

**A G E N D A**

600 NORTHEAST GRAND AVENUE | PORTLAND, OREGON 97232 2736  
TEL 503 797 1542 | FAX 503 797 1793



**METRO**

**Agenda**

**MEETING:** METRO COUNCIL SEMINAR  
**DATE:** March 29, 2005  
**DAY:** Tuesday  
**TIME:** 2:00 PM  
**PLACE:** Metro Council Chamber

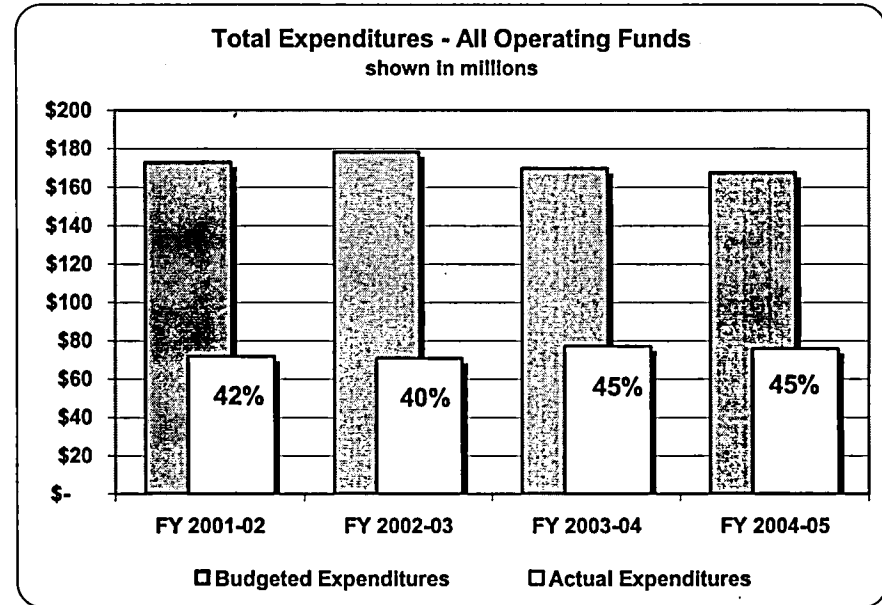
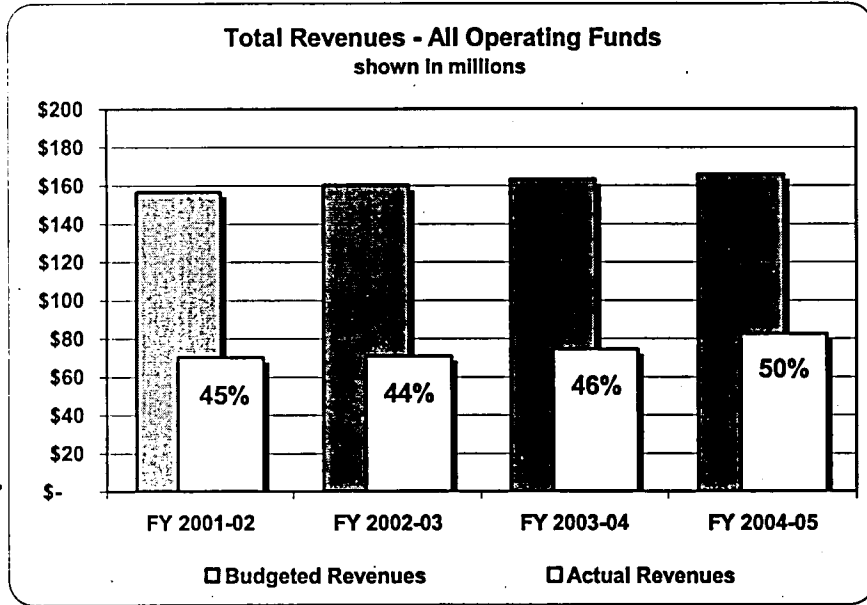
- 1. LONG TERM FINANCIAL TRENDS FOR THE AGENCY**
- 2. BRIEFING ON INVESTMENT POLICY**

