

BEFORE THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

FOR THE PURPOSE OF APPROVING THE)	RESOLUTION NO. 88-919
FY 1988-89 BUDGET AND TRANSMITTING)	
THE APPROVED BUDGET TO THE TAX)	Introduced by the
SUPERVISING AND CONSERVATION)	Council Budget Committee
COMMISSION)	

WHEREAS, The Council of the Metropolitan Service District, convened as the Budget Committee, has reviewed the FY 1988-89 Proposed Budget; and

WHEREAS, The Council, convened as the Budget Committee, has conducted a public hearing on the FY 1988-89 Proposed Budget; and

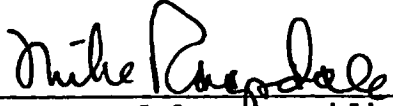
WHEREAS, Pursuant to Oregon Budget Law, the Council, convened as the Budget Committee, must approve the FY 1988-89 Budget and said approved budget must be transmitted to the Tax Supervising and Conservation Commission for public hearing and review; now, therefore,

BE IT RESOLVED,

1. That the Proposed FY 1988-89 Budget as amended by the Council of the Metropolitan Service District, convened as the Budget Committee, which is on file at the Metro offices, is hereby approved.

2. That the Executive Officer is hereby directed to submit the Approved FY 1988-89 Budget and Appropriations Schedule to the Tax Supervising and Conservation Commission for public hearing and review.

ADOPTED by the Council of the Metropolitan Service District this 5th day of May, 1988.


Mike Ragsdale, Presiding Officer

CONSIDERATION OF RESOLUTION NO. 88-919, FOR THE
PURPOSE OF APPROVING THE FY 1988-89 BUDGET AND
TRANSMITTING IT TO THE TAX SUPERVISING AND
CONSERVATION COMMISSION

Date: April 26, 1988

Presented by: Tanya Collier

FACTUAL BACKGROUND AND ANALYSIS

Consideration of Resolution No. 88-919 is the initial step of the Council leading toward final adoption of the budget in June.

The annual budget is a key policy document and management tool for the organization. Through the budget process, department work programs are established and authorized spending levels are set. Oregon Budget Law (ORS 294.635) requires that Metro submit its approved budget to the Tax Supervising and Conservation Commission (TSCC) by May 15. The TSCC will hold a hearing on the approved budget in June. The TSCC will certify the budget for adoption noting any objections or recommendations. Adoption of the budget by the Council, via adoption of Ordinance No. 88-247, is scheduled for June 23, 1988. A copy of Ordinance No. 88-247 is included in the agenda packet for this meeting.

Six citizens and five Councilors served on the Council Budget Committee to make recommendations on the FY 1988-89 Budget. The Executive Officer's Proposed FY 1988-89 Budget was issued on March 23, 1988. The Committee held eight meetings and three orientation sessions. Through these meetings the Committee formulated a recommendation which was presented at the April 28, 1988, Council meeting.

After the Council approves the budget, the total number of funds and the maximum tax levy is set and can be changed only with TSCC review. Also, the level of expenditure for each fund may be increased no more than 10 percent.

BUDGET COMMITTEE RECOMMENDATION

The Council Budget Committee's recommendations are included in the FY 1988-89 Proposed Budget entitled "Budget Committee Recommendations."

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METRO

2000 S.W. First Avenue
Portland, OR 97201-5398
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Memorandum

Agenda Item 1

Meeting Date May 5, 1988

Date: May 2, 1988

To: Metro Council

From: Tanya Collier ^{T.C.}
Chair, Budget Committee

Regarding: SUMMARY REPORT ON BUDGET COMMITTEE RECOMMENDATIONS ON
THE FY 1988-89 BUDGET

The purpose of this memo is to forward to the Council a summary of the Budget Committee's recommendation on the FY 1988-89 Budget.

