depreciation expense	489,550	60,991	1,696	552,237
Operating income	2,666,181	41,478	893,514	3,601,173
Net income	2,603,349	41,584	896,403	3,541,336
Contributed capital - transfer	-	278,071	-	278,071
Property, plant and equipment -				
Additions	1,793,898	103,299	726,109	2,623,306
Deletions, net	34,600	-	-	34,600
Transfers	-	278,071	-	278,071
Net working capital	5,338,039	(1,822)	171,990	5,508,207
Total assets	17,847,055	522,796	1,706,591	20,076,442
Long-term liabilities:				
Payable from operating revenues	5,158,000	-	-	5,158,000
Less amount due within one year	<u>588,000</u>	<u>-</u>	<u>-</u>	<u>588,000</u>
	\$ <u>4,570,000</u>	<u>-</u>	<u>-</u>	<u>4,570,000</u>
Total equity	\$ <u><u>9,257,346</u></u>	<u><u>429,479</u></u>	<u><u>896,403</u></u>	<u><u>10,583,228</u></u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(18) Reconciliation of Revenues and Expenditures - Budgetary Basis to GAAP Basis

Oregon Budget Law requires accounting for certain transactions to be on a basis other than generally accepted accounting principles (GAAP basis). For all fund types presented in the combined financial statements except the Enterprise Funds, there is no difference between the excess of revenues over expenditures on a budget basis and a GAAP basis. The differences, which arise through the employment of a basis of accounting for budgetary purposes which differs from the basis of accounting appropriate for the Enterprise Funds when reporting in accordance with GAAP, are summarized in the following schedule:

	<u>Enterprise Funds</u>
Excess of revenues over expenditures on a budget basis	\$ 1,281,228
Add amounts included as expenditures on a budgetary basis but not deducted as expenses on a GAAP basis:	
Fixed asset additions	2,623,306
Principal payments on loans	523,000
Landfill siting fees advanced to DEQ	290,000
Add amounts not included as revenues on a budgetary basis but included as revenues on a GAAP basis:	
Receipts in lieu of rent	398,306
Landfill siting fees	463,385
Intergovernmental revenue	593,104
Subtract amounts not included as expenditures on a budgetary basis but included as expenses on a GAAP basis:	
Depreciation	(552,237)
Post-closure costs	(461,822)
Loss on write-down of fixed assets	(34,600)
Less costs paid to various funds, recorded as transfers on a budgetary basis:	
Administrative costs paid to General Fund	(972,647)
Payment for services provided by Intergovernmental Resource Center Fund	(10,752)
Payment to Building Management Fund	(193,413)
Payment to Insurance Fund	(80,746)
Payment of fees collected to Rehabilitation and Enhancement Fund	(342,559)
Other	<u>17,783</u>
Net income presented in combined statement of revenues, expenses and changes in retained earnings/fund balance - proprietary fund types and similar trust fund	<u>\$ 3,541,336</u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(19) Commitments and Contingencies

Contracts

Total contract commitments at June 30, 1987, primarily for construction projects, were approximately \$5,900,000 for the Capital Projects Fund.

Reviews by Grantor Agencies

Grant costs are subject to review by the grantor agencies. Any costs disallowed as the result of the review would be borne by Metro and would require the return of such amount to the grantor agency. However, should costs be disallowed on grants for which Metro acts in a pass-through capacity, Metro should be able to require repayment of amounts disallowed from the subgrantees.

Office Leases

Metro leases office space at 2000 S. W. First Avenue, Portland, Oregon. The term of the lease is eleven years and four months beginning March 1985, with a five-year renewal option at the end of the initial term. Under this lease, Metro is required to pay all utilities and certain other maintenance costs. Metro intends to sublease a significant portion of the office space and as of June 30, 1987 has entered into seven sublease agreements.

The following is a schedule by years of future minimum rental payments required under the operating lease for the office space at 2000 S. W. First Avenue as of June 30, 1987:

Fiscal year ending <u>June 30</u>	
1988	\$ 234,000
1989	234,000
1990	234,000
1991	234,000
1992	291,000
Later years	<u>1,163,000</u>
Total minimum payments required	<u>\$ 2,390,000</u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

Minimum payments presented in the schedule have not been reduced by future minimum sublease rentals totalling approximately \$546,800 at June 30, 1987.

Rental expense under the lease for the year ended June 30, 1987 amounted to approximately \$234,000, which has not been reduced by approximately \$132,000 of sublease rental receipts.

St. Johns Landfill

Metro is leasing the landfill from the City of Portland. The lease term runs through December 31, 1991, or until the operational life of the landfill is completed, whichever is earlier. The lease agreement commits Metro to finance certain post-closure environmental control measures for the expansion area of the landfill. At June 30, 1987, a liability of \$1,636,362 has been recorded to cover post-closure costs. The lease agreement also commits Metro to meet waste tonnage targets in order to ensure availability of a disposal site for the region. If the tonnage targets are exceeded, subject to certain allowances, Metro is required to pay to the City of Portland \$2.00 per ton for all tons deposited in the landfill.

Additionally, Metro contracts for the maintenance and operation of the landfill (other than the gatehouse which Metro operates). The contract runs through the landfill closure date or September 30, 1992, whichever is earlier.

The approximate annual commitments for maintenance and operations of the St. Johns Landfill, based on forecasted tons of refuse and a 5% inflation factor, are:

Fiscal year ending <u>June 30</u>	<u>City of Portland</u>	<u>Operations contract</u>
1988	\$ 309,000	2,628,000
1989	325,000	3,237,000
1990	341,000	3,630,000
1991	<u>358,000</u>	<u>3,159,000</u>
	<u>\$ 1,333,000</u>	<u>12,654,000</u>

A portion of the commitment, estimated by management to be \$3,923,000, relates to landfill improvements, primarily final ground cover.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

Clackamas Transfer & Recycling Center

Metro contracts for operations of the Clackamas Transfer & Recycling Center. The contract term is six years from the start of operation in April 1983.

The approximate annual commitments based on forecasted usage and a 5% inflation factor relative to the Clackamas Transfer & Recycling Center are:

Fiscal year
ending
June 30

1988

\$ 2,232,000

1989

1,751,000

\$ 3,983,000

Waste Reduction Program Contingency

Beginning in fiscal year 1986, Metro is required under Oregon Revised Statutes Section 459 to apportion the charges collected for disposal of solid waste; \$.50 per ton of solid waste is currently set aside for rehabilitation and enhancement of the area in and around the landfill from which the fees were collected and \$1.00 per ton is currently paid into the State's Land Disposal Mitigation Account, which will be used by the State of Oregon, Department of Environmental Quality (DEQ) in the process of siting a regional landfill. Metro would have the responsibility for the operation of the disposal site selected by DEQ.

Legal Matters

Metro is involved as a defendant in several claims and disputes which, for the most part, are normal to Metro's activities. Management intends to vigorously contest these matters and does not believe their ultimate resolution will have a material effect upon its financial position or operations.

(Continued)

METROPOLITAN SERVICE DISTRICT

Notes to Combined Financial Statements, Continued

(20) Subsequent Event

Subsequent to June 30, 1987, Metro sold \$65,000,000 of General Obligation Convention Center Bonds (Series 1987), which mature serially each December 1 beginning in 1988 and continuing through 2012. Interest is payable semiannually on December 1 and June 1, beginning June 1, 1988.

Interest rates range from 5.75% to 9.00% on various maturities with the interest cost for the entire issue being 7.37%. Bond proceeds are to be used, in conjunction with a \$5,000,000 grant from the City of Portland (local improvement district) and a \$15,000,000 State of Oregon grant, to finance the acquisition and construction of a regional convention and trade show center. The bonds are to be repaid with proceeds of the District's ad valorem property tax levied each year.

*Combining
Individual Fund
Statements and
Schedules*

METROPOLITAN SERVICE DISTRICT

General Fund

Statement of Revenues - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Dues	\$ 618,565	618,530	(35)
Documents and publications	3,500	4,146	646
Professional and contract service fees	-	3,945	3,945
Interest	85,500	76,748	(8,752)
Miscellaneous	<u>1,400</u>	<u>5,688</u>	<u>4,288</u>
Total revenues	<u>708,965</u>	<u>709,057</u>	<u>92</u>
Other financing sources:			
Operating transfers from:			
Solid Waste Operating Fund	733,547	733,547	-
Zoo Fund	452,150	452,150	-
Intergovernmental Resource Center Fund	502,934	451,004	(51,930)
Convention Center Project Management Fund	<u>239,100</u>	<u>239,100</u>	<u>-</u>
Total other financing sources	<u>1,927,731</u>	<u>1,875,801</u>	<u>(51,930)</u>
Beginning fund balance available for appropriation	<u>300,000</u>	<u>292,010</u>	<u>(7,990)</u>
	<u>\$ 2,936,696</u>	<u>2,876,868</u>	<u>(59,828)</u>

METROPOLITAN SERVICE DISTRICT

General Fund

Statement of Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Expenditures:			
Council:			
Personal services	\$ 111,334	98,599	12,735
Materials and services	<u>59,020</u>	<u>44,278</u>	<u>14,742</u>
	<u>170,354</u>	<u>142,877</u>	<u>27,477</u>
Executive management:			
Personal services	352,336	333,641	18,695
Materials and services	58,033	41,694	16,339
Capital outlay	<u>2,442</u>	<u>1,716</u>	<u>726</u>
	<u>412,811</u>	<u>377,051</u>	<u>35,760</u>
Public affairs:			
Personal services	315,605	297,944	17,661
Materials and services	48,181	39,140	9,041
Capital outlay	<u>3,409</u>	<u>3,364</u>	<u>45</u>
	<u>367,195</u>	<u>340,448</u>	<u>26,747</u>
Finance and administration:			
Personal services	677,822	641,684	36,138
Materials and services	412,649	374,906	37,743
Capital outlay	<u>13,010</u>	<u>12,693</u>	<u>317</u>
	<u>1,103,481</u>	<u>1,029,283</u>	<u>74,198</u>
General operating contingency	<u>58,693</u>	<u>-</u>	<u>58,693</u>
Total expenditures	<u>2,112,534</u>	<u>1,889,659</u>	<u>222,875</u>
Other financing uses -			
Transfers	<u>760,828</u>	<u>654,554</u>	<u>106,274</u>
Total expenditures and other financing uses	<u>2,873,362</u>	<u>2,544,213</u>	<u>329,149</u>
Unappropriated ending fund balance	<u>63,334</u>	<u>332,655</u>	<u>269,321</u>
	<u>\$ 2,936,696</u>	<u>2,876,868</u>	<u>59,828</u>

