600 NE Grand Ave.
Portland, OR 97232-2736
www.oregonmetro.gov

# Metro | Agenda

Meeting: Metro Council Work Session
Date: Tuesday, May 10, 2011
Time: 2 p.m.
Place: Council Chambers

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**CALL TO ORDER AND ROLL CALL**

| | | | |
|---|---|---|---|
| **2 PM** | **1.** | **ADMINISTRATIVE/ COUNCIL AGENDA FOR MAY 12, 2011/ CHIEF OPERATING OFFICER COMMUNICATIONS** | |
| **2:15 PM** | **2.** | **FY 2010 – 2011 QUARTERLY MANAGEMENT REPORT – INFORMATION** | **Cooper**<br>**Stacey** |
| **2:30 PM** | **3.** | **3RD QUARTER FINANCIAL REPORT (UNAUDITED) – INFORMATION** | **Norton** |
| **2:45 PM** | **4.** | **TOBACCO POLICY – INFORMATION / DISCUSSION** | **VonBurg** |
| **3:15 PM** | **5.** | **BREAK** | |
| **3:20 PM** | **6.** | **DISCUSSION OF PROPOSED CLIMATE SMART COMMUNITIES COUNCIL PROJECT – INFORMATION / DISCUSSION** | **Burkholder**<br>**Desmond** |
| **4:05PM** | **7.** | **COUNCIL BRIEFINGS/COMMUNICATION** | |

**ADJOURN**

Agenda Item Number 2.0

# FY 2010 – 2011 QUARTERLY MANAGEMENT REPORT

Metro Council Work Session
Tuesday, May 10, 2011
Metro Council Chambers

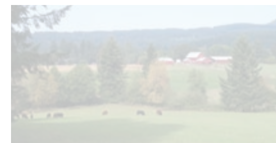
www.oregonmetro.gov











# 2010-11

## THIRD QUARTER MANAGEMENT REPORT
## January through March

Metro | *Making a great place*

# Metro Management Report At-a-Glance
## 3rd Quarter FY 2010-11

### Executive Summary

The third quarter of FY 2010-11 saw many departments gearing up for a busy summer season and others managing large, complex projects. Of particular focus were advances in sustainability efforts in a number of areas.

Transportation system planning staff organized a successful Regional Climate Summit with stakeholders from diverse communities in the region, and Climate Leadership Initiative staff presented a climate change adaptation planning framework to the Metro Policy Advisory Committee. Sustainability Center staff developed state-level legislative strategies for toxic reduction, product stewardship and recycling. Solid waste staff prepared to present policy options to Council to improve sustainability of the region's food system. Implementation of Metro's Sustainability Plan will focus on projects at six Metro sites.

Corridor planning staff's biggest challenge is navigating the controversial Lake Oswego to Portland project; they will work closely with Council to resolve concerns before requesting approval. Metro's transit-oriented development program completed its strategic plan, moved ahead with two development projects and oversaw downtown revitalization efforts for four cities in the region.

Metro regional parks have seen increased attendance compared to this time last year and staff are moving forward with facility improvements, including land use approval for the disc golf course at Blue Lake and a submitted grant application to complete upgrades to the Gleason Boat Ramp. Metro's cemetery program prepared to kick off its business plan and completed a draft agreement with the State Historic Preservation Office for the Lone Fir Cemetery master plan.

The Natural Areas program acquired acreage and trail easements in the Columbia Slough target area and planted 200,000 native plants in 17 target areas. Staff progressed in planning access improvements to natural areas and parks, including the Smith & Bybee Natural Area bridge, the Pier Park/Chimney Park bridge project, a Gabbert Hill interim access plan and the Blue Lake Park Trail. An education plan for Graham Oaks Nature Park is underway with a busy program for the park's first summer season.

The Zoo infrastructure bond program made progress in master planning and Veterinary Medical Center construction. The Metro Council received the Remote Elephant Center business plan and authorized the Metro COO to purchase property for the center. Staff anticipate delays in the Penguin Filtration project timeline and possible repairs to the Water Main Building project. Program staff hosted successful open houses and the Citizens' Oversight Committee released its first report.

The Oregon Zoo has experienced a drop in attendance due to poor weather but anticipates that the returning Dino Exhibit and enhanced summer concert series amenities will recoup visitor numbers. The Oregon Convention began construction on the Hoyt Street Station Café and achieved approval on the Portland Development Commission lease for the Sizzler Block plaza project. The Expo Center successfully opened the West Delta Bar and Grill, and saw improvements in show attendance and diversion rates.

This summary report lists highlights from Metro's budget programs for the third quarter of the fiscal year.

## Goal 1: Great Communities
## Guide growth in a sustainable and compact metropolitan structure.

**Land use planning and development**

- Issued 2010 Functional Plan Compliance Report
- Approval of TOD funding for 85 Causey, an affordable mixed use development near 82nd Avenue in the Clackamas Town Center.
- Approval of Tokola Properties to develop the Hillsboro 4th and Main site in downtown Hillsboro.
- TOD Strategic Plan completed.
- Michele Reeves of Civilis Consultants and Development Center staff are currently working in Tigard, Oregon City, and Gresham on downtown revitalization. The program engages downtown property owners, business owners, city staff, and relevant local organizations. The City of Hillsboro will also commence the program this spring.

## Goal 2: Great Communities
## Provide great cultural and recreational opportunities.

**Parks and Natural Areas Management**

- Blue Lake Disc golf land use approval from city of Fairview acquired in January
- Oxbow and Blue Lake attendance is up 11% this quarter compared to same quarter last year.
- Chinook Marine Park use up 28% this quarter over same quarter last year.
- Annual Pass sales up 17% this quarter compared to same quarter last year.
- Submitted $1.3M grant application to the State Marine Board to complete Phase 4 at Gleason Boat ramp.
- The Cemetery Business Plan procurement has been completed with project kick off scheduled for fourth quarter of FY 2011-12.
- The IGA with the State of Oregon State Historic Preservation Office for the Lone Fir master plan has been drafted and is in legal for review.

**Parks planning and development**

- Smith & Bybee Natural Area Bridge and Feasibility Study presented to Metro Council.
- Project IGA for Pier Park/Chimney Park Bridge Project approved by Metro and City of Portland.
- Public involvement in process for Glendoveer Golf Course; draft business plan submitted.
- Intertwine System Research social and economic impact draft report completed.
- Trail and Active Transportation signage plan scope of work completed.
- Draft Smith & Bybee Natural Resource Management Plan Update completed and available for review.
- Gabbert Hill Interim Access Plan consultant hired and kick-off meeting held.
- Mt. Scott/Scouter Mountain Loop Trail Master Plan consultant selection completed.
- Blue Lake Park Trail Notice to Proceed issued from ODOT.

**Performing arts, arts and culture**

- No funding is currently available for further design of the Schnitzer/Main Street project. A budget request has been submitted to the City of Portland as part of their FY12 budget. Established program priorities established to guide the project budget.
- Researched open captioning program for people with hearing disabilities; will implement next fiscal year with the FY12 Broadway season. American Sign Language option will also continue.
- Completed Economic Impact Report for FY10.
- The PCPA Transient Lodging Tax allocation was reduced at FY 2009-10 year-end. The adjustment reduced PCPA $300 thousand below the original base of $1.2 million. The drop in lodging tax is deep and the current IGA only allows PCPA to increase future tax by CPI-which is running very low. This means PCPA will take much longer to recover from this drop in tax dollars that allow PCPA to provide the deep discounts its resident companies enjoy. PCPA will need to look at long-term answers to this problem.
- Established PCPA reserves policy.

**Zoo Infrastructure Bond (A Better Zoo Program)**

- The Comprehensive Capital Master Plan consultant team held three workshops with zoo staff and stakeholders to develop exhibit concepts and refine campus site organization and circulation. The team made significant progress on exhibit programming and schematic designs for all bond projects; particularly the elephant, polar bear, and Conservation Discovery Zone projects.
- Hosted open house events on March 29 and 31 and April 2. More than 200 individuals attended the events and engaged with Metro Councilors, the design team and staff about the projects.
- Signed contract with an independent cost estimating consultant who has extensive experience estimating zoo exhibit construction costs. This consultant will function as an owner's representative for Comprehensive Capital Master Plan project cost and sequencing issues.
- Moving ahead with the two-part land use strategy to: 1) Amend the existing Conditional Use Master Plan permit for the elephant habitat and related improvements, and 2) apply for a new Conditional Use Master Plan permit for the remaining bond projects and overall master plan. This strategy will allow the elephant exhibit work to progress during the permitting process.
- Program staff presented the Remote Elephant Center business plan to Metro Council on Feb. 1. Metro Council approved Resolution 11-4230 on Feb. 10 authorizing the Metro Chief Operating Officer to exercise one or more options to purchase property for the Remote Elephant Center.
- The Veterinary Medical Center building is taking shape, with completed installation of underground utilities and concrete building footings; 78 concrete tilt walls erected on site and remaining 36 walls to be erected by mid-April. Submittal preparation and review for internal mechanical and electrical systems, surgery suites and animal caging, is well underway.
- The Penguin Filtration Project general contractor completed all necessary building demolition, framed and poured exterior concrete walls, and began installation of life support system piping and mechanical systems. General contractor is behind schedule, with the latest schedule revision showing a completion date of June 30. The original contract completion date was May 4.
- The Water Main Building project was deemed substantially complete on March 24. Operation of the pressure reducing backflow assembly has resulted in a significant amount of moisture in the building due to condensation accumulating on the valves and pipes. The architect and general

contractor are assessing the situation and will be identifying remedies. Remaining project contingency funds are expected to be more than adequate to remedy this issue.
- The Citizens' Oversight Committee issued the first committee report to Metro Council in February. The report was favorable but also cautious in making too many conclusions given the early state of many program activities, particularly master planning and land use.
- A team will assess implementation strategies for Metro's Percent-for-Art capital construction requirement, with report and recommendations to go to the Metro Council for direction.

### Zoo visitor experience

- Zoo attendance year to date is down approximately 8 percent. This is mostly due to above average rainfall with March 2011 officially the fifth wettest March on record.
- The Dino Exhibit on schedule to open again on Memorial Day, 2011.
- Confirmed line-up for the Zoo summer concert series this year. More food options will be available, beverage sales will be available in more than one location and a reservation-only VIP will offer complimentary food service.
- Test pilot for the Zoo's web based mobile service will launched in May.
- In April the Zoo will launch phase I of Event Business Management Software (EBMS), enabling all reservation activity to be stored in one location, ensuring more efficient record keeping and easily accessible data.

## Goal 3: Healthy Environment
## Protect and enhance the region's natural assets.

### Education

- Ran a successful Raptor Road Trip in conjunction with Audubon Society of Portland and Oregon Dept. of Fish and Wildlife. Over 800 participants attended.
- Successfully launched 2011 Nature University volunteer naturalist training course with 27 participants ready to lead school field trips at Oxbow Regional Park and Smith and Bybee Wetlands.
- A new elementary school waste reduction assembly program has made 16 presentations to a total of 3,721 participants, on track to reach fiscal year-end goal of 20 assemblies with a total of 4,000 participants.
- Staff are in the process of creating an interpretation and education plan for Graham Oaks Nature Park. We have a busy schedule of programs planned for the park's first summer season.

### Natural areas

- A 20-acre natural area was purchased in the Columbia Slough target area.
- Five trail easements were acquired in the Columbia Slough target area.
- A total of 200,000 native plants were installed in 17 target areas.
- Completed Oregon Watershed Enhancement Board-supported invasive plant treatments on the Sandy River to improve habitat and water quality in the Sandy River Gorge.
- 91 Springwater Environmental School students planted over 1000 native shrubs and trees at Metro's Clear Creek property to improve habitat and reduce invasive plants at Clear Creek.

- The Nature in Neighborhoods 2011 Restoration and Enhancement grant program received 48 pre-applications, with 13 project/program grants and five planning grants invited to submit full applications. Metro Council approved $150,000 to award this grant cycle.

### Zoo conservation education

- Began work on federal grant funded elephant physiology, behavior and wellbeing research study
- First breeding observed at Oregon spotted frog reintroduction site
- 2,100 zoo-reared checkerspot butterflies released into the wild
- Registration opened for 10th International Conference on Environmental Enrichment

## Goal 4: Healthy Environment
## Reduce and manage waste generated and disposed.

### Resource conservation and recycling

- The Solid Waste Advisory Committee substantially completed its work to develop policy options for Council on improving the sustainability of the regional food system. Staff will provide a summary memorandum to Council in April.
- Developed and implemented strategies for proposed state legislation related to: product stewardship for mercury lights; banning single-use plastic bags; modernizing the Bottle Bill; expanding the list of products covered under the existing product stewardship take-back program for electronics; and banning bisphenol A in certain products for very young children.
- Developed and executed contracts with the Oregon Department of Environmental Quality, Papé Kenworth and multiple solid waste haulers to enable installation of diesel particulate emission reduction devices on garbage and recycling trucks. The project is behind schedule due to a much longer than expected timeframe for completing the intergovernmental agreement with the State.
- Received proposals for installing public electric vehicle charging stations at the Metro Regional Center (MRC), Convention Center (OCC) and Expo Center. Contracting is expected to be completed next quarter with installation to follow.
- The internal sustainability steering committee selected six projects to fund from the current year's sustainability program budget: Keller Auditorium heat recovery system; MRC garage lighting upgrade; Zoo lighting controls and thermostats; Glendoveer well flow meter and variable speed pump; Re-lamping at the Expo Center's Hall D loading dock; OCC recycling cart lifter
- The Climate Leadership Initiative released the final Climate Change Adaptation Planning Framework for the Lower Willamette Region. The report was presented to members of the Metro Policy Advisory Committee. Metro staff is in the process of assessing the Framework and has developed a plan to catalog how Metro is responding to these recommendations.

### Solid waste operations

- The lease for the MetroPaint facility on Swan Island was renewed for an additional four-year term, including reduced rent that will result in an expected savings of more than $126,000.
- Significant progress was made on the development of a procedure to more effectively manage the two transfer station operations contracts. All contract requirements have been identified,

checklists developed to track each requirement by category, and both performance and submittal requirements communicated to both contractors.

- Released a RFP to examine the feasibility of converting gas at the St. Johns landfill to energy
- Phase 2 of the Metro Central Transfer Station stormwater investigation was completed and a comprehensive report submitted to DEQ. Staff and consultant will meet with DEQ to discuss the report and next steps.
- DEQ completed its review of Metro's draft Remedial Investigation Report for St. Johns Landfill and began preparing its formal comments. Staff and consultant will address those comments in preparing a final report, which will provide the basis for evaluating remediation strategies.
- Successfully replaced Scale C at Metro Central last week and have approved the generator contractors submittal for the new generator at Metro South; to be installed mid June.
- Commenced planning for possible implementation of $5 per customer charge at Household Hazardous Waste stations pending Council approval.
- Organics recycling at the Metro Central transfer station is being reexamined to address the City of Portland's plan to initiate curbside organics collection.

**Solid waste compliance and cleanup**

- The RID Patrol (Regional Illegal Dumping) was awarded the Mayor's 2010 Partners in Safety Award (City of Portland) Safety Recognition Day on February 8.
- All facilities were in compliance with Enhanced Dry Waste Recovery Program recovery requirements for the quarter. Metro's independent analysis sampled a total of 16,908 pounds (~8 tons) of mixed dry waste residual, including wood, metal and cardboard.
- Recology is seeking land use approval from the city of Portland to reload food waste at their Suttle Road and Foster Road material recovery facilities. They may also seek Metro approval for this activity once a land use decision is obtained. Metro staff will continue to coordinate with local neighborhood groups, DEQ and local governments as these authorizations are processed.
- Greenway Hearing. Metro's hearings officer ruled that Metro did not meet its burden in proving that certain solid waste must be stored inside a building. The hearings officer dismissed the case and the penalty of $5,750. Council adopted the hearings officer's proposed order as a final order in April. Staff will provide more specificity in the Code/rules/guidance about distinguishing between types of recyclables and solid waste.
- Greenway Contested Case. Greenway has contested another issue regarding its eligibility to claim an exemption from regional system fees and excise taxes. The legal issues will be argued in front of a hearings officer on May 11.

## Goal 5: Vital Economy
## Provide efficient access to jobs, services, centers and industrial areas.

**Corridor planning and development**

- Steering Committee, Citizen Advisory Committee and Project Management Group all recommended Streetcar as the Locally Preferred Alternative (LPA) for Lake Oswego to Portland Transit project (LOPT), and the recommendation was endorsed by the Portland and Lake Oswego City Councils. A number of issues need to be resolved prior to Metro Council approval.
- Finalized the scope and budget, obtained additional funding and commenced consultant selection for the East Metro Connections Plan (EMCP).