Exhibit A provides a summary of the Committee recommendations by the total cost of each fund. As indicated, the total Metro budget has been increased by approximately \$1.2 million. The primary reason for the increase is the transfer of approximately \$3.3 million additional to the St. Johns Reserve Fund from the Solid Waste Operating Fund. Exhibit B provides a summary of the operating costs (Personal Services, Materials & Services, and Capital Outlay) of the District by each functional area. As indicated, the Committee recommended budget reduces the overall operating costs by approximately \$1.6 million. The major areas of reduction were in the Solid Waste Department and in the General Fund departments.

The Committee thoroughly considered the proposed budget and programs of each Metro function. The highlights are as follows:

Zoo

As indicated in Exhibits A and B, the Committee recommends the budgets for the Zoo as proposed by the Executive Officer. As indicated in Exhibit C (Budget notes), the Committee recommends that during the next fiscal year the Council review the financial plans and policies of the Zoo along with the tax levy request. The Committee felt it was important to explore whether or not the Zoo could reduce its reliance on the property tax as a source of revenue.

Another concern was the issue of Metro identity at the Zoo. A budget note is recommended to address this issue.

Solid Waste

The major areas of concern were the significant proposed increases in operating expenditures for the Department; the transfer of

significant funds to the St. Johns Reserve Fund for long-term landfill closure costs; and resulting impact on rates of these cost increases. As indicated in Exhibit B, the Committee recommends reducing the budget request for operating costs by approximately \$1.2 million. This results in operating expenditures near the current level for the Department and, as shown on Exhibit A (see St. Johns Reserve Fund), an increase in the funds set aside for long-term closure. Such an increase is possible within the proposed revenue request of the Executive Officer and is due to the significant expenditure changes recommended by the Committee.

Convention Center

The major areas of concern were the proposed reduction in staff for the Project Office and the creation of a Debt Service Reserve Fund. As indicated in Exhibit B (Personal Services category), the Committee recommends restoration of two positions in the Project Office and continuation of the Project Director position at its current level. Regarding the Debt Service Reserve Fund, the Committee recommends the elimination of such fund with the money to be placed in the Unappropriated Balance category in the Project Capital Fund. This enables those funds to be available for the costs of the project, if needed.

Metropolitan Exposition-Recreation Commission (MERC)

The discussion of the MERC budget dealt mainly with organizational issues. The MERC is newly formed and is getting established. The development of its own operation and a relationship with the District is of paramount importance in this budget request. The Committee recommends that the budget be increased from that originally proposed to enable the MERC to hire its own administrative staff so that it may contract with the City's E-R Commission to provide that body administrative services for the operation of their facilities. The Committee was concerned about the MERC's purchase of a new computer system and recommends the budget note in Exhibit C.

Planning

The major discussion in the Planning Fund was the creation of a Planning Department for the District. As an initial step the Committee recommends an increase in the transfer of funds from the Solid Waste Operating Fund to the Planning Fund for the purpose of moving responsibility for the Solid Waste Management Plan function to the Planning & Development Department.

Along with the transfer of funds is the transfer of 3.0 FTE from Solid Waste to the Planning & Development Department. Exhibits A and B show the results of such transfer (Planning Fund total

Memorandum
May 2, 1988
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increases as well as an increase in operating costs). The Committee recommends that the priority activities of the Department are completion of the Solid Waste Plan and the UGB periodic update. A budget note shown in Exhibit C reflects this recommendation.

The Committee recommends no changes in the Transportation Department request. The Committee recommends further efforts to explore consolidation of District planning functions (transportation planning) in one Department thus the budget note is recommended for Council consideration as shown in Exhibit C.