METROPOLITAN SERVICE DISTRICT

Special Revenue Funds

Combining Balance Sheet

June 30, 1987

<u>Assets</u>	Convention, Trade and Spectator Facilities Fund	Intergovernmental Resource Center Fund	Zoo Fund	<u>Totals</u>
Cash and investments	\$ 30,960	123,674	2,198,996	2,353,630
Receivables:				
Property taxes	-	-	735,518	735,518
Federal grants	-	63,703	-	63,703
State grants	-	77,520	-	77,520
Local grants/contracts	-	35,880	-	35,880
Other	-	2,719	13,301	16,020
Inventory of materials and supplies	-	-	<u>167,537</u>	<u>167,537</u>
	<u>\$ 30,960</u>	<u>303,496</u>	<u>3,115,352</u>	<u>3,449,808</u>
 <u>Liabilities and Fund Balances</u>				
Liabilities:				
Accounts payable	5,773	4,364	377,484	387,621
Salaries, withholdings and payroll taxes payable	-	35,989	209,550	245,539
Contracts payable	451	-	-	451
Deferred revenue	15,949	12,894	681,499	710,342
Unearned grant revenue	-	84,966	-	84,966
Other	-	<u>3,100</u>	-	<u>3,100</u>
Total liabilities	22,173	141,313	1,268,533	1,432,019
Fund balances - unreserved	<u>8,787</u>	<u>162,183</u>	<u>1,846,819</u>	<u>2,017,789</u>
	<u>\$ 30,960</u>	<u>303,496</u>	<u>3,115,352</u>	<u>3,449,808</u>

METROPOLITAN SERVICE DISTRICT

Special Revenue Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances

For the year ended June 30, 1987

	Convention, Trade and Spectator Facilities Fund	Intergovernmental Resource Center Fund	Zoo Fund	Totals
Revenues:				
Property taxes	\$ -	-	5,308,692	5,308,692
Federal grants	-	434,045	219	434,264
State grants	-	413,242	-	413,242
Local grants	-	99,990	-	99,990
Admissions	-	-	1,537,806	1,537,806
Charges for services	-	-	321,202	321,202
Vending and concessions	-	-	1,627,274	1,627,274
Donations and bequests	-	-	115,461	115,461
Professional and contract service fees	38,577	49,516	-	88,093
Interest	2,071	1,491	62,393	65,955
Miscellaneous	-	3,897	134,125	138,022
Total revenues	40,648	1,002,181	9,107,172	10,150,001
Other financing sources:				
Operating transfer from:				
General Fund	-	654,554	-	654,554
Solid Waste Operating Fund	-	10,752	-	10,752
Total revenues and other financing sources	40,648	1,667,487	9,107,172	10,815,307
Expenditures:				
Current:				
Zoo operations	-	-	5,882,658	5,882,658
Planning and development:				
Personal services	-	821,730	-	821,730
Materials and services	40,648	204,093	-	244,741
Capital outlay	-	63,419	340,968	404,387
Total expenditures	40,648	1,089,242	6,223,626	7,353,516

(Continued)

METROPOLITAN SERVICE DISTRICT

Special Revenue Funds

Combining Statement of Revenues, Expenditures
and Changes in Fund Balances, Continued

	Convention, Trade and Spectator Facilities Fund	Intergovernmental Resource Center Fund	Zoo Fund	Totals
Other financing uses:				
Operating transfers to:				
General Fund	\$ -	451,004	452,150	903,154
Zoo Capital Fund	-	-	2,316,920	2,316,920
Total other financing uses	-	451,004	2,769,070	3,220,074
Total expenditures and other financing uses	40,648	1,540,246	8,992,696	10,573,590
Revenues and other financing sources over expenditures and other financing uses	-	127,241	114,476	241,717
Fund balances - June 30, 1986	8,787	34,942	1,732,343	1,776,072
Fund balances - June 30, 1987	\$ 8,787	162,183	1,846,819	2,017,789

METROPOLITAN SERVICE DISTRICT

Convention, Trade and Spectator Facilities Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Professional and contract service fees	\$ 54,525	38,577	(15,948)
Interest	<u> -</u>	<u> 2,071</u>	<u> 2,071</u>
Total revenues	54,525	40,648	(13,877)
Beginning fund balance available for appropriation	<u> 8,787</u>	<u> 8,787</u>	<u> -</u>
	<u>\$ 63,312</u>	<u>49,435</u>	<u>(13,877)</u>
Expenditures -			
Materials and services	<u> 63,312</u>	<u> 40,648</u>	<u> 22,664</u>
Total expenditures	<u>\$ 63,312</u>	<u> 40,648</u>	<u> 22,664</u>

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Federal grants	\$ 553,659	434,045	(119,614)
State grants	567,212	413,242	(153,970)
Local grants	65,354	99,990	34,636
Professional and contract service fees	37,129	49,516	12,387
Interest	-	1,491	1,491
Miscellaneous	<u>26,000</u>	<u>3,897</u>	<u>(22,103)</u>
Total revenues	1,249,354	1,002,181	(247,173)
Other financing sources:			
Operating transfers from:			
General Fund	723,328	654,554	(68,774)
Solid Waste Operating Fund	<u>11,000</u>	<u>10,752</u>	<u>(248)</u>
Total revenues and other financing sources	1,983,682	1,667,487	(316,195)
Beginning fund balance available for appropriation	<u>79,448</u>	<u>34,942</u>	<u>(44,506)</u>
	<u>\$ 2,063,130</u>	<u>1,702,429</u>	<u>(360,701)</u>
Expenditures:			
Personal services	931,091	821,730	109,361
Materials and services	104,954	32,706	72,248
Capital outlay	80,100	63,419	16,681
General operating contingency	<u>83,167</u>	<u>-</u>	<u>83,167</u>
Total expenditures	1,199,312	917,855	281,457
Other financing uses - Transfers	<u>722,926</u>	<u>622,391</u>	<u>100,535</u>
Total expenditures and other financing uses	1,922,238	1,540,246	381,992
Unappropriated ending fund balance	<u>140,892</u>	<u>162,183</u>	<u>21,291</u>
	<u>\$ 2,063,130</u>	<u>1,702,429</u>	<u>360,701</u>

METROPOLITAN SERVICE DISTRICT

Zoo Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Property taxes	\$ 5,010,000	5,308,692	298,692
Federal grants	25,000	219	(24,781)
Admissions	1,426,000	1,537,806	111,806
Railroad	248,000	321,202	73,202
Vending and concessions	976,800	1,260,387	283,587
Gift shop	395,300	366,887	(28,413)
Donations and bequests	86,500	115,461	28,961
Interest	99,870	62,393	(37,477)
Miscellaneous	136,750	134,125	(2,625)
Total revenues	8,404,220	9,107,172	702,952
Beginning fund balance available for appropriation	<u>1,665,349</u>	<u>1,732,343</u>	<u>66,994</u>
	\$ 10,069,569	10,839,515	769,946
Expenditures:			
Personal services	3,511,835	3,509,127	2,708
Materials and services	2,121,727	2,064,418	57,309
Capital outlay	463,046	340,968	122,078
General operating contingency	342,032	-	342,032
Total expenditures	6,438,640	5,914,513	524,127
Other financing uses - Transfers	<u>3,099,838</u>	<u>3,078,183</u>	<u>21,655</u>
Total expenditures and other financing uses	9,538,478	8,992,696	545,782
Unappropriated ending fund balance	<u>531,091</u>	<u>1,846,819</u>	<u>1,315,728</u>
	\$ 10,069,569	10,839,515	769,946

METROPOLITAN SERVICE DISTRICT

Zoo Capital Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Donations and bequests	\$ 225,000	207,640	(17,360)
Interest	484,625	456,591	(28,034)
Miscellaneous	-	82,832	82,832
Total revenues	709,625	747,063	37,438
Other financing sources:			
Transfer from - Zoo Fund	<u>2,316,920</u>	<u>2,316,920</u>	<u>-</u>
Total revenues and other financing sources	3,026,545	3,063,983	37,438
Beginning fund balance available for appropriation	<u>5,838,852</u>	<u>5,878,498</u>	<u>39,646</u>
	<u>\$ 8,865,397</u>	<u>8,942,481</u>	<u>77,084</u>
Expenditures:			
Personal services	48,581	43,944	4,637
Capital outlay	5,962,820	1,535,913	4,426,907
General operating contingency	<u>270,236</u>	<u>-</u>	<u>270,236</u>
Total expenditures	6,281,637	1,579,857	4,701,780
Unappropriated ending fund balance	<u>2,583,760</u>	<u>7,362,624</u>	<u>4,778,864</u>
	<u>\$ 8,865,397</u>	<u>8,942,481</u>	<u>77,084</u>

METROPOLITAN SERVICE DISTRICT

Enterprise Funds

Combining Balance Sheet

June 30, 1987

<u>Assets</u>	Solid Waste <u>Funds</u>	Building Management <u>Fund</u>	Convention Center <u>Funds</u>	<u>Total</u>
Cash and investments	\$ 4,266,391	76,368	388,952	4,731,711
Receivables:				
Trade, net	1,613,017	15,127	-	1,628,144
Landfill siting fees	463,385	-	-	463,385
Other	768	-	122	890
Due from other governments	-	-	593,104	593,104
Due from other funds	420,390	-	-	420,390
Advance to other governments	290,000	-	-	290,000
Other assets	81,500	-	-	81,500
Restricted assets -				
Cash and investments	2,222,297	-	-	2,222,297
Fixed assets, net	<u>8,489,307</u>	<u>431,301</u>	<u>724,413</u>	<u>9,645,021</u>
Total assets	<u>\$ 17,847,055</u>	<u>522,796</u>	<u>1,706,591</u>	<u>20,076,442</u>
 <u>Liabilities and Fund Equity</u>				
Liabilities:				
Accounts payable	852,256	88,572	379,211	1,320,039
Salaries, withholdings and payroll taxes payable	77,242	4,745	10,587	92,574
Accrued interest payable	134,522	-	-	134,522
Contracts payable	13,880	-	-	13,880
End use fee payable	131,512	-	-	131,512
Due to other funds	-	-	420,390	420,390
Payable from restricted assets:				
Contracts payable	279,487	-	-	279,487
Deposits	306,448	-	-	306,448
Post-closure costs payable	1,636,362	-	-	1,636,362
Loans payable	<u>5,158,000</u>	<u>-</u>	<u>-</u>	<u>5,158,000</u>
Total liabilities	<u>8,589,709</u>	<u>93,317</u>	<u>810,188</u>	<u>9,493,214</u>
Fund equity:				
Contributed capital, net	1,357,380	250,264	-	1,607,644
Retained earnings	<u>7,899,966</u>	<u>179,215</u>	<u>896,403</u>	<u>8,975,584</u>
Total fund equity	<u>9,257,346</u>	<u>429,479</u>	<u>896,403</u>	<u>10,583,228</u>
Total liabilities and fund equity	<u>\$ 17,847,055</u>	<u>522,796</u>	<u>1,706,591</u>	<u>20,076,442</u>

