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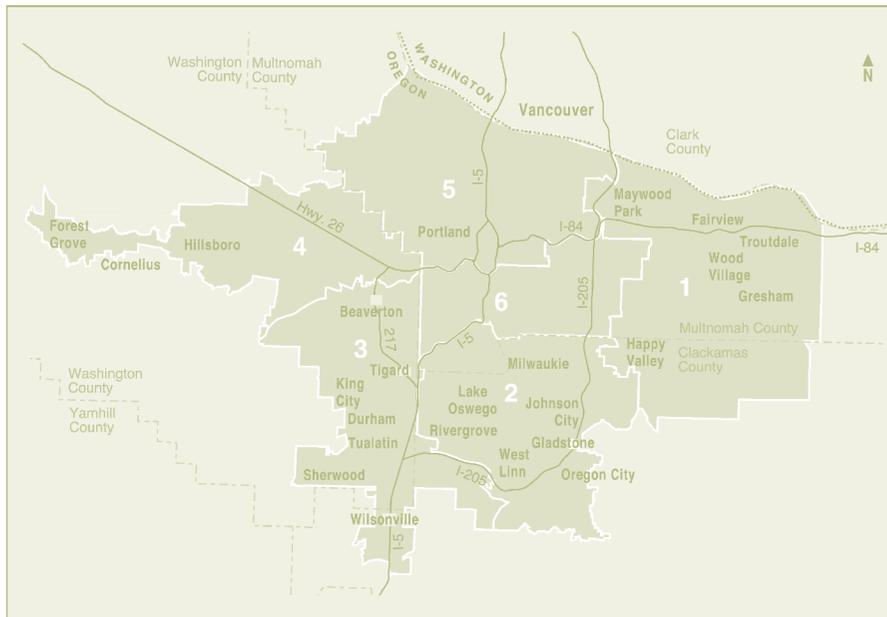
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2010-11

ADOPTED BUDGET Summary

2010-11

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Metro

People places • open spaces

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.

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Adopted Budget Fiscal Year 2010-11

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**GFOA
Distinguished
budget
presentation
award**



The Government Finance Officers Association (GFOA) of the United States and Canada presented a Distinguished Presentation Award to Metro for its annual budget for the fiscal year beginning July 1, 2009.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device. This is the fourteenth consecutive year Metro has received this award.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

FY 2010-11 Adopted Budget

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This guide is intended to assist readers in finding information in the three volumes of the Metro FY 2010-11 Adopted Budget. Information generally is grouped according to the sections identified by tabs or colored dividers in the budget document. In addition, Metro's budget and other financial information are available online at www.oregonmetro.gov.

SUMMARY (VOLUME 1)

The summary presents the entire Metro budget and general information pertinent to the development of the budget.

Budget message

By law the budget message is given at the time the budget is proposed and identifies any significant changes from one year to the next. The Metro Chief Operating Officer serves as Metro's Budget Officer. A summary of changes to the proposed budget follows the budget message.

What is Metro

This section provides the reader with an overview of Metro's history, a timeline showing the development of the agency, information regarding Metro's charter, and an overview of the region's economy. Also included are maps of Metro's facilities, pioneer cemeteries, regional parks and Open Spaces and Natural areas land acquisitions and target areas.

Budget and financial structure

This section describes the budget process at Metro. It reviews the budget calendar and budget development guidelines.

Budget summary

This section provides a comprehensive summary of the detailed information contained in the three budget volumes: Summary, Line item detail and Program budget. It provides information on revenues and expenditures, including trends and fund balances, and summarizes staffing changes in the organization.

Revenue analysis

The revenue analysis provides an overview of the major revenue sources. This overview includes a description of each source and the underlying assumptions for revenue estimates and recent trends.

Organizational summary

In October 2008 Metro launched a major reorganization called the Sustainable Metro Initiative. Centers and Services replaced former departments and are organized to align programs and services more effectively and efficiently. Centers and Services may be budgeted in one fund only or in several funds. This section discusses the purpose, organization, accomplishments, objectives and programs of each center and service.

Fund summaries

This section presents summary financial information and analysis for each of Metro's 14 funds, the legal unit by which the budget is appropriated. For example the Solid Waste Revenue Fund contains all revenues, other financial resources and expenditures necessary for the operation and maintenance of the region's solid waste disposal and recycling system. This ensures that revenues generated by the solid waste system are used to support that system.

Capital Improvement Plan

Metro's capital budget for fiscal years 2010-11 through 2014-15 is included in the FY 2010-11 budget document. The capital improvement plan is divided into the following sections: Overview, Project Summaries and Analysis, Lists of Unfunded Projects, Current Projects Status Reports and Capital Asset Management Policies.

Debt summary

Information about Metro's current debt position and future debt obligations is provided here. This section also provides information on Metro's debt capacity and the debt service for existing revenue bonds, general obligation bonds, capital leases and other debt.

Appendices

The appendices include several related documents that are legally required to be included with Metro's budget document or that provide additional policy background information. These appendices include the FY 2010-11 schedule of appropriations, property, fringe and excise tax calculations, charter of limitations on expenditures and a glossary of technical terms and acronyms used throughout all three documents.

LINE ITEM DETAIL (VOLUME 2)

The line item detail contains technical information used by Metro managers to manage their programs. This detail includes current as well as historical line item revenues and line item expenditures required by law.

The section also provides line item detail of resources and requirements for each fund. The line item detail is the breakdown of revenues and expenditures which comprise Metro's budget.

PROGRAM BUDGET (VOLUME 3)

The FY 2010-11 program budget is organized by the four Council goal areas: Great Communities, Healthy Environment, Vital Economy and Responsible Operations. Each budget program begins with a visual map showing the main operational area and key projects or activities within the program.

Chief Operating Officer's Budget Message

As presented on April 1, 2010

To the Metro Council, citizens and regional partners and valued employees:

I am pleased to present Metro's Fiscal Year 2010-11 Proposed Budget. Our challenge this year is to maintain focus, preserve core services and keep momentum as the region grinds through the economic downturn and looks forward to recovery. This is the essence of Metro's mission, to preserve and enhance the quality of life and the environment for ourselves and future generations.

Investing in the public structures that maintain the region's livability

This proposed budget is presented during a time of unprecedented economic stress. Now more than ever it is incumbent on Metro to use taxpayer money wisely. We must focus on creating good jobs for everyone and on taking care of and making the most of past investments, while accommodating a growing population and reducing climate pollution.

This imperative is made all the more difficult because as a region and a nation we are failing to maintain our existing public structures, and we cannot afford the investments we need to protect our livability as we grow. We estimate the public cost of providing the schools, pipes, pavement, parks and other public structures needed to accommodate housing and job growth in the Portland metropolitan region during the next three decades will range from \$27-\$41 billion. Existing sources of money can cover only about half of this need, creating a finance gap of \$15-\$20 billion over the next 30 years. Even if growth does not occur, the region will need \$10 billion just to repair and rebuild our existing roads, bridges, parks and other public structures.

While costs increase, revenues are shrinking. Federal spending on local projects has been falling for many years. Local tax caps, Measures 5 and 50, and state-imposed preemptions have severely limited local revenue flexibility. In addition, the multiple layers and levels of government and service delivery across the region often result in inefficient use of the assets and dollars that are available.

Without the ability to invest in our existing neighborhoods we will be forced to make decisions that undermine the livability of our region. State law requires Metro to maintain enough capacity within the region's urban growth boundary (UGB) to accommodate 20 years of population growth, but allows that capacity to be provided through increased efficiency in the use of land within the existing boundary. To achieve those efficiencies, we need to be able to invest in our existing downtowns, main streets and employment areas. If we cannot demonstrate that we have the ability to make those investments, we will be forced to expand the urban growth boundary onto valuable farm and forestland – even though money is not available to support infrastructure development in expansion areas either.

That's why this budget focuses Metro's work on helping our communities secure the future the people of the region desire. Together we will invest existing dollars strategically, focus our investments for maximum impact, elevate our level of overall investment and deploy public resources in a way that supports private investment in existing communities. Only if we do all of these things will we ensure a strong economy, a healthy environment and communities that serve the needs of all.

Moving from planning to getting things done

Fortunately, this proposed budget benefits from a number of significant accomplishments.

The Metro Council recently approved a new contract for our largest transfer station that will increase waste recovery, reduce greenhouse gas emissions and save ratepayers money. We've made significant progress strengthening our capital project and venue management. We recently made the largest land acquisition in the history of the region's two voter-approved natural area bond measures – 1,143 acres of forestland in the Chehalem Mountains of the Tualatin Valley.

Metro's local government partners together identified and documented their individual and collective aspirations to grow and prosper through investment in transit, mixed-use development, community and neighborhood gathering spots, public facilities, and parks and natural areas. Agreement on the importance of implementing the region's collaborative blueprint for managing growth – the 2040 Plan – has never been greater.

The collective support for the vision for our region's future helped Metro, Clackamas, Multnomah and Washington counties complete the urban and rural reserves initiative. Together, the region approved a historic set of agreements that will protect more than 270,000 acres of farm and forest land for 50 years and provide for up to 28,100 acres for future jobs and homes.

Metro and its partner governments also collaborated on a transformational new Regional Transportation Plan (RTP). The new RTP shifts investments to projects that make the most of our existing roads and bridges while making it safer, easier and faster to get around. And, last year's launch of The Intertwine – an effort to create the world's best system of connected parks, trails and natural areas – has created a collaborative spirit and momentum around needed investments in environmental education and in our parks, trails and natural areas.

These successes leave Metro poised and ready to address significant new obligations in a significantly challenging economic climate. The successful completion of the reserves initiative leads directly to discussions that will culminate in a decision about expansion of the UGB near the end of the calendar year. In addition, last year the Oregon Legislature adopted legislation mandating that Metro develop long-range scenarios that ensure the region meets state-mandated greenhouse gas reduction goals for transportation and land use – goals that will necessitate major changes in the way we live.

Launching a Regional Investment Strategy

To respond to these new obligations, this budget proposes to use one-time funds to create a three-year, integrated, agency-wide investment strategy to close the gap between the region's needs and its financial means. The strategy will be supported by a three-year investment of \$2.8 million created by reallocating \$2 million from the full faith and credit reserve established last year when the Blue Lake Nature and Golf Learning Center debt strategy was approved. That project has been postponed, and the remaining \$800,000 is repurposed from the Housing Choice fund.

In the first year the Regional Investment Strategy will expend \$929,000 to help local communities and neighborhoods choose high priority actions needed to maintain and improve important public structures. This strategy will be aimed at capitalizing on our past investments by maintaining existing roads, bridges, parks and other public structures and at supporting targeted new investments to create good jobs and vibrant downtowns, to protect farms and forests and to reduce greenhouse gas pollution. Metro is in a unique position to help local communities by identifying opportunities for collaboration that will reduce red tape, improve services and save money.

Helping local communities prioritize needed projects also will support and complement the creation of the capacity ordinance that lays out how our region will accommodate growth for the next 20 years. This agency-wide effort will set the stage for approaching our state and federal partners about what they can do to assist us in

fulfilling our communities' plans. Funds for the second and third years of the initiative will allow us to work with local communities to put in place the public structures, financial tools and local participation needed to get important projects built.

The strategy will integrate Metro's ongoing work to advance local aspirations, active and high capacity transportation, The Intertwine, Climate Prosperity, natural area acquisition, waste prevention, and education. The integration will allow us to more efficiently direct the agency's efforts to helping local communities identify investment targets and strategies to pay for projects that will make our region a great place and reduce climate pollution.

By integrating its work, Metro will be more efficient and effective in collaborating with its local partners and citizens. The foundation upon which this ability to integrate our work and engage and collaborate with others rests, was built over the last few years with programs like the Regional Leadership and Sustainable Metro Initiatives. And, we have the capacity to carry out such an ambitious agenda because the Metro Council has put in place and showed discipline in adhering to prudent fiscal and budgetary policies.

BUDGET HIGHLIGHTS

Oregon budget law directs me to highlight significant changes in the proposed budget. The changes reflect Metro's strategy to ride out the downturn without damaging core services and without losing momentum. As our region prepares to emerge from the downturn, Metro must maintain focus, care for its public structures, operate with transparency and accountability and continue to anticipate and meet the needs of the region's future.

We began the budget development with a sobering potential shortfall in all revenues. Last year's sharp tonnage decline has arrested and leveled, but the forecast remains at this low level throughout most of the upcoming year. Attendance remains at record high levels at the Oregon Zoo, but guests are spending less on food services and other concessions. The number of convention and event bookings remains steady, but many events are offered for fewer days, and event promoters are selecting more modest food and beverage packages. Excise tax collections mirror these activities, and we continue to watch property tax collections carefully. Even grant revenues have become problematic as delays in the federal reauthorization of transportation funds complicate our project planning.

In spite of this sobering revenue picture, Metro remains a strong organization, eager to look beyond this current economic disruption and apply its resources strategically. The proposed budget adjusts to the revenue environment by identifying new, short term revenue strategies; making targeted reductions designed to protect core services and increase efficiencies; defining specific stand-alone products or milestones with reasonable exit ramps where future funding commitments are not secure; all while remaining disciplined and true to our financial policies. We have identified the resources to fund the multi-year Regional Investment Strategy. With the exception of the Opportunity Fund, all General Fund reserve targets are met and provide continuing protection as economic recovery remains elusive.

The proposed budget includes the following service level changes:

Metro Council

The Metro Council budget includes the Council Leadership, Office of the Chief Operating Officer and Government Affairs and Policy Development. The principal agency initiative, the Regional Investment Strategy, will operate from the Government Affairs and Policy Development center which is the maturing of the former Strategy Center. The Regional Investment Strategy includes three limited duration positions and two part-time staff in the project office to provide both the internal and external

coordination of this primary initiative, working with staff throughout Planning and Development, the Research Center, the Sustainability Center and other areas of the agency. The Active Transportation project has been moved to the Sustainability Center to align with trail planning and The Intertwine project, a regional network of parks, trails and natural areas. The Strategy Center team leader will also move to the Sustainability Center to manage the education division for The Intertwine program and integrate youth education programs for all Metro facilities. Support for the Columbia River Crossing project is funded through September 2010. The proposed budget contains an appropriation for enhancing the agency's federal presence. One-time costs for the Sustainable Metro Initiative have been eliminated; one position has been transferred to Parks and Environmental Services and individual Councilor budgets have been reduced from \$3,500 to \$3,000 annually.

Office of Metro Auditor

Metro's elected Auditor operates independently and is a link between the public and Metro. It is in the public's interest to have Metro government operate the best it can to ensure that public resources are used wisely. The Office of the Auditor helps Metro be fully accountable to the public and achieve the public's trust and support. There are no service level changes for FY 2010-11.

Office of Metro Attorney

In addition to its continuing due diligence responsibilities for the Natural Areas acquisitions, the Office of Metro Attorney is a primary advisor to the Oregon Zoo for the master planning, land use and development approvals for the new bond measure. OMA also provides review and advice to the Metro Council to support its land use and transportation decisions. There are no service level changes for FY 2010-11.

Metropolitan Exposition Recreation Commission

The economic downturn continues to present challenges to the Metropolitan Exposition Recreation Commission (MERC) venues. The Broadway series run will be longer in FY 2010-11, and convention bookings remain steady, although food and beverage margins and transient lodging taxes remain flat. Both Portland Center for the Performing Arts and the Portland Expo Center face challenges from deteriorating facilities. With the region's decision not to pursue a Headquarters Hotel and the current economic challenges, the Oregon Convention Center will eliminate two positions. All three venues will use fund balance to take on needed capital projects and master planning. In early 2010 Metro Council amended code provisions related to MERC, defining more clearly the role of the appointed MERC Commission and making the Chief Operating Officer responsible for the management of MERC programs. The organization of Metro's primary venues including the three MERC facilities and the Oregon Zoo under a single management group is just beginning and is not yet reflected in the proposed budget. A Metro-MERC Business Practices Study now underway may introduce additional changes in FY 2010-11.

Oregon Zoo

The proposed budget for the Oregon Zoo focuses on maximizing existing programs, offerings and staff resources. While the economic climate has helped the zoo maintain record attendance as residents stay closer to home, guests are visiting more but spending less. In recognition of this, the zoo has sidelined a catering position until event bookings increase. The conservation surcharge will be used as bridge financing to support internal conservation programs, although balances from prior years will remain available to support regional projects through a modest grant program. Technical construction staff associated with the *Predators of the Serengeti* and *Red Ape Reserve* projects is eliminated as these projects are concluded. Similarly, the Construction and Maintenance Division staff associated with these projects is redirected as a facilities maintenance group.

Construction of the Veterinary Medical Center and the penguin filtration and water conservation project will be underway in FY 2010-11. In addition to the two construction projects, the focus of the zoo bond projects is the completion of master planning, land use and development approvals. The bond program has returned staff to the Facilities group, added one support position and will purchase public engagement support from Metro's communications group. As the zoo prepares for ten years of continuous major construction on the zoo campus as the bond projects proceed, the operating challenges are magnified. Special temporary exhibits and well-timed openings will be keys to maintaining a positive guest experience.

Parks and Environmental Services

Parks and Environmental Services operates Metro's parks facilities, the Metro Regional Center building and its associated services, natural areas and solid waste facilities. The new Graham Oaks Park will open in mid-2010, bringing new operating expenses into the proposed budget. The Natural Areas technicians currently in Parks and Environmental Services who provide day-to-day operating support will be shifted to the Sustainability Center. This alignment will provide both more cohesive management of all natural areas and allow a smoother transition from stabilization to restoration and operation of newly acquired properties. At the Metro Regional Center parking fees will be increased to generate additional revenue for operations and maintenance of the parking structures. Beginning in FY 2010-11 the copy center activities will be provided by an outside vendor. Although the Blue Lake Nature and Golf Learning Center project has been postponed due to economic conditions, trail and water quality projects at Blue Lake continue.

The solid waste facilities will transition to new transfer station operating contracts as the fiscal year begins. The sharp tonnage decline has arrested, but tonnage remains flat at these now lower levels. Economic pressures, global competition and volatile commodity markets for recyclables present challenges to recovery efforts. Metro has been selected as a primary vendor for receiving and processing paint under the new state program mandating paint recovery. Metro will collect excise tax on the recovery service and on the sale of paint products and compost bins.

Planning and Development

Planning and Development includes three units: Land Use Planning and Development; Transportation System Planning; and Corridor Planning and Development. Together its programs and projects facilitate the creation of great places in centers and corridors and throughout the region. Planning and Development staff will be supporting and complementing the Regional Investment Strategy by integrating existing transit oriented development, capacity ordinance and community development work with the project.

The delays in federal reauthorization of transportation funds have significantly reduced federal planning grants and complicated project planning. In particular the Corridor Planning work program may proceed at a slower pace and in phases that produce interim, stand-alone products. Metro will not be able to embark on subsequent project phases unless or until there are solid funding commitments from local, state and federal partners. And while demand for transportation planning services is increasing, uncertainties in federal funding have required Metro to be more cautious, slowing the pace of local implementation of the newly adopted Regional Transportation Plan for up to three years, dropping the cooperative project development program with Oregon's Department of Transportation (ODOT) and moving from a two-year update cycle to a four-year for the Metropolitan Transportation Improvement Program.

Assuming that federal reauthorization occurs sometime in FY 2010-11, we will reassess how to restore these more ambitious projects. At the same time Oregon's transportation bill, HB 2001, places new responsibilities and provides new funds that allow us to continue some of this work. The proposed budget assumes that a satisfactory agreement with ODOT will be reached at the start of the fiscal year. The proposed budget eliminates a transportation planner position which has been vacant because a National Environmental Protection Act grant has not materialized. It eliminates administrative assistant support due to the completion of the Urban and Rural Reserves work, although it does add a half-time limited duration Records Analyst position to compile the final record. The budget also eliminates a Long Range Planning position, which will delay brownfield assessments and the development of local visualization tools. Finally, the budget transfers a Regional Travel Options manager to Communications to enhance communications and marketing activities not only for the Regional Travel Options program but also to provide greater message consistency with related parks and Sustainability Center programs.

Research Center

The Research Center provides accurate and reliable data, information, mapping and technical services to support public policy and regulatory compliance for Metro programs and for the region. The Research Center will also be supporting and complementing the Regional Investment Strategy initiative by integrating its HB 2001 greenhouse gas research and model enhancement work with the strategy. Data collection, spatial analysis, mapping and visualization, requirements of the HB 2001 scenario planning, are dependent on reaching a final program and funding agreement with the State of Oregon. Negotiations are expected to conclude by mid-2010. The Research Center will also complete the regional indicators report, a collaborative effort with Portland State University and local partners. The proposed budget eliminates some limited duration GIS positions related to the Urban and Rural Reserves effort and continues the regional indicators project.

Sustainability Center

The Sustainability Center consolidates Metro's significant conservation and education activities. It focuses on providing accessible regional natural areas, parks and trails, and maintaining and enhancing environmental quality. It also promotes sustainable resource management through waste reduction initiatives, hands-on interpretive programs, youth and adult education, grants and demonstration projects and volunteer opportunities.

With the opening of Graham Oaks Park, the focus will shift in FY 2010-11 to longer-range financial needs for Metro's growing land base and The Intertwine System, which will be aligned with the Regional Investment Strategy. The budget includes resources to complete the Glendoveer Golf Course master plan in anticipation of the current operating contract concluding in 2012. The Sustainability Center will also transfer in five positions from Parks and Environmental Services and merge the natural areas maintenance staff to align all elements of Metro's natural areas program – acquisition, restoration, planning and management – in one center. Volunteer staff will also be integrated to lift capacity and coordination of volunteer activities around natural areas. The team leader from the former Strategy Center will return to the Sustainability Center to manage environmental education for The Intertwine project and integrate existing youth education programs at all metro facilities including the Oregon Zoo. Two youth educators from the Resource Conservation and Recycling group will also move into this unified education division. The Active Transportation project will move from the former Strategy Center to the Parks Planning and Development group to align with other trails and Intertwine activities.

The Resource Conservation and Recycling program will continue to support regional efforts to reduce emissions from solid waste collection vehicles. Resource Conservation and Recycling continues to reduce its appropriations to match the performance of its programs and projects. One-time funds for the business sector areas have been eliminated, and the business sampling projects are concluded. Waste reduction education programs including the outdoor Enhanced Waste Reduction program have been budgeted to reflect actual participation rates after two years' experience. The proposed budget also includes funding to continue the internal Climate Change program and to implement small projects identified in Metro's internal sustainability plan.

Operational Support

Communications

The Communications group provides communication services to advance Metro's policy initiatives, planning and stewardship efforts, public involvement and education campaigns and facilities and services. The Communications group will provide key support to the Regional Investment Strategy, redeploing resources from the Making the Greatest Place activities. Communications will also shift resources from the concluding Urban and Rural Reserves engagements to the public involvement activities associated with the master planning and land use and development approvals for the Oregon Zoo's bond program. One position transferred in from Planning and Development will enhance communications and marketing activities for the Regional Transportation Options program and also provide greater message consistency with related parks and Sustainability Center programs. Efforts will be directed to support a more robust focus on climate change, including Metro's Climate Action plan and new work mandated by HB 2001 to support long-range climate, land use and transportation scenario development.

Finance and Regulatory Services

In addition to its portfolio of financial services, risk management and procurement, Finance and Regulatory Services is responsible responsibility for solid waste regulation, rate setting and financial analysis and modeling for solid waste operations. One administrative position is eliminated, mitigated in part by the opening of the Metro Store which now accepts walk-in payments including routine contractor's business licenses, license renewals and general inquiries. During FY 2009-10 Finance and Regulatory Services and Information Services collaborated in a feasibility study to design a state-of-the-art system of data collection and reporting to support Metro's responsibility to collect more than \$30 million annual in regional system and excise taxes from privately owned solid waste facilities. The system will enhance our ability to monitor compliance with regulatory requirements of licensees and franchisees and management compliance with the non-financial obligations of the long-term waste disposal contract. The proposed budget includes the Phase 2 implementation of this system. FRS is also an active participant in the Metro-MERC Business Practices Study now underway.

Human Resources

Human Resources supports both the operating units and the individuals of the Metro organization, providing strategic leadership, building collaborative relationships, promoting diversity and instilling best human resources management practices. Human Resources recently established a formal Organizational Training and Development center to provide training for staff to further implement the Sustainable Metro Initiative and support best practices. Human Resources is a key member of the Metro-MERC Business Practices study, looking to align best practices and policies across the agency. The proposed budget reduces payroll staffing by 0.5 FTE and redeploys one supervisory position to increase service delivery.

Information Services

Keeping pace with technology remains a challenge for Metro. Information Services provides technology-based leadership and solutions to support Metro's goals and business processes through the development, implementation, support and management of information systems. The proposed budget deploys resources to standardize and enhance network infrastructure, a key element to increasing efficiency and reducing risk across the currently separate Metro and MERC systems. One supervisory position is eliminated, better aligning desktop and network services but also reducing the available technical resources.

General Expense

The General Expense category includes non-program revenues such as property taxes, excise tax and interest earnings as resources. On the expenditure side, it includes non-operating expenses such as general obligation debt, transfers and special appropriations that are not tied to an individual program service or center.

Interest rates are at a significant low due to the economic climate and the federal monetary policy. In FY 2007-08 all Metro funds earned \$12 million; in FY 2010-11, we expect to earn \$1.6 million, in part influenced by the planned spending of Natural Areas bond funds, but most significantly influenced by the lowered interest rate.

Excise tax, except for construction excise tax, is reset each year following a method prescribed in Metro Code. The proposed budget implements a new proposal to combine both the "Base" per ton excise tax rate and the former "Additional" per-ton rate into a single rate calculation. The specific purposes of the "Additional" per-ton rate were removed from Metro Code in 2006 and became part of the annual budget process in FY 2007-08. The recent severe decline in tonnage demonstrated Metro's increasing vulnerability for the "Additional" per-ton portion of tax. In combining the two into a single rate calculation Metro will gain stability and predictability in the excise tax collections in times of flattening or declining tonnage. As a trade-off, Metro will forego windfall collections in periods of increasing tonnage. The charter limitation on expenditures remains unchanged. This balanced approach is consistent with Metro's financial policies to "maintain a diversified and balanced revenue system to protect it from short-term fluctuations in any one revenue source."

Debt service in FY 2010-11 is decreasing, primarily because Metro has delayed issuing the remaining \$102 million in authorized debt for the Natural Areas program. The original plan to issue the remaining bonds in 2010 would have increased debt service. Metro will issue \$15 million in debt for the zoo construction and master planning.

Metro will make a one-time increase in sponsorship funding for the national Rail-Volution conference which will be held in Portland in October 2010. The conference presents a unique opportunity to showcase our region's work nationally and to improve local knowledge of the importance of making the most of our existing roads and bridges.

Capital Improvement Plan

Renewal and replacement

The consolidated General Renewal and Replacement Fund provides for scheduled renewal and replacement of assets at the Oregon Zoo, parks facilities and the Metro Regional Center. Established by the Metro Council in FY 2008-09, the fund contains a favorable balance which, when combined with the annual contribution of \$1.3 million, will meet the General Fund needs for the foreseeable future. The Solid Waste Revenue Fund continues to maintain solid renewal and replacement reserves, and the MERC Commission also has designated renewal and replacement reserves. The Metro-MERC Business Practices Study is examining how to formalize and size the MERC reserves.

Capital projects

New capital projects, defined in Metro's capital asset policies as projects exceeding \$100,000 and meeting the State of Oregon's definition for public improvements, are dominated by land acquisition and stabilization under the Natural Areas bond measure, new capital projects under the Zoo Infrastructure and Animal Welfare Bond program and, to a lesser extent, new capital projects at solid waste facilities funded by the Solid Waste Revenue Fund capital reserves. With the completion of the *Predators of the Serengeti* and *Red Ape Reserve* exhibits at the zoo, funded largely by major gifts to The Oregon Zoo Foundation's capital campaign, and the postponement of the Blue Lake Nature and Golf Learning Center project due to the economic conditions, there are no new General Fund capital projects in the proposed budget.

Solid waste rates

During this year the Metro Council made changes in the way that Metro prepares and receives comment on its proposed solid waste tipping fees. The changes are designed to improve transparency and increase public review of the rate setting process. The proposed rates and a rate report now will accompany the proposed budget, and the Council will also receive a review of the rates prepared by an independent consultant. The public will be able to review the proposed rates, the rate report and the consultant's opinion, and comment to the Council at any public hearing on the budget. If the Council considers and makes changes affecting the Solid Waste Revenue Fund during the budget process, the rate impact will be known immediately. Likewise, if the Council considers changes to the rates, the budget impact will be known immediately. Based on the proposed budget, the anticipated tip fee, including all fees and taxes, will be \$85.85, a \$5.10 increase over the current rates.

Readying our region for the future

As Budget Officer, I am required to bring forward a balanced budget for your consideration. The central core of this budget, both the services and the organizational structure, is a cumulative story of the efforts Metro has made in the last five years to become more efficient and effective. We have strengthened the organizational bones of the agency; we are a learning organization committed to best management and financial practices. We are transparent and accountable to our citizens, our partners and ourselves. The Council has committed itself to being regional leaders, moving its policies from regulation to engagement, from planning to action. The Regional Investment Strategy is a reflection of the maturation of this agency. Despite the economic downturn we have planned carefully and creatively to take an important next step to ready the region for the future.

We look forward to your consideration of this proposed budget.

Sincerely,



Michael Jordan

Chief Operating Officer



Highlights from FY 2010-11 Proposed to Adopted Budget

Each year the proposed budget is the starting place for a dynamic process where citizens review and speak to the elected Metro Council about the proposal. After considering the public's ideas and concerns, the Council shapes the final budget to reflect any changes in circumstances since the budget was proposed (technical adjustments) and any new or changed priorities (substantive adjustments).

The budget was proposed on April 1, 2010, and a series of public hearings and Council work sessions in April, May and June continued to shape the final budget. Few adjustments were made to the proposed budget because of the Council's strong guidance prior to the proposing of the spending plan. In addition, the persistent effects of the economic downturn and the inconsistent signs of any meaningful recovery made the Council very cautious.

Community Investment Strategy takes shape

During the course of budget consideration, discussions with the community about the proposed "Regional Investment Strategy," now formally named the Community Investment Strategy, began in earnest. The strategy is aimed at improving the effectiveness and efficiency of existing investments, maintaining existing facilities and community assets and at developing potential new targeted investments to accommodate anticipated population and employment growth. It will help the region invest existing dollars strategically to maintain momentum for the future. It will help the region focus investments for maximum impacts; increase the level of overall investment; and deploy our region's public resources in a way that supports private development. The proposal to make this three-year investment, funded by redeploying previously committed General Fund fund balance, was adopted with minimal change.

Visitor Venues become more focused

At the time the budget was adopted, Metro had concluded the initial work to align the activities of the four principal visitor venues – the Oregon Zoo, the Oregon Convention Center, the Portland Expo Center and the Portland Center for Performing Arts. About two-thirds of Metro's employees support the principal venues, welcoming millions of guests each year. The Metro Council has enacted changes to the Metro Code transferring management responsibility of the Metropolitan Exposition Recreation Commission (MERC) facilities to the Chief Operating Officer and clarifying the oversight responsibilities of the MERC Commission. A General Manager of Visitor Venues replaces the former MERC General Manager position, and the functions of the MERC business support services will be more closely aligned with Metro's business services. This change continues the Sustainable Metro Initiative with a strategic, thoughtful approach to supporting key operations. Reporting relationships will change immediately; small adjustments in appropriations may be considered during the year. For FY 2011-12 Metro will determine whether any change in budgetary structure is needed to reflect this integration.

Fund Balances thoughtfully applied

The economic circumstances for the nation, the state and the region challenged most agencies, public and private, and Metro was no exception. Because of its enterprise activity and strong financial policies, Metro was in a better position to adjust its spending to the economic realities. To fund the Community Investment Strategy the Council redeployed reserves that had been designated for an affordable housing loan program, instead incorporating housing choice in the new investment strategy. The MERC Commission recommended and the Council approved use of the MERC fund balance to fund one-time capital projects needed to maintain its visitor venues in top

condition. The Council also considered that its capital spending, particularly in the bond programs, offered a local stimulus.

Councilor Amendments

The Metro Council approved three amendments proposed by individual members:

- Adding \$150,000 for Nature in Neighborhoods' small restoration grants to continue to support grassroots, community-oriented projects that connect citizens to their watershed through hands-on restoration activities and environmental education.
- Restoring 1.0 FTE in Planning and Development to complete brownfield assessments and develop and implement visualization tools in communities across the region.
- Funding an audit of current transportation data collection/maintenance efforts within Metro and at partner agencies resulting in a multi-modal transportation data inventory.

Technical Adjustments

Most technical adjustments reflected the continuation of capital projects which did not complete by June 30, 2010, as scheduled. The common reasons for continuing projects forward included spring weather, the availability of construction materials as scheduled and permitting for funding delays. In addition a number of non-CIP amendments carried forward committed but unspent funds. The most significant technical amendments included:

- Adding three additional premium zoo concerts (\$522,000 in costs with net revenue of \$151,000).
- Recognizing \$500,000 in renewal and replacement funds received from Multnomah County for Parks' vehicles and equipment which will now transition from the Multnomah County fleet to the Metro fleet at Metro's request.
- Recognizing grant funds in Solid Waste operations, matched by solid waste funds, for the first implementation phase of the Diesel Retrofit project (\$552,000 in total expense, \$317,000 in grant funds).
- Carrying forward \$640,000 in Construction Excise grant expenditures for planning grants awarded but not implemented in FY 2009-10 due to pending litigation.
- Carrying forward \$232,000 in earmarked but unexpended funds for The Intertwine project to help complete web design and implementation, financial analysis, polling, marketing and some signage implementation.
- Recognizing a grant from the Oregon Watershed Enhancement Board, matched by Parks funds, to look at engineering possibilities to stabilize the bank of the Sandy River at Oxbow Park.
- Making adjustments to the Solid Waste fund to incorporate final negotiated prices for the operation of the two Metro transfer stations and implement the FY 2010-11 rates
- Eliminating two management positions at MERC as part of the realignment of visitor venues.

Two substantive amendments related to positions were incorporated in the adopted budget:

- Adding two part-time positions to the Research Center to perform contract work for the State of Oregon to help establish a statewide land information system, using Metro's Regional Land Information System (RLIS) as a mode.
- Adding one limited duration position in Human Resources to support the first year of the Learning Management System (LMS), Metro's online training software.

Transparency and Accountability

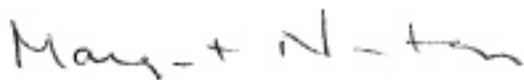
As companion actions to the adoption of the budget the Metro Council also reviewed and readopted its financial policies, its capital asset management policies and its investment policies. These policies are the backbone of Metro's financial accountability and transparency and have sustained Metro through an unprecedented economic downturn.

The Council adopted one change to the financial policies, setting the structure to implement the new Governmental Accounting Standards Board (GASB) Statement No. 54 in FY 2010-11. GASB 54 requires Metro to formalize its current practices regarding the use of resources by reporting fund balance according to a revised classification for governmental funds, primarily the General Fund. This standard increases the usefulness of fund balance information by providing clear and consistent classifications as to availability of funds and establishing a hierarchy for using, and in some instances, replenishing fund balance.

Metro's budget process provides many opportunities for public review. In addition, the Tax Supervising and Conservation Commission of Multnomah County conducted a public hearing on June 3, 2010, and certified that Metro has prepared a proper tax levy and budget.

We remain mindful that FY 2010-11 will present continuing challenges. At the same time we have confidence that Metro will manage through and maintain momentum for the future.

Sincerely,



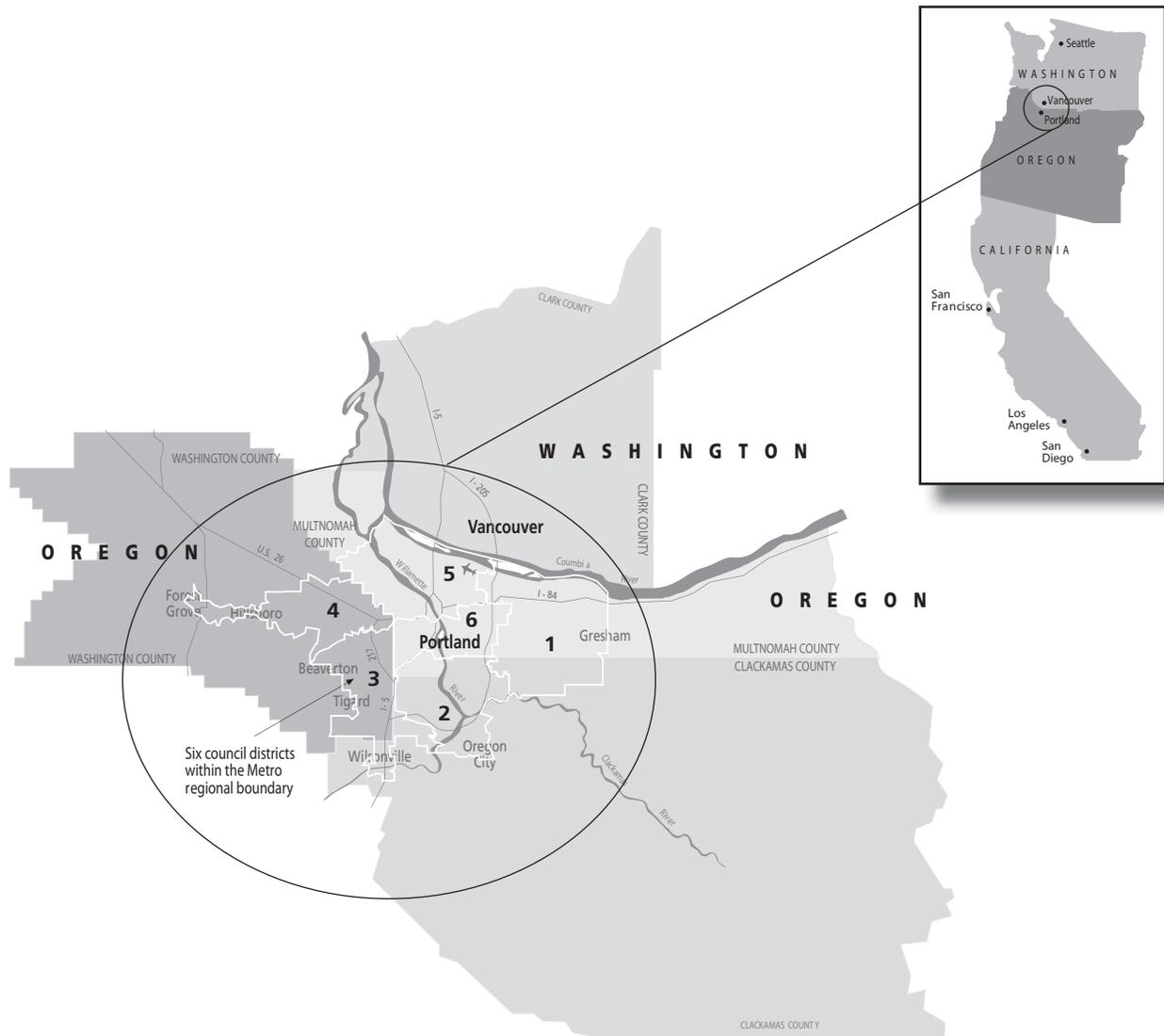
Margo Norton
Finance and Regulatory Services Director
July 1, 2010



What is Metro

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Few metropolitan areas can boast the combined advantages found in the Portland metropolitan area. Thriving communities, cultural amenities, economic vitality, scenic beauty and healthy natural ecosystems make this a great place to live, work and play. For the region's leaders and citizens alike, nurturing this livability is a constant quest. Metro plays a unique and leading role in that effort.

Metro crosses city limits and county lines to make our communities safe, livable and ready for tomorrow. From protecting our region's air, water and natural beauty to supporting neighborhoods, businesses and farms that thrive, Metro makes this a great place. Metro serves more than 1.6 million residents in Clackamas, Multnomah and Washington counties, and the 25 cities in the Portland, Oregon metropolitan area. Metro, the only directly elected regional governing body in the United States, is governed by a president, elected region wide, and six councilors elected by district. Its home rule charter, approved by the voters in 1992 and amended in 2000, grants broad powers, primarily for regional land use and transportation planning, but also for issues of metropolitan concern. The charter also insists that the Metro Council be elected, visible and accountable.

Metro embodies the region's commitment to maintain and enhance the livability and sustainability of the region. A regional approach simply makes sense when it comes to protecting natural areas, caring for parks, planning for the future of our neighborhoods, managing garbage disposal and increasing recycling. Metro manages 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.

HISTORY

Metro was first formed in 1979 when voters approved the merger of the Columbia Region Association of Governments (CRAG) with the Metropolitan Service District. CRAG was responsible for land use and transportation planning, and Metropolitan Service District provided regional services that included the solid waste management and operation of the region's zoo. An elected Council and an elected Executive Officer governed the new Metropolitan Service District. The Metro Council had the combined authorities of the two merging agencies and additional powers.

Over the years the Oregon Legislature has assigned additional responsibilities to Metro with concurrence of the jurisdictions within Metro's boundary. In 1980 Metro became responsible for regional solid waste disposal when it took over operation of one existing, publicly owned regional landfill and began construction of a solid waste transfer station. In November 1986 voters approved general obligation bond funding for the Oregon Convention Center, to be built and operated by Metro. In January 1990 Metro assumed management responsibility for the Portland Center for the Performing Arts, Portland Civic Stadium and Portland Memorial Coliseum (though management of the latter two facilities has since returned to the City, which turned them over to private management companies). Metro assumed management responsibility for the Multnomah County parks system and the Portland Expo Center in 1994. Ownership of these facilities was officially transferred to Metro on July 1, 1996.

CHARTER APPROVAL

A significant development in Metro's history occurred with the voter approval of a home rule charter in 1992. Prior to that time Metro was organized under a grant of authority by the Oregon Legislature and the Oregon Revised Statutes. Metro's powers were limited to those expressly granted by the legislature, and any extension of that authority first had to be approved by the legislature.

With the growth of the region however, and Metro's increasingly important role, the region recognized that the power and authority of the regional government should be controlled directly by the voters of the region and not the state. In 1990 the legislature referred a constitutional amendment to the voters to allow the creation of a home rule regional government in the Portland metropolitan area. Voters approved the amendment and a charter committee was formed shortly thereafter. In 1992 Metro's charter was referred to and approved by the voters. Metro thereby achieved the distinction not only of being the nation's only elected regional government (as it had been since 1979), but also the only regional government organized under a home rule charter approved by voters.

In November 2000 voters in the region approved an amendment to the Metro Charter abolishing the position of an elected Executive Officer. On Jan. 6, 2003, a new regionally elected Council President absorbed or delegated the authorities and functions previously vested in the Executive Officer.

REGIONAL LEADERSHIP AND SERVICE

Self-sufficiency

About half of Metro's operating revenues come from fees paid by customers for the use of Metro's facilities or for services such as recycling and solid waste disposal. Other revenues include grants, intergovernmental funds, property taxes for voter-approved bond issues and a small permanent tax base (\$11.0 million), which is allocated annually through the budget process.

Making a great place

Metro has emerged as a leader of regional initiatives — a collaborative partner, facilitator, technical assistance provider, process manager and advocate. For example, Metro's Making the Greatest Place initiative demonstrates how new and renewed urban centers can integrate housing, shopping, businesses and recreation with pedestrian-friendly streets and easy access to transportation. Metro has also involved regional homebuilders in the Nature in Neighborhoods program, teaching them how to develop projects that minimize water runoff and impacts on natural areas. Metro and its county partners recently reached an historic collaborative agreement to guide the future growth of the region for the next 50 years, setting aside 28,000 acres for future development if needed and protecting 270,000 acres of farms, forests and natural areas.

Metro every day

Metro policies, programs and services are woven into the fabric of the region's life. They are the common threads that connect neighborhood wetlands, the Portland Expo Center antique shows, penguins at the Oregon Zoo, recycled newspapers, extensive bike paths and live symphony performances at the Arlene Schnitzer Concert Hall.

People Places. Open Spaces.

Metro provides a rich mix of the region's public places where people are invited to gather to enjoy recreation, education and entertainment. The Metro Council-appointed Metro Exposition Recreation Commission (MERC) advises the Metro Council and oversees public assembly facilities including the Oregon Convention Center, Portland Center for the Performing Arts and Portland Expo Center. These venues host hundreds of events each year, drawing millions of people.

Additionally, Metro has been a leading player in preserving and expanding the natural areas available to the people of our region. This includes an interconnected system of parks, trails and greenways. Today, Metro's inviting system of regional parks and natural areas includes Smith and Bybee Wetlands Natural Area, a 2,000-acre freshwater wetland in North Portland, and Oxbow Regional Park, a 1,200-acre forested natural area on the Sandy River east of Gresham. In January 2010 Metro acquired 1,143 acres of forestland in the Chehalem Mountains of the Tualatin Valley – the largest acquisition in the history of the Metro region's two voter-approved natural area bond measures. The new Chehalem Ridge Natural Area is one of the metropolitan area's biggest remaining swaths of undeveloped forest. At about the size of Oxbow Regional Park, the property is positioned to protect water quality and wildlife habitat in the Tualatin River Basin and serve as a scenic and recreational resource for the region.

Regional Planning and Stewardship

Metro has a primary responsibility for regional land use and transportation planning. The centerpiece of this responsibility is the 2040 Growth Concept. It guides management of the Urban Growth Boundary, efficient use of land, protection of farmland and natural areas, a balanced transportation system, a healthy economy and diverse housing options. Metro is now engaging regional governments and the public in a process to update the 2040 plan through Making the Greatest Place.

Green Choices

Metro's concern for sustainability goes beyond what is integrated in conservation, recycling and regional planning programs. Metro also teaches the community about green choices in building and street design and natural gardening and recycling as ways to improve quality of life and leave a smaller environmental footprint. This is done through partnerships, seminars, publications, demonstration projects, clinics, tours and in-school presentations for teachers and students.

Waste Management and Recycling

Metro manages the region's solid waste system, which includes a renowned curbside residential recycling program. The agency owns and operates two solid waste and recycling transfer stations, both which have hazardous waste facilities. Metro also offers a toll-free recycling hotline, which helps people learn to recycle everything from yard debris to old paint.

Metro Charter

A home rule charter defines Metro's structure, assigns its working priorities and grants the power necessary to achieve its priorities. A home-rule charter is a grant of power directly from the citizens of the jurisdiction rather than a grant of power from a legislature or some other body.

The voters of the region approved a home-rule charter for Metro in 1992 and a charter amendment in 2000. Prior to the amendment, Metro was governed by a seven-member Council that was responsible for the policy direction of the organization and for legislative oversight of management activities. A regionally elected Executive Officer was responsible for carrying out the policy directives of the Council, day-to-day management of the organization and recommending policy initiatives to the Council. As a result of the charter amendment, effective Jan. 6, 2003, the Council and Executive offices were consolidated. Under the new structure, the number of districts and the number of Councilors were reduced to six. A regionally elected Council President presides over the Council, sets the policy agenda for the Council and has the authority to appoint all members of Metro committees, commissions and boards. A Chief Operating Officer is appointed by the Council President with Council consent and is responsible for day-to-day management of Metro.

The original Metro charter created the elected position of Metro Auditor. The Metro Auditor is responsible for engaging Metro's independent, outside financial auditor and for conducting performance and management audits of Metro operations and functions.

The home-rule charter sets Metro's working priorities. Metro's primary responsibility under the charter is regional land use planning. To this end, Metro was required to adopt a future vision for the region. The Metro Council adopted the future vision document on June 15, 1995.

State law requires Metro to develop regional land-use goals and objectives. The Metro Council adopted Regional Urban Growth Goals and Objectives (RUGGO) in 1991. RUGGO provided a policy framework for guiding Metro's regional planning program and established a process for coordinating local planning in the region to maintain the region's livability.

In December 1995 the Metro Council adopted the 2040 Growth Concept which encourages compact development near existing or future transit centers to reduce land consumption. The concept encourages preservation of existing neighborhoods and identifies rural reserves as areas not subject to urban growth boundary expansion to serve as buffers between urban areas. The growth concept sets goals for providing permanent open space areas inside the urban growth boundary and recognizes that neighboring cities will grow and that cooperation is necessary to address common issues. On Dec. 11, 1997, the Council adopted the more detailed Regional Framework Plan (incorporating RUGGO), which specifies how the region will implement the 2040 Growth Concept.

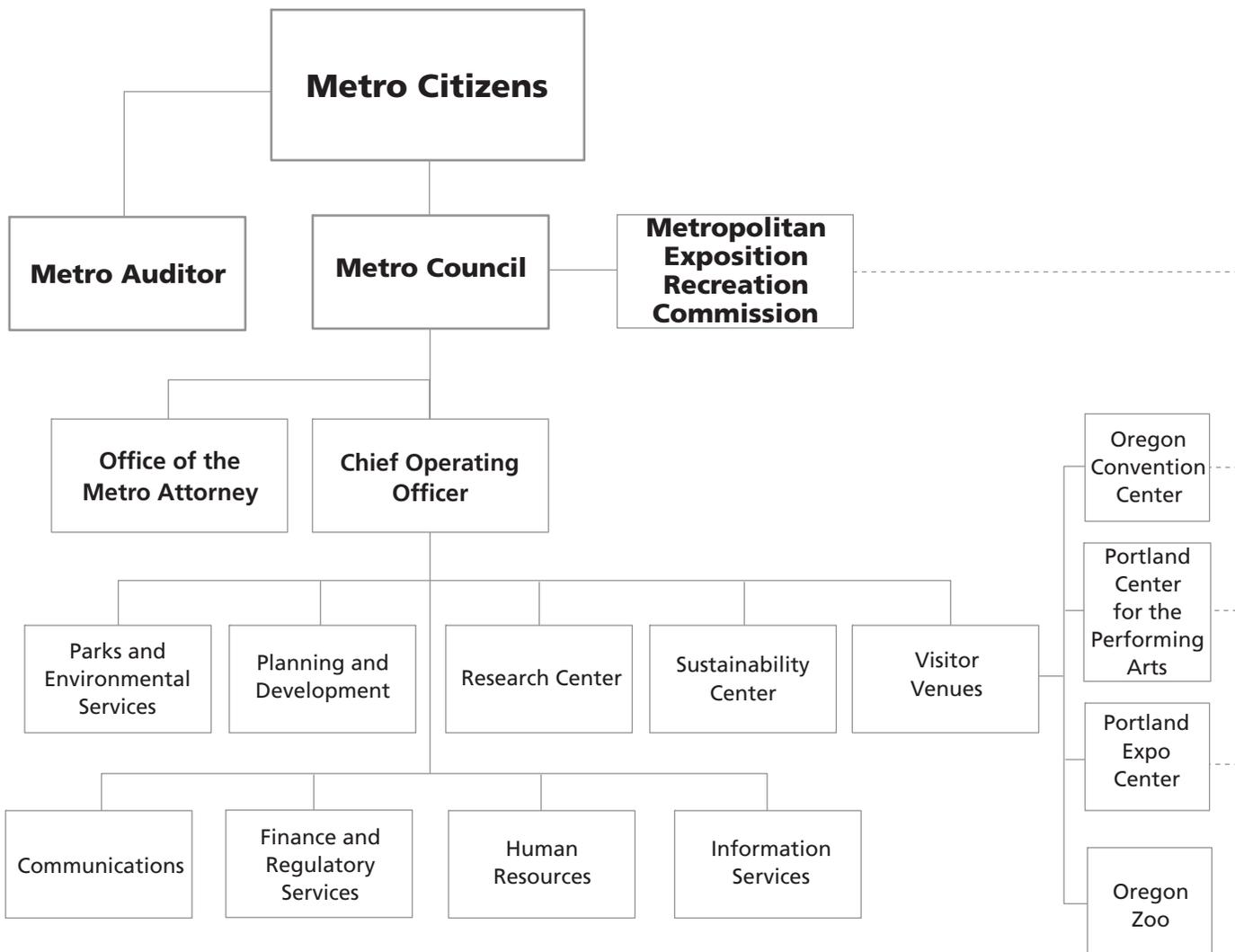
In June 2010 elected leaders from Clackamas, Multnomah and Washington counties and Metro worked together to identify the best places for future growth in the region and the most important lands to protect from development for the next half century. Because of the collaborative work, 266,954 acres of farms, forests and natural areas were set aside as rural reserves and 28,615 acres of land best suited for future urban development were designated as urban. This unprecedented agreement provides certainty for people on both sides of the urban growth boundary.

Although the charter makes regional land use planning Metro's primary responsibility, it also recognizes the significant role Metro has in other regional issues such as solid waste disposal, and the operation and development of regional recreation and visitor facilities such as the Oregon Zoo, the Oregon Convention Center and regional parks and open spaces.

Finally, the charter recognizes that regional government and regional issues evolve over time. The charter grants Metro authority to assume responsibility for issues of metropolitan concern. This allows Metro to work with local jurisdictions as needed to develop common solutions to problems that may exceed local boundaries and may be more difficult to address at the local level.

In addition to defining Metro's structure and priorities, the charter gives Metro the tools necessary to meet its financial resource needs. The charter gives Metro authority to ask voter approval for broad-based revenue sources. These sources include traditional revenues such as property tax, sales tax or income tax. The charter grants Council authority to adopt taxes of limited applicability without a vote of the people. The charter requires the Council to appoint a citizen review committee when it is considering the adoption of a new limited tax. These niche taxes could include a broad list of revenue sources levied on limited activities such as cigarette sales, real estate transfers, hotel/motel occupancy, etc. Expenditures from non-voter approved revenue sources are limited by charter to no more than \$12.5 million per year (in 1992 dollars). This expenditure limitation increases in each subsequent fiscal year by a percentage equal to the rate of increase in the Consumer Price Index (additional information on this charter limitation is available in the *Appendix* of this budget). Metro's FY 2010-11 budget authorizes approximately 95 percent of the expenditure limitation, funded by excise tax and construction excise tax. The charter grants Metro the authority for levying fees and charges for services it provides on an enterprise basis.

Organizational structure



Elected officials	Position	Service began	Current term expires
David Bragdon	Metro Council President	January 1999	January 2011
Rod Park	Councilor- District 1	January 1995	January 2011
Carlotta Collette	Councilor- District 2 Deputy Council President	November 2007	January 2015
Carl Hosticka	Councilor- District 3	January 2001	January 2013
Kathryn Harrington	Councilor- District 4,	January 2007	January 2015
Rex Burkholder	Councilor- District 5	January 2001	January 2013
Robert Liberty	Councilor- District 6	January 2005	January 2013
Suzanne Flynn	Metro Auditor	January 2007	January 2015

Organizational Structure

Metro's organizational structure includes three offices (Metro Council, Metro Auditor and Metro Attorney), Visitor Venues (Oregon Zoo, Oregon Convention Center, Portland Expo Center and Portland Center for the Performing Arts) and eight centers and services (Parks and Environmental Services, Planning and Development, Research Center, Sustainability Center, Communications, Finance and Regulatory Services, Human Resources and Information Services).

Office of the Council

The Metro Council is the governing body of Metro. It provides leadership from a regional perspective, reflects an ongoing, innovative planning orientation, and focuses on issues that cross local boundaries and require collaborative solutions.

The Office of the Council consists of the Council President and six Councilors, the Chief Operating Officer, and Government Affairs and Policy Development. The Council sets the overall policy direction and provides legislative oversight of management activities for the agency. The Council President presides over the Council, sets the policy agenda and has the authority to appoint all members of Metro committees, commissions and boards. The Chief Operating Officer, appointed by the Council President with Council consent, is responsible for the day-to-day management of the organization. The Council Office also provides staffing for the Metro Policy Advisory Committee.

Metro Auditor

The elected Auditor and staff make up the Office of the Metro Auditor. The Auditor is responsible for engaging the external financial auditing firm while focusing staff efforts on performance audits.

Office of Metro Attorney

The Office of Metro Attorney provides legal services to the Council, Chief Operating Officer, Auditor and Metro organizational units. This office includes the due diligence portion of the regional Open Spaces and Natural Areas acquisition programs.

Visitor Venues

A visitor venues group, including the Oregon Convention Center, the Portland Center for the Performing Arts, the Expo Center and the Oregon Zoo, reports to the General Manager of Visitor Venues. Nearly two-thirds of the permanent and part time staff at Metro are in the business of providing direct service to venue customers, and the four visitor venues are similar in the enterprise activities, services, customers and skills needed for success. An executive management team consisting of the four venue directors focuses on how best to apply strategies, resources and staff strengths to benefit all Metro's enterprise venues. The General Manager plays a leadership role in maintaining and improving Metro's relationships with the City of Portland and Multnomah County; non-profit conservation and education groups; and private sector partners in the lodging and rental car industries.

MERC Venues

The Metro Exposition Recreation Commission (MERC) was established in 1987 and provides citizen oversight for the Oregon Convention Center, the Portland Center for the Performing Arts (PCPA) and the Portland Expo Center (Expo). The PCPA was transferred to Metro's management from the City of Portland in 1990 when the Convention Center opened. Management of the Expo Center was transferred to Metro from Multnomah County in January 1994, with ownership of the facility transferred in July 1996. A seven-member commission advises the General Manager and Metro's COO. The commissioners are appointed by Metro to serve four-year terms. While the visitor venues will benefit from guidance from the Metro Exposition Recreation Commission, the commission has no jurisdiction over the Oregon Zoo.

Oregon Zoo

The Oregon Zoo contributes significantly to the livability of the Portland metropolitan area and provides important conservation education learning opportunities to people of all ages. The zoo strives to motivate people to care and act on behalf of wildlife by offering opportunities for observation, discovery and engagement. The zoo serves as a regional conservation, education and recreational resource, enhancing the quality of life and assisting in economic development as a tourist attraction and community asset. As the state's top paid attraction, the zoo drew 1,634,978 visitors in 2009 — the highest figure in the zoo's 123-year history.

Parks and Environmental Services

Parks and Environmental Services manages Metro's parks, natural areas, solid waste facilities and the Metro Regional Center. Parks and natural areas management focuses on the provision of accessible regional open spaces, parks and trails, including Metro's cemeteries, golf course and marine facilities. The service also manages the region's solid waste in an effective, economical and environmentally sound manner, overseeing the operation of two Metro-owned regional solid waste transfer stations, operating two hazardous waste facilities, managing contracts for the transport and disposal of waste brought to the regional transfer stations and developing the Regional Solid Waste Management Plan.

Planning and Development

Planning and Development facilitates the creation of great places in centers and corridors and throughout the region. It manages the regional urban growth boundary, the primary urban growth management tool mandated by state land-use planning laws. Planning and Development is also responsible for regional transportation planning, which includes preparing the Regional Transportation Plan, securing and allocating federal highway and transit funds for the region and conducting all regional transit and light rail planning under contract with TriMet, the regional transit agency.

Research Center

The Research Center supports the Metro Council, Metro staff, external clients and the public by providing information, mapping and technical services to support public policy and regulatory compliance. The center coordinates data and research activities with government partners, academic institutions and the private sector. In addition, the regional economic and travel forecasts provided by the Research Center meet federal and state requirements for consistent, accurate and reliable data and forecasting tools.

Sustainability Center

The mission of the Sustainability Center is to demonstrate and inspire sustainable stewardship of the region's natural resources. The center focuses on the provision of accessible natural areas, parks and trails and the maintenance and enhancement of environmental quality. It also promotes sustainable management of resources through waste reduction initiatives, youth and adult education and volunteer opportunities, grants and demonstration projects.