# *Agenda*

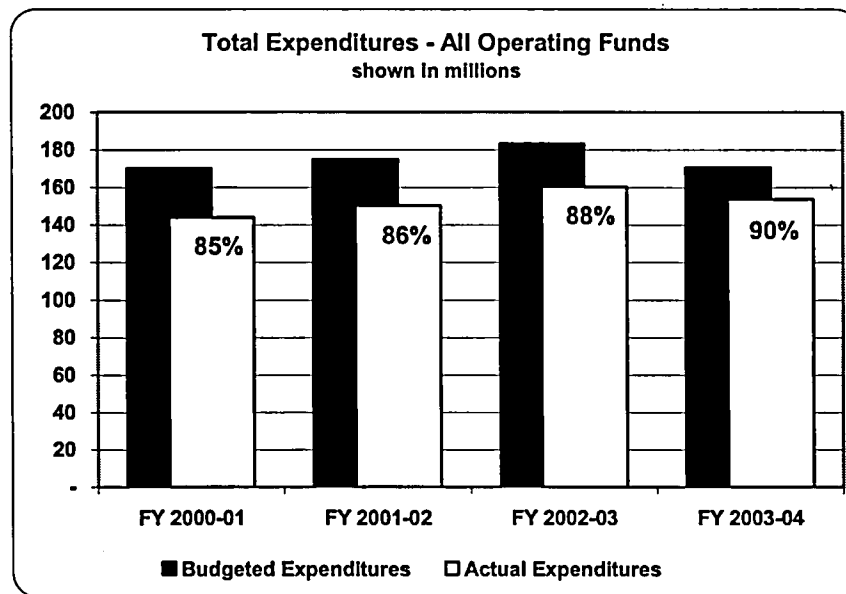
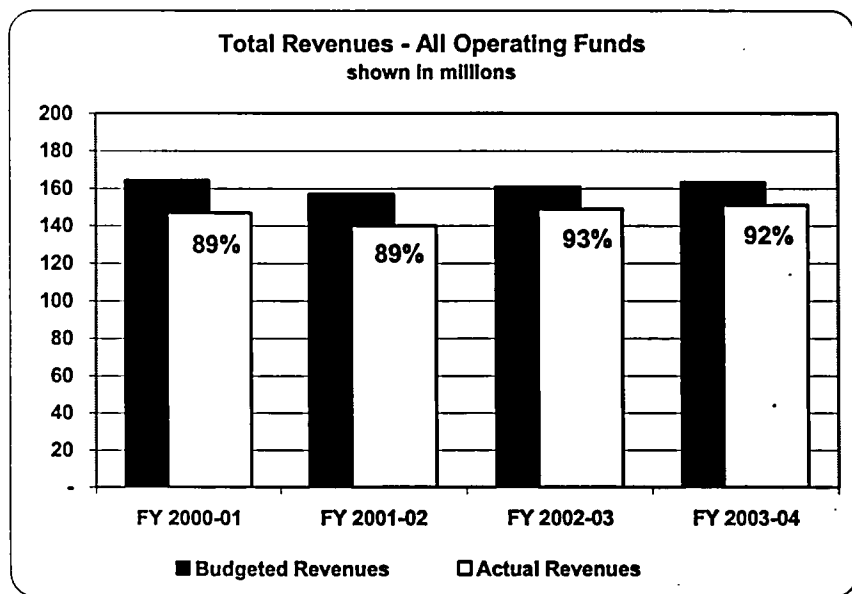
**Council Work Session**  
**Tuesday, March 29, 2005**  
**Budget & Financial Conditions**  
*(follow-up of Presentation of March 24, 2005)*

- Introduction
  
- FY 2005-06 Budget Materials
  - ✓ Restrictions on use
  - ✓ Early release of materials
    - Line Item Detail
    - Supporting Notebook materials
  
- Follow-up of Questions from Presentation
  - ✓ Year-end budget to actual comparison
  - ✓ Components of Support Services Fund Ending Balance
  - ✓ MERC revenue increase – food/beverage
  - ✓ Explanation of Five-year Forecast Model
    - General purpose/overview
    - Review of general assumptions
    - Review of department specific assumptions
  
- Open Discussion

## Fiscal-Years 2001-02 through 2004-05 Second Quarter Budget to Actuals



## Fiscal-Years 2000-01 through 2003-04 Year-End Budget to Actuals



### Revenues as % of Budget

FY 2000-01    FY 2001-02    FY 2002-03    FY 2003-04

General Fund	99%	98%	102%	105%
Planning Fund	48%	67%	53%	55%
Regional Parks Fund	68%	69%	86%	95%
MERC Operating Fund	119%	88%	92%	91%
Solid Waste Revenue Fund	85%	92%	107%	100%
Zoo Operating Fund	99%	101%	95%	97%
Building Management Fund	103%	99%	100%	96%
Risk Management Fund	112%	98%	83%	94%
Support Services Fund	99%	98%	97%	98%
<b>Total</b>	<b>89%</b>	<b>89%</b>	<b>93%</b>	<b>92%</b>