General Fund and Support Services

The overriding issue in this area was the substantial increase in General Fund costs which has caused a significant increase in the transfers to the General Fund from the other operating funds. The Committee recommends a General Fund budget which was reduced by \$472,055 in proposed base costs and another \$663,489 of direct Solid Waste costs proposed to be budgeted in the Public Affairs Department. Most, but not all of these latter costs are now included in the Waste Reduction Program in the Solid Waste Operating Fund. The reductions in the proposed requests for the various General Fund departments are as follows: Council, \$36,199; General Counsel, \$32,478; Executive Management, \$85,858; Finance & Administration, \$248,870; and Public Affairs, \$68,650. Again, the Public Affairs reductions are in their proposed base budget request and do not include the \$663,489 of proposed direct solid waste costs. The Committee also recommends that the Building Management Fund be reduced by approximately \$66,000.

The Committee had before it two budget notes regarding the General Fund. Due to the lateness of the hour at its April 27, 1988, meeting the Committee inadvertently did not adopt the notes. They are included in Exhibit C for Council consideration.

Please review this material and the Budget document titled "Budget Committee Recommendations" for the May 5, 1988, Council meeting.

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Attachments

EXHIBIT A

BUDGET SUMMARY BY FUND

<u>Fund</u>	<u>Proposed Budget</u>	<u>Committee Recomendation</u>
<u>Zoo</u>		
Operating Fund	\$ 11,594,776	\$ 11,594,776
Capital Fund	6,677,348	6,677,348
<u>Convention Center</u>		
Management Fund	1,162,040	1,162,040
Capital Fund	63,070,680	63,070,680
Debt Fund	5,780,578	5,780,578
Debt Service Reserve Fund	1,515,969	0
MERC Fund	3,140,000	3,266,870
<u>Solid Waste</u>		
Operating Fund	30,006,660	30,006,660
Capital Fund	15,284,556	15,284,556
Debt Fund	3,216,633	3,216,633
St. Johns Reserve Fund	9,554,060	12,849,978
Rehab. & Enhance. Fund	1,553,203	1,553,203
<u>Planning & Transportation</u>		
Planning Fund	2,401,860	2,877,219
<u>General & Support Services</u>		
General Fund	5,126,470	4,009,499
Building Management Fund	667,276	600,976
Insurance Fund	1,509,390	1,509,390
TOTAL	<u>\$162,261,499</u>	<u>\$163,460,406</u>

EXHIBIT B

BUDGET SUMMARY FOR OPERATING COSTS BY FUNCTIONAL AREA

	<u>Proposed Budget</u>	<u>Committee Recommendation</u>
<u>Zoo</u>		
Personal Services	\$ 4,095,691	\$ 4,095,691
(FTE)	(156.64)	(156.64)
Materials & Services	2,525,467	2,525,467
Capital Outlay	481,777	481,777
TOTAL	<u>\$ 7,102,935</u>	<u>\$ 7,102,935</u>
<u>Solid Waste</u>		
Personal Services	\$ 1,682,595	\$1,347,823
(FTE)	(48.25)	(39.00)
Materials & Services	11,731,106	10,945,463
Capital Outlay	922,640	859,965
TOTAL	<u>\$14,336,341</u>	<u>\$13,153,251</u>
<u>Planning & Development</u>		
Personal Services	\$ 301,556	\$ 406,997
(FTE)	(7.00)	(10.00)
Materials & Services	114,650	122,595
Capital Outlay	2,300	67,300
TOTAL	<u>\$ 418,506</u>	<u>\$ 667,069</u>
<u>Transportation</u>		
Personal Services	\$ 882,538	\$ 882,538
(FTE)	(22.00)	(22.00)
Materials & Services	202,245	202,245
Capital Outlay	35,200	35,200
TOTAL	<u>\$ 1,119,983</u>	<u>\$ 1,119,983</u>
<u>Convention Center*</u>		
Personal Services	\$ 220,629	\$ 314,774
(FTE)	(4.00)	(6.00)
Materials & Services	123,220	123,220
Capital Outlay	1,500	1,500
TOTAL	<u>\$ 345,349</u>	<u>\$ 439,494</u>
<u>MERC</u>		
Personal Services	\$ 244,903	\$ 444,480
(FTE)	(6.00)	(8.00)
Materials & Services	1,024,460	1,322,927
Capital Outlay	5,000	0
TOTAL	<u>\$ 1,274,363</u>	<u>\$ 1,767,407</u>