METROPOLITAN SERVICE DISTRICT

Enterprise Funds

Combining Statement of Revenues, Expenses
and Changes in Retained Earnings

For the year ended June 30, 1987

	Solid Waste Funds	Building Management Fund	Convention Center Funds	Total
Operating revenues:				
Disposal fees	\$ 5,846,183	-	-	5,846,183
User fees	2,272,393	-	-	2,272,393
Regional transfer charge	2,393,365	-	-	2,393,365
Convenience charge	887,235	-	-	887,235
Landfill siting and rehabilitation fees	1,760,837	-	-	1,760,837
Intergovernmental revenue	-	-	1,910,511	1,910,511
Rental and lease income	-	131,692	-	131,692
Receipts in lieu of rent	-	398,306	-	398,306
Parking fees	-	38,947	-	38,947
Miscellaneous	53,442	2,647	111	56,200
Total operating revenues	13,213,455	571,592	1,910,622	15,695,669
Operating and administrative expenses:				
Payroll and fringe benefits	1,076,482	41,434	200,118	1,318,034
St. Johns Landfill operating expenses, including \$290,161 rent	2,351,278	-	-	2,351,278
Clackamas Transfer & Recycling Center operating expenses	2,169,851	-	-	2,169,851
DEQ landfill siting fees	974,247	-	-	974,247
Depreciation	489,550	60,991	1,696	552,237
Rent and payments in lieu of rent	165,531	234,388	27,882	427,801
Administrative expenses paid to General Fund	733,547	-	239,100	972,647
Payments to IRC Fund for services	10,752	-	-	10,752
Insurance expense	58,346	-	22,400	80,746
Post-closure costs	461,822	-	-	461,822
Payment of rehabilitation fees	342,559	-	-	342,559
Contractual services	1,300,822	-	392,948	1,693,770
Other materials and services	412,487	193,301	132,964	738,752
Total operating and administrative expenses	10,547,274	530,114	1,017,108	12,094,496
Income from operations	2,666,181	41,478	893,514	3,601,173

(Continued)

METROPOLITAN SERVICE DISTRICT

Enterprise Funds

Combining Statement of Revenues, Expenses
and Changes in Retained Earnings, Continued

	<u>Solid Waste Funds</u>	<u>Building Management Fund</u>	<u>Convention Center Funds</u>	<u>Total</u>
Non-operating revenues (expenses):				
Loss on write-down of fixed assets	\$ (34,600)	-	-	(34,600)
Interest on investments	321,338	106	2,889	324,333
Interest expense	<u>(349,570)</u>	<u>-</u>	<u>-</u>	<u>(349,570)</u>
Non-operating revenues (expenses), net	<u>(62,832)</u>	<u>106</u>	<u>2,889</u>	<u>(59,837)</u>
Net income	2,603,349	41,584	896,403	3,541,336
Depreciation on fixed assets that reduces contributed capital	<u>63,641</u>	<u>27,807</u>	<u>-</u>	<u>91,448</u>
Increase in retained earnings	2,666,990	69,391	896,403	3,632,784
Retained earnings - June 30, 1986	<u>5,232,976</u>	<u>109,824</u>	<u>-</u>	<u>5,342,800</u>
Retained earnings - June 30, 1987	<u>\$ 7,899,966</u>	<u>179,215</u>	<u>896,403</u>	<u>8,975,584</u>

METROPOLITAN SERVICE DISTRICT

Enterprise Funds

Combining Statement of Changes
in Financial Position

For the year ended June 30, 1987

	Solid Waste Funds	Building Management Fund	Convention Center Funds	Total
Working capital provided from:				
Net income	\$ 2,603,349	41,584	896,403	3,541,336
Add charges to operations not affecting working capital in the current year:				
Depreciation	489,550	60,991	1,696	552,237
Post-closure costs	461,822	-	-	461,822
Loss on write-down of fixed assets	<u>34,600</u>	<u>-</u>	<u>-</u>	<u>34,600</u>
Working capital provided from operations	3,589,321	102,575	898,099	4,589,995
Increase in liabilities payable from restricted assets	<u>173,972</u>	<u>-</u>	<u>-</u>	<u>173,972</u>
Total working capital provided	<u>3,763,293</u>	<u>102,575</u>	<u>898,099</u>	<u>4,763,967</u>
Working capital used:				
Additions to plant and equipment	1,793,898	103,299	726,109	2,623,306
Current maturities of loans payable	588,000	-	-	588,000
Increase in restricted assets	<u>635,794</u>	<u>-</u>	<u>-</u>	<u>635,794</u>
Total working capital used	<u>3,017,692</u>	<u>103,299</u>	<u>726,109</u>	<u>3,847,100</u>
Increase (decrease) in working capital	<u>\$ 745,601</u>	<u>(724)</u>	<u>171,990</u>	<u>916,867</u>
Elements of net increase (decrease) in working capital:				
Cash and investments	(485,741)	45,536	388,952	(51,253)
Receivables	836,864	6,491	122	843,477
Due from other governments	-	-	593,104	593,104
Due from other funds	420,390	-	-	420,390
Other assets	78,614	-	-	78,614
Advance to other governments	290,000	-	-	290,000
Accounts, salaries and other payables	(329,526)	(52,751)	(389,798)	(772,075)
Due to other funds	-	-	(420,390)	(420,390)
Loan payable within one year	<u>(65,000)</u>	<u>-</u>	<u>-</u>	<u>(65,000)</u>
Increase (decrease) in working capital	<u>\$ 745,601</u>	<u>(724)</u>	<u>171,990</u>	<u>916,867</u>

METROPOLITAN SERVICE DISTRICT

Enterprise Funds

Description of Solid Waste Budgetary Funds

For financial reporting purposes, management considers the activities relating to solid waste management as those of a unitary enterprise operation and as such the activities are reported in the Solid Waste Fund in the preceding section of this report. However, for budgetary and legal purposes, these activities are accounted for in the funds described below. Statements for these funds prepared according to budgetary concepts are presented on pages 56 through 61.

Solid Waste Operating Fund

The primary activities accounted for in the Solid Waste Operating Fund are expenditures relating to the implementation, administration and enforcement of Metro's Solid Waste Management Plan and operation of the St. Johns Landfill and Clackamas Transfer & Recycling Center. Disposal fees provide the primary sources of revenue.

Solid Waste Debt Service Fund

The Solid Waste Debt Service Fund accounts for repayment of loans from the State of Oregon Department of Environmental Quality (DEQ). The principal source for loan repayments is transfers from the Solid Waste Operating Fund.

Solid Waste Capital Improvement Fund

The Solid Waste Capital Improvement Fund accounts for the construction of capital improvements for the Solid Waste Management Program.

Solid Waste St. Johns Reserve Fund

The Solid Waste St. Johns Reserve Fund accounts for the funding of two environmental control activities which will begin after the St. Johns Landfill is closed. The activities are:

- o annual maintenance of the landfill, including grading, compacting and reseeding;
- o leachate processing and transportation.

Solid Waste St. Johns Final Improvement Fund

The Solid Waste St. Johns Final Improvement Fund accounts for revenues provided and expenditures incurred to properly close out the St. Johns Landfill. The primary expenditures in the fund are for the placement of final cover, roads and drainage structures. The principal sources of revenues are transfers from the Solid Waste Operating Fund and interest earnings on cash and investments.

Solid Waste St. Johns Methane Recovery Fund

The Solid Waste St. Johns Methane Recovery Fund accounts for revenues provided from methane gas production and sale. The net proceeds of such contracted operations, which are shared with the City of Portland, and interfund transfers are the primary resources of this fund. Expenditures relate to the management of the fund.

METROPOLITAN SERVICE DISTRICT

Solid Waste Operating Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	Variance favorable (unfavorable)
Revenues:			
Disposal fees	\$ 4,967,120	5,862,637	895,517
User fees	2,136,435	2,272,393	135,958
Regional transfer charge	3,123,750	2,393,365	(730,385)
Convenience charge	783,600	887,235	103,635
Landfill siting and rehabilitation fees	863,520	1,297,452	433,932
Interest	105,000	131,836	26,836
Miscellaneous	<u>122,680</u>	<u>53,442</u>	<u>(69,238)</u>
Total revenues	12,102,105	12,898,360	796,255
Beginning fund balance available for appropriation			
	<u>3,167,000</u>	<u>3,479,155</u>	<u>312,155</u>
	<u>\$ 15,269,105</u>	<u>16,377,515</u>	<u>1,108,410</u>
Expenditures:			
Personal services	1,145,307	1,085,543	59,764
Materials and services	8,440,320	7,507,890	932,430
Capital outlay	98,800	106,103	(7,303)
General operating contingency	<u>225,509</u>	<u>-</u>	<u>225,509</u>
Total expenditures	9,909,936	8,699,536	1,210,400
Other financing uses -			
Transfers	<u>5,295,836</u>	<u>4,623,994</u>	<u>671,842</u>
Total expenditures and other financing uses	15,205,772	13,323,530	1,882,242
Unappropriated ending fund balance			
	<u>63,333</u>	<u>3,053,985</u>	<u>2,990,652</u>
	<u>\$ 15,269,105</u>	<u>16,377,515</u>	<u>1,108,410</u>

METROPOLITAN SERVICE DISTRICT

Solid Waste Debt Service Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	Variance favorable (unfavorable)
Other financing sources -			
Operating transfers from Solid Waste Operating Fund	\$ <u>1,207,100</u>	<u>881,436</u>	<u>(325,664)</u>
Expenditures -			
Interest expense and principal payment on Department of Environmental Quality loans	\$ <u>1,207,100</u>	<u>881,436</u>	<u>325,664</u>