### Expenditures as % of Budget

FY 2000-01    FY 2001-02    FY 2002-03    FY 2003-04

General Fund	96%	88%	92%	92%
Planning Fund	52%	72%	56%	59%
Regional Parks Fund	64%	67%	81%	93%
MERC Operating Fund	96%	93%	96%	96%
Solid Waste Revenue Fund	85%	83%	92%	95%
Zoo Operating Fund	96%	96%	94%	94%
Building Management Fund	97%	97%	93%	83%
Risk Management Fund	93%	94%	78%	88%
Support Services Fund	91%	92%	91%	88%
<b>Total</b>	<b>85%</b>	<b>86%</b>	<b>88%</b>	<b>90%</b>

## Support Services Fund

As of December 31, 2004

	Adopted Budget 2004-05	Actuals Qtr 2 2004-05	Actuals YTD 2004-05	YTD as % Budget 2004-05	Amended Budget 2003-04	Actuals Qtr 2 2003-04	Actuals YTD 2003-04	YTD as % Budget 2003-04
<b>Resources</b>								
<i>Beginning Fund Balance</i>	\$1,050,873		\$1,147,517	109%	\$678,272		\$772,198	114%
<b>Current Revenues</b>								
Enterprise Revenue	418,868	100,509	183,562	44%	432,000	89,182	178,778	41%
Earnings on Investments	3,500	7,938	22,775	651%	12,960	3,892	15,436	119%
Other Miscellaneous Revenue	0	(228)	1,947	0%	0	1,239	5,489	0%
Interfund Transfers In	9,679,671	2,419,926	4,839,852	50%	9,687,849	2,367,195	4,734,390	49%
<b>Subtotal Current Revenues</b>	<b>10,102,039</b>	<b>2,528,145</b>	<b>5,048,136</b>	<b>50%</b>	<b>10,132,809</b>	<b>2,461,508</b>	<b>4,934,093</b>	<b>49%</b>
<b>Total Resources</b>	<b>\$11,152,912</b>	<b>\$2,528,145</b>	<b>\$6,195,653</b>	<b>56%</b>	<b>\$10,811,081</b>	<b>\$2,461,508</b>	<b>\$5,706,291</b>	<b>53%</b>
<b>Requirements</b>								
<b>Operating Expenditures</b>								
Finance and Administrative Services	\$3,445,949	\$695,964	\$1,370,319	40%	\$3,683,245	\$676,434	\$1,412,777	38%
Finance and Administrative Services - IT	2,187,235	438,858	1,073,069	49%	2,186,329	436,174	1,067,753	49%
Human Resources	1,077,057	245,743	437,778	41%	953,682	262,102	440,254	46%
Public Affairs - Creative Services	541,122	122,507	245,378	45%	538,375	119,772	246,651	46%
Office of the Metro Attorney	1,083,292	258,332	513,118	47%	1,153,083	258,756	502,754	44%
Office of the Auditor	645,956	162,573	269,463	42%	654,940	184,516	307,388	47%
<b>Subtotal Operating Expenditures</b>	<b>8,980,611</b>	<b>1,923,976</b>	<b>3,909,125</b>	<b>44%</b>	<b>9,169,654</b>	<b>1,937,754</b>	<b>3,977,577</b>	<b>43%</b>
<b>Non-Operating Expenditures</b>								
Debt Service	0	0	0	0%	34,620	0	812	2%
Capital Outlay Projects (CIP)	175,000	25,000	57,133	33%	280,000	54,111	141,839	51%
Interfund Transfers Out	705,540	78,092	492,025	70%	756,557	38,280	353,279	47%
Contingency	1,052,261	0	0	0%	418,276	0	0	0%
<b>Subtotal Non-Operating Expenditures</b>	<b>1,932,801</b>	<b>103,092</b>	<b>549,158</b>	<b>28%</b>	<b>1,489,453</b>	<b>92,391</b>	<b>495,930</b>	<b>33%</b>
<b>Subtotal Current Expenditures</b>	<b>\$10,913,412</b>	<b>\$2,027,069</b>	<b>\$4,458,282</b>	<b>41%</b>	<b>\$10,659,107</b>	<b>\$2,030,145</b>	<b>\$4,473,507</b>	<b>42%</b>
<i>Unappropriated Balance</i>	239,500		1,737,371		151,974		1,232,784	
<b>Total Requirements</b>	<b>\$11,152,912</b>		<b>\$6,195,653</b>		<b>\$10,811,081</b>		<b>\$5,706,291</b>	