EXHIBIT B
(continued)

	<u>Proposed Budget</u>	<u>Committee Recomendation</u>
<u>General Fund</u>		
Personal Services	\$ 2,532,974	\$ 2,327,050
(FTE)	(64.85)	(57.16)
Materials & Services	1,937,776	1,042,386
Capital Outlay	71,576	36,946
TOTAL	<u>\$ 4,541,926</u>	<u>\$ 3,406,382</u>
 <u>Total Operating Costs</u>		
Personal Services	\$ 9,960,886	\$ 9,819,353
(FTE)	(308.74)	(298.80)
Materials & Services	17,658,924	16,284,303
Capital Outlay	1,519,993	1,482,688
TOTAL	<u>\$29,139,803</u>	<u>\$27,586,344</u>

*Includes both Project Management and Capital Funds. Excludes amounts for land purchases; 1% for Art; construction, construction management and engineering.

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EXHIBIT C

RECOMMENDED BUDGET NOTES

Zoo Operating Fund

- A. In anticipation of another proposed property tax levy measure for the Zoo, the Zoo Committee in consultation with the Executive Officer and Zoo staff should update the Five-Year Financial Plan and review the adopted financial policies, particularly the policy providing that the Operating Fund should receive 50 percent of its revenue from property tax and 50 percent from non-property tax sources. The Zoo Committee should consider whether or not it is feasible to reduce the reliance on funding Zoo operations from the property tax.
- B. The Zoo Committee, in consultation with the Executive Officer, Public Affairs Department and Zoo staff, should prepare plans to appropriately identify the Zoo as a function of the Metropolitan Service District. Included in such review should be signs, printed material distributed by the Zoo and letterhead and business cards, etc.

Zoo Capital Fund

The Zoo Committee during the next fiscal year should review the Master Plan to prepare a recommendation for Council consideration on whether or not to ask voters to support funding for new capital projects during the next several years.

Planning Fund

- A. The principal priorities for the Planning & Development Department are the completion of the update of the Urban Growth Boundary and the completion of the Solid Waste Management Plan which addresses facilities and programs for the disposal of solid waste and the management of small quantities of hazardous waste.
- B. During the FY 1988-89, the Council and Executive Officer should examine the possibility of consolidating the Planning & Development and Transportation Departments into a single Planning Department. If feasible and desirable, such unification should be considered during deliberations on the FY 1989-90 budget.

MERC

The \$55,000 budgeted in the Data Processing line item shall not be spent until the MERC and Department of Finance & Administration jointly report to the Convention Center Committee on implementation plans for MERC data processing needs. Every

effort shall be made to integrate MERC data processing systems with the central computer system of the District.

General Fund*

- A. During FY 1988-89, the Council should explore alternative ways to pay for costs presently budgeted in the General Fund (Should certain costs be budgeted on the General Fund or direct charged in the other operating funds?).
- B. During FY 1988-89, the Council should revisit the issue of alternative revenue sources to pay for all or part of the costs of the General Fund.

* Budget notes before the Committee but not considered due to oversight.

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MINUTES OF THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

Special Meeting

May 5, 1988

Councilors Present: Mike Ragsdale (Presiding Officer), Corky Kirkpatrick (Deputy Presiding Officer), Mike Bonner, Tanya Collier, Larry Cooper, Jim Gardner, Gary Hansen, Sharron Kelley, Corky Kirkpatrick, David Knowles, George Van Bergen and Richard Waker

Councilors Absent: Tom DeJardin

Also Present: Rena Cusma, Executive Officer
Daniel Cooper, General Counsel

Presiding Officer Ragsdale called the special meeting to order at 5:43 p.m. and explained the purpose of the meeting was to receive public testimony on the proposed Metro budget for fiscal year 1988-89.