METROPOLITAN SERVICE DISTRICT

Solid Waste Capital Improvement Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues -			
Interest	\$ -	2,949	2,949
Other financing sources:			
Department of Environmental Quality loan proceeds	4,954,622	-	(4,954,622)
Operating transfers from Solid Waste Operating Fund	<u>1,075,378</u>	<u>958,758</u>	<u>(116,620)</u>
Total revenues and other financing sources	6,030,000	961,707	(5,068,293)
Beginning fund balance available for appropriation	<u>50,000</u>	<u>240,359</u>	<u>190,359</u>
	<u>\$ 6,080,000</u>	<u>1,202,066</u>	<u>(4,877,934)</u>
Total expenditures - Capital outlay	<u>\$ 6,080,000</u>	<u>1,202,066</u>	<u>4,877,934</u>

METROPOLITAN SERVICE DISTRICT

Solid Waste St. Johns Reserve Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues -			
Interest	\$ 90,000	87,780	(2,220)
Other financing sources:			
Operating transfers from -			
Solid Waste Operating Fund	<u>379,200</u>	<u>374,042</u>	<u>(5,158)</u>
Total revenues and other financing sources	469,200	461,822	(7,378)
Beginning fund balance available for appropriation	<u>1,131,500</u>	<u>1,174,540</u>	<u>43,040</u>
Unappropriated ending fund balance	<u>\$ 1,600,700</u>	<u>1,636,362</u>	<u>35,662</u>

METROPOLITAN SERVICE DISTRICT

Solid Waste St. Johns Final Improvement Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues -			
Interest	\$ 140,000	98,600	(41,400)
Other financing sources:			
Operating transfers from - Solid Waste Operating Fund	<u>684,500</u>	<u>676,286</u>	<u>(8,214)</u>
Total revenues and other financing sources	824,500	774,886	(49,614)
Beginning fund balance available for appropriation	<u>1,730,000</u>	<u>1,569,512</u>	<u>(160,488)</u>
	<u>\$ 2,554,500</u>	<u>2,344,398</u>	<u>(210,102)</u>
Expenditures:			
Capital outlay	805,000	485,729	319,271
General operating contingency	<u>85,000</u>	<u>-</u>	<u>85,000</u>
Total expenditures	890,000	485,729	404,271
Unappropriated ending fund balance	<u>1,664,500</u>	<u>1,858,669</u>	<u>194,169</u>
	<u>\$ 2,554,500</u>	<u>2,344,398</u>	<u>(210,102)</u>

METROPOLITAN SERVICE DISTRICT

Solid Waste St. Johns Methane Recovery Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Gas revenue	\$ 34,000	-	(34,000)
Interest	<u>-</u>	<u>173</u>	<u>173</u>
Total revenues	34,000	173	(33,827)
Other financing sources:			
Operating transfers from - Solid Waste Operating Fund	<u>3,000</u>	<u>2,349</u>	<u>(651)</u>
Total revenues and other financing sources	37,000	2,522	(34,478)
Beginning fund balance available for appropriation	<u>-</u>	<u>6,031</u>	<u>6,031</u>
	<u>\$ 37,000</u>	<u>8,553</u>	<u>(28,447)</u>
Expenditures:			
Personal services	7,295	1,303	5,992
Materials and services	<u>13,400</u>	<u>7,250</u>	<u>6,150</u>
Total expenditures	20,695	8,553	12,142
Unappropriated ending fund balance	<u>16,305</u>	<u>-</u>	<u>(16,305)</u>
	<u>\$ 37,000</u>	<u>8,553</u>	<u>(28,447)</u>

METROPOLITAN SERVICE DISTRICT

Building Management Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Rental and lease income	\$ 160,471	131,692	(28,779)
Parking fees	38,745	38,947	202
Interest	-	106	106
Miscellaneous	<u>-</u>	<u>2,647</u>	<u>2,647</u>
Total revenues	<u>199,216</u>	<u>173,392</u>	<u>(25,824)</u>
Other financing sources:			
Operating transfers:			
General Fund	37,500	-	(37,500)
Zoo Operating Fund	84,807	63,152	(21,655)
Solid Waste Operating Fund	222,206	165,531	(56,675)
Intergovernmental Resource Center Fund	190,345	141,741	(48,604)
Convention Center Project Management Fund	<u>37,444</u>	<u>27,882</u>	<u>(9,562)</u>
Total other financing sources	<u>572,302</u>	<u>398,306</u>	<u>(173,996)</u>
Total revenues and other financing sources	<u>\$ 771,518</u>	<u>571,698</u>	<u>(199,820)</u>
Expenditures:			
Personal services	41,289	40,710	579
Materials and services	487,962	427,689	60,273
Capital outlay	168,093	103,299	64,794
General operating contingency	<u>74,174</u>	<u>-</u>	<u>74,174</u>
Total expenditures	<u>\$ 771,518</u>	<u>571,698</u>	<u>199,820</u>

METROPOLITAN SERVICE DISTRICT

Convention Center Project Management Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Intergovernmental revenue	\$ 1,216,000	1,317,407	101,407
Interest on investments	-	2,878	2,878
Miscellaneous	<u>-</u>	<u>111</u>	<u>111</u>
Total revenues	1,216,000	1,320,396	104,396
Other financing sources -			
Transfer from Solid Waste Operating Fund	<u>588,719</u>	<u>420,390</u>	<u>(168,329)</u>
Total revenues and other financing sources	<u>\$ 1,804,719</u>	<u>1,740,786</u>	<u>(63,933)</u>
Expenditures:			
Personal services	203,390	199,394	3,996
Materials and services	539,445	525,912	13,533
Capital outlay	<u>25,000</u>	<u>23,739</u>	<u>1,261</u>
Total expenditures	<u>767,835</u>	<u>749,045</u>	<u>18,790</u>
Other financing uses:			
Transfer	1,028,944	991,741	37,203
General operating contingency	<u>7,940</u>	<u>-</u>	<u>7,940</u>
Total other financing uses	<u>1,036,884</u>	<u>991,741</u>	<u>45,143</u>
Total expenditures and other financing uses	<u>\$ 1,804,719</u>	<u>1,740,786</u>	<u>63,933</u>

METROPOLITAN SERVICE DISTRICT

Convention Center Capital Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues -			
Interest	\$ -	11	11
Other financing sources -			
Transfer from Convention Center Project Management Fund	<u>730,000</u>	<u>702,359</u>	<u>(27,641)</u>
Total revenues and other financing sources	<u>\$ 730,000</u>	<u>702,370</u>	<u>(27,630)</u>
Expenditures -			
Capital outlay	<u>\$ 730,000</u>	<u>702,370</u>	<u>27,630</u>

METROPOLITAN SERVICE DISTRICT

Reconciliation of Enterprise Funds' Revenues and Expenditures
(Budgetary Basis) to Combining Statement of Revenues, Expenses
and Changes in Retained Earnings (GAAP Basis)

For the year ended June 30, 1987

	<u>Budgetary basis</u>		
	<u>Revenues</u>	<u>Expenditures</u>	<u>Revenues over (under) expenditures</u>
Solid Waste Funds:			
Solid Waste Operating Fund	\$ 12,898,360	8,699,536	4,198,824
Solid Waste Debt Service Fund	-	881,436	(881,436)
Solid Waste Capital Improvement Fund	2,949	1,202,066	(1,199,117)
Solid Waste St. Johns Reserve Fund	87,780	-	87,780
Solid Waste St. Johns Final Improvement Fund	98,600	485,729	(387,129)
Solid Waste St. Johns Methane Recovery Fund	<u>173</u>	<u>8,553</u>	<u>(8,380)</u>
Total Solid Waste Funds	\$ 13,087,862	11,277,320	1,810,542
Building Management Fund	\$ <u>173,392</u>	<u>571,698</u>	<u>(398,306)</u>
Convention Center Funds:			
Convention Center Project Management Fund	1,320,396	749,045	571,351
Convention Center Capital Fund	<u>11</u>	<u>702,370</u>	<u>(702,359)</u>
Total Convention Center Funds	\$ <u>1,320,407</u>	<u>1,451,415</u>	<u>(131,008)</u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Reconciliation of Enterprise Funds' Revenues and Expenditures
(Budgetary Basis) to Combining Statement of Revenues, Expenses
and Changes in Retained Earnings (GAAP Basis), Continued

	Solid Waste Funds	Building Management Fund	Convention Center Funds	Total
Budgetary basis:				
Revenues	\$ 13,087,862	173,392	1,320,407	14,581,661
Expenses	<u>11,277,320</u>	<u>571,698</u>	<u>1,451,415</u>	<u>13,300,433</u>
	1,810,542	(398,306)	(131,008)	1,281,228
Add amounts included as expenditures in budgetary schedules not deducted as expenses in statement of revenues, expenses and changes in retained earnings:				
Capital outlay expenditures, recorded as fixed asset additions	1,793,898	103,299	726,109	2,623,306
Principal payments on loans	523,000	-	-	523,000
Landfill siting fees advanced to DEQ	290,000	-	-	290,000
Add amounts not included as revenues in budgetary schedules but included as revenues in statement of revenues, expenses and changes in retained earnings:				
Receipts in lieu of rent	-	398,306	-	398,306
Landfill siting fees	463,385	-	-	463,385
Add (subtract) adjustment for conversion from modified accrual (budgetary basis) to accrual basis of accounting (GAAP basis):				
Increase in due from other governments	-	-	593,104	593,104
Decrease in accrued interest payable	8,865	-	-	8,865
(Increase) decrease in accrued vacation payable	10,366	(724)	(724)	8,918
Less costs paid to various funds, recorded as transfers in budgetary schedules:				
Administrative costs paid to the General Fund	(733,547)	-	(239,100)	(972,647)
Payment of services provided by Intergovernmental Resource Center Fund	(10,752)	-	-	(10,752)
Payment to Building Management Fund in lieu of rent	(165,531)	-	(27,882)	(193,413)
Payment to Insurance Fund	(58,346)	-	(22,400)	(80,746)
Payment of fees collected to Rehabilitation and Enhancement Fund	(342,559)	-	-	(342,559)
Less depreciation expense	(489,550)	(60,991)	(1,696)	(552,237)
Less post-closure costs	(461,822)	-	-	(461,822)
Less loss on write-down of fixed assets	(34,600)	-	-	(34,600)
Net income per combining statement of revenues, expenses and changes in retained earnings	<u>\$ 2,603,349</u>	<u>41,584</u>	<u>896,403</u>	<u>3,541,336</u>