Communications

Communications provides communication services to advance Metro Council policy initiatives and Metro organizational unit-led planning and stewardship efforts, public education campaigns, facilities and services. The disciplines represented range from media relations, journalism, marketing, graphic design and web design through event planning and issue management. It also provides support to the Metro Committee for Citizen Involvement.

Finance and Regulatory Services

Finance and Regulatory Services provides financial management services for Metro's elected officials, operating departments, employees and the public. FRS includes Accounting, Budget and Financial Management, Procurement, Risk Management, Solid Waste Compliance and Cleanup and Solid Waste Policy and Compliance. It provides accounting services for the agency; coordinates the preparation, monitoring, and implementation of the agency's annual budget and five-year capital budget; manages debt; performs long-range financial planning; administers Metro's risk management program; coordinates the agency's decentralized purchasing system; manages the Emerging Small Business and Minority- and Women-Owned Business program; regulates solid waste facilities; and directs solid waste rate setting and tax compliance.

Human Resources

Human Resources exists to help its customers fulfill business requirements by positioning Metro's work force for the future. It provides assistance in the areas of recruitment and staff development, classification and compensation, labor and employee relations, benefits administration and manages the agency's Human Resource Information System.

Information Services

Information Services supports Metro's vision, goals and business processes by providing technology based leadership, consulting and direct services. This is accomplished through the support and development of enterprise, operational and custom applications, records management and management of Metro's network infrastructure, as well as development of policies and procedures for access to information within the agency.

METRO ADVISORY COMMITTEES

Metro's charter requires two advisory committees:

Metro Policy Advisory Committee: 24-member committee consisting of representatives of local government and citizens to provide advice and consultation to the Metro Council on the Regional Framework Plan and approval or disapproval of Metro's provision or regulation of a local government service.

Metro Committee for Citizen Involvement: 27-member citizen committee assisting in the development, implementation and evaluation of Metro's citizen involvement activities and advising on ways to involve citizens in regional planning activities.

METRO BOND OVERSIGHT COMMITTEES

Both the 2006 Natural Areas Bond and the 2008 Zoo Infrastructure and Animal Welfare Bond programs include an oversight committee requirement. The Natural Areas Program Performance Oversight Committee includes citizens from throughout the region representing the fields of finance, auditing, accounting, real estate, banking, grant making and law. The 15-member committee is charged with providing the Metro Council and the citizens of the region an independent, outside review of the program in order to help Metro achieve the best results for clean water, fish, wildlife and future generations. The committee presented its first report to the Metro Council in October 2008 and will continue to meet during FY 2010-11.

The Oregon Zoo Bond Citizens' Oversight Committee was created to provide a third-party review of the voter approved Oregon Zoo Infrastructure and Animal Welfare Bond program to the Metro Council and citizens. The committee looks at how decision-making occurs and how business is conducted, as well as determines whether the program is on the right path in terms of structure, management, expenditures, personnel and achievement of defined goals. Members include professionals with experience in construction, sustainability, animal welfare, labor, finance, public budgeting and auditing, and general business.

Metro milestones

-
- 1979
- Columbia Region Association of Governments combines with the Metropolitan Service District to form Metro. Functions include solid waste and transportation planning, zoo operations and management of the urban growth boundary.
 - Joint Policy Advisory Committee on Transportation formed and staffed by Metro's Transportation Planning Department.
 - Transfer of the ownership and operation of the Washington Park Zoo to Metro.
- 1980
- Solid waste operations (including the management of the St. Johns Landfill) added to Metro's functions.
- 1983
- Clackamas Transfer and Recycling Center (now named Metro South Transfer Station) opens.
- 1986
- Voters approve \$65 million general obligation bond issue to build the Oregon Convention Center.
- 1987
- Metropolitan Exposition Recreation Commission established.
- 1988
- Metro assumes responsibility of appointing members of the Portland Metropolitan Area Local Government Boundary Commission.
- 1989
- Attendance at the Metro Washington Park Zoo breaks the one million mark.
- 1990
- Metro assumes management responsibility for the Portland Center for the Performing Arts, Civic Stadium and Memorial Coliseum.
 - Columbia Ridge Landfill opens near Arlington, Ore., to replace the St. Johns Landfill and serve the Portland metropolitan region.
 - Voters approve tax base for the Metro Washington Park Zoo.
 - Metro issues \$28.5 million in solid waste revenue bonds to construct the Metro East Transfer Station (now named Metro Central Transfer Station).
 - Metro initiates an excise tax on its own enterprise operations.
 - Oregon Convention Center opens for business and exceeds projected use and economic projections.
 - Voters approve amendment to the Oregon Constitution allowing creation of a home-rule regional government in the Portland metropolitan region and the creation of a charter committee.
- 1991
- Metro Central Transfer Station opens.
- 1992
- Voters approve a new home-rule charter for Metro, identifying Metro's primary mission, revising Metro's structure, and formally changing the name of the organization from Metropolitan Service District to Metro.
- 1993
- Management of the Memorial Coliseum is returned to the City of Portland and subsequently transferred to the management of the Oregon Arena Corporation.
- 1994
- Metro assumes management responsibility for the Multnomah County parks system and the Portland Expo Center.
 - Region 2040 Concept Plan adopted.
- 1995
- New seven-member Metro Council, Executive Officer and Auditor take office under home rule charter.
 - Voters approve \$135.6 million general obligation bond measure to acquire and protect open spaces, parks and streams.
 - 2040 Growth Concept and Future Vision adopted.
- 1996
- Transfer of ownership of the Multnomah County Parks and Portland Expo Center to Metro.

- 1997  Voters approve \$28.8 million general obligation bond measure to fund construction of the Great Northwest Project at the Metro Washington Park Zoo.
- 1997  Urban Growth Management Functional Plan adopted.
- 1997  Through May 31, 1997, 2,323 acres of open space acquired with the 1995 bond measure proceeds.
- 1998  Through May 31, 1998, 3,413 acres of open space acquired with the 1995 bond measure proceeds.
- 1998  Metro Washington Park Zoo renamed the Oregon Zoo.
- 1998  The Washington Park light rail station serving the Oregon Zoo opens.
- 1998  Great Northwest Phase II opens at Oregon Zoo, including new entrance designed with mountain goat exhibit, catering and restaurant facilities and new gift shop.
- 1999  Open Spaces acquisition exceeds 4,400 acres.
- 2000  Voters approve charter amendment eliminating the Executive Officer position, establishing a regionally elected Council President and reducing council districts from seven to six.
- 2000  Steller Cove opens at the Oregon Zoo, setting a new attendance record of 1.2 million visitors.
- 2001  The reconstructed Expo Hall D opens, adding 72,000 feet of modern exhibit space, new meeting rooms and a full service commercial kitchen. Expo now offers 330,000 square feet of exhibition space and 3,000 parking spaces on a 60-acre campus.
- 2001  Work on the Oregon Convention Center expansion project begins. The expansion will provide an additional 105,000 square feet of exhibit space, 35,000 square feet of ballroom space and 30,000 square feet of meeting room space.
- 2001  Bond proceeds allow acquisition of 6,933 acres of open space through June 15, 2001.
- 2001  Oregon Zoo achieves record-breaking attendance of more than 1.3 million visitors.
- 2002  Election of new Council President reflecting changes to the Charter adopted by the voters in November 2000.
- 2003  On Jan. 6, 2003, a new regionally elected Council President absorbs or delegates the authorities and functions previously vested in the Executive Officer.
- 2003  Work on the Oregon Convention Center expansion is completed, opening to the public in April 2003.
- 2003  The state Land Conservation and Development Commission approves the Metro Council's recommendation to bring an additional 18,617 acres into the urban growth boundary.
- 2003  The first endangered California Condors arrive at the Oregon Zoo's Condor Creek Conservation Facility.
- 2004  On May 1, 2004, the Interstate MAX Yellow Line opens, connecting the Expo Center to the Rose Quarter Transit Station.
- 2004  The first Condor egg is produced at the Oregon Zoo Condor Creek Conservation Facility.
- 2004  Oregon Zoo opens Eagle Canyon Exhibit in May 2004 and the Trillium Creek Family Farm in July 2004, completing Phase IV of the Great Northwest Project.

- 2005 ○ In April 2005 Metro Council creates Nature in Neighborhoods, an initiative to restore and protect regional habitat and greenspaces.
Acquisition of 8,131 acres of open space through June 1, 2005.
Tusko, a 13,500-pound, 33-year-old male Asian elephant arrives to join Packy and Rama in the Oregon Zoo's bull elephant group.
- 2006 ○ Construction Excise Tax collections begins on July 1, 2006.
Metro awards \$560,000 in Nature in Neighborhoods grants to local organizations for projects to protect fish and wildlife throughout the region.
Voters approve a \$227.4 million bond measure directing Metro to purchase natural areas, parks and streams.
- 2007 ○ Metro achieves a bond rating of Aaa from Moody's Investors Service as well as a re-affirmation of its AAA rating from Standard & Poor's.
Metro awards \$420,000 in Nature in Neighborhoods grants.
Oregon Zoo attendance reaches 1.5 million, representing a 10 percent increase over the previous record, set in FY 2000-01.
Metro Council passes legislation known as the Enhanced Dry Waste Recovery Program, to increase the amount of materials recycled or recovered from construction and demolition projects.
MetroPaint, the Northwest's only 100 percent recycled latex paint, receives the first recycled paint certification from Green Seal™, an independent environment standards certifying organization.
Metro, the City of Portland Office of Sustainable Development and Clackamas, Washington and Multnomah counties collaborate to launch a Green Building Hotline to provide information about strategies, resources and financial incentives for green building.
The household hazardous waste roundups conclude a record season with the total customer count for the FY 2006-07 season at 12,909 customers.
The Oregon Legislature approves Senate Bill 1011, enabling Metro and the counties of the region to establish urban and rural reserves that provide greater predictability regarding where future growth may be accommodated and what valuable farm and forestland will be protected.
- 2008 ○ Metro's new online home, www.oregonmetro.gov, provides a fresh look, improved navigation tools and more resources for residents of the region.
As a part of its Nature in Neighborhoods initiative, Metro conducts Integrating Habitats design competition with more than 100 teams from around the world submitting designs for homes, residential infill and mixed-use developments with the natural environment in mind.
Metro adopts a resolution officially recognizing that sustainability will guide all Metro policies and programs.
Acquisition of approximately 480 acres with Metro's Natural Areas initiative during FY 2007-08, including a first acquisition in the Stafford Basin.
MetroPaint is named a 2008 Top 10 Green Product by Sustainable Industries business magazine.
Metro opens Mt. Talbert nature park, which stretches from Portland's Rocky Butte southward to the Clackamas River. A group of extinct volcanoes and lava domes lends unique geographic character to the region's east side, providing important wildlife habitat and panoramic vistas. Mt. Talbert is the largest of the undeveloped buttes in northern Clackamas County.

- 2008 ○ Metro launches the Sustainable Metro Initiative, a multi-faceted reorganization that aligns Metro with organizational wide values.
- 2009 ○ Metro acquires Peach Cove Fen, a rare type of wetland that includes a shallow lake with a floating peat mat. Peach Cove Fen is the only remaining fen of its kind in the Willamette Valley.
- Metro awards \$250,000 in Nature in Neighborhoods grants to fund 13 projects throughout the region.
- Cooper Mountain, a restored 231-acre nature park complete with nature house and three and a half miles of trails, opens to the public. Cooper Mountain is one of three natural areas purchased through a 1995 voter-approved bond measure to be turned into nature parks.
- In June 2009 the Metro Council extends the construction excise tax for an additional five years, until Sept. 30, 2014, to provide funding for planning of future expansion areas, future urban reserves and planning that enables redevelopment of centers, corridors and employment areas within the existing Urban Growth Boundary.
- Metro teams-up with Portland-based Miller Paint Co. Inc. to carry MetroPaint recycled latex in all of the retailer's 20 Portland-area stores.
- Oregon Zoo sets yet another attendance record with more than 1.6 million visitors during FY 2008-09.
- The zoo opens the *Predators of the Serengeti* exhibit.
- Metro and its partners launch The Intertwine, complete with logo, phase one web site and widespread regional support.
- The Oregon Zoo is host to the Association of Zoos & Aquariums conference with more than 1,700 attendees.
- Record attendance at PCPA's Summer Arts on Main series.
- Establishes Zoo Bond Citizens' Oversight Committee advisory committee.
- Zoo reached record-breaking attendance of 1,634,978 in 2009 — the highest figure in the zoo's 123-year history.
- FY 2008-09 economic impact study completed for all MERC visitor venues with total fiscal impact at \$522 million.
- 2010 ○ Metro collaborates with counties, cities and a wide variety of stakeholders to reach agreements on the Urban and Rural Reserves that protect 270,000 acres of farms, forests and natural areas and provide up to 28,000 land for growth if needed.
- Metro completes construction on five transit-oriented development (TOD) projects, totaling 285 housing units and 30,000 square feet of commercial space; initiated construction on one new TOD project and secured funding approval for four new TOD projects; initiated a strategic plan for the TOD program to guide future investments.
- Sustainability Center secures a \$1.4 million grant to construct a pedestrian/bike bridge to connect North Portland with Smith and Bybee Wetlands Natural Area.
- Metro, as part of a consortium, is awarded \$1 million North American Wetland Conservation Act grant that will provide \$200,000 to Metro to fund restoration and acquisition of wetlands.
- PCPA reduces facility rental rates and user fees for all resident arts companies to provide financial assistance in a challenging economic downturn.

2010

Metro is named the contracted service provider for PaintCare, the paint industry's nonprofit corporation for managing the state's left over paint.

Zoo *Red Ape Reserve* exhibit opens.

Completes 10 natural area acquisitions, with a total of 1,427 acres, including Chehalem ridge and the first-ever acquisitions in Deep Creek and Clackamas River Bluffs target areas.

Completes restoration efforts at 61 natural area sites.

Records nearly 20,000 volunteer hours, a 6 percent increase over last year; number of individuals and groups volunteering with Metro increased 17 percent, to 520.

Metro serves more than 900,000 people in 1,700 conservation education programs.

Metro provides information on waste reduction and proper waste management to more than 90,000 callers to the Recycling Information Center.

Metro completes more than 3,400 illegal dumping cleanups, including 138 large cleanups and 97 near waterways or other environmentally sensitive areas.

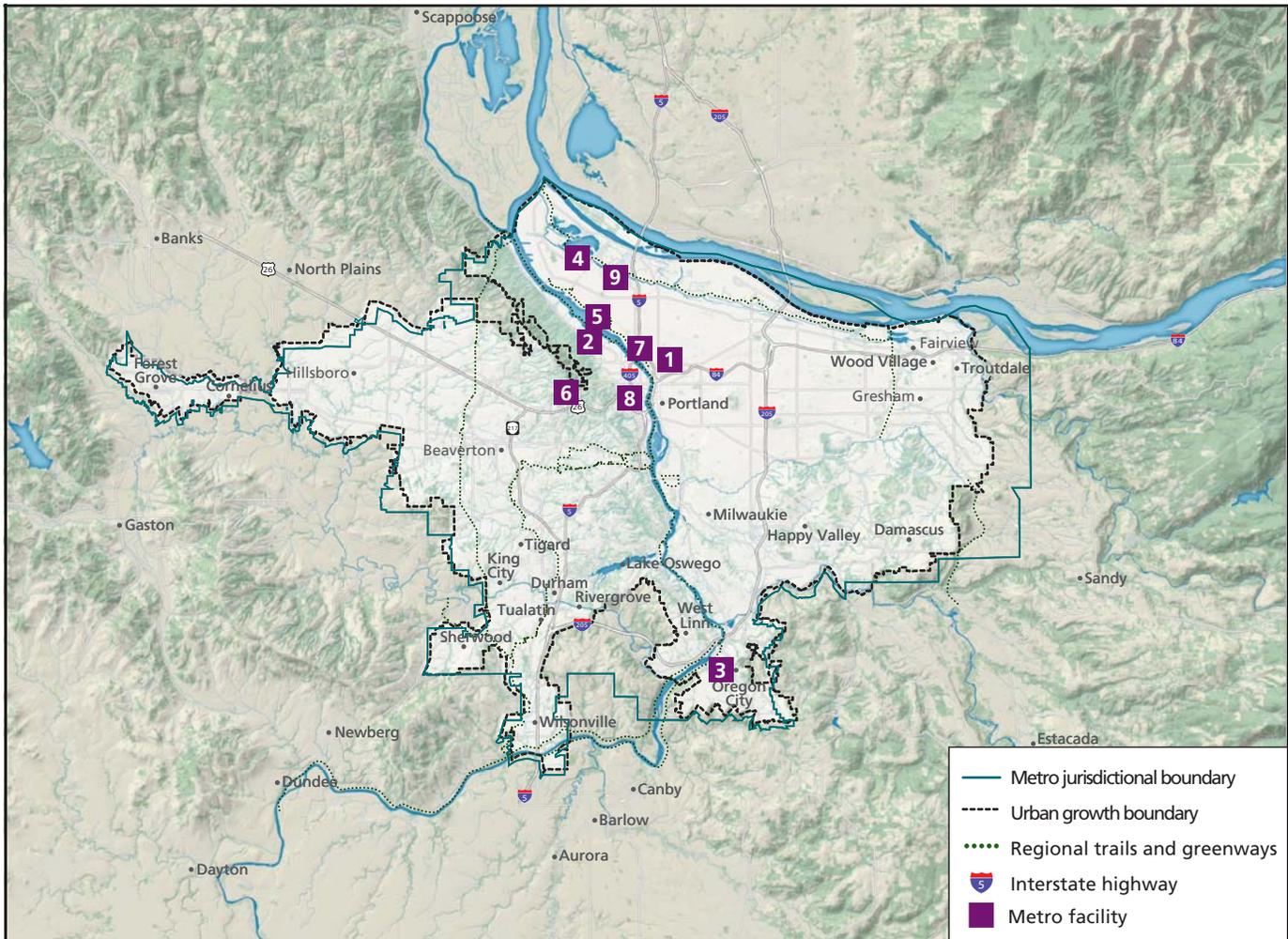
Metro Council approves 17 construction Community Development grants to spur private investment in great communities.

Metro opens Graham Oaks nature park which contains three miles of trails traversing 250 acres of restored oak woodland habitat, a conifer forest, wetlands, five creeks, interpretative plazas and scenic overlooks, a picnic area and the beginning of the regional Tonquin Trail, which will eventually connect Wilsonville, Tualatin and Sherwood.

**Metro
facilities,
pioneer
cemeteries
and regional
parks**



Metro Facilities



REGIONAL FACILITIES

1. Metro Regional Center

Metro's regional center is located in the heart of Portland. The building serves as administrative headquarters for all Metro operating units.

SOLID WASTE AND RECYCLING FACILITIES

2. Metro Central Transfer Station

3. Metro South Transfer Station

Metro's two transfer stations accept trash and recyclable material from citizens, businesses and commercial waste haulers. Hazardous waste facilities are next to these stations.

4. St. Johns Landfill

Located in north Portland near the confluence of the Columbia and Willamette rivers, the 238-acre St. Johns Landfill is situated in Metro's Smith and Bybee Wetlands Natural Area, the largest protected wetland within an American city. The area is being actively restored — providing habitat for coyotes, great blue herons and painted turtles — while Metro continues to manage and monitor the area for future uses.

5. MetroPaint

MetroPaint is a high quality, affordable, 100 percent recycled latex paint produced in Portland, Oregon, since 1992. Metro manufactures and sells the recycled latex paint in 5-gallon pails and 1-gallon cans at this site.

VISITOR VENUES

Millions of people have passed through the doors of the Oregon Zoo, Oregon Convention Center, Portland Center for the Performing Arts and Portland Expo Center.

6. Oregon Zoo

Metro owns and operates the Oregon Zoo, where people can get close to many endangered species. The zoo also offers educational programs for visitors and teachers, and has classes for adults, children and families.

7. Oregon Convention Center

With the expansion that was completed in April 2003, the Oregon Convention Center is now the Pacific Northwest's largest convention facility. Since it opened in 1990, more than 7.7 million people have attended its events.

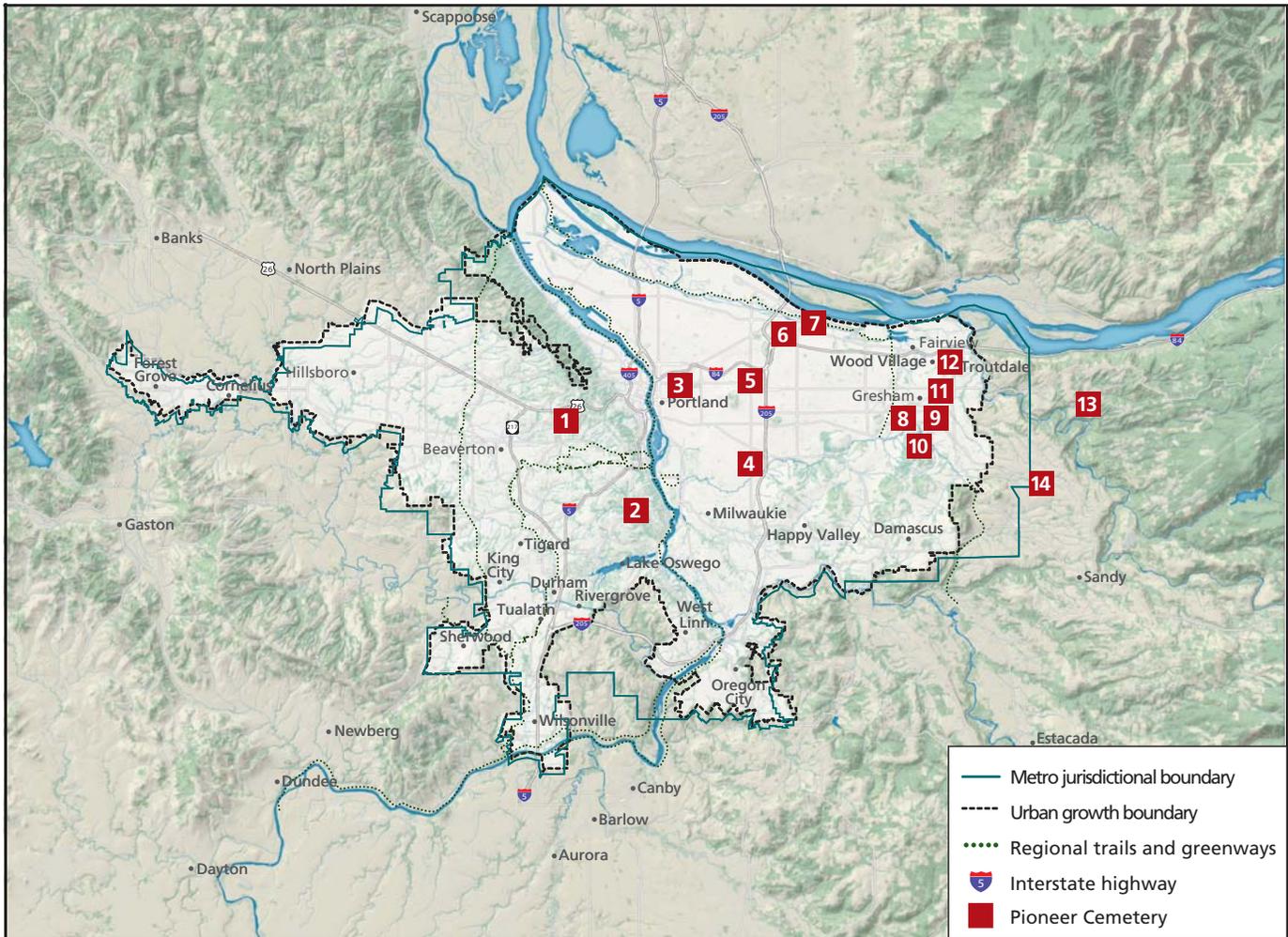
8. Portland Center for the Performing Arts

This leading cultural institution encompasses four acclaimed theaters that include Keller Auditorium, Arlene Schnitzer Concert Hall, and the Newmark Theater, Dolores Winningstad Theater and Brunish Hall, all located in the Antoinette Hatfield Hall.

9. Portland Expo Center

Portland Expo Center is the West Coast's largest public exhibition facility. The center is a public event venue for hobby shows, public exhibitions and community events. The Expo Center has undergone extensive renovation and modernization and is now connected to TriMet's Interstate MAX light-rail system, which opened in May 2004.

Metro pioneer cemeteries



Metro's Parks and Environmental Services manages 14 historic pioneer cemeteries in Multnomah County. The cemeteries not only offer a unique look into the past, but are managed as active facilities.

Most of the pioneer cemeteries managed by Metro were established during the early homesteading period (*circa* 1850-1870). However, some were founded as early as 1837 during the fur trapping and trading period. Family burial plots often became community cemeteries. Community churches also provided burial grounds for their congregation.

Care of pioneer cemeteries became inconsistent, and some were abandoned to revert back to nature. In 1928 the Oregon Legislature mandated the care of 14 pioneer cemeteries to Multnomah County. This was done to assure proper maintenance of the facilities. Now the cemeteries are under Metro's care and fully tended in perpetuity.

1. Jones Cemetery

Founded in 1872, 3.5 acres

2. Grand Army of the Republic Cemetery

Founded in 1872, 2 acres

3. Lone Fir Pioneer Cemetery

Founded in 1855, 30.5 acres

4. Multnomah Park Cemetery

Founded in 1888, 9.25 acres

5. Brainard Cemetery

Founded in 1867, 1.1 acres

6. Columbia Pioneer Cemetery

Founded in 1877, 2.4 acres

7. Powell Grove Cemetery

Founded in 1848, 1 acre

8. White Birch Cemetery

Founded in 1889, .5 acres

9. Escobar Cemetery

Founded in 1908, .66 acres

10. Gresham Pioneer Cemetery

Founded in 1859, 2 acres

11. Mt. View Stark Cemetery

Founded in 1886, .75 acres

12. Douglass Cemetery

Founded in 1866, 9.1 acres

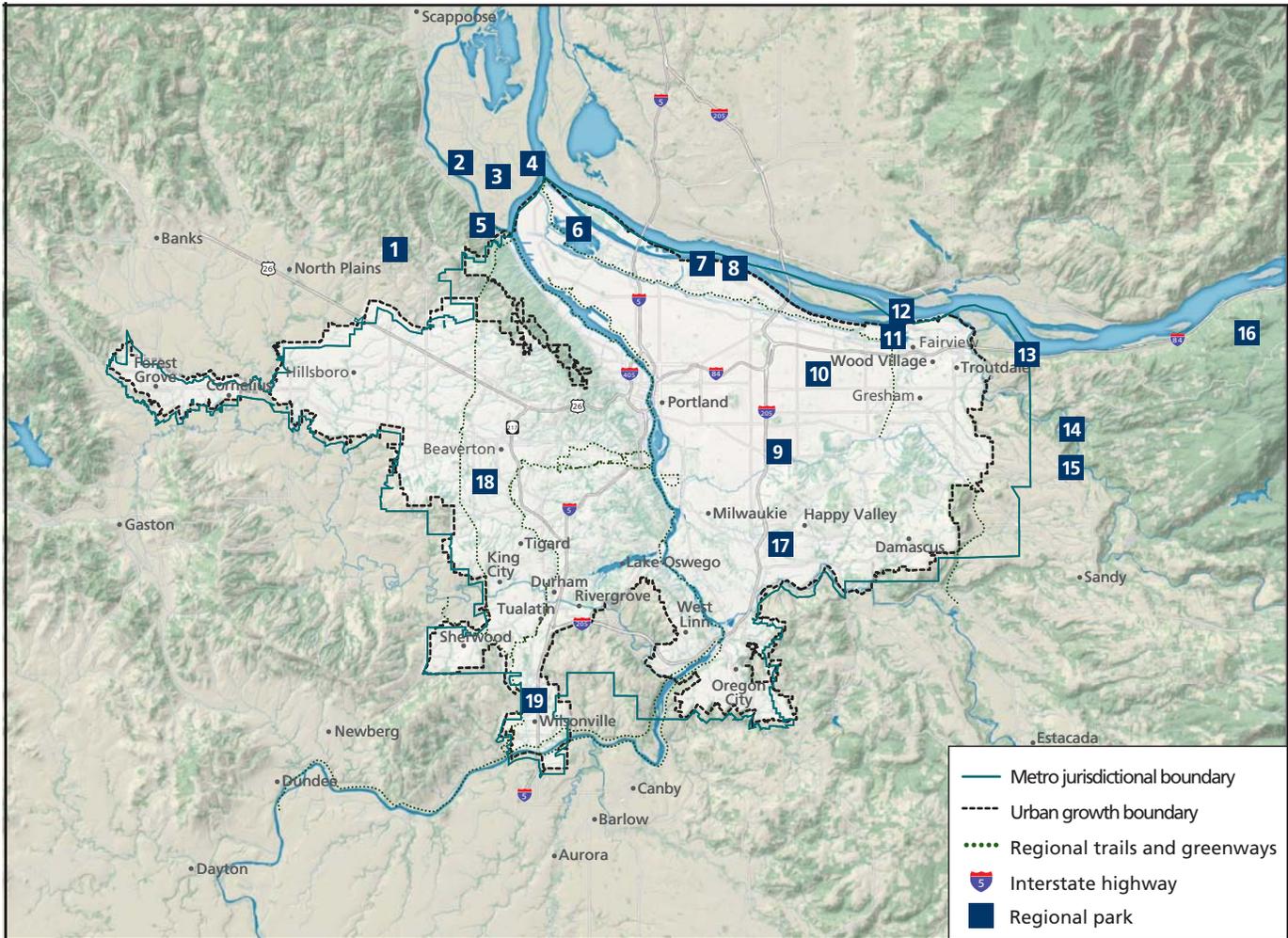
13. Mt. View Corbett Cemetery

Founded in 1888, 2 acres

14. Pleasant Home Cemetery

Founded in 1884, 1.92 acres

Metro regional parks



Metro's regional parks include the largest public boating facility in Oregon, the largest protected wetland within a city in the nation and an ancient forest towering over the wild and scenic Sandy River Gorge.

1. Mason Hill Park, 3 acres

This is the site of a former single room schoolhouse. On top of the picnic shelter at the park rests the original schoolhouse bell. The park is located at the intersection of NW Munson and Johnson Roads in Multnomah County and has a spectacular view looking southwest into the Tualatin River valley.

2. Sauvie Island Boat Ramp, 1 acre

Located on the Multnomah Channel, this one lane ramp offers boarding floats, paved parking, picnic tables and restrooms.

3. Howell Territorial Park, 120 acres

Visit a piece of Oregon history on Sauvie Island. Within this 120-acre park, the region's natural and cultural history come together in one serene, pastoral setting. Attractions include reservable picnic areas, a pioneer orchard, large natural wetlands and an authentically restored farmhouse built in the 1850s.

4. Belle View Point, 10 acres

Located on Sauvie Island at the confluence of the Willamette and Columbia Rivers, this site is considered a wildlife sanctuary accessible only by boat.

5. Multnomah Channel, 11 acres

This 11 acre undeveloped site is located on the northern slope of Forest Park above the community of Linnton.

6. Smith and Bybee Wetlands Natural Area, 2,000 acres

At nearly 2,000 acres, Metro's Smith and Bybee Wetlands Natural Area is the largest protected wetlands within an American city. This beautiful natural area is one of the region's best-kept secrets, hiding in a part of Portland surrounded by port terminals, warehouses and other commercial developments. Most visitors to the natural area are surprised to find beaver, river otter, black-tailed deer, osprey, bald eagles and Western painted turtles living only minutes from downtown Portland.

7. M. James Gleason Memorial Boat Ramp, 6 acres

M. James Gleason Memorial Boat Ramp is a convenient public boat launch on the Columbia River, minutes from downtown Portland. Amenities include launch lanes, boarding docks, restrooms, river maps and a river patrol office.

8. Broughton Beach, 9 acres

Located directly east of the M. James Gleason Memorial Boat Ramp, this area offers beach-related recreational opportunities on the shores of the Columbia River.

9. Beggars-tick Wildlife Area, 20 acres

Named after a species of native sunflower, Beggars-tick Wildlife Refuge is a unique urban park. This 20-acre wetland requires at least two visits to fully appreciate—once in winter and again in summer. It is two completely different experiences. The seasonal changes in animal and plant life are dramatic, and the natural diversity of this park makes each visit a refreshing outing.

10. Glendoveer Golf Course and Fitness Trail, 232 acres

Glendoveer Golf Course provides challenging play for every level with two 18-hole golf courses. There are also tennis courts, a driving range and a restaurant. A two-mile fitness trail along the perimeter of the course draws joggers and walkers to the natural setting.

11. Blue Lake Regional Park, 185 acres

A 64-acre natural lake fed by underground springs, Blue Lake provides opportunities for boating, fishing and swimming. It makes a beautiful backdrop for hundreds of family picnics, community events and special programs throughout the year.

12. Chinook Landing Marine Park, 67 acres

Chinook Landing Marine Park, a 67-acre marine park with six launching lanes on the Columbia River, is the largest public boating facility in Oregon. The park offers picnic and viewing areas, wetland and wildlife habitat, disabled-accessible docks, restrooms and a seasonal river patrol station.

13. Gary and Flagg Islands, 132 acres

These islands are located on the Columbia River just off-shore from the confluence of the Sandy and Columbia Rivers. The islands offer excellent wildlife habitat, especially for migratory birds.

14. Oxbow Regional Park, 1,200 acres

Located within the wild and scenic Sandy River Gorge, Metro's Oxbow Regional Park offers rare access to many of the region's natural wonders while providing a variety of unique recreational opportunities. The river draws swimmers, rafters, kayakers and drift boats carrying anglers. Fifteen miles of trails invite you to explore an ancient forest with centuries-old trees and ridges and ravines carved by volcanic and glacial flows.

15. Indian John Island, 64 acres

This secluded site is considered part of Oxbow Park and located upriver from the park on the Sandy River.

16. Larch Mountain Corridor, 185 acres

This property lines both sides of Larch Mountain Road leading up to the top of the mountain.

17. Mount Talbert Nature Park, 184 acres

Located southeast of I-205 and Sunnyside Road in Clackamas County, this nature park is operated by the North Clackamas Park and Recreation District.

18. Cooper Mountain Nature Park, 256 acres

Located southwest of Beaverton, the Cooper Mountain Nature Park opened in spring 2009, offering parking, restrooms and miles of hiking trails. The site also includes a "nature house" for environmental education.

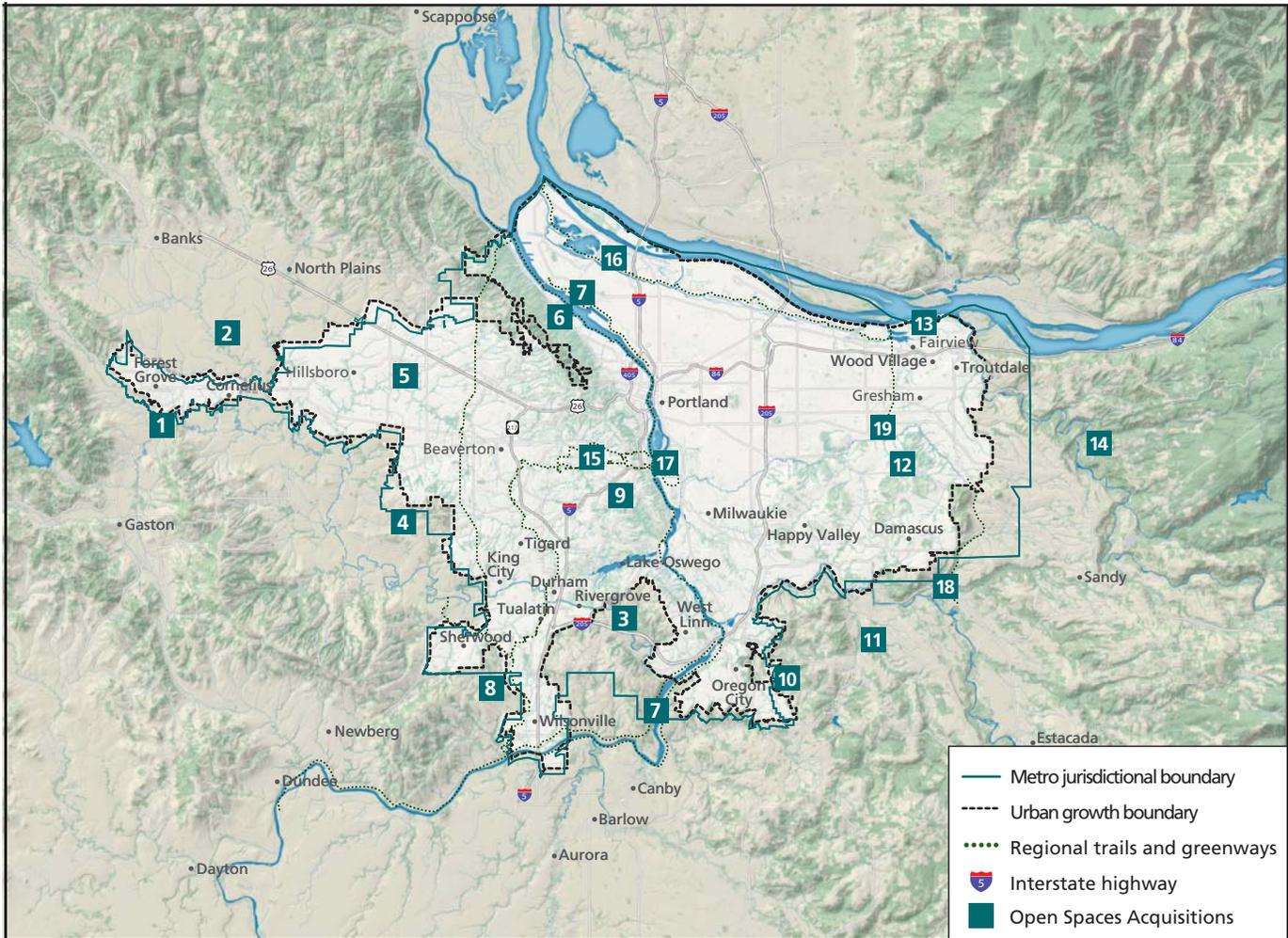
19. Graham Oaks Nature Park, 250 acres

Located west of Wilsonville, the Graham Oaks Nature Park will open in fall 2010. It will offer parking, restrooms and trails.

Metro Open Spaces and Natural Areas



Metro 1995 open spaces acquisition



Metro's open spaces, parks and streams bond measure was approved by voters in 1995. The bond measure's primary goal was to purchase natural areas to be held for future use as parks, trails and fish and wildlife habitat. Metro has acquired more than 8,175 acres of land for regional natural areas and regional trails and greenways, in 266 separate property transactions. These properties protect nearly 76 miles of stream and river frontage.

REGIONAL ACQUISITION

1. Gales Creek, 648 acres

Wetlands and riparian forests acquired along Gales Creek south of Forest Grove protect wildlife habitat and water quality near the Tualatin River and connect to other large regional natural areas such as Fernhill Wetlands.

2. Jackson Bottom/McKay and Dairy Creeks, 493 acres

Acquisitions along these tributaries of the Tualatin River support water quality enhancement efforts in the Tualatin Basin and add wildlife habitat to the Jackson Bottom Wetlands Preserve management area.

3. Tualatin River access points, 398 acres

Acquisitions along the Tualatin River provide rare habitat types and at least four future public access points for canoeing, kayaking, fishing, picnicking and wildlife viewing.

4. Cooper Mountain, 256 acres

Oak woodland, dry native prairie, mixed conifer forest and stream and wetland areas provide the backdrop for a public nature park at Cooper Mountain near Beaverton.

5. Rock Creek, 117 acres

A tributary of the Tualatin River, Rock Creek flows through an area of rapid urban growth. Acquisitions protect some of the natural features of the area, provide wildlife habitat, help maintain water quality and offer recreation opportunities.

6. Forest Park buffer/expansion, 865 acres

Acquisition of inholdings and adjacent buffer areas protects the future of Forest Park, a 5,000 acre park in urban Northwest Portland.

7. Willamette River Greenway, 959 acres

Acquisitions from Wilsonville to the Multnomah Channel protect fish and wildlife habitat and provide scenic value and future river access.

8. Tonquin geologic area, 487 acres

This area near Tualatin links to the Tualatin River National Wildlife Refuge and contributes scenic value to the cities of Wilsonville and Tualatin. It also features unique geologic evidence of prehistoric glacial flooding.

9. Tryon Creek linkages, 59 acres

Stream greenways leading to Tryon Creek help protect water quality in the watershed as well as support the integrity of Tryon Creek State Natural Area.

10. Newell Creek Canyon, 280 acres

Newell Creek flows through a forested canyon near Oregon City. Acquisitions include nearly six miles of stream frontage and help protect salmon and trout habitat.

11. Clear Creek Canyon, 520 acres

Acquisitions along this tributary of the Clackamas River support a salmon fishery and provide habitat for more than 100 species of fish and wildlife, including coyotes, cougar, blacktail deer, elk, cutthroat trout, chinook and coho salmon and 76 species of birds.

12. East Buttes/Boring Lava Domes, 856 acres

A group of extinct volcanoes and lava domes in north Clackamas and east Multnomah counties provide unique geographic character to the region, excellent wildlife habitat and panoramic vistas.

13. Columbia River shoreline, 271 acres

Riparian forests and island acquisitions west of the Sandy River improve public access to the Columbia River and preserve remaining undeveloped habitat.

14. Sandy River Gorge, 1,082 acres

Acquisitions along this wild and scenic waterway and its tributaries provide important fish and wildlife habitat and water quality benefits.

REGIONAL TRAILS AND GREENWAYS

15. Fanno Creek Greenway, 39 acres

Acquisitions will help complete the 15 mile regional trail planned from the shores of the Willamette River in Southwest Portland to the confluence of Fanno Creek and the Tualatin River. These properties also provide water quality protection in a highly urbanized area.

16. Peninsula Crossing Trail, 1 acre

Located in North Portland, this 3.5-mile trail connects the Columbia Slough and Smith and Bybee Wetlands Natural Area with the Willamette Greenway. The trail is open for public use.

17. OMSI to Springwater Corridor, 53 acres

Now home to the Springwater on the Willamette Trail, this critical link in the regional trails system is used by more than 400,000 people each year.

18. Clackamas River North Bank Greenway, 608 acres

Acquisition of land along the Clackamas River between Barton and Clackamette parks provides significant habitat restoration opportunities, flood storage, water quality protection and future recreational values.

19. Beaver Creek Canyon, 110 acres

This tributary of the Sandy River offers an important fish and wildlife corridor. The city of Troutdale has also completed several segments of a regional greenway trail in the canyon for hiking and wildlife watching.

In November 2006 voters directed the Metro Council to safeguard water quality, protect fish and wildlife habitat and ensure access to nature for future generations.

The \$227.4 million bond measure voters approved protects natural areas and lands near rivers and streams throughout the metro region, safeguarding the quality of our water while managing the impacts of growth and maintaining the area's quality of life for future generations.

Metro's Natural Areas program is designed to preserve natural areas at the regional, local and neighborhood levels:

Regional natural areas, \$168.4 million

Metro will acquire between 3,500 and 4,500 acres of land in 27 specifically identified target areas to protect and enhance habitat for fish, wildlife and water quality. The target areas emphasize protection of natural area lands now in urban areas or in areas where development is likely to occur. The Natural Areas acquisition program operates entirely on a willing seller basis with property owners. In FY 2009-10 Metro purchased 1,143 acres on Chehalem Ridge, which is the largest property ever purchased by the voter-approved Natural Areas Program.

Local projects, \$44 million

Local cities, counties and park providers in the metro area will complete more than 100 projects that protect water quality, improve parks and natural areas, preserve wildlife habitat and provide greater access to nature for people all over the region.

Nature in Neighborhoods grant program, \$15 million

The Nature in Neighborhoods capital grants program funds projects that preserve or enhance natural features and their ecological functions on public lands in neighborhoods, and help ensure that every community enjoys clean water and nature as an element of its character and livability. Schools, neighborhood associations, community groups and other nonprofit organizations, cities, counties and public park providers started applying for grants in fall 2007.

Natural Areas program cost to property owners

The AAA bond rating Metro received in March 2007 provided the agency with about \$6 million more for land purchases than anticipated when the Natural Areas program bonds were sold. Additionally, Metro's exceptional AAA rating will save taxpayers nearly \$8 million in interest over the 20-year life of the bonds.

In the first year the Natural Areas program cost property owners approximately 17 cents per \$1,000 of assessed value. For the average homeowner, the total annual cost is likely to be \$30-\$35. The annual cost of the program will decrease during the 20-year repayment period of the bonds.

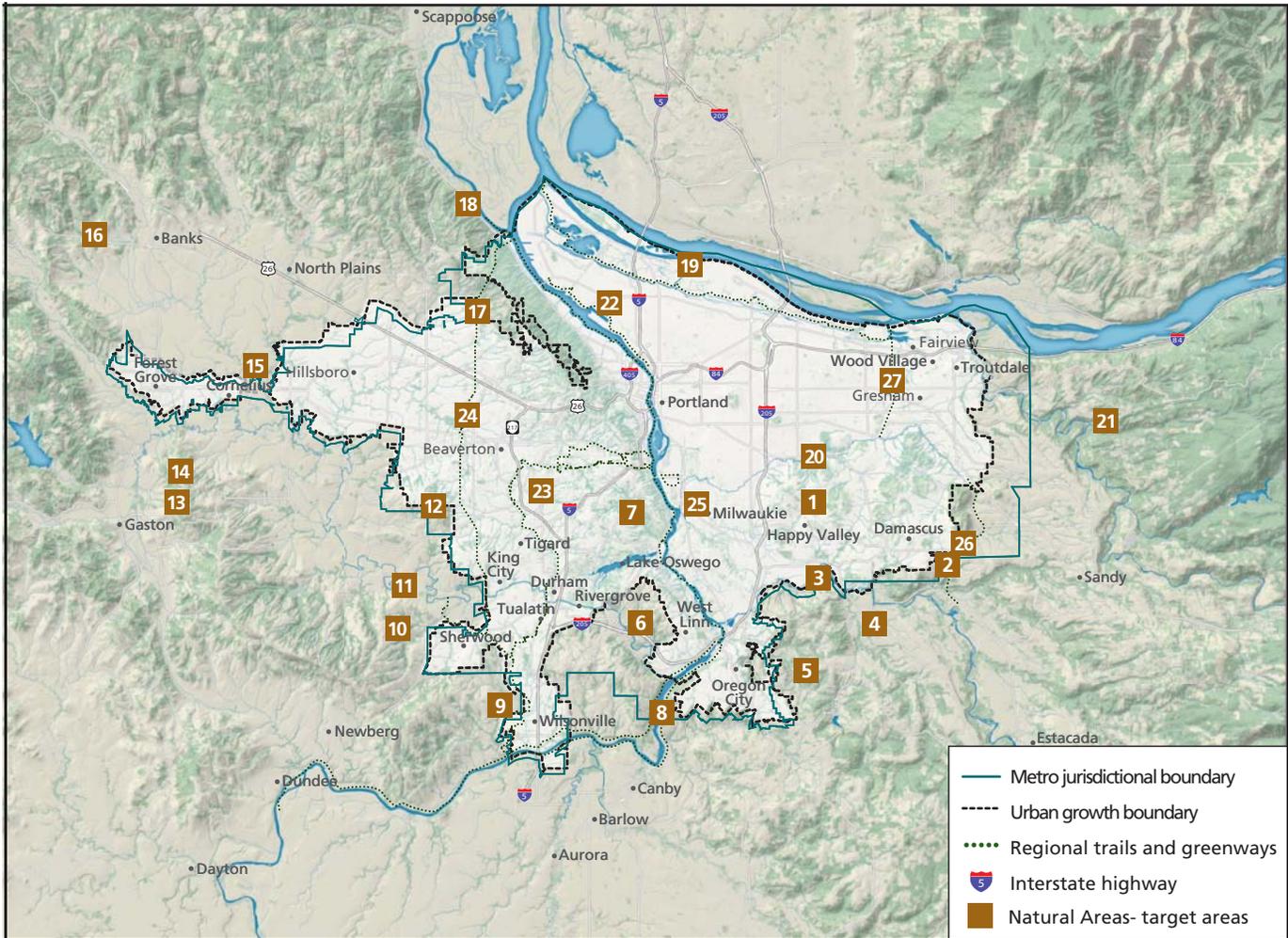
Building on success

The 2006 Natural Areas bond measure continues the work of the \$135.6 million Open Spaces bond measure approved by the region's voters in 1995. The program builds on the accomplishments of the first program which has protected more than 8,000 acres of natural areas and 76 miles of stream and river frontage throughout the region.

Citizen oversight for the benefit of fish, wildlife – and taxpayers

In May 2007 the Metro Council appointed 15 members to the Natural Areas program performance oversight committee. Members are drawn from all areas of the region and from a variety of technical and professional disciplines, including finance, auditing, accounting, real estate, banking and law. Committee members share their expertise to ensure the best results for the region.

Natural Areas - regional target areas



1. East Buttes

A group of extinct volcanoes and lava domes in north Clackamas and east Multnomah counties lends unique geographic character to the region, providing wildlife habitat and panoramic vistas. The area contains some of the largest contiguous wildlife habitat in the region.

2. Deep Creek and Tributaries

Besides offering significant habitat for wildlife and fish, the creeks are also important to water quality as they enter the Clackamas River above municipal water intakes. As the name Deep Creek indicates, areas along the creek are mostly steep and forested with moderate to large Douglas fir, cedar and hardwoods.

3. Clackamas River Bluffs and Greenway

Clackamas River Bluffs represent the last remaining opportunity to protect a large regional park site within this rapidly developing portion of Clackamas County. Uncommon habitat types in this area, resulting from wet and dry conditions in close proximity, create a rich diversity of plant and animal habitats.

4. Clear Creek

Supporting the most abundant salmon populations in the lower Clackamas River, Clear Creek remains a premier large creek in the metropolitan region. Completing key acquisitions in and surrounding Clear Creek public lands will protect the public investment made to date in establishing a significant regional natural area.

5. Abernethy and Newell Creeks

With successful protection of portions of Newell Creek, continued acquisition of undeveloped lands along its lower portion and along Abernethy Creek will expand fish and wildlife habitat critical to the area in and around Oregon City, especially threatened habitat for native steelhead and cutthroat populations.

6. Stafford Basin

Along with providing flood storage, the Stafford Basin floodplains and associated wetlands support considerable numbers of waterfowl and migrating neo-tropical birds.

7. Tryon Creek Linkages

The Tryon Creek Watershed covers more than 4,000 acres, including about 3,000 acres within Portland's city limits. Protecting and restoring the streams that feed into Tryon Creek will benefit water quality as well as support the integrity of the wildlife habitat at Tryon Creek State Natural Area.

8. Willamette Narrows and Canemah Bluff

Descending the Willamette River, this greenway forms the corridor gateway to Willamette Falls, Oregon City and urbanizing areas of the lower Willamette River. Flowing through islands and past steep bluffs, this portion of the river retains a sense of wildness like no other reach of the lower river. The narrows provide high quality wildlife and important fish habitat.

9. Tonquin Geologic Area

Protection of the rocky outcrops that frame these former lake bottoms will provide wildlife habitat of considerable complexity and richness and preserve the area's rare geologic features. Within this area, a 12-mile trail corridor will connect nearby cities and the new town center of Villebois to regionally significant natural areas.

10. Lower Tualatin Headwaters

The headwaters of the lower Tualatin River are located in Washington County and include important tributaries that retain significant value for wildlife and contribute to water quality in the Tualatin River basin. Tributaries include Cedar Creek, Chicken Creek and Baker Creek.

11. Tualatin River Greenway

Providing additional access points along the river and increasing floodplain protection through acquisition and restoration will allow people to use the river and see improvements in wildlife habitat and water quality.

12. Cooper Mountain

Cooper Mountain Natural Area sits on the southwestern slopes of Cooper Mountain, an 800-foot high basalt mound located near the western edge of Beaverton. Restoration projects at the site include the reintroduction of trees and shrubs, enhancement of oak and upland prairie habitat and improved conditions for the endangered pale larkspur and other rare wildflowers.

13. Chehalem Ridgetop to Refuge

The northern end of the Chehalem Mountains provides opportunities for the protection of large, undeveloped tracts of forestland to protect water quality and wildlife connections from this mountain range to area river bottomlands.

14. Wapato Lake

This ancient lakebed historically supported large numbers of waterfowl, including tundra swans. This flood-prone bottomland of the Tualatin River is being considered as a future wildlife refuge that will connect to existing public lands to the north located near Forest Grove and Hillsboro and attract tourists to Washington County.

15. Dairy and McKay Creeks Confluence

The creeks converge at the interface of farmland and the urban growth boundary, forming broad wetlands accessible to a rapidly urbanizing area. Protecting the riparian areas and associated wetlands in the confluence area will contribute significantly to improved water quality in these major tributaries of the Tualatin River.

16. Killin Wetland

One of the largest peat soil wetlands remaining in the Willamette Valley, this wetland supports a rare assemblage of plants and animals. Although much of the wetland is currently in public ownership, acquisition of the remaining portions of the wetland and main tributaries is essential to the long-term protection of this highly valuable fish and wildlife habitat.

17. Rock Creek Headwaters and Greenway

A major tributary of the Tualatin River, upper Rock Creek and its tributaries are under intense development pressure as urban growth expands throughout the watershed. Watershed managers have identified protection of the upper watershed as a high priority for meeting water quality protection goals in the lower watershed.

18. Forest Park Connections

Connecting Forest Park to Rock Creek and the Westside Trail will keep important wildlife corridors intact and provide trail connections between the region's largest urban park and Washington County.

19. Columbia Slough

The Columbia Slough is one of very few areas in North and Northeast Portland with the potential for restoring fish and wildlife habitat. Acquisition along the slough will improve water quality in its critical reaches, provide trail connections to existing recreation areas, secure wildlife corridors and help complete an important section of the 40 Mile Loop.

20. Johnson Creek and Watershed

Johnson Creek remains the most densely urbanized creek in our region. Opportunities remain to acquire tracts within the remaining floodplain, upland habitat areas adjacent to the main stem, and along both Butler and Kelly creeks to protect water quality and connect public holdings with the Damascus Buttes.

21. Sandy River Gorge

The Sandy River cuts a 55-mile serpentine swath from Mt. Hood to the Columbia River. Acquisitions along this wild and scenic waterway and its tributaries will provide important fish and wildlife habitat and water quality benefits.

22. Willamette River Greenway

Acquisition and connections between existing public holdings along the greenway from Wilsonville to the Multnomah Channel will protect fish and wildlife habitat, water quality, scenic resources and improve public access to the river.

23. Fanno Creek Linkages

Additions to this existing west side greenway will extend the corridor from the Tualatin River into a highly urbanized, “walker challenged” area of the city, and further protect water quality in one of our critical regional rivers.

24. Westside Trail

This 24 mile north/south alignment stretches from the Tualatin River in Tigard north through Beaverton, unincorporated Washington and Multnomah counties through Forest Park to the Willamette River. The corridor, located within one mile of over 120,000 residents, and near numerous parks, schools, regional centers and the MAX line, could become a primary Westside recreation and commuter spine.

25. Springwater Corridor

The Springwater Corridor is the major southeast segment of the 40-Mile Loop, which was inspired by John Charles Olmsted’s 1903 plan for a parkway and boulevard loop connecting park sites in the Portland area. Funding will complete the one mile corridor between the existing Springwater on the Willamette Trail and the Three Bridges project at Southeast 19th Avenue in Portland. This will provide the final connection of the Springwater Corridor between downtown Portland east through Milwaukie and Gresham to Boring.

26. Cazadero Trail

The proposed Cazadero Trail route follows the historic Oregon Water Power and Railway Co. rail line, which connected Portland to Cazadero, two miles upriver from Estacada. Enhancement of the corridor for trail use will connect campgrounds, future inter-urban trails and Portland (via the Springwater Corridor) to Mt. Hood and the Pacific Crest Trail.

27. Gresham–Fairview Trail

The Gresham-Fairview Trail will serve as a major north/south connector for cyclists and pedestrians between two regionally significant and heavily used trails: the Springwater Corridor and the 40-Mile Loop (along Marine Drive on the Columbia River).



Regional Economic Conditions

The Portland metropolitan region (the Portland-Beaverton-Vancouver, OR-WA Primary Metropolitan Statistical Area) is home to more than 2.2 million residents (U.S. Census). The “economic region” comprises five counties in Oregon and two in Washington. Multnomah County, the region’s central county, is home to the state’s largest city, Portland, with more than 582,000 residents (Portland State University).

Multnomah is ringed by three suburban counties: Washington and Clackamas in Oregon and Clark in Washington. Washington County is the largest of these and is home to Oregon’s “Silicon Forest.” Since at least 1970, Washington County has surpassed the growth rate of all other counties in the region in terms of population and employment. This growth has been fueled by the county’s successful efforts to attract technology firms (e.g., silicon wafer producers, photovoltaic manufacturers and biotech firms) and the workers and their families who have settled in the county as a result.

Columbia, Yamhill and Skamania are exurban counties with economic, social and transportation systems that are intertwined with the metropolitan region. Significant numbers of workers commute between the exurban, suburban and central counties. Residents from the exurban counties may travel into more centralized locations to enjoy greater entertainment and retail options, while urban residents also may travel to rural points of interest to enjoy recreational opportunities.

State land use laws and Metro’s strong adherence to an urban growth boundary have allowed the region to preserve much of its rich farming history. Clackamas and Washington counties rank fourth and fifth in the state in gross farm and ranch sales and are home to top producers of grass seed, ornamental crops, fruits, nuts and berries.

The region has seen recent population growth vary from a peak of 2.6 percent in 2001 to a low of 0.9 percent in 2004. Population has shown surprising resilience during the “Great Recession” of 2008-10. Annual regional population growth has remained between 1.7 and 1.9 percent since 2006, above statewide and national averages. The Portland area remains a popular destination for people in search of job opportunities, as well as an attractive location for new business starts.

Like many metropolitan areas across the nation, the Portland area has seen employment tumble in recent years. As of 2009 the region had an average annual nonfarm wage and salary employment total of 972,400 jobs (Bureau of Labor Statistics). In 2009 the annual unemployment rate in the region was 10.6 percent, compared to state-wide and national rates of 11.1 and 9.3 percent, respectively. The Portland metropolitan area has seen double-digit unemployment since February 2009, reaching a high of 11.4 percent in March 2010; the region has lost nearly 10 percent of its jobs since December 2007.

Nationally, the pace of job losses appears to be decelerating in parallel with other signs of economic recovery. Consumers are returning to stores and forward looking production indicators point to an upswing in productivity and output. As the U.S. economy recovers, we anticipate the Portland area economy to rebound as well. During the current downturn, waste disposal tonnage figures fell precipitously, but the declines at both Metro and private waste disposal transfer stations have begun to slow. Studies show a positive correlation between economic activity and waste disposal. In other economic sectors, air and marine cargo shipments through the Port of Portland have been severely reduced during the recession. Although shipment levels remain near recessionary levels, recent air cargo figures reveal year-over-year increases in tonnage estimates in March and April 2010. Marine cargo has exhibited an increase in total tonnage during the last 6 months.

Home prices in the Portland area have fallen 21 percent during the current downturn. The Case-Shiller 20 city composite index has shown a recent uptick in nationwide housing prices, but Portland continues to show monthly declines, albeit at a decelerating rate.