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# Metro Report

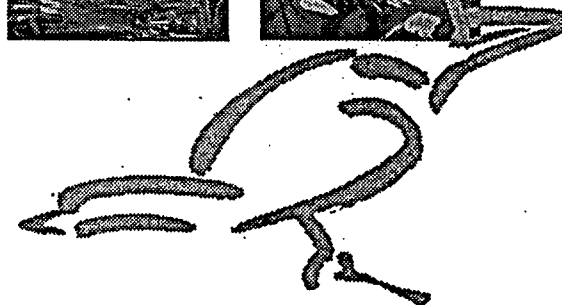


METRO  
PEOPLE PLACES  
OPEN SPACES

## Investment Report

Quarter ending  
December 31, 2004

*Administrative Services Department  
Finance Division  
600 NE Grand Ave.  
Portland, OR 97232-2736*



**METRO  
INVESTMENT ADVISORY BOARD  
INVESTMENT REPORT  
QUARTER ENDED DECEMBER 31, 2004**

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# METRO

## INVESTMENT REPORT QUARTER ENDED DECEMBER 31, 2004

### SECTION I - OUTLOOK AND RECOMMENDATIONS

This report reflects the status of Metro's investment portfolio and is submitted to comply with Section 7.03, Investment Policy, of the Metro Code.

On January 4, 2005 the Federal Reserve released minutes from its December 14<sup>th</sup> Federal Open Market Committee meeting. This release was three weeks after the meeting and represented a departure from the past policy of releasing minutes after the *next* FOMC meeting.

The minutes suggested, as a UBS Investment Research paper reported, that "Fed officials had become more confident that the economy was in a self-sustaining recovery, a bit more worried about inflation pressures, and increasingly convinced that monetary policy was still too accommodative."

According to a report from Bank of America, the FOMC seems closer to tightening at a faster pace because it abandoned its characterization of inflation risks as "balanced" and it removed its "measured pace" language in describing future rate hikes.

A year ago the Fed funds rate was 1.00%. Beginning in June 2004 the Fed began increasing the Fed funds rate in 25 basis point increments to its current level of 2.25%. Many market participants expect the Fed to continue increasing rates until a 3.00% to 3.50% level is reached around mid-year 2005.

Reflecting the increase in short-term market interest rates, Metro's average yield-to-maturity reached 2.16% for December 2004, the highest average yield in 27 months.

Although Metro ladders its portfolio by positioning investments throughout its legal maturity spectrum, the majority of its securities have been deliberately invested for relatively short periods. This is because there has been a greater rise in yield in the short end of the yield curve than in longer dated maturities. Securities in the shorter part of the curve can be reinvested at higher levels as rates move up. Metro's strategy of shortening maturities has allowed it to take advantage of increases in market interest rates as they have occurred.

Brian Williams, Cash Manager

January 13, 2005



**SECTION II - DIVERSIFICATION BY INVESTMENT TYPE**

INVESTMENT TYPE	Balance by type	Percent	Maximum percent Metro Code 7.03.050 (a)
<b>GOVERNMENT SECURITIES:</b>			
U S TREASURY BILLS/NOTES/BONDS/STRIPS/SLGS	\$1,077,784	1.0%	100.0%
FEDERAL GOVERNMENT AGENCIES	63,166,612	58.6%	100.0%
<b>DEPOSITORY INSTRUMENTS:</b>			
CERTIFICATES OF DEPOSIT AND SAVINGS	4,622,674	4.3%	100.0%
REPURCHASE AGREEMENTS	0	0.0%	50.0%
CORPORATE TRUST AGREEMENT	351,285	0.3%	
<b>BANKERS ACCEPTANCES</b>	1,128,811	1.0%	100.0%
<b>COMMERCIAL PAPER</b>	0	0.0%	35.0%
<b>STATE OF OREGON INVESTMENT POOL</b>	37,380,535	34.7%	100.00%, or \$37,337,705 maximum*
<b>TOTAL INVESTMENTS</b>	<b>\$107,727,701</b>	<b>100.00%</b>	

Credit risk is the risk of loss due to the financial failure of an issuer of a security. This risk is reduced by diversifying the investment portfolio to lessen the risk of loss which could result from an over-concentration of assets in similar types of securities. This chart illustrates diversity by types of securities.

\* Although Metro's Investment Policy allows 100% of the portfolio to be invested in the Local Government Investment Pool, the amount invested is subject to the maximum allowed to be invested by any one public entity - \$37,337,705 as of July 1, 2004.

Metro's balance of \$37,380,535 exceeded the maximum amount allowed of \$37,337,705 in the State of Oregon Investment Pool at December 31, 2004. This was due to turnovers of property tax revenue which were deposited directly into Metro's account by counties. Local governments are allowed under Oregon Revised Statute 294.810 to exceed the maximum pool limit for up to ten business days due to property tax turnovers. The excess was reduced within the ten day limit.