1. Consideration of Ordinance No. 88-247, for the Purpose of Adopting the Annual Budget for Fiscal Year 1988-89, Making Appropriations, Levying Ad Valorem Taxes, Creating a Metropolitan Exposition-Recreation Fund and a Convention Center Debt Service Reserve Fund, and Eliminating the Convention, Trade and Spectator Facilities Fund

The clerk read the ordinance a second time by title only. The presiding officer announced that the first reading of the ordinance had been on April 14 and that the Council would be requested to adopt the ordinance on June 23 at which time it was anticipated that the FY 1988-89 budget of the Metropolitan Service District would have been certified by the Tax Supervising and Conservation Commission. Hearing no objections, the presiding officer ordered that the matter be continued to June 23.

2. Consideration of Resolution No. 88-919, for the Purpose of Approving the FY 1988-89 Budget and Transmitting it to the Tax Supervising and Conservation Commission

Presiding Officer Ragsdale announced the hearing procedure: 1) Councilor Collier, Chair of the Council Budget Committee, would present an overview of the Budget Committee's process, then report on the Committee's recommendations for each budgeted fund; 2) the presiding officer would entertain a motion to approve each fund as recommended by the Budget Committee; 3) after each motion was made, the chair would receive public comment, then councilors' comments; 4) the Council would then vote on each motion and amendment; 5) lastly, a motion to approve Resolution No. 88-919 would be voted upon.

Main Motion: Councilor Collier moved and Councilor Kelley seconded to approve Resolution No.

88-919 and its budget and appropriations schedule as recommended by the Council Budget Committee and detailed in the Budget Committee's document titled "Proposed Budget 1988-1989 Budget Committee Recommendations."

Councilor Collier stated the Budget Committee's objectives were to: ensure Council's adopted policies, including all programmatic goals were reflected in the budget; allocate available funds to programs rather than administrative overhead; reduce the number and amount of personal services contracts; reduce the general fund, thereby, reducing the amount of departmental transfers; and scrutinize the budget to both assure public accountability and guard against future Solid Waste rate increases. She explained the Budget Committee members were six citizen representatives and five councilors. Councilor Collier thanked the Committee and Metro staff for their efforts and then presented the Committee's recommendations by fund.

General Fund

The Committee's objective was to lessen substantial increases in operating costs proposed by the executive officer. The Committee's recommendation was to target reduction in operating costs of \$500,000 by reducing Council, Executive Management, General Counsel, Finance and Administration budgets and by deleting certain direct Solid Waste department charges from the General Fund operating budget. Specific budget notes for funds were contained in "Exhibit C, Recommended Budget Notes" appended to Councilor Collier's May 2, 1988, memo addressed to the Metro Council regarding summary report on Budget Committee recommendations.

Main motion:

Councilor Collier moved and Councilor Knowles seconded to accept the Budget Committee's recommendation on the General Fund component of the proposed FY 1988-1989 Metro budget.

The presiding officer opened the public hearing. There was no public testimony, and the hearing was closed. Council discussion was called. The presiding officer announced that Councilor Cooper was drafting an amendment and had requested a recess to finish preparing his motion. There were no objections, and the meeting was recessed at 5:55 p.m.

The presiding officer reconvened the Council meeting at 6:20 p.m.

Motion to Amend:

Councilor Cooper moved and Councilor Waker seconded to approve an alternate general fund budget proposal with various cuts from and add backs to the Budget

Committee's recommendation, the effect of which would increase the Executive Management Department's budget by approximately \$54,000 (restore one permanent position, temporary salary amounts and corresponding fringe benefits; increase materials and supplies and capital outlay) and reduce the Finance and Administration Department's budget by \$57,000 (eliminate one new position, decrease postage and capital outlay).

Councilor Collier said she objected to Councilor Cooper's amendment, particularly the reduction in secretarial support service in the Finance and Administration Department. She also stated that one of the Budget Committee's agreed-upon objectives was that if it were necessary to make budgetary cuts, those cuts would be made from administrative rather than program areas. Councilor Kirkpatrick also opposed the amendment. She stated she felt it inappropriate for the discussion of cuts and add backs to come before the full Council since the Council had charged the Budget Committee with recommending an appropriate budget. She urged the Council to support the Budget Committee recommendations.