Regional Outlook

Our most recent forecast for the Portland-Hillsboro-Vancouver, OR-WA PMSA anticipates a rebound in regional nonfarm employment growth in 2010, but overall economic growth is expected to remain sluggish through the first quarter of 2011. The recovery will be uneven across industry sectors. Manufacturing, construction and retail sectors, hardest hit during this recession, will take longer to rebound. Generally, the service sectors will define the shape of this recovery.

The population outlook for the region calls for growth to exceed national and statewide rates for the foreseeable future, fueling the growth expected in the service sector and other non-manufacturing industries. The construction and finance industries, however, will lag behind, due to the nature of the downturn.

Economic outlook provided by
Metro's Research Center

Population

Metro includes the urbanized portions of three counties: Clackamas, Multnomah and Washington. Major incorporated cities in the area are Portland, Gresham, Beaverton, Hillsboro, Tigard, Tualatin, Sherwood, Forest Grove, Lake Oswego, Milwaukie and Oregon City.

The City of Portland (population of approximately 582,000) is the center of commerce, industry, transportation, finance and service for an immediate metropolitan area of approximately 1.65 million people. Portland is the county seat of Multnomah County, the largest city in Oregon, and the second largest city in the Pacific Northwest.

The Portland-Vancouver Primary Metropolitan Statistical Area (Portland PMSA) includes Multnomah, Washington, Clackamas, Columbia and Yamhill counties in Oregon, and Clark and Skamania counties in Washington. Portland PMSA statistics are included in this section where county statistics cannot be separated.

The Portland metro area is Oregon's largest population center. Multnomah County is Oregon's most populous county, with an estimated 726,855 residents in 2009. Washington County ranks second and Clackamas County ranks third, with populations of 537,318 and 386,143, respectively. The combined population for Metro is estimated to be 1,650,316.

Population State of Oregon, Multnomah, Washington, Clackamas Counties

	Oregon	Multnomah County	Washington County	Clackamas County
2009	3,825,657	726,855	537,318	386,143
2008	3,790,060	714,567	529,216	380,576
2007	3,735,549	699,186	519,794	375,107
2006	3,700,758	687,373	513,181	366,279
2005	3,638,871	677,410	499,888	366,279

Source: U.S. Decennial Census and Intercensal Estimates

Economy and employment

The economy of the Portland metropolitan area is broad and widely diversified. Historically, the two major manufacturing industries locally were forest products and food products processing due to the abundance of forests and agricultural land in the state. Forest and food products manufacturing remain important sectors of the economy; however, growth in manufacturing has diversified to include machinery, electrical and electronic equipment, transportation equipment, primary and fabricated metals and other durable goods.

Portland PMSA top 10 employers by labor force

Company	Service	Number of Employees
State Government	Government	22,700
U.S. Government	Government	18,600
Intel Corporation	Semiconductor integrated circuits	15,141
Providence Health System	Health care services	13,825
Oregon Health & Science University	Education and health care	12,700
Fred Meyer Stores	Grocery/retail	9,630
Kaiser Foundation Health Plan of the NW	Health Care	8,759
Legacy Health System	Health Care	8,251
Nike, Inc	Sports shoes and apparel	7,000
City of Portland	Government	6,900

Source: Seattle-Northwest Securities Corporation

Portland-Vancouver PMSA labor force summary⁽¹⁾

	2009	2008	2007	2006	2005	2009 Change from			
						2008	2007	2006	2005
Civilian labor force	1,175,710	1,171,267	1,144,814	1,124,030	1,100,959	4,443	30,896	51,650	74,751
Unemployment	125,168	68,322	55,284	56,422	64,384	56,846	69,884	68,746	60,784
Percent of labor force	10.6%	5.8%	4.8%	5.0%	5.8%				
TOTAL EMPLOYMENT	1,050,042	1,102,945	1,089,530	1,067,608	1,036,575	-52,903	-39,488	-17,466	13,467

Non-agriculture wage and salary employment⁽²⁾

	2009	2008	2007	2006	2005	2009 Change from			
						2008	2007	2006	2005
Natural resources and mining	1,200	1,500	1,600	1,700	1,600	-300	-400	-500	-400
Construction	49,200	61,400	66,600	63,200	58,400	-12,200	-17,400	-14,000	-9,200
Manufacturing	108,600	123,300	125,500	126,400	123,700	-14,700	-16,900	-17,800	-15,100
Trade, transportation, utilities	189,600	204,000	213,400	202,600	197,700	-14,400	-23,800	-13,000	-8,100
Information	22,900	24,800	24,800	24,000	22,700	-1,900	-1,900	-1,100	200
Financial activities	64,200	68,100	70,900	70,600	67,600	-3,900	-6,700	-6,400	-3,400
Professional, business services	124,400	136,100	137,000	134,700	128,000	-11,700	-12,600	-10,300	-3,600
Educational and health services	134,900	132,700	131,500	123,200	119,500	2,200	3,400	11,700	15,400
Leisure and hospitality	94,000	99,700	99,400	94,100	90,400	-5,700	-5,400	-100	3,600
Other services	35,200	37,300	37,000	35,700	34,600	-2,100	-1,800	-500	600
TOTAL PRIVATE	824,100	888,900	907,700	876,200	844,200	-64,800	-83,600	-52,100	-20,100
GOVERNMENT	148,300	146,600	147,200	138,900	138,100	1,700	1,100	9,400	10,200
TOTAL NON-FARM PAY-ROLL EMPLOYMENT	972,400	1,035,500	1,054,900	1,015,100	982,300	-63,100	-82,500	-42,700	-9,900

(1) Civilian labor force includes employed and unemployed individuals 16 years and older by place of residence. Employed includes nonfarm payroll employment, self-employed, unpaid family workers, domestics, agriculture and labor disputants. Data are adjusted for multiple job-holding and commuting.

(2) Nonfarm payroll data are based on the 2002 North American Industry Classification System manual. The data are by place of work. Persons working multiple jobs are counted more than once. The data excludes the self-employed, volunteers, unpaid family workers and domestics.

Source: State of Oregon Employment Department, 2009.

Transportation

The Portland area is a major transportation hub of the Pacific Northwest. Located at the confluence of the Columbia and Willamette rivers, Portland is approximately 110 river miles from the Pacific Ocean at Astoria. Major north-south (I-5) and east-west (I-84) highways connect the area with other major metropolitan areas of the western states. Burlington Northern Santa Fe Railway Company and Union Pacific railroads provide rail freight service to the area and Amtrak provides passenger service. Interstate bus transportation is available through Greyhound, and local bus service is provided by the Tri-County Metropolitan Transportation District (TriMet).

Commercial air transportation is available at Portland International Airport (PDX). PDX, operated by the Port of Portland, is served by 13 scheduled passenger air carriers and three charter services. Eleven cargo carriers service PDX. The port also operates three general aviation airports in Troutdale, Hillsboro and Mulino.

Higher Education

Institutions of higher learning in Metro's boundaries include independent institutions such as Reed College, Lewis and Clark College, Pacific University, and church-affiliated institutions such as the University of Portland, Warner Pacific College and Columbia Pacific College. Portland State University which is part of the Oregon University System of Higher Education, and the Oregon Health and Science University are also located in Multnomah County. The University of Oregon maintains an extension center in downtown Portland. Portland Community College, Mt. Hood Community College and Clackamas Community College are part of the state's community college system.

Building Permits

Residential building permits are an indicator of growth within a region. The number and valuation of new single-family and multi-family residential building permits issued throughout the counties are listed below:

Residential building permits by calendar year

2009	New Single Family		New Multi-family			TOTAL
	Number	Construction Cost	Number	Units	Construction Cost	
Multnomah County	519	\$108,317,996	44	521	\$63,679,249	\$171,997,245
Washington County	871	200,340,443	41	332	35,166,798	235,507,241
Clackamas County	580	160,529,460	6	135	11,653,028	172,182,488
TOTAL	1,970	\$469,187,899	91	988	\$110,499,075	\$579,686,974
2008	Number	Construction Cost	Number	Units	Construction Cost	TOTAL
Multnomah County	790	\$159,532,046	89	2,256	\$419,061,617	\$578,593,663
Washington County	1149	271,075,724	55	589	59,283,603	330,359,627
Clackamas County	865	221,883,976	0	0	0	221,701,203
TOTAL	5,653	\$1,335,078,523	272	3,994	\$430,268,181	\$1,765,346,704
2007	Number	Construction Cost	Number	Units	Construction Cost	TOTAL
Multnomah County	1,567	\$322,008,282	197	3,166	\$355,427,900	\$677,436,182
Washington County	2,144	514,157,078	65	720	64,676,961	578,834,039
Clackamas County	1,942	498,913,163	10	108	10,163,320	509,076,483
TOTAL	5,653	\$1,335,078,523	272	3,994	\$430,268,181	\$1,765,346,704

Source: U.S. Census Bureau, 2009

Income

Oregon has had an increase in per capita income each year since 2000. Statewide personal income growth has slowed recently due to overall economic conditions.

Total personal and per capita income

Source: U.S. Department of Commerce, Bureau of Economic Analysis, 2008

State of Oregon

	Personal Income	Dividends, interest, rent	Per capita income	Per capita dividends, interest, rent
2008	\$137,569,686	\$27,608,084	\$36,365	\$7,309
2007	131,277,786	26,969,597	35,143	7,220
2006	122,909,475	23,881,696	33,211	6,453
2005	117,148,817	21,413,596	32,174	5,881
2004	110,694,823	20,950,714	30,823	5,834

Multnomah County

	Personal Income (billions)	Dividends, interest, rent (billions)	Per capita income	Per capita dividends, interest, rent
2008	\$29,372,019	\$5,750,578	\$41,222	\$8,070
2007	28,485,388	5,611,785	40,598	8,026
2006	26,483,785	5,006,940	38,528	7,284
2005	25,436,032	4,558,806	37,798	6,774
2004	24,214,231	4,385,485	36,078	6,534

Washington County

	Personal Income (billions)	Dividends, interest, rent (billions)	Per capita income	Per capita dividends, interest, rent
2008	\$21,185,612	\$3,678,024	\$40,188	\$6,977
2007	19,945,179	3,446,999	38,371	6,631
2006	18,607,666	3,067,346	36,259	5,977
2005	17,337,966	2,569,416	34,626	5,132
2004	16,365,927	2,525,020	33,546	5,176

Clackamas County

	Personal Income (billions)	Dividends, interest, rent (billions)	Per capita income	Per capita dividends, interest, rent
2008	\$17,080,392	\$3,446,668	\$44,803	\$9,041
2007	16,491,610	3,428,178	43,965	9,001
2006	15,371,418	2,972,562	41,377	8,001
2005	14,630,564	2,644,725	39,729	7,182
2004	13,846,519	2,566,903	38,187	7,079

Agriculture

The Portland metropolitan region lies in one of the most diverse agricultural regions in the United States — the Willamette Valley. More than 170 different crops are grown in the area including grains, grass and legume seed field crops, tree fruits and nuts, berries and small fruits, wines and vegetables. Dairy, beef and poultry are also produced in the region.

Harvested acreage and gross farm sales for all counties

2008	Harvested acreage	Gross Farm Sales (in thousands)		
		Crop sales	Animal product sales	TOTAL GROSS FARM SALES
Multnomah County	8,467	67,423	2,851	70,274
Washington County	90,404	277,585	19,650	397,235
Clackamas County	43,718	285,018	57,007	342,025
TOTAL	142,589	630,026	79,502	809,534
OREGON TOTAL	3,057,361	3,436,027	1,386,272	4,822,299
% of State	4.6%	18.3%	5.7%	16.8%
2007	Harvested acreage	Crop sales	Animal product sales	TOTAL GROSS FARM SALES
Multnomah County	9,541	79,321	2,855	82,176
Washington County	79,724	330,470	20,837	351,307
Clackamas County	43,284	353,421	56,493	409,914
TOTAL	132,549	763,212	80,185	843,397
OREGON TOTAL	2,902,499	3,520,927	1,372,317	4,893,244
% of State	4.6%	21.7%	5.8%	17.2%
2006	Harvested acreage	Crop sales	Animal product sales	TOTAL GROSS FARM SALES
Multnomah County	10,017	76,623	2,654	79,277
Washington County	80,576	305,537	16,155	321,692
Clackamas County	45,821	341,004	53,552	394,556
TOTAL	136,414	723,164	72,361	795,525
OREGON TOTAL	2,934,832	3,269,257	1,162,776	4,432,033
% of State	4.6%	22.1%	6.2%	17.9%

Source: Oregon State University Extension Service's Oregon Agriculture Information Network, Harvested Acreage Summary Report, Gross Farm Sales Reports, <http://oregonstate.edu/oin/>, 2009.

Top 10 crops in Oregon

Crop Commodity		Crop Commodity	
1	Nursery and greenhouse crops	6	Tree fruit and nuts
2	Grass and legumes	7	Field crops
3	Grains	8	Vegetables and truck crops
4	Hay and Forage	9	Other specialty products
5	Small woodlots and Christmas trees	10	Small fruit and berries



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Budget and financial structure





Development of the budget is an important and legally required process. The result is a policy and financial plan covering all of Metro's programs and services. The budget document presents a strategically focused discussion of goals and objectives, programs and outcomes, and spending priorities within resource constraints. The budget process at Metro includes two concurrent, complementary cycles: (1) the strategic process for evaluating progress and setting future expectations and (2) the development of the final policy and financial document.

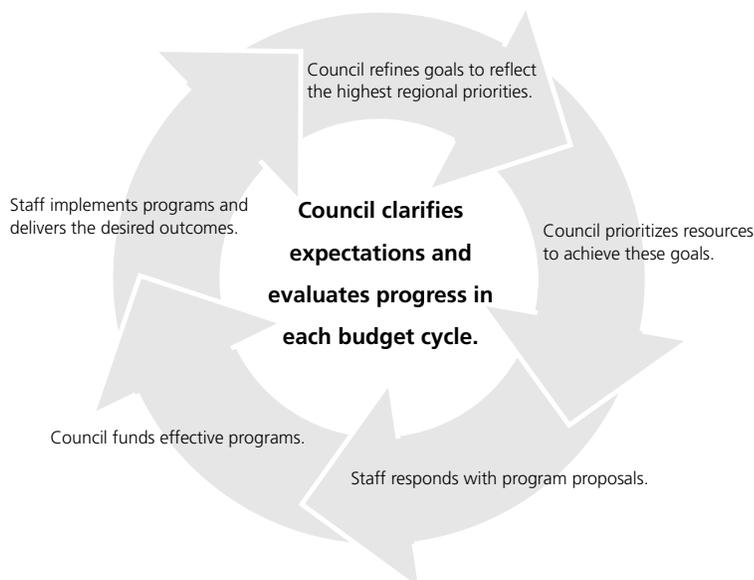
THE STRATEGIC BUDGET PROCESS

Metro follows a strategic budgeting process to set forth and adopt a budget that identifies important regional goals and strategies for achieving them. Building on the successes of an initiative begun in FY 2004-05, Metro continually refines the budget process, moving forward with a program-based budget that is closely tied to Metro Council's strategic goals and objectives.

The Metro Council's adopted goals provide strategic direction and a framework for program development. As the program budget has evolved, program performance measures have moved beyond tallying individual activities to focusing on outcomes linked to Metro goals. The current project continues to look at Metro's role in the region: how is the region progressing on the broader goals, what are the regional indicators of its progress and how do Metro's program and strategies contribute to the region's success. In FY 2010-11 the Metro Council will continue to review the indicators and strategies, engage stakeholders in the discussion and ultimately select from among the potential indicators those that will serve Metro well over time. Performance measurement connects strategic planning with program budgeting in a more dynamic way. In addition, Metro has started a Balanced Scorecard initiative to assess the internal efficiency and effectiveness of our business practices.

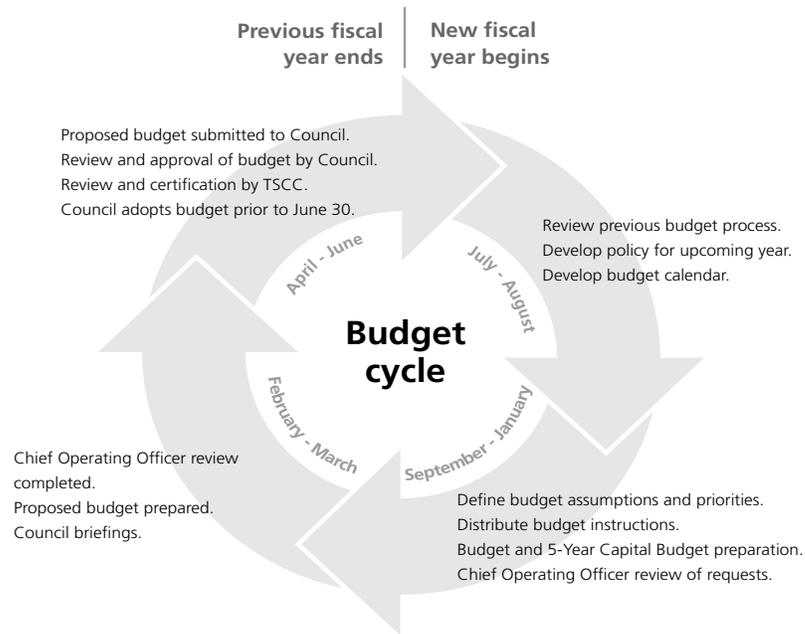
During the year the Metro Council uses quarterly program reports to review the performance and determine if changes are necessary. In the fall of each year, Council discusses initiatives or proposals aimed at meeting the strategic goals. These discussions provide direction to the Chief Operating Officer (COO) and operating units in the preparation and formulation of the proposed budget. The diagram on the below illustrates this year-round budget process.

Annual strategic budget process



THE BUDGET CYCLE

The budget cycle focuses on the development of an annual budget document that incorporates the Metro Council's strategic direction into a comprehensive policy and financial plan for all Metro programs and services. It is a process designed to meet the expectations of the general public, the Metro Council and the requirements of Oregon Budget Law.



Review of prior year

Each fiscal year begins with a review of the previous year's budget cycle to determine areas of success and areas of concern. Staff works to refine the process for the upcoming year. New budget parameters are developed to set out the basic assumptions organizational units should adopt for the preparation of their budgets. These parameters are incorporated with the policies and priorities set by the Metro Council and the Chief Operating Officer.

Budget instructions

The Financial Planning division of Finance and Regulatory Services provides detailed instructions for the preparation of the requested operating and capital budgets. The instructions provide the universal assumptions for increasing or decreasing staff, calculating changes in personnel costs and costing out commonly purchased items such as office furniture and computer software. The instructions also give operating units detailed information for budgeting capital projects already approved in the five-year Capital Improvement Plan, for proposing new capital projects for future years and for undertaking scheduled renewal and replacement projects to safe guard Metro's public assets.

Budget requests

Staff in operating units apply the instructions and assumptions from Financial Planning and the direction received from the COO to forecast their base program activities and financial needs for the next fiscal year. In addition, programs prepare a series of proposals to add, cut or change program activities, functions or funding levels. The base forecasts along with the add, cut or change proposals form the basis of the requested budgets.

Review and analysis resulting in proposed budget

The Financial Planning division reviews, analyzes and consolidates the base budget requests, meeting with each operating unit to verify and refine the requests, as needed. The COO, serving as the agency's Budget Officer, conducts review meetings to discuss identified issues and program changes. The COO presents preliminary budget information to the Metro Council identifying early issues and revenue constraints, seeking additional guidance on program and policy direction. Following additional review, analysis and discussion on the add, cut or change proposals, the COO holds an all day work session with the Senior Management Team and the Finance Team to discuss the Council's additional guidance, the operating proposals and budget balancing options. The COO, as Budget Officer, makes the final decisions, and delivers a budget message and proposed budget to the Metro Council and the public.

Review and analysis by the Metro Council resulting in approved budget

The Metro Council, sitting as the Budget Committee, holds a series of public work sessions to review the budget, take program and public testimony, and make any additions, deletions or modifications to the proposed budget. After due consideration, the Metro Council approves a budget and determine the amount required and allowed to be levied from property taxes. The approved budget and tax levy are then submitted to the Multnomah County Tax Supervising and Conservation Commission (TSCC).

Tax Supervising and Conservation Commission review and certification

Oregon law requires local governments to establish a budget committee that reviews the budget and makes decisions regarding the approved budget. For most jurisdictions this committee comprises members of the governing body and an equal number of citizens. In counties where the population is greater than 500,000 (currently Multnomah County and Washington County), a TSCC may be established. Members of this commission are appointed by the governor to supervise local government budgeting and taxing activities. Currently, Multnomah County is the only county with a TSCC. Washington County has chosen to retain its citizen budget committee and implement the alternative publication option now allowed under Oregon Budget Law. Because more than 50 percent of Metro's total assessed value is within Multnomah County, Metro has chosen submit its budget to the Multnomah County TSCC. After the commission reviews Metro's budget, it holds a public hearing and asks for clarification on items within the budget or items affecting the financial health of the organization. Upon completion of the public hearing, the TSCC issues a letter of certification, which becomes part of the official record included with the adoption of the budget.

Metro Council adoption and submission to County Tax Assessors

After receiving certification by the TSCC, the Metro Council makes any necessary and final technical adjustments and adopts the budget prior to June 30, the end of the fiscal year. Legally required documentation to levy property taxes for the ensuing year is filed with each county tax assessor in the region prior to July 15th. The final adopted budget document is prepared, printed and submitted to each of the county tax assessors in the region and to the TSCC.

Changes to the budget after adoption

Oregon Local Budget Law provides several ways for the budget to be changed after adoption. If the government receives additional revenue in the form of grants, donations or bequests, appropriations may be increased through Metro Council action in an amount equal to the additional revenues. If other new revenues are received that were not anticipated at the time that the budget was adopted, the

government may prepare a supplemental budget to recognize the additional revenue and increase appropriations. The Council may amend appropriations by ordinance when adjustments within a fund are made between appropriation levels in the budget (e.g., increase in operating expense appropriation and a corresponding decrease in contingency appropriation).

The five-year capital improvement plan

Metro’s five-year capital planning process identifies the agency’s capital asset needs for projects that cost \$100,000 or more and have a useful life of five years or more. The Metro Council adopted the agency’s first capital improvement plan in January 1997. A more complete description of the capital budget process is found in Section H of this document. Metro Council reviews the capital budget concurrently to promotes improved coordination between capital spending and the overall budget.

Budget calendar

Budget planning sessions with Council to discuss strategic direction for FY 2010-11	Sept. 29, 2009 Oct. 13, 2009
Council reviews budget assumptions for FY 2010-11	Nov. 3, 2009
Budget assumptions released to operating units	Nov. 10, 2009
Financial Planning issues budget instructions	Nov. 13, 2009
Base line budgets, status quo CIP, and five-year forecasts due to Financial Planning	Dec. 4, 2009
Operating Unit add, cut, change proposals due to Financial Planning	Dec. 28, 2009
Council reviews base budgets, CIP and five-year forecasts; discusses early identification of issues and revenue sensitivities	Jan. 12, 2010
COO Analysis, review and discussion of budget requests and add, cut, change proposals	Jan. 4 – Feb 11, 2010
COO, Sr. Management Team and Finance Team all day budget retreat; discussion of budget proposals, balancing options	Jan. 22, 2010
Council work session to review program proposals and discuss strategic issues	Feb. 2, 2010
COO provides final direction on program proposals to organizational units	Feb. 12, 2010
Council work session to provide budget update and confirm budget themes and directions	Feb. 17, 2009
Final budgets due from operating units	Feb. 19, 2010
Financial Planning produces Proposed Budget documents (summary budget, program budget, line item detail, five-year capital budget, operating forecasts)	Feb. 22 - March 5, 2010
Chief Operating Officer prepares Budget Message and presentation	March 2010
Proposed Budget released to Council for individual review	March 18, 2010
Chief Operating Officer presents Proposed Budget; initial public hearing held	April 1, 2010
Council work sessions on budget	April 2010
Additional public hearings held	April 15, April 29 and June 10, 2010
Council public hearing; budget approval and tax levy (Resolution No. 10-4145)	April 29, 2010
Metro submits approved budget to Tax Supervising and Conservation Commission	May 4, 2010
Tax Supervising and Conservation Commission public comment period	May 5–June 2, 2010
Tax Supervising and Conservation Commission public hearing on approved budget	June 3, 2010
Council considers and approves final amendments to budget; public hearing	June 10, 2010
Final public hearing; Council adopts budget (Ordinance No. 10-1235B)	June 17, 2010

Budget development guidelines

At an early November 2009 Council work session, Financial Planning staff presented for discussion a series of financial assumptions to guide the development of the FY 2010-11 budget. The assumptions included estimates for salary adjustments for various employee groups, fringe benefit costs for health and welfare and the Oregon Public Employee Retirement System (PERS) and a variety of general revenue or global assumptions such as excise tax forecast, renewal and replacement allocations and special appropriations. The council reviewed, discussed and approved the assumptions. The Chief Operating Officer was directed to return to the Council in the event of a significant change to any of the assumptions.

The following financial assumptions were used in the development of the FY 2010-11 budget. When changes to the assumptions evolved during the budget deliberation, they are noted.

MAJOR REVENUE ASSUMPTIONS

Excise tax rate

7.5 percent rate for all non-solid waste revenues subject to the Metro excise tax. The per ton excise tax rates on solid waste should be calculated in accordance with Metro Code. For the FY 2010-11 budget, the CPI factor on base solid waste excise tax and the dedicated per ton rates is 0.0 percent. The following preliminary amounts should be assumed for FY 2010-11:

	Per ton rate	Est. Tons	Amount
Base Solid Waste			\$7,168,585
Additional per ton	\$3.465/ton	1,136,800 tons*	<u>\$3,939,012</u>
			\$11,107,597

* preliminary tonnage estimate subject to change

Note: During budget development a proposal was developed to combine the additional per ton tax with the base tax thereby altering the method of calculation for the additional tax. The budget was proposed with this new method of calculation. The combined base rate will be modified by the CPI indicator, not tonnage, in future years. In FY 2010-11 the newly combined base is expected to generate a net excise tax amount of \$11,370,000.

General Fund allocations

Allocations of the General Fund's discretionary resources (operating property tax, excise tax, interest earnings) will be made by the Chief Operating Officer during the course of budget development based on program priorities and Council direction.

Interest

Interest rate for resource calculations – 1.0 percent.

MAJOR EXPENDITURE ASSUMPTIONS

Gross available hours per year per FTE

A standard 2088 hours is set for non-exempt, hourly employees. Exempt employees (salaried) should be budgeted based on an annual salary. Exempt annual salaries are calculated on a 2080 hour basis.

Salary and wage adjustments

The following assumptions should be used when estimating personal services costs for FY 2010-11. Organizational units will need to forecast salaries and wages for the remainder of FY 2009-10 using the existing approved pay plans. Estimated step increases occurring prior to the end of FY 2009-10 should be folded into the forecast.

All assumptions listed below should be applied to the employees' salaries or wages as they will be on June 30, 2010. Human Resources will provide on request a list of all existing employees, their current hourly rate or annual salary and next anniversary date.

Budgeted salaries should reflect base salary without adjustments for FY 2010-11. All FY 2010-11 salary adjustments will be budgeted in one of several adjustment pools.

Elected Officials – No increase for FY 2010-11.

Metro Non-Represented Employees

- Assume 3.0 percent on existing salaries and wages for merit pool (effective July 1, 2010).
- Assume 0.50 percent on existing salaries and wages for other salary adjustment pool.

Note: The effective date for award of non-represented merit adjustments was changed from March 1 to July 1. No merit adjustments were awarded during FY 2009-10.

MERC Non-Represented Employees

- Assume 3.0 percent on existing salaries and wages for merit pool (effective July 1, 2010).

Metro AFSCME 3580

- Assume 1.50 percent cost of living adjustment to wages effective July 1, 2010.
- Assume 1.10 percent on existing salaries and wages for step adjustment pool.
- Assume 1.50 percent on existing salaries and wages for other salary adjustment pool.

Note: The cost of living index specified by the contract and released in spring 2010 was 0.48 percent; the contract requires a minimum award of 1.5 percent.

LIU Local 483

- Assume 1.00 percent cost of living adjustment to wages effective July 1, 2010.
- Assume 0.60 percent on existing salaries and wages for merit award.
- Assume 3.50 percent of existing salaries and wages for implementation of class and comp study.

Note: Metro and LIU Local 483 remain in contract negotiations at the time of budget development and adoption. The recently settled contract provides for a minimum cost of living adjustment of 1.5 percent and full implementation of the recent classification and compensation study. Estimated costs for implementation of the study are projected to fall within budgeted allocations.

MERC Represented Groups

- Assume 2.00 percent cost of living adjustment to wages effective July 1, 2010.
- Note: At the time of budget adoption the MERC units were will in contract negotiations*

Zoo Visitor Services Seasonal

- Assume appropriate increases per the Visitor Services pay range effective Jan. 1, 2010. Minimum wage effective Jan. 1, 2010 = \$8.40.
- Assume a 1.0 percent cost of living adjustment to the pay plan effective Jan. 1, 2011.

All Other Temporary or MERC Part-Time employees

- Assume appropriate increases per existing pay plans.

Fringe rates

Base fringe rates are split into two components – a fixed rate per FTE and a variable rate to be applied to estimated salaries and wages. The variable rate includes all portions of the fringe benefits that are calculated on a straight percentage of salaries/wages – PERS, FICA, TriMet payroll tax, and long-term disability. Some departments have temporary or seasonal employees that, while not eligible for full benefits, receive PERS benefits. For those employees, organizational units should use the PERS eligible temporary variable rates.

Fringe Rates for FY 2010-11

Account Number	Base Fringe 5100	PERS	Bond
		Reserve 5990 ⁽¹⁾	Recovery 5190
<i>Variable Fringe Rates: Calculated on eligible salaries/wages</i>			
Regular Employees– with 6 percent PERS pick-up	17.75%	3.0%	3.0%
Regular Employees– without 6 percent PERS pick-up	11.75%	3.0%	3.0%
Temporary/Seasonal/MERC PT Employees– PERS eligible	17.35%	3.0%	3.0%
Temporary/Seasonal/MERC PT Employees– non-PERS eligible	8.35%		
<i>Fixed Fringe Rates: Calculated per FTE</i>			
Regular Employees– All regular employees	\$12,354		
Temporary Employees	\$29		
<i>Planning Department Composite Rate (fixed and variable)</i>			
All salaries and wages	33.1%	3.0	3.0%

⁽¹⁾ All contributions to the PERS Reserve will be budgeted under unappropriated balance.

Note: The adopted budget authorizes a \$600 per benefit-eligible employee to be funded from funds accumulated because eligible employees have opted out of Metro's health program.

The fixed rate per FTE includes all other benefits – health and welfare (medical, dental, vision), life insurance, dependent life insurance, accidental death insurance, worker compensation tax, employee assistance program and TriMet passport program. There is a fixed component for all temporary or seasonal employees. Although the budget document does not reflect FTE for temporary, seasonal or MERC part-time event related employees, units will need to estimate an associated FTE for the purposes of calculating this portion of the fringe costs.

Fringe benefits also includes the PERS bond recovery rate; the amount that is needed to pay the debt service on the bonds that were issued to fund Metro's unfunded actuarial liability with PERS. Organizational units received a reduction in their base variable rate at the time the bonds were issued.

New positions

New position requests are not allowed in the base budget request. All new positions must be requested as an add package to a program proposal. The need for a new position should be well documented as to need and anticipated benefit. New positions are to be budgeted at no more than 20 percent above the beginning rate or step. Positions that are budgeted at the beginning rate should allow for a 5 percent increase after successful completion of a six-month probationary period.

Vacant positions

Vacant positions are to be budgeted at no more than 20 percent above the beginning rate or step.

Reclasses Base budget requests should include only those reclasses approved in the current fiscal year. Reclasses are not allowed in the base budget request for FY 2010-11. All reclasses anticipated for FY 2010-11 must be included as an add package to a program proposal. Except under very limited circumstances, Human Resources will not consider reclasses during FY 2010-11 unless they have been included and approved in the FY 2010-11 budget. If a reclass is approved by the COO for inclusion in the budget, the classification title of the position will change but the base salary request will remain at the previous classification level. Salary increases related to reclasses will be funded from the "Other Salary Adjustment" pools provided for under Salary and Wage Adjustments.

Materials and services

There will be no increases in costs as a result of inflationary factors. The inflation factor is used when there are no other means to estimate costs.

Contingency

General Fund contingency and reserves will be budgeted in accordance with established policy. The consolidated General Fund will provide for the following:

- Contingency equivalent to 4 percent of total operating expenses.
- Stabilization Account equivalent to 3 percent of total operating expenses.

For other funds, contingency should be an amount not less than 4 percent of the total of personal services, materials and services and capital outlay. Variations from this amount are allowed based on operational needs. Other reserves should be budgeted in accordance with adopted policies.

Unemployment

Unemployment costs are budgeted in the Risk Management Fund on a retrospective basis. For FY 2010-11 costs reflect actual expenditure incurred in FY 2008-09.

Unemployment expense

Council Office	\$11,001
Human Resources	\$3,241
Finance and Regulatory Services	\$12,532
Metro Auditor's Office	\$5,302
Information Services	\$1,463
Planning and Development	\$958
Parks and Environmental Services	\$82,532
Sustainability Center	\$6,188
Oregon Zoo	\$98,276
MERC	\$90,425
TOTAL UNEMPLOYMENT CHARGES	\$311,918

FUND-BASED BUDGET

Metro's accounts are organized on the basis of funds, where each fund is considered a separate fiscal entity accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Each fund has a specific purpose, with specific revenue sources and uses and is classified according to GASB standards.

BASIS OF ACCOUNTING USED BY METRO FOR BUDGETING

Metro's budget is prepared on the modified accrual basis of accounting. In modified accrual accounting revenues are recognized when they become measurable and available. Measurable means that the dollar value of the revenue is known. Available means that it is collectible within the current period, or soon enough after the end of the current period to pay the liabilities of the current period. Significant revenues that are considered to be measurable and available under the modified accrual basis of accounting are interest earned on temporary investments, property taxes received within approximately 60 days of the end of the fiscal year, excise taxes, cemetery revenue surcharges, grants, local government shared revenues such as hotel/motel taxes, government contributions and charges for services. Expenditures are recognized when the liability is incurred, if measurable, except for interest on long-term debt which is recognized on its due date and certain compensated absences which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

The Comprehensive Annual Financial Report (CAFR) shows the status of Metro's finances in accordance with "generally accepted accounting principles" (GAAP). In many cases, this conforms with the way Metro prepares its budget. Major exceptions are as follows:

- Central services costs incurred by funds are recorded as direct expenses on a GAAP basis, whereas these amounts are reflected as operating transfers on a budget basis.
- Depreciation and amortization expenses are recorded on a GAAP basis. The budget basis does not reflect these items.
- Reductions to certain liabilities on a GAAP basis are recorded as expenditures on a budget basis.
- Certain funds are aggregated and reported as fund components on a GAAP basis and are reported as separate funds on a budget basis.

The Comprehensive Annual Financial Report shows fund expenditures and expenses, as well as revenues, on both a GAAP basis and budget basis for comparison purposes.

GENERAL FUND

In accordance with GAAP, the General Fund accounts for all activities not required to be accounted for in another fund. In FY 2005–06 the General Fund was consolidated to conform to Metro’s strategic objectives and includes Metro’s general government activities (including Council and Communications functions, regional transportation and growth planning, regional parks, and operations of the Oregon Zoo), as well as all administrative support functions (such as Finance and Regulatory Services, Human Resources, Information Services, Metro Auditor, Office of Metro Attorney and Metro headquarters building operations). The principal resources of the fund are an excise tax on Metro’s facilities and services levied in accordance with the Metro Code, general property taxes derived from a tax levy approved by voters in May 1990, charges for services provided by the various activities of Metro, intergovernmental revenues in the form of grants and contracts, charges for services provided to Metro functions not accounted for within the General Fund and investment earnings.

ENTERPRISE FUNDS**Solid Waste Revenue Fund**

This fund accounts for revenues and expenditures for the implementation, administration, and enforcement of Metro’s Solid Waste Management Plan. The primary revenue source is from fees collected for the disposal of solid waste. This fund also accounts for the operation of the Metro South and Metro Central transfer stations and recycling facilities, and the closed St. Johns Landfill.

Metropolitan Exposition Recreation Commission Fund

This fund accounts for the revenues and expenditures of the Metropolitan Exposition Recreation Commission (MERC), which includes the Oregon Convention Center, Portland Center for the Performing Arts and the Portland Expo Center. The fund maintains the facilities and administration as divisions within the fund but is appropriated at the following levels: organizational units expenditures including capital projects, debt service, transfers and contingency. Principal sources of revenues are user fees and charges, food service revenues and hotel/motel tax.

SPECIAL REVENUE FUNDS**Smith and Bybee Wetlands Fund**

This fund accounts for the implementation of the Smith and Bybee Lakes management plan, managed by Metro’s Parks and Environmental Services. A natural Resources Plan for Smith and Bybee Lakes was adopted by the City of Portland and Metro in December 1990. Primary resources are grants and interest.

General Revenue Bond Fund

General revenue bonds and other financing proceeds are accounted for in this fund. To date this fund has been used for construction of the Metro Regional Center, the Washington Park parking lot renovation, contribution to TriMet for the zoo light rail station and for the construction of the Expo Center Hall D replacement. This fund also accounts for the payments on outstanding debt associated with these projects. The principal sources of revenue are charges to organizational units for debt service, interest earnings and loan proceeds. In the CAFR, this fund is segregated and then combined with another applicable fund for proper GAAP classification within the General Fund (zoo and building management), and an enterprise fund (MERC) on a GAAP basis.

General Renewal and Replacement Fund

This fund provides for the ongoing and future renewal and replacement needs of Metro's assets acquired by the General Fund. Primary sources of revenue include annual contributions from the General Fund and interest earnings. Expenditures are made in accordance with a 25-year renewal and replacement schedule reviewed and updated on a regular basis, at least once every five years. In the CAFR, this fund is consolidated as part of the General Fund to be in compliance with GAAP.

Rehabilitation and Enhancement Fund

This fund accounts for funds received and expenditures for rehabilitation and enhancement of the area in and around the solid waste transfer facilities and St. Johns Landfill. Primary resources are rehabilitation and enhancement fees and interest. Expenditures are for planning and implementation of rehabilitation and enhancement programs in the area.

CAPITAL PROJECTS FUNDS

Open Spaces Fund

This fund accounts for the bond proceeds and expenditures related to the Open Spaces, Parks and Streams general obligation bonds approved by the voters in 1995. Primary sources of revenue include interest earnings on the bond proceeds and public and private contributions toward the acquisition program. Expenditures are governed by the bond measure and are related to the acquisition of land and the establishment of trails.

Natural Areas Fund

This fund accounts for the bond proceeds and expenditures related to the Natural Areas general obligation bonds approved by the voters in 2006. Primary sources of revenues include bond proceeds, interest earnings on the bond proceeds and public and private contributions toward the acquisition program. Expenditures are governed by the bond measure and are related to the acquisition of land and the preservation of natural areas.

Metro Capital Fund

This fund accounts for major capital acquisition and construction projects undertaken by Metro. Included in this fund are projects for regional parks and facilities and the Oregon Zoo, as well as significant capital expenditures for other non-enterprise related Metro activities. In addition, this fund accounts for designated funds transferred from Multnomah County as of Jan. 1, 1994. The funds are restricted for the construction of a nature center. Major revenue sources for the fund include, but are not limited to, grants, donations, excise tax contributions from the General Fund and other revenues or contributions identified for capital purpose.

Oregon Zoo Infrastructure and Animal Welfare Bond Fund

This fund accounts for bond proceeds and expenditures related to the Oregon Zoo general obligation bonds approved by the voters in 2008. Primary sources of revenue include bond proceeds and interest earnings on the bonds. Expenditures are governed by the bond measure and are related to design and construction of capital projects for infrastructure and animal welfare at the Oregon Zoo.

INTERNAL SERVICE FUNDS

Risk Management Fund

This fund accounts for insured, self insured and risk management activities performed for the organizational units within Metro. The fund purchases property and liability insurance and maintains reserves for self insured deductible expenses. Workers' compensation costs are also a combination of purchased and self insurance. In addition, the fund accounts for employee health insurance and unemployment insurance. Primary revenues are charges to user funds and interest. Primary expenditures are insurance premiums, claims costs and actuarial evaluations.

DEBT SERVICE FUND

General Obligation Bond Debt Service Fund

This fund accounts for payments of general obligation bond principal and interest to bond holders. The principal source of revenue is property taxes.

PERMANENT FUND

Metro Pioneer Cemetery Perpetual Care Fund

This fund was created in 2003 to provide financial support for the long-term maintenance of the Metro Pioneer Cemeteries after the cemeteries are no longer receiving revenue from grave sales and burial services. The fund will receive revenue from a 15 percent surcharge on grave sales, the maximum allowed under state law. It is anticipated that no expenditures will be made from this fund until grave sites are exhausted at the cemeteries.

BEFORE THE METRO COUNCIL

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

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

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

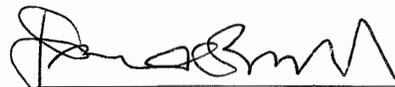
WHEREAS the Metro Council approved Resolution No. 04-3465 on June 17, 2004, "For the Purpose of Adopting Comprehensive Financial Policies for Metro" and reviews these policies annually as part of the budget process; and

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

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

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

ADOPTED by the Metro Council this 17 day of JUNE, 2010.


David Bragdon, Council President

Approved as to Form:


Daniel B. Cooper, Metro Attorney



In 2004 the Metro Council enacted Resolution No. 04-3465, “adopting comprehensive financial policies for Metro.” The policies contained in this resolution are included below, in their entirety.

Each year as part of the annual budget adoption process the Metro Council reviews the financial policies which provide the framework for the overall fiscal management of the agency. Operating independently of changing circumstances and conditions, these policies are designed to help safeguard Metro’s assets, promote effective and efficient operations and support the achievement of Metro’s strategic goals. Recently the Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, which requires the Metro Council to make certain policy decisions regarding the use of resources and classifications of fund balance. In June 2010 the Metro Council took action to amend Metro’s Comprehensive Financial Policies to incorporate the GASB Statement No. 54 principles and to re-approve the policies. These changes are reflected in Budget and Financial Planning, section 2.

These financial policies establish basic principles to guide Metro’s elected officials and staff in carrying out their financial duties and fiduciary responsibilities. The Chief Financial Officer shall establish procedures to implement the policies established in this document.

General policies

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

Accounting, auditing and financial reporting

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

Budgeting and financial planning

1. As prescribed in Oregon budget law, total resources shall equal total requirements in each fund, including contingencies and fund balances. However, Metro considers a budget to be balanced whenever budgeted revenues equal or exceed budgeted expenditures. Beginning fund balances shall not be considered as revenue, nor shall contingencies or ending fund balances be considered expenditures, in determining whether a fund is in balance.

2. Metro shall maintain fund balance reserves that are appropriate to the needs of each fund. Targeted reserve levels shall be established and reviewed annually as part of the budget process. Use of fund balance to support budgeted operations in the General Fund, an operating fund, or a central service fund shall be explained in the annual budget document; such explanation shall describe the nature of the budgeted reduction in fund balance and its expected future impact. Fund balances in excess of future needs shall be evaluated for alternative uses.
 - a. The Metro Council delegates to the Chief Operating Officer the authority to assign (and un-assign) additional amounts intended to be used for specific purposes more narrow than the overall purpose of the fund established by Council. A schedule of such assignments shall be included within the adopted budget document.
 - b. Metro considers restricted amounts to have been spent prior to unrestricted (committed, assigned, or unassigned) amounts when an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available. Within unrestricted amounts, committed amounts are considered to have been spent first, followed by assigned amounts, and then unassigned amounts when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.
 - c. The following information shall be specified by Council in the establishment of Stabilization Arrangements as defined in GASB Statement No. 54: a) the authority for establishing the arrangement (resolution or ordinance), b) the requirements, if any, for additions to the stabilization amount, c) the specific conditions under which stabilization amounts may be spent, and d) the intended stabilization balance.
3. Metro staff shall regularly monitor actual revenues and expenditures and report to Council at least quarterly on how they compare to budgeted amounts, to ensure compliance with the adopted budget. Any significant changes in financial status shall be timely reported to the Council.
4. Metro shall use its annual budget to identify and report on department or program goals and objectives and measures of performance.
5. A new program or service shall be evaluated before it is implemented to determine its affordability.
6. Metro shall authorize grant-funded programs and associated positions for a period not to exceed the length of the grant unless alternative funding can be secured.
7. Each operating fund will maintain a contingency account to meet unanticipated requirements during the budget year. The amount shall be appropriate for each fund.
8. Metro shall prepare annually a five-year forecast of revenues, expenditures, other financing sources and uses, and staffing needs for each of its major funds, identifying major anticipated changes and trends, and highlighting significant items which require the attention of the Council.
9. Metro will annually prepare a cost allocation plan prepared in accordance with applicable federal guidelines to maintain and maximize the recovery of indirect costs from federal grants, and to maintain consistency and equity in the allocation process.

Capital asset management

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

Cash management and investments

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

Debt management

1. Metro shall issue long-term debt only to finance capital improvements, including land acquisition, that cannot be readily financed from current revenues, or to reduce the cost of long-term financial obligations.
2. Metro will not use short-term borrowing to finance operating needs unless specifically authorized by the Council.
3. Metro shall repay all debt issued within a period not to exceed the expected useful life of the improvements financed by the debt.
4. Metro shall fully disclose financial and pertinent credit information as it relates to Metro's outstanding securities.
5. Metro shall strive to obtain the highest credit ratings to ensure that borrowing costs are minimized and Metro's access to credit is preserved.
6. Equipment and vehicles should be financed using the least costly method, including comparison to direct cash expenditure. This applies to purchase using operating leases, capital leases, bank financing, company financing or any other purchase programs.

Revenues

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

Capital Asset Management Policies

The following policies establish the framework for Metro's overall capital asset planning and management. They provide guidance for current practices and a framework for evaluation of proposals for future projects. These policies also seek to improve Metro's financial stability by providing a consistent approach to fiscal strategy. Adopted financial policies show the credit rating industry and prospective investors (bond buyers) the agency's commitment to sound financial management and fiscal integrity. Adherence to adopted policies ensures the integrity and clarity of the financial planning process and can lead to improvement in bond ratings and lower cost of capital.

1. Metro shall operate and maintain its physical assets in a manner that protects the public investment and ensures achievement of their maximum useful life.

Ensuring the maximum useful life for public assets is a primary agency responsibility. Establishing clear policies and procedures for monitoring, maintaining, repairing and replacing essential components of facilities is central to good management practices. It is expected that each Metro department will have written policies and procedures that address:

Multi-year planning for renewal and replacement of facilities and their major components;

Annual maintenance plans.

2. Metro shall establish a Renewal and Replacement Reserve account for each operating fund responsible for major capital assets.

Ensuring that the public receives the maximum benefit for its investments in major facilities and equipment requires an ongoing financial commitment. A Renewal and Replacement Reserve should initially be established based on the value of the asset and consideration of known best asset management practices. Periodic condition assessments should identify both upcoming renewal and replacement projects and the need to adjust reserves to support future projects. If resources are not sufficient to fully fund the Reserve without program impacts, the Council will be consider alternatives during the annual budget process. Establishing and funding the Reserve demonstrates Metro's ongoing capacity and commitment to these public investments.

3. Metro shall prepare, adopt and update at least annually a five-year Capital Improvement Plan (CIP). The Plan will identify and set priorities for all major capital assets to be acquired or constructed by Metro. The first year of the adopted CIP shall be included in the Proposed Budget.

The primary method for Metro departments to fulfill the need for multi-year planning is the Capital Improvement Planning process. The CIP allows a comprehensive look at Metro's capital needs for both new facilities and renewal and replacement of existing ones, and allows the Council to make the necessary decisions to ensure financial resources match forecasted needs.

4. Capital improvement projects are defined as facility or equipment purchases or construction which results in a capitalized asset costing more than \$100,000 and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of \$100,000 or more that have a useful life of at least five years.¹

A clear threshold ensures that the major needs are identified and incorporated in financial plans.

¹ Effective July 1, 2009, capital asset threshold was increased from \$50,000 to \$100,000 in accordance with Metro Resolution 08-3941A. This reflected a State of Oregon definition of a public improvement project.

5. An assessment of each Metro facility will be conducted at least every five years. The report shall identify repairs needed in the coming five years to ensure the maximum useful life of the asset. This information shall be the basis for capital improvement planning for existing facilities and in determining the adequacy of the existing Renewal and Replacement Reserves.

A foundation step for capital planning is an understanding of the current conditions of Metro facilities. It is expected that Metro departments have a clear, documented process for assessing facility condition at least every five years. The assessment processes may range from formal, contracted engineering studies to in-house methods such as peer reviews. The assessment should identify renewal and replacement projects that should be done within the following five years. The Renewal and Replacement Reserve account should be evaluated and adjusted to reflect the greater of the average renewal and replacement project needs over the coming five years or 2 percent of the current facility replacement value.

6. The Capital Improvement Plan will identify adequate funding to support repair and replacement of deteriorating capital assets and avoid a significant unfunded liability from deferred maintenance.

Using the information provided by facility assessments, Metro departments should use the CIP process to identify the resources necessary to keep facilities in an adequate state of repair. In situations where financial resources force choices between programs and facility repair, the annual budget process should highlight these policy choices for Council action.

7. A five-year forecast of revenues and expenditures will be prepared in conjunction with the capital budgeting process. The forecast will include a discussion of major trends affecting agency operations, incorporate the operating and capital impact of new projects, and determine available capacity to fully fund the Renewal and Replacement Reserve.

Incorporation of capital needs into agency five-year forecasts ensures that problem areas are identified early enough that action can be taken to ensure both the maintenance of Metro facilities and integrity of Metro services.

8. To the extent possible, improvement projects and major equipment purchases will be funded on a pay-as-you-go basis from existing or foreseeable revenue sources. Fund Balances above established reserve requirements may be used for one-time expenditures such as capital equipment or financing of capital improvements.

Preparing a CIP and incorporating it into five-year forecasts enables Metro to plan needed capital spending within foreseeable revenues. This minimizes the more costly use of debt for capital financing and ensures renewal and replacement of facility components takes place without undue financial hardship to operations.

9. Debt (including capital leases) may only be used to finance capital, including land acquisition, not ongoing operations. Projects that are financed through debt must have a useful service life at least equal to the debt repayment period.

Because interest costs impact taxpayers and customers, debt financing should be utilized only for the creation or full replacement of major capital assets.

10. When choosing funding sources for capital items, every effort should be made to fund enterprise projects either with revenue bonds or self-liquidating general obligation bonds. For the purpose of funding non-enterprise projects, other legally permissible funding sources, such as systems development charges, should be considered.

11. Acquisition or construction of new facilities shall be done in accordance with Council adopted facility and/or master plans. Prior to approving the acquisition or construction of a new asset, Council shall be presented with an estimate of the full cost to operate and maintain the facility through its useful life and the plan for meeting these costs. At the time of approval, Council will determine and establish the Renewal and Replacement Reserve policy for the asset to ensure resources are adequate to meet future major maintenance needs.

New Metro facilities should be planned within the overall business and service objectives of the agency. To ensure that the public gains the maximum utility from the new facility or capital asset, Metro should identify the full cost of building and operating the facility throughout its useful life. Resources generated from its operation or other sources should be identified to meet these needs.

Note: the Capital Asset Management Policies were readopted by the Metro Council on June 17, 2010, and incorporated into the financial policies by reference.

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Budget summary



Budget summary by year

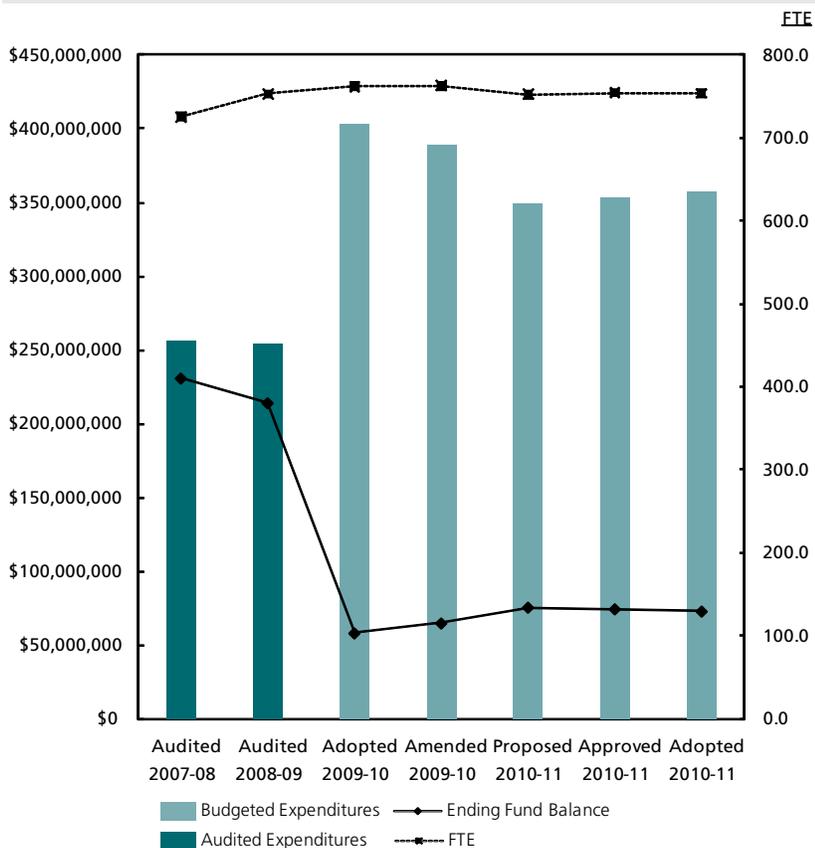
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$249,586,416	\$236,190,428	\$202,203,722	\$202,976,855	\$171,784,588	\$173,277,054	\$175,322,025	(13.62%)
Current Revenues								
Real Property Taxes	46,312,638	44,897,096	50,910,057	50,910,057	48,483,349	48,483,349	48,483,349	(4.77%)
Excise Tax	16,824,900	14,705,646	14,865,381	14,865,381	16,403,937	16,403,937	16,203,937	9.00%
Other Derived Tax Revenue	23,267	24,168	23,300	23,300	23,300	23,300	23,300	0.00%
Grants	13,665,634	14,306,069	15,457,165	16,886,590	13,763,029	14,130,176	14,783,392	(12.45%)
Local Gov't Shared Revenues	11,701,562	11,202,982	11,547,484	11,547,484	11,173,508	11,173,508	11,173,508	(3.24%)
Contributions from other Gov'ts	732,876	1,001,028	1,124,240	1,124,240	2,361,371	2,361,371	2,361,371	110.04%
Enterprise Revenue	110,626,380	109,086,690	115,313,595	115,545,595	118,636,299	118,903,545	118,870,045	2.88%
Interest Earnings	11,984,290	6,675,487	5,070,383	5,070,383	1,611,106	1,611,106	1,611,106	(68.23%)
Donations	3,666,252	8,324,043	4,387,600	4,331,553	1,703,430	1,717,930	1,806,930	(58.28%)
Other Misc. Revenue	2,254,082	2,758,599	2,124,294	2,149,294	2,014,169	2,014,169	2,514,169	16.98%
Bond and Loan Proceeds	0	5,000,000	10,000,000	10,000,000	15,000,000	15,000,000	15,000,000	50.00%
Interfund Transfers:								
Interfund Reimbursements	6,849,723	7,474,080	8,212,657	8,212,657	8,396,573	8,396,573	8,396,573	2.24%
Internal Service Transfers	870,759	944,972	2,847,999	2,896,582	3,122,488	3,122,488	3,122,488	7.80%
Interfund Loan	0	0	10,916,250	0	0	0	0	0.00%
Fund Equity Transfers	11,760,993	6,389,113	6,587,953	6,780,323	10,637,853	10,765,853	10,765,853	58.78%
Subtotal Current Revenues	237,273,356	232,789,973	259,388,358	250,343,439	253,330,412	254,107,305	255,116,021	1.91%
TOTAL RESOURCES	\$486,859,772	\$468,980,401	\$461,592,080	\$453,320,294	\$425,115,000	\$427,384,359	\$430,438,046	(5.05%)
REQUIREMENTS								
Current Expenditures								
Personal Services	\$64,653,039	\$70,830,852	\$76,552,050	\$76,639,289	\$76,717,193	\$76,876,510	\$76,661,194	0.03%
Materials and Services	99,560,686	92,331,785	121,293,629	122,285,804	118,479,978	120,811,921	122,107,946	(0.15%)
Capital Outlay	30,626,417	31,685,901	80,878,286	73,300,236	59,854,158	60,602,552	62,131,378	(15.24%)
Debt Service	41,572,723	45,100,347	45,115,921	45,250,921	41,954,002	41,954,002	41,954,002	(7.29%)
Interfund Transfers:								
Interfund Reimbursements	6,849,722	7,474,080	8,212,657	8,212,657	8,396,573	8,396,573	8,396,573	2.24%
Internal Service Transfers	870,760	944,972	2,847,999	2,896,582	3,122,488	3,122,488	3,122,488	7.80%
Interfund Loan	0	0	10,916,250	0	0	0	0	0.00%
Fund Equity Transfers	11,760,993	6,389,113	6,587,953	6,780,323	10,637,853	10,765,853	10,765,853	58.78%
Contingency	0	0	51,168,293	53,165,737	30,473,585	30,454,222	32,455,006	(38.96%)
Subtotal Current Expenditures	255,894,340	254,757,050	403,573,038	388,531,549	349,635,830	352,984,121	357,594,440	(7.96%)
<i>Ending Fund Balance</i>	<i>230,965,428</i>	<i>214,223,352</i>	<i>58,019,042</i>	<i>64,788,745</i>	<i>75,479,170</i>	<i>74,400,238</i>	<i>72,843,606</i>	<i>12.43%</i>
TOTAL REQUIREMENTS	\$486,859,768	\$468,980,402	\$461,592,080	\$453,320,294	\$425,115,000	\$427,384,359	\$430,438,046	(5.05%)
FULL-TIME EQUIVALENTS	725.40	753.06	761.98	762.84	752.60	754.60	753.94	(1.17%)

Budget summary by year

Current revenues and fund balance



Current expenditures and full-time equivalents



Where the money comes from

Resources to meet Metro's obligations and needs are derived from two primary sources: beginning fund balance and current revenues. Beginning fund balance consists of resources carried forward from previous fiscal years, including proceeds from voter-approved bonds (e.g., Natural Areas and Oregon Zoo Infrastructure and Animal Welfare), reserves for specific purposes (e.g., self insurance, debt reserves) and monies used for cash flow. Current revenues are those earned from Metro operations or taxes levied during the fiscal year. The principal sources of current revenues are user fees and charges from individuals and organizations that pay to use Metro facilities or buy its services.