**SECTION III - DIVERSIFICATION BY INSTITUTION**

<b>INVESTMENT INSTITUTIONS</b>	<b>Maximum % bank equity Metro Code 7.03.050(b) (2)</b>	<b>% of equity</b>	<b>Balance</b>	<b>% of portfolio</b>	<b>Maximum % of portfolio Metro Code 7.03.050(b) (2)</b>
<b>GOVERNMENT SECURITIES:</b>					
U S TREASURY BILLS/NOTES/BONDS/STRIPS/SLGS		n/a	1,077,784	1.0%	100.0%
<b>GOVERNMENT SPONSORED ENTERPRISES:</b>					
FEDERAL FARM CREDIT BANK		n/a	7,892,927	7.3%	40.0%
FEDERAL HOME LOAN BANK		n/a	29,214,499	27.1%	40.0%
FEDERAL HOME LOAN MTG CORP.		n/a	9,045,719	8.4%	40.0%
FEDERAL NAT'L MORT. ASSN.		n/a	17,013,467	15.8%	40.0%
AGENCY-RESOLUTION FUNDING CORP		n/a		0.0%	40.0%
AGENCY-TENNESSEE VALLEY AUTHORITY		n/a		0.0%	40.0%
AGENCY- FINANCING CORPORATION		n/a		0.0%	40.0%
AGENCY-STUDENT LOAN MARKETING AGENCY		n/a		0.0%	40.0%
<b>DEPOSITORY INSTRUMENTS:</b>					
BNY WESTERN TRUST COMPANY	15.0%	0.00%	1,011	0.0%	25.0%
US BANK (CD)	15.0%	0.00%	100,000	0.1%	25.0%
US BANK (CORP. TRUST AGMT.)	15.0%	0.00%	351,285	0.3%	
BANK OF AMERICA (CD)	15.0%	0.00%	1,000,000	0.9%	25.0%
BANNER BANK (CD)	15.0%	0.48%	1,009,227	0.9%	25.0%
BANK OF THE CASCADES (MONEY MARKET)	15.0%	2.45%	2,012,436	1.9%	25.0%
CAPITAL PACIFIC BANK (CD)	15.0%	3.99%	500,000	0.5%	
BANKERS ACCEPTANCES			1,128,811	1.0%	25.0%
COMMERCIAL PAPER		n/a		0.0%	35% maximum, with no more than 5% in any one name
STATE OF OREGON INVESTMENT POOL		n/a	37,380,535	34.7%	100.00%, or \$37,337,705 maximum*
<b>TOTAL INVESTMENTS</b>			<b>\$107,727,701</b>	<b>100.00%</b>	

This chart shows diversification by specific issuers of securities. Credit risk is lessened by avoiding overconcentration in securities from a single issuer. Credit risk is also reduced by investing in securities issued by institutions rated highly by nationally recognized ratings agencies.

\* The Certificate of Deposit at US Bank satisfies retainage account provisions under a contract between Browning-Ferris Industries, Inc. (BFI) and Metro. The retainage will be returned to BFI upon completion of the contract.

**SECTION IV - DIVERSIFICATION BY MATURITY**

<b>REMAINING TERM OF INVESTMENT - TOTAL PORTFOLIO</b>	<b>Balance by duration</b>	<b>Accumulative Balance</b>	<b>% of portfolio</b>
DAILY - SAVINGS	\$37,381,546	\$37,381,546	34.7%
1 - 90 DAYS	\$30,726,195	68,107,741	28.5%
91 - 180 DAYS	14,335,980	82,443,721	13.3%
181 - 270 DAYS	9,055,813	91,499,534	8.4%
271 - 365 DAYS	7,003,447	98,502,981	6.5%
12 - 15 MONTHS	6,236,400	104,739,381	5.8%
16 - 18 MONTHS	2,988,320	107,727,701	2.8%
18 + MONTHS	0	107,727,701	0.0%
<b>TOTAL INVESTMENTS</b>	<b>\$107,727,701</b>		<b>100.0%</b>

<b>AVERAGE DAYS TO MATURITY</b>				
<b>MONTH</b>	<b>December 31, 2001</b>	<b>December 31, 2002</b>	<b>December 31, 2003</b>	<b>December 31, 2004</b>
<b>DAYS</b>	<b>133</b>	<b>112</b>	<b>107</b>	<b>166</b>

Metro obtains same-day liquidity from the Investment Pool operated by the Oregon State Treasury. Metro also structures its portfolio so that securities mature concurrent with cash needs. Because all cash needs cannot be anticipated, a portion of the portfolio consists of securities with active secondary, or resale, markets. This is done because Oregon State Treasury recommends that local governments have funds available from sources other than the Investment Pool in the event the Pool is closed due to a disaster.