Councilor Hansen spoke in favor of the amendment. He said he felt the dollar amount of the amendment was minor compared to the size of the entire organization's budget. Councilor Cooper said he felt strongly that the amendments proposed were valid and that the Executive Officer was entitled to staff her office in a manner she deemed appropriate. He he did not think the Council was bound by the recommendations of the Budget Committee.

Vote on amendment:

A vote on the amendment resulted in seven councilors voting aye (Bonner, Cooper, Hansen, Kelley, Ragsdale, Van Bergen and Waker). Four councilors voted nay (Collier, Gardner, Kirkpatrick and Knowles). Councilor DeJardin was absent.

The motion to amend carried.

Vote on main motion:

A vote on the motion to approve the general fund component of the FY 1988-89 budget as amended resulted in all eleven councilors present voting aye. Councilor DeJardin was absent.

The motion carried.

Solid Waste

Councilor Collier said the Budget Committee approved the revenue levels as submitted by the Executive Officer and recommended reductions in personal services, materials and services, capital outlay, and transfers to the general and contingency fund. The Committee recommended increases in the transfer to St. Johns closure fund and Planning Department.

Motion:

Councilor Collier moved and Councilor Waker seconded to approve the Solid Waste Department budget as recommended by the Council Budget Committee.

Presiding Officer Ragsdale opened the public hearing.

Benard R. Kilpatrick, 9605 N. Hodge Avenue, Portland, Oregon, expressed concern about whether the recycling program would cause rate increases to residential customers. He was especially concerned about the impact of rate increases for persons on fixed-incomes.

Councilor Hansen replied thought approximately one-fifth of the average garbage disposal bill funded recycling. He estimated the effects of the increased Solid Waste budget would translate to a billing increase of no more than one to two additional dollars per month.

Gretchen Buehner, a citizen member of the Council Budget Committee, said that disposal rates would have to be increased to accommodate the program operations costs increases primarily caused by the cost of the St. Johns Landfill Closure and the difference in operating costs for the Arlington dump site. She said the Budget Committee felt that increasing rates now to reserve funds for these purposes would ultimately save taxpayer dollars.

There was no further testimony, and Presiding Officer Ragsdale closed the public hearing. There was no Council discussion.

Vote:

A vote on the motion resulted in all eleven councilors present voting aye. Councilor DeJardin was absent.

The motion carried unanimously.

Planning Fund

The Budget Committee recommended an increase over the Executive Officer's proposal in the Planning and Development Department. Budget notes included completion of the solid Wastek Plan and UGB periodic

update, setting department priorities for the upcoming fiscal year and future consideration of transferring Transportation planning activities to this fund.

Motion: Councilor Collier moved and Councilor Cooper seconded to approve the Planning Fund budget as recommended by the Council Budget Committee.

The Presiding Officer opened the public hearing. There was no public testimony, and the hearing was closed. There was no Council discussion.

Vote: The vote on the motion was unanimous with all eleven councilors present voting aye. Councilor DeJardin was absent.

The motion carried.

Zoo Operating Fund and Zoo Capital Fund

The Budget Committee recommended approval of the proposal submitted by the Executive Officer. Budget notes included review of financial plans and policies, integration of Metro's identity with the Zoo's identity and a review of the Zoo Master Plan.

Main motion: Councilor Collier moved, and Councilor Kelley seconded to approve the Zoo Operating Fund and the Zoo Capital Fund as recommended by the Council Budget Committee.

The Presiding Officer opened the public hearing. There was no public testimony, and the public hearing was closed. There was no Council discussion.

Councilor Gardner said that during the Budget Committee deliberations, he had voted to delete the budget note under Zoo Capital Fund that recommended the Zoo Committee prepare a recommendation on whether or not to ask voters to support funding for new capital projects.