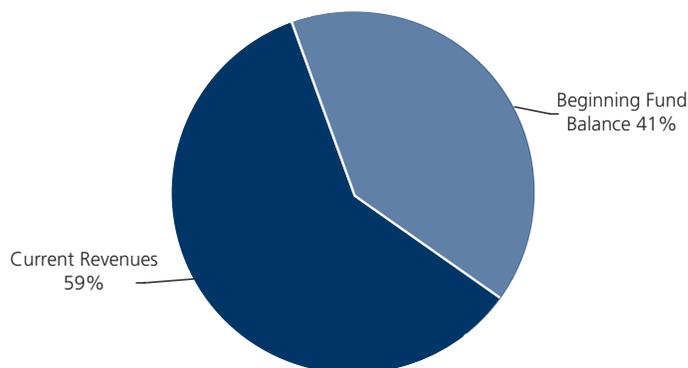
BEGINNING FUND BALANCE

The beginning fund balance for each fund consists of unspent resources carried forward from the previous fiscal year. Primary among these are resources in the Natural Areas Fund for bond proceeds authorized by the voters in November 2006 and issued in spring 2007, and with Solid Waste Revenue Fund for operations, capital projects and other dedicated accounts. These funds account for 50 percent of the beginning fund balance. Another element of the beginning fund balance includes reserves for specific purposes (e.g., self-insurance, future capital reserves, debt reserves and trust reserves), which are generally required by law, policy or operating agreements. The beginning fund balance also provides cash flow for specific operations until current year revenues are received.

The General Fund's \$26.5 million beginning fund balance accounts for 15 percent of the total beginning balances and is a combination of designated and undesignated reserves. Designated reserves include grant funds, construction excise tax for local development grants, PERS reserves and debt service reserves. The Council also designated reserve funds for multi-year projects in Planning and Development, future elections costs and participation in a development opportunity fund. The FY 2010-11 budget sets side \$2.82 million for a new multi-year cross functional project called the Community Investment Strategy. Finally, as part of its financial policies, the Council also directed that undesignated reserves be maintained for contingency and stabilization reserves, available for any lawful purpose in the event of sudden and unforeseen revenue drops or unplanned expenditures. For FY 2010-11 about \$5.7 million of the General Fund's beginning fund balance is funding these financial reserves.

Metro's beginning fund balance constitutes 41 percent of its total resources.

FY 2010-11 Total resources



Total resources \$430,438,046

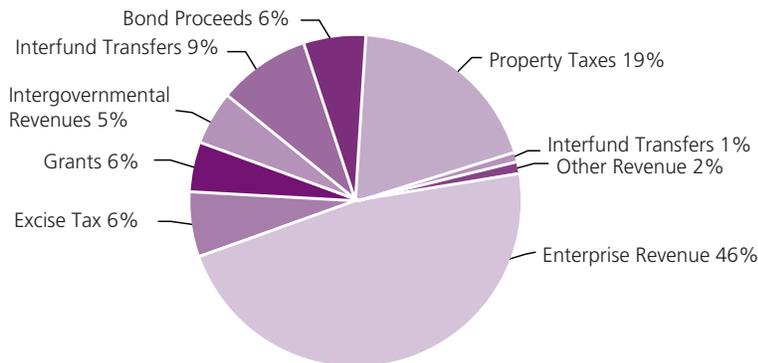
CURRENT REVENUES

Current revenues account for 59 percent of Metro's total resources. Metro's enterprise activities provide the largest amount of fee-generated revenues, constituting 46 percent of current revenues. Property tax revenues provide the next largest amount of total current revenues at 19 percent, followed by bond proceeds, grants and excise tax at 6 percent each. The major elements of current revenues and the percentage of total current revenues they represent include the following:

Enterprise revenues– 46 percent

Enterprise activities account for the largest piece of current revenues at \$118.9 million. Metro's largest enterprise activity is solid waste disposal, generating \$56.0 million, which comes from fees charged on solid waste deposited at Metro's transfer stations or several other designated solid waste facilities. This is about a 6.4 percent increase over the FY 2009-10 budget driven in part by expanded latex paint recycling services offered to meet new statewide recycling requirements. Tonnage related disposal fees are anticipated to increase about 3.5 percent. Metro saw a dramatic decline in tonnage in the past two years due to the economic downturn. Forecasts now indicate that the decline has flattened out and will remain at this lower level through the end of FY 2010-11. However, costs related to new disposal facility operating contracts have resulted in higher disposal charges. The Metropolitan Exposition Recreation Commission venues (Oregon Convention Center, Portland Center for the Performing Arts and Portland Expo Center) produce \$30.0 million, the Oregon Zoo generates \$19.0 million and regional parks facilities another \$2.8 million. In spite of record attendance at the Oregon Zoo, per capita spending by visitors has stalled. Revenues that initially continued to grow in the earlier part of the recession are now experiencing a decline. Regional park revenues are projected to remain flat for FY 2010-11, and last year, Glendoveer golf course showed a decline in greens fees. Careful monitoring will be necessary to determine if this is a short term event or an indication of a longer term trend requiring modification to revenue projections. The Risk Management Fund generates \$9.4 million in internal charges for services to Metro centers and services for health and welfare premium costs. Parking fees, business license fees and Data Resource Center revenues account for the remainder of enterprise revenues. Parking fees increased by \$1 for daily parking and \$10 for monthly parking in spring 2010.

FY 2010-11 Current revenues



RESOURCES

Beginning Fund Balance \$175,322,025

Current Revenues

Real Property Taxes	\$48,483,349
Excise Tax	16,203,937
Other Derived Tax Revenue	23,300
Grants	14,783,392
Local Gov't Shared Revenues	11,173,508
Contributions from other Gov'ts	2,361,371
Enterprise Revenue	118,870,045
Interest Earnings	1,611,106
Donations	1,806,930
Other Misc. Revenue	2,514,169
Bond and Loan Proceeds	15,000,000
Interfund Transfers:	
Interfund Reimbursements	8,396,573
Internal Service Transfers	3,122,488
Interfund Loan	0
Fund Equity Transfers	10,765,853

Subtotal Current Revenues \$255,116,021

TOTAL RESOURCES \$430,438,046

Total current revenues \$255,116,021

Property taxes– 19 percent

Metro expects to receive \$48.5 million in property tax revenues in FY 2010-11. This includes current year tax receipts to the General Fund directed toward operations (\$11.0 million) and debt service levies for outstanding general obligation bond issues for the Open Spaces Acquisition program, the original Oregon Convention Center construction, the zoo's Great Northwest project, the Natural Areas program and the Oregon Zoo Infrastructure and Animal Welfare Bond projects (\$36.4 million). The remainder, approximately \$1.0 million, will be received in the form of delinquent property taxes, levied in prior years but received in the current year, and interest and penalties on those late payments.

Interfund Transfers– 9 percent

Metro budgets its resources in separate and distinct funds. Transfers between funds pay for internal services provided directly by one center or service to another or indirectly on a cost-share basis as determined through the indirect cost allocation plan. Interfund reimbursements (indirect services) and internal service transfers (direct services) total \$11.5 million in FY 2010-11. The transfer classification also includes \$10.8 million in Fund Equity Transfers (revenue sharing between funds) such as the transfer of excise tax from the General Fund to assist in capital development and renewal and replacement activities. Interfund transfers appear in the budget as both a resource to the receiving fund and a requirement for the transferring fund.

Excise Taxes– 6 percent

The Metro excise tax is paid by users of Metro facilities and services in accordance with the Metro Charter and Metro Code. The tax is recorded as revenue in the General Fund. It supports the costs of general government activities, such as the Council Office, elections expense and lobbyist functions. The tax also supports various planning, parks and natural areas activities.

The Metro excise tax is levied as a flat rate per-ton tax on solid waste activities and as a percentage on all other authorized revenues. For budgeting purposes, the amount of excise tax raised by the flat rate per-ton may be increased based on an annual Consumer Price Index factor. The rate for all other authorized revenues remains the same from year to year unless amended by the Metro Council by ordinance. The current percentage rate for all other authorized revenue is 7.5 percent.

In addition to the base per-ton tax generated on solid waste activities, an additional per-ton tax has been levied in previous years. The additional levy was set initially at \$3.00 per ton in FY 2004-05 for specified purposes; in FY 2006-07 the dedications were removed from the Metro Code and became subject to the annual budget process. The FY 2010-11 budget implements an additional change, combining the additional tax into a single per-ton base rate. This will increase predictability and moderate revenue swings in times of either increasing or decreasing tonnage. The newly combined base rate will be modified by the CPI indicator, not tonnage, in future years; the charter limitation on expenditures does not change. The combined rate results in a flat fee of \$10.94 per ton on solid waste tonnage. The decline in solid waste tonnage, mirroring the economic downturn in construction, has resulted in a lower forecast for general excise tax receipts during FY 2009-10. The FY 2010-11 budget projects a relatively flat tonnage base for the year. The collection of excise tax on revenues generated by the Oregon Zoo was eliminated effective Sept. 1, 2008, a reduction of about \$1.4 million annually.

The Metro excise tax is projected to raise \$14.9 million from these sources during FY 2010-11.

In 2006, the Metro Council adopted a construction excise tax to provide funding for expansion area planning. Effective July 1, 2006, the 0.12 percent tax is levied on building permit values of the new construction. Local jurisdictions collect the tax on behalf of Metro as part of the permit process. In June 2009 the Metro Council extended the tax for an additional five years, until Sept. 30, 2014, to provide funding for planning of future expansion areas, future urban reserves and planning that enables redevelopment of centers, corridors and employment areas within the existing Urban Growth Boundary. The Construction Excise Tax is expected to generate \$1.3 million in FY 2010-11.

Bond proceeds– 6 percent

In November 2008 the voters of the Metro region approved a \$125 million general obligation bond measure for Oregon Zoo infrastructure and projects related to animal welfare. In early FY 2010-11 Metro will issue \$15 million under this authorization.

Grants– 6 percent

Grants are anticipated to provide \$14.8 million to the revenue mix. The primary planning functions of the agency – Planning and Development and the Research Center – receive approximately \$10.4 million in grant funds, about 89 percent of all General Fund grants. These functions rely on federal, state and local grants to fund most of the transportation planning and modeling programs. The delay in the federal reauthorization of transportation funding has placed a portion of these grants funds at risk. However, new funding from the State of Oregon related to the study of green house gas emissions is expected to provide substitute or bridge funding until such time as the federal funding is reauthorized. The department is currently negotiating an intergovernmental agreement with the Oregon Department of Transportation. An intergovernmental agreement is anticipated by mid-summer. Metro also receives grants for projects planned at regional parks and natural areas, Oregon Zoo and solid waste facilities.

Intergovernmental Revenues– 5 percent

Metro receives revenue from both state and local agencies. Among these are hotel/motel tax receipts from Multnomah County, funds from the City of Portland to support the Portland Center for the Performing Arts, state marine fuel tax revenues and a portion of the recreational vehicle registration fees passed through Multnomah County from the State of Oregon to support the regional parks.

Other miscellaneous revenues– 2 percent

In FY 2010-11 other revenues include \$1.3 million in operating and capital donations to the zoo and \$0.5 million in donations and sponsorship revenue to MERC. It also includes \$1.5 million in reimbursement charges to centers and services to pay debt service on the Series 2005 Pension Obligation Bonds sold to fund Metro's pension unfunded actuarial liability.

Interest– 1 percent

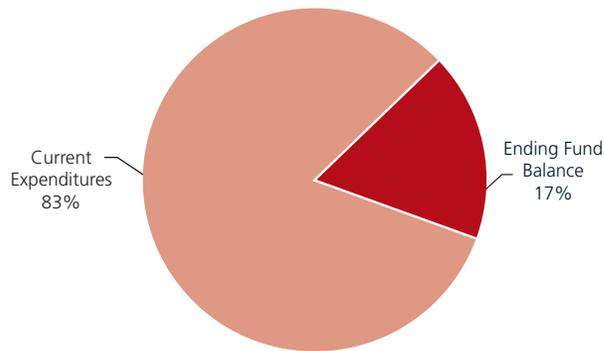
Interest earnings are projected at \$1.6 million. Interest earned is based upon investing cash balances throughout the year. This revenue source fluctuates by the planned spending of bond proceeds and the current rates earned by investments, estimated at 1.0 percent for FY 2010-11. The earnings rate is considerably lower than prior years' rates due to current market conditions. In FY 2008-09 the most recent audited year, Metro earned \$6.7 million, in FY 2009-1, Metro is estimated to earn less than \$2.5 million.

Where the money goes

Metro uses its resources for a variety of purposes prescribed by state law and Metro Charter. Ending fund balances are resources that are not spent during the year but carried over to subsequent year(s). They include reserves, monies for cash flow purposes and bond proceeds that will be spent in ensuing years for capital projects. Resources to be spent during the year can be categorized in one of several current expenditure categories.

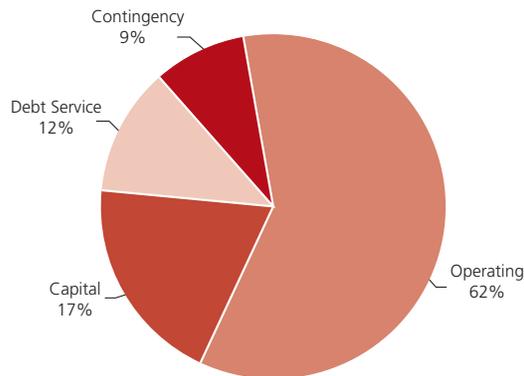
Metro's total current expenditures are allocated for the specific programs and functions described in the Organizational Summaries section contained in the body of this budget document. Sixty-two percent of current expenditures is in support of the operations of Metro facilities such as the Oregon Zoo, the Oregon Convention Center, the Portland Expo Center, Portland Center for the Performing Arts, regional park facilities and solid waste disposal facilities, as well as programs such as waste reduction, recycling information and regional transportation and growth management planning. Another 12 percent is dedicated to debt service on outstanding general obligation and revenue bonds, and 17 percent is allocated for capital outlay and improvements to various facilities and acquisition of new natural areas. Contingencies for unforeseen needs, such as unexpected increases in costs or drops in revenue, make up the balance of current expenditures.

FY 2010-11 Total requirements



Total requirements \$430,438,046

FY 2010-11 Current expenditures by purpose

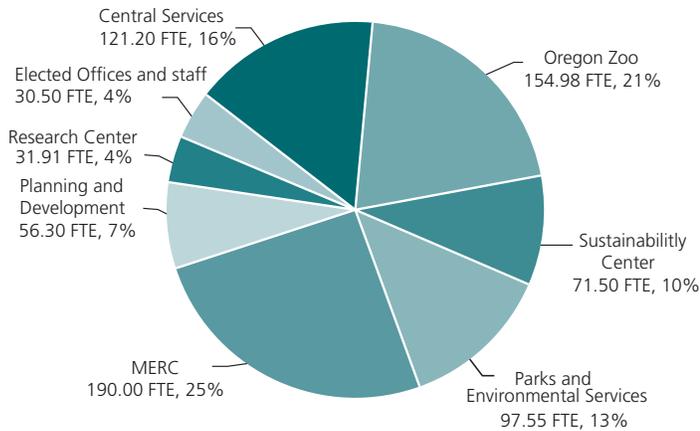


Total expenditures by purpose \$357,594,440

Full-time equivalent staff (FTE) totals 753.94 positions for Metro. Fifty nine percent of these staff work for three organizational units: the Oregon Zoo, MERC and Parks and Environmental Services.

Metro uses its resources for a variety of programs and functions related to its primary goals. Those programs and functions are explained in detail in the Organizational Summaries section contained in the body of this budget document and in the program budget narratives contained in the FY 2010-11 Program Budget. The chart on page D-10 and the following explanation give the information by expenditure classification.

FY 2010-11 FTE positions by function



Total FTE 753.94

CURRENT EXPENDITURES

Current expenditures consist of amounts to be paid out in the current fiscal year by categories defined in budget law. This includes payments for operations, capital improvements and acquisitions and transfers to other funds. The major elements of current expenditures and the percentage of total current expenditures they represent include the following:

Personal services– 22 percent

Metro plans to spend about \$76.7 million for salaries and wages and related expenditures for its employees in FY 2010-11. Personal services includes employee related benefit costs such as health and welfare and pension contributions. Fringe benefits are about 36 percent of salaries and wages, and 26 percent of total personal services costs. For a more detailed discussion of fringe benefits refer to the appendices “Fringe benefit rate calculation.” A ten-year comparison of salaries, wages and benefits is provided later in this section.

The FY 2010-11 budget includes 753.94 full-time equivalent positions. “FTE” means regular, benefit-eligible full or part-time positions. While temporary, seasonal and event-related labor costs are reflected in the total personal services expenditures, these employees are not considered as FTE. A discussion of staff levels is provided later in this section.

Materials and Services– 34 percent

Metro plans to spend about \$122.1 million on materials and services in FY 2010-11. Large expenditures in this area include solid waste transfer station operations and

the transport of solid waste to the Columbia Ridge Landfill in Gilliam County (about \$28.0 million). Materials and services also includes costs for contracted operations of the Oregon Convention Center, the Oregon Zoo, the Portland Center for the Performing Arts, the Portland Expo Center and the regional parks.

Capital outlay– 17 percent

Approximately \$62.1 million is provided for capital expenditures. These funds provide for land acquisitions under the Natural Areas program and major capital improvement projects at various facilities. The largest uses of capital funds are \$33.0 million for land acquisition and capital expenditures related to the Natural Areas program, \$5.2 million for solid waste facility capital projects, \$14.7 million for capital improvements at the Oregon Zoo under the Zoo Infrastructure and Animal Welfare bond measure, and \$5.1 million for capital improvements at MERC facilities. Capital expenditures include purchases of land and equipment, improvements to facilities and other capital related expenditures. Projects costing \$100,000 or more are included in Metro’s capital improvement plan, updated and adopted annually.

Debt service– 12 percent

Debt service provides for payments on general obligation and full faith and credit bonds sold for the Oregon Convention Center, Metro Regional Center, the Open Spaces Acquisition program, the Natural Areas program, the Expo Center and the Oregon Zoo. Refer to the Debt Summary portion of this budget for the debt service schedules.

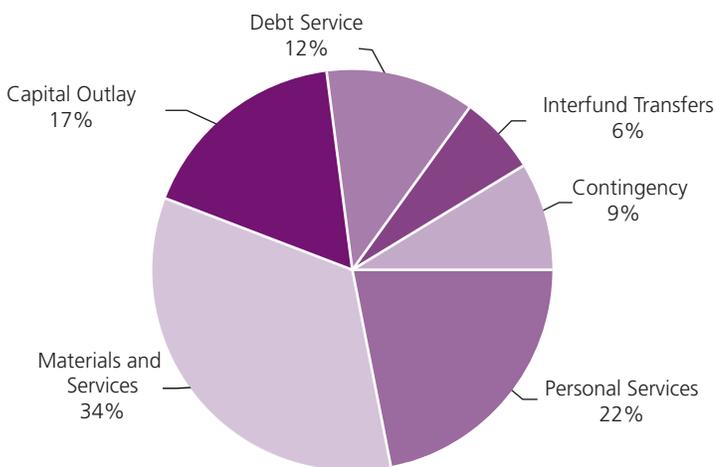
Interfund transfers– 6 percent

Metro budgets its resources in separate and distinct funds. Transfers between funds are made to pay for the cost of services provided in one fund for the benefit of another (e.g., printing, fleet, etc.) or to share resources between funds. Interfund transfers in FY 2010-11 total about \$22.3 million. Interfund transfers appear as both a resource to the receiving fund and a requirement for the transferring fund in the budget.

Contingency– 9 percent

Contingencies in each fund are created to provide for unforeseen requirements such as unexpected increases in costs or drops in revenue. These funds may be spent only after an action of the Metro Council authorizes transferring appropriations from contingency to an expenditure line item.

FY 2010-11 Current expenditures by budget category



REQUIREMENTS	
Current Expenditures	
Personal Services	\$76,661,194
Materials and Services	122,107,946
Capital Outlay	62,131,378
Debt Service	41,954,002
Interfund Transfers:	
Interfund Reimbursements	8,396,573
Internal Service Transfers	3,122,488
Interfund Loan	0
Fund Equity Transfers	10,765,853
Contingency	32,455,006
Subtotal Current Expenditures	\$357,594,440
Ending Fund Balance	72,843,606
TOTAL REQUIREMENTS	\$430,438,046

Total current expenditures \$357,594,440

PROGRAM BUDGET

Another way to consider the budget is by program, organized by Council goals and program performance measures. The detailed program budget can be found in FY 2010-11 Adopted Program Budget.

The four Council goals areas – Great Communities, Healthy Environment, Vital Economy and Responsible Operations – are an expression of Metro’s strategic intent for the region. In some cases Metro has a direct service aligned with a particular goal; in others, Metro serves as the convener or facilitator, working collaboratively with its local partners and regional residents toward the outcome.

The program budget also includes both agency-wide measures and program specific measures that look at how Metro operates: its business practices, its relationships inside the organization and its relationships within the region. These measures have evolved from the former “critical success factors” and are now included under Responsible Operations.

Metro’s budget and appropriations schedules have been organized under state law by fund, by organizational unit and by specific budget categories of expense. Metro’s goals rise above and cross over fund and organizational unit boundaries. The program budget demonstrates the ways in which our programs interrelate and support Metro’s strategic intent for the region.

FY 2010-11 Program expenditures by Council goal



Total program expenditures \$265,089,000

The above chart shows the respective operational spending, without contingency and general expenses not assigned to particular programs, across all goals areas. The program budget which accompanies the adopted budget gives additional detail about the individual goals, the specific programs aligned with those goals and how Metro measures the activities and performance of the individual programs.

Fund balances

BEGINNING FUND BALANCE

Approximately 41 percent (\$175.3 million) of Metro's FY 2010-11 total resources comes from beginning fund balances — money carried over from previous fiscal years.

Natural Areas Fund– \$50.8 million

The Natural Areas Fund's beginning fund balance of \$50.8 million comprises the largest piece of the beginning fund balance resource. In November 2006 the voters of the Metro region approved a \$227.4 million general obligation bond measure. In April 2007 Metro issued the first series of bonds under this authorization for \$125.4 million.

Solid Waste Revenue Fund– \$36.5 million

The Solid Waste Revenue Fund's beginning fund balance of \$36.5 million comprises the second largest piece of the beginning fund balance resource. This amount includes \$6.6 million in reserves for landfill closure; \$7.9 million in the Renewal and Replacement Account; \$6.3 million for capital reserves; \$7.9 million in other dedicated accounts for rate stabilization and pension liability; and \$7.8 million in undesignated fund balance.

General Fund– \$26.4 million

This is the combined balance for several major operating areas — Oregon Zoo, Parks and Environmental Services, Planning and Development and Research Center — as well as all general government and central service functions such as Metro Council, Metro Auditor, Metro Attorney, Communications, Finance and Regulatory Services, Human Resources and Information Services. It includes several dedicated reserves such as the General Fund Recovery Rate Stabilization Reserve, the PERS Reserve for pension liability and a reserve for future debt service on the full faith and credit bonds issued to refinance the Metro Regional Center. It also includes reserves for cash flow and fund stabilization. In January 2007 Metro performed a comprehensive review of fund balance needs in the General Fund. Based on this historical analysis, the “adequate reserves” financial policies call for a minimum of 7 percent of operating expenditures to be set aside in either a contingency or stabilization reserve to guard against unexpected downturns in revenues and stabilize resulting budget actions. The 7 percent target provides a 90 percent confidence level that revenues might dip below this amount only once in a ten-year period. In both FY 2008-09 and FY 2009-10 Metro tapped into reserves as it reacted to the downward economic spiral. In accordance with the “pay ourselves first” financial policy, these reserves have been replenished before developing spending plans in the subsequent year.

MERC Fund– \$24.9 million

This is the combined operating and capital balance for the three facilities (Oregon Convention Center, Expo Center and Portland Center for the Performing Arts) managed by MERC.

General Obligation Bond Debt Service Fund– \$12.0 million

This amount is required to pay debt service due early in FY 2010-11 before property tax revenues are received.

General Renewal and Replacement Fund– \$6.9 million

The General Renewal and Replacement Fund provides long term funding for the future renewal and replacement of the General Fund's assets.

Oregon Zoo Infrastructure and Animal Welfare Fund – \$2.1 million

In November 2008 the voters of the Metro region approved a \$125 million general obligation bond measure for Oregon Zoo infrastructure and projects related to animal welfare. Five million in bonds were issued under this authorization in December 2008. The fund balance reflects the unspent balance of these proceeds.

Remaining Funds– \$17.9 million

The remainder of the total beginning fund balance is divided among Metro's other funds and includes a combination of reserves for debt, future long-term maintenance needs and funds held in trust. It also includes a one-time recognition of \$5,225,000 in fund balance in the Risk Management Fund in accordance with GASB standards related to environmental impairment liability. This balance will be transferred to the Solid Waste Revenue Fund in FY 2010-11 and will be carried by that fund in future years.

ENDING FUND BALANCES

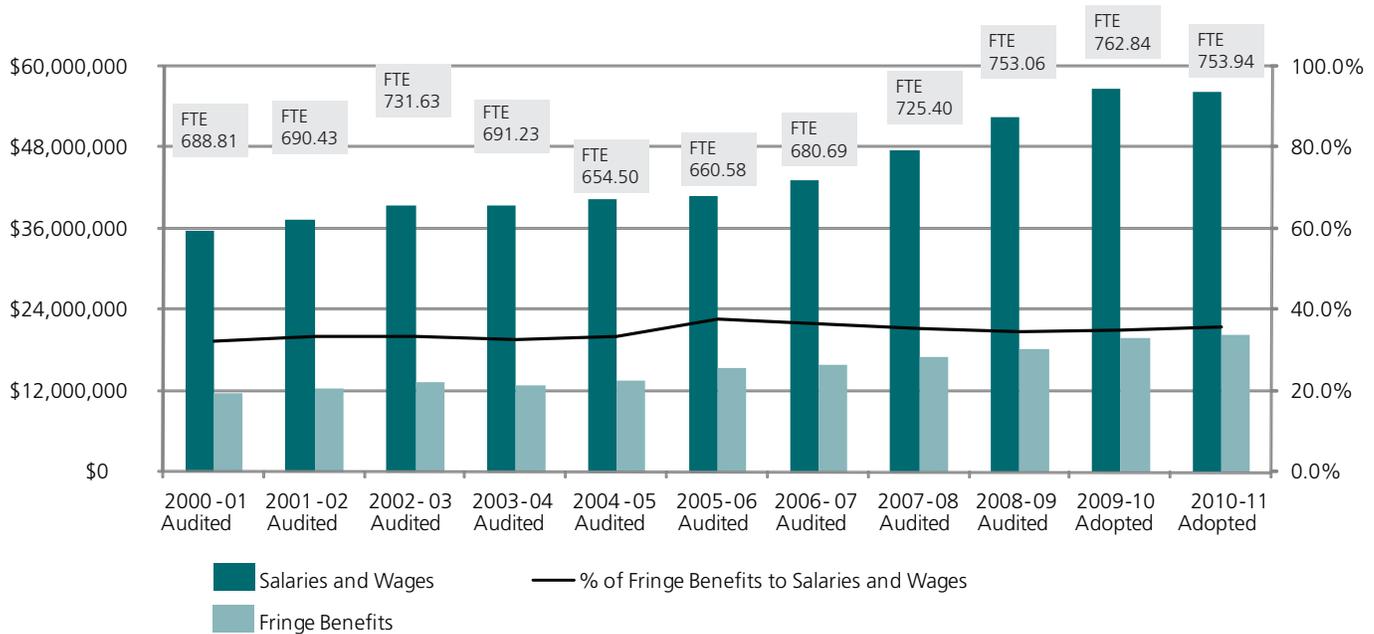
Ending fund balances in one fiscal year become the beginning fund balances of the next fiscal year. Metro plans to carry forward \$72.8 million into FY 2011-12. In addition to the planned carry-over at the end of FY 2010-11, Metro will also carry forward unspent contingency funds and any surplus from operations.

Primary among the planned funds to be carried forward are bond proceeds received in FY 2006–07 for the voter approved Natural Areas acquisition program and reserves for specific purposes (solid waste activities and debt reserves) which are generally required by law, policy or operating agreement. In addition, planned ending balances also include funds to be carried over to provide cash flow for specific operations so that they can operate early in the next fiscal year even though their primary current revenues may not be received until later in that fiscal year.

Salaries, wages and benefits

The table below provides a ten-year comparison of salaries, benefits and authorized FTE.

FY 2010-11 Comparison of salaries and wages



Over the ten-year period authorized FTE has risen by approximately 67, driven primarily by expansion of enterprise or visitor venue areas such as the Oregon Convention Center, the Oregon Zoo and solid waste or hazardous waste disposal facilities. Decreases in FTE between FY 2002-03 through FY 2004-05 were in response to economic fluctuations seen as a result of world events like the World Trade Center terrorist attack of 9/11 and the fear of the SARS epidemic. As the economy began to stabilize and recover, the visitor venues once again began to grow. The reduction in FTE seen in FY 2010-11 is again in response to the current economic situation.

Salaries are a reflection of authorized FTE and will grow based on cost of living, step or merit awards, and other collective bargaining factors. Non-represented employees are eligible for performance based merit awards annually while represented employees receive a combination of cost of living and annual step awards. Metro performs market-based classification and compensation studies by employee group on a three-year rotating cycle. Salary ranges are adjusted accordingly, and implementation of the study is done on a least cost to the agency basis.

Fringe benefits include components such as payroll taxes, pension contribution and health and welfare premiums. Overall costs are driven primarily by two factors – pension contributions and health and welfare. Pension reforms implemented by the State of Oregon in 2003 initially avoided significant pension cost increases. However, the economic downturn and significant investment losses first resulted in an increase of 4.7 percent in Metro’s PERS contribution rate in FY 2005-06, then a recovery

and 3.0 percent reduction in FY 2009-10. The Oregon PERS system has again been negatively impacted by investment losses in the present rate period, and PERS again expects significant rate increases during the next actuarial evaluation to be effective July 1, 2011. Anticipating this outcome, the Metro Council decided in FY 2009-10 to reserve the 3.0 percent rate reduction as a hedge against future rate increase. This policy is continued in FY 2010-11.

Metro provides medical, dental and vision coverage on behalf of its employees. The agency's cost is subject to a cap set by the Metro Council for non-represented employees and through collective bargaining for represented employees. Monthly premium costs above the cap are paid by the employee. Historically, the cap increased approximately 5 percent annually. However, collective bargaining agreements negotiated a 10 percent cap increase from FY 2008-09 through FY 2010-11. Actual costs are dependent on provider proposals received each spring, which are reviewed by the agency's Joint Labor Management Committee on health care.

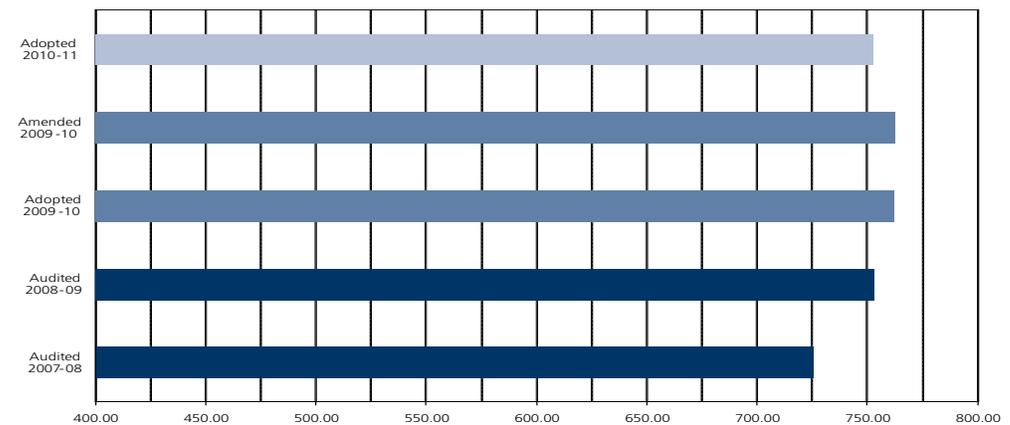
Additional discussion on staffing levels is provided later in this section. The appendices provide more detailed discussion on fringe benefit components.

Staff levels

Metro counts regular, benefit-eligible staff positions by full-time equivalent (FTE). One FTE equals one person working full-time for one year (2,080 hours). One FTE most often is one person working full-time, but it may also be two people each working half-time, or some other combination of people whose total work time does not exceed 2,080 hours. Temporary, seasonal and MERC part-time, event-related positions are not included in the FTE chart.

From FY 2007-08 to FY 2009-10 (amended), staffing levels initially increased by 5.2 percent. The proposed budget for FY 2010-11 decreases staffing levels by 1.17 percent, although overall the staffing level remains 3.9 percent higher than FY 2007-08.

Historical staffing levels - overall



Historical staffing levels by service

	Audited FY 07-08	Audited FY 08-09	Adopted FY 09-10	Amended FY 09-10	Adopted FY 10-11	% Change from FY 09-10	% Change from FY 07-08
Office of the Metro Auditor	5.00	6.00	6.00	6.00	6.00	0.00%	20.00%
Office of the Council	20.42	24.83	26.90	26.90	24.50	(8.92%)	19.98%
Office of Metro Attorney	15.00	15.50	15.50	15.50	15.50	0.00%	3.33%
Communications	20.09	22.25	20.00	21.00	22.00	4.76%	9.51%
Finance and Regulatory Services	38.70	41.70	44.70	44.70	43.70	(2.24%)	12.92%
Human Resources	15.00	15.00	16.00	16.00	16.50	3.13%	10.00%
Information Services	22.25	22.50	24.50	24.50	23.50	(4.08%)	5.62%
MERC	186.00	191.00	194.00	194.00	190.00	(2.06%)	2.15%
Oregon Zoo	151.96	155.98	157.98	157.98	154.98	(1.90%)	1.99%
Planning & Development	82.08	54.15	59.60	57.60	56.30	(2.26%)	(31.41%)
Parks & Environmental Services	107.55	112.80	104.55	104.55	97.55	(6.70%)	(9.30%)
Research Center	0.00	29.50	30.65	31.18	31.91	2.34%	n/a
Sustainability Center	56.85	61.85	61.60	62.93	71.50	13.62%	25.77%
General Expense	4.50	0.00	0.00	0.00	0.00	n/a	(100.00%)
TOTAL	725.40	753.06	761.98	762.84	753.94	(1.17%)	3.93%

Several key factors have contributed to the overall change in FTE during this period:

Economy

Several years of economic recovery clearly had a positive impact on Metro’s operations. Initially, even with the economic downturn, Metro continued to grow. Metro’s revenue sources are more diverse than other local agencies, which are more dependent on one or two primary sources of revenue like property tax or business

income tax, which contract sharply in downturns. People stayed closer to home to take advantage of the local entertainment and visitor attractions in and around the metro region, resulting in record attendance at the Oregon Zoo and the Portland Center for Performing Arts. The Oregon Convention Center, which books major conventions years in advance, continued to do well. As operations increased, the Council authorized additional staff to meet service demands and expectations. However, as the economic downturn persists, Metro is not immune to its effects. Guests continue to visit the Oregon Zoo in record numbers, but they spend less on food and other concessions, producing an anticipated revenue loss in FY 2009-10 and a lower revenue projection for FY 2010-11. The MERC venues have also noticed a decrease in days-per-event and the selection of less costly menus for events that previously selected the premium menus. The notable exception is the increase in the number of Broadway show days at PCPA. The FY 2010-11 budget recognizes the persisting economic impact on revenues, eliminating several positions and redirecting other staffing resources to the Metro Council's highest priorities.

Voter approval of Oregon Zoo Infrastructure and Animal Welfare bonds

In November 2008 the voters of the Metro region authorized the sale of \$125.0 million in general obligation bonds for a variety of capital projects all related to the Oregon Zoo infrastructure or animal welfare. With the approval of the bond measure, the Metro Council approved the addition of three new positions to support the intense demands of the new 10 to 12 year capital program. In addition, several existing positions were transferred in whole or part from the Oregon Zoo Operating department or existing Capital Fund to provide administrative and other support to the program. An additional position has been added in FY 2010-11 to provide much needed administrative support in the areas of accounting, finance, contract and procurement.

Implementation of the Sustainable Metro Initiative

In fall 2008 Metro began a major new effort called the Sustainable Metro Initiative (SMI). The goal of the effort was to advance Metro's mission of protecting and enhancing the regional's environment and quality of life by transforming Metro into a modern, mission driven organization equipped to fulfill the promise as the leader in regional conservation and civic innovation. The approach reoriented Metro's management structure by core competencies and functions to align programs with desired regional outcomes. The agency was structured around two broad areas of focus: strategy and services. The new structure promotes collaboration and efficiency among programs with common goals, improves financial transparency and provides for a more strategic approach to solving regional problems and leading regional initiatives. While SMI did not increase the overall agency FTE, it did change the distribution of FTE by service.

The Sustainable Metro Initiative included a major reorganization of Metro departments and functions resulting in the shifting of staff and responsibilities between organizational areas. Where distinct budget sections could be identified they were moved along with the prior year historical data to the new organizational unit under SMI. As a result, not all staff changes resulting from SMI will show as shifts between FY 2008-09 and FY 2009-10.

New positions in FY 2010-11

The FY 2010-11 budget shows an decrease of 8.04 FTE from the originally adopted FY 2009-10 budget. The changes can be divided into four categories:

- FTE changes approved during FY 2009-10.
- Changes in FTE to increase or decrease existing FTE.
- Positions eliminated during the preparation of the FY 2010-11 budget.
- New position requests.

The following tables provide a summary of FTE changes by organizational unit.

Full-time equivalent changes by organizational unit

	Approved in FY 2009-10	FY 2010-11 Changes			New Positions	Total FTE Change	Extended Positions
		Changes in FTE	Transfer Positions	Eliminated Positions			
Office of Metro Auditor	-	-	-	-	-	-	-
Council	-	-	(2.90)	(0.75)	1.25	(2.40)	2.00
Office of Metro Attorney	-	-	-	-	-	-	-
Communications	1.00	-	1.00	-	-	2.00	1.00
Finance and Regulatory Services	-	-	-	(1.00)	-	(1.00)	-
Human Resources	-	-	-	(0.50)	1.00	0.50	-
Information Services	-	-	-	(1.00)	-	(1.00)	-
MERC	-	-	-	(4.00)	-	(4.00)	-
Oregon Zoo	-	-	-	(4.00)	1.00	(3.00)	-
Planning and Development	(2.00)	-	-	(1.80)	0.50	(3.30)	-
Parks and Environmental Services	-	-	(6.00)	(1.00)	-	(7.00)	1.00
Research Center	0.53	(0.06)	-	(1.15)	1.94	1.26	-
Sustainability Center	1.33	0.67	7.90	-	-	9.90	1.00
TOTAL	0.86	0.61	-	(15.20)	5.69	(8.04)	5.00

The FY 2010-11 budget continues the reorganizational efforts begun in fall 2008 under SMI. Parks and Environmental Services transfers 6.0 FTE to the Sustainability Center to more closely align all natural resource management efforts under the Science and Stewardship program. The Council Office transfers 1.0 FTE to the Sustainability Center to develop a coordinated approach to the provision of conservation education functions throughout the agency. Several other positions have been transferred between organizations to increase efficiencies in the provision of services such as Communications and the new Metro Storefront.

Labor costs for salaries, wages and benefits such as pension and health insurance continue to rise while revenues to the General Fund and the many visitor venues of the agency remain flat or have begun to experience declines. To avoid unsustainable use of reserves the agency has made selective reductions in staffing levels through the consolidation of functions or the refocusing of staff efforts.

The following FTE changes are made in the FY 2010-11 Adopted Budget:

Action - Misc. action	FTE Change
Increase FTE for Natural Resource Technician added mid-year FY 2009-10	0.67
Decrease FTE for Principal Regional Planner to reflect limited duration assignment	(0.06)
TOTAL	0.61

Action - New positions	FTE Change
Add part-time Records and Information Analyst - limited duration through 06/30/11	0.50
Add part-time GIS Specialist for Community Investment Strategy - limited duration through 6/30/11	0.60
Add part-time Associate Public Affairs Specialist for Community Investment Strategy - limited duration 01/01/11 through 06/30/12	0.25
Add full-time Analyst for Community Investment Strategy - limited duration through 12/31/12	1.00
Add full-time Assistant Management Analyst for Oregon Zoo Bond program	1.00
Add full-time Administrative Assistant II in Human Resources - limited duration through 06/30/11	1.00
Add two part-time GIS technicians - limited duration through 6/30/11	1.34
TOTAL	5.69

Action - Eliminated positions	FTE Change
Eliminate Transportation Planner - grant funded (never filled)	(1.00)
Eliminate limited duration Program Assistant II (completion of assignment)	(0.80)
Eliminate limited duration Assistant GIS Specialist (completion of assignment)	(0.60)
Eliminate limited duration GIS Technician (completion of assignment)	(0.55)
Eliminate limited duration Columbia River Crossing Director (completion of assignment)	(0.75)
Eliminate Print Shop Lead	(1.00)
Eliminate Program Supervisor II (Information Services)	(1.00)
Eliminate Exhibit Technicians	(3.00)
Eliminate Service Supervisor II (catering - deferred for one year)	(1.00)
Eliminate Administrative Specialist II (Finance and Regulatory Services)	(1.00)
Eliminate Payroll Technician (Human Resources)	(0.50)
Eliminate Sales Manager (OCC Hotel project)	(1.00)
Eliminate Public Relations Manager (OCC Hotel project)	(1.00)
Eliminate MERC Chief Operating Officer	(1.00)
Eliminate MERC Director of Business/Community Development	(1.00)
TOTAL	(15.20)

In addition, the following limited duration positions received extended assignment durations:

Action - Limited duration extensions	FTE Change
Extended Principal Regional Planner through 06/30/11 (parks master planning)	1.00
Extended Program Analyst III through 06/30/11 (climate change)	1.00
Extended Senior Public Affairs Specialist through 06/30/12 (for zoo bond program)	1.00
Extended Program Analyst V through 12/31/12 (Community Investment Strategy)	1.00
Extended Program Analyst I through 12/31/12 (Community Investment Strategy)	1.00
TOTAL	5.00

The proceeding actions can also be summarized by organizational unit:

Communications	
Transfer Associate Public Affairs Specialist from Parks & Environmental Services	1.00
Extend Senior Public Affairs Specialist through 6/30/12 (for zoo bond program)	1.00
<i>Subtotal</i>	<u>2.00</u>
Council	
Add full-time Analyst for Community Investment Strategy - limited duration through 12/31/12	1.00
Add part-time Associate Public Affairs Specialist for Community Investment Strategy - limited duration 1/1/11 through 6/30/12	0.25
Eliminate limited duration Columbia River Crossing Director (completion of assignment)	(0.75)
Transfer Administrative Assistant I to Parks & Environmental Services	(1.00)
Transfer Policy Advisor I to Sustainability Center	(1.00)
Transfer Program Analyst IV to Sustainability Center	(0.90)
Extend Program Analyst V through 12/31/12 (Community Investment Strategy)	1.00
Extend Program Analyst I through 12/31/12 (Community Investment Strategy)	1.00
<i>Subtotal</i>	<u>(0.40)</u>
Finance & Regulatory Affairs	
Eliminate Administrative Specialist II	(1.00)
<i>Subtotal</i>	<u>(1.00)</u>
Human Resources	
Eliminate Payroll Technician	(0.50)
Add Administrative Assistant II - limited duration through 6/30/11	1.00
<i>Subtotal</i>	<u>0.50</u>
Information Services	
Eliminate Program Supervisor II	(1.00)
<i>Subtotal</i>	<u>(1.00)</u>
MERC	
Eliminate MERC Chief Operating Officer	(1.00)
Eliminate Director of Business/Community Development	(1.00)
Eliminate Public Relations Manager (OCC Hotel project)	(1.00)
Eliminate Sales Manager (OCC Hotel project)	(1.00)
<i>Subtotal</i>	<u>(4.00)</u>
Oregon Zoo	
Add full-time Assistant Management Analyst for Oregon Zoo bond program	1.00
Eliminate Exhibit Technicians	(3.00)
Eliminate Service Supervisor II (catering - deferred for one year)	(1.00)
<i>Subtotal</i>	<u>(3.00)</u>
Planning & Development	
Add part-time Records and Information Analyst - limited duration through 6/30/11	0.50
Eliminate Transportation Planner - grant funded (never filled)	(1.00)
Eliminated limited duration Program Assistant II (completion of assignment)	(0.80)
<i>Subtotal</i>	<u>(1.30)</u>
Parks & Environmental Services	
Eliminate Print Shop Lead	(1.00)
Transfer Administrative Assistant I from Council Office	1.00
Transfer Associate Public Affairs Specialist to Communications	(1.00)
Transfer Natural Resources Technicians to Sustainability Center	(5.00)
Transfer Service Supervisor to Sustainability Center	(1.00)
Extend Principal Regional Planner through 6/30/11 (parks master planning)	1.00
<i>Subtotal</i>	<u>(6.00)</u>
Research Center	
Add part-time GIS Specialist for Community Investment Strategy - limited duration through 6/30/12	0.60
Add two part-time GIS Technicians for DAS contract - limited duration through 6/30/11	1.34
Eliminate limited duration Assistant GIS Specialist (completion of assignment)	(0.60)
Eliminate limited duration GIS Technician (completion of assignment)	(0.55)
Reduce Principal Regional Planner to reflect limited duration status	(0.06)
<i>Subtotal</i>	<u>0.73</u>
Sustainability Center	
Increase Natural Resource Technical Position to full time (added mid-year FY 2009-10)	0.67
Transfer Policy Advisor II from Council Office - Strategy Center	1.00
Transfer Natural Resources Technicians from Parks & Environmental Services	5.00
Transfer Program Analyst IV from Council Office - Strategy Center	0.90
Transfer Service Supervisor from Parks & Environmental Services	1.00
Extend Program Analyst III through 6/30/11 (climate change)	1.00
<i>Subtotal</i>	<u>9.57</u>
Total FTE Changes (including limited duration extensions)	
	<u>(3.90)</u>

Revenue analysis

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Revenue summary, all sources

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2009-10 FY 2010-11	Change from Amended
CURRENT REVENUES								
Real Property Taxes	\$46,312,638	\$44,897,096	\$50,910,057	\$50,910,057	\$48,483,349	\$48,483,349	\$48,483,349	(4.77%)
Excise Tax	16,824,900	14,705,646	14,865,381	14,865,381	16,403,937	\$16,403,937	\$16,203,937	9.00%
Other Derived Tax Revenue	23,267	24,168	23,300	23,300	23,300	\$23,300	\$23,300	0.00%
Grants	13,665,634	14,306,069	15,457,165	16,886,590	13,763,029	\$14,130,176	\$14,783,392	(12.45%)
Local Government Shared Revenues	11,701,562	11,202,982	11,547,484	11,547,484	11,173,508	\$11,173,508	\$11,173,508	(3.24%)
Contributions from Other Governments	732,876	1,001,028	1,124,240	1,124,240	2,361,371	\$2,361,371	\$2,361,371	110.04%
Enterprise Revenue	110,626,380	109,086,690	115,313,595	115,545,595	118,636,299	\$118,903,545	\$118,870,045	2.88%
Interest Earnings	11,984,290	6,675,487	5,070,383	5,070,383	1,611,106	\$1,611,106	\$1,611,106	(68.23%)
Donations	3,666,252	8,324,043	4,387,600	4,331,553	1,703,430	\$1,717,930	\$1,806,930	(58.28%)
Other Misc. Revenue	2,254,082	2,758,599	2,124,294	2,149,294	2,014,169	\$2,014,169	\$2,514,169	16.98%
Bond and Loan Proceeds	0	5,000,000	10,000,000	10,000,000	15,000,000	\$15,000,000	\$15,000,000	50.00%
Subtotal External Current Revenues	217,791,881	217,981,808	230,823,499	232,453,877	231,173,498	231,822,391	232,831,107	0.16%
INTERFUND TRANSFERS								
Interfund Reimbursements	6,849,723	7,474,080	8,212,657	8,212,657	8,396,573	8,396,573	8,396,573	2.24%
Internal Service Transfers	870,759	944,972	2,847,999	2,896,582	3,122,488	3,122,488	3,122,488	7.80%
Interfund Loan	0	0	10,916,250	0	0	0	0	0.00%
Fund Equity Transfers	11,760,993	6,389,113	6,587,953	6,780,323	10,637,853	10,765,853	10,765,853	58.78%
Subtotal Internal Current Revenues	19,481,475	14,808,165	28,564,859	17,889,562	22,156,914	22,284,914	22,284,914	24.57%
TOTAL CURRENT REVENUES	\$237,273,356	\$232,789,973	\$259,388,358	\$250,343,439	\$253,330,412	\$254,107,305	\$255,116,021	1.91%

This section presents a consolidated summary of major operating revenues, a description of each source, underlying assumptions for revenue estimates and recent trends. Tables showing estimated or actual revenues for each major source for the last four fiscal years supplement this discussion. The five largest revenue sources (enterprise revenues, property taxes, excise taxes, grants and intergovernmental revenues) constitute 91 percent of Metro's current revenues (excluding interfund transfers) and are described in greater detail. Operating revenues are augmented by fund balances, which are addressed in the Budget Summary and Fund Summaries sections in this document.

Enterprise revenue

	Actual FY 2007-08	Actual FY 2008-09	Amended FY 2009-10	Adopted 2010-11	% of % of Total Department Total	% of Total Enterprise Revenue	% Change from FY 2009-10	% Change from FY 2007-08
MERC								
Rentals	7,427,948	7,428,389	7,253,549	7,420,586	24.38%		2.30%	(0.10%)
Concessions and Catering	12,662,562	\$11,562,004	\$12,123,799	11,813,716	40.75%		(2.56%)	(6.70%)
Parking	2,728,692	\$2,538,446	\$2,603,350	2,838,899	8.75%		9.05%	4.04%
Reimbursed Services	3,379,233	\$3,042,169	\$3,613,029	3,174,967	12.14%		(12.12%)	(6.04%)
Utility Services	1,433,811	\$1,368,285	\$1,527,318	1,598,360	5.13%		4.65%	11.48%
Other	2,649,313	\$3,779,197	\$2,628,512	3,170,730	8.84%		20.63%	19.68%
TOTAL MERC	30,281,559	29,718,490	29,749,557	30,017,258	100.00%	25.25%	0.90%	(0.87%)
OREGON ZOO								
Admissions	6,295,003	6,809,675	8,240,000	7,751,800	41.23%		(5.92%)	23.14%
Food Sales	5,058,896	5,357,828	5,725,000	5,454,700	28.65%		(4.72%)	7.82%
Retail Sales	1,986,769	2,279,919	2,416,000	2,272,000	12.09%		(5.96%)	14.36%
Railroad Rides	739,896	973,132	912,000	960,000	4.56%		5.26%	29.75%
Tuition and Lectures	421,890	1,081,230	1,396,153	1,111,955	6.99%		(20.36%)	163.57%
Exhibit Shows	554,697	522,144	329,000	960,000	1.65%		191.79%	73.07%
Other	795,341	890,649	966,000	485,126	4.83%		(49.78%)	(39.00%)
TOTAL OREGON ZOO	15,852,492	17,914,577	19,984,153	18,995,581	100.00%	15.98%	(4.95%)	19.83%
SOLID WASTE AND RECYCLING								
Disposal Fees	27,709,295	25,210,217	26,401,276	28,514,495	50.13%		3.10%	2.91%
Regional System Fee	19,156,342	19,056,487	20,379,691	19,715,106	38.69%		(1.70%)	2.77%
Transaction Fee	2,751,275	2,370,538	2,525,871	2,800,076	4.80%		32.97%	24.57%
Other	3,532,541	3,724,558	3,360,951	5,027,919	6.38%		49.60%	7.77%
TOTAL SOLID WASTE AND RECYCLING	53,149,453	50,361,800	52,667,789	56,057,596	100.00%	47.16%	6.44%	5.47%
Other Enterprise Revenue	11,342,876	11,091,823	13,144,096	13,799,610		11.61%	4.99%	21.66%
TOTAL ENTERPRISE REVENUE	\$110,626,380	\$109,086,690	\$115,545,595	\$118,870,045		100.00%	2.88%	7.45%

Enterprise Revenue

Enterprise revenue represents income earned from use of Metro facilities or franchises and the purchase of Metro products and services. Eighty-eight percent of all enterprise revenue is derived from facilities operated or services provided by three operating areas: the Metropolitan Exposition Recreation Commission (MERC) the Oregon Zoo and Solid Waste operations.

With certain exceptions, all enterprise revenue is subject to Metro’s excise tax (see discussion that follows under Tax Revenues). Revenue generated at the Oregon Zoo and the Portland Center for the Performing Arts as well as other specific items detailed in Metro Code are exempt. Revenue projections are initially calculated based on gross revenues prior to the application of the excise tax; however, the budget document reflects revenues net of the excise tax (gross projections less excise tax).

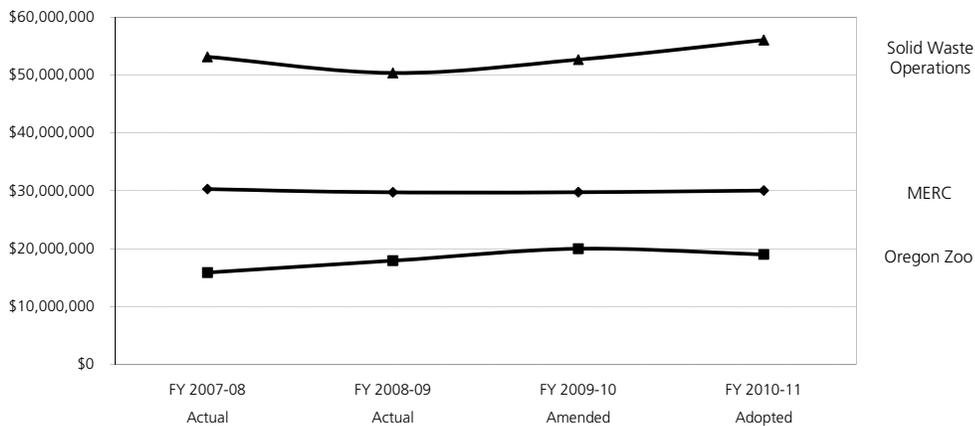
MERC ENTERPRISE REVENUE

Enterprise revenues from MERC-operated facilities account for 25 percent of total Metro enterprise revenues. MERC facilities include the Oregon Convention Center, the Portland Center for the Performing Arts (PCPA) and the Portland Expo Center (Expo). More than 90 percent of MERC enterprise revenue derives from the following sources:

Rental

This is the combined total of revenue generated for license agreements for temporary leasing of space within the facilities and revenue generated from equipment rental charged back to clients. Estimated revenue represents a 2.3 percent increase from FY 2009-10 budgeted figures. Rental revenue at PCPA is projected to increase by 18 percent, due to an increase from 9 to 13 weeks of Broadway and a commercial rental rate increase of 3 percent. OCC expects flat revenues, with 39 conventions booked for the year and rental rates up 5 to 7 percent. Expo’s combined rental and admission revenues are budgeted to be down 1.6 percent, despite a 3 percent rate increase, reflecting the continuing down economy.

Enterprise revenue



Concessions/Catering

These are revenues generated from food and beverage sales and catered functions. Projections are based on projected attendance and historical sales. Concession and catering revenue is largely dependent on the number of convention bookings at the Oregon Convention Center and can fluctuate from one year to the next. Concessions and catering revenues were down in FY 2008-09, as conventions and meetings saw lower attendance and reduced event days. While strong convention bookings in FY 2009-10 improved the forecast, total revenues in this category are projected to be down 2.6 percent in FY 2010-11.

Parking

These are fees charged for parking in the lots at the Oregon Convention Center and Expo. Parking revenues are budgeted up 9 percent from FY 2009-10; rates will increase by \$1.00 per vehicle at both facilities.

Reimbursement Services

These are charges to renters for the labor cost of staging and staffing events at all three facilities. About 68 percent of these revenues is reimbursements for labor at the PCPA. Projections for this facility are based upon projected wage and fringe rates and the number of events to be held.

Utility Services

This category represents revenue received from contractors to cover the cost of a variety of utility services, such as electrical, telephone, air, water and gas used for business and show purposes. Approximately 85 percent of these revenues are recovered at the Oregon Convention Center. Projections are based on the number of events to be held and the anticipated fees charged by the utility providers.

ZOO ENTERPRISE REVENUE

Enterprise revenues from the Oregon Zoo account for almost 16 percent of Metro's total enterprise revenues. Zoo revenue projections are based on average per capita fees or rates. Zoo annual attendance increased substantially over the last four years, surpassing 1.6 million in FY 2009-10. While attendance remained strong in 2009-10, per capita spending has decreased in a number of categories and is expected to remain lower in FY 2010-11, leading to total budgeted enterprise revenues down 5 percent from FY 2009-10. The following categories represent 95 percent of the zoo's annual enterprise revenues:

Admissions

Annual attendance forecasts and admission rates determine the admissions revenue estimate. Attendance is projected to reach 1.6 million again in FY 2010-11. An increase in annual memberships and utilization of discounted entry options has decreased admissions revenue even as attendance climbs. Budgeted revenue is \$7.8 million in FY 2010-11.

Food Sales

This category includes revenues from food, beverage and catering sales. Projections for regular food and beverage sales of \$4.2 million are based on per capita spending of \$2.63 multiplied by the anticipated attendance of 1.6 million. Catering food sales projections of \$1.25 million are based on sales and patterns from previous years.

Retail Sales

These are sales from the zoo gift shop and vending machines. The zoo forecasts revenues of \$2.3 million from retail sales in FY 2010-11.

Railroad Rides

These are revenues from visitors paying to experience the zoo's train ride; train ridership has been increasing over the past several years. Revenue projections are based on per capita spending of \$0.60 multiplied by anticipated attendance of 1.6 million, for a total of \$960,000.

Tuitions and Lectures

This category includes fees for educational classes and lectures provided by or sponsored by the zoo. Revenues are projected based on historical class participation and planned course offerings. While the zoo expanded its summer camp offerings in FY 2009-10, camp attendance did not increase. The zoo is looking at ways to increase participation, but budgeted revenues have dropped slightly to \$1.1 million.

Exhibit and Shows

These are for fees received for special zoo exhibits and shows. Many of the exhibits are transient and offered only one or two summers. Revenue projections are based on previous temporary exhibit revenue experiences and fluctuate depending on planned offerings. The zoo will offer a temporary dinosaur exhibit in summer 2010 and an additional temporary exhibit in spring 2011.

SOLID WASTE AND RECYCLING ENTERPRISE REVENUES (IN THE PARKS AND ENVIRONMENTAL SERVICES DEPARTMENT)

Enterprise revenues from the solid waste operations in Parks and Environmental Services (PES) account for approximately 47 percent of total Metro enterprise revenues. These revenues are derived from charges for the processing and disposal of solid waste within the region. Haulers pay a "tip fee" to dispose of waste at a solid waste facility. At Metro's transfer stations, the tip fee covers the cost of processing, transport and disposal of the waste; general and administrative costs; Metro's Regional System Fee (see below); Metro Excise Tax; a host community fee; and Department of Environmental Quality fees. Effective Aug 1, 2010, Metro's tip fee increases to \$85.85 per ton.

Tonnage Charge

This fee represents the portion of the Metro tip fee that covers the cost of disposing and transporting waste from Metro transfer stations. After years of increase, tonnage fell more than 15 percent below budget in FY 2008-09. The FY 2009-10 budget set tonnage at 20 percent below the previous year's budget, with actual tonnage decreasing an additional 3 percent. Heading into FY 2010-11, tonnage appears to have stabilized, and solid waste enterprise revenues are projected to increase by 6.4 percent more than the current year's budget, driven in part by expanded latex paint recycling services offered to meet new statewide recycling requirements. Tonnage related disposal fees are anticipated to increase about 3.1 percent.