- Completed draft existing conditions, literature review, environmental reconnaissance and baseline travel forecasts for East Metro Connections Plan.
- Held kick off meetings for Steering Committee and economic development working groups for East Metro Connections Plan.
- JPACT approved work program for Southwest Corridor.
- The Sunrise Corridor FEIS was published in December 2010 and the first phase (to 122nd Street) is moving into Preliminary Engineering.

**Transportation system planning**

- Completed development of MTIP project selection criteria, as adopted by JPACT and the Council.
- Successfully prepared for the April 1 Regional Climate Summit, an event expected to draw more than 200 stakeholders to test a series of policy alternatives for Climate Smart Communities.
- Developed dedicated funding proposal for ongoing management of the Transportation Systems Management and Operations program for JPACT and Council action in May.

## Goal 6: Vital Economy
## Provide efficient access to jobs, services, centers and industrial areas and support the development of a sustainable economy.

### Convention, trade and consumer shows

OCC

- Construction began on the Metro Cafe project in February and will be completed in May with an opening in June. The addendum to the Aramark Contract was executed in January. The program enables eligible FOTA and MWESB participants interested in careers in the food and beverage industry to work through on-the-job training projects with Aramark. The Metro Cafe will operate out of the Metro Annex building and be funded with the new Aramark Contract capital investment for all improvements to the space. Currently, the project is on schedule, the name of the cafe will be the Hoyt Street Station Cafe.
- OCC has completed work on the lease with PDC for the old Sizzler Block re-development into a public plaza space and was approved by the Commission at the October meeting and executed by Michel Jordan in January. The construction project manager bid out all phases of the work and now has all areas under contract with a tentative work schedule. Construction is slated to begin in April of 2011 with completion in July of 2011.

Expo

- The "West Delta Bar & Grill" project completed on schedule and opened to the public in January.
- The Conditional Use Master Plan update submittal was deemed complete by the City of Portland and the public hearing is scheduled for May.
- Diversion rate improved from 46.1 percent last year to 69.6 percent this year.
- Event attendance improved slightly over the prior year; Consumer/Public shows improved by 11,000 attendees, however, the balance of events decreased by 3,200 attendees.
- 4th Quarter forecast indicates seven fewer events than last year (primarily meetings/miscellaneous events) and approximately 3,000 fewer attendees.

Agenda Item Number 3.0

# 3RD QUARTER FINANCIAL REPORT (UNAUDITED)

Metro Council Work Session
Tuesday, May 10, 2011
Metro Council Chambers

## METRO COUNCIL

**Work Session Worksheet**

Presentation Date: May 10, 2011 Time: 2:30 pm Length: 10 minutes

Presentation Title: 3rd Quarter Financial Report (unaudited)

Service, Office, or Center:
Finance and Regulatory Services

Presenters (include phone number/extension and alternative contact information):
Margo Norton, Director (x1934)

**ISSUE & BACKGROUND**

The third quarter financial report is important for two reasons:

1. How is the current year performing?

    This is the last report prior to year-end.
    Are there any circumstances that require final adjustment to make certain the current year stays within lawful appropriations?

2. Does the projected ending balance (June 30, 2011) support the FY 2011-12 budget plan?

    The ending balance of the current year becomes the beginning balance of the new year.
    Do year-end projections suggest that the budget plan is on track?

The third quarter report will be distributed separately, prior to the work session, and posted on Metro's website.

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __Yes XX No**
**DRAFT IS ATTACHED ___Yes ___No**

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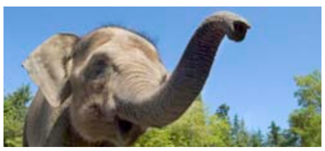






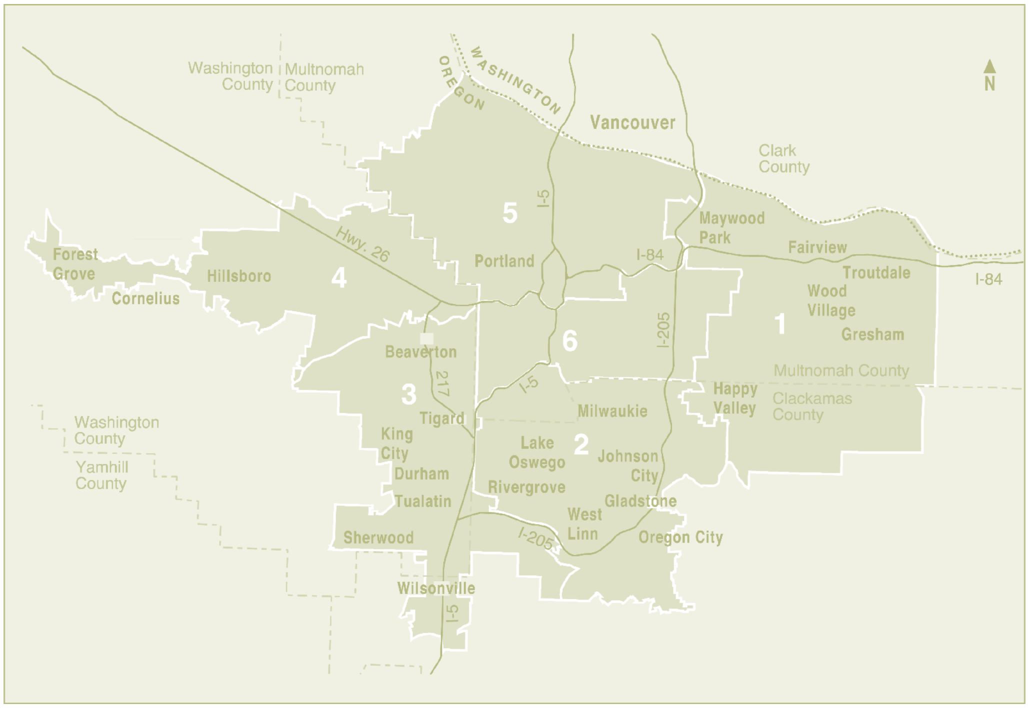





# 2010-11

## THIRD QUARTERLY REPORT
## January through March

Metro | *Making a great place*




## Metro

*Making a great place*

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy.

Your Metro representatives

Council President
**Tom Hughes**
503-797-1889

District 1
**Shirley Craddick**
503-797-1547

District 2
**Carlotta Collette**
503-797-1887

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District 4
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District 6
**Vacant**

Auditor
**Suzanne Flynn, CIA**
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# 2010-11

## THIRD QUARTER REPORT

January through March

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# FY 2010-11 Quarterly Report

# Third Quarter

Metro | *Making a great place*

EXECUTIVE SUMMARY

May 5, 2011

**Dear President Hughes and Members of the Metro Council:**

On behalf of the Finance Team I am today delivering Metro's Third Quarter Financial Report for FY 2010-11. The third quarter is important for two reasons. First, the report helps us identify any circumstances that would require Council action prior to year-end to maintain lawful expenditure authority. All funds are currently anticipated to be within appropriations, with the possible exception of the MERC fund where we are considering a June amendment to provide additional food and beverage appropriations. And secondly, the year-end projections alert us to any concerns about the current year's performance and tell us whether our ending balance, and therefore our estimated new beginning balance, is in alignment with the budget proposal for FY 2011-12. We remain cautious in this area.

**Revenues mirror the rain…**

Third quarter revenues continue to be somewhat disappointing. Enterprise revenues fell again in the third quarter, at the zoo and in the parks' fee areas because of the rainy, rainy spring; and in fees and taxes related to solid waste tonnage. For the zoo our concern has been lightened by the improvement in April and the sunny start to May. Our positive forecast includes the start of an enhanced concert season in June, bolstering current year revenues. For parks, it will be strictly weather dependent. Even with a blockbuster fourth quarter, it is unlikely that parks revenues can overcome three disappointing quarters. Solid waste is harder to anticipate. The first and third quarters were below forecast, although the second quarter was on forecast. Despite increasingly conservative tonnage forecasts, actual tonnage continues to decline further. Rate setting for both fees and taxes takes the current tonnage trend into consideration in establishing the rates for the new year. On a positive note, Construction Excise tax collections for the third quarter, while not fully reflected in this report because of the April tax turnover deadlines, show some modest improvement. We are seeing some slight match of construction and demolition debris at the start of the fourth quarter.

**… and expenditures rise with gas prices**

The zoo continues to be vigilant about expenditures and continues to benefit from utility savings; it appears that expenditure control will fully offset revenue shortfalls. Parks is not faring as well. Unanticipated expenditures arising from the January flooding at Oxbow Park make complete recovery unlikely. Underspending in solid waste programs will offset increased fuel costs which became particularly visible in the third quarter.

The third quarter review allows us to identify any circumstances that would require Council action prior to year-end to maintain lawful expenditure authority. There will be a small number of budget amendments for the current year, mostly housekeeping to correct some transactions before closing the ledgers for the year. We are hopeful that we will need an amendment for the MERC Fund to reflect increased food and beverage activity, the result of recently booked large meetings in June for Nike and Intel. This is the best kind of year-end amendment where increased spending authority is offset by earned revenues.

## Setting up for FY 2011-12

The third quarter also alerts us to any circumstances not addressed in the FY 2011-12 approved budget that would require final amendments in June. Usually this involves final adjustments for projects underway but somehow delayed in the spring. We are scheduled to consider technical amendments on June 14, prior to budget adoption on June 23, 2011. We are also scheduled to address any Council amendments at that time.

An important test for the third quarter analysis is whether the projected ending fund balances are consistent with the budget plan for the upcoming year. Given the current year's continuing soft revenue environment, this is particularly critical for the General Fund. Last year at this time our projected ending balance was a fractional percent below the estimated beginning balance, not alarming but enough to require some fourth quarter correction to assure meeting the beginning balance target. This year we have been conservative in our budget assumptions, including beginning balances. All funds are projected to end with a close but sufficient balance to support the budget plan with the exception of the Risk Management Fund. This fund is fractionally off because of some particularly costly claims in the current year. The budget plan for the Risk Fund continues to meet all actuarial reserve targets, despite the projected balance shortfall.

## Caution IS an active strategy

As the budget message for FY 2011-12 made clear, our intention is to balance and perform the upcoming budget not for a single year, but for the longer term. Venue revenues are showing improvement in both enterprise and tax areas to the pre-recession levels of FY 2008-09, hopefully signaling that continued improvements will put us back on a modest growth curve. Construction excise tax shows some recovery and with it, some very slight uptick in construction and demolition dry waste. The economic engine is lugging, not yet revving, which suggests the need to remain cautious. The proposed budget made a deliberate effort to constrain both the footprint and focus – what and how Metro approaches its highest priority work – and to rein in its labor costs, not for one year but for the longer term. This is also a careful, but active strategy.

Metro remains in a stronger financial position because we have exercised active caution in funding our reserves, protecting our assets and making deliberate choices to invest in high-impact opportunities that produce desired outcomes. We need to continue to exercise this active caution as we make and execute budgetary choices over the next five years.

Sincerely,

Margo Norton

Director of Finance and Regulatory Services

# METRO REVENUES

### Overall Revenues

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| **All Revenue** | | | | | | |
| Program Revenues | 140,292,026 | 92,324,602 | 65.8% | 131,738,479 | 93.9% | 93.0% |
| General Revenues | 77,451,244 | 64,400,542 | 83.1% | 76,829,867 | 99.2% | 98.2% |
| Other Financing Sources | 15,300,000 | 15,001,900 | 98.1% | 15,001,900 | 98.1% | |
| **All Revenue** | **$233,043,270** | **$171,727,044** | **73.7%** | **$223,570,246** | **95.9%** | **94.3%** |

Revenues for Metro, including the Metropolitan Exposition Recreation Commission (MERC), totaled $171.7 million through the third quarter, or 73.7 percent of the annual budget. Revenues at year-end are projected to reach $223.6 million, 95.9 percent of the budgeted $233 million. Total projected enterprise revenues continue to erode, falling an additional $800,000 from the second quarter projection, caused primarily by rainy weather that kept visitors away from the zoo and regional parks facilities and an additional drop in projected tonnage at non-Metro solid waste facilities. Partially offsetting these declines is a jump in projected food and beverage revenues at MERC, led by strong bookings at the Oregon Convention Center. As they did last year, interest and excise tax earnings are trending below budget.

**Year-end revenues mixed**

Program revenues, described by type and department in the section below, generally include enterprise revenues, grants, internal services charges and contributions.

General revenues, detailed on page 8, include property and excise tax revenues, interest earnings and other shared government revenues.

### Program Revenues

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| **Program Revenues** | | | | | | |
| Charges for Services Revenue | 109,181,222 | 75,273,734 | 68.9% | 103,980,674 | 95.2% | 95.6% |
| Internal Charges for Svcs-Rev | 9,470,278 | 6,676,982 | 70.5% | 8,902,500 | 94.0% | 92.5% |
| Licenses and Permits | 406,000 | 278,100 | 68.5% | 382,000 | 94.1% | 96.4% |
| Miscellaneous Revenue | 2,214,169 | 2,440,360 | 110.2% | 2,489,285 | 112.4% | 95.7% |
| Grants | 14,809,693 | 5,872,257 | 39.7% | 10,815,614 | 73.0% | 65.4% |
| Contributions from Governments | 2,547,234 | 28,372 | 1.1% | 2,307,019 | 90.6% | 114.8% |
| Contributions - Private Source | 1,526,600 | 810,762 | 53.1% | 1,797,969 | 117.8% | 122.2% |
| Capital Grants | 136,830 | 944,035 | 689.9% | 1,063,418 | 777.2% | 190.6% |
| **Program Revenues** | **$140,292,026** | **$92,324,602** | **65.8%** | **$131,738,479** | **93.9%** | **93.0%** |

## PROGRAM REVENUE BY OPERATING UNIT

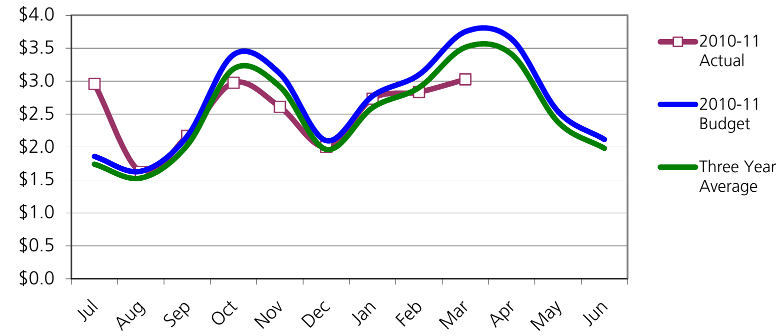
### Finance and Regulatory Services

Contractors' Business License revenue is projected to end the year at $382,000, six percent below budget, and just below the prior year.

**Metropolitan Exposition Recreation Commission**

MERC- Program Revenues by Month

*shown in millions*




**MERC revenues improving each quarter**

MERC operating revenues are expected to end the year over budget and slightly better than last year, based on the schedule of upcoming events. Attendance at individual events has shown improvement over the previous year, and food and beverage spending has rebounded from FY 2009-10 as well.

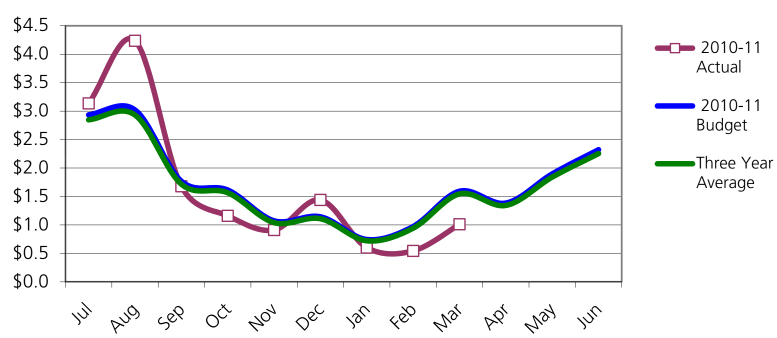
Third quarter revenues again demonstrate the impact of large events at the Oregon Convention Center. Last March (2010), OCC had three large conventions, each with revenues more than $350,000. In March 2011 OCC had four smaller conferences with revenues ranging from $125,000 to $244,000 each. OCC projects a very strong fourth quarter, however, including just booked Nike and Intel events, and expects food and beverage revenues to end the year more than $1 million ahead of budget. MERC may bring an amendment to Council in June to provide the additional appropriation needed for spending associated with that revenue.