Motion to amend: Councilor Gardner moved and Councilor Waker seconded to amend the recommended budget notes under "Zoo Operating Fund" and "Zoo Capital Fund" to delete everything after the word "policies" on the fifth line of Budget Note "A.," and delete Budget Note "B.," and the entire budget note regarding the Zoo Capital

Fund. (The budget note would then read, "In anticipation of another proposed property tax levy measure for the Zoo, the Zoo Committee in consultation with the Executive Officer and Zoo staff should update the Five-Year Financial Plan and review the adopted financial policies.")

Councilor Gardner stated that historically the Metro Council and the voters of the region have endorsed a policy of providing 50 percent of the Zoo's operating and capital costs from property tax revenue. He said that policy had led to a strong Zoo with strong public support region-wide. Therefore, he felt it was not necessary to re-examine the issue of tax support. Councilor Kelley said she felt the budget note recommended by the Budget Committee asked a question in an area which needed to be examined.

Vote on amendment: A vote on the motion resulted in:

Ayes: Councilors Bonner, Gardner, Van Bergen and Waker
Nays: Councilors Collier, Kelley, Knowles and Ragsdale
Abstain: Councilor Cooper
Absent: Councilors DeJardin, Hansen and Kirkpatrick

The motion failed.

Vote on main motion: The vote on the motion was unanimous with all nine councilors present voting aye. Councilors DeJardin, Hansen and Kirkpatrick were absent.

The motion carried.

Convention Center Fund

The Budget Committee recommended an increase in Personal Services, elimination of the transfer to the Debt Service Reserve Fund, an increase in capital outlay and decrease in the Convention Center transfer to the General Fund.

Main motion: Councilor Collier moved, and Councilor Waker seconded to approve the Convention Center Management, Capital, Debt Service and Debt Service Reserve Funds as recommended by the Council Budget Committee.

The Presiding Officer opened the public hearing.

Gretchen Beuhner expressed concern about the Budget Committee's recommendation regarding the Convention Center Fund transfer to the General Fund. She said assigning transfer expense by means other than the District's Cost Allocation Plan would be setting precedent and urged the Council to reject this recommendation and restore the Convention Center Fund transfer to an allocation calculated under Metro's Cost Allocation Plan.

There was no other public testimony, and the presiding officer closed the public hearing.

Motion to amend:

Councilor Collier moved, and Councilor Waker seconded that the amount of the Convention Center Fund transfer to the General Fund be amended to be accomplished according to the Cost Allocation Plan.

Councilor Gardner said he supported the amendment and was opposed to inconsistent application of the instituted Cost Allocation Plan. Councilor Hansen said he also supported the amendment and suggested that in the next fiscal year the cost allocation formula be examined. Councilor Van Bergen said during the Committee deliberations, he had voted in favor of the Budget Committee recommendations on transfer funds from the Convention Center. However, he felt that due to the pressure of the time constraints the Budget Committee was under, he may not have understood the issue well. He indicated he would now support the amendment and further stated that he felt that the Council should develop a critique of the budget process. Particular areas of concern to him were time frame and committee composition.

Vote on amendment:

A vote on the amendment resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried unanimously.

Councilor Knowles noted that the Budget Committee had recommended eliminating the Debt Service Reserve Fund and transferring monies in that fund to Capital Outlay Fund in order to insure that the convention Center would have sufficient capital to ensure construction could be completed in the fashion proposed. He pointed out that the general contract bid had not been awarded, and therefore, the total cost of the project was unknown. He also stated that the Contingency Fund would not be as great as projections made when the facility construction had been budgeted the previous year. Therefore, he felt

it important to maintain Metro's ability to access interest earned on investments made using Convention Center bond proceeds.

Vote on main motion: A vote on the motion, as amended, resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried unanimously.