Regional System Fees

This fee is charged on a per-ton basis on all waste generated in the region and disposed of at a disposal site. This includes waste that is delivered to Metro's transfer stations, privately owned regional transfer stations, municipal waste-incinerators and landfills. The Regional System Fee recovers the cost of programs such as waste reduction, hazardous waste and a portion of landfill closure expenses. Debt service obligations have now been completed. The fee, currently \$17.53, is scheduled to decrease to \$16.72 effective Aug. 1, 2010.

Transaction Fee

Transaction fees recover the cost of processing each load at Metro transfer stations, regardless of the weight. Users of the automated scales pay \$3.00 per load, and users of the staffed scales pay \$11.00 per load. The difference in fees reflects the difference in cost to serve each of these user groups.

Other Revenue

In FY 2010-11 Metro has entered into a contract with PaintCare, LLC. for the recycling and disposal of latex paint state wide. These fees cover sorting, transportation and recycling as required by the 2009 Oregon State Paint Stewardship Law. Metro receives this revenue directly from PaintCare, LLC based on total quantities transported and recycled. Metro then sells the recycled paint through its retail operation and wholesale agreement with Miller Paint. Metro expects to generate \$1.4 million in FY 2010-11.

Other revenue derives from a variety of sources, including disposal charges for items such as tires, refrigeration units, yard debris and hazardous waste; community enhancement fees charged on each ton of waste accepted at Metro Central, Metro South and the Forest Grove transfer stations; and special assessment fees required by the Oregon Department of Environmental Quality. These other revenues will generate approximately \$5.0 million in FY 2010-11.

OTHER ENTERPRISE REVENUES

These revenues are derived from several sources and comprise about 11.6 percent of total enterprise revenues. Revenues include fees charged at Metro's regional parks, parking fees charged at Metro Regional Center and revenue generated by the regional Contractor's Business License and the Data Resource Center. Parks revenues are expected to be flat in FY 2010-11. Budgeted increases in parking revenues for Metro's Property Services reflect a rate increase implemented in spring 2010.

Also included in this category are internal fees charged to organizational units by Risk Management for the cost of health care provided to employees. The increase from year-to-year is primarily due to the rising cost of health insurance.

TAX REVENUE

Metro’s tax revenues are generated from two major sources: property taxes and excise taxes. Together, they constitute 28 percent of Metro’s total revenues (not including interfund transfers). This percentage overstates the tax revenue contribution to current operations because 77 percent of property taxes are dedicated to debt service.

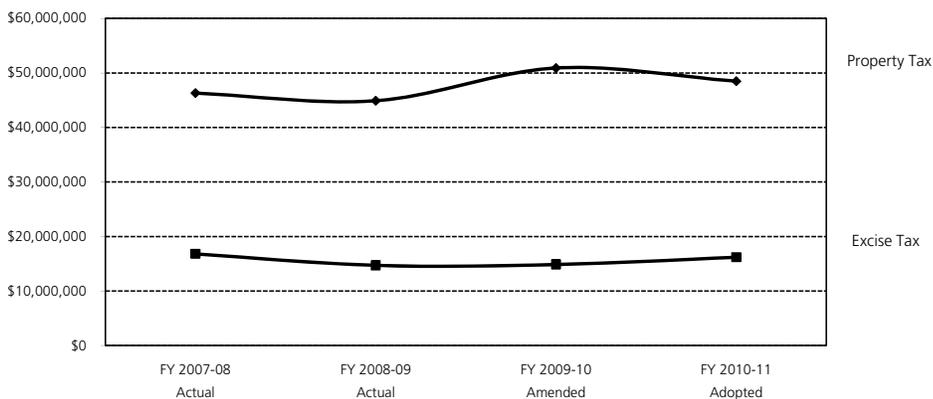
PROPERTY TAXES

Property taxes are levied by Metro for only two purposes: operations and debt service payments. In 1990 voters approved a permanent property tax levy for Oregon Zoo operations. The tax levy for operations is subject to the state limitations of Ballot Measures 5 and 50. Ballot Measure 50 removed any specific dedication of the tax to the Oregon Zoo. It converted all property tax levies for operations to a permanent tax rate applied to assessed value. The rate cannot be changed. The measure also restricts the increase in assessed value to 3 percent annually plus an allowance for new construction. Ballot Measure 5 limits total general government levies to no more than \$10.00 per thousand of assessed value.

By law general obligation debt must be approved by voters. Property taxes for debt service are levied to repay debt on five voter-approved general obligation bond measures (see Section I, Debt Summary, in this document for more information). Property taxes levied for general obligation debt are exempt from the limitations of Ballot Measures 5 and 50. In November 2006 the voters of the Metro region approved a \$227.4 million general obligation bond measure for the new Natural Areas program. The first series under this authorization — \$124,295,000 — was issued in April 2007. Metro anticipated issuing an additional series of bonds under this authorization in spring 2010, but a slowing in the real estate market has slowed expenditures and delayed the need for new funding.

The Zoo Infrastructure and Animal Welfare Bond program represents the capital planning and construction activities funded by the November 2008 general obligation bond authority. Bond proceeds will finance multiple capital projects within the zoo’s existing campus, and fund development of an off-site elephant facility. Metro issued bonds totaling \$5 million in December 2008 to fund preliminary zoo campus master planning activities. An additional issuance of \$15 million is budgeted for early FY 2010-11.

Tax revenue



Tax revenue

	Actual FY 2007-08	Actual FY 2008-09	Amended FY 2009-10	Adopted FY 2010-11	% of Category Total	% of Total Tax Revenue	% Change from FY 2009-10	% Change from FY 2007-08
PROPERTY TAXES								
Operations	\$10,381,369	\$10,755,647	\$11,126,206	\$11,294,190	23.29%		1.51%	8.79%
G.O. Debt Service	35,931,269	34,141,449	39,783,851	37,189,159	76.71%		(6.52%)	3.50%
TOTAL PROPERTY TAXES	46,312,638	44,897,096	50,910,057	48,483,349	100.00%	74.95%	(4.77%)	4.69%
EXCISE TAXES								
Construction Excise Tax	2,483,137	1,734,579	1,400,000	1,300,000	8.02%		(7.14%)	(47.65%)
Solid Waste and Recycling Operations	11,148,939	10,646,097	11,396,753	12,663,729	78.15%		11.12%	13.59%
MERC Operations	1,719,072	1,595,867	1,786,566	1,755,079	10.83%		(1.76%)	2.09%
Zoo Operations	1,185,475	468,626	0	0	0.00%		N/A	(100.00%)
Other	288,277	260,477	282,062	485,129	2.99%		71.99%	68.29%
TOTAL EXCISE TAXES	16,824,900	14,705,646	14,865,381	16,203,937	100.00%	25.05%	9.00%	(3.69%)
TOTAL TAX REVENUE	\$63,137,538	\$59,602,742	\$65,775,438	\$64,687,286		100.00%	(1.65%)	2.45%

EXCISE TAXES

Metro imposes a tax on users of facilities, equipment, systems, functions, services or improvements owned, operated, franchised or provided by Metro. Excise tax revenues support the costs of the Council Office and programs that are unable to generate sufficient own-source revenue. It is a key revenue source supporting Planning and Development and Metro's regional parks. Non solid waste generated revenues are charged an excise tax rate of 7.5 percent. The FY 2008-09 budget implemented a recommendation of the recent Oregon Zoo Future Vision Committee and exempted the Oregon Zoo from the payment of the Metro excise tax effective Sept. 1, 2008.

The rate per ton on solid waste revenues is determined annually during the budget process based on a formula set in the authorizing ordinance. In addition to the base per ton amount generated on solid waste activities, an additional per ton amount is levied. The additional levy was initially set at \$3.00 per ton in FY 2004-05 and increased annually based on Consumer Price Index. The FY 2010-11 budget combines the additional tax with the base tax, altering the method of calculation for the additional tax. The combined rate results in a flat fee of \$10.94 per ton on solid waste tonnage (For additional discussion on the excise tax, see "Where the money comes from" in Section D, Budget Summary, in this document).

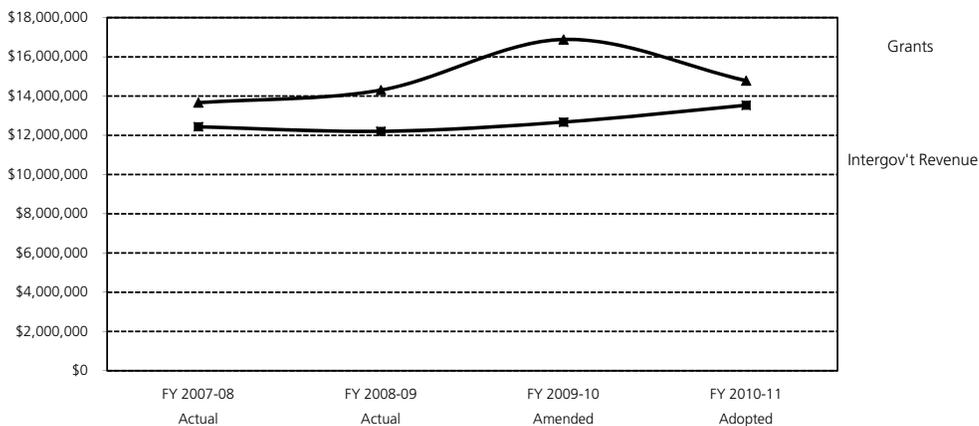
Excise tax revenue dropped nearly 10 percent in FY 2008-09, due to both the end of excise taxes collections at the zoo and the significant drop in tonnage at solid waste facilities. Collections in FY 2009-10 are expected to drop another 2 percent. While excise taxes are forecast to increase in FY 2010-11, much of the increase is due to the change in calculation of the additional tax, noted above.

Beginning July 1, 2006, Metro began collection of a new Construction Excise Tax (CET). This tax is imposed on new construction within the region, with limited exceptions, and was established to raise \$6.3 million over three years to fund concept planning in the new areas recently brought into the Urban Growth Boundary. In June 2009, the Metro Council voted to extend the CET through Sept. 30, 2014, to provide funding for planning of future expansion areas, future urban reserves and planning that enables redevelopment of centers, corridors and employment areas within the existing Urban Growth Boundary. The Construction Excise Tax is expected to generate \$1.3 million in FY 2010-11.

Intergovernmental agreements and grant revenue

	Actual FY 2007-08	Actual FY 2008-09	Amended FY 2009-10	Adopted FY 2010-11	% of Category Total	% of Total Grant and Gov't Revenue	% Change from FY 2009-10	% Change from FY 2007-08
GRANTS								
Planning Grants	\$13,183,874	\$11,199,016	\$12,000,809	\$10,970,223	74.21%		(8.59%)	(16.79%)
Regional Parks Grants	216,832	2,757,293	1,647,587	1,445,292	9.78%		(12.28%)	566.55%
Other	264,928	349,760	3,238,194	2,367,877	16.02%		(26.88%)	793.78%
TOTAL GRANTS	13,665,634	14,306,069	16,886,590	14,783,392	100.00%	52.20%	(12.45%)	8.18%
INTERGOVERNMENTAL REVENUES								
Hotel/Motel Taxes	11,112,056	10,658,553	10,930,634	10,558,553	78.01%		(3.40%)	(4.98%)
City of Portland for PCPA	711,376	734,709	760,926	756,907	5.59%		(0.53%)	6.40%
Support for Regional Parks and Greenspaces	525,080	484,446	572,895	571,000	4.22%		(0.33%)	8.75%
Other	85,926	326,302	407,269	1,648,419	12.18%		304.75%	1818.42%
TOTAL INTERGOVERNMENTAL REVENUES	12,434,438	12,204,010	12,671,724	13,534,879	100.00%	47.80%	6.81%	8.85%
TOTAL GRANTS AND INTERGOVERNMENTAL	\$26,100,072	\$26,510,079	\$29,558,314	\$28,318,271		100.00%	(4.20%)	8.50%

Intergovernmental and grant revenue



Inter- governmental and grant revenue

For FY 2010-11 grants and intergovernmental revenue represent 12 percent of Metro's total revenues (not including interfund transfers). The principal sources for these revenues are state and federal planning grants, support for the PCPA from the City of Portland and Multnomah County's pass-through of hotel/motel taxes.

Grants

Most of Metro's grant revenues support planning activities, with the majority funding transportation planning. Because Metro is the designated agency for regional transportation planning under the Federal Transportation Efficiency Act of the 21st Century, it receives a significant amount of federal grant dollars. In addition, Metro receives grants from the state, the local transit agency (TriMet) and other local governments within the region. Planning grants fluctuate from year to year based on approved projects. A delay in the federal reauthorization of transportation funding has placed a portion of these grants funds at risk. Funding from the State of Oregon related to the study of greenhouse gas emissions will provide substitute or bridge funding until such time as the federal funding is reauthorized. Planning and Development is currently negotiating an intergovernmental agreement with the Oregon Department of Transportation; an IGA is anticipated by summer 2010. Metro also receives grants for projects planned at regional parks and natural areas, the Oregon Zoo and solid waste facilities.

Intergovernmental Revenues

Intergovernmental revenues include contributions from other governments to support Metro programs and capital projects and revenues received from other governments and shared with Metro on a formula basis. The largest shared operating revenue program is the hotel/motel occupancy tax levied by Multnomah County. Multnomah County passes through to Metro almost all of its 3 percent hotel/motel tax to support the operations of the Oregon Convention Center and the Portland Center for the Performing Arts. While occupancy rates are expected to rise 2 to 4 percent in FY 2010-11, room rates will likely be lower due to increased competition, resulting in a 3.4 percent decrease in budgeted revenue compared to FY 2009-10.

Additionally, Metro receives intergovernmental revenue from the City of Portland to support the operations at the Portland Center for the Performing Arts, owned by the city but managed by Metro. Through agreements negotiated in FY 2000-01, the city annually adjusts its contributions for operations and capital improvements at PCPA by CPI; a negative CPI in the last year results in a 0.53 percent revenue decrease for FY 2010-11.

The other principal sources of shared revenues for Metro are registration fees for recreational vehicles and marine fuel taxes. Projections for these sources are based on estimates received from the State of Oregon and Multnomah County and are projected to be flat in FY 2010-11.



Organizational summary

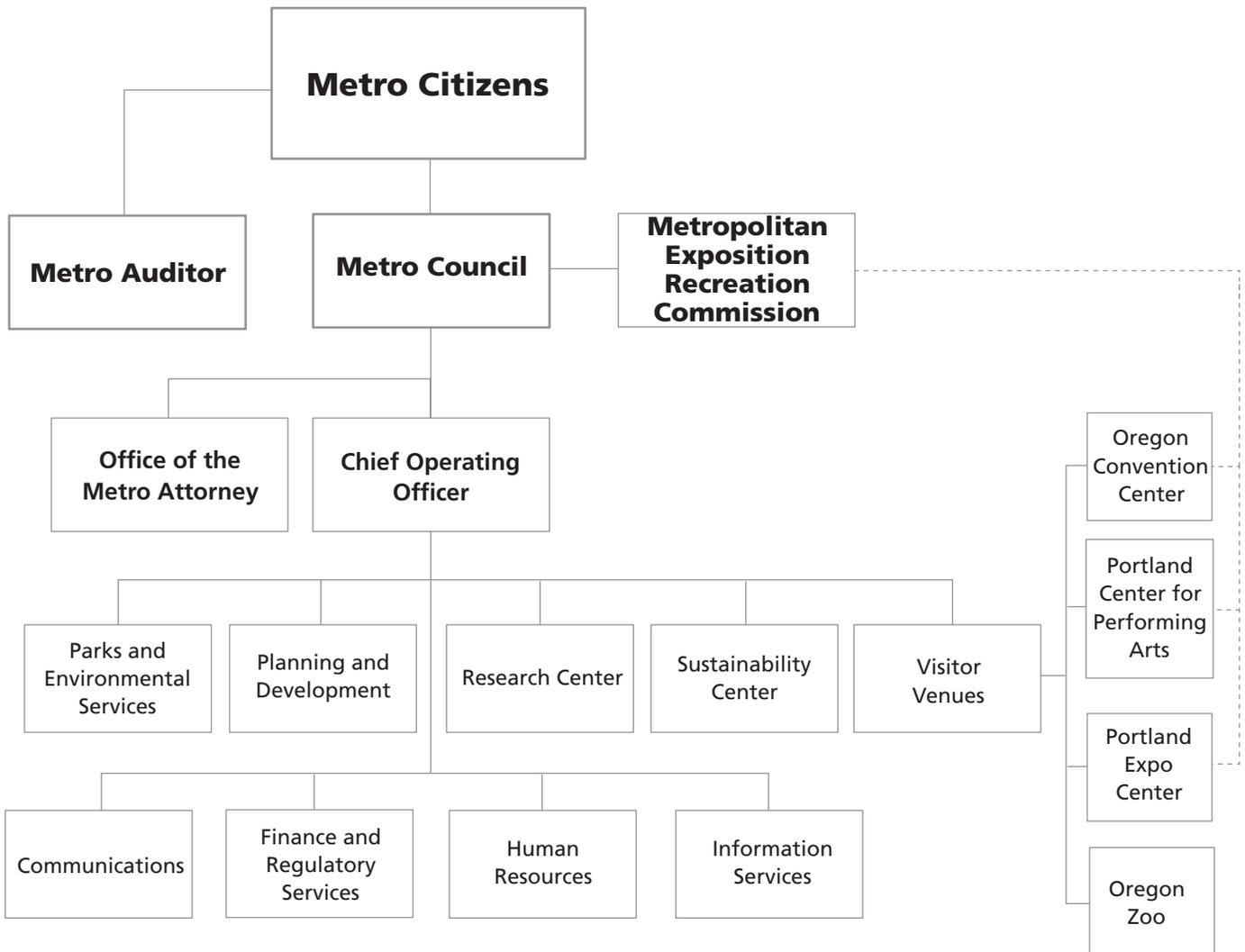
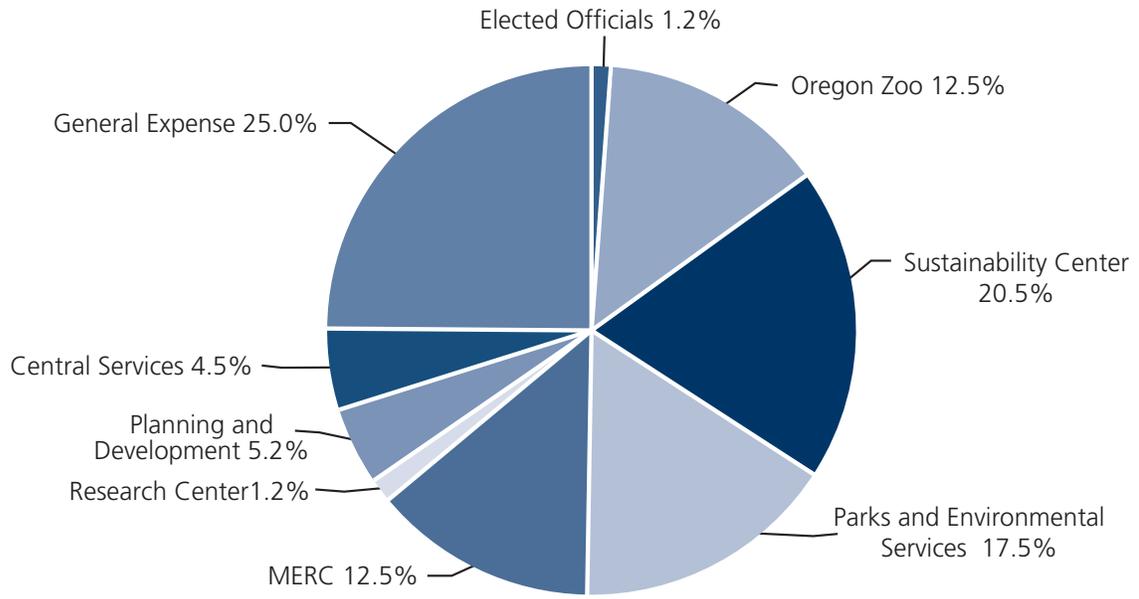
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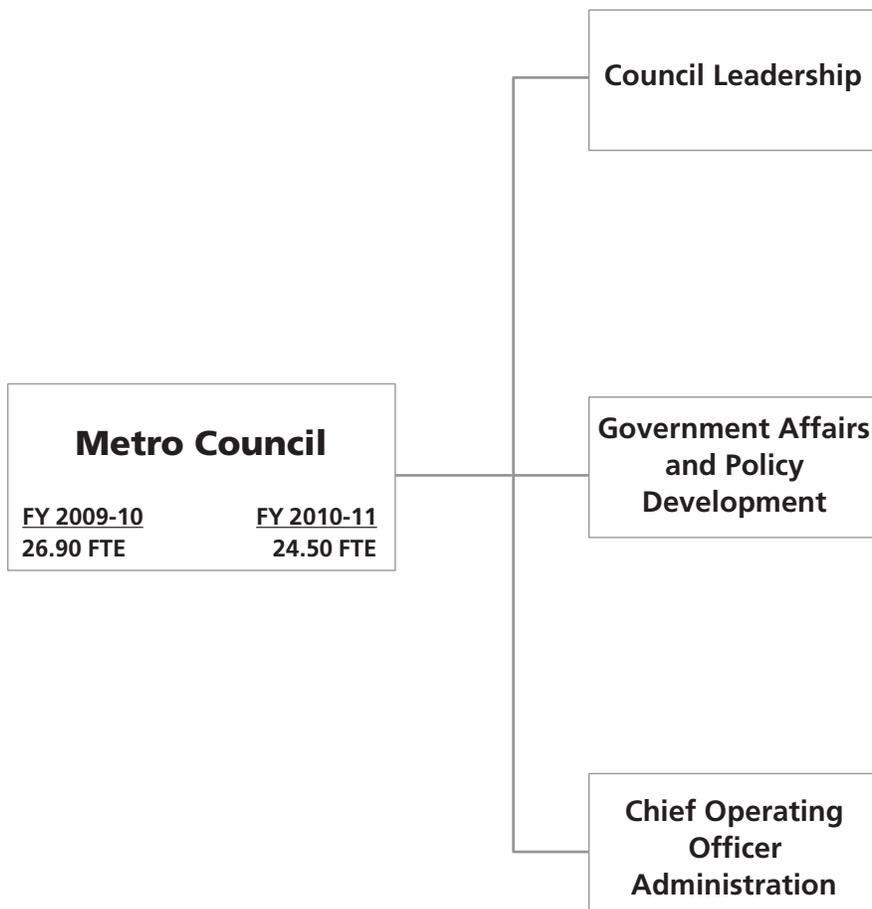
Summary of organizational structure

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Amended FY 2009-10	% Change from
BUDGET BY CLASSIFICATION									
Personal Services	\$64,653,039	\$70,830,852	\$76,552,050	\$76,639,289	\$76,717,193	\$76,876,510	\$76,661,194		0.03%
Materials and Services	99,588,010	92,362,661	121,793,629	122,785,804	118,479,978	120,811,921	122,107,946		(0.55%)
Capital Outlay	30,599,093	31,655,025	80,378,286	72,800,236	59,854,158	60,602,552	62,131,378		(14.65%)
Debt Service	41,572,723	45,100,347	45,115,921	45,250,921	41,954,002	41,954,002	41,954,002		(7.29%)
Interfund Reimbursements	6,849,722	7,474,080	8,212,657	8,212,657	8,396,573	8,396,573	8,396,573		2.24%
Internal Service Charges	870,760	944,972	2,847,999	2,896,582	3,122,488	3,122,488	3,122,488		7.80%
Interfund Loan	0	0	10,916,250	0	0	0	0		0.00%
Fund Equity Transfers	11,760,993	6,389,113	6,587,953	6,780,323	10,637,853	10,765,853	10,765,853		58.78%
TOTAL	\$255,894,340	\$254,757,050	\$352,404,745	\$335,365,812	\$319,162,245	\$322,529,899	\$325,139,434		(3.05%)
BUDGET BY FUND									
General Fund	\$78,352,355	\$71,256,493	\$89,040,947	\$89,178,138	\$85,680,625	\$86,603,622	\$87,657,539		(1.71%)
Gen. Obligation Bond Debt Service Fund	35,239,797	35,275,958	40,533,022	40,533,022	37,325,783	37,325,783	37,325,783		(7.91%)
Gen. Renewal & Replacement Fund	945,647	1,920,497	2,455,906	4,743,287	2,305,053	3,236,825	3,547,506		(25.21%)
Gen.I Revenue Bond Fund	3,855,847	6,098,184	13,709,080	4,080,831	3,317,837	3,387,337	3,402,337		(16.63%)
MERC Fund	40,325,475	42,543,780	46,457,863	47,141,352	46,208,300	46,208,300	47,350,737		0.44%
Metro Capital Fund	1,187,767	7,088,316	3,937,608	3,995,144	440,000	440,000	475,000		(88.11%)
Natural Areas Fund	33,951,556	24,727,549	60,015,529	60,039,248	48,005,529	48,205,529	48,205,529		(19.71%)
Open Spaces Fund	94,502	7,017	788,378	788,378	622,131	622,131	622,131		(21.09%)
Oregon Zoo Infrastructure & Animal Welfare Fund	0	777,224	12,034,142	12,034,142	15,651,307	15,651,307	15,651,307		30.06%
Rehabilitation & Enhancement Fund	426,641	446,768	485,311	485,311	442,601	442,601	442,601		(8.80%)
Risk Management Fund	7,564,237	8,124,566	11,434,039	11,434,039	17,723,637	17,723,637	17,723,637		55.01%
Smith & Bybee Lakes Fund	108,828	0	391,639	391,639	241,379	241,379	241,379		(38.37%)
Solid Waste Revenue Fund	53,841,688	56,490,698	71,121,281	60,521,281	61,198,063	62,441,448	62,493,948		3.26%
TOTAL	\$255,894,340	\$254,757,050	\$352,404,745	\$335,365,812	\$319,162,245	\$322,529,899	\$325,139,434		(3.05%)
Contingency	0	0	51,168,293	53,165,737	30,473,585	30,454,222	32,455,006		(38.96%)
Unappropriated Balance	230,965,428	214,223,352	58,019,042	64,788,745	75,479,170	74,400,238	72,843,606		12.43%
TOTAL BUDGET	\$486,859,768	\$468,980,402	\$461,592,080	\$453,320,294	\$425,115,000	\$427,384,359	\$430,438,046		(5.05%)
FULL-TIME EQUIVALENTS (FTE)	725.40	753.06	761.98	762.84	752.60	754.60	753.94		(1.17%)

Summary of organizational structure







Summary of Metro Council

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$1,606,142	\$2,561,046	\$3,019,273	\$3,019,273	\$2,698,303	\$2,698,303	\$2,646,386	(12.35%)
Materials and Services	111,353	167,112	389,004	389,004	857,027	857,027	850,527	118.64%
TOTAL	\$1,717,495	\$2,728,158	\$3,408,277	\$3,408,277	\$3,555,330	\$3,555,330	\$3,496,913	2.60%
BUDGET BY FUND								
General Fund	\$1,717,495	\$2,728,158	\$3,408,277	\$3,408,277	\$3,555,330	\$3,555,330	\$3,496,913	2.60%
TOTAL	\$1,717,495	\$2,728,158	\$3,408,277	\$3,408,277	\$3,555,330	\$3,555,330	\$3,496,913	2.60%
FULL-TIME EQUIVALENTS (FTE)	20.42	24.83	26.90	26.90	25.10	25.10	24.50	(8.92%)

The Metro Council is the governing body of Metro. Council authority is defined in the Metro Charter, enacted by voters in 1992 and amended in 2000. The Council provides regional governance and leadership through ongoing, innovative planning, focusing on issues that cross local boundaries and require collaborative solutions. It provides oversight to attain the regional goals of guiding growth and creating livable communities, and works to promote economic, cultural and environmental balance. The Council develops long range plans for existing and future Metro activities. It assures the financial integrity of Metro through adoption of the budget and levying of taxes, user charges and other revenue measures.

ABOUT THE COUNCIL OFFICE

The Council consists of seven elected officials: six Councilors elected from distinct geographic districts and one Council President elected from the metropolitan region at large. The Council Office's budget includes three programs: Council Leadership, Government Affairs and Policy Development and the Chief Operating Officer Administration.

Council Leadership

The Council Leadership program includes the seven Councilors and administrative and policy support to these Councilors as individuals, as well as to the Council as a whole in its role as a legislative body whose procedures and formalities are conducted under the charter and law. Council policy, legislative and administrative staff supports Council as a professional resource, acting as liaisons between Council and Metro staff and external stakeholders, initiating and developing Councilors' policies and research projects, managing Council meetings and other public engagement forums and facilitating general communication. Support provided to the Metro Council is also provided to the Office of the Chief Operating Officer and Government Affairs and Policy Development. It includes personnel administration, budgeting and fiscal control, meeting support, calendar management and maintenance and archiving of records.

Government Affairs and Policy Development

The Government Affairs and Policy Development group is the maturing of the Strategy Center to support current Council and agency objectives and to review and advise Council on emerging policies and initiatives. Active Transportation, a programmatic aspect of the Strategy Center, has been moved to the Sustainability Center to align with trail planning and The Intertwine project, a regional network of parks, trails and natural areas. The Strategy Center team leader will also move to the Sustainability Center to manage the education division for The Intertwine project and integrate youth education programs at all Metro facilities.

Chief Operating Officer Administration

The Chief Operating Officer serves at the pleasure of Council to enforce Metro ordinances; execute the policies of the Metro Council; provide day-to-day administration of Metro's resources, programs, enterprise businesses, facilities and workforce; and prepare the proposed budget for Council consideration.

MAJOR ACCOMPLISHMENTS IN FY 2009-10

- Continued implementation of the Sustainable Metro Initiative.
- Developed the Community Investment Strategy.
- Prepared and executed a state legislative agenda for special session.

- Realigned zoo operations and corresponding bond oversight.
- Restructured the relationship between the Metropolitan Exposition Recreation Commission, the Metro Council and agency staff.
- Identified and implemented service improvements between Exposition, Convention and Arts facilities with those of other Metro centers and services.
- Implemented a new agency-wide legislative process.
- Executed the Active Transportation initiative.
- Assisted Council on Making the Greatest Place policy strategy and implementation.

SERVICE LEVEL CHANGES FROM FY 2009-10

A number of positions are transferred from the Council Office to other centers as part of the maturing of the Sustainable Metro Initiative reorganization. An administrative position is transferred to Parks and Environmental Services, two former Strategy Center positions are moved to the Sustainability Center to augment The Intertwine initiative, and the remaining four Strategy Center positions are reformed as the Government Affairs and Policy Development program in the Council Office. The budget contains an appropriation for enhancing the agency's federal presence. A new agency-wide three-year initiative, the Community Investment Strategy, which is featured in the budget message, will be launched from the Council Office. Three limited duration positions will provide both the internal and external coordination of this primary initiative, working with staff throughout Planning and Development, the Research Center, the Sustainability Center and other areas of the agency. Staff assigned to the Columbia River Crossing project is funded through September 2010. One time costs for Sustainable Metro Initiative transition projects are eliminated; individual Councilor's budgets are reduced from \$3,500 to \$3,000 annually.

MAJOR OBJECTIVES FOR FY 2010-11

- Develop and execute the 2011 legislative agenda.
- Manage the Community Investment Strategy for the incorporation of a strategy within the Capacity Ordinance, to be adopted by Council in 2010, and develop a legislative agenda to be executed in winter/spring 2011.
- Work with the Senior Leadership Team and Council to analyze the need for a more robust federal presence.
- Direct the execution of requirements from House Bill 2001 for greenhouse gas scenario planning.

PROGRAMS FOR FY 2010-11

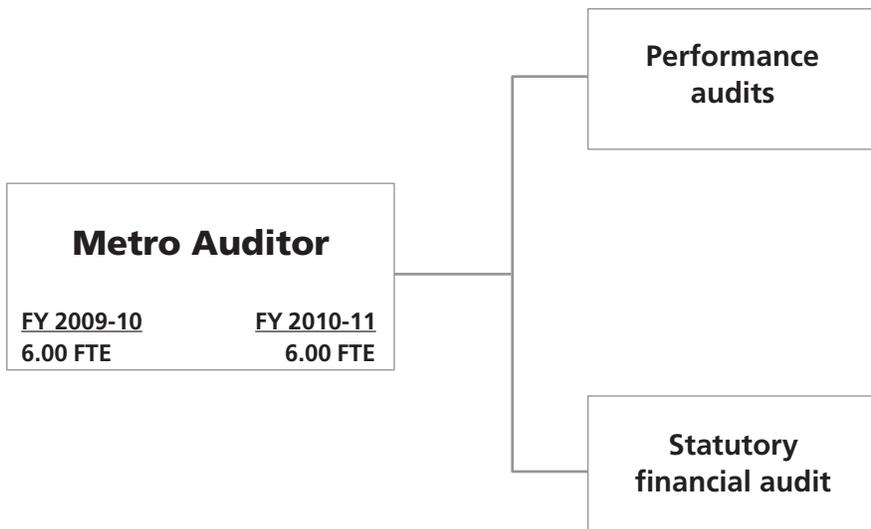
Responsible Operations

Council Leadership – The Metro Council provides regional governance in the fulfillment of its stated mission. Councilors are supported in their work through policy development, operational efficiencies and district outreach efforts.

Government Affairs and Policy Development– This program provides strategic analysis, assistance to technical programs, and regional engagement strategies and implementation that best leverage agency and regional outcomes.

Chief Operating Officer Administration – The Chief Operating Officer manages the agency for the Council and plans for agency support to implement regional programs and initiatives. The Chief Operating Officer enforces Metro ordinances; executes the policies of the Metro Council; and administers Metro's resources, programs, facilities and staff.

Metro Auditor



Summary of Metro Auditor

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$423,460	\$552,706	\$629,278	\$629,278	\$632,082	\$632,082	\$632,082	0.45%
Materials and Services	40,185	32,447	40,155	40,155	39,351	39,351	39,351	(2.00%)
TOTAL	\$463,645	\$585,153	\$669,433	\$669,433	\$671,433	\$671,433	\$671,433	0.30%
BUDGET BY FUND								
General Fund	\$463,645	\$585,153	\$669,433	\$669,433	\$671,433	\$671,433	\$671,433	0.30%
TOTAL	\$463,645	\$585,153	\$669,433	\$669,433	\$671,433	\$671,433	\$671,433	0.30%
FULL-TIME EQUIVALENTS (FTE)	5.00	6.00	6.00	6.00	6.00	6.00	6.00	0.00%

The mission of the Auditor's Office is to ensure that Metro is accountable to the public, ensure that Metro activities are transparent and improve the efficiency, effectiveness and quality of Metro services and activities.

ABOUT THE METRO AUDITOR

The Metro Auditor is an elected position created as part of the home rule charter approved by voters in 1992. The Metro Auditor is elected region-wide and must possess professional certification as a licensed Certified Public Accountant or a Certified Internal Auditor. Both professions adhere to audit standards that include, among others, independence, objectivity, periodic quality control review and ongoing professional education. The Metro Charter mandates that the Auditor make continuous investigations of Metro operations, including financial transactions, personnel, equipment and facilities and all other aspects of these operations. The Auditor issues reports to the Council based on the results of these investigations and makes recommendations for improvement.

The primary role of the Metro Auditor is oversight of both performance and financial audits. State law requires Metro to use an outside Certified Public Accounting firm to audit its annual financial statements. The Metro Auditor engages the external financial auditing firm while focusing staff efforts on performance audits. The Auditor's Office conducts performance audits in accordance with generally accepted government auditing standards.

Annually, the Metro Auditor decides which audits will be conducted in the next fiscal year. Topics may be selected in response to specific concerns or requests, and reviews cover the full spectrum of Metro organizational units and activities. The following factors are considered in selecting projects:

- Potential for savings or improvement.
- Level of Council and public interest.
- Potential for loss or risk of loss.
- Quality of internal controls.
- Historical problems or concerns.
- Audit staff resources.

MAJOR ACCOMPLISHMENTS IN FY 2009–10

- Received Knighton Gold Award for best audit in 2009 in the small audit shop category from the Association of Local Government Auditors for the audit on the Oregon Zoo Capital Construction.
- Successfully passed a review of audit operations conducted by the Association of Local Government Auditors. Determined to be in compliance with government auditing standards.
- Completed first annual report for the Ethics Line.
- Completed five audits:
 - Oregon Zoo Capital Construction.
 - Natural Areas Audit Follow-up.
 - Tracking Transportation Project Outcomes.
 - Functional Plan Compliance Audit Follow up
 - Financial Condition of Metro FY 1999-2000 to FY 2008-09.

SERVICE LEVEL CHANGES FROM FY 2009–10

None.

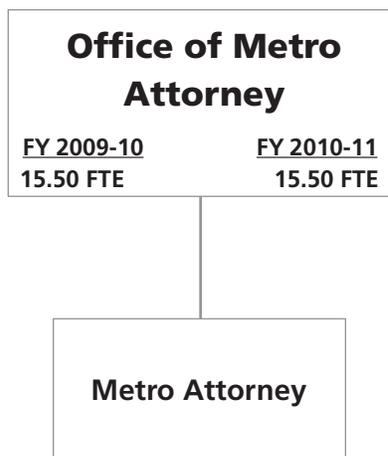
MAJOR OBJECTIVES FOR FY 2010–11

- Design educational materials on ethics.
- Design method to gather input from local officials on audits to be included in schedule.
- Continue to follow-up on previous audits and improve audit effectiveness.

PROGRAMS FOR FY 2010-11

Responsible Operations

Office of Metro Auditor – The Office conducts performance auditing according to auditing standards and assesses how well Metro services and activities are performing.



Summary of the Office of Metro Attorney

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$1,696,016	\$1,862,602	\$1,933,712	\$1,933,712	\$1,951,684	\$1,951,684	\$1,951,684	0.93%
Materials and Services	72,577	55,620	61,982	61,982	61,202	61,202	61,202	(1.26%)
TOTAL	\$1,768,593	\$1,918,222	\$1,995,694	\$1,995,694	\$2,012,886	\$2,012,886	\$2,012,886	0.86%
BUDGET BY FUND								
General Fund	\$1,768,593	\$1,918,222	\$1,995,694	\$1,995,694	\$2,012,886	\$2,012,886	\$2,012,886	0.86%
TOTAL	\$1,768,593	\$1,918,222	\$1,995,694	\$1,995,694	\$2,012,886	\$2,012,886	\$2,012,886	0.86%
FULL-TIME EQUIVALENTS (FTE)	15.00	15.50	15.50	15.50	15.50	15.50	15.50	0.00%

The Office of Metro Attorney is created in the Metro Code pursuant to the Metro Charter. The Metro Code states that the Metro Attorney has full charge and control of all legal business of all operating units and commissions of Metro where legal services are required. The duties and responsibilities of the Office of Metro Attorney are to provide clear and concise legal advice to policymakers in making informed decisions in the public interest; to ensure to the maximum extent possible that Metro's written documents are clear and precise statements in order to avoid misunderstandings and possible litigation; to represent Metro, both formally and informally, consistent with the goals of Metro and in a manner that represents a responsible contribution to the administration of the courts and the justice system; and to fully comply with the highest professional and ethical standards of the Oregon State Bar, the Oregon Supreme Court and the legal profession.

ABOUT THE OFFICE OF METRO ATTORNEY

The Office of Metro Attorney provides legal services to the entire Metro organization, including all centers and services, commissions, the Chief Operating Officer, the Council and the Auditor. These legal services include research, evaluation, analysis and advice regarding legal issues affecting Metro; review of contracts, requests for proposals and bid documents; negotiations regarding contractual agreements; and advice and assistance on legislative matters. The Metro elected officials are the official representatives of our client and, as such, are entitled to be the paramount client as opposed to individual centers, services, commissions or officers and administrators.

The Office of Metro Attorney provides written opinions, drafts contracts and intergovernmental agreements, reviews ordinances and resolutions, and provides legal advice to Metro officers and employees. The Metro Attorney may initiate, defend or appeal litigation on behalf of Metro when requested by the Metro Council, Chief Operating Officer, the Auditor or any Metro commission.

The Office of Metro Attorney staff includes the agency's lead attorney (the Metro Attorney); a Deputy Metro Attorney; six and one-half full-time equivalent (FTE) senior attorneys; one FTE assistant attorney; two paralegals; and four administrative clerical support positions, who provide ongoing legal services to:

Metro Council	Metro Auditor
Metropolitan Exposition Recreation Commission	Chief Operating Officer
Communications	Oregon Zoo
Human Resources	Research Center
Planning and Development	Sustainability Center
Parks and Environmental Services	Information Services
Finance and Regulatory Services	Government Affairs and Policy Development

The Office of Metro Attorney also provides legal services in furtherance of Metro bond measures passed by the voters of the Metro area, including the Natural Areas Acquisition bond measure in May 2006 and the Oregon Zoo bond measure in November 2008.

Consistent with the efficient provision of legal services, actual work assignments are often organized on a team basis. Attorneys, paralegals and clerical staff are given work assignments based on areas of expertise and the varying levels of legal work being generated by the various Metro programs. Legal work does not flow into the

office at a “steady state” or in relatively the same ratio per operating program. The Office of Metro Attorney places all of its resources at the disposal of the entire agency on an as-needed basis.

Metro’s lawyers are expected to fill the legal needs of Metro for general legal work including all agency contracts, employment and Metro Council policy development matters. Litigation is handled in-house for purpose of discovery and possible settlement discussions or motion for summary judgment purposes. Land use litigation is handled in-house exclusively.

Use of outside counsel is generally reserved for specialization-driven needs. Examples are Bond Counsel, special tax counsel related to tax-exempt bonds, complex litigation where cases have high probability of going to a jury trial, or other cases where in-house resources require the engagement of outside counsel.

MAJOR ACCOMPLISHMENTS IN FY 2009-10

The office has achieved the following significant results:

- Provided legal services for Metro’s Natural Areas program, including the purchase of the 1143-acre Chehalem Ridge property.
- Provided legal services needed for creation and implementation of the Oregon Zoo bond measure including sale of an initial series of debt and work to obtain development approvals for construction of a first phase.
- Provided legal services and advice to the Chief Operating Officer and the Metro Council in creating and implementing the Sustainable Metro Initiative. This included extensive legal review and effort to insure that all staff reassignments and restructuring were accomplished with acceptable levels of legal risk.
- Provided legal services related to the Metro Council’s efforts to develop the region as a “greatest place,” including review and advice on developing new ways to estimate the range of expected growth and how it may be accommodated in a manner that is expected to minimize the need to utilize pressure for growth at the edge, while at the same time the region seeks to create urban reserves and rural reserves.
- Provided legal services and advice to the Chief Operating Officer and the Metro Council in extending the Construction Excise Tax.
- Provided legal services and advice to the Chief Operating Officer and the Metro Council in assessing regional infrastructure needs and identifying legally feasible methods of financing.
- Provided legal services needed for all transit oriented development/Urban Centers transactions.
- Provided legal services needed to enable Metro Council to achieve policy and administrative goals.
- Provided legal services needed to analyze the feasibility of continued efforts to develop a headquarters hotel for the Oregon Convention Center, including negotiations of key agreements, and legal analysis of alternatives if a headquarters hotel is not feasible.
- Supported negotiations for the selection of two new operators for Metro’s solid waste transfer stations.

SERVICE LEVEL CHANGES FROM FY 2009-10

None.

MAJOR OBJECTIVES FOR FY 2010-11

- Provide all legal services needed to enable Metro Council to achieve Council established goals.
- Complete successfully all other duties as assigned.

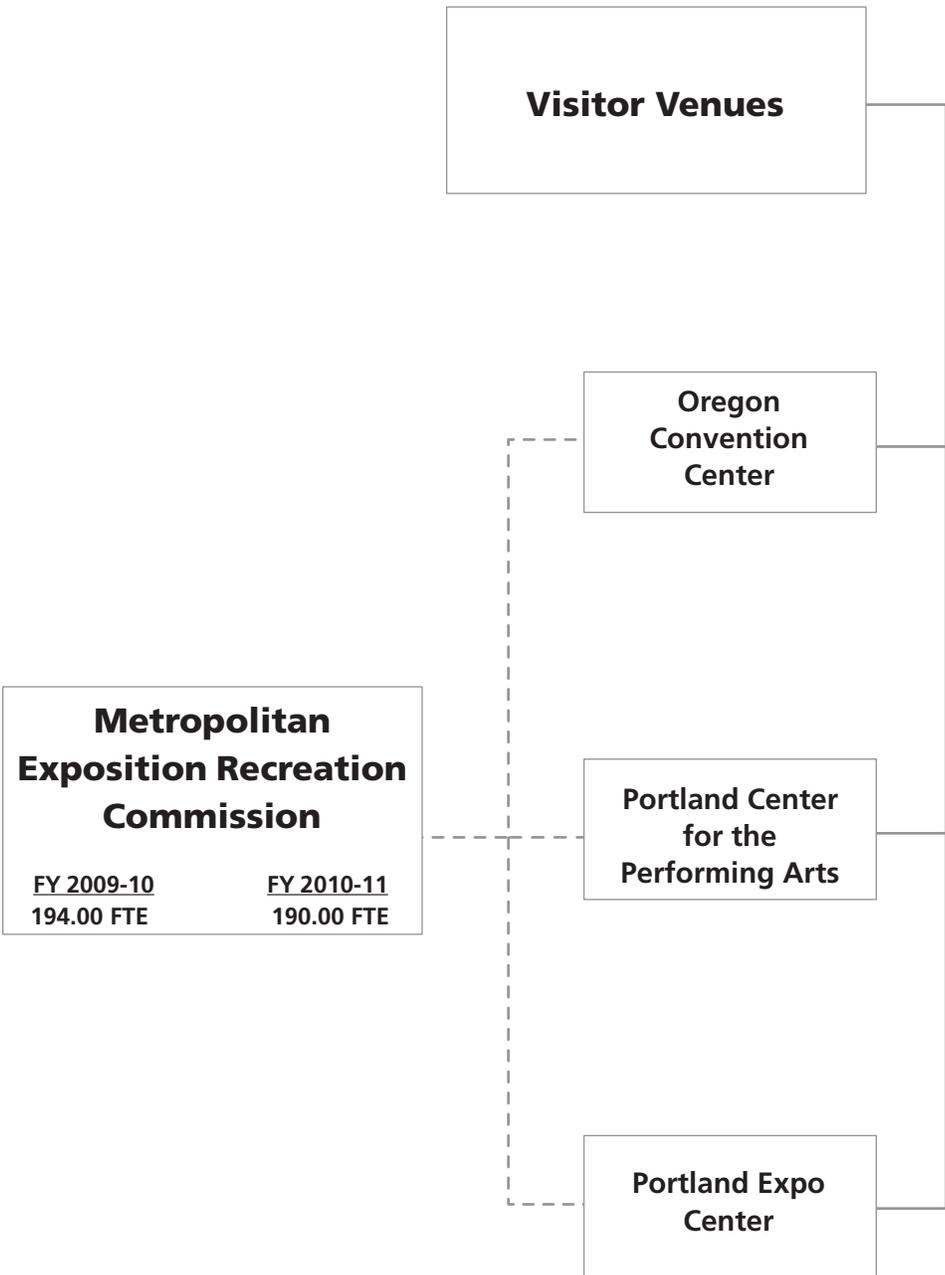
PROGRAMS FOR FY 2010-11

Responsible Operations

Office of Metro Attorney – The Office of Metro Attorney provides legal advice and services, including litigation when appropriate, for Metro elected officials, programs and staff. Services are provided in a cost-effective, responsive and proactive manner.



Metropolitan Exposition Recreation Commission



Summary of Metropolitan Exposition Recreation Commission

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$15,808,463	\$17,507,657	\$18,534,604	\$18,534,604	\$18,287,048	\$18,287,048	\$17,989,676	(2.94%)
Materials and Services	20,213,636	20,230,591	20,776,654	21,343,218	20,256,162	20,256,162	20,580,326	(3.57%)
Capital Outlay	1,028,477	1,236,534	3,424,490	3,406,415	3,983,460	3,983,460	5,099,105	49.69%
Debt Service	1,208,280	1,209,779	1,205,890	1,340,890	1,189,132	1,189,132	1,189,132	(11.32%)
TOTAL	\$38,258,856	\$40,184,561	\$43,941,638	\$44,625,127	\$43,715,802	\$43,715,802	\$44,858,239	0.52%
BUDGET BY FUND								
General Revenue Bond Fund	1,189,931	1,192,231	1,188,632	1,188,632	1,189,132	1,189,132	1,189,132	0.04%
MERC Fund	37,068,925	38,992,330	42,753,006	43,436,495	42,526,670	42,526,670	43,669,107	0.54%
TOTAL	\$38,258,856	\$40,184,561	\$43,941,638	\$44,625,127	\$43,715,802	\$43,715,802	\$44,858,239	0.52%
FULL-TIME EQUIVALENTS (FTE)	186.00	191.00	194.00	194.00	192.00	192.00	190.00	(2.06%)

ABOUT MERC COMMISSION

The Metropolitan Exposition Recreation Commission (MERC) and venues serve as a catalyst and advocate for community, culture and economic development in the Portland metropolitan region. The seven-member commission shares a commitment to promoting the region as a visitor destination, creating ongoing economic development opportunities, and protecting the public investment in the regional venues under its management.

ABOUT MERC VENUES

The MERC venues include Oregon Convention Center (OCC), Portland Center for the Performing Arts (PCPA) and the Portland Expo Center (Expo). Combined, the MERC venues generate significant economic impact to the region, nearly \$522 million in FY 2008–09, by hosting popular local, regional and national conventions, consumer trade shows and performances.

These venues are host to nearly two million people at 1,700 events each year and offer a wide range of experiences for visitors and residents that contribute to making the Portland metropolitan area a great place.

MERC manages 1.5 million square feet of contemporary and historic public facilities and is responsible for maintenance and capital construction improvements to ensure each venue meets the needs and expectations of a wide range of customers, event producers, performers, audiences and visitors well into the future. A General Manager of Visitor Venues leads the MERC venues and the Oregon Zoo, reporting to Metro's Chief Operating Officer. The MERC venues are supported by a business administration unit that provides all accounting, financial management and reporting, capital asset maintenance and development, purchasing, contract administration, information system management human resources and communication. During FY 2010-11 the MERC business group will align more closely with the business services at Metro, providing a consistent agency-wide approach to best management practices.

Oregon Convention Center

The OCC serves as a significant economic activity generator for the region and state by attracting out-of-town visitors to national conventions, tradeshow, meetings and special events. From 2002 through 2009, OCC generated \$3.5 billion in regional economic activity. Its booking policies and management philosophy reflect the national convention business as its primary objective. To achieve this, the center must maintain sufficient operating revenues to manage the facility's first-class condition and adequately fund and support sales and marketing efforts. The Oregon Convention Center hosts approximately 600 events and nearly 600,000 visitors annually.

The OCC is the largest convention center in the Pacific Northwest. The 2003 building expansion nearly doubled the size by adding 407,000 square feet to the original 500,000 square feet. The center offers 255,000 square feet of exhibit space, two grand ballrooms sized at 34,500 and 25,200 square feet respectively, 50 meeting rooms, an 820-space covered parking garage, 21 loading bays, food and beverage concession spaces, generous lobby and pre-function areas, and full-service kitchen facilities capable of serving up to 10,000 meals. The OCC added Stir cocktail lounge in 2009 to offer higher quality, innovative and local food and beverage options to customers and the public. Event services including maintenance, event set-up and tear down and housekeeping functions are provided by OCC staff. Parking and food and beverage

management services are provided by outside contractors.

Portland Center for the Performing Arts

PCPA provides superior, responsibly managed performance spaces that foster an environment in which diverse performing arts, events and audiences flourish. Three buildings house five theatres: the Arlene Schnitzer Concert Hall (a historic 1928 vaudeville and movie house, restored in 1984), Keller Auditorium (formerly the “Civic” Auditorium, built in 1917 and modernized in 1968), and the Antoinette Hatfield Hall (built in 1989), which houses the Newmark Theatre, Dolores Winingstad Theatre and Brunish Hall. PCPA is host to 1,000 events and nearly one million visitors each year. PCPA offers in-house catering for special events and meetings and also operates the Art Bar and Bistro and Keller Martini Bar. All PCPA food and beverage operations are performed by MERC’s contractor, ARAMARK.

Portland Expo Center

Expo is a multi-purpose facility that has become the region’s primary destination for consumer public shows, trade shows and special feature events. Significant upgrades and renovations updated the complex into a modern facility offering two column-free exhibition halls. The 52-acre campus includes five connected buildings comprising nearly 333,000 square feet of exhibit space, ten meeting rooms, a full service commercial kitchen, parking for 2,500 vehicles and a convenient connection to TriMet’s Interstate MAX light rail system. Expo is host to approximately 110 events and 475,000 visitors each year and stands out as a premiere facility of its kind on the West Coast.

MAJOR ACCOMPLISHMENTS IN FY 2009-10

Oregon Convention Center

- Secured, through an extensive RFP and interview process, a five-year food and beverage management services contract with the joint partnership of ARAMARK/ Giacommetti Partners for all the MERC venues.
- Secured, through RFP process, a contract with SunEdison to erect 1.18 megawatt solar power plant on the southern roof of the center and sell power to OCC for its operations at a guaranteed rate for 20 years, saving the operation an anticipated \$75,000 per year in operating costs for electricity. While OCC secured the contract, the state legislature changed the BETC credit formula which was a primary financing component of the contract so this project has been put on hold until OCC and the contractor can work out the financing/project details or project will be re-bid in FY 2010-11.
- Replaced the kitchen dishwasher to improve efficiencies and determined major renovations to the kitchen to enhance performance and customer service satisfaction levels, a \$900,000 project funded from the capital investment dollars obtained as part of the new food service agreement.
- Constructed and opened Stir cocktail lounge to offer clients, attendees, exhibitors and the area businesses a high quality, seasonal and innovative eating and drinking alternative.
- Performed community outreach with the Kinship House, a neighborhood nonprofit organization dedicated to helping foster children, through an all OCC staff retreat at which employees repaired, cleaned, painted the interiors and exteriors of two houses and landscaped the property. It was a great team building experience and opportunity to give back to the community we work in daily.

- Completed the annual economic and fiscal impact study for OCC.

Portland Center for the Performing Arts

- Completed annual economic and fiscal impact study for PCPA.
- Participated in International Association of Assembly Managers performing arts center operations benchmark study.
- Obtained funding and launched schematic design development for improvements to the Arlene Schnitzer Concert Hall and the conceptual design for a new adjacent iconic structure on Main Street.
- Lowered facility rental rates and user fees for all resident arts companies to provide financial assistance in a challenging economic downturn.
- Implemented new computer software to effectively schedule admissions staff.
- Collaborated with Handmade Northwest to create an artists market during the annual Summer Arts on Main series.

Portland Expo Center

- Participated in the Columbia River Crossing planning project, in partnership with Metro staff, and contributed to a successful resolution of the Marine Drive Alignment decision.
- Proposed an Urban Design Concept for the Expo Center Site.
- Received a Portland State University Graduate School of Management study on the Future of the Exposition Industry called “A Plan for the Future” for Expo Center.
- Began the Expo Center Conditional Use Master Plan process, working in coordination with Metro Planning staff.
- Completed annual economic and fiscal impact study for Expo.
- Unveiled more than 20 Clearstream Recycling Stations for all events.
- Designated by the City of Portland as “Recycling at Work Certified.”
- Implemented the activation of three social media sites – MySpace, Facebook and Twitter.
- Implemented the distribution of Expo newsletters and postcards via eROI e-mail marketing campaigns.

Administration

- Participated actively in the MERC/Metro Business Practice Study and assisted with Metro Code Title VI amendments.
- Continued process improvement project for MERC Event Business Management System (EBMS).
- Completed external audit of MERC’s third year of accounting activity on EBMS; no material weaknesses or significant deficiencies noted, contributing to Metro’s unqualified opinion.

SERVICE LEVEL CHANGES FROM FY 2009-10

Oregon Convention Center

- Decreased staffing by 2.0 FTE reflecting the elimination of the Headquarters Hotel project and the need to cut expenses due to the economic downturn in business, revenues and hotel/motel tax collections.
- Thirty nine national/regional conventions are booked for FY 2010-11, reflecting a decrease of two from the current year.

Portland Center for the Performing Arts

- Thirteen weeks of Broadway are booked for FY 2010-11, reflecting an increase from nine weeks booked in FY 2009-10. The Broadway Series is an important source of revenue for PCPA but also increases expenses in utilities and event labor. Some dates opened up by the ballet and opera increase the opportunity to book more commercial shows which will have a positive financial impact on PCPA.

Portland Expo Center

- Meeting Room D-103 will be converted to a full service bar/lounge to include a specialty food menu. This new service amenity will include exterior patio seating and provide a comfortable and relaxing atmosphere for both event participants and attendees.

Administration

- Two full time management positions are eliminated for a savings to venues of \$179,000. The balance is reallocated to contracted professional services and remains a resource for the General Manager of Visitor Venues.

MAJOR OBJECTIVES FOR FY 2010-11

Oregon Convention Center

- Increase recycling diversion rates with a goal of 60 percent for FY 2010-11.
- Finish new kitchen improvements to improve OCC's food and beverage capacity for all functions.
- Finish major re-lamping project expected to decrease the facility's electrical consumption by 15 percent.
- Complete the first year of a two-year project refurbishing all of the meeting room divider walls to enhance customer comfort and meet service needs.
- Construct, open and operate the new Convention Center Plaza located across from OCC on Martin Luther King Jr. Boulevard by March 2011.

Portland Center for the Performing Arts

- Start the first of a two year building maintenance repair project to preserve the exterior on the Arlene Schnitzer Concert Hall.
- Continue to seek opportunities to increase revenues in a soft economy and identify operational efficiencies while maintaining a high level of customer service and satisfaction.
- Work with the Friends of PCPA on a fundraising plan for the Schnitzer/Main Street Project.

Portland Expo Center

- Continue to execute identified action items compatible with the American Red Cross/MERC interagency agreement.
- Finalize updates to the Conditional Use Master Plan, in coordination with Metro Planning staff.
- Continue participation in the Columbia River Crossing planning project, in partnership with Metro staff.
- Convert Meeting Room D-103 to a bar/lounge.

Administration

- Continue development and implementation of critical financial and administrative management policies, procedures and processes resulting from the MERC/Metro Business Practices Study.
- Emphasize training and business process improvement, especially for users of EBMS.
- Develop performance standards based on industry benchmarks.