**SECTION V – DEPOSIT PROTECTION**

<b>CERTIFICATES OF PARTICIPATION</b>		
<b>DEPOSITORY BANK</b>	<b>Total Deposits</b>	<b>Certificate of Participation</b>
<b>BANK OF AMERICA:</b>		
Certificate of Deposit	\$1,000,000	
Demand Deposit Account	<u>1,451,274</u>	
	<b>\$2,451,274</b>	<b>\$6,000,000</b>
<b>BANK OF THE CASCADES</b>		
Money Market account	2,012,435	\$2,000,000
<b>BANNER BANK</b>		
Certificate of Deposit	1,009,227	\$1,000,000
<b>BNY WESTERN TRUST COMPANY</b>	1,011	\$0
<b>US BANK</b>		
Certificate of Deposit	\$100,000	\$100,000
<b>US BANK CORPORATE TRUST **</b>		
Corporate Trust Agreement Account	<b>\$351,285</b>	<b>\$0</b>

Oregon Revised Statute No. 295 requires banks to secure deposits of public funds with eligible investments which have been pledged as security. A Certificate of Participation (COP) evidences this pledge. The securities are held by an independent third party called the Pool Manager. An investment officer is authorized to make deposits in the depository bank up to the amount indicated on the COP plus the amount (\$100,000) insured by the Federal Deposit Insurance Corporation.

\*\* These funds are administered by U.S. Bank Corporate Trust under a Trust Agreement between Zurich American Insurance Company, American Zurich Insurance Company (Zurich) and Metro. The funds are available to Zurich, if needed and requested, to pay expenses relating to workers compensation insurance.

Metro has requested that Zurich provide written approval as is required under the Trust Agreement) for Metro to re-invest the monies in an eligible security such as a U.S. Treasury Bill as is provided in the Trust. The purchase of a security will almost eliminate the monies held in an interest bearing money market account.