The 3rd quarter was very strong for the Expo Center with the largest annual events held January through April; attendance continues to improve each quarter. PCPA operating revenue is flat year to date compared to last year.  However, the Broadway schedule for the fourth quarter is strong, with three weeks of *Billy Elliot* in April and two weeks of *Mary Poppins* in June.

**Oregon Zoo**

Oregon Zoo- Program Revenues by Month

*shown in millions*




**Weather stymies zoo**

Revenues were weaker than anticipated during the 3rd quarter and are anticipated to end the year approximately $400,000 lower than budget. Due to record-breaking rainfall, general admission was down approximately 8 percent. This decrease contributed to lower than anticipated admission revenue (down $160,000); food services (off $260,000) and retail sales (lagging $280,000). Donations and sponsorships have helped to offset the impact of the weather by approximately $300,000, which includes an unanticipated $100,000 sponsorship of our concert series.

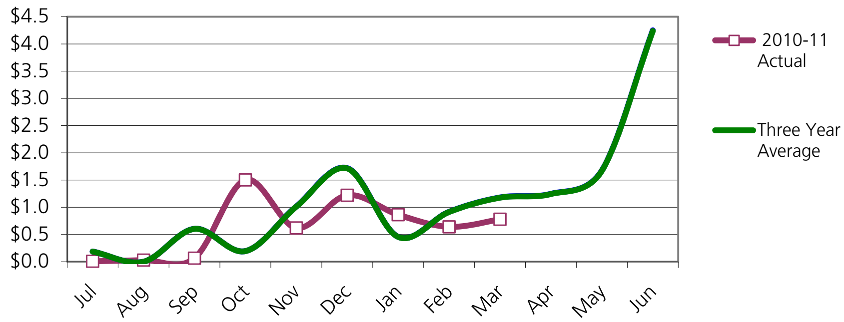
As the weather improves, we expect attendance to increase, improving our outlook for the fiscal year; April is already showing this to be true. On a positive note, the visitors on grounds have increased spending in most areas. Per capita revenues on food are up 9 percent, train sales are up 16.4 percent and facility rentals are up 30.0 percent from the prior year. Total per caps not only are up 14 percent from FY 2009-10, they are 3 percent above strong FY 2008-09 levels. These indicators appear to show continuing improvement in the economy.

The zoo has a robust concert series lined up that includes 17 premium concerts and three Oregon Zoo Foundation concerts beginning in June. The entertainment lineup is stronger and more diverse than in prior years and is anticipated to draw high attendance. In addition to the improvement in revenue due to admissions, food and beverage revenue will improve due to increased variety and improvement in serving locations.

### Planning and Development/Research Center

Planning and Development/Reseach Center- Program Revenues by Month

*shown in millions*




Planning grant revenues are projected to end the year at 92 percent of budget. Expected grant shortfalls total approximately $1.4 million; much of this is in the Corridors program, with both East Metro and Southwest Corridor projects starting more slowly than expected. Similarly, a delay in the Lake Oswego Streetcar Environmental Impact Statement has resulted in lower than expected grant billings.

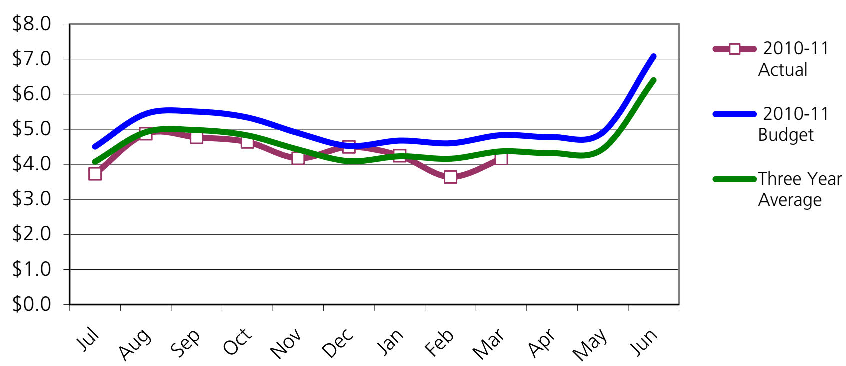
**Project delays**

Because the timing of grant revenues varies significantly and unpredictably from year to year, the "budget" line is not included in the chart above. Each year the August revenues are adjusted in the Planning chart to account for year-end accounting entries.

### Parks and Environmental Services

Parks and Environmental Services- Program Revenues by Month

*shown in millions*




Overall Parks and Environmental Services program revenues are projected to end the year 10.6 percent lower than budgeted levels.

**Property Services:** Parking revenue was affected during the first six months of the fiscal year by the extensive repairs and partial closing of the garage. However, we have seen a noticeable revenue uptick following completion of the repairs that has continued during the third quarter. Parking revenues are still forecasted to end the year 24 percent ($141,000) below budget. In addition, budgeted rental revenues were overstated by $100,000.

**Conditions double parks deficit**

**Parks Operations:** Overall parks revenues are projected to end the year about 11.7 percent ($400,000) lower than budgeted levels. These numbers show a further decline from the second quarter. Prolonged inclement weather conditions continued to affect admission fees and golf fees negatively during the third quarter. In addition, the slow economic recovery has been shrinking registration fees for recreational vehicles. The decrease in revenue is partially offset by higher rental fees and grave sales revenues.

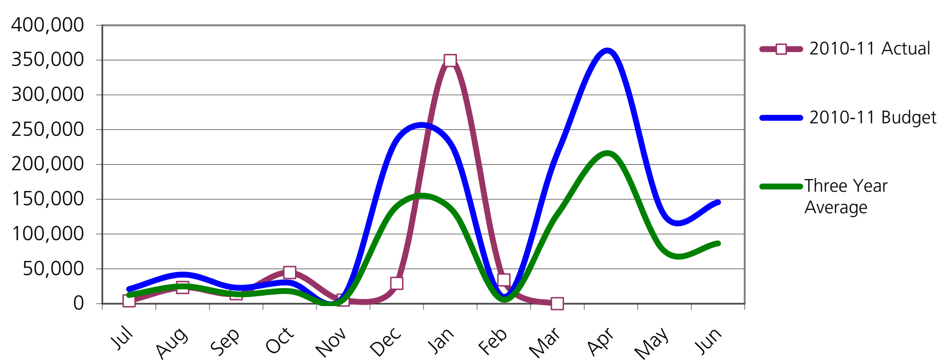
**Solid Waste Operations:** Tonnage at Metro facilities and regional tonnage are projected to be lower than budget by 8.3 percent and 6.5 percent, respectively; this reflects a further decline from the second quarter. The economy continues to swing waste generation: tonnage was nearly at expected levels in the second quarter, but was down significantly from budget in the first and third quarters at both Metro and private facilities. For the year, Metro tonnage is down more than at private facilities. As disposal drops region-wide, private facilities have more room under their tonnage caps and have been diverting waste from Metro facilities. Total year-end program revenue is projected to be 10.2 percent lower than budgeted.

**Tonnage swings downward again**

In addition to the tonnage shortfall, the department will not receive an anticipated grant of $1.0 million from the U.S. Army Corps of Engineers for a St. Johns Landfill restoration project. The Corps, rather than Metro, has been directly responsible for expenses related to this project. The year-end projection includes lower than budgeted revenues for MetroPaint and the new paint stewardship system (PaintCare). In its first year, PaintCare collections have been slower than anticipated.

### Sustainability Center

Sustainability Center- Program Revenues by Month*




*Prior year revenues that make up the Three Year Average exclude a $4.3 million land donation made in June 2009.

Sustainability Center program revenues are projected to end the year 45 percent lower than budget. This represents a slight improvement compared to the second quarter forecast. The increase is due mainly to City of Wilsonville and State of Oregon reimbursements ($346,000) to Metro for regional share expenses associated with Graham Oaks Nature Park, resulting in the peak observed in January.

### General Revenues

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| **General Revenue** | | | | | | |
| Real Property Taxes | 48,483,349 | 46,808,517 | 96.5% | 49,127,000 | 101.3% | 100.1% |
| Excise Taxes | 14,903,937 | 9,800,594 | 65.8% | 13,934,193 | 93.5% | 93.3% |
| Construction Excise Tax | 1,300,000 | 743,901 | 57.2% | 1,450,000 | 111.5% | 100.2% |
| Other Derived Tax Revenues | 23,300 | 19,546 | 83.9% | 25,800 | 110.7% | 114.4% |
| Local Govt Shared Revenues | 11,129,553 | 6,204,468 | 55.7% | 11,208,591 | 100.7% | 101.4% |
| Interest Earnings | 1,611,105 | 823,515 | 51.1% | 1,084,283 | 67.3% | 89.0% |
| **General Revenue** | **$77,451,244** | **$64,400,542** | **83.1%** | **$76,829,867** | **99.2%** | **98.2%** |

**TLT promising**

**Transient Lodging Tax-** Transient Lodging and Rental Car tax receipts are currently $6 million or 19.4 percent greater than the prior year at this time. This percentage is significantly higher than the 8 to 10 percent referred to in regional forecasts. This distortion is due to the timing of payments from the City of Portland, through to Multnomah County and then to Metro; other stakeholders with a more direct transfer path report closer to a 10 percent increase over prior year. The forecast includes a conservative 6 percent increase estimate for the fiscal year.

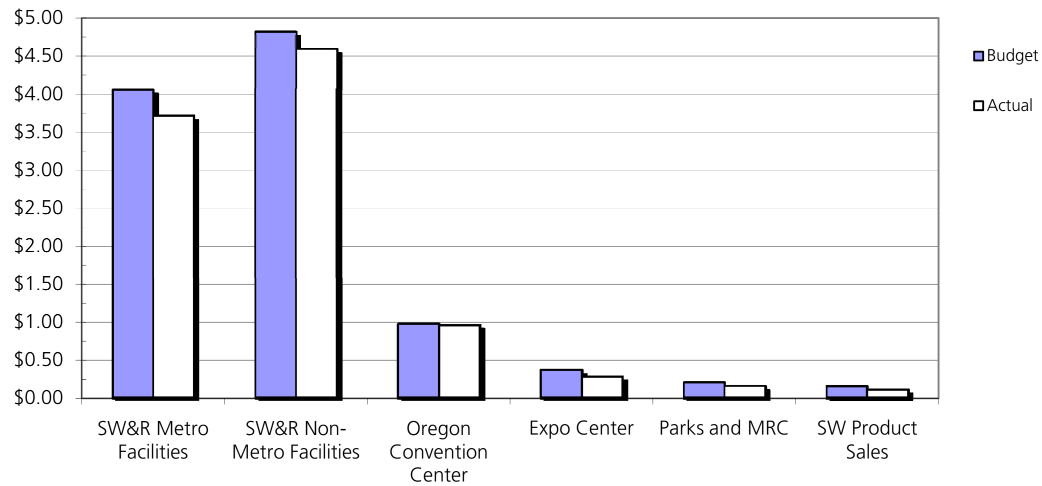
**Construction Excise Tax–** The construction excise tax is now in its fifth year of collection. Third quarter payments are not reflected in their entirety in the table above because mandatory tax turnover does not occur until the month following the end of the quarter. While results reported in April show solid increase in third quarter collections over last year and returning to the FY 2008-09 levels, they remain still short of what they were in the first two "boom" years.

**Interest Earnings–** The average yield on investments through the third quarter was 0.72 percent, below the already low budgeted rate of 1.0 percent, resulting in a projected interest shortfall of more than $500,000.

### Excise Tax

Excise Tax Received Through March 31, 2011, Budget vs. Actual

*shown in millions*




**Excise tax remains off**

**Metro Excise Tax–** Solid waste excise tax collections are projected to end the year 5.9 percent below budget. Solid waste excise tax collections are projected closer to budget than solid waste tonnage, due to an increasing number of self-haul customers with loads below the minimum weight. This results in lower tonnage but higher taxes because of the minimum flat fee. Non-tonnage excise tax remains below budget by nearly 10 percent, an additonal decline from second quarter. A detailed facility report is included in the appendix.

# METRO EXPENDITURES– OPERATING DEPARTMENTS

## Metro Operating Departments (including MERC)

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 61,027,407 | 43,456,115 | 71.2% | 58,726,100 | **96.2%** | **95.5%** |
| Materials and Services | 99,902,191 | 56,524,901 | 56.6% | 87,038,300 | **87.1%** | **77.1%** |
| **Total Operating Expenditures** | **160,929,598** | **99,981,016** | **62.1%** | **145,764,400** | **90.6%** | **83.2%** |
| **Total Capital Outlay** | **58,681,439** | **11,222,513** | **19.1%** | **20,982,300** | **35.8%** | **45.2%** |
| **Total Renewal and Replacement** | **2,388,502** | **1,015,984** | **42.5%** | **1,623,800** | **68.0%** | **73.1%** |
| **Total Expenditures** | **$221,999,539** | **$112,219,513** | **50.5%** | **$168,370,500** | **75.8%** | **71.2%** |

## EXPENDITURES BY DEPARTMENT

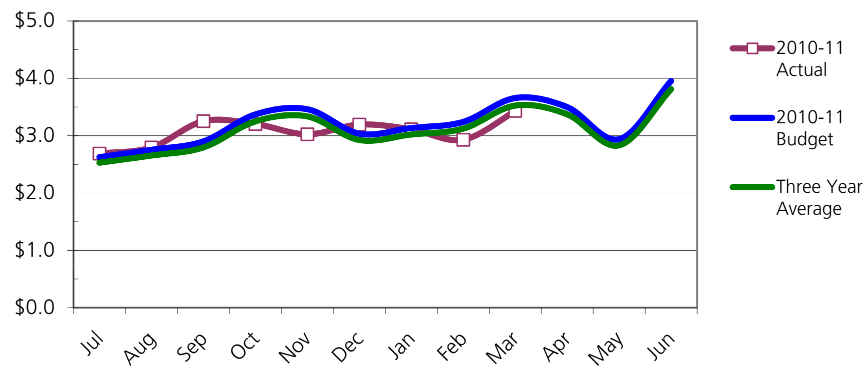
### MERC

| | Budget | YTD Actual | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 17,989,676 | 12,892,496 | 71.7% | 17,105,757 | 95.1% | 93.4% |
| Materials and Services | 20,580,326 | 14,736,407 | 71.6% | 20,726,235 | 100.7% | 99.7% |
| **Total Operating Expenditures** | **38,570,002** | **27,628,903** | **71.6%** | **37,831,992** | **98.1%** | **96.8%** |
| **Total Capital Outlay** | **5,299,105** | **2,362,323** | **44.6%** | **4,390,946** | **82.9%** | **44.3%** |
| **Total Expenditures** | **$43,869,107** | **$29,991,226** | **68.4%** | **$42,222,938** | **96.2%** | **93.4%** |

MERC- Operating Expenditures by Month

*shown in millions*

**More events, more expense**




MERC expenditures relate directly to venue event activity; MERC staff is skilled at managing expenses to revenue. The third quarter reflects the Expo Center's busiest time, including the year's largest events (Pacific Northwest Sportsman Show and Sport Fishing Boat Show, Rose City Classic Dog Show, Portland Home & Garden Show, Portland Boat Show, Portland RV Dealers Spring Show and, for the first year, the Portland Roadster Show).

As noted in the revenue discussion, higher food and beverage revenues and resulting expenditures at OCC may require a budget amendment in June. Otherwise, MERC expenditures are expected to end the year well within budget.

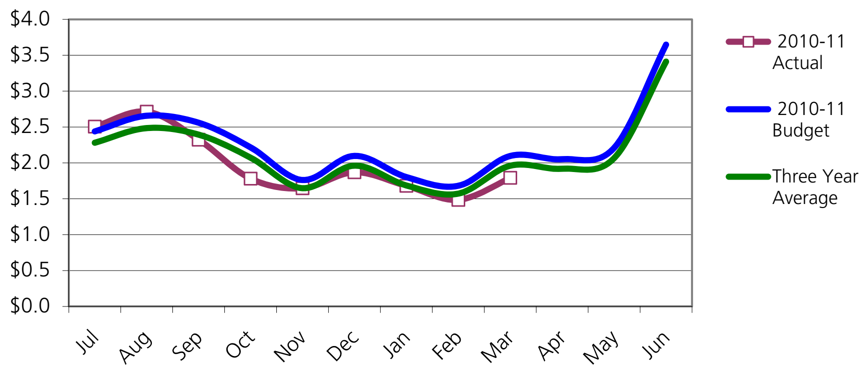
Capital projects have proceeded at all three venues: the Expo center opened the West Delta Bar & Grill in January, PCPA is completing the chiller replacement at Hatfield Hall and beginning the remodel of the concessions at the Keller Auditorium, while OCC is completing the replacement of lighting fixtures and the moveable wall retrofit.