PROGRAMS FOR FY 2010-11

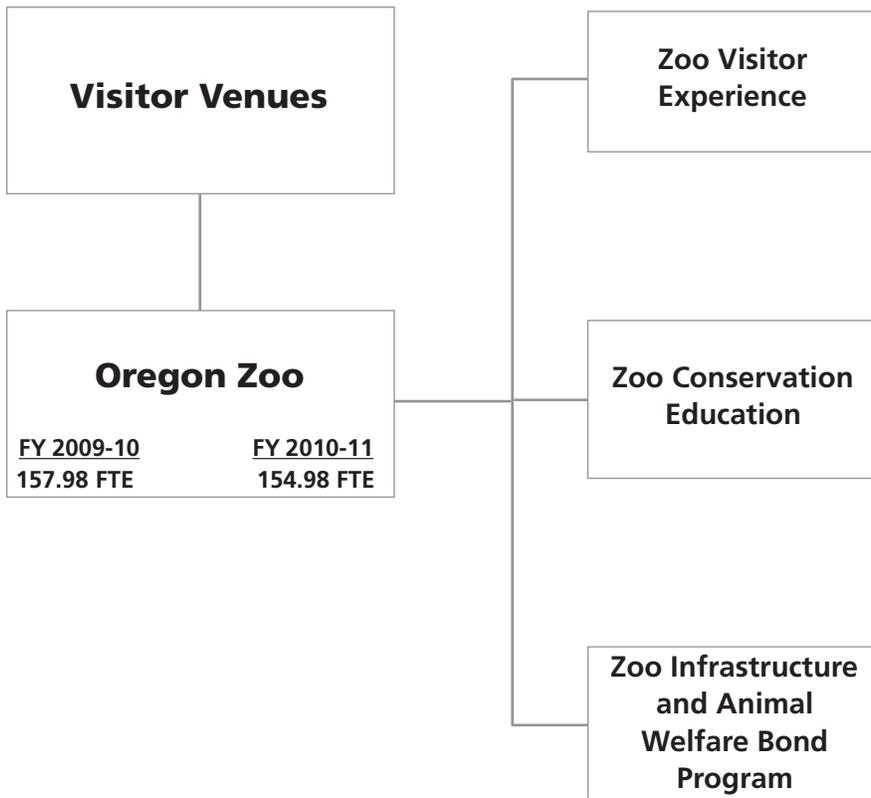
Great Communities

Performing Arts, Arts and Culture – Portland Center for the Performing Arts is the hub of downtown Portland's thriving Broadway Cultural District. The center draws roughly one million visitors each year to enjoy world class performance arts and entertainment, contributing to a vibrant and culturally rich region.

Vital Economy

Conventions, Trade and Consumer Shows – The Oregon Convention Center and the Portland Expo Center attract visitors to international, national and regional events that contribute to the livability of this region.





Summary of the Oregon Zoo

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$14,630,582	\$15,871,712	\$17,044,096	\$17,044,096	\$16,824,690	\$16,850,690	\$16,850,690	(1.13%)
Materials and Services	11,047,103	10,690,096	11,600,838	11,600,838	10,724,047	11,088,834	11,088,834	(4.41%)
Capital Outlay	1,104,558	8,288,349	15,093,178	15,179,131	16,212,694	16,216,613	16,272,294	7.20%
Debt Service	405,161	402,089	403,820	403,820	404,670	404,670	404,670	0.21%
TOTAL	\$27,187,404	\$35,252,246	\$44,141,932	\$44,227,885	\$44,166,101	\$44,560,807	\$44,616,488	0.88%
BUDGET BY FUND								
General Fund	\$25,348,618	\$26,051,845	\$27,636,683	\$27,636,683	\$26,803,192	\$27,204,192	\$27,204,192	(1.56%)
General Renewal & Replacement Fund	275,608	1,029,946	1,065,492	1,097,492	1,032,757	1,026,463	1,082,144	(1.40%)
General Revenue Bond Fund	405,161	402,089	622,987	622,987	623,760	623,760	623,760	0.12%
Metro Capital Fund	1,158,017	6,991,142	2,782,628	2,836,581	350,000	350,000	350,000	(87.66%)
Oregon Zoo Infrastructure & Animal Welfare Fund	0	777,224	12,034,142	12,034,142	15,356,392	15,356,392	15,356,392	27.61%
TOTAL	\$27,187,404	\$35,252,246	\$44,141,932	\$44,227,885	\$44,166,101	\$44,560,807	\$44,616,488	0.88%
FULL-TIME EQUIVALENTS (FTE)	151.96	155.98	157.98	157.98	154.98	154.98	154.98	(1.90%)

The Oregon Zoo's mission is "Inspiring our community to create a better future for wildlife."

ABOUT THE OREGON ZOO

The Oregon Zoo contributes significantly to the livability of the Portland metropolitan area. The zoo is an important conservation education asset, providing learning opportunities for people of all ages. The zoo strives to motivate people to care and act on behalf of wildlife by providing opportunities for observation, discovery and engagement. The zoo serves as a regional conservation, education and recreation resource, enhancing the quality of life and assisting in economic development as a tourist attraction and community asset. As the top paid attraction in the state, the zoo is expected to draw more than 1.6 million visitors in FY 2010-11, providing fun, affordable and safe entertainment for families.

The zoo contributes to wildlife conservation through camps, classes and lectures, as well as direct conservation field work. Conservation education programs include summer camp, ZooSnooze and "Wild Life Live" shows. The zoo researches and shares techniques for improving animal husbandry, exhibit environments, animal management and captive propagation. The zoo also cooperates with The Association of Zoos & Aquariums' Species Survival Plans and other conservation efforts to house and breed endangered and threatened species.

In November 2008 the Metro region voters approved a \$125 million bond measure authorizing Metro to issue general obligation bonds to protect animal health and safety and to conserve and recycle water. The bonds will finance multiple capital projects within the zoo's existing campus and are planned to fund the capital improvements for an off-site elephant facility. Major projects or initiatives underway include the Veterinary Medical Center, Penguin Water Filtration Upgrade, Land-Use Engagement, Overall Program Master Planning for Bond Project Scope and Sequencing, Waste and Storm Water Master Planning, and Water Main Pressure Reducing and Double Check Assembly Replacement.

The Oregon Zoo activity is budgeted in four funds: the General Fund, the Metro Capital Fund, General Renewal and Replacement Fund and the Zoo Infrastructure and Animal Welfare Bond Fund. It is organized into divisions, including Living Collections, Conservation, Volunteer Resources, Guest Services, Facilities Management, Marketing, Administration and bond program.

MAJOR ACCOMPLISHMENTS IN FY 2009–10

- Reached record-breaking calendar year attendance of 1,634,978 million guests.
- Opened the *Predators of the Serengeti* exhibit in summer 2009.
- Partnered in species recovery projects for California condor, western pond turtle, Oregon silverspot butterfly, Taylor's checkerspot butterfly, Mardon skipper, Columbia Basin pygmy rabbit and Oregon spotted frog.
- Hosted the Association of Zoos & Aquariums National Conference.
- Served more than 900,000 people in 1,700 conservation education programs, including ZooCamp for more than 5,000 children.
- Decreased electricity usage by 2.25 percent from the prior year.
- Opened a temporary dinosaur exhibit.

SERVICE LEVEL CHANGES FROM FY 2009–10

The zoo's FY 2010-11 operating budget is primarily focused on maximizing existing programs, offerings and staff resources. The operating budget includes budget reductions of materials and services, temporary staffing and 2.0 FTE positions as a result of changing the focus of the Construction and Maintenance division to a Facilities Maintenance division. This change can be managed because *Predators of the Serengeti* and *Red Ape Reserve* exhibits will be completed, and future capital construction at the zoo will be managed by a program team dedicated to completing the zoo bond projects. In addition, 1.0 FTE catering position has been temporarily removed from the budget due to reduced catering demand as a result of the economy, 0.55 FTE is moved from the Zoo Infrastructure and Animal Welfare Bond program back to zoo operations to better segregate and manage the activities. For FY 2010-11 a substantial portion of the conservation surcharge will be used to fund the zoo's internal conservation activities.

The zoo forecasts attendance of more than 1.6 million guests driven by the opening the *Red Ape Reserve* exhibit, a temporary dinosaur exhibit in the summer and a temporary exhibit in spring 2011. Providing quality customer service to this record number of guests will continue to challenge the efficiency and effectiveness of all zoo operating divisions.

The Zoo Infrastructure and Animal Welfare Bond program FTE decreased 0.55 to more appropriately reflect program needs and staff skill sets. The total bond program dedicated FTE will be 6.25 in FY 2010-11.

The Oregon Zoo is one of the principal venues overseen by the General Manager of Visitor Venues who reports to the Chief Operating Officer.

MAJOR OBJECTIVES FOR FY 2010–11

In FY 2010-11 the zoo will:

- Open the *Red Ape Reserve* exhibit.
- Successfully market a temporary dinosaur exhibit for summer 2010 and open a temporary exhibit in spring 2011.
- Implement findings from the MERC/Metro Business Practices study.
- Continue the zoo's successful conservation and education programs and efforts, including leveraging other Metro resources and activities.
- Complete substantial overall planning for the bond funded capital projects, including a master site plan and land-use engagement with key stakeholders and the City of Portland.
- Engage the City of Portland, neighboring zoo institutions and other stakeholders in land-use discussions and processes for the zoo campus. The land-use plan must be finalized prior to completing the majority of bond funded capital improvements.
- Develop a comprehensive capital master plan for the bond program, including refined project scopes, sequencing, and budget estimates, as well as sustainability initiatives and infrastructure improvements.
- Progress significantly on construction of the Veterinary Medical Center.

PROGRAMS FOR FY 2010-11

Great Communities

Zoo Infrastructure and Animal Welfare Bond Program – The Zoo Infrastructure and Animal Welfare Bond program represents the capital planning and construction activities funded by the November 2008 general obligation bond authority. The program includes 6.25 FTE to administer upcoming bond funded projects. Initial projects include overall capital project master planning, zoo campus land-use planning, replacing the zoo's veterinary medical center and quarantine facilities, upgrading the penguin exhibit filtration system, replacing the zoo's main water backflow and pressure reducing valve, planning work for the elephant on-site exhibit expansion, and work on an off-site elephant reserve.

Zoo Visitor Experience – The Zoo Visitor Experience program represents the primary activities that occur at the zoo campus. Supporting the zoo's mission, the zoo provides guests the opportunity for observation, discovery and engagement of animals in naturalistic environments. To meet guest expectations, provide positive experiences, and to generate enterprise revenues, the zoo provides many services and activities, such as admissions, food services, campus security, facility management, public events, cafeteria venues, marketing and the zoo railway.

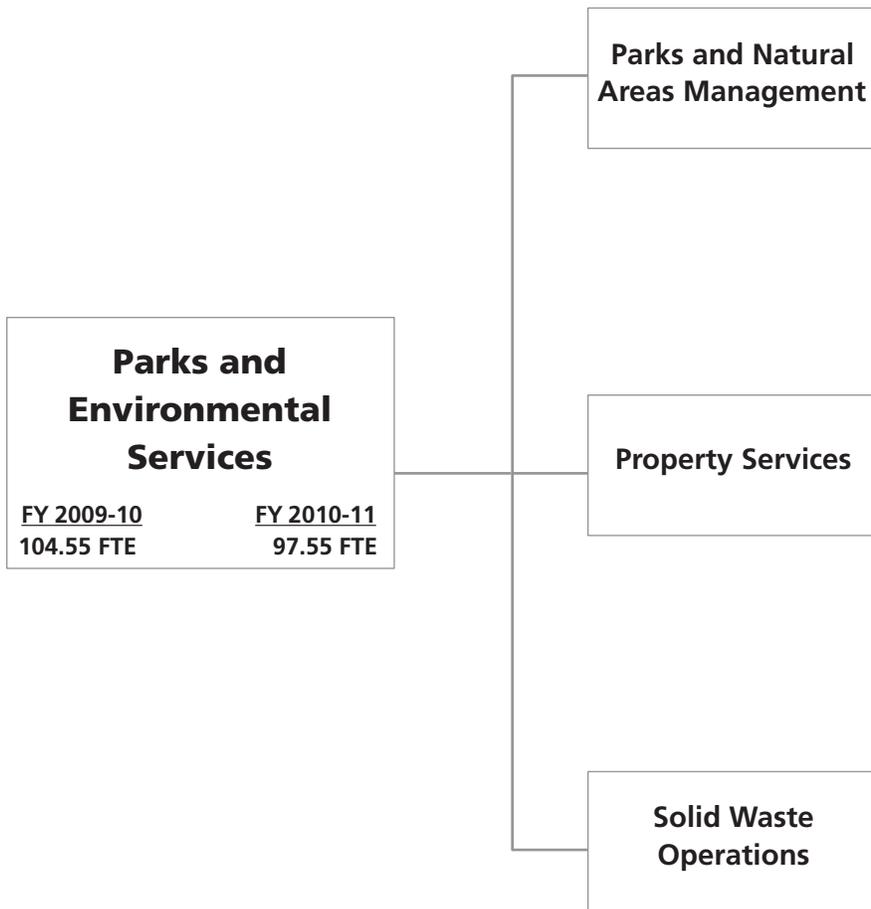
Healthy Environment

Zoo Conservation Education – The Zoo Conservation Education program identifies and implements *in situ* and *ex situ* wildlife conservation through direct fieldwork, research, improved animal husbandry techniques and captive propagation. In addition to cooperating with Association of Zoos & Aquariums and the Northwest Zoo & Aquarium Alliance, the zoo participates in species survival plans and partners with several other conservation groups to conserve endangered and threatened species in our care and in nature.

The education aspect of this program provides learning opportunities for people of all ages and cultures. The zoo develops leaders and community relationships, encourages growth and inspires change through vital and dynamic volunteer opportunities. Zoo programs and materials increase the public's understanding of conservation issues and the need for direct action related to clean air and water, the management of resources for future generations and improving access to nature.



Parks and Environmental Services



Summary of Parks and Environmental Services

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$9,209,393	\$9,409,656	\$9,548,996	\$9,548,996	\$9,325,883	\$9,325,883	\$9,325,883	(2.34%)
Materials and Services	37,787,206	35,089,241	37,022,586	37,300,697	37,316,186	38,487,542	38,487,542	3.18%
Capital Outlay	1,455,024	4,176,620	15,013,632	7,367,704	5,280,698	5,545,238	5,867,738	(20.36%)
Debt Service	1,335,513	4,697,481	0	0	0	0	0	0.00%
TOTAL	\$49,787,136	\$53,372,998	\$61,585,214	\$54,217,397	\$51,922,767	\$53,358,663	\$53,681,163	(0.99%)
BUDGET BY FUND								
General Fund	\$5,106,651	\$5,057,180	\$6,831,562	\$6,964,113	\$6,782,305	\$6,942,305	\$6,942,305	(0.31%)
General Renewal & Replacement Fund	287,121	174,166	639,703	2,895,084	535,408	1,051,360	1,306,360	(54.88%)
General Revenue Bond Fund	745,444	2,999,522	10,396,612	768,363	0	69,500	84,500	(89.00%)
Smith & Bybee Lakes Fund	87,128	0	266,740	221,740	130,000	130,000	130,000	(41.37%)
Solid Waste Revenue Fund	43,560,792	45,142,130	43,450,597	43,368,097	44,475,054	45,165,498	45,217,998	4.27%
TOTAL	\$49,787,136	\$53,372,998	\$61,585,214	\$54,217,397	\$51,922,767	\$53,358,663	\$53,681,163	(0.99%)
FULL-TIME EQUIVALENTS (FTE)	107.55	112.80	104.55	104.55	97.55	97.55	97.55	(6.70%)

Parks and Environmental Services' primary purpose is to operate Metro's parks, natural areas, solid waste facilities and the Metro Regional Center building and associated services efficiently and sustainably.

ABOUT PARKS AND ENVIRONMENTAL SERVICES

Parks and Environmental Services contributes directly to the preservation of the region's livability and supports the goals and objectives developed by the Metro Council by providing for the safe, efficient and effective disposal of solid and household hazardous waste, and by providing places for the residents of the region to hike, fish, picnic, birdwatch, golf, swim and play while engaging in their natural surroundings. Parks and Environmental Services is divided into three budgetary programs: Parks and Natural Areas Management, Property Services and Solid Waste Operations.

To carry out its strategies to provide safe and enjoyable places for the public to engage in nature-based recreational activities, Parks and Environmental Services maintains and operates, either directly or through service contracts, Oxbow Regional Park, Blue Lake Regional Park, Howell Territorial Park, Chinook Landing Marine Park, M. James Gleason Boat Ramp, Sauvie Island Boat Ramp, Smith and Bybee Wetlands Nature Park, Mt. Talbert Nature Park, Cooper Mountain Nature Park, Graham Oaks Nature Park, Glendoveer Golf Course and thousands of acres of natural areas throughout the Portland metropolitan area. In addition, 14 pioneer cemeteries are actively managed for the use of residents in the region.

To carry out its strategies for the environmentally sound disposal of waste, Parks and Environmental Services manages two transfer stations and two hazardous waste processing facilities, a latex paint recycling facility, contracts for disposal of solid waste and hazardous waste and monitors the region's two largest inactive landfills (St. Johns Landfill and Killingsworth Fast Disposal Landfill).

Property Services (Building and Security Services and Office Services) provides efficient and effective customer-driven services in support of operating units to successfully achieve their business goals. Property Services also provides centralized Metro Fleet services.

MAJOR ACCOMPLISHMENTS IN FY 2009–10

- Completed a survey and inventory of available gravesites at Lone Fir and Multnomah Cemeteries.
- Completed several small capital projects, including new shelter roofs at Blue Lake Park, Lone Fir block 14 fencing, lighting and asphalt removal and engineering geo-technical reports of Brainard retaining wall.
- Completed construction of Phase III of the M. James Gleason Memorial Boat Ramp Project.
- Installed a Point of Sale system at Blue Lake and Oxbow parks and the Metro Store for improved cash control.
- Maintained 10,960 acres of natural areas purchased under the Open Spaces and Natural Areas bond programs.
- Operated and maintained parks, natural areas and recreation facilities and provided direct services to more than 1.2 million visitors.
- Won first state contract to recycle latex paint under a new state law effective July 2009.
- Renovated compactors at the Metro Central Transfer Station.

- Concluded first year of an exclusive agreement with Miller Paint to sell Metro's recycled latex paint.
- Implemented new solid waste transport contract successfully and awarded new contracts for transfer station operations.

SERVICE LEVEL CHANGES FROM FY 2009–10

The Parks and Natural Areas Management program budget includes several enhancements or changes from FY 2009-10 service levels.

- With the opening of Graham Oaks Nature Park, the budget includes the first year of operating expenses associated with this new park, but with slightly fewer resources than originally planned.
- The Natural Areas Technicians (5.0 FTE) are shifted from PES to the Sustainability Center to provide day to day management of natural areas.
- The public areas of Graham Oaks, Smith and Bybee Wetlands and Howell Territory parks are transferred to parks responsibility.

The Property Services program incorporates the following changes:

- Parking fee increases will generate additional revenue to support current parking upgrades and maintenance.
- Beginning in FY 2010-11 the copy center activities that have been provided by Metro Building Services will be provided by an outside vendor.

The Solid Waste Operations program incorporates the following changes:

- Metro will transition fully to new transfer station operations contracts.
- Metro will implement the new PaintCare contract for latex paint.
- Metro Central Stormwater improvements: This project is to improve the removal of solids from Metro Central's storm water discharge by constructing a filtration system to treat the water and reintroduce into the collection system downstream.
- Metro South access lane improvements: This project is to relocate some utilities and provide a bypass lane around scale #4 at Scalehouse C.

MAJOR OBJECTIVES FOR FY 2010–11

- Begin operations of the Graham Oaks Nature Park near Wilsonville.
- Implement the audit recommendations for Metro's fleet.
- Complete Irving Street parking garage renovation.
- Rebuild Blue Lake Park sewage pumps.
- Implement PaintCare contract at the Metro Latex Paint facility.
- Make necessary repairs at Metro Central Transfer Station to accommodate the organics transfer operation.

PROGRAMS FOR FY 2009-10

Great Communities

Parks and Natural Areas Management – The purpose of Parks and Natural Areas Management program is to provide efficient and cost effective management of regional parks including visitor service, maintenance and resolution of adjacent land owners' issues and concerns. The program is also responsible for the enforcement of Metro Title 10 regulations for the protection of existing regional parks, cemeteries, golf courses, marine facilities and the day-to-day management of rental home properties and agricultural and commercial leases.

Environmental Health

Solid Waste Operations – The Solid Waste Operations program includes three specific service areas:

Disposal Services– The primary purpose of this service area is to provide comprehensive solid waste disposal services to commercial haulers and the public. Metro's two transfer stations are managed within this service area.

Hazardous Waste Reduction– This service area contributes toward reducing the toxicity of the waste stream and reducing the amount of hazardous materials that enters the environment. To achieve these goals, this service area collects hazardous wastes from households and small commercial generators, recovers latex paint, fuels, and other materials and disposes of hazardous waste in an environmentally sound manner.

Landfill Stewardship– This service area provides effective stewardship of the region's two largest inactive solid waste landfills. It ensures compliance with all federal, state and local regulations applicable to landfill closure operations and post-closure requirements. Within this service area, commercial quantities of landfill gas (methane) are recovered and sold to an end-user.

Responsible Operations

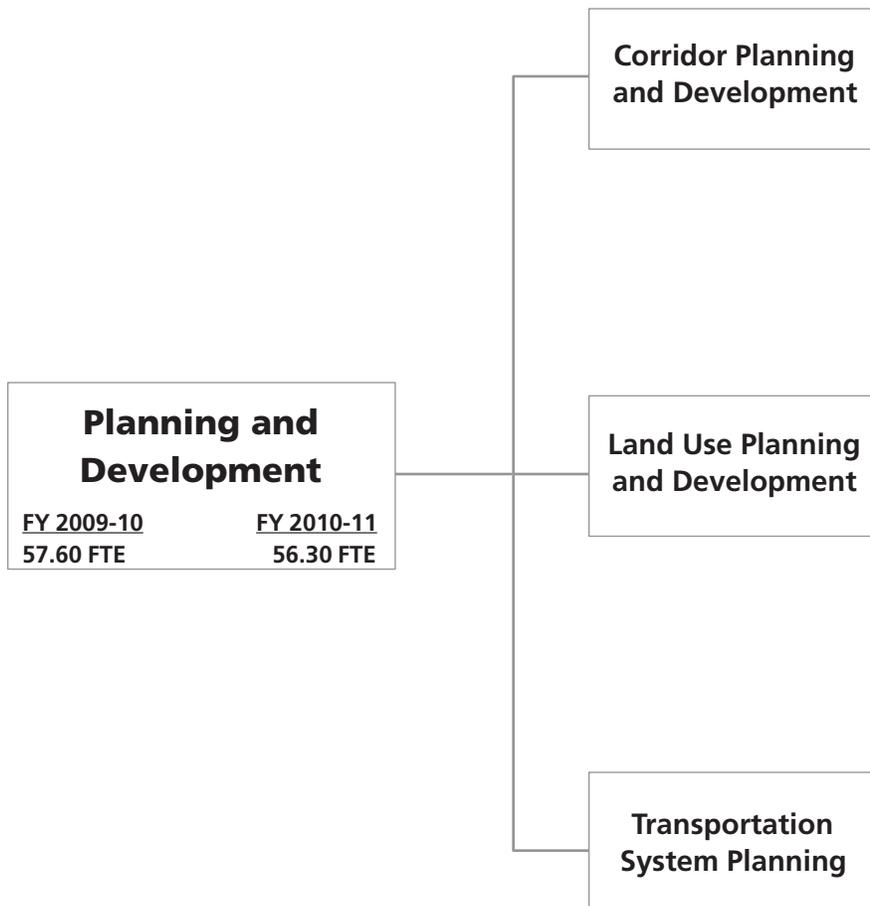
Property Services – Property Services provides efficient and effective customer-driven services in support of operating units to achieve their business goals successfully. The program maintains safe and healthy operations within the Metro Regional Center and Irving Street Parking Structure. The Property Services budget program includes two services: building and security services and office services.

Building and Security Services – manages the physical operations of the Metro Regional Center for employees, centers, services, tenants and visitors. Services include construction management, space planning and remodeling, maintenance and janitorial services, telecommunications support, fleet vehicle operations and employee and visitor parking. Integration of sustainable features and management practices remains a priority. It also provides security operations, access control, fire protection and emergency response. This section provides centralized mail and courier service to all facilities and serves as central receiving for deliveries to the Metro Regional Center.

Office Services – receives Metro visitors and provides information to Metro's constituents. Offices services operates Metro's retail store for park passes, maps and publications. It also provides fleet reservations.



Planning and Development



Summary of Planning and Development

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$7,870,166	\$5,699,845	\$6,262,433	\$6,015,382	\$6,007,662	\$6,087,179	\$6,087,179	1.19%
Materials and Services	8,139,180	3,656,244	11,919,791	11,847,478	9,182,689	9,182,689	9,327,050	(21.27%)
Debt Service	517,763	598,725	0	0	0	0	0	0.00%
TOTAL	\$16,527,109	\$9,954,814	\$18,182,224	\$17,862,860	\$15,190,351	\$15,269,868	\$15,414,229	(13.71%)
BUDGET BY FUND								
General Fund	\$16,527,109	\$9,954,814	\$18,182,224	\$17,862,860	\$15,190,351	\$15,269,868	\$15,414,229	(13.71%)
TOTAL	\$16,527,109	\$9,954,814	\$18,182,224	\$17,862,860	\$15,190,351	\$15,269,868	\$15,414,229	(13.71%)
FULL-TIME EQUIVALENTS (FTE)	82.08	54.15	59.60	57.60	55.30	56.30	56.30	(2.26%)

Planning and Development works with communities throughout the region to foster placemaking and development in centers, corridors and employment areas consistent with the Region 2040 Growth Concept. It also staffs the Portland Metro area's Metropolitan Planning Organization, a federally designated responsibility for regional transportation related planning, funding and project selection.

ABOUT PLANNING AND DEVELOPMENT

Planning and Development provides services that support placemaking, including:

- Long range land use, transportation and community development planning.
- Technical assistance, education and outreach.
- Transportation project funding.
- Financing transit oriented development projects and activities in centers and corridors.
- Advancing high capacity transit and multimodal transportation projects with our regional partners.

Planning and Development has three divisions:

- **Corridor Planning and Development** – including development of the Regional High Capacity Transit System Plan; advancing federally funded major transit projects such as light rail, commuter rail and streetcar through planning and environmental phases of development; and mobility corridor plan implementation including auto, freight, bike, and pedestrian capital projects and system management solutions to mobility problems.
- **Land Use Planning and Development** – which focuses on implementation of the regional 2040 vision through direct investment, education and technical assistance programs provided by the Development Center and long-range planning programs, compliance monitoring and outreach activities provided by Long Range Planning, including urban and rural reserves, performance-based growth management and brownfields.
- **Transportation System Planning** – including all functions critical to Metro's role as the federally designated Metropolitan Planning Organization, gaining regional consensus on transportation funding priorities and developing the 20-year Regional Transportation Plan, including leading the Transportation System Management and Operations program to more effectively provide mobility.

Planning and Development carries out its responsibilities through significant engagement with cities and counties, the Oregon Department of Transportation, Land Conservation and Development and other state agencies, TriMet, the Port of Portland, the development community, non-government advocacy and professional organizations and the public.

MAJOR ACCOMPLISHMENTS IN FY 2009-10

Planning and Development accomplished the following in FY 2009-10:

- Developed Chief Operating Officer's Recommendation on "Making the Greatest Place" Initiative (September 2009): an outcomes-based document that offers an investment blueprint to achieve a more sustainable and prosperous region.
- Developed Urban and Rural Reserves (Council adopted in June 2010): Collaborated with counties, cities and a wide variety of stakeholders to reach agreements on the Urban and Rural Reserves.

- Completed update to the Regional Transportation Plan (Council adopted in June 2010): an innovative outcomes-based blueprint to guide future planning and investment in the Region’s transportation system management and operations, and an updated freight plan for high capacity transit.
- Completed Urban Growth Report (Council adoption December 2009): an innovative outcomes-based assessment of this region’s ability to accommodate growth over the next 20 years.
- Initiated Development Opportunity Fund projects (ongoing): Initiated development feasibility studies on publicly owned sites in Tigard, Oregon City, and Gresham.
- Performance Measures (ongoing): Initiated development of performance measures – linked to the Regional Indicators project – to assess existing and future investment and growth management decisions.
- Provided leadership, education and advocacy (ongoing): to promote development in centers and corridors to inspire local government and private sector initiatives.
- Transit Oriented Development (TOD) (ongoing): Continued negotiations on 11 Transit Oriented Development projects, of which seven are under construction.
 - Completed construction on five TOD projects, totaling 285 housing units and 30,000 square feet of commercial space.
 - Initiated construction on one new TOD project and secured funding approval for four new TOD projects.
 - Developed preliminary designs for construction for the new Gresham Civic light rail station.
 - Initiated a strategic plan for the TOD Program to guide future investments.
 - Hosted a successful Mayor’s Institute on City Design, attended by the Mayors of Beaverton, Hillsboro, Lake Oswego and Gresham, along with four other mayors and an expert panel of eight urban design professionals.
- Completed process to support awards by Council of Community Development and Planning Grants to local jurisdictions.
- Concept Planning (ongoing): Participated in concept planning efforts around the region, which are supported by the Construction Excise Tax.
- Brownfields Program (ongoing): Worked with local governments and private property owners to promote site clean-up and redevelopment opportunities.
- Documented Local Aspirations (Fall 2009): In partnership with local jurisdictions, documented development aspirations for communities throughout the region.
- Drive Less/Save More Marketing Campaign-Promoting linking trips and reducing auto use (ongoing): Achieved a market penetration rate of more than 33 percent, with half of respondents reporting taking action to reduce their single-person car trips.
- “Walk There” Guidebook (2009): Marketed guidebook that promotes walking and community; book became fifth best-selling book at Powell’s downtown Portland bookstore throughout summer 2009. 800 people participated in Walk There! tours and learned about great places to walk in their communities.
- Completed the Milwaukie Light Rail Final Environmental Impact Statement: Project advanced through Federal Transportation Administration (FTA) New Starts funding and ranking process. Providing assistance to TriMet in the preparation of their Final Design application.

- Regional High Capacity Transit Plan (fall 2009): Adopted plan identifies priority corridors and a guide to transit expansion in the region for the next 30 years.
- Columbia River Crossing (ongoing): Continued to work with regional partners to advance the Columbia River Crossing project through Preliminary Engineering, Final Environmental Impact Statement and the FTA New Starts process.
- Metropolitan Transportation Improvement Program (fall 2009): Completed the allocation phase of the FY 2009-12 Metropolitan Transportation Improvement Program.
- Allocated Federal Economic Stimulus dollars (summer 2009).

SERVICE LEVEL CHANGES FROM FY 2009-10

Planning and Development staff support for the Community Investment Strategy – This involves integrating existing transit oriented development, capacity ordinance and community development project work with the Community Investment Strategy. This work will be a re-orientation of existing activities rather than a redeployment of resources.

Delays in federal reauthorization of transportation funds have significantly reduced federal planning grants, stretching available resources for meeting core federal transportation planning requirements. At the same time, demands for transportation planning services are increasing. Therefore, in this budget, several core programs are scaled back or have extended timelines to cope with the shortfall in the near term, with the assumption that reauthorization will occur in FY 2010-11, and program will be backfilled and restored. These include slowing the pace of local implementation of the newly adopted Regional Transportation Plan for up to three years, dropping our cooperative project development program that Metro and ODOT recently initiated and moving from the present two-year update cycle for the Metropolitan Transportation Improvement Program (MTIP) to a four-year cycle.

Due to delay in federal reauthorization and other constraints in state and local funding, the Corridor Planning work program may proceed at a slower pace and in phases that produce interim, stand-alone products and milestones that advance projects at the speed with which revenue is acquired. Metro will not be able to embark on subsequent project phases unless or until there is a solid commitment from our local, state and federal partners.

Specific service level changes for FY 2010-11 are:

- Transfers 1.0 FTE Manager II from Regional Travel Options (RTO) to Communications – This will enhance communications and marketing activities for the RTO program, parks and sustainability.
- Eliminates 1.0 FTE Senior Transportation Planner- National Environmental Protection Act (NEPA) Specialist position – this is a vacant, unfunded position.
- Eliminates 0.8 Program Assistant II limited duration position on Urban and Rural Reserves work – much of this work will be completed by the time this position ends. Remaining record keeping and analysis work will be transferred to 0.5 FTE limited duration Records Analyst position – see below.
- Adds 0.5 FTE limited duration Records Analyst position – position will allow agency to compile and maintain the legal records associated with the urban and rural reserves decision and urban growth boundary decisions made in FY 2010-11.

MAJOR OBJECTIVES FOR FY 2010–11

Support the alignment of local and regional actions that leverage private investment to create the vibrant and prosperous communities envisioned in the 2040 Growth Concept. This includes:

- Heighten efforts to inspire local jurisdictions to implement policies and tools that increase capacity and create vibrant communities in centers and corridors.
- Better align funding, land supply and investment decisions into a performance based, outcome-oriented framework.
- Provide technical and financial assistance to communities to complete concept plans for 2,000–3,000 acres and adopt them into local comprehensive plans; continue support for planning more than 12,000 acres in the Damascus area.
- Provide an outcomes-based assessment of growth management options to support the Council's upcoming decisions to resolve the capacity gap identified in the Urban Growth Report.
- Work with the Government Affairs and Policy Development group to provide leadership to develop a regional transportation finance strategy to include state, federal and regional funding to address significant gaps in the region's transportation and other infrastructure.
- Provide technical assistance to communities to address financial and regulatory barriers and promote sustainability in centers, corridors and employment areas, consistent with local aspirations and the region's 2040 Growth Concept.
- Complete intergovernmental agreements with local jurisdictions to authorize funding for community development and planning grants, monitor and assist in these efforts that lead to on-the-ground development.
- Initiate land use and transportation planning for two new corridor planning projects: the Southwest Corridor and the East Metro Corridor refinement plans.
- With TriMet, secure a Record of Decision for the Milwaukie to Portland Light Rail Project and successfully enter the Final Design phase of the FTA New Starts process.
- Select the Locally Preferred Alternative for the Lake Oswego to Portland Transit Corridor and, with TriMet, substantially complete a Final Environmental Impact Statement and enter the FTA New Starts Preliminary Engineering phase of project development.
- With project partners, continue to advance the Columbia River Crossing project highway and light rail components through Preliminary Engineering, Final Environmental Impact Statement and the FTA New Starts process.
- Complete the TOD Program Strategic Plan to guide future program investments
- Construct and open new Gresham Civic light rail station.
- Implement three to five new transit oriented development projects to advance program goals to encourage and catalyze development along transit and in centers.
- Continue to implement Development Opportunity Fund projects to support on the ground implementation of the 2040 framework plan by funding two types of initiatives: 1) innovative green demonstration projects, and 2) pre-development studies with local governments on opportunity sites.

PROGRAMS FOR FY 2010-11

Great Communities

Land Use Planning and Development – The Land Use Planning and Development program includes a variety of land use planning activities that support the Metro Council and regional partners in implementing the Region 2040 vision. This program comprises three areas: Long Range Land Use Planning, Periodic Planning and the Development Center.

Long Range Land Use Planning – This division is responsible for development of long-range strategies to implement the 2040 vision and accomplish desired regional outcomes, including the outcomes-based Urban Growth Report. Division staff are also responsible for land monitoring, management and performance activities and technical assistance that implement the Council's adopted policies in the Framework Plan, respond to Oregon statutes and support Council in revising Metro policies to respond to new needs for regional growth management. The Brownfields grant program is also housed in this division. Long Range Land Use Planning staff will be very involved in Metro's work to address regional investment needs and climate change.

Development Center – This center supports and fosters 2040 Growth Concept sustainable and innovative development patterns and practices throughout the region via technical assistance, financial incentives and education/outreach.

Periodic Planning – This division has focused on the Urban and Rural Reserves program and in the upcoming year will transition to implementation efforts in concert with the Long Range Land Use Planning group.

Vital Economy

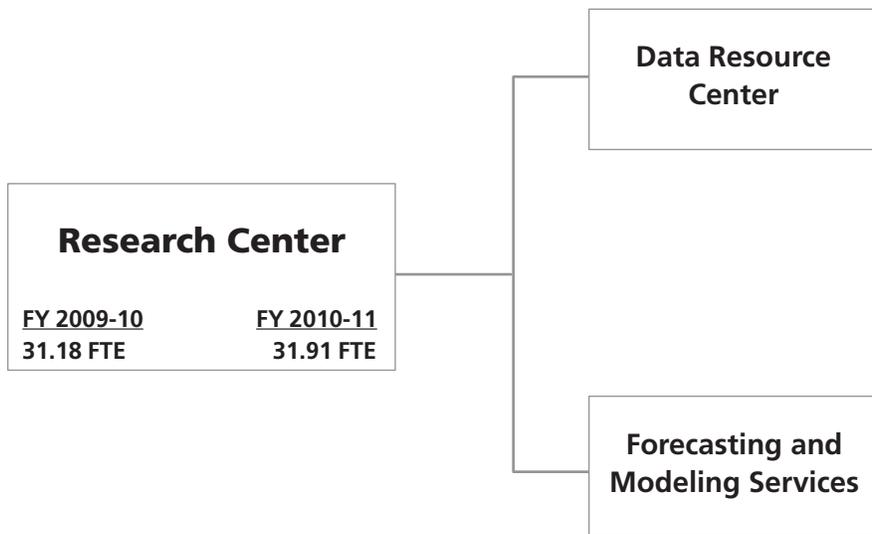
Corridor Planning and Development – This program includes three major focus areas: transit project planning, multimodal corridor planning and freight planning. Ultimately, all of the projects developed by this program – transit, multimodal, and freight – result in jobs within the region, either through capital construction or through jobs that are created in station areas and in well functioning multimodal corridors with strong land use planning. Freight planning and projects are critical for commerce in the region and are dependent on access to well-functioning transportation facilities.

Transportation System Planning – The Transportation System Planning program provides a broad scope of transportation planning services that assures Metro's compliance with state and federal regulations and support other planning efforts in Planning and Development. The program has the following operational areas: Regional Transportation Plan, Metropolitan Transportation Improvement Program, and the Transportation System Management and Operations program that includes the Regional Travel Options and Regional Mobility activities.

In FY 2010-11 the Transportation System Planning program will take on a special Climate Change project. This work is in response to new state legislation (HB 2001) requiring Metro to develop a series of regional growth strategies that cope with the effects of global warming. This work will continue into 2012, and largely draws from existing Metro staff currently assigned to the Regional Transportation Plan during the three-year Climate Change timeline.



Research Center



Summary of the Research Center

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$0	\$2,877,435	\$3,200,219	\$3,263,739	\$3,291,599	\$3,291,599	\$3,425,572	4.96%
Materials and Services	0	600,344	1,000,624	1,015,624	1,114,173	1,164,173	1,206,173	18.76%
TOTAL	\$0	\$3,477,779	\$4,200,843	\$4,279,363	\$4,405,772	\$4,455,772	\$4,631,745	8.23%
BUDGET BY FUND								
General Fund	\$0	\$3,477,779	\$4,200,843	\$4,279,363	\$4,405,772	\$4,455,772	\$4,631,745	8.23%
TOTAL	\$0	\$3,477,779	\$4,200,843	\$4,279,363	\$4,405,772	\$4,455,772	\$4,631,745	8.23%
FULL-TIME EQUIVALENTS (FTE)	0.00	29.50	30.65	31.18	29.97	29.97	31.91	2.34%

The Research Center supports the Metro Council, Metro staff, external clients and the public by providing accurate and reliable data, information, mapping and technical services to support public policy and regulatory compliance. The center coordinates data and research activities with local government partners, academic institutions and the private sector. In addition, the regional economic and travel forecasts provided by the Research Center meet federal and state requirements for consistent, accurate and reliable data and forecasting tools.

ABOUT THE RESEARCH CENTER

The Research Center is responsible for the following major functional areas:

- Monitor and forecast travel patterns, land use, economic and demographic trends.
- Maintain current models, develop new models and conduct research relating to economic, land use and travel forecasting.
- Provide transportation, economic and land use modeling services to clients.
- Research and develop new land use metrics and performance indicators.
- Collect and maintain data for the Regional Land Information System (RLIS).
- Provide support for Metro programs and projects, providing information, research and Geographic Information Systems (GIS) mapping.
- Provide services to local governments, business and the public, selling maps, aerial photos, GIS products and general research services.

The center has developed intergovernmental agreements or working relationships with a number of local governments and agencies such as TriMet, Oregon Department of Transportation (ODOT), the Port of Portland, Regional Transportation Council of SW Washington and the Oregon Transportation Research and Education Consortium. These relationships foster consistent use of data, collaboration on projects of mutual interest and cost efficiencies for key regional products such as aerial photos of the Portland metropolitan region.

MAJOR ACCOMPLISHMENTS IN FY 2009-10

The Research Center accomplished the following in FY 2009-10:

- Completed a draft Research Center Strategic Plan intended to better define the purpose, role, responsibilities and research priorities of the center in order to fully implement the Sustainable Metro Initiative.
- Provided mapping resources and projections which contributed to a number of Planning and Development projects; and information and data for the Sustainability Center, Finance and Regulatory Services and Parks and Environmental Services.
- Completed a systems-based greenhouse gas inventory for the Metro area.
- Developed a greenhouse gas procedures manual for the use in evaluating policy choices and public investments for their effectiveness in reducing greenhouse gases at the plan, program, project, activity and facility analysis level.
- Secured resources and initiated a Regional Indicators Project with Portland State University's (PSU) Institute of Metropolitan Studies and other regional partners.
- Completed the vegetative cover map layer that will be used to track changes to the urban forest canopy over time.

- Completed a number of innovative land use metrics and products for the Urban Growth Report, including a probabilistic population and economic forecast, housing needs analysis, large-lot industrial analysis, residential urban growth report, non-residential employment urban growth report.
- Completed the Buildable Land Inventory, Brownfields inventory and the first regional Affordable Housing Inventory.
- Completed data and mapping for the 2008 State of the Watersheds Report.
- Continued partnership with PSU to initiate development of a dynamic tour-based model and integrated the use of Visum (travel demand modeling software) travel times into the travel demand model.
- Transit Model Enhancement: Worked with a consultant to complete Stated Preference survey of Portland residents and recode model to reflect differing perceptions in travel and wait time depending on transit mode and station type. Implemented new park and ride model algorithm to work in conjunction with the Visum assignment software.
- Provided modeling services to support the Regional Transportation Plan Update, the Milwaukie Light Rail Final Environmental Impact Statement and Lake Oswego Streetcar Draft Environmental Impact Statement, and the Columbia River Crossing.
- Initiated effort to create detailed network for use in Dynamic Traffic Assignment, the next generation of algorithms developed for modeling the allocation of traffic demand on the roadway. It encompasses a variety of enhanced properties.
- Completed joint project with PSU to complete a refined bicycle forecasting model for the region.
- Model Maintenance: review and updated the Modeling Network Attributes, as necessary.
- Collaborated with Mid-Willamette Valley Council of Governments on the open source translation of MetroScope to the Salem-Keizer Metropolitan Planning Organization planning area.
- Completed the regional 2030 and 2060 Range Forecast for Population and Employment, adopted by Metro Council. Developed 90 percent confidence intervals and added “middle-third” growth projection value range; incorporated these new forecast ranges into the urban growth report and reserves analysis.
- Completed the technical parts of the urban growth report which was accepted by resolution by Metro Council—including developing first-time “residential supply tranches,” “non-residential supply tranches,” revamped the large-lot industrial land need analysis methodology, refinement of the housing needs analysis; urban growth report (housing and employment) that includes new innovations that better recognize market feasibility factors.
- Completed analysis and mapping for Urban and Rural Reserves.
- Provided GIS support to the Bi-State Trails Program.
- Launched GIS consultation for The Intertwine – a multi-year project.
- Enabled end products/services to bring the RLIS dataset in line with industry standards, and positioned the Data Resource Center to better utilize modern web and database technologies.
- Coordinated consortium purchase of accurate stream locations, two-foot contours, and building footprints using the LiDAR imagery as the primary source.
- Completed and distributed the 2008 vacant lands inventory.
- Created new trails and multi-family GIS feature classes.

SERVICE LEVEL CHANGES FROM FY 2009-10

- Research Center staff support on the Community Investment Strategy – This involves integrating the HB 2001 Greenhouse Gas research and model enhancement project work with the Community Investment Strategy related to data collection, spatial analysis, mapping and visualization.
- Eliminates 1.15 limited duration GIS positions associated with urban and rural reserves work.
- Adds 0.53 limited duration Principal Regional Planner to Director's Office for Regional Indicators.
- Adds two part time FTE (1.34 FTE) GIS Technicians to Data Resource Center to provide contract services to the State of Oregon.

MAJOR OBJECTIVES FOR FY 2010-11

- Implement greenhouse gas analysis for Metro projects, programs and activities through the use of the Climate Procedures Manual.
- Finish first comprehensive regional indicators report in conjunction with PSU and local partners, define methodology, finalize indicators and desired outcomes or trends and distribute results. Indicators will measure progress consistent with Metro Council Goals and through a triple-bottom line sustainability "lens."
- Complete economic feasibility and modeling analysis effort to determine the likely amount of residential and non-residential development in the new urban reserves.

Transportation Research and Modeling Services:

- Survey and Research –The Metro regional household survey will begin in the fall of 2010.
- The dynamic tour based model will be completed in FY 2010-11.
- Dynamic Traffic Assignment methods will be implemented.
- Model Maintenance – The data used within the travel demand model, MetroScope and regional econometric model, are continually refined to keep current with infrastructure and demographic attributes. Data most often in need of review include roadway capacity, transit routings and headways, parking costs and household and employment assumptions for the travel demand model. Release of 2010 Census data and the update in federal data will prompt additional modeling research and updates.
- Technical Assistance – provide transportation data and modeling services for projects that are of interest to local entities. Clients of this program include Metro planners, regional cities and counties, TriMet, ODOT, Port of Portland, private sector businesses and the general public.

Economic and Land Use Forecasting:

- Provide land use forecasting and analysis services to help complete the Urban and Rural Reserves effort.
- Develop new greenhouse gas module combined in MetroScope and calibrate to greenhouse gas climate calculator.
- Assist long range land use planning in developing new urban efficiency evaluation tool(s), including hedonic equations to estimate the potential impact of policy actions or investments which could increase achievable rents and/or increase residential land use densities in centers and corridors.
- Provide technical support in modeling and forecasting future small area geographic growth projections including districts and centers.

- Analyze the dynamic impact of policy investments or actions with respect to new urban reserves and to determine the most efficacious means of satisfying urban efficiency objectives for assessing Urban Growth Boundry capacity requirements of Making the Greatest Place work program.
- Contribute economic and land use impact analysis and forecasting information to the Columbia River Crossing project.

Data Resource Center:

- Continue GIS support for The Intertwine.
- Complete GIS work for Making the Greatest Place.
- Develop regional 3D buildings, including floor/area ratios and related data.
- Maintain the information in RLIS, providing quarterly updates to subscribers.
- Develop high-speed wide-area network connections with regional partners to add efficiency in data sharing and maintenance.
- Complete and distribute the 2009 vacant lands inventory.
- Coordinate annual consortium purchase of aerial photography.
- Process city and special district annexation requests.
- Maintain streets and other map information for emergency service providers.
- Improve coordination with the State of Oregon Geospatial Enterprise Office.
- Update the Regional Parks System inventory.

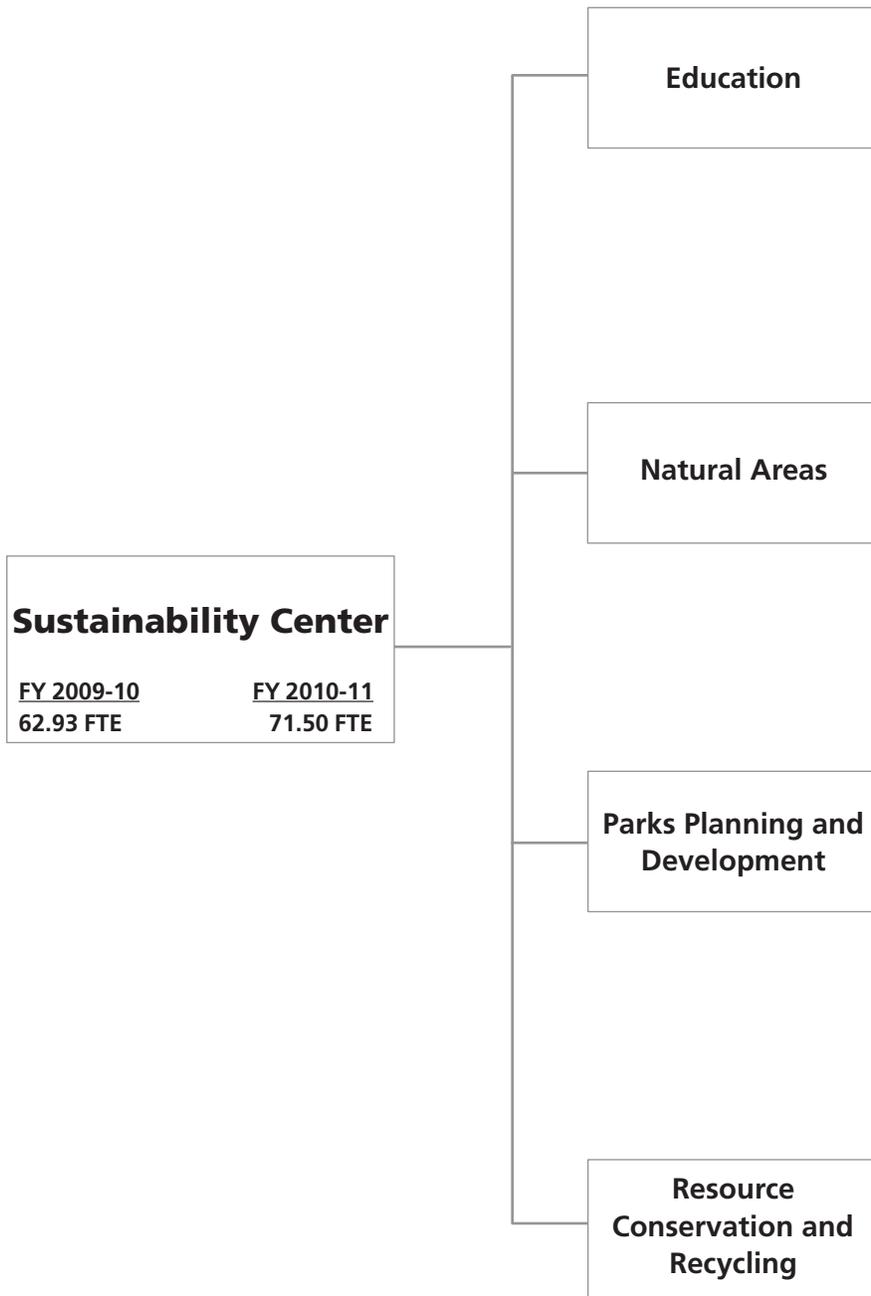
PROGRAMS FOR FY 2010-11

Great Communities

Data Resource Center – The Data Resource Center is Metro’s source for Geographic Information System data. Data Resource Center staff employ this information to provide spatial analysis and mapping products for internal and external clients.

Forecasting and Modeling Services – As a result of the Sustainable Metro Initiative reorganization, the Transportation Research and Modeling Services division combined with the Economic and Land Use Forecasting division to create the new Forecasting and Modeling Services division within the Research Center. This program provides support to Metro’s operating units and regional partners by providing economic, land use allocation and travel demand forecasts to policy officials to assist in regional decision making. The DRC provides a Regional Land Information System (RLIS) and associated services that are agile enough to adapt to the evolving needs of our clients.

Sustainability Center



Summary of the Sustainability Center

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$4,630,758	\$5,463,469	\$6,092,752	\$6,221,277	\$7,196,119	\$7,196,119	\$7,196,119	15.67%
Materials and Services	9,708,645	9,848,564	20,349,785	20,422,098	19,499,323	20,162,264	20,284,264	(0.67%)
Capital Outlay	26,726,564	17,617,061	45,907,990	45,907,990	33,624,721	33,824,721	33,824,721	(26.32%)
TOTAL	\$41,065,967	\$32,929,094	\$72,350,527	\$72,551,365	\$60,320,163	\$61,183,104	\$61,305,104	(15.50%)
BUDGET BY FUND								
General Fund	\$2,735,490	\$3,271,576	\$4,490,128	\$4,667,247	\$5,238,794	\$5,348,794	\$5,470,794	17.22%
Natural Areas Fund	\$33,200,105	\$23,660,391	58,543,237	58,566,956	46,503,288	46,703,288	46,703,288	(20.26%)
Open Spaces Fund	\$94,502	\$7,017	788,378	788,378	622,131	622,131	622,131	(21.09%)
Rehabilitation & Enhancement Fund	\$397,246	\$416,683	452,649	452,649	409,639	409,639	409,639	(9.50%)
Solid Waste Revenue Fund	\$4,638,624	\$5,573,427	8,076,135	8,076,135	7,546,311	8,099,252	8,099,252	0.29%
TOTAL	\$41,065,967	\$32,929,094	\$72,350,527	\$72,551,365	\$60,320,163	\$61,183,104	\$61,305,104	(15.50%)
FULL-TIME EQUIVALENTS (FTE)	56.85	61.85	61.60	62.93	71.50	71.50	71.50	13.62%

Metro's Sustainability Center aims to demonstrate and inspire sustainable stewardship of the region's natural resources. The center has several strategies for accomplishing this mission:

- Work with partners to develop and support a regional system of interconnected natural areas, parks, trails and greenways for wildlife and people.
- Work with local governments and other partners to plan and implement waste prevention and recycling programs.
- Provide educational and volunteer opportunities throughout the region that inspire waste and toxics reduction, and understanding and stewardship of natural resources.
- Purchase, restore and enhance habitats and natural areas throughout the region identified in the 1995 and 2006 Open Spaces and Natural Areas bond measures.
- Balance human use with habitat protection through thoughtful natural area, trail and park planning.
- Provide grants to engage residents in bringing nature back into their neighborhoods.
- Make Metro's facilities and operations more sustainable.
- Lead and coordinate Metro's multi-disciplinary approach to climate change issues and greenhouse gas reductions to meet the goals established by the State of Oregon.

ABOUT THE SUSTAINABILITY CENTER

The Sustainability Center contributes directly to the preservation of the region's livability and supports the goals and objectives developed by the Metro Council, including Making the Greatest Place. The Sustainability Center focuses on providing accessible regional natural areas, parks and trails, and maintaining and enhancing environmental quality. It also promotes sustainable resource management through waste reduction initiatives, hands-on interpretive programs, youth and adult education, grants, demonstration projects and volunteer opportunities.

MAJOR ACCOMPLISHMENTS IN FY 2009–10

- Continued implementing the natural areas bond measure by acquiring an additional 1,500 acres, guided by established refinement plans and acquisition strategies; brought total acquisitions to 2,300 acres.
- Launched The Intertwine, complete with logo, phase one web site and widespread regional support.
- Distributed funds and provided support to several local share projects.
- Issued five Nature in Neighborhoods capital grants.
- Convened a regional partnership to develop a conservation framework: a regional strategy to identify critical habitats and protect and restore areas that are important for wildlife.
- Completed development of a stewardship classification tool for Metro-owned natural areas.
- Launched an update of the Smith and Bybee Lakes Natural Resources Management Plan.
- Planted a meadow at Smith and Bybee Wetlands Natural Area with 5,800 critically imperiled Columbia Sedge plants, produced in Metro's Native Plant Center.

- Started convening local partners and citizens to develop a federally-funded master plan for the Tonquin Trail.
- Expanded restoration along the Tualatin River at Gotter Prairie, with cooperation of three private landowners, creating breeding habitat for red-legged frogs and planting endangered Nelson's checkermallow and pale larkspur.
- Closed two old logging roads at Cooper Mountain and planted thousands of native bunchgrasses and wildflowers produced by the Native Plant Center, including the state-endangered pale larkspur.
- Provided scientific guidance on regional conservation issues, including Metro's urban and rural reserves process, Tualatin Basin Water Supply Project, Lower Columbia Salmon Recovery Plan, West Hayden Island Technical Advisory Pool and Tualatin National Wildlife Refuge Management Plan.
- Transitioned to a new web based volunteer database that allows staff to access records from any internet-connected computer and will allow volunteers to schedule and record their time online.
- Recorded nearly 20,000 volunteer hours, a 6 percent increase over last year; number of individuals and groups volunteering with Metro increased 17 percent, to 520.
- Increased total attendance in education and interpretive programs by 19 percent, to 11,700; total contact hours increased 7 percent, to 69,750.
- Oversaw final construction at Graham Oaks Nature Park, with completion and opening scheduled for late summer 2010.
- Convened a regional partnership to explore long-term funding needs and opportunities for a regional system and developed consensus with our partners around framing principles.
- Secured a \$1.4 million grant to construct a pedestrian/bike bridge to connect North Portland with Smith and Bybee Wetlands Natural Area.
- Completed first full year of the Outdoor School waste reduction education program, which reached 11,900 students.
- Implemented the first phase of a collaborative project with local governments, the Oregon Department of Environmental Quality and solid waste haulers to reduce environmental and human health impacts from diesel emissions by retrofitting solid waste collection vehicles.
- Provided 149 schools with waste reduction presentations designed to be integrated into science and social studies curricula, reaching approximately 48,000 students.
- Provided information on waste reduction and proper waste management to more than 95,000 callers to the Recycling Information Center.
- Completed Metro's internal sustainability plan, which identifies and prioritizes actions Metro can take to meet adopted goals to reduce greenhouse gas emissions, water use, toxics and solid waste from its operations, as well as maintain healthy and productive habitat on its properties.
- Completed a regional greenhouse gas emissions inventory and developed tools and guidelines to evaluate the greenhouse gas impacts of Metro policies and programs under the Climate Change Initiative.
- Played a significant role in development of a regional Climate Prosperity Strategy that outlines specific actions to align the region's economic development efforts with its climate protection strategies.

- Developed in partnership with the University of Oregon's Climate Leadership Initiative, a climate change adaptation planning framework for the region.
- Hosted a climate change retreat for Joint Policy Advisory Committee on Transportation and Metro Policy Advisory Committee members to develop a common understanding of the current policy context and science of climate change; identified and prioritized key policy themes and strategies to be tested during the House Bill 2001 greenhouse gas scenario planning process.
- Evaluated the first year of the Enhanced Dry Waste Recovery Program.

SERVICE LEVEL CHANGES FROM FY 2009–10

Education – There is a further realignment of staffing within this program, continuing some of the goals started with last year's Sustainable Metro Initiative. Educators focusing on Metro park sites such as the Smith and Bybee Wetlands Natural Area and Oxbow Regional Park will be combined under common management with the youth educators focusing on recycling and solid waste reduction, including the Outdoor School program. Coordination with education programs at the Oregon Zoo will increase to serve the public better, build Metro's capacity for youth education and maximize the talents and knowledge of existing staff. In addition, a senior staff member from the former Strategy Center team has been reassigned to this work group to manage environmental education for The Intertwine project. The goal over time will be to create a more unified Metro environmental curriculum that encompasses waste reduction, climate change, species recovery, conservation, natural area protection and interpretation.

Natural Areas –The primary focus this year will be increasing Metro's capacity to manage its ever-growing portfolio of properties. To accomplish this the natural area technicians currently in Parks and Environmental Services who handle day-to-day management of natural areas will be shifted to the Sustainability Center. Under the new structure, all major elements of Metro's natural areas program – acquisition, restoration, planning and management – will be combined in one center. In addition, the volunteer staff will be merged with the natural areas maintenance staff to maximize the capacity and coordination of volunteer activities around natural areas. This is a shift of 5.0 FTE from Parks and Environmental Services to the Sustainability Center. In addition, the Metro Council approved an additional cycle of Nature in Neighborhoods small grants.

Parks Planning and Development – With immediate construction projects drawing to a close at Graham Oaks, the focus will shift in FY 2010-11 to longer-range financial needs for Metro's growing land base and The Intertwine system. This is supported by research and mapping analysis, but also by close work with regional partners to explore options for operational needs and on-the-ground organization. This work will be integrally aligned with the Community Investment Strategy, and work programs and outreach efforts are mutually supportive. More than \$230,000 from the FY 2009-10 budget has been carried forward, supplemented by an additional \$80,000 for consultant work and outreach efforts. The budget also includes consultant support to continue a small master planning process for Glendoveer Golf Course in anticipation of the operations contract ending in December 2012 and the need to develop a new request for proposals for future operations.