METROPOLITAN SERVICE DISTRICT

Insurance Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues:			
Interest	\$ 4,500	10,089	5,589
Miscellaneous	<u> -</u>	<u>11,508</u>	<u>11,508</u>
Total revenues	4,500	21,597	17,097
Other financing sources:			
Operating transfers from:			
Zoo Operating Fund	245,961	245,961	-
Solid Waste Operating Fund	58,346	58,346	-
Intergovernmental Resource Center Fund	29,647	29,647	-
Convention Center Management Fund	<u>22,400</u>	<u>22,400</u>	<u> -</u>
Total revenues and other financing sources	360,854	377,951	17,097
Beginning fund balance available for appropriation	<u>16,350</u>	<u>24,203</u>	<u>7,853</u>
	<u>\$ 377,204</u>	<u>402,154</u>	<u>24,950</u>
Expenditures:			
Materials and services	317,204	217,581	99,623
General operating contingency	<u>60,000</u>	<u> -</u>	<u>60,000</u>
Total expenditures	<u>\$ 377,204</u>	<u>217,581</u>	<u>159,623</u>

METROPOLITAN SERVICE DISTRICT

Trust and Agency Funds

Combining Balance Sheet

June 30, 1987

<u>Assets</u>	<u>Agency</u>		<u>Pension Trust Pension Plan</u>	<u>Expendable Trust</u>	<u>Total</u>
	<u>Sewer Assistance</u>	<u>Transportation Technical Assistance</u>		<u>Rehabilitation and Enhancement Fund</u>	
Cash and investments	\$ -	-	2,764,398	708,123	3,472,521
Receivables:					
Federal grants	-	2,808	-	-	2,808
Other	-	-	60,954	-	60,954
	\$ -	2,808	2,825,352	708,123	3,536,283
<u>Liabilities and Fund Balances</u>					
Liabilities:					
Expenditures by subgrantees in excess of advances	-	2,808	-	-	2,808
Pension benefits payable	-	-	2,825,352	-	2,825,352
Total liabilities	-	2,808	2,825,352	-	2,828,160
Fund balance - unreserved	-	-	-	708,123	708,123
	\$ -	2,808	2,825,352	708,123	3,536,283

METROPOLITAN SERVICE DISTRICT

Agency Funds

Combining Statement of Changes
in Assets and Liabilities

For the year ended June 30, 1987

	Balance June 30, <u>1986</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>1987</u>
<u>Sewer Assistance Fund</u>				
<u>Assets</u>				
Cash and investments	\$ 820,720	<u>24,938</u>	<u>845,658</u>	<u>-</u>
	<u>\$ 820,720</u>	<u>24,938</u>	<u>845,658</u>	<u>-</u>
<u>Liabilities</u>				
Due to other agencies	\$ 820,720	<u>24,938</u>	<u>845,658</u>	<u>-</u>
 <u>Transportation Technical Assistance Fund</u>				
<u>Assets</u>				
Cash and investments	-	45,692	45,692	-
Receivables:				
Federal grants	-	48,500	45,692	2,808
State grants	<u>157</u>	<u>-</u>	<u>157</u>	<u>-</u>
	<u>\$ 157</u>	<u>94,192</u>	<u>91,541</u>	<u>2,808</u>
<u>Liabilities</u>				
Expenditures by subgrantees in excess of advances	\$ 157	<u>48,500</u>	<u>45,849</u>	<u>2,808</u>

(Continued)

METROPOLITAN SERVICE DISTRICT

Agency Funds

Combining Statement of Changes
in Assets and Liabilities, Continued

	Balance June 30, <u>1986</u>	<u>Additions</u>	<u>Deductions</u>	Balance June 30, <u>1987</u>
<u>Total Agency Funds</u>				
<u>Assets</u>				
Cash and investments	\$ 820,720	70,630	891,350	-
Receivables:				
Federal grants	-	48,500	45,692	2,808
State grants	<u>157</u>	<u>-</u>	<u>157</u>	<u>-</u>
	<u>\$ 820,877</u>	<u>119,130</u>	<u>937,199</u>	<u>2,808</u>
<u>Liabilities</u>				
Expenditures by subgrantees in excess of advances	157	48,500	45,849	2,808
Due to other agencies	<u>820,720</u>	<u>24,938</u>	<u>845,658</u>	<u>-</u>
	<u>\$ 820,877</u>	<u>73,438</u>	<u>891,507</u>	<u>2,808</u>

METROPOLITAN SERVICE DISTRICT

Sewer Assistance Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues -			
Interest	\$ 25,000	24,938	(62)
Beginning fund balance available for appropriation	<u>831,689</u>	<u>820,720</u>	<u>(10,969)</u>
	\$ <u>856,689</u>	<u>845,658</u>	<u>(11,031)</u>
Expenditures -			
Materials and services	\$ <u>856,689</u>	<u>845,658</u>	<u>11,031</u>

METROPOLITAN SERVICE DISTRICT

Transportation Technical Assistance Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues -			
Federal grants	\$ 48,067	48,500	433
	<u> </u>	<u> </u>	<u> </u>
Expenditures -			
Materials and services	\$ 48,067	48,500	(433)
	<u> </u>	<u> </u>	<u> </u>

METROPOLITAN SERVICE DISTRICT

St. Johns Rehabilitation and Enhancement Fund

Statement of Revenues and Expenditures - Budget and Actual

For the year ended June 30, 1987

	<u>Budget</u>	<u>Actual</u>	<u>Variance favorable (unfavorable)</u>
Revenues -			
Interest	\$ 25,000	31,796	6,796
Other financing sources:			
Operating transfers -			
Solid Waste Operating Fund	<u>332,840</u>	<u>342,559</u>	<u>9,719</u>
Total revenues and other financing sources	357,840	374,355	16,515
Beginning fund balance available for appropriation	<u>320,000</u>	<u>333,768</u>	<u>13,768</u>
	<u>\$ 677,840</u>	<u>708,123</u>	<u>30,283</u>
Expenditures:			
Materials and services	472,185	-	472,185
General operating contingency	<u>160,655</u>	<u>-</u>	<u>160,655</u>
Total expenditures	632,840	-	632,840
Unappropriated ending fund balance	<u>45,000</u>	<u>708,123</u>	<u>663,123</u>
	<u>\$ 677,840</u>	<u>708,123</u>	<u>30,283</u>

Supplementary Data

-
- Schedule of Property Tax Transactions
 - Schedule of Long-term Debt Transactions
 - Schedule of Future Debt Service Requirements
 - Supplementary Grant Schedules

METROPOLITAN SERVICE DISTRICT

Schedule of Property Tax Transactions
and Outstanding Receivable

For the year ended June 30, 1987

<u>Fiscal year</u>	Property taxes receivable June 30, <u>1986</u>	Current levy as extended by <u>assessors</u>
1986-87	\$ -	5,290,223
1985-86	416,080	-
1984-85	210,859	-
1983-84	126,860	-
1982-83	43,840	-
1981-82 and prior	<u>7,629</u>	<u>-</u>
	<u>\$ 805,268</u>	<u>5,290,223</u>

Reconciliation to property tax revenue
per combined financial statements:

Collections above
Property taxes susceptible to accrual
at June 30, 1987
Taxes in lieu of property taxes
Property tax revenue susceptible to
accrual at June 30, 1986

Property tax revenue per combined statement of revenues,
expenditures and changes in fund balances - all
Governmental Fund types and Expendable Trust Fund

Add (deduct)				Property taxes receivable June 30, 1987
<u>Adjustments</u>	<u>Interest</u>	<u>Discounts</u>	<u>Collections</u>	
(11,673)	4,653	(104,762)	(4,805,037)	373,404
(5,109)	18,943	-	(227,182)	202,732
(6,535)	20,584	-	(113,993)	110,915
(5,677)	28,720	-	(112,386)	37,517
(2,258)	15,290	-	(50,483)	6,389
(1,086)	428	-	(2,410)	<u>4,561</u>
<u>(32,338)</u>	<u>88,618</u>	<u>(104,762)</u>	<u>(5,311,491)</u>	<u>735,518</u>
			\$ 5,311,491	
			54,019	
			16,238	
			<u>(73,056)</u>	
			<u>\$ 5,308,692</u>	

METROPOLITAN SERVICE DISTRICT

Schedule of Long-term Debt Transactions
 (Loans from Department of Environmental Quality)

For the year ended June 30, 1987

	<u>Original issue</u>	
	<u>Date</u>	<u>Amount</u>
Loan 115:		
Principal	Apr. 21, 1977	\$ <u>2,150,000</u>
Interest		
Loan 117:		
Principal	Feb. 1, 1980	\$ <u>1,360,870</u>
Interest		
Loan 118:		
Principal	Jun. 1, 1981	2,930,000
Addition	Apr. 1, 1982	400,000
Addition	Aug. 1, 1982	<u>1,157,000</u>
Total		\$ <u>4,487,000</u>
Interest		

Outstanding June 30, <u>1986</u>	<u>1986-1987 transactions</u>		Outstanding June 30, <u>1987</u>
	<u>Matured</u>	<u>Paid</u>	
<u>1,140,000</u>	<u>150,000</u>	<u>150,000</u>	<u>990,000</u>
	\$ <u>47,925</u>	<u>47,925</u>	
<u>416,000</u>	<u>200,000</u>	<u>200,000</u>	<u>216,000</u>
	\$ <u>14,436</u>	<u>14,436</u>	
2,665,000	117,000	117,000	2,548,000
384,000	16,000	16,000	368,000
<u>1,076,000</u>	<u>40,000</u>	<u>40,000</u>	<u>1,036,000</u>
<u>4,125,000</u>	<u>173,000</u>	<u>173,000</u>	<u>3,952,000</u>
	\$ <u>296,075</u>	<u>296,075</u>	

METROPOLITAN SERVICE DISTRICT

Schedule of Future Debt Service Requirements
(Loans from Department of Environmental Quality)

For the year ended June 30, 1987

Fiscal year	Loan 115	
	Principal	Interest
1987-88	\$ 160,000	40,600
1988-89	160,000	33,000
1989-90	160,000	25,400
1990-91	160,000	17,800
1991-92	175,000	10,500
1992-93	175,000	3,500
1993-94	-	-
1994-95	-	-
1995-96	-	-
1996-97	-	-
1997-98	-	-
1998-99	-	-
1999-2000	-	-
2000-2001	-	-
2001-2002	-	-
2002-2003	-	-
	<u>\$ 990,000</u>	<u>130,800</u>