## Oregon Zoo

| | Total Budget | Total Actual TYD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 16,255,128 | 11,438,308 | 70.4% | 15,872,898 | 97.6% | 97.1% |
| Materials and Services | 10,969,053 | 6,362,910 | 58.0% | 10,646,331 | 97.1% | 92.1% |
| **Total Operating Expenditures** | **27,224,181** | **17,801,218** | **65.4%** | **26,519,229** | **97.4%** | **95.1%** |
| **Total Capital Outlay** | **350,000** | **293,041** | **83.7%** | **328,041** | **93.7%** | **68.5%** |
| **Total Renewal and Replacement** | **1,082,142** | **94,078** | **8.7%** | **610,324** | **56.4%** | **93.5%** |
| **Total Expenditures** | **28,656,323** | **18,188,337** | **63.5%** | **$27,457,594** | **95.8%** | **91.1%** |

### Oregon Zoo- Operating Expenditures by Month

*shown in millions*




**Zoo uses expenditure control to balance**

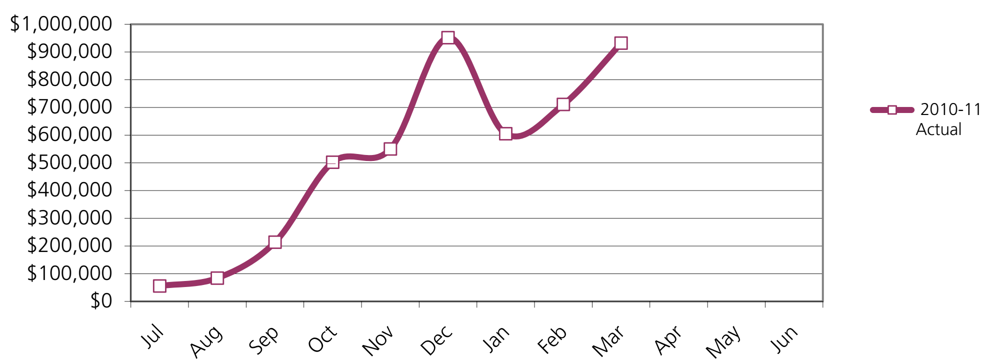
Personal services are forecasted to be $380,000 less than budget due to careful management of seasonal staffing, temporary staffing and overtime to support the lower than anticipated revenue. Materials and services are forecasted to be $300,000 less than budget due to savings in utilities costs and a reduction in food costs corresponding with lower attendance.

The reduction in expenditures will offset the lower than budgeted enterprise revenue.

### Oregon Zoo Infrastructure and Animal Welfare Bond

| | Budget | Actual TYD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 659,562 | 539,692 | 81.8% | 684,692 | 103.8% | |
| Materials and Services | 0 | 22,285 | | 27,285 | | |
| **Total Operating Expenditures** | **659,562** | **561,977** | **85.2%** | **711,977** | **107.9%** | **N/A** |
| **Total Capital Outlay** | **14,696,830** | **4,044,272** | **27.5%** | **8,161,681** | **55.5%** | **N/A** |
| **Total Expenditures** | **$15,356,392** | **$4,606,249** | **30.0%** | **$8,873,658** | **57.8%** | **N/A** |

### **Oregon Zoo Infrastructure and Animal Welfare Bond**- Expenditures by Month




The Comprehensive Capital Master Plan team made significant progress on exhibit programming and schematic designs for all bond projects, particularly the elephant, polar bear and Conservation Discovery Zone projects. The zoo contracted with an independent cost estimating consultant who has extensive experience estimating zoo exhibit construction costs. This consultant will function as an owner's representative for Comprehensive Capital Master Plan project cost and sequencing issues.

**Master Plan to close in on cost, sequencing**

The Veterinary Medical Center building and Penguin Filtration System project are progressing and are on budget. The Water Main Building project was deemed substantially complete on March 24. The architect and general contractor are assessing a moisture situation and will be identifying remedies, but contingency funds are expected to be more than adequate to address the problem. Program staff completed and presented the Remote Elephant Center business plan to the Metro Council in February, resulting in approval of Resolution 11-4230 authorizing the Metro Chief Operating Officer to exercise one or more options to purchase property for the Remote Elephant Center.

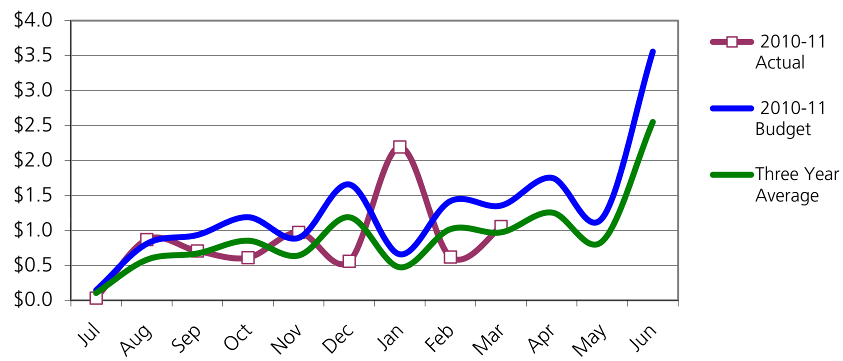
Team was convened to assess alternative procurement strategies for general contractors. The program is exploring contracting models that bring general contractors into a project's design stage to improve overall design; to provide more certainty and speed of completion for project construction; and to reduce the risk of delays, cost overruns, and disputes. The program plans to present the assessment of alternatives and seek Construction Manager/General Contractor delivery authorization for the elephant project.

### Planning and Development

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 6,174,185 | 4,333,888 | 70.2% | 5,800,000 | 93.9% | 74.8% |
| Materials and Services | 9,352,316 | 3,266,178 | 34.9% | 4,698,000 | 50.2% | 41.5% |
| **Total Expenditures** | **$15,526,501** | **$7,600,066** | **48.9%** | **$10,498,000** | **67.6%** | **54.3%** |

### Planning and Development- Operating Expenditures by Month

*shown in millions*




**TOD purchase creates spike**

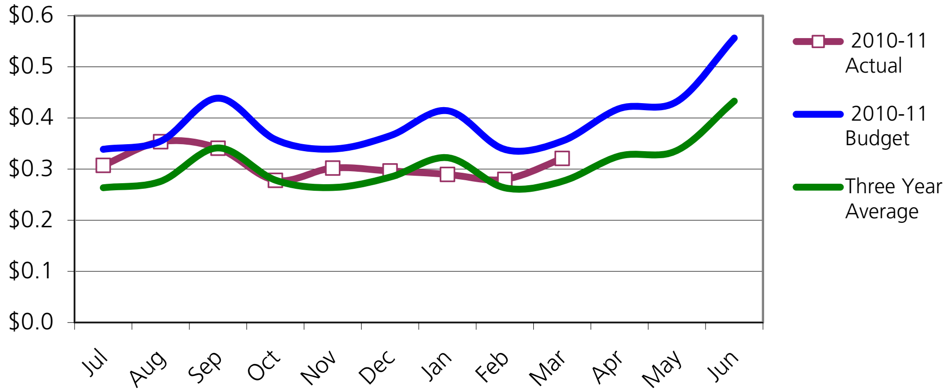
Year-end projections anticipate underspending of $500,000 in contracted services for the Corridors program and underspending of $300,000 for the Lake Oswego Streetcar project, both due to project delays. The peak in spending in January represents Transit Oriented Development (TOD) program purchases. TOD is budgeted so as to allow Metro to take advantage of opportunities such as these as they arise throughout the year. TOD underspending of $3 million is now expected at year end.

## Research Center

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 3,501,866 | 2,472,358 | 70.6% | 3,300,000 | 94.2% | 99.4% |
| Materials and Services | 1,206,173 | 296,803 | 24.6% | 1,003,500 | 83.2% | 100.0% |
| **Total Expenditures** | **$4,708,039** | **$2,769,162** | **58.8%** | **$4,303,500** | **91.4%** | **99.5%** |

Research Center- Operating Expenditures by Month

*shown in millions*




Lower than average personal services spending in the Research Center is a result of vacant positions during the first and second quarters. The Transportation and Modeling Services (TRMS) program is expected to underspend its contracting budget by approximately $192,000, due to a delay in the start of the Household Survey. Funding will be carried forward and the work completed in FY 2011-12.

**Household survey now underway**

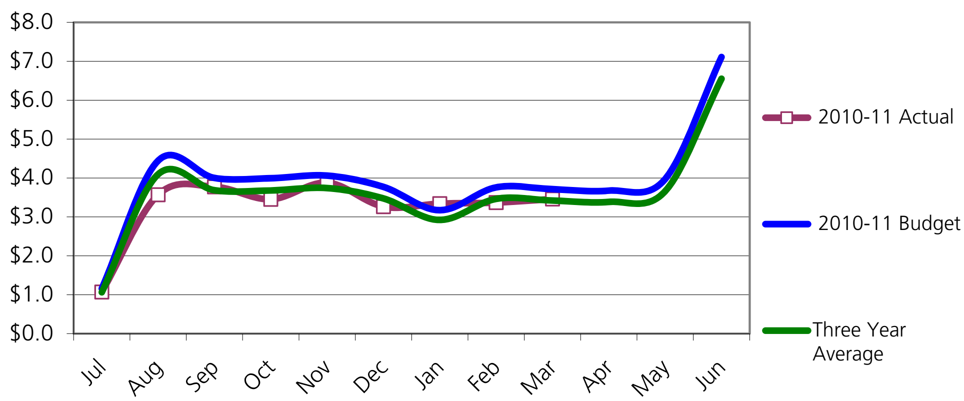
## Parks and Environmental Services

| | Budget | YTD Actuals | YTD % of Budget | Year-End Projection | % of Budget |
|---|---|---|---|---|---|
| **General Fund** | **$6,799,414** | **4,545,020** | **66.8%** | **$6,329,026** | **93.1%** |
| **Solid Waste Revenue Fund** | **$44,319,344** | **24,864,795** | **56.1%** | **$38,689,663** | **87.3%** |
| **General Renewal and Replacement Fund** | **$1,306,360** | **921,906** | **70.6%** | **$1,013,541** | **77.6%** |

| All Funds | Budget | YTD Actuals | YTD % of Budget | Year-End Projection | % of Budget | 3-year Average |
|---|---|---|---|---|---|---|
| Personal Services | 9,401,481 | 6,637,369 | 70.6% | 9,026,732 | 96.0% | 93.5% |
| Materials and Services | 37,420,994 | 22,544,855 | 60.2% | 34,712,674 | 92.8% | 93.6% |
| **Total Operating Expenditures** | **46,822,475** | **29,182,224** | **62.3%** | **43,739,406** | **93.4%** | **93.5%** |
| **Capital Outlay** | **4,510,783** | **310,355** | **6.9%** | **1,493,783** | **33.1%** | **15.1%** |
| **Renewal and Replacement** | **1,306,360** | **921,906** | **70.6%** | **1,013,541** | **77.6%** | **0.0%** |
| **Total Expenditures** | **52,639,618** | **30,414,484** | **57.8%** | **46,246,730** | **87.9%** | **85.2%** |

Parks and Environmental Services- Operating Expenditures by Month

*shown in millions*




Parks and Environmental Services operating expenditures projections have remained almost unchanged from the second quarter.

**Fuel prices reflected in forecast**

**Parks Operations:** Despite January's Sandy River flood and damage to Oxbow Park, which resulted in unanticipated expenses, operating expenditures are projected to end the fiscal year just slightly higher than the second quarter projection. Recognizing parks revenue shortfalls, staff continues to look to reduce expenditures.

**Solid Waste Operations:** Regional solid waste tonnage projections declined to 6.5 percent below budget during the third quarter (from 4.7 percent in the second). The expected shortfall in revenue will not be offset fully by a reduction in expenditures. The reduction in tonnage translates to a 5.3 percent ($1.5 million) decrease in tonnage-related materials and services. The decline is not one-to-one because Metro's operations contracts contain fixed costs that must be paid regardless of tonnage. Transportation costs are also not offset. In addition to the earlier increase in the Oregon weight-mile tax in October, fuel prices have risen significantly this quarter and are contributing to higher than budgeted per ton disposal costs.

PES spent less than 7 percent of its capital budget through the third quarter of FY 2010-11. About 98 percent of the capital budget is related to Solid Waste Operations. Several transfer stations projects and the St. Johns Landfill Remediation project ($1,000,000) have been carried forward to FY 2011-12. In addition, the U.S. Army Corps of Engineers has assumed direct responsibility for expenses related to the St. Johns Landfill Streambank Restoration project ($1.1 million). Actual year-end capital expenditures are expected to be about 67 percent lower than budgeted.

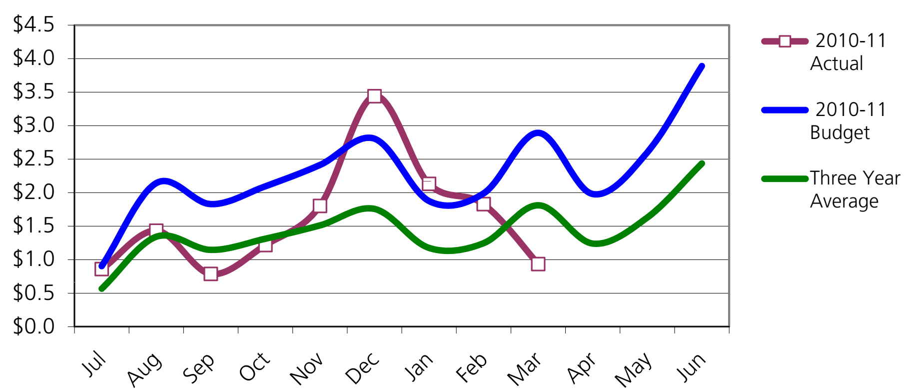
## Sustainability Center

| | Budget | YTD | YTD % of Budget | Year-End Projection | % of Budget |
|---|---|---|---|---|---|
| **General Fund** | **$5,409,248** | **$3,050,512** | **56.4%** | **$4,739,695** | **87.6%** |
| **Solid Waste Revenue Fund** | **$8,099,253** | **$3,467,611** | **42.8%** | **$6,904,692** | **85.3%** |
| **Natural Areas Fund** | **$46,703,288** | **$11,956,181** | **25.6%** | **$16,525,000** | **35.4%** |

| All Funds | Budget | YTD | YTD % of Budget | Year-End Projection | % of Budget | 3-year Average |
|---|---|---|---|---|---|---|
| Personal Services | 7,045,509 | 5,142,003 | 73.0% | 6,939,019 | 98.5% | 94.4% |
| Materials and Services | 20,373,329 | 9,295,456 | 45.6% | 14,984,326 | 73.5% | 58.0% |
| **Total Operating Expenditures** | **27,418,838** | **14,437,460** | **52.7%** | **21,923,345** | **80.0%** | **67.4%** |
| **Capital Outlay** | **33,824,721** | **4,212,523** | **12.5%** | **6,607,890** | **19.5%** | **48.3%** |
| **Total Expenditures** | **61,243,559** | **18,649,982** | **30.5%** | **28,531,235** | **46.6%** | **55.4%** |

Sustainability Center- Operating Expenditures by Month

*shown in millions, excluding capital acquistions*




**Parks Planning and Development:** The funding plan for the Blue Lake Trail and the Tonquin Trail has changed. The Oregon Department of Transportation now will be directly responsible for expenditures on these projects (approximately $1 million), although Metro will manage the projects. In addition, several projects related to The Intertwine will be carried forward to next fiscal year.

**Resource Conservation and Recycling:** Expenditures in this program generally take place from the second to fourth quarter, mainly as waste reduction grants to other governments. The Diesel Retrofit project ($803,000) continues to experience delays, with approximately half of the expenses now expected to occur in the fourth quarter; the remaining expenditures have been carried forward to FY 2011-12. During the third quarter, about $60,000 in sustainability grants was awarded as part of the Metro Sustainability program.