Metropolitan Exposition-Recreation Commission (MERC) Fund

The Budget Committee recommended increasing Personal Services and authorizing the Commission to contract with the City of Portland Exposition-Recreation Commission to provide administrative services. Budget notes included a recommendation that funds in the Data Processing line item not be spent until a joint report from MERC and Metro's Finance and Administration Department was provided to the Convention Center Committee.

Motion: Councilor Collier moved, and Councilor Bonner seconded to approve the Metropolitan Exposition-Recreation Commission Fund as recommended by the Council Budget Committee.

Presiding Officer Ragsdale opened the public hearing. There were no comments, and the public hearing was closed.

Councilor Van Bergen felt the MERC should be more closely integrated with the Metro name. Councilor Collier said she recalled a previous meeting at which the Commission agreed to do so. Councilor Cooper said he supported the recommendations, and as chair of the Convention Center Committee, he would pursue it as a priority.

Vote: A vote on the motion resulted in all ten councilors voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried unanimously.

Building Management Fund

The Budget Committee recommended reduction in the fund reflected in the area of remodeling for the Solid Waste Department.

Motion: Councilor Collier moved, and Councilor Waker seconded to approve the Building

Management Fund as recommended by the Council Budget Committee.

The Presiding Officer opened the public hearing. There was no testimony, and he closed the hearing. There was no Council discussion.

Vote: The vote on the motion resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion passed unanimously.

Insurance Fund

The Budget Committee recommended approval of the budget as submitted. The budget included funds for establishing a Solid Waste Environmental Insurance program.

Motion: Councilor Collier moved, and Councilor Waker seconded to approve the Insurance Fund as recommended by the Budget Committee.

The presiding officer opened the public hearing. There was no public testimony, and the hearing was closed.

Councilor Van Bergen pointed out that in addition to the environmental insurance program, the insurance fund included monies for general liability functions of the entire agency.

Vote: A vote on the motion resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried.

Motion: Councilor Collier moved, and Councilor Hansen seconded to approve Resolution No. 88-919 as amended.

Vote: The vote was unanimously in favor of the motion with all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion carried, and Resolution No. 88-919 was adopted as amended.

Councilor Collier commended the Budget Committee for their efforts. The Presiding Officer stated that he echoed that commendation on behalf of the entire Council and thanked Councilor Collier for her leadership role as Committee chairperson. Councilor Van Bergen also expressed gratitude to Councilor Collier for her efforts.

3. Consideration of Resolution No. 88-901, for the Purpose of Amending Resolution No. 87-744, Revising the FY 1987-88 Budget and Appropriations Schedule for Computer Purchases and Zoo Operations.

Councilor Collier referred the Council to her memo dated May 2, 1988, regarding Finance Committee Report on May 5, 1988, Council Meeting agenda Item No. 3 which was contained in the meeting agenda packet.

Motion:

Councilor Collier moved, and Councilor Kelley seconded to adopt Resolution No. 88-901.

Councilor Hansen he was opposed to the Finance Committee's action in approving only four of the ten computers requested by the Solid Waste Department. He said it was counter-productive for staff to have to wait in line for access to equipment. Councilor Waker questioned the listed cost of the computers but said he agreed with Councilor Hansen in that computers were rapidly becoming a mandatory desk tool. Councilor Van Bergen stated he supported the Finance Committee recommendation. He also stated that acquisition of the four computers would get the program on line with the number of computers the Committee felt appropriate.

Vote:

A vote on the motion resulted in all ten councilors present voting aye. Councilors DeJardin and Kirkpatrick were absent.

The motion passed unanimously.

4. Consideration of Resolution No. 88-913, for the Purpose of Amending Resolution No. 87-744, Revising the FY 1987-88 Budget and Appropriations Schedule for Solid waste Personal Services

Motion:

Councilor Collier moved, and Councilor Waker seconded to approve Resolution No. 88-913.

Councilor Collier explained that the purpose of the resolution was to address changes that had already occurred in the Solid Waste Department and were historical in nature.