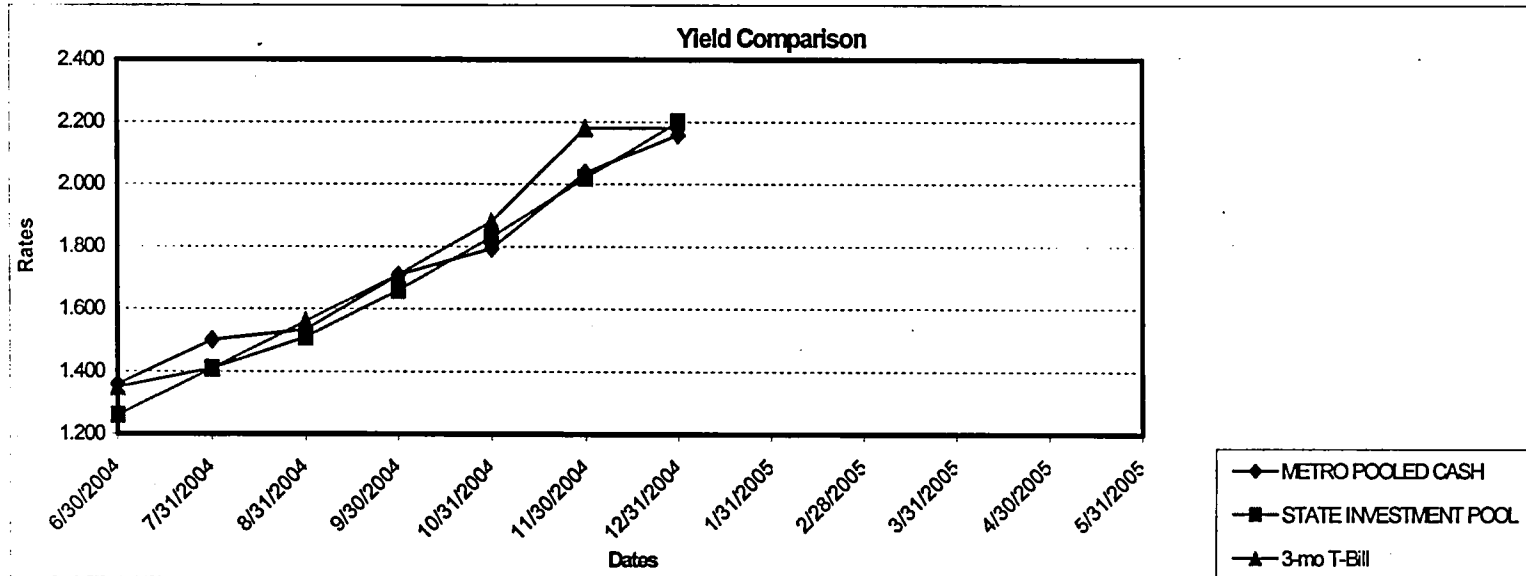
## SECTION VI - YIELD ANALYSIS

METRO YIELD ANALYSIS (%)												
	6/30/2004	7/31/2004	8/31/2004	9/30/2004	10/31/2004	11/30/2004	12/31/2004	1/31/2005	2/28/2005	3/31/2005	4/30/2005	5/31/2005
METRO POOLED CASH	1.358	1.501	1.534	1.709	1.794	2.037	2.159					
SPREAD - METRO VS POOL	0.098	0.091	0.024	0.049	-0.036	0.017	-0.041	0.000	0.000	0.000	0.000	0.000
SPREAD - METRO VS T-Bill	0.008	0.091	-0.026	-0.001	-0.086	-0.143	-0.021	0.000	0.000	0.000	0.000	0.000
STATE INVESTMENT POOL	1.26	1.41	1.51	1.66	1.83	2.02	2.20					
3-mo T-Bill	1.35	1.41	1.56	1.71	1.88	2.18	2.18					

Footnotes:

- 1) METRO POOLED is the pooled cash portion of the portfolio more comparable to performance measurement standards.
- 2) Metro yield is based on portfolio at month end with average rate annualized.
- 3) LGIP yield is the average yield for the entire month.
- 4) 3-mo T-Bill is the yield for the Treasury Bill issue maturing closest to 3 months from month end.

The investment portfolio is designed to attain or exceed a market-average rate of return (e.g., 3-month Treasury Bill) throughout budgetary and economic cycles, taking into account Metro's investment risk constraints and the cash flow characteristics of the portfolio.



## **SECTION VII - APPENDIX**

### **INVESTMENT TYPE**<sup>1</sup>

- BA -- A Bankers Acceptance is a credit instrument used to finance certain types of domestic and international commercial transactions. The bank on which the "B.A." is drawn accepts the liability and responsibility of making payment upon maturity. This liability makes the acceptance a very marketable and safe instrument.
- CD -- Certificate of Deposit -- Deposits that must be held to maturity and are subject to penalty for early withdrawal.
- CPIO -- Commercial Paper - Inside Oregon -- Short-term promissory notes issued by the largest corporations to finance their credit needs. Generally backed by unused bank credit lines. Rated by Moody's, and Standard and Poor's. This category is for paper issued by corporations with offices in Oregon.
- CPOO -- Commercial Paper - Outside Oregon -- Same as CPIO except for corporations with no offices in Oregon.
- FFCB -- The Federal Farm Credit Bank System, created by Congress in 1916, is a nationwide system of banks and associations, which provides mortgage loans, credit and related services to farmers, rural homeowners and agricultural and rural cooperatives. The banks of the Farm Credit System issue securities on a consolidated basis.
- FHLB -- The Federal Home Loan Bank, created in 1932, is owned by private member institutions and regulated by the Federal Housing Finance Board. Functions as a credit reserve system by extending credit through its system of district banks. FHLB issues are joint and several obligations of the 12 Federal Home Loan Banks.
- FHLMC -- The Federal Home Loan Mortgage Association is a stockholder-owned corporation established by Congress in 1970 to provide a continuous flow of funds to mortgage lenders. The Federal Home Loan Mortgage Corporation purchases a large volume of conventional residential mortgages and uses them to collateralize mortgage-backed securities. Freddie Mac is a publicly held corporation whose stock trades on the New York Stock Exchange.
- FICO -- The Financing Corporation was chartered by the Federal Home Loan Bank Board in 1987. The sole purpose of this government sponsored enterprise is to provide a financing vehicle for recapitalizing the reserves of the Federal Savings and Loan Insurance Corporation. FICOs are secured by the U. S Treasury obligations, which are held in a secured segregated account.
- FNMA -- The Federal National Mortgage Association is a federally chartered but privately owned corporation. Originally created in 1938 to provide additional liquidity to the mortgage market. The Federal National Mortgage Association issues securities, "Fannie Mae's," that assist the home mortgage market by purchasing mortgages insured by the Farmers Home Administration, the Federal Housing Administration, and all Federal Government Agencies. FNMA is a publicly held company whose stock trades on the New York Stock Exchange.

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<sup>1</sup> Public Investor, May 5, 1995.

**LGIP – Local Government Investment Pool –** The LGIP is an open-ended, no-load diversified portfolio offered to municipalities, political subdivisions and public corporations of the state of Oregon, which by law is made custodian of, or has control of, any public funds. The LGIP allows public entities to manage their funds in a manner that allows them to maximize the yield on their investments while meeting the safety and liquidity requirements for their funds.