**Heavier spending expected by year end**

**Natural Areas:** Third quarter spending reflects about $800,000 in Local Share payments under the Natural Areas Bond program. The year-end forecast for Local Share has been increased based on the third quarter actual expenditures. The forecast for capital (land acquisition) remains conservative, reflecting the continued economic conditions, historical patterns and expected acquisitions by the end of the fiscal year.

# EXPENDITURES– SUPPORT DEPARTMENTS

## All Support Departments

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 15,951,940 | 11,883,904 | 74.5% | 15,625,000 | 98.0% | 92.9% |
| Materials and Services | 16,027,456 | 9,402,739 | 58.7% | 13,218,500 | 82.5% | 79.3% |
| **Total Operating Expenditures** | **31,979,396** | **21,286,643** | **66.6%** | **28,843,500** | **90.2%** | **86.4%** |
| **Total Capital Outlay** | **893,000** | **78,575** | **8.8%** | **129,000** | **14.4%** | **90.5%** |
| **Total Renewal and Replacement** | **1,031,004** | **308,220** | **29.9%** | **750,000** | **72.7%** | **49.6%** |
| **Total Expenditures** | **$33,903,400** | **$21,673,438** | **63.9%** | **$29,722,500** | **87.7%** | **85.4%** |

Several support services departments are more fully staffed than in recent years, resulting in personal services projections that are higher than the three-year average. Lower than typical spending in capital outlay is due to a delay in the Solid Waste Information System; $575,000 will be carried forward to FY 2011-12.

## Council Office

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 2,812,249 | 2,225,941 | 79.2% | 2,844,000 | 101.1% | 96.7% |
| Materials and Services | 888,875 | 245,094 | 27.6% | 495,000 | 55.7% | 58.8% |
| **Total Expenditures** | **$3,701,124** | **$2,471,035** | **66.8%** | **$3,339,000** | **90.2%** | **92.0%** |

Personal services expenditures include vacation payouts for departing employees and use of temporary employees for Community Investment Initiative support.

## Office of the Auditor

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 632,082 | 434,799 | 68.8% | 602,634 | 95.3% | 89.8% |
| Materials and Services | 39,996 | 19,010 | 47.5% | 29,227 | 73.1% | 91.1% |
| **Total Expenditures** | **$672,078** | **$453,809** | **67.5%** | **$631,861** | **94.0%** | **89.8%** |

## Office of the Metro Attorney

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 1,951,684 | 1,364,356 | 69.9% | 1,794,000 | 91.9% | 94.9% |
| Materials and Services | 62,141 | 32,700 | 52.6% | 51,000 | 82.1% | 101.3% |
| **Total Expenditures** | **$2,013,825** | **$1,397,055** | **69.4%** | **$1,845,000** | **91.6%** | **95.1%** |

## Communications

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 2,220,057 | 1,679,180 | 75.6% | 2,244,000 | 101.1% | 94.8% |
| Materials and Services | 295,739 | 51,300 | 17.3% | 115,000 | 38.9% | 45.9% |
| **Total Expenditures** | **$2,515,796** | **$1,730,480** | **68.8%** | **$2,359,000** | **93.8%** | **87.1%** |

Materials and services spending is projected to be low due to Regional Transportation Options contracts budgeted in Communications but ultimately expended in Planning and Development.

### Finance and Regulatory Services

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 4,523,947 | 3,323,893 | 73.5% | 4,441,500 | 98.2% | 90.4% |
| Materials and Services | 1,419,659 | 453,389 | 31.9% | 1,086,000 | 76.5% | 78.5% |
| **Total Operating Expenditures** | **5,943,606** | **3,777,282** | **63.6%** | **5,527,500** | **93.0%** | **87.5%** |
| **Total Capital Outlay** | **768,000** | **0** | **0.0%** | **4,000** | **0.5%** | |
| **Total Expenditures** | **$6,711,606** | **$3,777,282** | **56.3%** | **$5,531,500** | **82.4%** | **87.5%** |

Capital funding of $575,000 for the Solid Waste Information System will be carried forward to FY 2011-12.

### Human Resources

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 1,505,090 | 1,139,198 | 75.7% | 1,508,000 | 100.2% | 95.8% |
| Materials and Services | 337,798 | 211,718 | 62.7% | 264,500 | 78.3% | 79.2% |
| **Total Expenditures** | **$1,842,888** | **$1,350,917** | **73.3%** | **$1,772,500** | **96.2%** | **92.4%** |

### Information Services

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 2,306,831 | 1,716,537 | 74.4% | 2,191,489 | 95.0% | 89.0% |
| Materials and Services | 751,763 | 469,793 | 62.5% | 601,410 | 80.0% | 79.4% |
| **Total Operating Expenditures** | **3,058,594** | **2,186,329** | **71.5%** | **2,792,899** | **91.3%** | **86.5%** |
| **Total Capital Outlay** | **125,000** | **78,575** | **62.9%** | **125,000** | **100.0%** | **25.5%** |
| **Total Renewal and Replacement** | **1,031,004** | **308,220** | **29.9%** | **750,318** | **72.8%** | **49.6%** |
| **Total Expenditures** | **$4,214,598** | **$2,573,124** | **61.1%** | **$3,668,217** | **87.0%** | **78.0%** |

# EXPENDITURES– NON-DEPARTMENTAL

### Non-departmental

| | Budget | Actual YTD | YTD % of Budget | Year-end Projection | Year-end % of Budget | 3-Year Average |
|---|---|---|---|---|---|---|
| Personal Services | 0 | 0 | 0% | 0 | 0% | 0% |
| Materials and Services | 4,876,637 | 642,838 | 13.2% | 1,734,345 | 35.6% | 51.5% |
| **Total Operating Expenditures** | **4,876,637** | **642,838** | **13.2%** | **1,734,345** | **35.6%** | **51.5%** |
| **Total Debt Service** | **38,855,255** | **20,949,568** | **53.9%** | **38,855,255** | **100.0%** | **100.0%** |
| **Total Expenditures** | **$43,731,892** | **$21,592,406** | **49.4%** | **$40,589,600** | **92.8%** | **94.7%** |

Non-departmental special appropriation expenditures during the third quarter include the following:

- Second half ($6,600) of yearly Lloyd Business Improvement District dues.
- $10,000 in Rail~volution dues.
- $175,600 for construction excise tax concept planning grants to local governments. Payments are made only when recipients meet established milestones.
- $35,500 in Nature in Neighborhoods grant reimbursements.
- $50,000 in payments to counties for November 2010 elections.

Metro

# Appendices

# APPENDIX – All funds, year to year comparison,
## as of March 31, 2011

## FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | 175,322,025 | | 190,632,130 | | 190,632,130 | |
| Program Revenues | 140,292,026 | 28,343,852 | 92,324,602 | 65.8% | 131,738,479 | 93.9% |
| General Revenues | 77,451,244 | 9,349,079 | 64,400,542 | 83.1% | 76,829,867 | 99.2% |
| Interfund Transfers | 22,284,914 | 3,433,927 | 17,740,991 | 79.6% | 21,651,431 | 97.2% |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 15,300,000 | 0 | 15,001,900 | 98.1% | 15,001,900 | 98.1% |
| **Subtotal Current Revenues** | **255,328,184** | **41,126,858** | **189,468,035** | **74.2%** | **245,221,677** | **96.0%** |
| **Total Resources** | **430,650,209** | | **380,100,165** | | **435,853,807** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 198,914,565 | 46,841,072 | 136,646,224 | 68.7% | 176,746,472 | 88.9% |
| Debt Service | 41,954,002 | 8,568,699 | 23,772,499 | 56.7% | 41,954,002 | 100.0% |
| Capital Outlay | 62,409,201 | 4,585,121 | 11,894,026 | 19.1% | 22,710,229 | 36.4% |
| Interfund Transfers | 22,284,914 | 3,433,927 | 17,740,991 | 79.6% | 21,651,431 | 97.2% |
| Contingency | 31,874,091 | | | | | 0.0% |
| **Subtotal Current Expenditures** | **357,436,773** | **63,428,819** | **190,053,741** | **53.2%** | **263,062,134** | **73.6%** |
| **Unappropriated Balance** | **73,213,436** | | **190,046,425** | | **172,791,673** | |
| **Total Requirements** | **430,650,209** | | **380,100,165** | | **$435,853,807** | |

## FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Actuals | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | 202,976,855 | | 214,223,352 | | 214,223,352 | |
| Program Revenues | 140,081,227 | 31,651,534 | 94,038,213 | 67.1% | 132,796,173 | 94.8% |
| General Revenues | 82,372,650 | 9,322,604 | 65,180,908 | 79.1% | 78,914,593 | 95.8% |
| Interfund Transfers | 17,889,562 | 3,975,672 | 12,622,506 | 70.6% | 16,142,392 | 90.2% |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 10,000,000 | 0 | 0 | 0.0% | 50,000 | 0.5% |
| **Subtotal Current Revenues** | **250,343,439** | **44,949,809** | **171,841,628** | **68.6%** | **227,903,158** | **91.0%** |
| **Total Resources** | **453,320,294** | | **386,064,980** | | **442,126,510** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 198,745,111 | 43,103,543 | 131,119,888 | 66.0% | 167,591,556 | 84.3% |
| Debt Service | 45,250,921 | 8,587,886 | 24,200,220 | 53.5% | 45,182,022 | 99.8% |
| Capital Outlay | 73,480,218 | 9,558,277 | 17,435,795 | 23.7% | 22,391,158 | 30.5% |
| Interfund Transfers | 17,889,562 | 3,951,672 | 12,598,506 | 70.4% | 16,329,644 | 91.3% |
| Contingency | 53,165,737 | | | | | |
| **Subtotal Current Expenditures** | **388,531,549** | **65,201,378** | **185,354,409** | **47.7%** | **251,494,380** | **64.7%** |
| **Unappropriated Balance** | **64,788,745** | | **200,710,571** | | **190,632,130** | |
| **Total Requirements** | **453,320,294** | | **386,064,980** | | **442,126,510** | |

Metro

# APPENDIX – Fund Tables, year to year comparison

## General Fund (consolidated), as of March 31, 2011

## FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **26,354,341** | | **30,194,768** | | **30,194,768** | |
| Program Revenues | 39,427,526 | 5,399,380 | 23,448,664 | 59.5% | 36,552,500 | 92.7% |
| General Revenues | 28,304,127 | 4,383,641 | 21,799,203 | 77.0% | 27,545,500 | 97.3% |
| Transfers | 40,770,309 | 5,753,121 | 17,808,147 | 43.7% | 22,424,000 | 55.0% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **108,501,962** | **15,536,143** | **63,056,014** | **58.1%** | **86,522,000** | **79.7%** |
| **Total Resources** | **134,856,303** | | **93,250,782** | | **116,716,768** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 82,037,762 | 16,492,568 | 48,309,066 | 58.9% | 70,265,000 | 85.6% |
| Debt Service | 1,529,472 | 0 | 584,736 | 38.2% | 1,529,472 | 100.0% |
| Capital Outlay | 0 | -31,984 | 12,500 | | 12,500 | |
| Interfund Transfers | 4,313,554 | 708,249 | 3,254,644 | 75.5% | 3,882,199 | 90.0% |
| Intrafund Transfers | 30,342,305 | 3,225,818 | 10,199,700 | 33.6% | 13,654,000 | 45.0% |
| Contingency | 3,441,260 | | | | | |
| **Subtotal Current Expenditures** | **121,664,353** | **20,394,651** | **62,360,646** | **51.3%** | **89,343,171** | **73.4%** |
| **Unappropriated Balance** | **13,191,950** | | **30,890,137** | | **27,373,598** | |
| **Total Requirements** | **134,856,303** | | **93,250,782** | | **$116,716,768** | |

## FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Actuals | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **26,616,367** | | **28,627,795** | | **28,627,795** | |
| Program Revenues | 41,114,826 | 7,127,915 | 23,392,951 | 56.9% | 37,249,695 | 90.6% |
| General Revenues | 27,108,490 | 4,250,878 | 20,876,864 | 77.0% | 26,354,137 | 97.2% |
| Transfers | 40,659,713 | 5,630,594 | 17,296,556 | 42.5% | 22,417,107 | 55.1% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **108,883,029** | **17,009,387** | **61,566,371** | **56.5%** | **86,020,939** | **79.0%** |
| **Total Resources** | **135,499,396** | | **90,194,165** | | **114,648,734** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 82,935,188 | 14,082,999 | 46,165,255 | 55.7% | 65,805,825 | 79.3% |
| Debt Service | 1,472,340 | 0 | 591,170 | 40.2% | 1,472,339 | 100.0% |
| Capital Outlay | 0 | 2,760 | 10,578 | | 40,838 | |
| Interfund Transfers | 4,770,610 | 719,462 | 3,208,385 | 67.3% | 4,027,306 | 84.4% |
| Intrafund Transfers | 30,694,846 | 3,228,561 | 10,207,412 | 33.3% | 13,107,658 | 42.7% |
| Contingency | 3,854,033 | | | | | |
| **Subtotal Current Expenditures** | **123,727,017** | **18,033,782** | **60,182,799** | **48.6%** | **84,453,966** | **68.3%** |
| **Unappropriated Balance** | **11,772,379** | | **30,011,366** | | **30,194,768** | |
| **Total Requirements** | **135,499,396** | | **90,194,165** | | **$114,648,734** | |

# Metro Capital Fund, as of March 31, 2011

## FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **787,638** | | **945,080** | | **945,080** | |
| Program Revenues | 186,330 | 113,805 | 702,958 | 377.3% | 703,000 | 377.3% |
| General Revenues | 3,900 | 2,504 | 5,996 | 153.8% | 8,500 | 217.9% |
| Transfers | 20,000 | 0 | 0 | 0.0% | 20,000 | 100.0% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **210,230** | **116,309** | **708,955** | **337.2%** | **731,500** | **348.0%** |
| **Total Resources** | **997,868** | | **1,654,035** | | **1,676,580** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 0 | 0 | 111 | | 111 | |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 559,500 | 60,399 | 371,616 | 66.4% | 537,500 | 96.1% |
| Interfund Transfers | 0 | 0 | 0 | | 0 | 0.0% |
| Intrafund Transfers | 20,000 | 0 | 0 | 0.0% | 20,000 | 100.0% |
| Contingency | 74,839 | | | | | |
| **Subtotal Current Expenditures** | **654,339** | **60,399** | **371,727** | **56.8%** | **557,611** | **85.2%** |
| **Unappropriated Balance** | **343,529** | | **1,282,308** | | **1,118,969** | |
| **Total Requirements** | **997,868** | | **1,654,035** | | **$1,676,580** | |

## FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Actuals | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **6,406,821** | **0** | **3,315,015** | | **3,315,015** | |
| Program Revenues | 1,253,953 | 278,529 | 1,495,159 | 119.2% | 1,587,799 | 126.6% |
| General Revenues | 76,851 | 7,536 | 15,247 | 19.8% | 20,912 | 27.2% |
| Transfers | 139,000 | 0 | 0 | 0.0% | 139,000 | 100.0% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **1,469,804** | **286,065** | **1,510,406** | **102.8%** | **1,747,711** | **118.9%** |
| **Total Resources** | **7,876,625** | | **4,825,421** | **61.3%** | **5,062,726** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 102,541 | 21,111 | 81,604 | 79.6% | 84,449 | 82.4% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 3,750,303 | 374,878 | 2,721,739 | 72.6% | 3,183,255 | 84.9% |
| Interfund Transfers | 910,663 | 633,366 | 633,366 | 69.5% | 849,942 | 93.3% |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | 2,727,503 | | | | | |
| **Subtotal Current Expenditures** | **7,491,010** | **1,029,355** | **3,436,709** | **45.9%** | **4,117,646** | **55.0%** |
| **Unappropriated Balance** | **385,615** | | **1,388,711** | | **945,080** | |
| **Total Requirements** | **7,876,625** | | **4,825,421** | | **$5,062,726** | |