Resource Conservation and Recycling (RCR)– RCR's two youth educators move to a new unified education division. Coupled with efforts to strengthen connections between project teams and balance management roles, this will lead RCR to realign its structure into policy, program and outreach sections. The number of management positions will stay the same, but a layer will be eliminated by converting the Recycling Information Center supervisor position into a section manager position.

In materials and services, the budget includes \$250,000 to support regional efforts to reduce emissions from solid waste collection vehicles and an additional \$64,000 for implementation of Metro's internal sustainability plan.

The RCR budget reflects a considerable reduction in materials and services' expenditures compared to FY 2009-10. Education activities including the outdoor Enhanced Waste Reduction program have been budgeted to reflect actual participation rates after two years. One-time funds for the business sector areas have been eliminated, the program has reached its outreach objectives successfully, and the business sampling projects are concluded. Certain Oregon Department of Environmental Quality fees are required only every two years. Other program areas have been reviewed and sized appropriately to reflect actual expenditure requirements.

MAJOR OBJECTIVES FOR FY 2010-11

- Continue to implement 2006 Natural Areas bond with acquisition in all target areas.
- Implement major oak restoration initiative with funding support from the Oregon Watershed Enhancement Board.
- Initiate management planning at Chehalem Ridge Natural Area.
- Open Graham Oaks Nature Park to the public and develop on-site programming for environmental education and site stewardship.
- Develop The Intertwine branding products: phase two web site and map; install Intertwine signage at various parks and trails.
- Complete a regional conservation framework with partners.
- Initiate strategic planning process for the new unified education division.
- Integrate regional park system and Nature in Neighborhoods efforts into the Community Investment Strategy.
- Work with local partners to define specific funding priorities for the Community Investment Strategy.
- Frame options for long-term service delivery of regional park services.
- Finish the Tonquin Regional Trail Master Plan.
- Complete the Smith and Bybee Natural Resources Management Plan.
- Complete design of the North Portland bridge connection to the Smith and Bybee Wetlands Natural Area.
- Complete key decision-making on Metro's role in expanding the regional food waste recycling program.
- Work closely with other stakeholders to develop product stewardship initiatives for consideration by the 2011 Oregon Legislature.
- Implement the second and larger phase of the regional effort to reduce diesel particulate emissions for the solid waste collection fleet.
- Develop a climate action framework to integrate climate change adaptation and mitigation strategies at the local and regional levels.
- Implement key projects of Metro's sustainability plan, which include improving energy efficiency at Metro facilities.
- Develop new performance measures for solid waste reduction strategies, programs and projects.
- Launch the federally-funded effort to develop a master plan for the Westside Trail.
- Launch the federally funded effort to develop a master plan for Scouter Mountain Trail.

PROGRAMS FOR FY 2010-11

Great Communities

Parks Planning and Development – This program enhances Metro parks facilities and properties by investing in improvements in compliance with adopted master plans. The program focuses on feasibility and alignment study, master planning, design development and construction of multi-modal trails that are part of the Greenspaces Regional Trails Plan and the Regional Trails component of the Regional Transportation Plan. The program also oversees The Intertwine, a regional effort to establish an interconnected and cooperative multi-agency system of natural areas, parks, trails and greenways for fish, wildlife habitat and people.

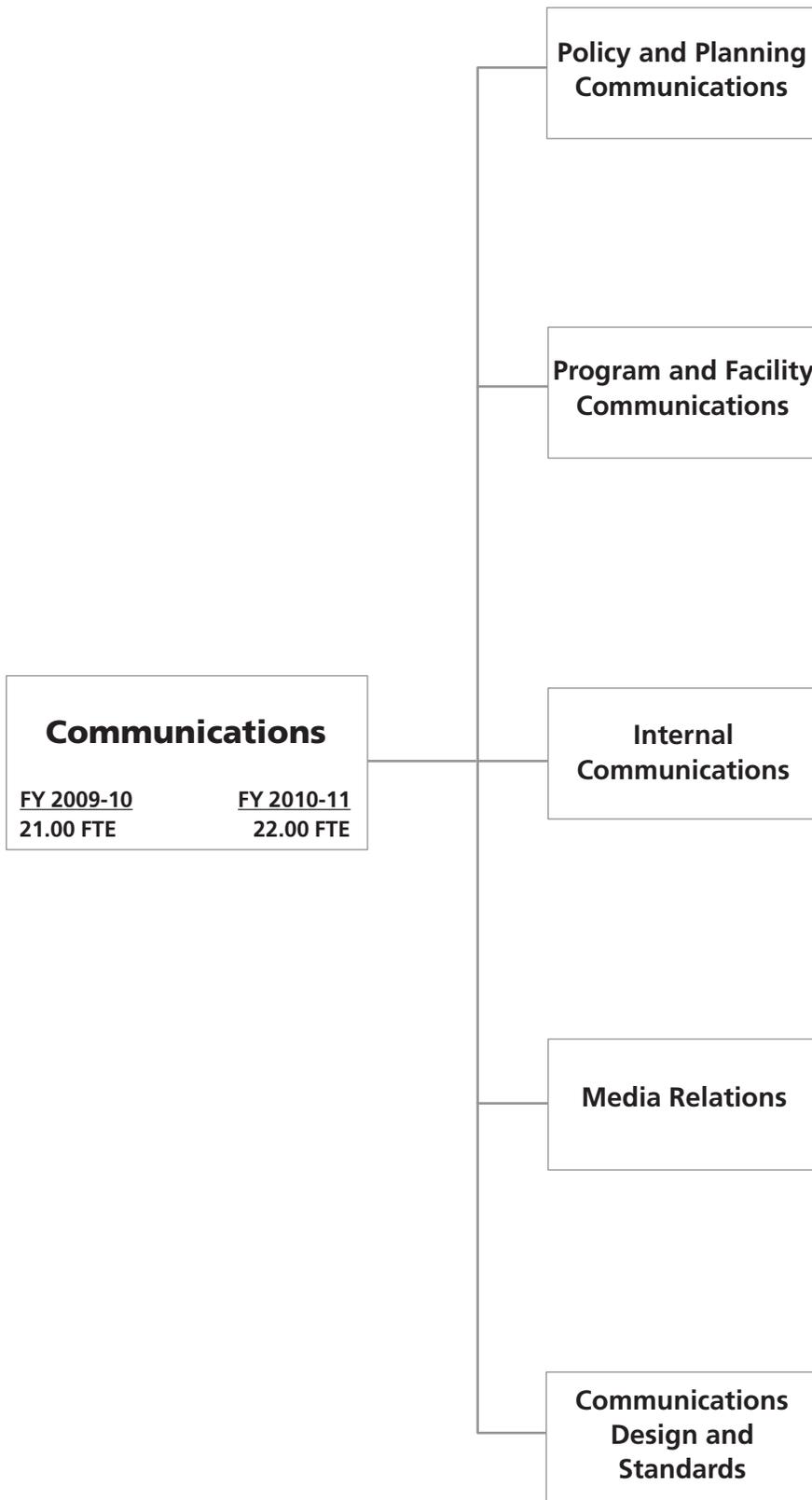
Healthy Environment

Education – This program provides education and interpretive services that engage and inspire citizens to expand stewardship in the region. Educators focusing on Metro parks and natural areas will be combined under common management with youth educators focusing on recycling and solid waste reduction, including the Outdoor School program. Coordination with education programs at the Oregon Zoo will increase to better serve the public, build Metro's capacity for youth education and maximize the talents and knowledge of existing staff.

Natural Areas – This program protects, restores and manages natural areas throughout the region. To this end, staff implements and administers the \$227.4 million natural areas bond measure passed by voters in November 2006. This includes the acquisition of regionally significant natural areas in identified target areas to protect lands around local rivers and streams, preserve significant fish and wildlife habitat, enhance trails and wildlife corridors and connect urban areas with nature. This program also includes a Local Share component, where cities, counties and park districts within Metro's jurisdiction will complete more than 100 locally significant projects, and a capital grants component that will fund neighborhood projects that enhance natural features and their ecological functions on public lands. Science and stewardship activities within this program focus on the preservation, restoration and enhancement of natural area habitats for fish and wildlife, including the use of volunteers who assist with stewardship of natural areas. Nature in Neighborhoods initiatives and restoration grants are also included in this program.

Resource Conservation and Recycling – The Resource Conservation and Recycling division advances the region's efforts to reduce greenhouse gas emissions, conserve natural resources and protect the environment and human health. RCR's three primary interrelated programs – waste reduction, internal sustainability and the climate change initiative – engage in a range of complex policies and programs with extensive arrays of stakeholders. In FY 2009-10 each focused on developing a more strategic framework for identifying and implementing its work plan. Those frameworks, which enable better prioritization of resources, clearer identification of roles relative to those of partners, and a sharper focus on key strategies and actions, will begin to be applied in FY 2010-11.





Summary of Communications

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$1,795,429	\$2,052,073	\$1,955,961	\$2,098,206	\$2,220,057	\$2,220,057	\$2,220,057	5.81%
Materials and Services	169,382	84,978	223,010	223,010	294,618	294,618	294,618	32.11%
TOTAL	\$1,964,811	\$2,137,051	\$2,178,971	\$2,321,216	\$2,514,675	\$2,514,675	\$2,514,675	8.33%
BUDGET BY FUND								
General Fund	\$1,964,811	\$2,137,051	\$2,178,971	\$2,321,216	\$2,514,675	\$2,514,675	\$2,514,675	8.33%
TOTAL	\$1,964,811	\$2,137,051	\$2,178,971	\$2,321,216	\$2,514,675	\$2,514,675	\$2,514,675	8.33%
FULL-TIME EQUIVALENTS (FTE)	20.09	22.25	20.00	21.00	22.00	22.00	22.00	4.76%

The purpose of Communications is to provide communication services to advance Metro Council policy initiatives and planning and stewardship efforts, public involvement and education campaigns, facilities and services.

ABOUT COMMUNICATIONS

Communications serves Metro in five areas:

- Policy and Planning Communications.
- Program and Facility Communications.
- Internal Communications.
- Media Relations.
- Communications Design and Standards.

The disciplines represented in the services range from media relations, public involvement, journalism, marketing, graphic design and web design through event planning, issue management, stakeholder analysis and advocacy.

MAJOR ACCOMPLISHMENTS IN FY 2009–10

- Implemented a new management structure and processes and supported a unified Metro identity that is consistent with Sustainable Metro Initiative organizational objectives and Council goals.
- Supported all components of Metro's Making the Greatest Place initiative, generating thousands of public comments and extensive positive media coverage of Metro's work.
- Developed and implemented new media outreach and engagement tools including news feeds, Facebook, Twitter and trackable formatted email.
- Managed successful public involvement for Milwaukie Light Rail, Lake Oswego Streetcar and the selection of new high capacity transit corridor priorities.
- Improved coordination among the zoo, Metro and MERC venues, including joint communications around the holidays, spring break and other events.
- Provided marketing and outreach for Metro Sustainability Center programs, including Recycling Information, natural gardening, toxics and waste reduction, environmental education and MetroPaint.
- Supported the close out of the Headquarters Hotel project and the reorganization of the Metro/MERC relationship.
- Launched The Intertwine brand.
- Promoted several major land acquisitions.
- Completed the first agency-wide inventory of communications needs to inform budget development.
- Completed four strategic hires to improve web and writing capacity within the service.

SERVICE LEVEL CHANGES FROM FY 2009–10

While there is no change in overall service levels, there will be several changes in the focus of staff in Communications based on shifting programmatic priorities. One FTE will shift from long range planning work (reserves process) to assisting with public involvement on the Zoo Bond program and the zoo's land use needs with the City of Portland. In addition, approximately 1.0 FTE

will shift from parks planning and general management work to support a more robust focus on climate change, in particular work on Metro's Climate Action Plan. To support implementation of work mandated by HB 2001, additional communications management and staff resources will be shifted to support long-range climate, land use and transportation scenario development. Resources formally dedicated to Making the Greatest Place will shift to support the new Community Investment Strategy. During FY 2009-10 a Manager II moved from Planning and Development to Communications. In addition, an Associate Public Affairs Specialist moves from Parks and Environmental Services to Communications. Both positions were moved to streamline Metro's communications efforts.

MAJOR OBJECTIVES FOR FY 2010–11

- Improve and expand use of new media to improve transparency and public engagement.
- Build a regional case for the need for additional investment in building compact urban communities to make the most of our existing cities and neighborhoods, protect farm and forestland, and provide good jobs now and in the future.
- Implement recommendations that will come from the ongoing transparency and engagement performance audit.
- Develop broad regional support for Metro legislative agenda; pass legislation to further implement regional growth management initiatives.
- Meet federal requirements and achieve goals of Metro's federally supported transportation projects.
- Recruit and appoint new members to Metro Committee for Citizen Involvement.
- Create a unified marketing strategy for all Sustainable Living programs and projects.
- Create a unified marketing strategy for all Metro visitor venues.
- Create an integrated program for managing and tracking contacts with local governments and key stakeholders.

PROGRAMS FOR FY 2010-11

Responsible Operations

Communications serves Metro through five areas:

Policy and Planning Communications – This section raises the visibility and profile of Council efforts to inspire and engage community leaders about regional issues through meetings, forums, roundtables, seminars, events, competitions, publications and web sites. The program builds relationships with regional opinion leaders and decision makers and advocates for regional legislative priorities at the state and federal levels. The work supports the Metro Committee for Citizen Involvement, transportation corridor planning, park and trail site planning, high capacity transit, the Regional Transportation Plan, MTIP and regional flexible fund allocation, urban and rural reserves, The Intertwine and other Council policy work.

Program and Facility Communications – This section is responsible for providing marketing support to a variety of Metro programs, centers and services, including nature-friendly development, transit oriented development, community investment tool kits, Research Center products and services. This program also supports marketing campaigns aimed at waste reduction, natural gardening, toxics reduction, MetroPaint, recycling and environmental education and regional travel options.

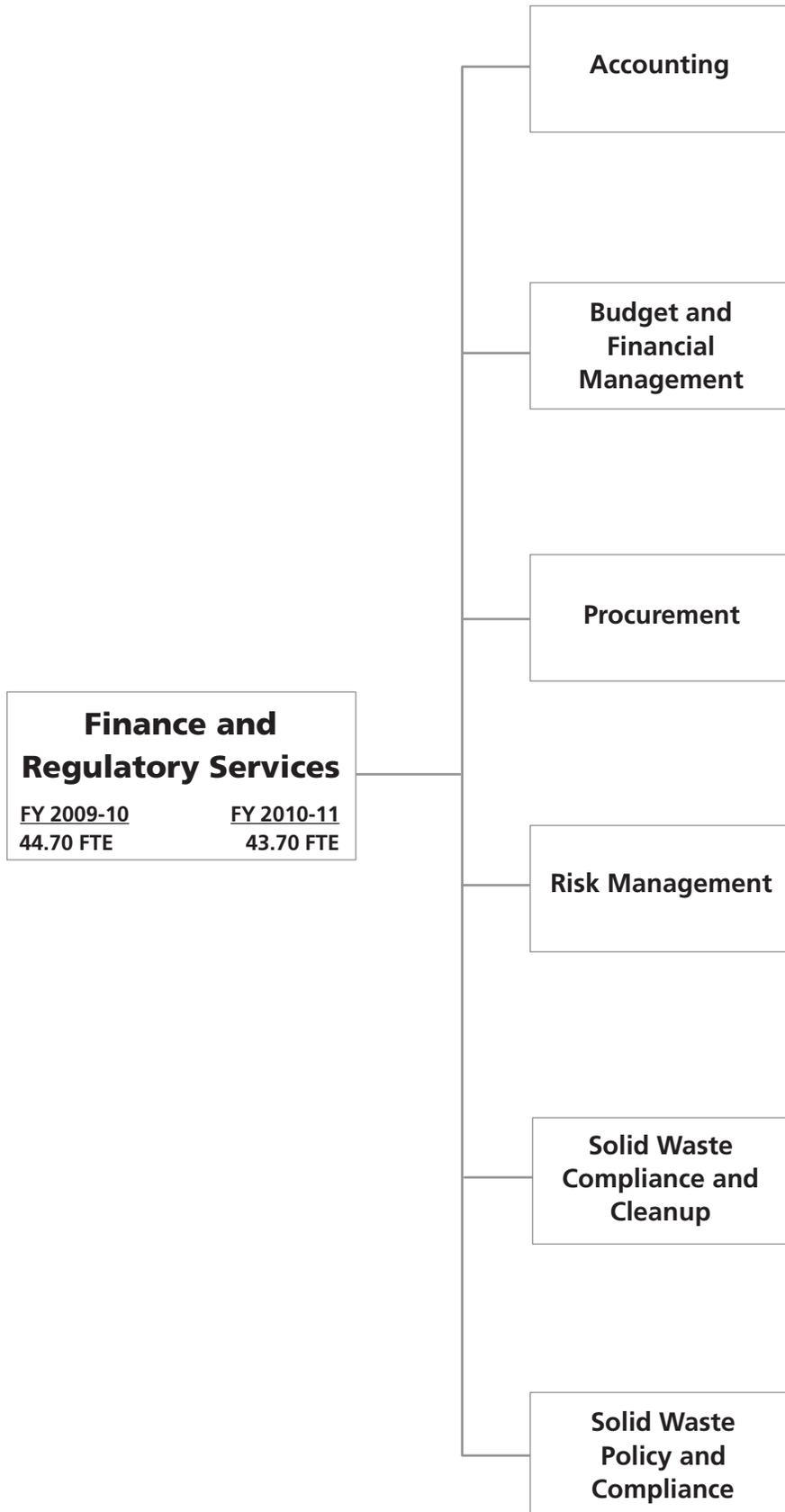
Internal Communications – This section is responsible for assisting with workforce communications regarding management practices and policies, the Regional Leadership Initiative, human resources, employee benefits, information services, contact and mailing management and other internal agency matters.

Media Relations – The media team is responsible for managing proactive and reactive work with regional news media and for assisting all Metro employees and Councilors with media relations.

Communications Design and Standards – This section provides support for brand management, web site content management and design, other online tools, editorial standards, tools and oversight, writing, design standards, events practices and tools, graphic design, newsletters, image asset management and other services.



Finance and Regulatory Services



Summary of Finance and Regulatory Services

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$3,321,428	\$3,739,793	\$4,441,494	\$4,441,494	\$4,523,947	\$4,523,947	\$4,523,947	1.86%
Materials and Services	980,365	900,887	1,267,172	1,399,672	1,283,087	1,283,087	1,283,087	(8.33%)
TOTAL	\$4,301,793	\$4,640,680	\$5,708,666	\$5,841,166	\$5,807,034	\$5,807,034	\$5,807,034	(0.58%)
BUDGET BY FUND								
General Fund	\$2,960,028	\$3,239,962	\$3,334,056	\$3,334,056	\$3,358,417	\$3,358,417	\$3,358,417	0.73%
Risk Management Fund	152,751	163,677	258,640	258,640	267,152	267,152	267,152	3.29%
Solid Waste Revenue Fund	1,189,014	1,237,041	2,115,970	2,248,470	2,181,465	2,181,465	2,181,465	(2.98%)
TOTAL	\$4,301,793	\$4,640,680	\$5,708,666	\$5,841,166	\$5,807,034	\$5,807,034	\$5,807,034	(0.58%)
FULL-TIME EQUIVALENTS (FTE)	38.70	41.70	44.70	44.70	43.70	43.70	43.70	(2.24%)

Finance and Regulatory Services (FRS) provides financial management and administrative and operational services to Metro's elected officials, operating centers and services, employees and the public. In addition, Finance and Regulatory Services licenses small contractors and regulates and sets rates for solid waste disposal facilities. The operation is guided by its mission: to provide essential services in support of its customers.

ABOUT FINANCE AND REGULATORY SERVICES

Finance and Regulatory Services provides the primary business services for the agency and oversight of the regional solid waste system. FRS provides accountability in revenue collection and expenditure processing, cash management and financial reporting. FRS coordinates the preparation, adoption and execution of the agency's annual budget and capital improvement plan, including debt management and long-range financial planning. FRS administers Metro's Risk Management program and coordinates the agency's decentralized procurement system, overseeing Metro's contracting and managing the minority, women and emerging small business (MWESB) activities. FRS also regulates solid waste facilities to protect the public and the environment and to assure financial responsibility. FRS directs solid waste rate setting and monitors tax compliance; and authorizes solid waste facilities, cleans up illegal disposal sites, and investigates Metro Code violations related to solid waste. In FY 2010-11 FRS will integrate the Metropolitan Exposition Recreation Commission business functions within its operations. Finance and Regulatory Services is funded by transfers from the operating centers and programs, offset by earned revenues for licensing. Each Metro operating center is assessed for central services based on Metro's federally approved indirect cost allocation plan. Risk management assessments are based on claims history and actuarial standards. Solid Waste rate setting and regulation are directly funded by Solid Waste revenues.

MAJOR ACCOMPLISHMENTS IN FY 2009-10

- Steered and protected Metro's financial position through second year of revenue decline and economic uncertainty.
- Implemented the Governmental Accounting Standards Board (GASB) Statement #49 Pollution Remediation standard and received an unqualified audit opinion.
- Completed internal control reviews over cash procedures at all Parks and Environmental Services' locations and issued recommendations for improvement.
- Assisted Oregon Zoo in designing and implementing accounting structures for the zoo's bond-related projects to increase accountability and transparency in reporting to the voters.
- Revised and implemented written safety program guidance.
- Awarded three major, multi-year solid waste system contracts – two contracts to operate Metro's transfer stations and the transport contract for hauling solid waste from Metro's transfer stations to Columbia Ridge Landfill.
- Received Council approval for changes to Metro Code that strengthen sheltered market and other purchasing opportunities for minority-owned, women-owned and emerging small businesses; raised agency profile in small business community through regional involvement; Metro staff received the Chairman's Award from Oregon Association of Minority Entrepreneurs in 2009; in 2010 Metro received an Oregon Association of Minority Entrepreneurs award for sustainability and equity.

- Assessed business processes related to solid waste fee and tax collection and specified requirements for software application and data structures to support the process.
- Revised solid waste rate setting process to improve transparency, align with best practices and better meet the needs of the Metro Council.

SERVICE LEVEL CHANGES FROM FY 2009-10

The FY 2010-11 budget eliminates one administrative position in Accounting, a reduction that is mitigated in part by the opening of the Metro Store which now accepts walk-in payments formerly directed to the FRS customer counter. Routine payment questions and contractor's business license inquiries are also routed to the store. The reduction will slow reminder calls for past due accounts and delay until next day bank deposits that are received after mid-afternoon. Response to credit card refunds and other problems experienced at transfer stations may be delayed. Centers and services seeking advice from Metro's Financial Advisor will be required to pay any associated fees from their own resources.

A substantial upgrade of the Solid Waste Information System is budgeted for FY 2010-11. A joint capital project of FRS and Information Services, this project will implement a state of the art system of data collection and reporting to support Metro's responsibility to collect more than \$30 million annually in regional system fees and excise taxes from privately owned solid waste facilities, monitor compliance with regulatory requirements of licensees and franchisees and manage compliance with the non-financial obligations of the long-term waste disposal contract.

MAJOR OBJECTIVES FOR FY 2010-11

- Execute sound budget plan that balances sustainable financial policies and momentum as region wrestles its way toward economic recovery.
- Implement new GASB policies for intangible assets and fund balances; and achieve unqualified audit.
- Conduct biennial actuarial studies of Risk Management Fund and Other Post Employment Benefits (GASB 45).
- Put into action new sustainable procurement policy that aligns with Council's sustainability goals.
- Standardize contracting practices agency-wide and strengthen contract management practices.
- Procure and implement a software and data base system that addresses the business requirements and integrity of fee and tax collection systems for the Solid Waste Revenue Fund.
- Undertake a review of rate policies and implement any changes adopted by the Metro Council in the solid waste rates for FY 2011-12.
- Integrate MERC business functions within operations and plan any budgetary changes for FY 2011-12.

PROGRAMS FOR FY 2010-11

Healthy Environment

Solid Waste Compliance and Cleanup – The Solid Waste Compliance and Cleanup program works to minimize and mitigate impacts to the public and the environment from solid waste within the Metro region. The program ensures that solid waste facilities meet regulatory, operational, environmental and financial assurance

standards. The program also cleans up, monitors and investigates illegal disposal sites and prosecutes persons illegally disposing waste. The program monitors and enforces compliance with Metro Code, administrative procedures, performance standards, Metro-granted authorizations (solid waste licenses and franchises) and flow control instruments (non-system licenses and designated facility agreements).

Responsible Operations

Finance and Regulatory Services comprises four different areas:

Financial Services – Financial Services joins the forces of the accounting and financial planning groups to assure the highest accountability for financial and operational performance. The group is responsible for processing and reporting all financial transactions, revenue collection, investment and debt management. Operational and capital budgeting and oversight ensures maximum efficiency in the use of funds and compliance with laws and policies that affect the agency's financial condition. Other services include the management of the Contractor's Business License program and collection of the Construction Excise Tax.

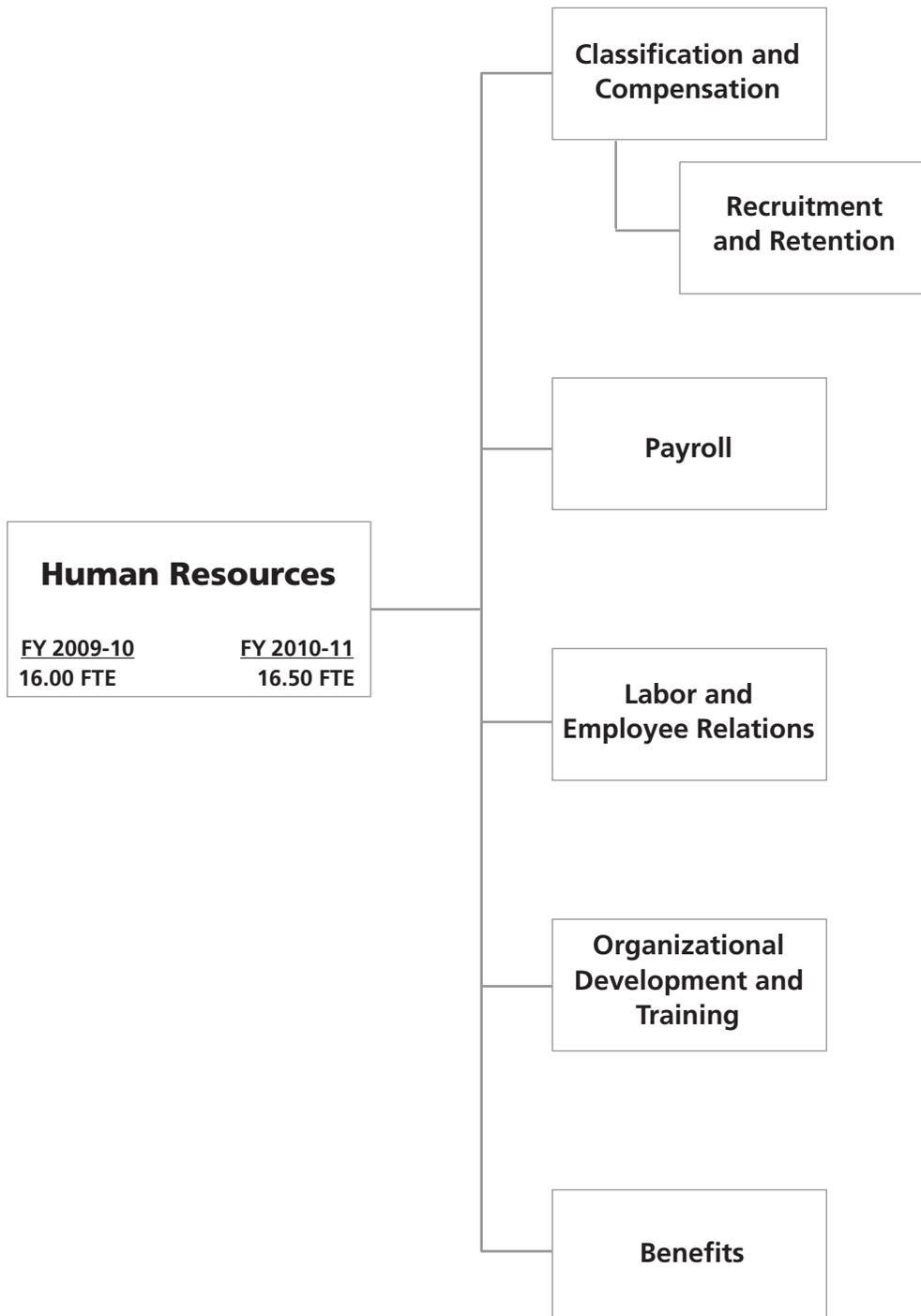
Solid Waste Policy and Compliance – Analysts monitor and audit solid waste system facilities assuring that Metro collects all applicable tax and fee revenues; and regulated facilities remain in compliance with tonnage-related limits and requirements. The group manages comprehensive disposal system databases which are critical for forecasting, planning, program and policy evaluation and rate setting. Analysts perform due diligence over payments on the major solid waste operating contracts and ensure compliance with the non-operating provisions of the major contracts. In addition, the unit assists other Metro programs with ongoing financial analysis, decision analysis and modeling.

Procurement Services – Procurement Services oversees the contracting and purchasing activities of Metro's operating centers to assure compliance with state and federal regulations and Metro Code and to encourage a competitive process that supports openness and impartiality. Metro Code establishes policies that encourage Metro use of MWESB by creating the maximum possible opportunity for such businesses to compete for and participate in Metro contracting activities. In early FY 2010-11 Metro will adopt new code requirements for sustainable procurement practices.

Risk Management – Risk Management is responsible for Metro's workers' compensation and safety program, general liability and property claims. The Risk Management Fund is managed to meet actuarial standards, relying on both purchased insurance and self-insured risk management techniques. The Risk Management Fund also includes employee health benefits and unemployment insurance programs that are managed by Human Resources.



Human Resources



Summary of Human Resources

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$1,255,754	\$1,341,289	\$1,502,381	\$1,502,381	\$1,451,290	\$1,505,090	\$1,505,090	0.18%
Materials and Services	257,272	303,393	401,709	401,709	263,037	331,717	331,717	(17.42%)
TOTAL	\$1,513,026	\$1,644,682	\$1,904,090	\$1,904,090	\$1,714,327	\$1,836,807	\$1,836,807	(3.53%)
BUDGET BY FUND								
General Fund	\$1,513,026	\$1,644,682	\$1,904,090	\$1,904,090	\$1,714,327	\$1,836,807	\$1,836,807	(3.53%)
TOTAL	\$1,513,026	\$1,644,682	\$1,904,090	\$1,904,090	\$1,714,327	\$1,836,807	\$1,836,807	(3.53%)
FULL-TIME EQUIVALENTS (FTE)	15.00	15.00	16.00	16.00	15.50	16.50	16.50	3.13%

Human Resources serves as a strategic partner to the organization as a whole, to its operating centers and to individuals within the organization. Human Resources' mission is to provide creative leadership and consistent and sustainable management systems to support programs and services which carry out the goals and mission of Metro Council. Human Resources is committed to providing strategic leadership, building collaborative relationships, promoting diversity and operating in a professional, efficient and effective manner.

ABOUT THE SERVICE

Human Resources is responsible for the following core service areas: classification and compensation, labor and employee relations, organizational development and training, recruitment and selection, payroll and benefits.

Classification and Compensation

Classification and compensation staff develops, implements and administers Metro's classification and compensation systems. Staff also maintains the Human Resources Information System (HRIS) and the integrity of the data base.

Recruitment and Retention

Recruitment and retention staff works to attract, select and retain an exceptionally competent, productive, diverse and motivated workforce. Staff administers the employee service awards and conducts new employee orientation.

Payroll

Payroll staff processes all payroll for the organization and develops and maintains payroll policies and procedures in accordance with state and federal law. In addition staff have responsibility for the timekeeping system.

Labor and Employee Relations

Labor and employee relations staff represents Council and management in labor negotiations. Staff conducts training and employment related investigations and advise managers on ways to reduce employment risk. Staff also provides consultation and dispute resolution services to managers and employees and act as a liaison between labor and management.

Organizational Development and Training

Organization development staff leads and/or provides support to organization change initiatives in support of business goals. Staff provides assistance in change management, teambuilding, group facilitation, leadership and management development, and staff development. Staff maintains the Metro Learning Center, the on-line learning management application.

Benefits

Benefits staff administers and monitors the following programs: Metro's health and welfare benefits, wellness, Family Medical Leave, Americans with Disabilities Act, COBRA benefits continuation and unemployment.

MAJOR ACCOMPLISHMENTS IN FY 2009-10

- Made revisions to the Performance Appraisal Cycle Evaluation (PACe) based on feedback from employees following the initial trial period.
- Offered project management training and sponsor training as part of the Regional Leadership Initiative.
- Initiated a brown bag training series for managers.

- Purchased and brought on line a learning management system.
- Conducted an RFP and purchased an online applicant tracking system.
- Developed a set of organizational values.
- Commenced negotiating a successor bargaining agreement with LIUNA.
- Participated in the MERC/Metro best practices study analyzing the Human Resources function and making recommendations.
- Completed a needs analysis for management training and began developing a management training program.
- Revised application form to capture more fully pertinent applicant information.
- Began development of an updated set of personnel policies and procedures.
- Developed a new compensation system for non-represented employees.
- Conducted an audit of PERS related processes and implemented changes.
- Began working with Office of Metro Attorney to implement background checks for finalists to positions.

SERVICE LEVEL CHANGES FROM FY 2009-10

- Hired a staff member who specializes in organization development and training in order to provide training for staff to further implement the Sustainable Metro Initiative and Best Practices.
- Expanded Human Resources services to the zoo by holding weekly office hours there.
- Eliminated one supervisor position and redeployed resources to increase effectiveness in service delivery.
- Reduced payroll services by 0.5 FTE.
- Added a one year limited duration 1.0 FTE position to support startup of the Metro Learning Center.

MAJOR OBJECTIVES FOR FY 2010-11

- Implement results of LIU classification and compensation study and negotiations.
- Integrate more fully the organization's values and competencies into the culture of the organization.
- Continue study and implementation of results related to the MERC/Metro best practices study.
- Continue to develop the use and integration of a learning management system.
- Continue developing a set of personnel policies and procedures consistent with goals of Metro, federal and state law and best business practices.
- Begin updating new employee orientation with the focus on moving to a more comprehensive on-boarding program.
- Implement results of the Auditor's Office study of the payroll/benefit processes.
- Finalize implementation of an online application system.
- Negotiate a collective bargaining agreement with AFSCME 3580.
- Work with the Office of Metro Attorney to implement background checks for finalists to positions.

- Implement a management development program in support of Regional Leadership Initiative.

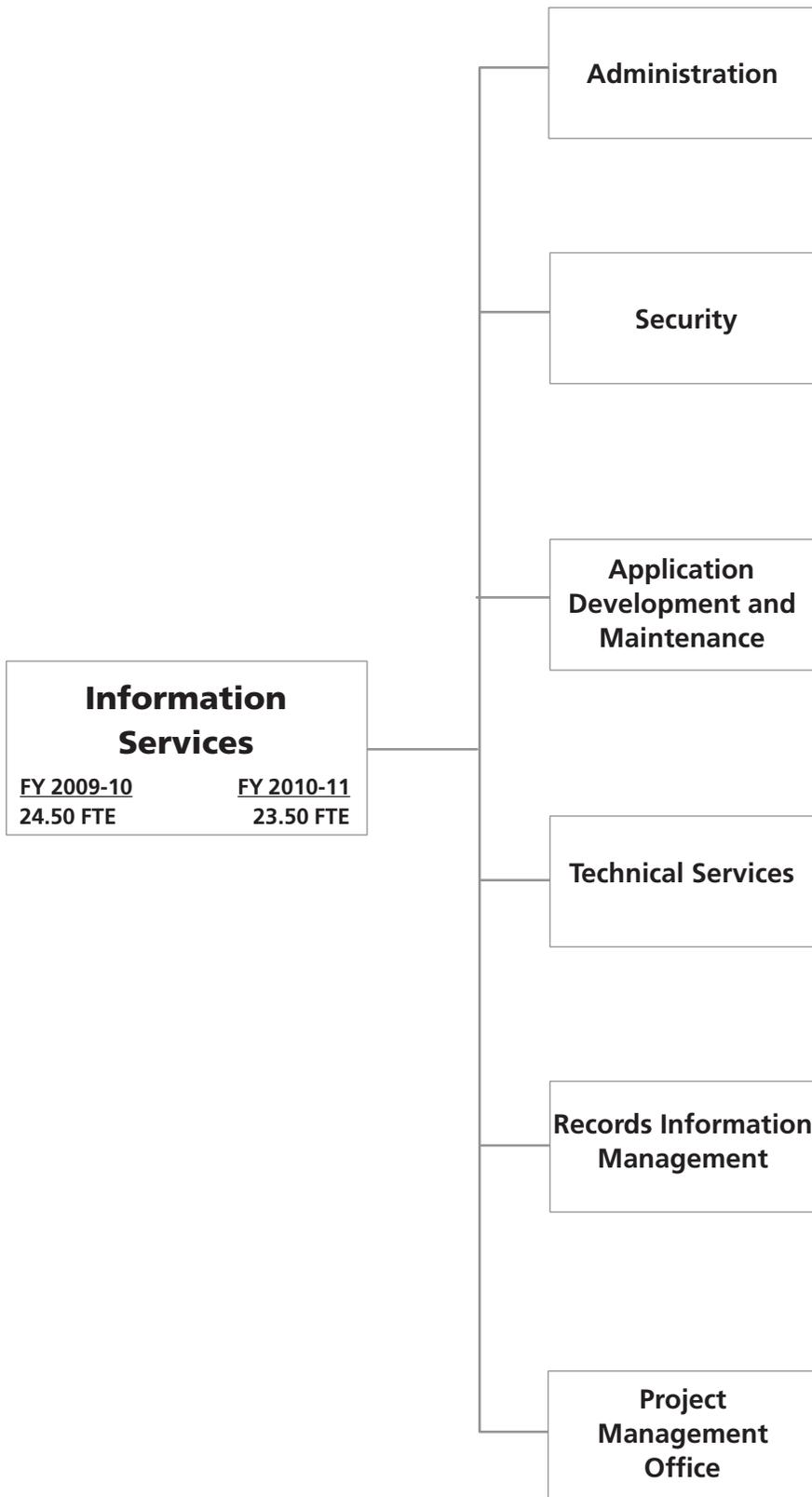
PROGRAMS FOR FY 2010-11

Responsible Operations

Human Resources – Human Resources is responsible for the six core service areas: classification and compensation, recruitment and retention, payroll, labor and employee relations, organization development and training and benefits.



Information Services



Summary of Information Services

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$1,953,434	\$1,891,569	\$2,386,851	\$2,386,851	\$2,306,829	\$2,306,829	\$2,306,829	(3.35%)
Materials and Services	530,932	699,886	843,528	843,528	795,854	810,033	840,033	(0.41%)
Capital Outlay	284,470	336,461	938,996	938,996	752,585	1,032,520	1,067,520	13.69%
Fund Equity Transfers	0	0	0	0	0	0	0	0.00%
TOTAL	\$2,768,836	\$2,927,916	\$4,169,375	\$4,169,375	\$3,855,268	\$4,149,382	\$4,214,382	1.08%
BUDGET BY FUND								
General Fund	\$2,484,366	\$2,586,531	\$3,170,764	\$3,170,764	\$3,028,380	\$3,028,380	\$3,058,380	(3.54%)
General Renewal & Replacement Fund	284,470	341,385	750,711	750,711	736,888	1,031,002	1,031,002	37.34%
Metro Capital Fund	0	0	247,900	247,900	90,000	90,000	125,000	(49.58%)
TOTAL	\$2,768,836	\$2,927,916	\$4,169,375	\$4,169,375	\$3,855,268	\$4,149,382	\$4,214,382	1.08%
FULL-TIME EQUIVALENTS (FTE)	22.25	22.50	24.50	24.50	23.50	23.50	23.50	(4.08%)

Information Services provides technology-based leadership and solutions to support Metro's goals and business through the development, implementation, support and management of information systems.

ABOUT INFORMATION SERVICES

Information Services delivers technology infrastructure and communications, database, application, and records information management as well as hardware and software support. The service comprises six sections, including: Administration, Security, Application Development and Maintenance, Technical Services, Records Information Management and the Project Management Office. Information Services serves as a centralized area for the development and support of applications, desktop and software purchasing and network infrastructure. These offerings provide Metro staff, stakeholders and the public high availability of systems and appropriate access to Metro information. Information Services promotes the effective and efficient use of technological resources and looks toward future technologies to provide even greater returns on investment with an emphasis on accessibility and collaboration.

Administration and Security

These two sections include the Office of the Director and the Security Systems Analyst. Together, they are responsible for the development of data and technology-related policies and procedures in the agency. The Administration section is responsible for development of medium and long-range strategic planning in the area of information technology. Administration also provides for overall policy, office and personnel management, development and implementation of the annual budget and purchasing and contract management.

Application Development and Maintenance

This section is responsible for the development, enhancement and maintenance of applications used agency-wide within Metro as well as specific applications necessary to support business processes unique to each center or service. This includes PeopleSoft HR and Payroll, PeopleSoft Finance, KRONOS timekeeping, SharePoint development and deployment, TRIM records management, CM Tool web content management system and web tools and infrastructure. Application development and maintenance also provides professional database management throughout the agency, including secure backups, performance monitoring and log management. In addition, this section assists in support for unique applications by developing custom software in support of specific program needs that cannot be met through purchase of commercial software.

Technical Services

Technical Services is responsible for all systems infrastructure, including hardware, software and communication transport necessary to maintain an efficient and effective computer network. This includes desktop support and maintenance of all productivity tools for computer users such as e-mail, calendaring, file services, desktop spreadsheet and word processing. This section develops and maintains Metro's core network ensuring standardization, interoperability and scalability. Technical Services manages all of the technical infrastructure and support requirements from the desktop through the network to the application being accessed by the user.

Records Information Management

This section provides for agency policies, procedures and practice of professional management of information. This includes the management from the time records are received or created through their processing, distribution, use and placement in a storage or retrieval system until their eventual destruction or permanent retention.

Project Management Office

The Project Management Office is responsible for new project intake, scoping and resource utilization on projects, training, developing and employing project management standards for IS as well as responsibility for customer interface and user groups and standards committees.

MAJOR ACCOMPLISHMENTS IN FY 2009–10

- Successfully completed upgrade from KRONOS 5.2 to 6.1.
- Successfully completed implementation of high-speed network between nine Metro and MERC facilities in cooperation with MERC IT and stakeholders.
- Successfully completed implementation of Learning Management System environment.
- Began migration to Windows 7 desktop.
- Began implementation of Microsoft Office SharePoint Server collaboration environment.
- Continued implementation of network infrastructure standardization and enhancement.
- Continued policy and procedure revision.
- Began development of standards for Voice over Internet Protocol and networking hardware.
- Completed Phase I assessment, with Finance and Regulatory Services, of business practices related to the solid waste fee and tax collection and specified requirement for software application and data structures to support the process.
- Completed RFP Process for off-site records management.

SERVICE LEVEL CHANGES FROM FY 2009–10

As part of budget balancing measures, one supervisory position in the Technical Services division is eliminated. While this change helps to align better desktop and network services, it also reduces available technical resources. Information Services will also begin implementing recommendations from the MERC/Metro best practices study to consolidated and integrate all agency technology services.

MAJOR OBJECTIVES FOR FY 2010–11

- Complete SharePoint Pilot projects and continue development of SharePoint collaboration workspaces.
- Standardize and enhance network infrastructure.
- Complete policy revision for network access and use.
- Begin implementation of recommendations from MERC-Metro Best Practices study, including unification of separate MERC-Metro Computer Networks.

PROGRAMS FOR FY 2010-11

Responsible Operations

Information Services delivers technology infrastructure and communications, database, application, and records information management as well as hardware and software support. The service comprises six sections, including: Administration, Security, Application Development and Maintenance, Technical Services, Records Information Management and the Project Management Office. Information Services serves as a centralized area for the development and support of applications, desktop and software purchasing and network infrastructure. These offerings provide Metro staff, stakeholders and the public high availability of systems and appropriate access to Metro information. Information Services promotes the effective and efficient use of technological resources and looks toward future technologies to provide even greater returns on investment with an emphasis on accessibility and collaboration.



**General
expense
summary**



Summary of General Expense

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	% Change from Amended FY 2009-10
BUDGET BY CLASSIFICATION								
Personal Services	\$452,014	\$0	\$0	\$0	\$0	\$0	\$0	0.00%
Materials and Services	10,530,174	10,003,258	15,896,791	15,896,791	16,793,222	16,793,222	17,433,222	9.67%
Debt Service	38,106,006	38,192,273	43,506,211	43,506,211	40,360,200	40,360,200	40,360,200	(7.23%)
Interfund Reimbursements	6,849,722	7,474,080	8,212,657	8,212,657	8,396,573	8,396,573	8,396,573	2.24%
Internal Service Charges	870,760	944,972	2,847,999	2,896,582	3,122,488	3,122,488	3,122,488	7.80%
Interfund Loan	0	0	10,916,250	0	0	0	0	0.00%
Fund Equity Transfers	11,760,993	6,389,113	6,587,953	6,780,323	10,637,853	10,765,853	10,765,853	58.78%
TOTAL	\$68,569,669	\$63,003,696	\$87,967,861	\$77,292,564	\$79,310,336	\$79,438,336	\$80,078,336	3.60%
BUDGET BY FUND								
General Fund	\$15,762,523	\$8,603,540	\$11,038,222	\$10,964,342	\$10,404,763	\$10,404,763	\$11,044,763	0.73%
General Obligation Bond Debt Service Fund	\$35,239,797	\$35,275,958	\$40,533,022	\$40,533,022	\$37,325,783	\$37,325,783	\$37,325,783	(7.91%)
General Renewal & Replacement Fund	98,448	375,000	0	0	0	128,000	128,000	n/a
General Revenue Bond Fund	1,515,311	1,504,342	1,500,849	1,500,849	1,504,945	1,504,945	1,504,945	0.27%
MERC Fund	3,256,550	3,551,450	3,704,857	3,704,857	3,681,630	3,681,630	3,681,630	(0.63%)
Metro Capital Fund	29,750	97,174	907,080	910,663	0	0	0	(100.00%)
Natural Areas Fund	751,451	1,067,158	1,472,292	1,472,292	1,502,241	1,502,241	1,502,241	2.03%
Oregon Zoo Infrastructure & Animal Welfare Fund	0	0	0	0	294,915	294,915	294,915	n/a
Rehabilitation & Enhancement Fund	29,395	30,085	32,662	32,662	32,962	32,962	32,962	0.92%
Risk Management Fund	7,411,486	7,960,889	11,175,399	11,175,399	17,456,485	17,456,485	17,456,485	56.20%
Smith & Bybee Lakes Fund	21,700	0	124,899	169,899	111,379	111,379	111,379	(34.44%)
Solid Waste Revenue Fund	4,453,258	4,538,100	17,478,579	6,828,579	6,995,233	6,995,233	6,995,233	2.44%
TOTAL	\$68,569,669	\$63,003,696	\$87,967,861	\$77,292,564	\$79,310,336	\$79,438,336	\$80,078,336	3.60%
FULL-TIME EQUIVALENTS (FTE)	4.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

The expenditures listed in the general expense summary are non-operating expenses such as general obligation debt service and interfund transfers. Expenditures also include items such as special appropriations that cannot be easily tied to a single program, center or service. It also includes costs such as election expenses that do not occur every year.

Highlights of the FY 2010-11 general expense budget are:

- Debt service on general obligation bonds totaling \$37.3 million.
- Debt service on pension obligation bonds of \$1.5 million.
- Interfund reimbursements of \$7.9 million for agency-wide central service functions such as accounting, legal services, risk management and Metro Regional Center management.
- Transfer of \$1.26 million from the General Fund to the General Renewal and Replacement Fund to support renewal and replacement needs of the General Fund centers and services.
- Transfer of \$1.9 million from the General Fund to the General Revenue Bond Fund to fund debt service payments on the Metro Regional Center and Washington Park Parking Lot bonds.
- Transfer of \$1.2 million from the MERC Fund to the General Revenue Bond Fund for debt service on outstanding bonds.
- Transfer of approximately \$475,000 from the General Fund to MERC to support projects at the Oregon Convention Center designed to increase the competitiveness of the facility.
- Transfer of \$5.225 million from the Risk Fund to the Solid Waste Fund to remove an environmental liability from the Risk Fund and record the liability in the relevant operational department, in conformance with GASB Statement 49.
- Transfers of approximately \$646,000 for services provided by Data Resource Center to other Metro centers and services.
- Transfer of approximately \$368,000 from the Solid Waste Revenue Fund to the Rehabilitation and Enhancement Fund for dedicated enhancement fees received through the Solid Waste disposal fee.
- Transfer of approximately \$1.23 million from the Solid Waste Revenue Fund to the General Fund for budget, finance and administrative support provided by Parks and Environmental Services and the Sustainability Center.
- Payment of approximately \$9.6 million to various providers for the cost of Metro's health and welfare program for all regular benefit eligible employees.
- Payment of approximately \$1.3 million for claims from Metro's Risk Management liability, property and workers' compensation programs.
- Payment of approximately \$713,000 in purchased insurance for Metro's Risk Management liability, property and workers' compensation programs.
- Increase in Rail-Volution contribution by \$15,000 for one time co-sponsorship of the annual conference held in Portland during FY 2010-11.

General Fund special appropriations

- \$350,000 for November 2010 election costs.
- \$50,000 for public notice requirements under voter-approved ballot measures or required by Metro Code.
- \$25,000 for contribution to the Regional Arts and Culture Council.
- \$40,000 for general agency dues.
- \$125,000 for Metro's outside financial audit contract.
- \$40,000 for general Metro sponsorship account.
- \$131,000 for the TriMet passport program.
- \$4.1 million derived from Construction Excise Tax to provide grants to local governments for concept planning.
- \$325,000 in awarded Nature in Neighborhoods community grants not yet completed.

Fund Summaries

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Solid Waste Revenue Fund	G-75



Summary of all funds

	General Fund	Obligation Bond Debt Service Fund	General Renewal & Replacement Fund	General Revenue Bond Fund	MERC Fund	Metro Capital Fund	Natural Areas Fund
RESOURCES							
<i>Beginning Fund Balance</i>	\$26,354,341	\$12,045,000	\$6,876,878	\$222,567	\$24,850,944	\$787,638	\$50,775,000
Current Revenues							
Real Property Taxes	11,294,190	37,189,159	0	0	0	0	0
Excise Tax	16,203,937	0	0	0	0	0	0
Other Derived Tax Revenue	0	0	0	0	0	0	0
Grants	11,705,714	0	0	0	653,216	49,500	913,210
Local Gov't Shared Revenues	571,000	0	0	0	10,602,508	0	0
Contributions from other Gov'ts	1,604,464	0	0	0	756,907	0	0
Enterprise Revenue	23,323,913	0	0	0	30,017,258	0	0
Interest Earnings	235,000	100,000	58,777	2,300	235,523	3,900	505,750
Donations	1,054,600	0	0	0	585,500	136,830	30,000
Other Misc. Revenue	1,552,972	0	500,000	0	123,197	0	0
Bond and Loan Proceeds	0	0	0	0	0	0	0
Interfund Transfers:							
Interfund Reimbursements	7,271,150	0	0	0	0	0	0
Internal Service Transfers	3,028,854	0	0	0	0	0	0
Interfund Loan	0	0	0	0	0	0	0
Fund Equity Transfers	128,000	0	1,282,635	3,098,747	475,000	0	0
Subtotal Current Revenues	77,973,794	37,289,159	1,841,412	3,101,047	43,449,109	190,230	1,448,960
TOTAL RESOURCES	\$104,328,135	\$49,334,159	\$8,718,290	\$3,323,614	\$68,300,053	\$977,868	\$52,223,960
REQUIREMENTS							
Current Expenditures							
Personal Services	\$47,184,737	\$0	\$0	\$0	\$17,989,676	\$0	\$1,350,698
Materials and Services	34,629,776	0	881,657	0	20,580,326	0	12,150,000
Capital Outlay	0	0	2,537,849	219,090	5,099,105	559,500	33,202,590
Debt Service	1,529,472	37,325,783	0	3,098,747	0	0	0
Interfund Transfers:							
Interfund Reimbursements	476,219	0	0	0	2,492,498	0	883,646
Internal Service Transfers	0	0	0	0	0	0	618,595
Interfund Loan	0	0	0	0	0	0	0
Fund Equity Transfers	3,837,335	0	128,000	0	1,189,132	0	0
Contingency	3,478,646	0	4,870,784	0	2,652,773	418,368	3,988,905
Subtotal Current Expenditures	91,136,185	37,325,783	8,418,290	3,317,837	50,003,510	977,868	52,194,434
<i>Ending Fund Balance</i>	<i>13,191,950</i>	<i>12,008,376</i>	<i>300,000</i>	<i>5,777</i>	<i>18,296,543</i>	<i>0</i>	<i>29,526</i>
TOTAL REQUIREMENTS	\$104,328,135	\$49,334,159	\$8,718,290	\$3,323,614	\$68,300,053	\$977,868	\$52,223,960
FULL-TIME EQUIVALENTS	447.64	0.00	0.00	0.00	190.00	0.00	13.80

Summary of all funds, *continued*

	Open Spaces Fund	Infrastructure & Animal Welfare Fund	Cemetery Perpetual Care Fund	Rehab. & Enhancement Fund	Risk Management Fund	Smith & Bybee Lakes Fund	Solid Waste Revenue Fund	Total
RESOURCES								
<i>Beginning Fund Balance</i>	\$318,942	\$2,121,338	\$316,297	\$1,988,304	\$8,142,227	\$3,987,047	\$36,535,502	\$175,322,025
Current Revenues								
Real Property Taxes	0	0	0	0	0	0	0	48,483,349
Excise Tax	0	0	0	0	0	0	0	16,203,937
Other Derived Tax Revenue	0	0	23,300	0	0	0	0	23,300
Grants	0	0	0	0	50,000	0	1,411,752	14,783,392
Local Gov't Shared Revenues	0	0	0	0	0	0	0	11,173,508
Contributions from other Gov'ts	0	0	0	0	0	0	0	2,361,371
Enterprise Revenue	0	0	0	0	9,470,278	1,000	56,057,596	118,870,045
Interest Earnings	3,189	21,213	3,163	19,883	25,000	39,870	357,538	1,611,106
Donations	0	0	0	0	0	0	0	1,806,930
Other Misc. Revenue	300,000	0	0	0	5,000	0	33,000	2,514,169
Bond and Loan Proceeds	0	15,000,000	0	0	0	0	0	15,000,000
Interfund Transfers:								
Interfund Reimbursements	0	0	0	0	1,125,423	0	0	8,396,573
Internal Service Transfers	0	0	0	0	60,672	0	32,962	3,122,488
Interfund Loan	0	0	0	0	0	0	0	0
Fund Equity Transfers	0	0	0	367,984	0	0	5,413,487	10,765,853
Subtotal Current Revenues	303,189	15,021,213	26,463	387,867	10,736,373	40,870	63,306,335	255,116,021
TOTAL RESOURCES	\$622,131	\$17,142,551	\$342,760	\$2,376,171	\$18,878,600	\$4,027,917	\$99,841,837	\$430,438,046
REQUIREMENTS								
Current Expenditures								
Personal Services	\$0	\$659,562	\$0	\$0	\$267,152	\$0	\$9,209,369	\$76,661,194
Materials and Services	0	0	0	409,639	12,231,485	130,000	41,095,063	122,107,946
Capital Outlay	622,131	14,696,830	0	0	0	0	5,194,283	62,131,378
Debt Service	0	0	0	0	0	0	0	41,954,002
Interfund Transfers:								
Interfund Reimbursements	0	190,278	0	0	0	0	4,353,932	8,396,573
Internal Service Transfers	0	104,637	0	32,962	0	111,379	2,254,915	3,122,488
Interfund Loan	0	0	0	0	0	0	0	0
Fund Equity Transfers	0	0	0	0	5,225,000	0	386,386	10,765,853
Contingency	0	1,476,683	0	300,000	528,084	200,000	14,540,763	32,455,006
Subtotal Current Expenditures	622,131	17,127,990	0	742,601	18,251,721	441,379	77,034,711	357,594,440
<i>Ending Fund Balance</i>	0	14,561	342,760	1,633,570	626,879	3,586,538	22,807,126	72,843,606
TOTAL REQUIREMENTS	\$622,131	\$17,142,551	\$342,760	\$2,376,171	\$18,878,600	\$4,027,917	\$99,841,837	\$430,438,046
FULL-TIME EQUIVALENTS	0.00	6.25	0.00	0.00	2.80	0.00	93.45	753.94



**General
Fund**

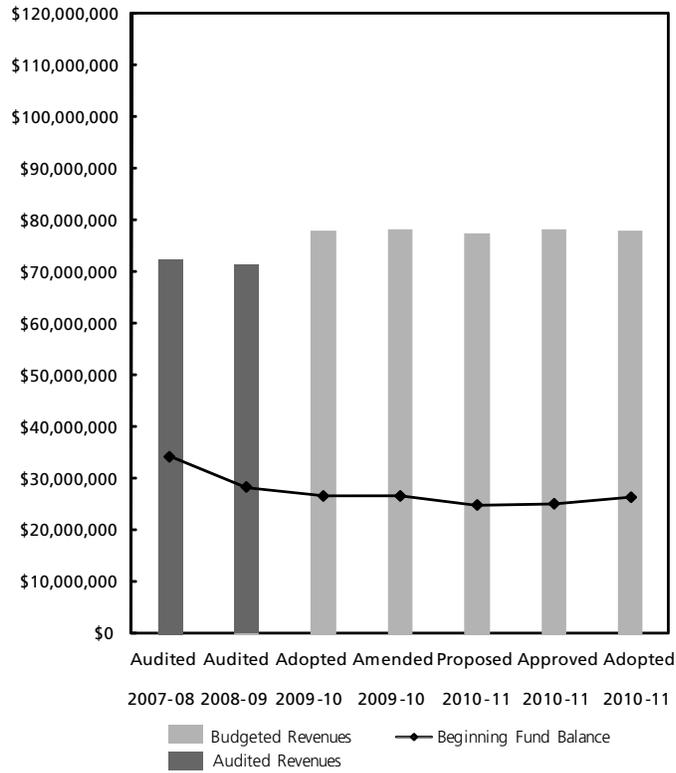


General Fund

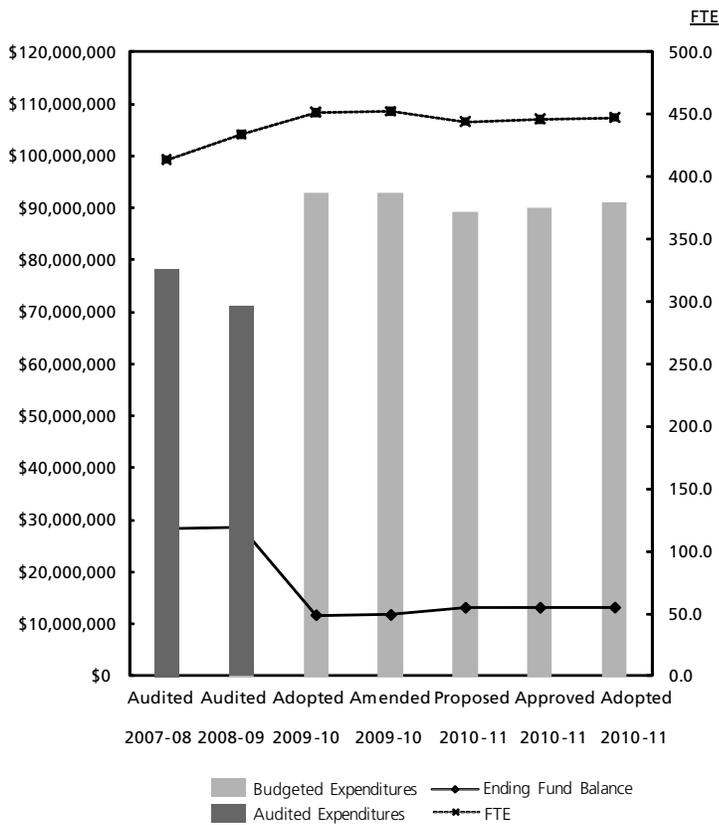
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$34,355,494	\$28,386,763	\$26,616,367	\$26,616,367	\$24,830,580	\$25,075,980	\$26,354,341	(0.98%)
Current Revenues								
Real Property Taxes	10,381,369	10,755,647	11,126,206	11,126,206	11,294,190	11,294,190	11,294,190	1.51%
Excise Tax	16,824,900	14,705,646	14,865,381	14,865,381	16,403,937	16,403,937	16,203,937	9.00%
Grants	13,494,831	11,791,588	13,382,350	13,382,350	11,705,714	11,705,714	11,705,714	(12.53%)
Local Gov't Shared Revenues	545,550	500,473	572,895	572,895	571,000	571,000	571,000	(0.33%)
Contributions from other Gov'ts	21,500	266,319	313,314	313,314	1,604,464	1,604,464	1,604,464	412.09%
Enterprise Revenue	20,279,560	22,009,056	24,539,994	24,539,994	22,786,413	23,323,913	23,323,913	(4.96%)
Interest Earnings	1,447,955	853,452	544,008	544,008	235,000	235,000	235,000	(56.80%)
Donations	1,391,695	1,241,569	1,265,100	1,265,100	1,040,100	1,054,600	1,054,600	(16.64%)
Other Misc. Revenue	1,778,327	2,377,196	1,614,068	1,614,068	1,552,972	1,552,972	1,552,972	(3.79%)
Interfund Transfers:								
Interfund Reimbursements	5,376,577	6,076,258	7,062,657	7,062,657	7,271,150	7,271,150	7,271,150	2.95%
Internal Service Transfers	841,364	823,147	2,753,627	2,802,210	3,028,854	3,028,854	3,028,854	8.09%
Fund Equity Transfers	0	97,174	100,000	100,000	0	128,000	128,000	28.00%
Subtotal Current Revenues	72,383,628	71,497,525	78,139,600	78,188,183	77,493,794	78,173,794	77,973,794	(0.27%)
TOTAL RESOURCES	\$106,739,122	\$99,884,288	\$104,755,967	\$104,804,550	\$102,324,374	\$103,249,774	\$104,328,135	(0.45%)
REQUIREMENTS								
Current Expenditures								
Personal Services	\$38,385,313	\$42,233,652	\$46,699,388	\$46,803,859	\$46,943,364	\$47,102,681	\$47,184,737	0.81%
Materials and Services	26,851,222	21,769,021	36,024,729	36,131,329	32,894,235	33,657,915	34,629,776	(4.16%)
Capital Outlay	307,788	93,924	0	0	0	0	0	0.00%
Debt Service	1,876,661	2,010,698	1,472,340	1,472,340	1,529,472	1,529,472	1,529,472	3.88%
Interfund Transfers:								
Interfund Reimbursements	756,115	672,186	467,144	467,144	476,219	476,219	476,219	1.94%
Internal Service Transfers	0	91,740	0	0	0	0	0	0.00%
Interfund Loan	0	0	266,250	0	0	0	0	0.00%
Fund Equity Transfers	10,175,256	4,385,272	4,111,096	4,303,466	3,837,335	3,837,335	3,837,335	(10.83%)
Contingency	0	0	3,998,894	3,854,033	3,478,009	3,478,646	3,478,646	(9.74%)
Subtotal Current Expenditures	78,352,355	71,256,493	93,039,841	93,032,171	89,158,634	90,082,268	91,136,185	(2.04%)
<i>Ending Fund Balance</i>	<i>28,386,763</i>	<i>28,627,796</i>	<i>11,716,126</i>	<i>11,772,379</i>	<i>13,165,740</i>	<i>13,167,506</i>	<i>13,191,950</i>	<i>12.06%</i>
TOTAL REQUIREMENTS	\$106,739,118	\$99,884,289	\$104,755,967	\$104,804,550	\$102,324,374	\$103,249,774	\$104,328,135	(0.45%)
FULL-TIME EQUIVALENTS	413.90	434.23	451.73	452.59	444.30	446.30	447.64	(1.09%)

General Fund

Current revenues and fund balance



Current expenditures and full time equivalents



General Fund

The General Fund includes the operating costs of the Council Office, Office of Metro Auditor, Office of Metro Attorney, Oregon Zoo, Parks and Environmental Services, Planning and Development, Research Center, Sustainability Center, Communications, Finance and Regulatory Services, Human Resources, Information Services and special appropriations.