<u>Loan 117</u>		<u>Loan 118</u>		<u>Total requirements</u>	
<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>
216,000	4,968	212,000	282,692	588,000	328,260
-	-	224,000	266,918	384,000	299,918
-	-	225,000	250,677	385,000	276,077
-	-	225,000	235,298	385,000	253,098
-	-	229,000	220,463	404,000	230,963
-	-	264,000	204,092	439,000	207,592
-	-	270,000	185,572	270,000	185,572
-	-	299,000	165,129	299,000	165,129
-	-	299,000	143,208	299,000	143,208
-	-	305,000	120,458	305,000	120,458
-	-	305,000	97,178	305,000	97,178
-	-	316,000	73,160	316,000	73,160
-	-	318,000	48,326	318,000	48,326
-	-	337,000	22,671	337,000	22,671
-	-	112,000	5,048	112,000	5,048
-	-	12,000	312	12,000	312
<u>216,000</u>	<u>4,968</u>	<u>3,952,000</u>	<u>2,321,202</u>	<u>5,158,000</u>	<u>2,456,970</u>

METROPOLITAN SERVICE DISTRICT

Abbreviated Designations for Grantor Agencies

<u>Abbreviated designation</u>	<u>Description</u>
EDD	State of Oregon Economic Development Department
EPA	U. S. Environmental Protection Agency
FHWA	U. S. Federal Highway Administration
IMS	U. S. Department of Education, Institute of Museum Services
LCDC	Oregon Land Conservation and Development Commission
LEAA	Law Enforcement Assistance Administration
ODOT	Oregon Department of Transportation
ODOT/PL	Oregon Department of Transportation - Federal Highway Planning Grant
OLEC	Oregon Law Enforcement Council
UMTA	U. S. Urban Mass Transportation Administration

METROPOLITAN SERVICE DISTRICT

Zoo Fund

Schedule of Revenues and Expenditures by Grant

For the year ended June 30, 1987

	IMS <u>IC-50276-85</u>
Federal funding percentage	<u>22%</u>
Revenues:	
Federal grants	\$ 219
Required match	<u>22,004</u>
Total revenues	<u>\$ 22,223</u>
Expenditures:	
Direct costs:	
Salaries	17,258
Fringe benefits	4,746
Equipment	<u>219</u>
Total direct costs	22,223
Indirect costs*	<u>-</u>
Total expenditures	<u>\$ 22,223</u>

*Indirect costs are not allowed under the grant agreement.

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund

Schedule of Revenues and Expenditures by Grantor

For the year ended June 30, 1987

	<u>UMTA</u>	<u>FHWA/ ODOT</u>	<u>ODOT</u>	<u>LCDC</u>	<u>Total</u>
Revenues earned:					
Federal grants	\$ 434,045	-	-	-	434,045
State and state administered grants	9,122	225,325	138,814	39,981	413,242
Local and local administered grants/match	99,990	-	-	-	99,990
Required match	99,814	-	-	-	99,814
Contracts	-	-	27,110	-	27,110
Total revenues	\$ 642,971	225,325	165,924	39,981	1,074,201
Expenditures:					
Direct costs:					
Salaries	323,172	111,361	44,097	21,001	499,631
Fringe benefits	88,041	30,296	11,909	5,653	135,899
Travel	507	197	-	-	704
Contractual services	308	19	-	-	327
Data processing	24,082	12,021	19,027	-	55,130
Printing	614	240	109	-	963
Equipment	-	-	62,419	-	62,419
Other	639	363	360	-	1,362
Total direct costs	437,363	154,497	137,921	26,654	756,435
Indirect costs*	205,608	70,828	28,003	13,327	317,766
Total expenditures	\$ 642,971	225,325	165,924	39,981	1,074,201

*Indirect costs are not allowed under certain grant agreements.

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund

Schedule of Revenues and Expenditures by Grant

For the year ended June 30, 1987

	<u>UMTA</u> <u>OR-23-9001</u>	<u>UMTA</u> <u>OR-29-9010</u>
Federal funding percentage	<u>85%**</u>	<u>85%</u>
Revenues earned:		
Federal grants	\$ -	11,776
State and state administered grants	-	-
Local and local administered grants/match	6,140	-
Required match	<u>1,083</u>	<u>2,078</u>
Total revenues	<u>\$ 7,223</u>	<u>13,854</u>
Expenditures:		
Direct costs:		
Salaries	3,777	6,884
Fringe benefits	1,038	1,893
Travel	-	-
Contractual services	-	-
Data processing	-	687
Printing	-	-
Other	-	-
Total direct costs	4,815	9,464
Indirect costs	<u>2,408</u>	<u>4,390</u>
Total expenditures	<u>\$ 7,223</u>	<u>13,854</u>

(Continued)

<u>UMTA</u> <u>OR-08-0045</u>	<u>UMTA</u> <u>OR-29-9011</u>	<u>UMTA</u> <u>OR-29-9012</u>	<u>UMTA</u> <u>OR-08-0046</u>	<u>UMTA</u> <u>OR-90-0007</u>	<u>UMTA</u> <u>OR-90-2017</u>	<u>Total</u> <u>UMTA</u>
<u>80%</u>	<u>85%</u>	<u>85%</u>	<u>80%</u>	<u>80%**</u>	<u>80%**</u>	
40,924	118,409	59,903	203,033	-	-	434,045
1,077	(734)	8,779	-	-	-	9,122
2,094	-	1,077	4,047	58,632	28,000	99,990
<u>7,058</u>	<u>21,630</u>	<u>719</u>	<u>46,710</u>	<u>13,536</u>	<u>7,000</u>	<u>99,814</u>
<u>51,153</u>	<u>139,305</u>	<u>70,478</u>	<u>253,790</u>	<u>72,168</u>	<u>35,000</u>	<u>642,971</u>
26,324	69,406	35,611	128,574	35,140	17,456	323,172
7,143	19,087	9,681	35,086	9,312	4,801	88,041
42	-	-	413	-	52	507
8	-	-	33	267	-	308
787	6,566	2,427	7,085	5,223	1,307	24,082
95	-	113	252	-	154	614
20	-	-	517	-	102	639
<u>34,419</u>	<u>95,059</u>	<u>47,832</u>	<u>171,960</u>	<u>49,942</u>	<u>23,872</u>	<u>437,363</u>
<u>16,734</u>	<u>44,246</u>	<u>22,646</u>	<u>81,830</u>	<u>22,226</u>	<u>11,128</u>	<u>205,608</u>
<u>51,153</u>	<u>139,305</u>	<u>70,478</u>	<u>253,790</u>	<u>72,168</u>	<u>35,000</u>	<u>642,971</u>

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund, Continued

Schedule of Revenues and Expenditures by Grant, Continued

	<u>FHWA/ODOT</u> <u>FY 87 PL</u>	<u>ODOT</u> <u>TA</u> <u>Expansion</u>	<u>ODOT</u> <u>Supplement</u>	<u>Total</u> <u>ODOT</u>	<u>LCDC</u> <u>R-00073</u>
Federal funding percentage	<u>85%**</u>	<u>0%</u>	<u>0%</u>		<u>0%</u>
Revenues earned:					
State and state administered grants	\$ 225,325	138,814	-	138,814	39,981
Contracts	-	-	27,110	27,110	-
Total revenues	<u>\$ 225,325</u>	<u>138,814</u>	<u>27,110</u>	<u>165,924</u>	<u>39,981</u>
Expenditures:					
Direct costs:					
Salaries	111,361	31,629	12,468	44,097	21,001
Fringe benefits	30,296	8,480	3,429	11,909	5,653
Travel	197	-	-	-	-
Contractual services	19	-	-	-	-
Data processing	12,021	15,762	3,265	19,027	-
Printing	240	109	-	109	-
Equipment	-	62,419	-	62,419	-
Other	363	360	-	360	-
Total direct costs	154,497	118,759	19,162	137,921	26,654
Indirect costs	<u>70,828</u>	<u>20,055</u>	<u>7,948</u>	<u>28,003</u>	<u>13,327</u>
Total expenditures	<u>\$ 225,325</u>	<u>138,814</u>	<u>27,110</u>	<u>165,924</u>	<u>39,981</u>

**Metro is a subgrantee of the state or local grantee who is receiving funds from the Federal government at the rate indicated.

METROPOLITAN SERVICE DISTRICT

Transportation Technical Assistance Fund

Schedule of Revenues and Expenditures by Grant

For the year ended June 30, 1987

	<u>UMTA</u> <u>OR-29-9010</u> <u>Tri-Met</u>	<u>UMTA</u> <u>OR-29-9010</u> <u>Portland</u>	<u>Total</u> <u>UMTA</u>	<u>FHWA/ODOT</u> <u>NRD-0032</u> <u>Tri-Met</u>	<u>Fund</u> <u>total*</u>
Federal funding percentage	<u>100%</u>	<u>100%</u>		<u>100%</u>	
Revenues earned:					
Federal grants	\$ 40,000	8,500	48,500	-	48,500
State and state administered grants	<u>-</u>	<u>-</u>	<u>-</u>	(157)	(157)
Total revenues	<u>\$ 40,000</u>	<u>8,500</u>	<u>48,500</u>	<u>(157)</u>	<u>48,343</u>
Expenditures by subgrantees	<u>\$ 40,000</u>	<u>8,500</u>	<u>48,500</u>	<u>(157)</u>	<u>48,343</u>

*Reporting in conformity with generally accepted accounting principles does not provide a statement of revenues and expenditures for Agency Funds as part of the combined financial statements.

METROPOLITAN SERVICE DISTRICT

Zoo Fund

Schedule of Revenues and Expenditures by Grant

From inception through June 30, 1987

	IMS <u>IC-50276-85</u>
Grant award date	Sep.19,1985
Grant award total	\$ <u>25,085</u>
Unexpended grant award	\$ <u><u>-</u></u>
Federal funding percentage	<u>22%</u>
Revenues:	
Federal grants	\$ 4,414
Required match	<u>22,004</u>
Total revenues	\$ <u><u>26,418</u></u>
Expenditures:	
Direct costs:	
Salaries and benefits	22,004
Consultants and other	<u>4,414</u>
Total direct costs	26,418
Indirect costs*	<u>-</u>
Total expenditures	\$ <u><u>26,418</u></u>
Funding activity:	
Total expenditures	26,418
Total award and match received to date	<u>26,418</u>
Amount receivable from grantor agency	\$ <u><u>-</u></u>

*Indirect costs are not allowed under the grant agreement.