# MERC Fund, as of March 31, 2011

## FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **24,850,944** | | **27,089,539** | | **27,089,539** | |
| Program Revenues | 32,206,334 | 8,813,866 | 23,173,342 | 72.0% | 32,818,748 | 101.9% |
| General Revenues | 10,794,076 | 2,055,929 | 6,076,453 | 56.3% | 10,801,728 | 100.1% |
| Transfers | 475,000 | 0 | 0 | 0.0% | 475,000 | 100.0% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **43,475,410** | **10,869,795** | **29,249,795** | **67.3%** | **44,095,476** | **101.4%** |
| **Total Resources** | **68,326,354** | | **56,339,334** | | **71,185,015** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 38,570,002 | 9,472,867 | 27,628,903 | 71.6% | 37,831,992 | 98.1% |
| Debt Service | 0 | 0 | 0 | | | |
| Capital Outlay | 5,299,105 | 1,322,193 | 2,362,323 | 44.6% | 4,390,946 | 82.9% |
| Interfund Transfers | 3,681,630 | 581,516 | 2,824,304 | 76.7% | 3,681,630 | 100.0% |
| Intrafund Transfers | 0 | 0 | 0 | | | |
| Contingency | 2,452,773 | | | | | |
| **Subtotal Current Expenditures** | **50,003,510** | **11,376,576** | **32,815,530** | **65.6%** | **45,904,568** | **91.8%** |
| **Unappropriated Balance** | **18,322,844** | | **23,523,804** | | **25,280,447** | |
| **Total Requirements** | **68,326,354** | | **56,339,334** | | **$71,185,015** | |

## FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Actuals | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **26,074,761** | | **26,619,236** | | **26,619,236** | |
| Program Revenues | 32,609,089 | 9,393,400 | 24,759,688 | 75.9% | 33,028,256 | 101.3% |
| General Revenues | 11,517,152 | 1,971,281 | 5,137,153 | 44.6% | 10,067,961 | 87.4% |
| Transfers | 692,490 | 0 | 0 | 0.0% | 187,252 | 27.0% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **44,818,731** | **11,364,681** | **29,896,841** | **66.7%** | **43,283,469** | **96.6%** |
| **Total Resources** | **70,893,492** | | **56,516,077** | | **69,902,705** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 39,862,986 | 9,840,408 | 27,961,559 | 70.1% | 37,687,463 | 94.5% |
| Debt Service | 152,258 | 0 | 139,620 | 91.7% | 136,362 | 89.6% |
| Capital Outlay | 3,421,251 | 323,958 | 985,795 | 28.8% | 1,493,865 | 43.7% |
| Interfund Transfers | 3,704,857 | 576,342 | 2,816,200 | 76.0% | 3,495,476 | 94.3% |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | 8,122,416 | | | | | |
| **Subtotal Current Expenditures** | **55,263,768** | **10,740,708** | **31,903,174** | **57.7%** | **42,813,166** | **77.5%** |
| **Unappropriated Balance** | **15,629,724** | | **24,612,903** | | **27,089,539** | **15,629,724** |
| **Total Requirements** | **70,893,492** | | **56,516,077** | | **$69,902,705** | |

# Natural Areas Fund, as of March 31, 2011

## FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **50,775,000** | | **56,792,607** | | **56,792,607** | |
| Program Revenues | 943,210 | 377,527 | 399,004 | 42.3% | 429,000 | 45.5% |
| General Revenues | 505,750 | 135,439 | 177,472 | 35.1% | 404,000 | 79.9% |
| Transfers | 0 | 0 | 0 | | 0 | |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **1,448,960** | **512,965** | **576,476** | **39.8%** | **833,000** | **57.5%** |
| **Total Resources** | **52,223,960** | | **57,369,083** | | **57,625,607** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 13,500,698 | 2,289,920 | 7,751,548 | 57.4% | 9,925,000 | 73.5% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 33,202,590 | 1,015,049 | 4,204,633 | 12.7% | 6,600,000 | 19.9% |
| Interfund Transfers | 1,502,241 | 388,722 | 1,116,682 | 74.3% | 1,502,241 | 100.0% |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | 3,988,905 | | | | | |
| **Subtotal Current Expenditures** | **52,194,434** | **3,693,691** | **13,072,863** | **25.0%** | **18,027,241** | **34.5%** |
| **Unappropriated Balance** | **29,526** | | **44,296,220** | | **39,598,366** | |
| **Total Requirements** | **52,223,960** | | **57,369,083** | | **$57,625,607** | |

## FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Actuals | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **75,000,000** | | **77,109,207** | | **77,109,207** | |
| Program Revenues | 925,710 | 10,005 | 39,263 | 4.2% | 335,730 | 36.3% |
| General Revenues | 1,875,000 | 255,905 | 522,221 | 27.9% | 940,859 | 50.2% |
| Transfers | 0 | 0 | 0 | | 0 | |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 50,000 | |
| **Subtotal Current Revenues** | **2,800,710** | **265,910** | **561,484** | **20.0%** | **1,326,589** | **47.4%** |
| **Total Resources** | **77,800,710** | | **77,670,691** | | **78,435,796** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 13,447,344 | 1,332,109 | 6,072,499 | 45.2% | 7,178,112 | 53.4% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 45,119,612 | 7,283,139 | 10,461,906 | 23.2% | 13,085,103 | 29.0% |
| Interfund Transfers | 1,472,292 | 256,822 | 799,674 | 54.3% | 1,379,974 | 93.7% |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | 17,642,838 | | | | | |
| **Subtotal Current Expenditures** | **77,682,086** | **8,872,069** | **17,334,080** | **22.3%** | **21,643,188** | **27.9%** |
| **Unappropriated Balance** | **118,624** | | **60,336,612** | | **56,792,607** | |
| **Total Requirements** | **77,800,710** | | **77,670,691** | | **$78,435,796** | |

## Oregon Zoo Infrastructure and Animal Welfare Bond Fund, as of March 31, 2011

# FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **2,121,338** | | **2,806,954** | | **2,806,954** | |
| Program Revenues | 0 | 0 | 0 | | 0 | |
| General Revenues | 21,213 | 14,401 | 40,323 | 190.1% | 57,000 | 268.7% |
| Transfers | 0 | 0 | 0 | | 0 | |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 15,000,000 | 0 | 15,000,000 | 100.0% | 15,000,000 | 100.0% |
| **Subtotal Current Revenues** | **15,021,213** | **14,401** | **15,040,323** | **100.1%** | **15,057,000** | **100.2%** |
| **Total Resources** | **17,142,551** | | **17,847,277** | | **17,863,954** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 659,562 | 193,719 | 561,977 | 85.2% | 712,000 | 108.0% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 14,696,830 | 2,054,237 | 4,044,272 | 27.5% | 8,162,000 | 55.5% |
| Interfund Transfers | 294,915 | 73,545 | 195,205 | 66.2% | 294,915 | 100.0% |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | 1,476,683 | | | | | |
| **Subtotal Current Expenditures** | **17,127,990** | **2,321,501** | **4,801,454** | **28.0%** | **9,168,915** | **53.5%** |
| **Unappropriated Balance** | **14,561** | | **13,045,823** | | **8,695,039** | |
| **Total Requirements** | **17,142,551** | | **17,847,277** | | **$17,863,954** | |

# FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Actuals | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **4,512,846** | | **4,260,056** | | **4,260,056** | |
| Program Revenues | 0 | 0 | 0 | | 0 | |
| General Revenues | 362,821 | 5,312 | 21,367 | 5.9% | 26,398 | 7.3% |
| Transfers | 0 | 0 | 0 | | 0 | |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 10,000,000 | 0 | 0 | 0.0% | 0 | 0.0% |
| **Subtotal Current Revenues** | **10,362,821** | **5,312** | **21,367** | **0.2%** | **26,398** | **0.3%** |
| **Total Resources** | **14,875,667** | | **4,281,424** | | **4,286,455** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 684,142 | 129,585 | 400,519 | 58.5% | 458,143 | 67.0% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 11,350,000 | 99,750 | 690,884 | 6.1% | 1,021,358 | 9.0% |
| Interfund Transfers | 0 | 0 | 0 | | 0 | |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | 2,826,363 | | | | | |
| **Subtotal Current Expenditures** | **14,860,505** | **229,335** | **1,091,403** | **7.3%** | **1,479,501** | **10.0%** |
| **Unappropriated Balance** | **15,162** | | **3,190,020** | | **2,806,954** | |
| **Total Requirements** | **14,875,667** | | **4,281,424** | | **$4,286,455** | |

# General Renewal and Replacement, as of March 31, 2011

## FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **6,876,878** | | **6,591,200** | | **6,591,200** | |
| Program Revenues | 500,000 | 54,617 | 597,283 | 119.5% | 597,283 | 119.5% |
| General Revenues | 58,777 | 12,841 | 33,400 | 56.8% | 45,000 | 76.6% |
| Transfers | 1,282,635 | 316,059 | 948,177 | 73.9% | 1,282,635 | 100.0% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 1,800 | | 1,800 | |
| **Subtotal Current Revenues** | **1,841,412** | **383,517** | **1,580,660** | **85.8%** | **1,926,718** | **104.6%** |
| **Total Resources** | **8,718,290** | | **8,171,859** | | **8,517,918** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 892,231 | 24,127 | 731,808 | 82.0% | 950,000 | 106.5% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 2,527,275 | 144,112 | 592,938 | 23.5% | 1,423,000 | 56.3% |
| Interfund Transfers | 128,000 | 0 | 0 | 0.0% | 128,000 | 100.0% |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | 4,870,784 | | | | | |
| **Subtotal Current Expenditures** | **8,418,290** | **168,239** | **1,324,746** | **15.7%** | **2,501,000** | **29.7%** |
| **Unappropriated Balance** | **300,000** | | **6,847,113** | | **6,016,918** | |
| **Total Requirements** | **8,718,290** | | **8,171,859** | | **$8,517,918** | |

## FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Actuals | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **6,379,524** | | **6,978,925** | | **6,978,925** | |
| Program Revenues | 1,244,500 | 878,276 | 878,276 | 70.6% | 1,221,298 | 98.1% |
| General Revenues | 216,559 | 19,897 | 40,481 | 18.7% | 65,726 | 30.3% |
| Transfers | 2,274,845 | 943,176 | 1,562,796 | 68.7% | 1,989,175 | 87.4% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **3,735,904** | **1,841,349** | **2,481,553** | **66.4%** | **3,276,199** | **87.7%** |
| **Total Resources** | **10,115,428** | | **9,460,478** | | **10,255,124** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 978,363 | 143,655 | 330,081 | 33.7% | 842,370 | 86.1% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 3,764,924 | 1,322,018 | 2,262,149 | 60.1% | 2,821,554 | 74.9% |
| Interfund Transfers | 0 | 0 | 0 | | 0 | |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | 2,370,004 | | | | | |
| **Subtotal Current Expenditures** | **7,113,291** | **1,465,674** | **2,592,230** | **36.4%** | **3,663,924** | **51.5%** |
| **Unappropriated Balance** | **3,002,137** | | **6,868,248** | | **6,591,200** | |
| **Total Requirements** | **10,115,428** | | **9,460,478** | | **$10,255,124** | |

# Risk Management Fund, as of March 31, 2011

## FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % of Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **8,142,227** | | **7,998,239** | | **7,998,239** | |
| Program Revenues | 9,525,278 | 1,994,865 | 7,060,394 | 74.1% | 9,093,000 | 95.5% |
| General Revenues | 25,000 | 6,971 | 23,972 | 95.9% | 32,500 | 130.0% |
| Transfers | 1,186,095 | 202,739 | 983,362 | 82.9% | 1,186,095 | 100.0% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **10,736,373** | **2,204,575** | **8,067,729** | **75.1%** | **10,311,595** | **96.0%** |
| **Total Resources** | **18,878,600** | | **16,065,968** | | **18,309,834** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 12,498,637 | 2,583,001 | 8,119,332 | 65.0% | 10,871,500 | 87.0% |
| Debt Service | 0 | 0 | 0 | | | |
| Capital Outlay | 0 | 0 | 0 | | | |
| Interfund Transfers | 5,225,000 | 0 | 5,225,000 | 100.0% | 5,225,000 | 100.0% |
| Intrafund Transfers | 0 | 0 | 0 | | | |
| Contingency | 528,084 | | | | | |
| **Subtotal Current Expenditures** | **18,251,721** | **2,583,001** | **13,344,332** | **73.1%** | **16,096,500** | **88.2%** |
| **Unappropriated Balance** | **626,879** | | **2,721,636** | | **2,213,334** | |
| **Total Requirements** | **18,878,600** | | **16,065,968** | | **$18,309,834** | |

## FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % of Budget | June 30 Actuals | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **2,756,352** | | **8,301,172** | | **8,301,172** | |
| Program Revenues | 8,631,555 | 1,981,986 | 6,096,648 | 70.6% | 8,383,041 | 97.1% |
| General Revenues | 200,000 | 27,681 | 54,479 | 27.2% | 87,473 | 43.7% |
| Transfers | 1,211,710 | 207,096 | 1,004,623 | 82.9% | 1,161,806 | 95.9% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **10,043,265** | **2,216,763** | **7,155,750** | **71.2%** | **9,632,320** | **95.9%** |
| **Total Resources** | **12,799,617** | | **15,456,922** | | **17,933,492** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 11,434,039 | 2,325,643 | 7,318,859 | 64.0% | 9,935,253 | 86.9% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 0 | 0 | 0 | | 0 | |
| Interfund Transfers | 0 | 0 | 0 | | 0 | |
| Intrafund Transfers | 0 | 0 | 0 | | 0 | |
| Contingency | | | | | | |
| **Subtotal Current Expenditures** | **11,434,039** | **2,325,643** | **7,318,859** | **64.0%** | **9,935,253** | **86.9%** |
| **Unappropriated Balance** | **1,365,578** | | **8,138,063** | | **7,998,239** | |
| **Total Requirements** | **12,799,617** | | **15,456,922** | | **$17,933,492** | |

# Solid Waste Revenue Fund, as of March 31, 2011

## FY 2010-11

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **36,535,502** | | **37,982,915** | | **$ 37,982,915** | |
| Program Revenues | 57,502,348 | 11,589,792 | 36,842,252 | 64.1% | 51,620,008 | 89.8% |
| General Revenues | 357,537 | 80,013 | 198,698 | 55.6% | 345,663 | 96.7% |
| Transfers | 5,446,449 | 0 | 5,225,000 | 95.9% | 5,446,449 | 100.0% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **63,306,334** | **11,669,805** | **42,265,950** | **66.8%** | **57,412,120** | **90.7%** |
| **Total Resources** | **99,841,836** | | **80,248,865** | | **95,395,035** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 50,304,431 | 10,739,028 | 29,446,988 | 58.5% | 46,190,980 | 91.8% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 5,194,283 | 24,115 | 297,855 | 5.7% | 1,584,283 | 30.5% |
| Interfund Transfers | 6,995,233 | 1,681,895 | 5,125,156 | 73.3% | 6,917,446 | 98.9% |
| Contingency | 14,540,763 | | | | | |
| **Subtotal Current Expenditures** | **77,034,710** | **12,445,037** | **34,869,999** | **45.3%** | **54,692,709** | **71.0%** |
| **Unappropriated Balance** | **22,807,126** | | **45,378,866** | | **40,702,326** | |
| **Total Requirements** | **99,841,836** | | **80,248,865** | | **95,395,035** | |

## FY 2009-10

| | Adopted Budget | Actuals 3rd Qtr | YTD Actuals | YTD % Budget | June 30 Projection | % Budget |
|---|---|---|---|---|---|---|
| **Resources** | | | | | | |
| **Beginning Fund Balance** | **35,470,285** | | **38,769,438** | | **38,769,438** | |
| Program Revenues | 53,794,894 | 11,981,423 | 37,376,230 | 69.5% | 50,990,354 | 94.8% |
| General Revenues | 883,119 | 115,547 | 228,691 | 25.9% | 367,099 | 41.6% |
| Transfers | 421,287 | 0 | 0 | 0.0% | 159,802 | 37.9% |
| Employee 401K Contributions | 0 | 0 | 0 | | 0 | |
| Special Items | 0 | 0 | 0 | | 0 | |
| Extraordinary Items | 0 | 0 | 0 | | 0 | |
| Other Financing Sources | 0 | 0 | 0 | | 0 | |
| **Subtotal Current Revenues** | **55,099,300** | **12,096,970** | **37,604,921** | **68.2%** | **51,517,255** | **93.5%** |
| **Total Resources** | **90,569,585** | | **76,374,359** | | **90,286,693** | |
| **Requirements** | | | | | | |
| Operating Expenditures | 48,626,119 | 10,228,294 | 29,162,248 | 60.0% | 45,379,308 | 93.3% |
| Debt Service | 0 | 0 | 0 | | 0 | |
| Capital Outlay | 5,066,583 | 149,886 | 289,417 | 5.7% | 549,264 | 10.8% |
| Interfund Transfers | 17,478,579 | 1,639,913 | 5,015,114 | 28.7% | 6,375,207 | 36.5% |
| Contingency | 11,122,580 | | | | | |
| **Subtotal Current Expenditures** | **82,293,861** | **12,018,093** | **34,466,780** | **41.9%** | **52,303,779** | **63.6%** |
| **Unappropriated Balance** | **8,275,724** | | **41,907,579** | | **37,982,915** | |
| **Total Requirements** | **90,569,585** | | **76,374,359** | | **90,286,693** | |

# APPENDIX – Excise Tax Annual Forecast, as of March 31, 2011

## Total Excise Tax Collections

| Facility/Function | FY 2010-11 Budget | Revised Annual Forecast | Difference | % Difference |
|---|---|---|---|---|
| Oregon Convention Center | 1,313,778 | 1,313,778 | - | 0.00% |
| Expo Center | 441,301 | 335,705 | (105,596) | -23.93% |
| Parks and MRC | 283,048 | 215,064 | (67,984) | -24.02% |
| SW Product Sales | 197,250 | 145,112 | (52,138) | -26.43% |
| Planning Fund | 4,830 | 11,771 | 6,941 | 143.71% |
| **Total** | **2,240,207** | **2,021,430** | **(218,777)** | **-9.77%** |

| | FY 2010-11 Budget | Revised Annual Forecast | Difference | % Difference |
|---|---|---|---|---|
| Solid Waste and Recycling Metro Facilities | 5,428,740 | 4,967,173 | (461,567) | -8.50% |
| Solid Waste and Recycling Non Metro Facilities | 7,234,990 | 6,945,590 | (289,400) | -4.00% |
| **Total Solid Waste Per Ton Excise Tax** | **12,663,730** | **11,912,763** | **(750,967)** | **-5.93%** |
| **Grand Total Excise Tax** | **14,903,937** | **13,934,193** | **(969,744)** | **-6.51%** |

**Assumptions:**

Split between Metro and Non Metro is based upon budgeted tonnage.