**REFCO – The Resolution Funding Corporation** was established in August 1989. It funds the activities of the Resolution Trust Corporation (RTC) through its authority to borrow up to \$30 billion. Principal on the obligations is secured by zero-coupon Treasury obligations.

**Repurchase Agreement –** Represents the sale of a Treasury Bill, Note, or Federal Agency issue with the agreement to repurchase the security at an agreed price on a mutually agreed future date. The difference between the sale price and repurchase price represents income. Specific securities are identified on the confirmation as to type, interest rate and maturity date.

**Savings Account –** Daily access available without penalty for early withdrawal.

**SLGS – State and Local Government Series Securities –** These securities are offered by the U.S. Treasury through its Bureau of Public Debt to state and local government entities as an investment alternative to assist these issuers of tax exempt securities in complying with yield restriction and arbitrage rebate provisions of the Internal Revenue Code.

**SLMA – The Student Loan Marketing Association (Sallie Mae)** formally separated from the US Government on December 29, 2004. It had been a government-sponsored entity created by the Higher Education Act of 1965 to provide liquidity for private lenders. It issues short-term discount notes readily traded in the market. Proceeds fund the Federal Guaranteed Student Loan Program. Sallie Mae is owned by its stockholders and its shares trade on the New York Stock Exchange.

**TVA -- The Tennessee Valley Authority** is a wholly owned corporation of the United States government, and was established in 1933. It is to develop the resources of the Tennessee Valley region in order to strengthen the regional and national economy and the national defense. Obligations are payable solely from TVA's net power proceeds, and are neither obligations of nor guaranteed by the United States.

**U.S. Treasury Bills, Notes –** Securities backed by the U.S. Government that may be sold in the market prior to maturity, and are subject to gains or losses upon sale.

**SECTION VIII - INVESTMENT ADVISORY BOARD**

<p>JAMES C. AALBERG, Treasurer                  Fred Meyer, Inc.                  3800 S. E. 22<sup>nd</sup> Ave.                  Portland, OR 97202-2999                  (503) 797-5300, fax (503) 797-3686</p>	<p>Appointed: October 14, 1999                  Term expires: October 31, 2007</p>
<p>LEROY PATTON                  8630 SW Fairway Drive                  Portland, Or 97225</p>	<p>Appointed: May 3, 2001                  Term expires: October 31, 2005</p>
<p>ERIC JOHANSEN, Debt Manager                  City of Portland                  1221 S. W. 4th, Room 120                  Portland, OR 97204                  (503) 823-6851 fax (503) 823-4209</p>	<p>Appointed: December 10, 1998                  Term expires: October 31, 2007</p>
<p>HERBERT S. PLEP                  P. O. Box 10123                  Portland, OR 97296-0123</p>	<p>Appointed: December 10, 1998                  Term expires: October 31, 2005</p>
<p>GLORIA CANDANOZA                  Division Chief, Portland Call Site                  Internal Revenue Service                  1220 SW 3<sup>rd</sup> Avenue                  Mail Stop 0400                  Portland, OR 97204                  (503) 326-5034, fax (503) 326-2990</p>	<p>Appointed: February 22, 2001                  Term expires: October 31, 2006</p>

**METRO STAFF**

Bill Stringer	Chief Financial Officer	(503) 797-1908
Donald R. Cox, Jr.	Accounting Manager	(503) 797-1632
Karla Lenox	Financial Reporting and Control Supr.	(503) 797-1821
Brian Williams	Investment Manager	(503) 797-1612



**SECTION IX - METRO QUALIFIED BROKER/DEALERS**

Bank of America Seattle – 1-800-447-1651 Carolyn Young
Bank of the Cascades Portland – (503) 499-5999 Karen Fornshell
Banner Bank Lake Oswego – (503) 684-2313 Dan Clark
Capital Pacific Bank Portland – (503) 796-0100 Felice Belfiore
McDonald Financial Group (Key Bank) Portland – (503) 790-7720 David Novitsky
Merrill Lynch & Co San Francisco – 1-888-519-5588 Derek Hyatt
Morgan Stanley DW, Inc. Portland – (503) 552-3379 J. Rhett Murfitt
Seattle Northwest Securities Portland – (503) 275-8323 Dave Sloop – Kevin Murphy
UBS Financial Services, Inc. Sacramento, California – 1-800-354-3895 Kelly Mahoney
US Bank Portland, Oregon – (503) 275-4947 John DiPasquale
Wells Fargo Brokerage Services Portland/Vancouver – 1-800-934-9302 Mark Walker