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund

Schedule of Revenues and Expenditures by Grantor

From inception through June 30, 1987

	<u>UMTA</u>	<u>FHWA/ ODOT</u>	<u>ODOT</u>	<u>LCDC</u>	<u>Total</u>
Grant award total	\$ <u>2,434,173</u>	<u>546,480</u>	<u>287,429</u>	<u>40,000</u>	<u>3,308,082</u>
Unexpended grant award	\$ <u>372,491</u>	<u>74,119</u>	<u>121,505</u>	<u>19</u>	<u>568,134</u>
Revenues:					
Federal grants	1,410,057	-	-	-	1,410,057
State and state administered grants	396,866	463,697	138,814	39,981	1,039,358
Contracts	-	-	27,110	-	27,110
Required match	<u>254,759</u>	<u>8,664</u>	<u>-</u>	<u>-</u>	<u>263,423</u>
Total revenues	\$ <u>2,061,682</u>	<u>472,361</u>	<u>165,924</u>	<u>39,981</u>	<u>2,739,948</u>
Expenditures:					
Direct costs:					
Salaries and fringe benefits	1,269,476	291,852	56,007	26,654	1,643,989
Consultants and other	<u>127,615</u>	<u>37,328</u>	<u>81,914</u>	<u>-</u>	<u>246,857</u>
Total direct costs	1,397,091	329,180	137,921	26,654	1,890,846
Indirect costs	<u>664,591</u>	<u>143,181</u>	<u>28,003</u>	<u>13,327</u>	<u>849,102</u>
Total expenditures	\$ <u>2,061,682</u>	<u>472,361</u>	<u>165,924</u>	<u>39,981</u>	<u>2,739,948</u>
Funding activity:					
Total expenditures	2,061,682	472,361	165,924	39,981	2,739,948
Total award and match received to date	<u>1,976,138</u>	<u>399,449</u>	<u>232,224</u>	<u>40,000</u>	<u>2,647,811</u>
Amount receivable from (advanced by) grantor agencies	\$ <u>85,544</u>	<u>72,912</u>	<u>(66,300)</u>	<u>(19)</u>	<u>92,137</u>

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund

Schedule of Revenues and Expenditures by Grant

From inception through June 30, 1987

	<u>UMTA</u> <u>OR-23-9001</u>	<u>UMTA</u> <u>OR-29-9008</u>	<u>UMTA</u> <u>OR-29-9009</u>	<u>UMTA</u> <u>OR-29-9010</u>
Grant award date	Jul. 1, 1982	Mar. 30, 1983	Jul. 1, 1983	Jun. 8, 1984
Grant award total	\$ <u>235,294</u>	<u>28,500</u>	<u>352,960</u>	<u>447,060</u>
Unexpended grant award	\$ <u>-</u>	<u>50</u>	<u>-</u>	<u>91,249</u>
Federal funding percentage	<u>85%*</u>	<u>85%*</u>	<u>85%</u>	<u>85%</u>
Revenues:				
Federal grants	\$ -	28,450	300,016	302,442
State and state administered grants	199,999	-	1,379	30,650
Required match	<u>35,295</u>	<u>-</u>	<u>51,565</u>	<u>22,719</u>
Total revenues	\$ <u>235,294</u>	<u>28,450</u>	<u>352,960</u>	<u>355,811</u>
Expenditures:				
Direct costs:				
Salaries and fringe benefits	148,557	-	211,121	221,621
Consultants and other	<u>3,853</u>	<u>28,450</u>	<u>29,412</u>	<u>8,996</u>
Total direct costs	152,410	28,450	240,533	230,617
Indirect costs	<u>82,884</u>	<u>-</u>	<u>112,427</u>	<u>125,194</u>
Total expenditures	\$ <u>235,294</u>	<u>28,450</u>	<u>352,960</u>	<u>355,811</u>
Funding activity:				
Total expenditures	235,294	28,450	352,960	355,811
Total award and match received to date	<u>235,290</u>	<u>28,450</u>	<u>352,960</u>	<u>355,811</u>
Amount receivable from grantor agencies	\$ <u>4</u>	<u>-</u>	<u>-</u>	<u>-</u>

(Continued)

<u>UMTA</u> <u>OR-08-0045</u> Jul. 1, 1985	<u>UMTA</u> <u>OR-29-9011</u> Jul. 1, 1985	<u>UMTA</u> <u>OR-90-0007</u> Jan. 2, 1986	<u>UMTA</u> <u>OR-29-9012</u> Jul. 1, 1986	<u>UMTA</u> <u>OR-08-0046</u> Jul. 1, 1986	<u>UMTA</u> <u>OR-90-2017</u> Jan. 2, 1987	<u>Total</u> <u>UMTA</u>
<u>315,375</u>	<u>352,840</u>	<u>106,300</u>	<u>235,294</u>	<u>282,050</u>	<u>78,500</u>	<u>2,434,173</u>
<u>19,281</u>	<u>24,212</u>	<u>1,123</u>	<u>164,816</u>	<u>28,260</u>	<u>43,500</u>	<u>372,491</u>
<u>80%</u>	<u>85%</u>	<u>80%*</u>	<u>85%</u>	<u>80%</u>	<u>80%*</u>	
236,880	279,333	-	59,903	203,033	-	1,410,057
19,695	18,201	85,039	9,856	4,047	28,000	396,866
<u>39,519</u>	<u>31,094</u>	<u>20,138</u>	<u>719</u>	<u>46,710</u>	<u>7,000</u>	<u>254,759</u>
<u>296,094</u>	<u>328,628</u>	<u>105,177</u>	<u>70,478</u>	<u>253,790</u>	<u>35,000</u>	<u>2,061,682</u>
180,598	210,382	65,988	45,292	163,660	22,257	1,269,476
<u>25,198</u>	<u>13,056</u>	<u>6,195</u>	<u>2,540</u>	<u>8,300</u>	<u>1,615</u>	<u>127,615</u>
205,796	223,438	72,183	47,832	171,960	23,872	1,397,091
<u>90,298</u>	<u>105,190</u>	<u>32,994</u>	<u>22,646</u>	<u>81,830</u>	<u>11,128</u>	<u>664,591</u>
<u>296,094</u>	<u>328,628</u>	<u>105,177</u>	<u>70,478</u>	<u>253,790</u>	<u>35,000</u>	<u>2,061,682</u>
296,094	328,628	105,177	70,478	253,790	35,000	2,061,682
<u>289,770</u>	<u>309,352</u>	<u>98,209</u>	<u>60,538</u>	<u>220,268</u>	<u>25,490</u>	<u>1,976,138</u>
<u>6,324</u>	<u>19,276</u>	<u>6,968</u>	<u>9,940</u>	<u>33,522</u>	<u>9,510</u>	<u>85,544</u>

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund

Schedule of Revenues and Expenditures by Grant, Continued

	<u>FHWA/ODOT</u> <u>NRD-0032</u>	<u>FHWA/ODOT</u> <u>PL 1986</u>
Grant award date	Nov. 25, 1981	May 21, 1985
Grant award total	\$ <u>34,652</u>	<u>261,972</u>
Unexpended grant award	\$ <u>-</u>	<u>49,588</u>
Federal funding percentage	<u>75%*</u>	<u>85%*</u>
Revenues:		
State and state administered grants	\$ 25,988	212,384
Contracts	-	-
Required match	<u>8,664</u>	-
Total revenues	\$ <u>34,652</u>	<u>212,384</u>
Expenditures:		
Direct costs:		
Salaries and fringe benefits	22,514	127,681
Consultants and other	<u>730</u>	<u>23,758</u>
Total direct costs	23,244	151,439
Indirect costs	<u>11,408</u>	<u>60,945</u>
Total expenditures	\$ <u>34,652</u>	<u>212,384</u>
Funding activity:		
Total expenditures	34,652	212,384
Total award and match received to date	<u>34,652</u>	<u>213,517</u>
Amount receivable from (advanced by) grantor agencies	\$ <u>-</u>	<u>(1,133)</u>

*Metro is a subgrantee of the state who receives funds from the Federal government at the rate indicated.

<u>FHWA/ODOT</u> <u>PL 1987</u> Jul. 1, 1986	<u>Total</u> <u>FHWA/ODOT</u>	<u>ODOT</u> <u>TA</u> <u>Expansion</u> Dec. 16, 1986	<u>ODOT</u> <u>Supplement</u> Jul. 1, 1986	<u>Total</u> <u>ODOT</u>	<u>LCDC</u> <u>R-00073</u> Jun. 1, 1986
<u>249,856</u>	<u>546,480</u>	<u>222,480</u>	<u>64,949</u>	<u>287,429</u>	<u>40,000</u>
<u>24,531</u>	<u>74,119</u>	<u>83,666</u>	<u>37,839</u>	<u>121,505</u>	<u>19</u>
<u>85%*</u>		<u>0%</u>	<u>0%</u>		<u>0%</u>
225,325	463,697	138,814	-	138,814	39,981
-	-	-	27,110	27,110	-
-	8,664	-	-	-	-
<u>225,325</u>	<u>472,361</u>	<u>138,814</u>	<u>27,110</u>	<u>165,924</u>	<u>39,981</u>
141,657	291,852	40,110	15,897	56,007	26,654
12,840	37,328	78,649	3,265	81,914	-
154,497	329,180	118,759	19,162	137,921	26,654
<u>70,828</u>	<u>143,181</u>	<u>20,055</u>	<u>7,948</u>	<u>28,003</u>	<u>13,327</u>
<u>225,325</u>	<u>472,361</u>	<u>138,814</u>	<u>27,110</u>	<u>165,924</u>	<u>39,981</u>
225,325	472,361	138,814	27,110	165,924	39,981
151,280	399,449	222,480	9,744	232,224	40,000
<u>74,045</u>	<u>72,912</u>	<u>(83,666)</u>	<u>17,366</u>	<u>(66,300)</u>	<u>(19)</u>

METROPOLITAN SERVICE DISTRICT

Transportation Technical Assistance Fund

Schedule of Revenues and Expenditures by Grant

From inception through June 30, 1987

	<u>UMTA</u>	
	<u>OR-29-9008 Tri-Met</u>	<u>OR-29-9008 City of Portland</u>
Grant award date	Mar. 30, 1983	Mar. 30, 1984
Grant award total	\$ <u>133,000</u>	<u>10,000</u>
Unexpended grant award	\$ <u>23,817</u>	<u>1,500</u>
Federal funding percentage*	<u>100%</u>	<u>100%</u>
Revenues:		
Federal grants	\$ 109,183	8,500
State and state administered grants	<u>-</u>	<u>-</u>
Total revenues	<u>\$ 109,183</u>	<u>8,500</u>
Expenditures -		
Expenditures by subgrantees	\$ <u>109,183</u>	<u>8,500</u>
Funding activity:		
Total expenditures	109,183	8,500
Total award and match received to date	<u>109,183</u>	<u>8,500</u>
Amount receivable from grantor agencies	\$ <u>-</u>	<u>-</u>

*Information provided is for grant award only. Matching amounts provided by administering agencies not included.