Non Metro tonnage includes Environmental Cleanup charge (ECU) of $1 per ton and Outside of Metro Tonnage disposed at Metro sites.

## Recovery Rate Stabilization Reserve Balance

| | | | | |
|---|---|---|---|---|
| **General by Code** | 11,370,000 | 11,370,000 | - | 0.00% |
| **Recovery Rate Stabilization Reserve** | **1,293,730** | 542,763 | (750,967) | -58.05% |

| | |
|---|---|
| Beginning Balance | $ - |
| FY 2010-11 Contribution | $ 323,986 |
| Adjustment for Potential Offsets* | $ (71,000) |
| Projected Balance in RRSR 7-1-2011 | $ 252,986 |

*Offsets include potential refunds to non-Metro facilities.

Metro

Agenda Item Number 4.0

# TOBACCO POLICY

Metro Council Work Session
Tuesday, May 10, 2011
Metro Council Chambers

BEFORE THE METRO COUNCIL

| | | |
|---|---|---|
| FOR THE PURPOSE OF DIRECTING THE COO TO IMPLEMENT A TOBACCO-FREE GROUNDS POLICY | ) ) ) | RESOLUTION NO. 11-XXXX<br><br>Introduced by Councilor Burkholder with the concurrence of Council President Hughes |



WHEREAS, Metro's primary responsibility is "planning and policy making to preserve and enhance the quality of life and the environment for ourselves and future generations"; and

WHEREAS, tobacco-free parks and recreational facilities will further Metro's mission of environmental stewardship and promoting livable, sustainable communities, as they help provide healthy, clean, attractive places for people to be physically active and enjoy the outdoors while upholding environmental values and protecting fish and wildlife; and

WHEREAS, tobacco waste products are the most common item found in litter cleanups and contain numerous pollutants and which present a serious risk to children, fish, wildlife, who may ingest the material, and the health of our watersheds through chemical contamination; and

WHEREAS, adopting a tobacco-free policy exhibits leadership and commitment the regional outcome of clean air and clean water for current and future generations; and

WHEREAS, cigarettes and other smoking materials are the number one cause of fire deaths nationally and present a serious fire risk to forests, parks and natural areas purchased with taxpayer dollars under Metro's stewardship; and

WHEREAS, the Surgeon General has declared that there is no safe level of exposure to secondhand smoke; and

WHEREAS, employees' exposure to secondhand smoke may result in higher worker absenteeism due to respiratory disease, lower productivity, higher cleaning and maintenance costs, increased health insurance rates and increased liability claims for diseases related to exposure; and

WHEREAS, the World Health Organization maintains that tobacco poses a major challenge, not just to health, but also to environmental sustainability.

BE IT RESOLVED that, in order to protect public health and welfare, preserve and protect the region's natural and open spaces and promote sustainable practices, the Metro Council directs the COO to start implementing a tobacco ban at all Metro facilities beginning the summer of 2011.

ADOPTED by the Metro Council this [insert date] day of [insert month], 2011.

Tom Hughes, Council President

Approved as to Form:

Alison Kean Campbell, Acting Metro Attorney

**STAFF REPORT**

IN CONSIDERATION OF RESOLUTION NO. 11-XXXX, FOR THE PURPOSE OF DIRECTING THE COO TO IMPLEMENT A TOBACCO-FREE GROUNDS POLICY

---

Date: May 10, 2011 Prepared by: Dan Cooper

**Promoting Health and Wellness in our Environment and Communities: Metro's Tobacco-free Initiative**

## Background

The Metro Charter defines Metro's primary service as "planning and policy making to preserve and enhance the quality of life and the environment for ourselves and future generations." Therefore, in order to uphold Metro's primary responsibility, Metro staff proposes a policy before Metro Council that limits the use of tobacco on all Metro owned grounds in order to protect the health of our community, preserve environmental quality, and ensure a sustainable future.

Tobacco use poses a threat to the health of our communities. Tobacco smoke contains at least 172 toxic substances, including 3 regulated outdoor air pollutants, 33 hazardous air pollutants, 47 chemicals restricted as hazardous waste, and 67 known human or animal carcinogens.[i] National experts conclude that there is no safe amount of secondhand smoke; breathing even a little can be hazardous.[ii] Second hand smoke is linked to heart disease, lung cancer, stroke, breast cancer, nasal/sinus cancer and chronic lung problems[iii] and poses an even greater risk to children.[iv]

Cigarettes contain numerous pollutants, many of which are regulated under federal law.[v] With twelve million cigarettes being smoked per minute around the world every single day, cigarette butts are a significant source of litter in the world.[vi] This litter does not remain on sidewalks and garbage cans, but instead ends up in soil and waterways where nicotine and other harmful chemicals pose a risk to fish and wildlife.

Smoking results in a significant amount of litter which can be costly – to both the environment and local governments. Approximately 60 to 80 percent of marine garbage comes from sources on land.[vii] Cigarettes and cigarette filters are the largest source of marine garbage in the world and 37.2 percent of marine garbage in North America is smoking-related items.

**Why should Metro adopt a tobacco policy?**
Limiting tobacco use will further Metro's mission of environmental stewardship and promote sustainability. Limiting tobacco in public spaces is a natural step forward, as it helps provide healthy, clean, attractive places for people to be physically active and enjoy the outdoors while upholding environmental values and protecting fish and wildlife. Limiting tobacco use will help provide safe spaces for kids to play and learn. Parks with tobacco policies will enable families to keep their children away from the harmful effects of secondhand smoke, which can lead to major improvements in childhood asthma and potentially save lives, while providing a clean and safe environment for children to experience natural wonders.

Limiting tobacco use at Metro's entrepreneurial facilities fits with our continued goal of creating green, sustainable and healthy communities and positions the greater Portland area as an attractive place to hold conventions, expositions and other events at a time when more and more facilities around the nation are going smoke-free.

**Some other local agencies that support tobacco-free grounds**
- Beginning in fall 2012 the University of Oregon campuses will all be tobacco-free
- Mt Hood Community College adopted a tobacco-free ban
- Oregon Coast Community College adopted a tobacco-free ban
- Tillamook Bay Community College adopted a tobacco-free ban
- Portland Community College adopted a tobacco ban (with designated smoking areas) at all three of its campuses.
- The City of Hillsboro adopted a tobacco ban at its parks and recreations facilities.
- The City of Portland prohibited smoking within 25 feet of play areas or play structures at their parks, and adopted smoking bans at Director Park and Pioneer Courthouse Square.
- Oregon Health and Sciences University and Portland Community College adopted smoking bans at their campuses. Oregon State is considering a similar ban.
- Legacy Health Systems, Kaiser Permanente, Providence Health Systems and Boeing all have tobacco-free properties.
- TriMet adopted a smoking ban at its bus shelters, WES/MAX stations and transit centers.
- The municipalities of Ashland, Corvallis, Happy Valley, Newport, Sherwood and Wasco County adopted smoking bans at their parks.

**National municipalities that support limiting tobacco use**
In the United States 470 municipalities in 42 states limit smoking in parks.[viii] This includes bans in San Francisco, California; Des Moines, Iowa; Cambridge, Massachusetts; Portland, Maine; Albuquerque, New Mexico; Salt Lake City, Utah; New York State, New Jersey and Connecticut.

**Suggested timeline for implementation**

A phased implementation plan allows Metro to introduce an agency-wide tobacco policy via resolution and provide time for managers to develop worksite-specific solutions to potential enforcement issues. The recommended timeline sorts worksites into four implementation phases. Criteria for the implementation phases are the existing policies and the level of public interaction of each facility.

**Phase 1 summer 2011:**

The sites listed below will be included in the first phase of implementation and will be completely tobacco free with the exception of Blue Lake and Oxbow which will start a phased approach to limiting tobacco use.

- Metro Regional Center
- Mt. Talbert, Graham Oaks, and Cooper Mtn. Natural Areas
- Metro Central and Metro South transfer and Household Hazardous Waste stations
- St. Johns landfill
- MetroPaint facility
- Natural areas
- Blue Lake & Oxbow park*
  * Both parks will start an educational campaign informing public about upcoming tobacco policy. Tobacco restrictions for both parks will start in the summer of 2012

**Phase 2 Fall 2011:**

- Portland Expo Center
- Oregon Convention Center
- PCPA facilities
- Pioneer cemeteries

**Phase 3: Winter 2011**

- Glendoveer Golf Course (to coincide with new contract)
- Metro-owned boat ramps and Marine Facilities
- Open Space Properties and Facilities

**Phase 4: Summer 2012**

- Oregon Zoo
- Blue Lake & Oxbow Park
  - No tobacco product use inside any enclosed structure
  - No tobacco products within 25' of play areas, picnic sites, water play areas, established sports fields, wetland areas, gardens, monument, fishing dock, trails within the park

**Enforcement**

Recognizing the unique circumstances in the agency's broad portfolio of venues and employment areas, Metro staff acknowledges that enforcement will be challenging. As

Metro can only exercise limited enforcement, the key to successful implementation will rest on educational and outreach efforts. Managers will have flexibility in their process for implementation, but will ultimately be responsible for ensuring compliance with the policy prescribed in the resolution.

### Costs

Costs for implementing this policy include three main components; staff time, signage, and cessation programs. An initial estimate of implementing the policy is approximately $54,000. This figure does not reflect the significant amount of time, both during and after the implementation of this policy that will be dedicated to education and enforcement.

## ANALYSIS/INFORMATION

1. **Known Opposition:** No known opposition to the proposed legislation

2. **Legal Antecedents:** Oregon Senate Bill 571 prohibits smoking in all public places and places of employment, including bars and restaurants or carry any lighted smoking instrument within 10 feet of the following parts of public places or places of employment:
   (a) Entrances;
   (b) Exits;
   (c) Windows that open; and
   (d) Ventilation intakes that serve an enclosed area.

3. **Anticipated Effects:** This resolution will restrict tobacco use in all public areas owned and operated by Metro.

4. **Budget Impacts:** It is estimated that approximately $54,000 will be spent over the next two years to implement this legislation

## RECOMMENDED ACTION

The Acting Chief Operating Officer request that the Council adopts resolution XXX to start implementing a tobacco ban at all Metro facilities beginning the summer of 2011.

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[i] James L. Repace, exposure analysis 203 (Wayne r. Ott et al. eds., 2006).
[ii] *The Health Consequences of Involuntary Exposure to Tobacco Smoke: A Report of the Surgeon General* (U.S. Department of Health and Human Services, 2006) 2.
[iii] *Health Consequences,* 2.
[iv] *Health Consequences*, 7.
[v] James L. Repace, “Exposure Analysis,” *Exposure to Secondhand Smoke*, eds. Ott, Steinemann, and Wallace (Boca Raton, FL: CRC-Press, 2007) Ch. 9.
[vi] Kathleen M. Register, “Cigarette Butts as Litter: Toxic as Well as Ugly,” *American Littoral Society*, Vol. 25, No. 2, August 2000.
[vii] Ocean Conservancy, Trash Travels 17 (2010).
[viii] Alabama, Arkansas, Arizona, California, Colorado, Connecticut, Delaware, Florida, Georgia, Hawaii, Iowa, Idaho, Illinois, Indiana, Kansas, Louisiana, Massachusetts, Maine, Michigan, Minnesota, , Mississippi, Missouri, Montana, North Carolina, Nebraska, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South

Carolina, Tennessee, Texas, Utah, Washington, Wisconsin, West Virginia, Wyoming. Am. Nonsmokers' Rights Found., Municipalities with Smokefree Park Laws (2010), http://www.no-smoke.org/pdf/SmokefreeParks.pdf.

Agenda Item Number 6.0

# DISCUSSION OF PROPOSED CLIMATE SMART COMMUNITIES COUNCIL PROJECT

Metro Council Work Session
Tuesday, May 10, 2011
Metro Council Chambers

# METRO COUNCIL

## Work Session Worksheet

Presentation Date: May 10, 2011 Time: ______________ Length: 50 minutes

Presentation Title: Discussion of proposed Climate Smart Communities Council Project

Service, Office, or Center: Sustainability Center

Presenters (include phone number/extension and alternative contact information):
Jim Desmond 1914, Rex Burkholder 1546

## ISSUE & BACKGROUND

One of the six desired outcomes for the region, endorsed by the Metro Council, is to be a leader in addressing climate change. As a regional government with responsibility for land use and transportation planning, as well as waste reduction and disposal, there are many ways in which Metro can and does provide leadership in reducing greenhouse gas emissions. Climate Smart Communities is a cross-agency initiative that advances the Metro Council's objectives to develop the technical capacity to make informed decisions on climate change, engage partners throughout the region, integrate climate change action into the work we already do and prepare the Metro region for a different future.

Per Council action, a dedicated staff person has been focusing on climate related activities for the past 2 fiscal years. Major tasks completed as a part of that work include completion of the Climate Prosperity Greenprint and the creation of the greenhouse gas lens and measurement tools.

A Council Project Proposal was introduced in the winter of 2011 and is considered in a concept phase. This work session discussion is seeking feedback on this proposal. The proposal builds off of the work conducted in Climate Change Action Plan: Phase I, Scoping and Convening (Resolution #08-3971). Metro should continue examining its planning efforts, programs, projects, policies and internal operations to address the potential impact each can have on mitigating and preparing for climate change. Collectively these actions are identified as the Climate Smart Communities Initiative. An integrated approach has been recommended to provide critical coordination and direction from the Council to the multitude of efforts relating to the region's response to climate change. The Climate Smart Communities Initiative is made up of several focus areas.

One focus area, the Greenhouse Gas Scenario Planning, is well underway with its own Council Project with Council liaisons working closely with project staff. This project is specifically looking at setting GHG targets for light vehicles in the Portland region.

While focusing on reducing GHG emissions related to transportation is an important piece of addressing Climate Change, other focus areas included in this project proposal are working to find regional solutions to affects of Climate Change. A survey done at a joint MPAC/JPACT retreat in April 2010 revealed that Metro's partners are as equally interested in understanding how to respond to Climate Change as it related to energy, land use & transportation, and material consumption.

This project proposal focuses on several key focus areas that will complement the work being done with the GHG Scenario Work, ensuring that Metro will address the various aspects of Climate Change. Please note, the Climate Initiative Project was approved for a

2 year period, ending June 2011. While much of the proposed work was completed, ending this project at the time suggested does possibly result in some aspects of the overall project at risk of not being completed or fully integrated into work programs at Metro.

This project proposal will focus on the following areas:

- Climate Change Preparation Plan
- Capacity Building
- Climate Prosperity

The basic aspects of the work program are outlined in the following section.

**OPTIONS AVAILABLE**

A. Direct staff to continuing work in the following focus areas:
   - Climate Change Preparation Plan: Work would consist of completing the inventory of Metro's climate adaptation activities and response to recommendations outlined in the comprehensive report, entitled "Building Climate Resiliency in the Lower Willamette Region of Western Oregon" released in January 2011 by The Climate Leadership Initiative (CLI). If project was extended past July 2011, staff could be directed to further analyze gaps and identify coordination opportunities within Metro around climate adaptation activities. Additionally, the extension of this project will ensure that the there will be a staff person to monitor whether gaps have been addressed and to track implementation of adaptation activities. Also, Metro could work with other jurisdictions (such as Multnomah County, the City of Portland, Clackamas County) doing similar sort of analysis of climate adaptation planning and address this issue on a regional scale.
   - Capacity Building: While a capacity building plan has been developed for the purpose of equipping regional elected officials and staff with the understanding, skills, and access to information, knowledge, and training that enables them to effectively address climate change risks and opportunities, parts of this plan have been implemented while some pieces of the plan have not, given current priorities and resource levels. The focused work on this area will include further defining a work plan to see what aspects of the plan should be implemented, particularly as it relates to the climate preparedness work. Possible capacity activities could include providing technical assistance in areas such as sharing of best practices and case studies, how to integrate health and equity into climate change, and how to develop a climate lens to apply on planning projects. Additionally, refining the capacity building plan will provide Metro a chance to further define and focus the needs of the region as it relates to climate change preparedness and how we might provide continued leadership on this issue.
   - Climate Prosperity: As part of the newly formed Regional Economic Development Corporation, Greenlight Greater Portland, there is interest that the Climate Prosperity Greenprint be incorporated into the region's economic development strategy. The Greenprint is closely linked to the Community Investment Initiative for the region as it links to efficient infrastructure investments. It also supports Metro's role in GHG scenario planning with a focus on the role of the business and research communities. Metro's role in

implementing Climate Prosperity strategies and actions will need to be defined to support our climate leadership and economic vitality desired outcomes for the region. Currently, discussions have begun on how best to integrate the Climate Prosperity Greenprint into the Clean Tech cluster as part of Greenlight's work program. Metro staff will remain engaged as a proposal is developed and gauge what is the best role for Metro to play. Metro is committed to ensuring that this is a public- private effort.

B. Allow the project proposal to sunset on June 30, 2011. Implications for this will be halting or altering the work outlined in the above areas.

**IMPLICATIONS AND SUGGESTIONS**

Option A would require funding a FTE to complete the work outlined in the Council Project Proposal. Continuing funding for a position would ensure that Metro continues to fully address all aspects of Climate Change (i.e. mitigation and adaptation) in our work as well as continue to work with other jurisdictions to coordinate responses. It will also allow for further analysis and planning around adaptation and preparation activities and further integrate health and equity impacts associated with climate change. Lastly, retaining the position would ensure that Metro fully coordinates our range of climate change related activities and that there is one point person for both holding the agency accountable for implementation of climate change related activities as well as continuing to share relevant information.

Option B would alter or halt the work outlined. This would limit Metro's leadership and convening role on Climate Change to our work on the Greenhouse Gas Scenario Planning work. It would also rely on staff to fully integrate and track how they are integrating and implementing actions to reduce greenhouse gas emissions and prepare for climate change impacts. There would be no single point of accountability. Lastly, it would limit our ability to work with other local jurisdictions who are implementing climate action plans and who look to Metro to serve in a leadership and convening role on the broad issue of climate change.

**QUESTION(S) PRESENTED FOR CONSIDERATION**

1. Is there support for the work outlined in the Council Project Proposal?
2. Are there other areas/tasks that should be a part of this proposal?
3. What role should Metro play in Climate Leadership in the region in order to fulfill the desired outcome? If the work outline in option 1 is not continued, what does climate leadership look like at Metro?

**LEGISLATION WOULD BE REQUIRED FOR COUNCIL ACTION __Yes __No**
**DRAFT IS ATTACHED ___Yes ___No**

# Metro Council Project Proposal

## 1) Project Title

Climate Smart Communities: Climate Prosperity, Preparedness, Capacity Building

## 2) Lead Councilor

Rex Burkholder

## 3) Council Liaisons

## 4) Project Begin Date

March 1, 2011

## 5) Estimated Date of Completion

July 2012

## 6) Project Description (What issue/problem will be addressed?)

One of the six desired outcomes for the region, endorsed by the Metro Council, is to be a leader in addressing climate change. As a regional government with responsibility for land use and transportation planning, as well as waste reduction and disposal, there are many ways in which Metro can and does provide leadership in reducing greenhouse gas emissions. Climate Smart Communities is a cross-agency initiative that advances the Metro Council's objectives to develop the technical capacity to make informed decisions on climate change, engage partners throughout the region, integrate climate change action into the work we already do and prepare the Metro region for a different future.

This proposal builds off of the work conducted in Climate Change Action Plan: Phase I, Scoping and Convening (Resolution #08-3971). Metro should continue examining its planning efforts, programs, projects, policies and internal operations to address the potential impact each can have on mitigating and preparing for climate change. Collectively these actions are identified as the Climate Smart Communities Initiative. An integrated approach is recommended to provide critical coordination and direction from the Council to the multitude of efforts relating to the region's response to climate change. The Climate Smart Communities Initiative is made up of several focus areas.

One focus area, the Greenhouse Gas Scenario Planning, is well underway with its own Council Project with Council liaisons working closely with project staff . This project is specifically looking at setting GHG targets for vehicles and light duty trucks in the Portland region in accordance with HB 2001 direction.

While focusing on reducing GHG emissions related to transportation is an important piece of addressing Climate Change, the other focus areas included in this project proposal are needed to guide regional responses to Climate Change. A survey done at a joint MPAC/JPACT retreat in April 2010 revealed that Metro's partners are as interested in understanding how to respond to the ongoing effects of Climate Change (i.e. Climate Change Adaptation) as they are interested in reducing the GHG emissions related to energy sources and uses, land use & transportation, and material consumption (i.e. Climate Change Mitigation.) Past meetings with the Public Sector Sustainability Coordinators support this view as well.

This project proposal focuses on several key areas that complement the work being done with the GHG Scenario Work, ensuring that Metro will addresses the full spectrum of Climate Change impacts on the region. Please note, the Climate Initiative Project was approved for a 2 year period, ending June 2011. While much progress was made, further needs were also identified, per Council direction. Ending this project at the time suggested results in Climate Change Adaptation aspects of the project being put at risk of not being completed or fully integrated into work programs at Metro.

This project proposal will allow continued work in the following areas:

- Climate Change Preparation Plan
- Capacity Building
- Climate Prosperity

**Climate Change Preparation Plan**

While the region must reduce GHG emissions, we also can expect significant impacts to continue to occur from the overabundance of emissions already in the atmosphere. Climate Smart Communities proposes to integrate climate change mitigation and preparedness into core planning and implementation efforts to create vibrant communities throughout the region. Health and equity impacts associated with the climate change policy questions and outcomes must also be identified and addressed throughout the process. A report released by the Climate Leadership Initiative in January 2011 caps an 18-month project to engage local experts and stakeholders in how to prepare the Lower Willamette region for a changing climate. This report serves as an important framework for the work that the Portland Metro region needs to do to prepare for the impacts of climate change. The report summarized key projects, impacts, and recommendations to prepare for these impacts.

To respond to the recommendations outlined in the report, staff is creating a process to assess how Metro's current workplans relate to the report's recommendations.

The goals of this process are to:

- Identify what recommendations are currently being addressed, will be addressed in the future, and what is not being addressed by Metro staff;
- Identify which staff is engaged with implementing actions addressing these recommendations;
- Identify regional partners who are addressing the recommendations; and
- Summarize in a report form an inventory of what we are currently doing to address report recommendations and how we are preparing for climate change impacts.

Due to the current end date of the Climate Initiative project of June 30, 2011, staff will only be able to compile the agency's efforts and identify gaps related to climate change preparedness. Additionally, the follow-up responsibility at the regional elected level will remain unclear. The Climate Leadership Initiative will not be able to carry out this function and have introduced the concept of creating a Willamette Valley Compact. Another vehicle to consider is to take advantage of the ongoing interface provided through OMPOC.

Extending the life of this project would enable a further analysis of gaps and leadership opportunities within Metro and around the region among Metro's partners around climate adaptation activities. Additionally, the extension of this project will ensure that the activities and gaps identified by the inventory will be addressed. Lastly, Metro will be able to collaborate and coordinate with other jurisdictions on these activities. Several jurisdictions in the region are embarking on analysis of climate adaptation activities and ultimately a development of climate adaptation plans for their jurisdictions.

**Capacity Building**

Development of a capacity building plan has been completed. The goal of this plan is to equip regional elected officials and staff with the understanding, skills, and access to information, knowledge, and training that enables them to effectively address climate change risks and opportunities. The plan was informed by a local government needs assessment. Parts of this plan have been implemented while some pieces of the plan have not given current priorities and resource levels. Staff will continue to flesh out a work plan to see what aspects of the plan should be implemented, particularly as it relates to the climate preparedness.

Specific benefits of this plan's implementation are ensuring that the needs of local jurisdictions are met. In the past, they have expressed a need for technical help in the area of climate change, ranging from assistance on communication, sharing of best practices and case studies, how to integrate health and equity into climate change, and how to develop a climate lens to apply on planning projects. Metro leadership is continually sought to convene and facilitate discussion on this issue. Refining the capacity building plan will provide Metro a chance to further define and focus the needs of the region as it relates to climate change preparedness and how we might provide continued leadership on this issue.

**Climate Prosperity**

The region is not guaranteed a leadership position in the fast-moving global clean economy unless it invests in and organizes itself for success. We have an opportunity to build on our competitive advantage as a sustainability early adopter, but the region needs new finance mechanisms, innovative technologies and a trained and motivated workforce.

The challenge is to fully capture the jobs and economic benefits of the clean economy for our residents. To do so, we must strategically engage our business community, different levels of local and regional government, as well as our citizens in ways that keep the region at the forefront of the green economy.

As part of the newly formed Regional Economic Development Corporation, Greenlight Greater Portland, there is interest in incorporating the Climate Prosperity Greenprint into the region's economic development strategy. The Greenprint is closely linked to the Community Investment Initiative for the region as it links to efficient infrastructure investments. It also supports Metro's role in GHG scenario planning with a focus on the role of the business and research communities.

Metro's role in implementing Climate Prosperity strategies and actions will need to be defined to support our climate leadership and economic vitality desired outcomes for the region. Currently, discussions have begun on how best to integrate the Climate Prosperity Greenprint into the Clean Tech cluster as part of Greenlight's work program. Metro staff will remain engaged as a proposal is developed and gauge what is the best role for Metro to play. Metro is committed to ensuring that this is a public- private effort.

**7) Rights and Responsibilities of Lead Councilor**

- Submit a work plan for the council's consideration.
- Keep council colleagues updated on the project's progress and involve council in all major policy choices.
- In cases where the council has voted on or clearly indicated a policy direction, represent that position in council liaison meetings. In cases where the council has not voted, communicate with council colleagues to get a sense of the council as a whole, and represent this (in addition to personal views) in council liaison meetings.
- Ensure that staff work proceeds as directed by council. Be a conduit for the council as a whole in providing policy guidance to staff.
- When speaking to outside groups on behalf of the council as a whole, represent the council's position (to the degree that it has taken one). When presenting a personal opinion, clearly indicate it as such.
- Work with the project manager to ensure that meetings reach their objectives.
- Councilors are encouraged (though not required) to keep the lead councilor appraised of their current thinking and position on the issue.
- Work with the Council President to schedule "listening posts."
- Request work session and council session time as indicated in the project's work plan.

**Rights and Responsibilities of Councilor Liaisons**

- Assist lead councilor in performing the responsibilities described above.
- Provide policy guidance
- Lead work program in Council-approved direction
- Councilors are encouraged (though not required) to keep the lead councilor and liaisons appraised of their current thinking and position on the issue.
- When speaking to outside groups on behalf of the council as a whole, represent the council's position (to the degree that it has taken one). When presenting a personal opinion, clearly indicate it as such.

Materials following this page were distributed at the meeting.

# House Bill 3415

Sponsored by COMMITTEE ON GENERAL GOVERNMENT AND CONSUMER PROTECTION


## SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced.**

Requires contracting agency to pay fee to Secretary of State in amount of one-tenth of one percent of contract price for public improvement contract. Requires Secretary of State to use proceeds of fee to conduct random financial, performance and compliance audits of public contracts in accordance with certain standards.

Establishes Public Contracting Audit Account in General Fund of State Treasury. Continuously appropriates moneys in account to Secretary of State for purpose of conducting audits of public contracts.

Declares emergency, effective on passage.


## A BILL FOR AN ACT

Relating to audits of public contracts; appropriating money; and declaring an emergency.

**Be It Enacted by the People of the State of Oregon:**

**<u>SECTION 1.</u> Section 2 of this 2011 Act is added to and made a part of ORS chapter 279C.**

**<u>SECTION 2.</u> (1) A contracting agency that conducts a procurement subject to this chapter, in addition to and not in lieu of the charges specified in ORS 297.230, shall pay a fee equivalent to one-tenth of one percent of the contract price for the procurement to the office of the Secretary of State at the time the contracting agency executes the contract. The Secretary of State shall pay the moneys received under this subsection to the State Treasurer for deposit in the Public Contracting Audit Account created under section 4 of this 2011 Act.**

**(2)(a) The secretary shall use the moneys available in the account to conduct financial, compliance and performance audits of public contracts that contracting agencies award under the provisions of this chapter. The secretary shall conduct each audit according to standards adopted under ORS 297.070 and, except as provided in paragraph (b) of this subsection, shall choose the subject of each audit randomly and without advance notice to the contracting agency or other parties to the public contract.**

**(b) If the secretary finds during an audit or receives reliable information at any time concerning fraud, waste, misconduct or abuse for a particular public contract, the secretary may conduct a special investigation of the contracting agency or other parties to the public contract and may use moneys from the account to conduct the special investigation.**

**(c) The secretary, in accordance with policies and priorities that the secretary establishes, each year shall allocate the amount of moneys available or projected to be available in the account during the year toward conducting a regular course of audits under this section.**

**(3) In addition to complying with the requirements of ORS 297.050, the secretary shall publish the report for every audit conducted under this section on the secretary's website and on the Oregon transparency website described in ORS 184.483.**

**NOTE:** Matter in **boldfaced** type in an amended section is new; matter [*italic and bracketed*] is existing law to be omitted. New sections are in **boldfaced** type.

**SECTION 3. Section 4 of this 2011 Act is added to and made a part of ORS chapter 297.**

**SECTION 4. The Public Contracting Audit Account is established in the General Fund of the State Treasury. All moneys in the account are continuously appropriated to the Secretary of State for the purposes set forth in section 2 of this 2011 Act.**

**SECTION 5. This 2011 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2011 Act takes effect on its passage.**

CITY OF

# PORTLAND, OREGON

**Sam Adams, Mayor**
Nick Fish, Commissioner
Amanda Fritz, Commissioner
Randy Leonard, Commissioner
Dan Saltzman, Commissioner

May 2, 2011

Clackamas County Commissioner Lehan
MPAC Representatives

RE: Proposed Amendments to MPAC Bylaws

Dear Chair Lehan and MPAC Representatives,

As one of the City of Portland's MPAC representatives, I want to take the opportunity to comment on the proposed amendments to the MPAC bylaws. I support many of the proposed changes, however there are a few details that require additional discussion and consideration.

First, members representing Special Districts or the School Districts should not be appointed for " as long as they are in office". The proposed changes establish an awkward dynamic for another district to ask for a turn, even though the proposed rules would allow the governing bodies to replace a member and appoint a different one. The Special District and School District representatives should serve for one term of office, then the post should become open and a different representative should be required to step up. It is important to have a diverse representation that brings new perspectives to MPAC and broadens the understanding of the role MPAC plays in setting regional policy.

Second, I do not agree with the proposed change that the three Metro Council representatives do not have to be from each of the three Counties. Each County needs to be represented in some way. I also think it is important for Metro Councilors to rotate through every two years so they can each see how much time and energy is spent at MPAC discussing and deliberating on the regional policy decisions. I believe that over time, the turnover in Metro Council representation will create a better understanding and add more weight to the MPAC recommendations that are forwarded to the Metro Councill

Thank you for the opportunity to comment

Best regards,

Amanda Fritz

Commissioner Amanda Fritz

cc:
Portland City Council