<u>UMTA (continued)</u>			<u>FHWA/ODOT</u>	
<u>OR-29-9010</u>	<u>OR-29-9010</u>	<u>Total</u>	<u>NRD-0032</u>	<u>Fund</u>
<u>Tri-Met</u>	<u>City of</u>	<u>UMTA</u>	<u>Tri-Met</u>	<u>total</u>
<u>Jul. 1, 1985</u>	<u>Portland</u>		<u>Nov. 25, 1981</u>	
	<u>Jan. 1, 1986</u>			
<u>40,000</u>	<u>8,500</u>	<u>191,500</u>	<u>169,698</u>	<u>361,198</u>
<u>-</u>	<u>-</u>	<u>25,317</u>	<u>50,499</u>	<u>75,816</u>
<u>100%</u>	<u>100%</u>		<u>100%</u>	
40,000	8,500	166,183	-	166,183
-	-	-	119,199	119,199
<u>40,000</u>	<u>8,500</u>	<u>166,183</u>	<u>119,199</u>	<u>285,382</u>
<u>40,000</u>	<u>8,500</u>	<u>166,183</u>	<u>119,199</u>	<u>285,382</u>
40,000	8,500	166,183	119,199	285,382
<u>40,000</u>	<u>5,692</u>	<u>163,375</u>	<u>119,199</u>	<u>282,574</u>
-	<u>2,808</u>	<u>2,808</u>	-	<u>2,808</u>

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund

Schedule of Closed Grant Projects

June 30, 1987

	<u>FHWA/ODOT</u> <u>TOR-1008</u>	<u>FHWA/ODOT</u> <u>PL 1985</u>
Grant award total	\$ <u>154,500</u>	<u>231,917</u>
Lapsed or transferred portion of grant	\$ <u>13,762</u>	<u>-</u>
Revenues:		
Federal grants	-	-
State and state administered grants	140,738	229,013
Required match	-	-
Metro match in excess	<u>-</u>	<u>2,904</u>
Total revenues	\$ <u>140,738</u>	<u>231,917</u>
Expenditures:		
Direct costs:		
Salaries and fringe benefits	40,303	122,345
Consultants and other	<u>78,363</u>	<u>36,250</u>
Total direct costs	118,666	158,595
Indirect costs*	<u>22,072</u>	<u>73,322</u>
Total expenditures	\$ <u>140,738</u>	<u>231,917</u>

*Indirect costs are not allowed under certain grant agreements.

<u>FHWA/ODOT</u> <u>8108 Central</u> <u>Area</u>	<u>UMTA</u> <u>OR-09-0032</u>	<u>UMTA</u> <u>OR-09-0034</u>	<u>UMTA</u> <u>OR-90-0003</u>	<u>UMTA</u> <u>OR-08-0041</u>	<u>UMTA/EPA</u> <u>A-000287-84-0</u>
<u>23,150</u>	<u>285,810</u>	<u>280,000</u>	<u>65,280</u>	<u>305,200</u>	<u>13,900</u>
<u>3,875</u>	<u>-</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	228,622	223,990	-	244,160	10,425
19,275	-	7,000	52,224	19,875	-
-	57,188	48,996	13,056	41,165	3,475
-	153	-	-	4,120	-
<u>19,275</u>	<u>285,963</u>	<u>279,986</u>	<u>65,280</u>	<u>309,320</u>	<u>13,900</u>
18,142	174,016	177,480	-	181,568	8,621
<u>1,133</u>	<u>12,862</u>	<u>7,569</u>	<u>65,280</u>	<u>18,939</u>	<u>112</u>
19,275	186,878	185,049	65,280	200,507	8,733
-	99,085	94,937	-	108,813	5,167
<u>19,275</u>	<u>285,963</u>	<u>279,986</u>	<u>65,280</u>	<u>309,320</u>	<u>13,900</u>

METROPOLITAN SERVICE DISTRICT

Criminal Justice Assistance Fund*

Schedule of Closed Grant Projects

June 30, 1987

	<u>LEAA/OLEC</u> <u>83J2.1</u>
Grant award total	\$ <u>126,699</u>
Lapsed or transferred portion of grant	\$ <u>2,717</u>
Revenues - Federal grants	\$ <u>123,982</u>
Expenditures by subgrantees	\$ <u>123,982</u>

*This fund was closed by Metro as of June 30, 1986.

METROPOLITAN SERVICE DISTRICT

Transportation Technical Assistance Fund

Schedule of Closed Grant Projects

June 30, 1987

	<u>FHWA/ODOT</u> <u>TOR-1008</u> City of <u>Portland</u>
Grant award total	\$ <u>97,120</u>
Lapsed or transferred portion of grant	\$ <u>286</u>
Revenues - State and state administered grants	\$ <u>96,834</u>
Expenditures by subgrantees	\$ <u>96,834</u>

METROPOLITAN SERVICE DISTRICT

Convention, Trade and Spectator Facilities Fund

Schedule of Closed Grant Projects

June 30, 1987

	<u>EDD</u>
Grant award total	\$ <u>50,000</u>
Lapsed or transferred portion of grant	\$ <u>-</u>
Revenues -	
State and state administered grants	\$ <u>50,000</u>
Expenditures:	
Direct costs -	
Consultants and others	50,000
Indirect costs*	<u>-</u>
Total expenditures	\$ <u>50,000</u>

*Indirect costs are not allowed under the grant agreement.

METROPOLITAN SERVICE DISTRICT

Intergovernmental Resource Center Fund

Schedule of Indirect Costs

For the year ended June 30, 1987

Salaries and fringe benefits	\$ 142,138
Travel, meetings and related expenses	429
Supplies	10,694
Contractual services	6,892
Printing	5,063
Telephone	17,319
Fuels	736
Postage	7,239
Equipment rental and maintenance	46,426
Insurance	29,647
Leases	141,741
Other	<u>2,528</u>
Total indirect costs	<u>\$ 410,852</u>

The indirect cost rate for the year ended June 30, 1987 is the ratio of the indirect costs to direct personnel costs:

Indirect costs	<u>\$410,852</u>	= 50%
Direct personnel costs	<u>\$821,730</u>	

*Audit Comments
& Disclosures*

Required by state regulations

AUDIT COMMENTS AND DISCLOSURES
REQUIRED BY STATE REGULATIONS

Oregon Administrative Rules 165-30-100 through 165-30-295 of the Minimum Standards for Audits of Oregon Municipal Corporations, as prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required comments and disclosures related to our examination of such statements and schedules are set forth following.

AUDIT COMMENTS AND DISCLOSURES

Accounting and Internal Control System

As part of our examination of the financial statements for the year ended June 30, 1987, we completed a study and evaluation of the Metropolitan Service District's (Metro) accounting records and system of internal accounting control to the extent we considered necessary to evaluate the system as required by generally accepted auditing standards. The purpose of such a study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on Metro's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the system of internal accounting control taken as a whole.

The management of Metro is responsible for establishing and maintaining a system of internal accounting control. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of control procedures. The objectives of a system are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles.

Because of inherent limitations in any system of internal accounting control, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the system to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the degree of compliance with the procedures may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph of this report section would not necessarily disclose all material weaknesses in the system. Accordingly, we do not express an opinion on the system of internal accounting control of Metro taken as a whole. However, our study and evaluation disclosed no condition that we believed to be a material weakness. For this purpose, a weakness is considered material if it results in more than a relatively low risk that errors or irregularities in amounts that would be material in relation to the combined financial statements of Metro may occur and not be detected within a timely period.

Also in connection with our examination, certain other observations were made concerning the management and financial and accounting controls over the financial activities of Metro. These additional observations do not represent material weaknesses in internal control as defined under generally accepted auditing standards.

Our recommendations regarding these matters will be documented in a letter to the Council for the year ended June 30, 1987.

AUDIT COMMENTS AND DISCLOSURES, CONTINUED

This report is intended solely for the use of management and the State of Oregon, Secretary of State, Division of Audits and should not be used for any other purpose.

Budgeting and Compliance

Metro appears to have complied with the statutory provisions relating to budgeting and adoption of tax levies for fiscal years 1987 and 1988 except for the expenditures in excess of the related appropriation categories for fiscal 1987 presented below:

	<u>Budget</u>	<u>Actual</u>	<u>Variance</u>
Solid Waste Operating Fund - Capital outlay	\$ 98,800	106,103	7,303
Transportation Technical Assistance Fund - Materials and services	<u>48,067</u>	<u>48,500</u>	<u>433</u>

Indebtedness

The District had no bonded indebtedness during the year ended June 30, 1987.

Collateral Securing Depository Balances

ORS Chapter 295 provides that each depository throughout the period of its possession of public fund deposits shall maintain on deposit with its custodians securities having a value of not less than 25 percent of the certificate of participation issued by the pool manager for those funds not covered under the provisions of the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation. Our review of the adequacy of collateral securing amounts deposited indicated that such collateral was adequate throughout the year.

Insurance and Fidelity Bond Coverage

We have reviewed Metro's procedures and policies in regard to their review of insurance and fidelity bond coverages. Our review determined that such procedures appear to be effectively performed and in compliance with legal requirements. We are not competent by professional training to determine the adequacy of Metro's insurance coverage.

AUDIT COMMENTS AND DISCLOSURES, CONTINUED

Programs Funded from Outside Sources

We reviewed and tested, to the extent deemed appropriate, transactions and reports relative to Federal and state grant programs. The audit was conducted in accordance with the provisions of the Office of Management and Budget (OMB) Circular A-128 and the Single Audit Act of 1984 thereto which specifies audit content of audits of Federal grants. Our audit of Metro's grant programs is reported under separate cover. We did not consider, however, that the terms of our audit contract with Metro required us to make complete audits of each project and our audit opinion on Metro's combined financial statements does not cover each individual grant.