CURRENT REVENUES

Property taxes

Metro receives property tax revenues from a tax levy originally approved by voters in May 1990. Ballot Measure 50, approved by the voters in May 1997, converted the tax levy to a general operating permanent rate levy. Metro's permanent rate is \$0.0966 per \$1,000 of assessed value and cannot be increased even by the voters. Metro expects to receive 93 percent of the property tax levied and approximately \$254,000 in delinquent taxes.

Excise tax

The primary general government source of revenue for the General Fund is an excise tax on the purchase of Metro goods and services. The FY 2010-11 budget includes an excise tax rate of 7.5 percent on non-solid waste tonnage related revenues and a flat fee of \$10.94 on solid waste tonnage. The collection of excise tax on revenues generated by the Oregon Zoo was eliminated effective Sept. 1, 2008, a reduction of about \$1.4 million annually. The decline in solid waste tonnage, mirroring the economic downturn in construction, resulted in a lower forecast for general excise tax receipts during FY 2009-10. The FY 2010-11 budget projects a relatively flat or only slightly increased tonnage base for the year.

Historically the flat per-ton fee on solid waste tonnage has been in the form of two parts, a "base tax" and an "additional tax." This budget combined the "additional tax" with the "base tax" altering the method of calculation for the "additional tax."

In March 2006 the Metro Council established a Construction Excise Tax to provide funding for regional and local planning that is required to make land ready for development after its inclusion in the urban growth boundary. The tax was initially intended to sunset when a total of \$6.3 million had been collected. This milestone was achieved during FY 2009-10. In June 2009 the Metro Council approved an ordinance extending the Construction Excise Tax for an additional five years until September 2014, to provide funding for planning of future expansion areas, future urban reserves and planning that enables redevelopment of centers, corridors and employment areas within the existing Urban Growth Boundary. The Construction Excise Tax is expected to generate about \$1.3 million in FY 2010-11.

Grants

The primary planning functions of the agency – Planning and Development and the Research Center – receive approximately \$10.4 million in grant funds, about 89 percent of all General Fund grants. These functions rely on federal, state and local grants to fund most of the transportation planning and modeling programs. The delay in the federal reauthorization of transportation funding has placed a portion of these grants funds at risk. However, new funding from the State of Oregon related to the study of greenhouse gas emissions will provide substitute or bridge funding until such time as the federal funding is reauthorized. The Research Center is currently negotiating an intergovernmental agreement with the Oregon Department of Transportation, the agreement is anticipated in mid-2010. The Sustainability Center receives about \$380,000 in grants, primarily for restoration projects on Metro-owned

natural areas, and the Oregon Zoo receives about \$154,000 in grants. Grants at the Oregon Zoo support conservation projects performed in cooperation with other jurisdictions. Grant funding fluctuates annually based on project need.

Intergovernmental revenues

This category includes local government shared revenues derived from registration fees for recreational vehicles, county marine fuel taxes and payments from other governmental agencies for services provided by Parks and Environmental Services. In FY 2010-11 revenues received from state shared sources are expected to increase very slightly based on projections from the State of Oregon. This category also includes governmental contributions to Metro programs and projects. In FY 2010-11 a \$1.5 million contribution from TriMet, the region's mass transportation agency, is anticipated for transit oriented development program.

Enterprise revenues

These are revenues derived from the income producing activities of the General Fund such as the Oregon Zoo and Parks and Environmental Services. They include admission fees, parking fees, food and beverage sales, gift shop sales, train rides, education fees, rental income, greens fees at Glendoveer Golf Course and sales and contracted services generated through the Data Resource Center of the Research Center. Most revenue estimates at the Oregon Zoo are based upon per capita revenue projections combined with an estimated attendance of 1.6 million. Revenues at Metro's regional parks are estimated based on a three-year rolling average. Approximately 93 percent of all enterprise revenues is generated at either the Oregon Zoo or regional parks and is heavily dependent on weather conditions. The remaining 7 percent is generated through parking fees at Metro Regional Center and the adjoining parking structure and contracts and sales through the Data Resource Center.

Enterprise revenues in FY 2010-11 are decreasing approximately 5.0 percent, about \$1.2 million, over FY 2009-10. Almost all of this decrease is expected at the Oregon Zoo. The Oregon Zoo has experienced record-breaking attendance the last several years. The budget again projects an annual attendance of 1.6 million. However, while attendance is on the rise, per capita spending has fallen off. Membership or reduced admission attendance has risen dramatically while at the same time those who do attend are spending much less during the visit. Revenues that were fairly stable during the early part of the economic downturn are now on a decline. Enterprise revenues at the regional parks are currently budgeted to remain fairly stable compared to FY 2009-10. However, for the first time, enterprise revenues are on the decline at Glendoveer golf course. This will require careful monitoring and may require additional modification to future projections. The budget anticipates increases in both public and employee parking fees at Metro Regional Center and the attached public parking garage. Daily fees will increase by \$1, monthly fees by \$10.

Interest earnings

Interest is earned on the unspent portion of the fund balance. Earnings are based on the current rate of Metro's average investment portfolio. In FY 2010-11 the budget assumes an interest rate of 1.0 percent that will generate about \$235,000 to the General Fund.

Donations

This category includes contributions from individuals and organizations in support of general operations or specific projects. Anticipated revenues in FY 2010-11 include \$1.0 million from The Oregon Zoo Foundation for zoo operations and a transfer from the *Predators of the Serengeti* reserve. The Oregon Zoo Foundation holds a permanent reserve dedicated to the support of the *Predators of the Serengeti* exhibit. Contributions will be made from earnings on the reserve.

Interfund transfers

Metro's central services, including the Office of the Chief Operating Officer, Finance and Regulatory Services, Metro Regional Center Property and Office Services, Human Resources, Information Services, Metro Attorney, Communication Design and Standards and Metro Auditor, are budgeted in the General Fund. Costs of these services are allocated to operating units through an approved cost allocation plan. Operating units that are budgeted outside the General Fund transfer approximately \$7.3 million in reimbursements. In addition, the Research Center charges for services and maintenance associated with the Data Resource Center; Parks and Environmental Services and the Sustainability Center pay the majority of the charges. Also, to provide more efficient services between organizational units, finance and administrative staff of Parks and Environmental Services and Sustainability Center have been consolidated into one working group in Parks and Environmental Services. Costs are allocated to the various programs of the Sustainability Center.

CURRENT EXPENDITURES

Personal services

This category includes salary, wage and fringe benefits for the 447.64 Full-Time Equivalents (FTE) in the various organizational units of the General Fund. Overall FTE have decreased by 4.95 since the FY 2009-10 Amended Budget. A detailed discussion of staff changes can be found in the budget summary. In addition to staffing changes, all organizational units have experienced increases in personal services costs related to salary increases and health and welfare costs. The budget assumptions reviewed by Council included a variety of anticipated salary adjustments for cost of living, merit pay, annual step and other possible changes related to collective bargaining and classification studies. Non-represented salaries and wages were frozen in FY 2009-10, delaying performance based merit increase until July 2010. Also, the budget assumes a 10 percent increase in Metro's contribution to health and welfare premiums as provided for in collective bargaining agreements. A more detailed explanation of fringe benefits is included in the appendices. A ten-year comparison of salary and benefit costs included in the budget summary.

Materials and services

Expenditures in this category for basic operations, maintenance and administration have decreased approximately 3.8 percent over FY 2009-10. Much of this is the result of decreased activity, hence variable costs, at regional parks and zoo facilities. Planning related expenditures are closely tied to grant funding. About 91 percent of Planning and Development and Research Center costs, about \$9.5 million, are for contracted professional services, Transit Oriented Development land purchases or pass-through of grant funds to other governments. Overall materials and services decreased by 4.2 percent.

Capital outlay

All major capital projects and renewal and replacement projects are budgeted the Metro Capital Fund or the General Renewal and Replacement Fund.

Debt service

In fall 2005 Metro joined with a pool of other local governments in Oregon to issue limited tax pension obligation bonds to fund its share of the Oregon Public Employees Retirement System's (PERS) unfunded actuarial liability. Metro's share of the total principal will be repaid over a period of 22 years through assessments on operating units in exchange for a lower pension cost. Annual principal and interest costs are funded through assessments to centers and services based on eligible salary and are paid through the general expense section of the General Fund.

Transfers

There are two types of transfers from the General Fund: (1) interfund reimbursements for risk management services, and (2) fund equity transfers of resources. Transfers of resources account for almost 89 percent of expenditures in this category including:

- The transfer of approximately \$1.3 million in annual renewal and replacement contributions to the General Renewal and Replacement Fund.
- The transfer of approximately \$1.9 million to the General Revenue Bond Fund for debt service.
- The transfer of \$475,000 from the Metro Tourism Opportunity and Competitiveness Account to the Oregon Convention Center.

Contingency

A contingency provides for unforeseen needs throughout the year. Expenditures from contingency may be made only through Council adoption of an ordinance amending the budget. Any transfer from contingency that would exceed a cumulative amount greater than 15 percent of expenditures requires a full supplemental budget amendment. The FY 2010-11 contingency is made up of two types: (1) a general contingency and reserve to provide for unforeseen events through the year, and (2) specific amounts set aside for future needs designated through Council action. Contingency and reserves are budgeted in accordance with Council approved financial policies.

FUND BALANCE

The fund balance of the General Fund is the combined balance for several major operating units — Oregon Zoo, Planning and Development, Research Center, Sustainability Center and Parks and Environmental Services — as well as all general government and central service functions such as Metro Council, Metro Attorney, Metro Auditor, Finance and Regulatory Services, Human Resources, Information Services and Communications. It includes several dedicated reserves such as the PERS Reserve for pension liability and a reserve for future debt service on the full faith and credit bonds for the Metro Regional Center. It also includes reserves for cash flow and fund stabilization. Metro performed a comprehensive review of fund balance needs in the General Fund. Based on this analysis, approved policies call for a minimum of 7 percent of operating revenues to be set aside in either a contingency or stabilization reserve to guard against unexpected downturns in revenues and to stabilize resulting budget action. The target was set to provide a 90 percent confidence level that revenues might dip below this amount only once in a 10 year period.



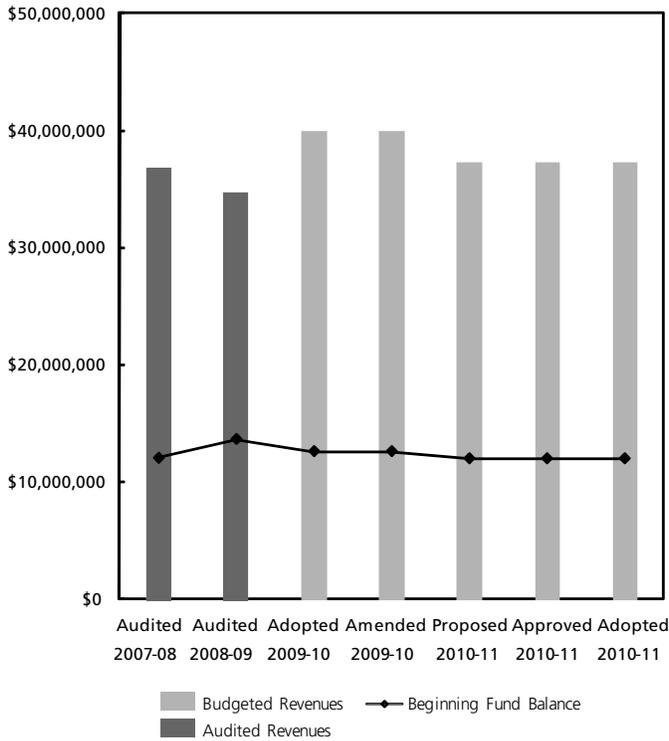
**General
Obligation
Bond Debt
Service
Fund**



General Obligation Bond Debt Service Fund

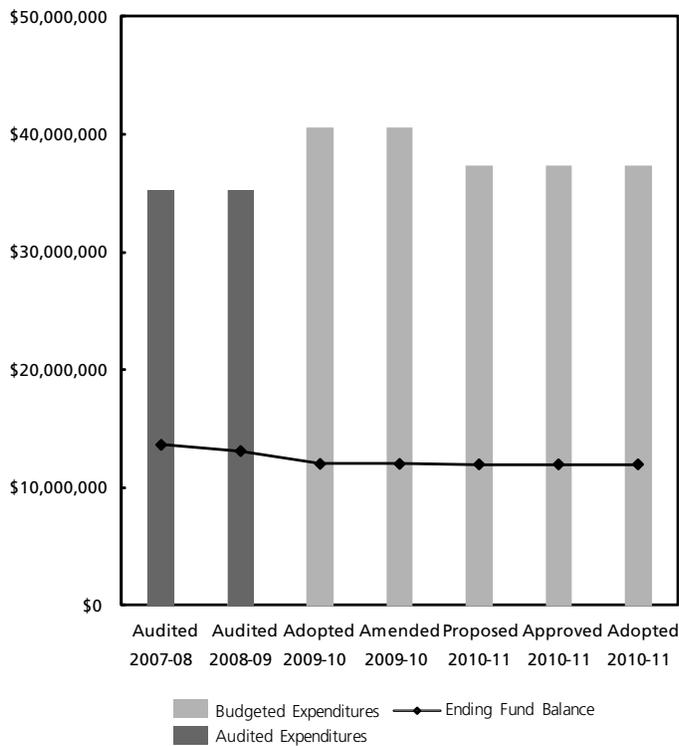
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$12,082,430	\$13,661,489	\$12,645,000	\$12,645,000	\$12,045,000	\$12,045,000	\$12,045,000	(4.74%)
Current Revenues								
Real Property Taxes	35,931,269	34,141,449	39,783,851	39,783,851	37,189,159	37,189,159	37,189,159	(6.52%)
Interest Earnings	887,587	606,851	150,000	150,000	100,000	100,000	100,000	(33.33%)
Subtotal Current Revenues	36,818,856	34,748,300	39,933,851	39,933,851	37,289,159	37,289,159	37,289,159	(6.62%)
TOTAL RESOURCES	\$48,901,286	\$48,409,789	\$52,578,851	\$52,578,851	\$49,334,159	\$49,334,159	\$49,334,159	(6.17%)
REQUIREMENTS								
Current Expenditures								
Debt Service	\$35,239,797	\$35,275,958	\$40,533,022	\$40,533,022	\$37,325,783	\$37,325,783	\$37,325,783	(7.91%)
Subtotal Current Expenditures	35,239,797	35,275,958	40,533,022	40,533,022	37,325,783	37,325,783	37,325,783	(7.91%)
<i>Ending Fund Balance</i>	13,661,489	13,133,831	12,045,829	12,045,829	12,008,376	12,008,376	12,008,376	(0.31%)
TOTAL REQUIREMENTS	\$48,901,286	\$48,409,789	\$52,578,851	\$52,578,851	\$49,334,159	\$49,334,159	\$49,334,159	(6.17%)
FULL-TIME EQUIVALENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

Current revenues and fund balance



General Obligation Bond Debt Service Fund

Current expenditures



General Obligation Bond Debt Service Fund

The General Obligation Bond Debt Service Fund receives property tax revenue from voter-approved levies and pays principal and interest due to holders of Metro's outstanding general obligation bonds. The fund contains debt service payments for each of Metro's existing general obligation bond series.

The Convention Center Project Debt Service Account pays the principal and interest due on the 2001 Series A general obligation refunding bonds (Oregon Convention Center project). In FY 2010-11 \$5,476,795 is due. In July 2001 Metro refinanced the 1992 Series A Convention Center refunding bonds, saving approximately \$4.2 million in interest payments over the next 10 years.

In November 2002 Metro refinanced the 1995 Series A and C Open Spaces, Parks and Streams bonds. The refinancing resulted in a net present value savings of \$6.1 million. In FY 2010-11 the total due is \$10,447,188, which includes debt service on the 1995 Series B bonds.

In May 2005 Metro refinanced the callable portion of the 1996 Series A Oregon Project general obligation bonds, resulting in net present value savings of \$1,427,412. In FY 2010-11 the total due is \$2,263,650.

In November 2006 the voters approved the \$227.4 million Natural Areas general obligation bonds. The first series under this authorization was issued in April 2006. The debt service due in FY 2010-11 is \$8,138,150.

In November 2008 the voters approved a \$125 million bond measure for Oregon Zoo infrastructure and projects related to animal welfare. A small \$5 million two-year privately placed bond was issued in December 2008 and paid off in full on the call date in June 2010. Another \$15 million privately placed bond will be issued in summer 2010. Debt service due during FY 2010-11 is expected to be \$11 million.

CURRENT REVENUES

Property taxes

Property taxes are levied to meet the outstanding requirements of the general obligation bonds. The levy amount is the amount needed to pay debt obligations assuming a 93 percent collection rate.

Interest

Interest is earned on the average cash balance of the fund, based on the current rates of Metro's investment portfolio. In FY 1999–2000 Metro implemented Governmental Accounting Standards Board Rule #31, which requires that interest earnings be adjusted to reflect market value of investments. As a result, interest earnings are less predictable and result in greater variability from year to year. The average interest earnings rate for FY 2010-11 is expected to fall to 1.0 percent.

CURRENT EXPENDITURES

Debt service

Principal and interest payments on the outstanding general obligation bonds are based on the actual debt service schedules for each issue. Debt service payments are made semi-annually.

FUND BALANCE

All of Metro's existing general obligation bonds have payments due early in the fiscal year, before property tax payments are received. All accounts, therefore, have ending fund balances of sufficient size to carry funds over to the following fiscal year to make the first debt service payment. Ending balances are adjusted over time to meet the requirements of debt obligations.

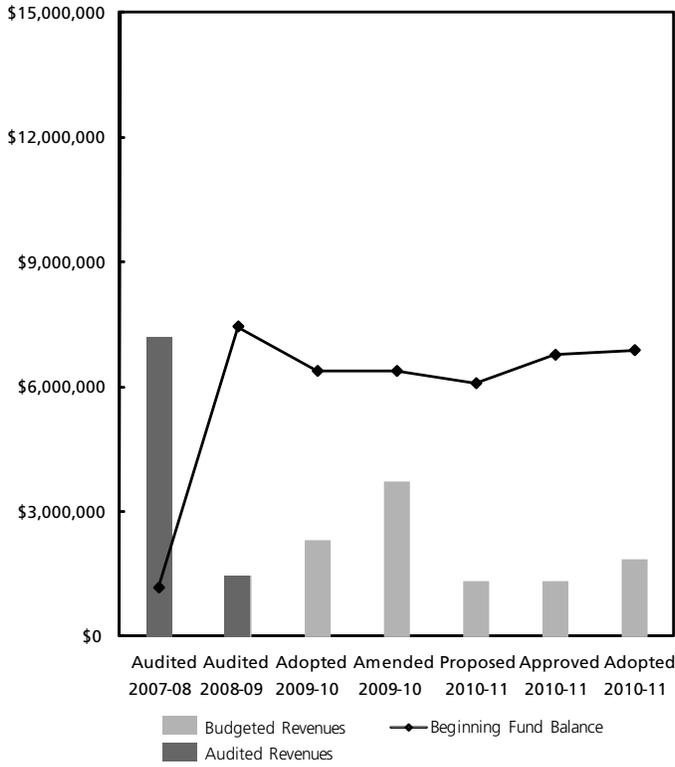
**General
Renewal
and
Replacement
Fund**



General Renewal and Replacement Fund

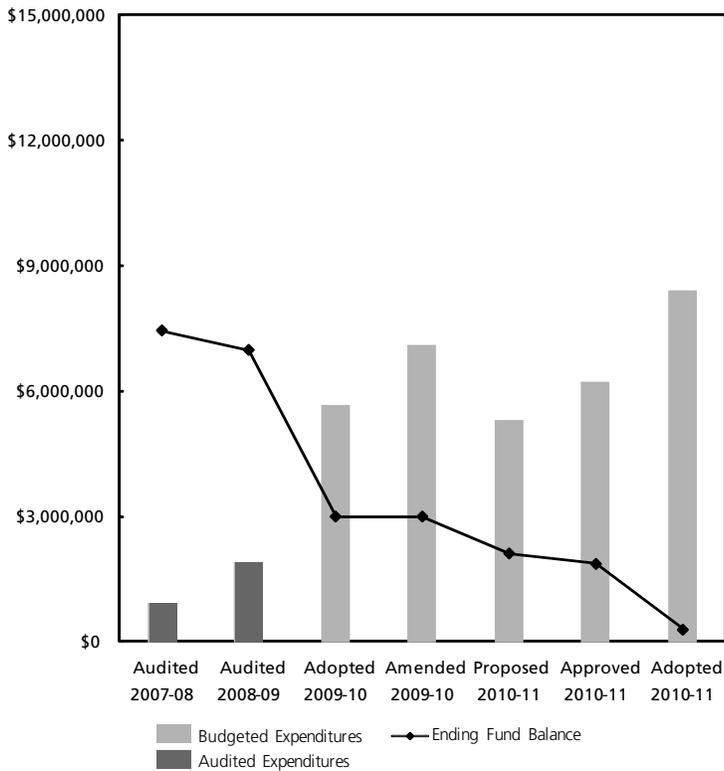
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$1,192,004	\$7,444,290	\$6,379,524	\$6,379,524	\$6,084,425	\$6,766,197	\$6,876,878	7.80%
Current Revenues								
Grants	0	63,764	0	1,212,500	0	0	0	(100.00%)
Interest Earnings	172,869	229,909	216,559	216,559	58,777	58,777	58,777	(72.86%)
Donations	0	0	0	32,000	0	0	0	(100.00%)
Other Misc. Revenue	0	0	0	0	0	0	500,000	0.00%
Interfund Transfers:								
Fund Equity Transfers	7,025,064	1,161,459	2,082,475	2,274,845	1,282,635	1,282,635	1,282,635	(43.62%)
Subtotal Current Revenues	7,197,933	1,455,132	2,299,034	3,735,904	1,341,412	1,341,412	1,841,412	(50.71%)
TOTAL RESOURCES	\$8,389,937	\$8,899,422	\$8,678,558	\$10,115,428	\$7,425,837	\$8,107,609	\$8,718,290	(13.81%)
REQUIREMENTS								
Current Expenditures								
Materials and Services	\$176,781	\$501,349	\$829,498	\$1,143,509	\$426,779	\$881,657	\$881,657	(22.90%)
Capital Outlay	768,866	1,044,148	1,626,408	3,599,778	1,878,274	2,227,168	2,537,849	(29.50%)
Interfund Transfers:								
Fund Equity Transfers	0	375,000	0	0	0	128,000	128,000	0.00%
Contingency	0	0	3,220,515	2,370,004	3,000,000	3,000,000	4,870,784	105.52%
Subtotal Current Expenditures	945,647	1,920,497	5,676,421	7,113,291	5,305,053	6,236,825	8,418,290	18.35%
<i>Ending Fund Balance</i>	<i>7,444,290</i>	<i>6,978,925</i>	<i>3,002,137</i>	<i>3,002,137</i>	<i>2,120,784</i>	<i>1,870,784</i>	<i>300,000</i>	<i>(90.01%)</i>
TOTAL REQUIREMENTS	\$8,389,937	\$8,899,422	\$8,678,558	\$10,115,428	\$7,425,837	\$8,107,609	\$8,718,290	(13.81%)
FULL-TIME EQUIVALENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

Current revenues and fund balance



General Renewal and Replacement Fund

Current expenditures



General Renewal and Replacement Fund

The General Renewal and Replacement Fund was established in FY 2008-09 to provide for Metro's general assets including all General Fund services and centers. When first set up in FY 2007-08 it was included as an account in the Metro Capital Fund. Previously, renewal and replacement was budgeted in a variety of places for specific dedicated purposes. For comparative purposes all prior years have been included.

While developing the FY 2007-08 budget, Metro undertook a comprehensive review of General Fund reserve needs. The analysis included a preliminary study of renewal and replacement requirements of Metro's existing general assets. The preliminary study, based on historical accounting data, estimated the financial investment necessary — both one-time and ongoing — to provide fully for current and future needs of existing assets. In the FY 2007-08 budget, the Metro Council directed \$5.7 million in general reserves for a one-time contribution to renewal and replacement and \$1.1 million for annual ongoing contributions. In addition, to confirm the financial investment estimates of the preliminary study, the budget appropriated \$100,000 to perform a detailed on-site inventory of assets and develop a 25 year renewal and replacement schedule. Anticipating the successful completion of this project, the variety of specific dedicated reserves was consolidated into one Renewal and Replacement Account in the Metro Capital Fund.

An engineering firm performed the study with the help of facility managers, the Capital Budget Coordinator and several interns, developing a comprehensive list of renewal and replacement requirements. The engineering firm provided or verified cost estimates and produced a schedule of needs. The comprehensive study validated the financial investment estimates initially developed in the preliminary study. The schedule of needs will be reviewed and updated on a regular basis, at least once every five years. Annual financial contributions will be adjusted if necessary to meet changing requirements. Renewal and replacement needs will be budgeted in accordance with the schedule. All projects greater than \$100,000 are listed individually in the capital improvement plan. All other projects less than \$100,000 are aggregated as a single renewal and replacement project within each service and center.

In spring 2008 a comprehensive examination of all Metro assets was completed, conforming to Governmental Accounting Standards Board (GASB) 34.

CURRENT REVENUES

Interest earnings

Interest is earned on the unused portion of the fund balance. Earnings are based on the current rates of Metro's average investment portfolio. For FY 2010-11 an interest rate of 1.0 percent will produce \$58,777, a decline of \$157,782 from the previous year.

Interfund transfers

Annual ongoing contributions to the renewal and replacement reserve are necessary to meet scheduled requirements. The General Fund contributes approximately \$1.3 million from a variety of sources. Annual contributions are intended to be relatively constant but are adjusted to recognize new assets when they are put into service.

CURRENT EXPENDITURES

Materials and services

Expenditures in this category reflect potential renewal and replacement projects that do not meet the threshold of major capital improvement and which, by definition, are considered capital maintenance. These projects are aggregated by organizational unit and included in the renewal and replacement schedule. Capital maintenance projects costing more than \$100,000 are called out separately in the capital improvement plan.

Capital outlay

This category represents renewal and replacement projects approved in Metro's capital budget. Projects costing more than \$100,000 are included in the capital improvement plan. All other projects are aggregated by organizational unit into one general renewal and replacement project. For additional information see the FY 2010-11 Capital Improvement Plan section of this budget document.

Interfund transfers

Major capital construction projects may include a portion that is considered renewal and replacement. Funds are transferred from the General Renewal and Replacement Fund to the Metro Capital Fund for the capital project in those cases.

Contingency

A contingency provides for unforeseen needs throughout the year. Expenditures from contingency may be made only through Council adoption of an ordinance amending the budget. Any transfer from contingency throughout the year that would exceed a cumulative amount greater than 15 percent of expenditures requires a full supplemental budget amendment, including public review. A large contingency is budgeted to insure adequate ability to fund unexpected larger projects.

FUND BALANCE

This represents the balance of the general renewal and replacement reserve. The reserve amount will fluctuate from year to year based on project needs. The current financial plan for renewal and replacement provides for a positive balance in the reserve for the next 15 years. The schedule of needs and financial plan will be reviewed annually, updated at least every five years and adjusted accordingly.



**General
Revenue
Bond Fund**

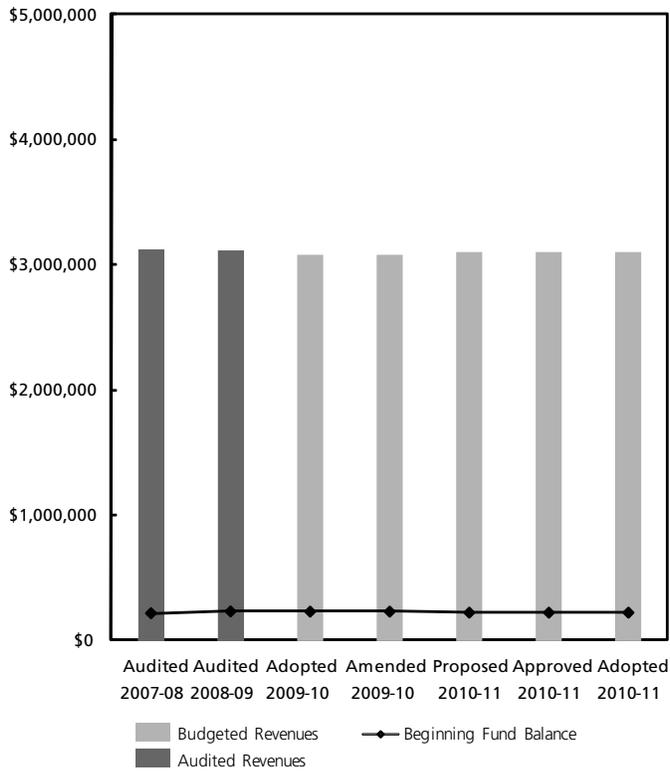


General Revenue Bond Fund

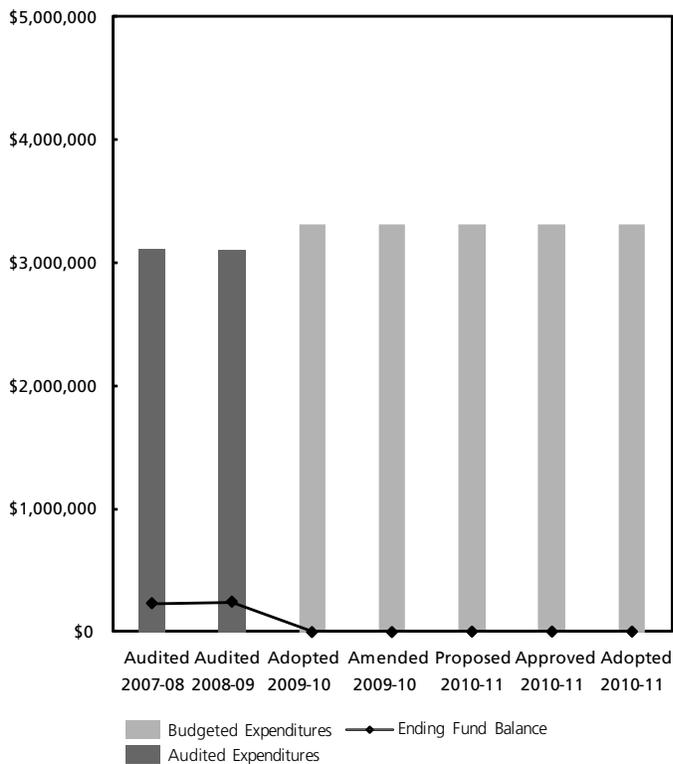
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$218,164	\$232,441	\$230,840	\$230,840	\$222,567	\$222,567	\$222,567	(3.58%)
Current Revenues								
Interest Earnings	22,276	12,226	5,700	5,700	2,300	2,300	2,300	(59.65%)
Interfund Transfers:								
Fund Equity Transfers	3,102,404	3,098,663	3,078,301	3,078,301	3,098,747	3,098,747	3,098,747	0.66%
Subtotal Current Revenues	3,124,680	3,110,889	3,084,001	3,084,001	3,101,047	3,101,047	3,101,047	0.55%
TOTAL RESOURCES	\$3,342,844	\$3,343,330	\$3,314,841	\$3,314,841	\$3,323,614	\$3,323,614	\$3,323,614	0.26%
REQUIREMENTS								
Current Expenditures								
Capital Outlay	0	0	219,167	219,167	219,090	219,090	219,090	(0.04%)
Debt Service	3,102,403	3,098,662	3,093,301	3,093,301	3,098,747	3,098,747	3,098,747	0.18%
Interfund Transfers:								
Fund Equity Transfers	8,000	0	0	0	0	0	0	0.00%
Subtotal Current Expenditures	3,110,403	3,098,662	3,312,468	3,312,468	3,317,837	3,317,837	3,317,837	0.16%
<i>Ending Fund Balance</i>	<i>232,441</i>	<i>244,668</i>	<i>2,373</i>	<i>2,373</i>	<i>5,777</i>	<i>5,777</i>	<i>5,777</i>	<i>143.45%</i>
TOTAL REQUIREMENTS	\$3,342,844	\$3,343,330	\$3,314,841	\$3,314,841	\$3,323,614	\$3,323,614	\$3,323,614	0.26%
FULL-TIME EQUIVALENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

General Revenue Bond Fund

Current revenues and fund balance



Current expenditures



General Revenue Bond Fund

The General Revenue Bond Fund was established to account for bond proceeds used to construct Metro Regional Center and the assessments against Metro centers and services to pay debt service on those bonds. In FY 1995–96 the fund was expanded to include loan proceeds for the Washington Park parking lot renovation and a contribution to TriMet for the Oregon Zoo light rail station. In FY 1999–2000 the fund was again amended to include loan proceeds from the Oregon Economic and Community Development Department (OECDD) used to replace Hall D at the Portland Expo Center (Expo). In the future, this financing method and fund could be used to pay for other general purpose capital items.

Project account

This account was created in FY 1995–96 to provide for expenditures related to the Washington Park parking lot renovation and the contribution to TriMet for the zoo light rail station. Beginning in FY 1999–2000 it was also used to account for expenses associated with the Hall D Replacement Project.

Debt service account

This account is used to pay principal and interest due on the outstanding debt. In FY 2003–04 the Metro Regional Center general revenue bonds and Washington Park parking lot OECDD loans were refinanced with full faith and credit bonds. The refinancing resulted in a net present value savings of almost \$2.5 million, or 10 percent. Debt service on the Metro Regional Center bonds is paid from assessments allocated to the operations and activities of Metro that use the Metro Regional Center and from fees and charges for the use of the attached parking structure. Debt service on the outstanding obligation for the Washington Park parking lot is paid by zoo revenues. In April 2006 Metro issued full faith and credit bonds to refund the outstanding OECDD loan for the replacement of Hall D at the Expo Center. The refinancing resulted in a net present value savings of almost \$759,000 or 5.05 percent. Debt service on these refunding bonds is paid by Expo revenues.

CURRENT REVENUES

Interest earnings

Interest is earned on the unused portion of the fund balance. Earnings are based on the current rates of Metro’s average investment portfolio. For FY 2010-11, average interest rates are assumed at 1.0 percent.

Interfund transfers

Debt service on the full faith and credit bonds for Metro Regional Center is paid from assessments allocated to the operations and activities of Metro that use Metro Regional Center, and fees and charges for the use of the attached parking structure. The fees, charges and assessments are collected within the General Fund and are transferred to the General Revenue Bond Fund for payment of debt service. Debt service for the Washington Park parking lot obligations is repaid by revenues transferred from zoo operations. Debt service on the obligations for Hall D is repaid by Expo revenues transferred from the MERC Fund.

CURRENT EXPENDITURES

Capital outlay

Capital outlay requirements in this fund are dependent on anticipated projects and vary from year to year. A small amount continues to be carried forward and budgeted every year for completion of the auxiliary lot at the Washington Park parking lot, should the permitting issues resolve.

Debt service

This category contains principal and interest due on the outstanding full faith and credit bonds. Debt service payments are made semi-annually and are tied to the debt service schedule. The Metro Regional Center revenue bonds and the Washington Park parking lot OECDD loans were refinanced in FY 2003–04. The 2003 series full faith and credit refinancing bonds will be repaid over 20 years and will fully mature in 2022. The 2006 series full faith and credit bonds will be repaid over 18.5 years, the remaining life of the former OECDD loan, and will retire in 2024.

Interfund transfers

A renewal and replacement account has been established for future capital needs of Metro Regional Center. In prior years, funds were transferred to the former Building Management Fund to pay for renewal and replacement projects authorized in the capital budget. In FY 2005–06 the balance in the renewal and replacement account was transferred to the Metro Capital Fund to establish a new Metro Regional Center renewal and replacement account.

Contingency

The fund is now primarily a debt service fund. Since debt costs can be easily estimated based on debt service schedules, no contingency is provided for the fund.

FUND BALANCE

The fund balance contains a small amount in the debt service account and the amount that is carried forward for the Washington Park parking lot project.



**Metro
Capital
Fund**

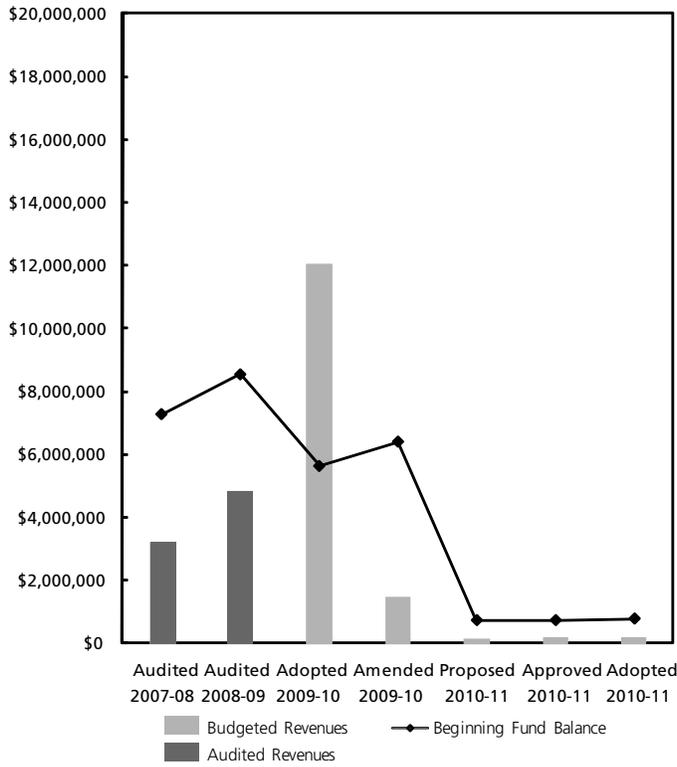


Metro Capital Fund

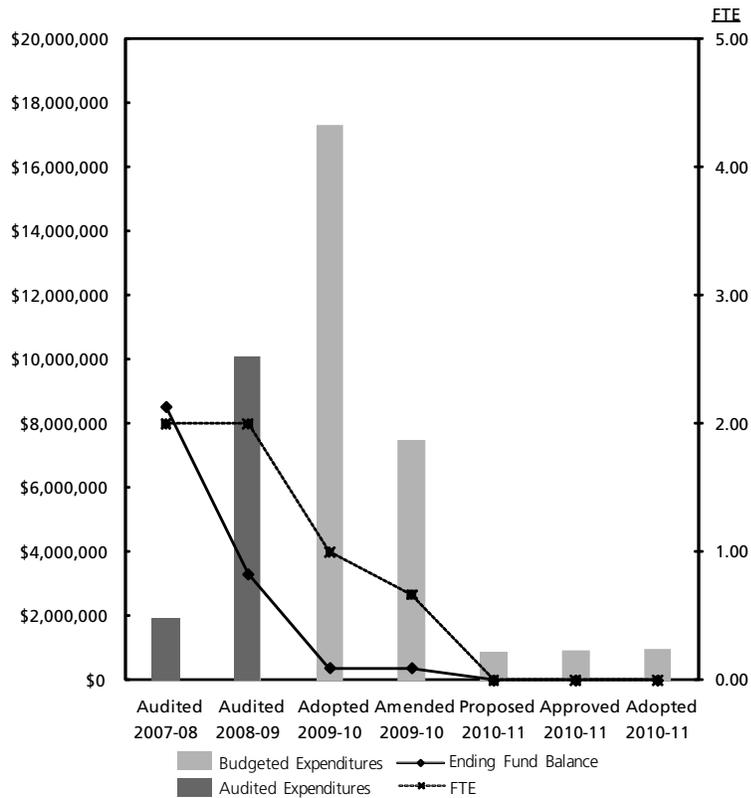
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$7,281,157	\$8,544,729	\$5,633,688	\$6,406,821	\$737,638	\$737,638	\$787,638	(87.71%)
Current Revenues								
Grants	54,391	1,851,255	0	0	0	49,500	49,500	0.00%
Interest Earnings	348,627	198,670	76,851	76,851	3,900	3,900	3,900	(94.93%)
Donations	2,163,691	1,910,627	1,200,000	1,253,953	136,830	136,830	136,830	(89.09%)
Other Misc. Revenue	67,074	2,571	0	0	0	0	0	0.00%
Interfund Transfers:								
Interfund Loan	0	0	10,650,000	0	0	0	0	0.00%
Fund Equity Transfers	563,000	895,000	139,000	139,000	0	0	0	(100.00%)
Subtotal Current Revenues	3,196,783	4,858,123	12,065,851	1,469,804	140,730	190,230	190,230	(87.06%)
TOTAL RESOURCES	\$10,477,940	\$13,402,852	\$17,699,539	\$7,876,625	\$878,368	\$927,868	\$977,868	(87.59%)
REQUIREMENTS								
Current Expenditures								
Personal Services	\$93,025	\$105,147	\$143,492	\$102,541	\$0	\$0	\$0	(100.00%)
Materials and Services	462,252	0	0	0	0	0	0	0.00%
Capital Outlay	1,348,184	9,885,517	13,283,648	3,750,303	440,000	509,500	559,500	(85.08%)
Interfund Transfers:								
Internal Service Transfers	29,750	0	7,670	11,253	0	0	0	(100.00%)
Fund Equity Transfers	0	97,174	899,410	899,410	0	0	0	(100.00%)
Contingency	0	0	2,976,986	2,727,503	438,368	418,368	418,368	(84.66%)
Subtotal Current Expenditures	1,933,211	10,087,838	17,311,206	7,491,010	878,368	927,868	977,868	(86.95%)
<i>Ending Fund Balance</i>	<i>8,544,729</i>	<i>3,315,014</i>	<i>388,333</i>	<i>385,615</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>(100.00%)</i>
TOTAL REQUIREMENTS	\$10,477,940	\$13,402,852	\$17,699,539	\$7,876,625	\$878,368	\$927,868	\$977,868	(87.59%)
FULL-TIME EQUIVALENTS	2.00	2.00	1.00	0.67	0.00	0.00	0.00	(100.00%)

Metro Capital Fund

Current revenues and fund balance



Current expenditures and full-time equivalents



Metro Capital Fund

The Metro Capital Fund was created in FY 2005–06 as part of the fund consolidation that occurred with the implementation of the Strategic Budgeting Initiative. The fund combined the Regional Parks Capital Fund, the Regional Parks Special Accounts Fund and the Zoo Capital Fund into the consolidated capital fund. Several renewal and replacement reserves formerly held in various other funds were also transferred to this new fund to create dedicated reserves. In FY 2008-09 a new fund was created for renewal and replacement projects.

The Metro Capital Fund is structured into four capital project accounts and two special project accounts transferred from Multnomah County. The consolidated renewal and replacement account was established in FY 2007-08, (now in its own separate fund), by combining five individual accounts formerly designated for specific purposes into one account designed to meet the needs of all operating units in the General Fund.

The full purpose of this fund is still evolving. Additional accounts may be added as other capital expenditures are consolidated into this fund.

Information Services Capital Projects

Provides for new capital projects of Information Services.

Oregon Zoo Capital Projects Account

Provides for new capital projects of the Oregon Zoo (formerly budgeted in the Zoo Capital Fund).

Regional Parks Capital Projects Account

Provides for new capital projects of the regional parks facilities (formerly budgeted in the Regional Parks Capital Fund).

Regional Parks Capital Blue Lake Special Account

Metro received dedicated funds from Multnomah County when it accepted the transfer of park facilities and operations. The account was initially dedicated to the development of a concert stage at the park. However, that project was deemed infeasible and the funding was transferred to the development of a water play structure at Blue Lake Regional Park (formerly budgeted in the Regional Parks Special Accounts Fund).

Regional Parks Capital Oxbow Park Nature Center Account

Metro received dedicated funds from Multnomah County when it accepted the transfer of park facilities and operations. The account is dedicated to the development of a nature center at Oxbow Regional Park (formerly budgeted in the Regional Parks Special Accounts Fund).

All other Capital

This category includes new capital projects for the Metro Regional Center.

CURRENT REVENUES

Grants

Grants received are project specific. In FY 2009-10 \$550,000 from other sources, possibly grants, was identified for the Blue Lake Park Nature and Golf Learning Center project and later funded by an interfund loan from the Solid Waste Revenue Fund. The Blue Lake Park Nature and Golf Learning Center project has been postponed due to the current economic climate.

Government contributions

These revenues represent contributions from various governments to support a particular capital project. No government contributions are expected in FY 2010-11.

Interest earnings

Interest is earned on the unused portion of the fund balance. Earnings are based on the current rates of Metro's average investment portfolio. For FY 2010-11 an interest rate of 1.0 percent is assumed.

Donations

This category includes donations either to support a particular project or support the capital needs of a specific department. The Oregon Zoo Foundation has raised \$3.6 million to finance the *Red Ape Reserve* exhibit at the zoo, the final portion of which is being recognized in FY 2010-11.

Miscellaneous revenue

This category is to support a particular project or support the capital needs of a specific program.

Interfund transfers

Interfund transfers are received for a variety of purposes. Some of these transfers are one-time in nature. Others will be ongoing, although the amount may vary from year-to-year based on need.

CURRENT EXPENDITURES

Personal services

The capital budget does not include any personal services expenditures.

Materials and services

Expenditures in this category in previous years included several restoration projects in the Regional Parks Capital Account. In previous years it also included potential renewal and replacement projects that do not meet the threshold of major capital improvement and which, by definition, are considered capital maintenance and are now in the General Renewal and Replacement Fund.

Capital outlay

This category represents capital projects approved in Metro's capital improvement plan. In FY 2009-10 capital project threshold increased to \$100,000 from \$50,000. The Oregon Zoo includes the completion of the *Red Ape Reserve* exhibit. Information Services includes the completion of the project to combine the information technology infrastructure of the Metropolitan Exposition Recreation Commission with Metro's information technology infrastructure. In addition, Information Services includes a project to begin investigating potential changes to the current Enterprise Resource Planning system.

Contingency

A contingency is provided to meet unforeseen needs throughout the year. Expenditures from contingency may only be made through Council adoption of an ordinance amending the budget. Any transfer from contingency throughout the year that would exceed a cumulative amount greater than 15 percent of expenditures requires a full supplemental budget amendment, including public review.

FUND BALANCE

The fund balance includes a variety of dedicated reserves associated with the accounts established in the fund. Balances in the fund will fluctuate based on project needs.



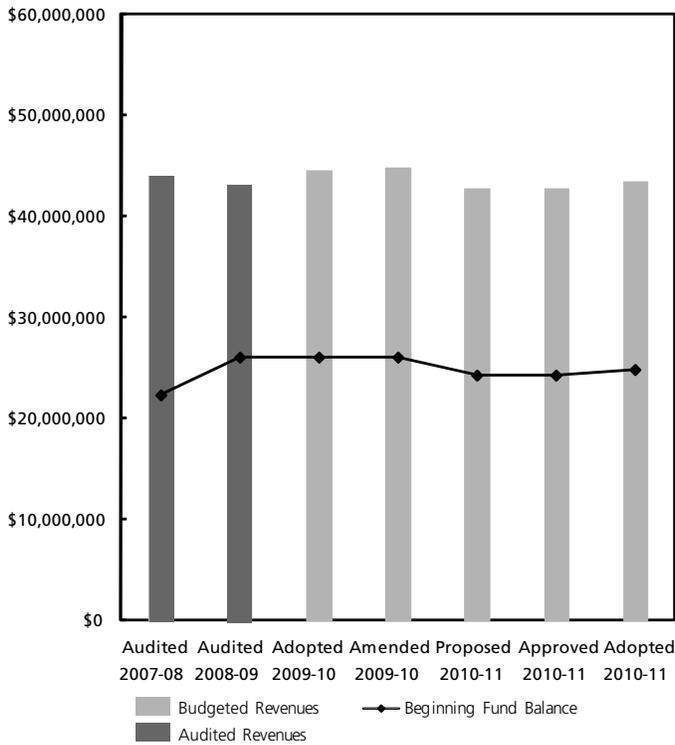
**Metropolitan
Exposition
Recreation
Commission
Fund**



Metropolitan Exposition Recreation Commission Fund

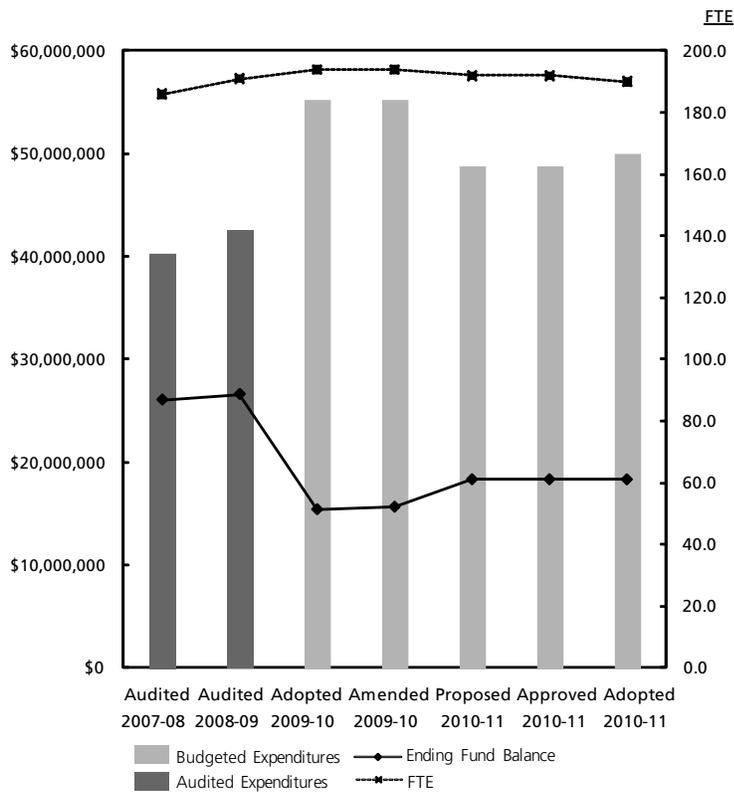
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$22,350,467	\$26,070,021	\$26,074,761	\$26,074,761	\$24,297,515	\$24,297,515	\$24,850,944	(4.69%)
Current Revenues								
Grants	0	8,075	0	216,925	0	0	653,216	201.13%
Local Gov't Shared Revenues	11,156,012	10,702,509	10,974,589	10,974,589	10,602,508	10,602,508	10,602,508	(3.39%)
Contributions from other Gov'ts	711,376	734,709	760,926	760,926	756,907	756,907	756,907	(0.53%)
Enterprise Revenue	30,281,559	29,718,490	29,517,557	29,749,557	30,050,758	30,050,758	30,017,258	0.90%
Interest Earnings	945,178	556,704	586,518	586,518	235,523	235,523	235,523	(59.84%)
Donations	110,866	450,742	1,922,500	1,690,500	496,500	496,500	585,500	(65.37%)
Other Misc. Revenue	170,318	163,682	122,226	147,226	123,197	123,197	123,197	(16.32%)
Interfund Transfers:								
Fund Equity Transfers	669,720	758,083	692,490	692,490	475,000	475,000	475,000	(31.41%)
Subtotal Current Revenues	44,045,029	43,092,994	44,576,806	44,818,731	42,740,393	42,740,393	43,449,109	(3.06%)
TOTAL RESOURCES	\$66,395,496	\$69,163,015	\$70,651,567	\$70,893,492	\$67,037,908	\$67,037,908	\$68,300,053	(3.66%)
REQUIREMENTS								
Current Expenditures								
Personal Services	\$15,808,463	\$17,507,657	\$18,534,604	\$18,534,604	\$18,287,048	\$18,287,048	\$17,989,676	(2.94%)
Materials and Services	20,213,636	20,230,591	20,776,654	21,343,218	20,256,162	20,256,162	20,580,326	(3.57%)
Capital Outlay	1,028,477	1,236,534	3,424,490	3,406,415	3,983,460	3,983,460	5,099,105	49.69%
Debt Service	18,349	17,548	17,258	152,258	0	0	0	(100.00%)
Interfund Transfers:								
Interfund Reimbursements	2,066,618	2,359,218	2,516,225	2,516,225	2,492,498	2,492,498	2,492,498	(0.94%)
Fund Equity Transfers	1,189,932	1,192,232	1,188,632	1,188,632	1,189,132	1,189,132	1,189,132	0.04%
Contingency	0	0	8,805,905	8,122,416	2,522,773	2,522,773	2,652,773	(67.34%)
Subtotal Current Expenditures	40,325,475	42,543,780	55,263,768	55,263,768	48,731,073	48,731,073	50,003,510	(9.52%)
<i>Ending Fund Balance</i>	<i>26,070,021</i>	<i>26,619,235</i>	<i>15,387,799</i>	<i>15,629,724</i>	<i>18,306,835</i>	<i>18,306,835</i>	<i>18,296,543</i>	<i>17.06%</i>
TOTAL REQUIREMENTS	\$66,395,496	\$69,163,015	\$70,651,567	\$70,893,492	\$67,037,908	\$67,037,908	\$68,300,053	(3.66%)
FULL-TIME EQUIVALENTS	186.00	191.00	194.00	194.00	192.00	192.00	190.00	(2.06%)

Current revenues and fund balance



Metropolitan Exposition Recreation Commission Fund

Current expenditures and full-time equivalents



Metropolitan Exposition Recreation Commission Fund

The Metropolitan Exposition Recreation Commission (MERC) Fund for the major visitor venues: Oregon Convention Center (OCC) and the Portland Expo Center (Expo), both of which are owned by Metro, and Portland Center for the Performing Arts (PCPA) through an intergovernmental agreement with the City of Portland, which owns these facilities. Beginning in FY 2007–08 the MERC Pooled Capital Fund was absorbed into the MERC Operating Fund to create the MERC Fund. The venues are overseen by the the Metropolitan Exposition Recreation Commission, a commission appointed by the Metro Council.

CURRENT REVENUES

Local government shared revenues

The revenues recorded in this classification are the transient lodging taxes and auto rental taxes collected by Multnomah County to support operations of OCC and PCPA. This source of revenue is expected to decrease by approximately 3 percent, an indication of the downturn of the overall economy and the travel industry, as well as an adjustment to actual collections. In addition, the request for visitor development funding for OCC operating support is \$960,000 in FY 2010-11, an increase from \$660,000 in FY 2009-10.

Contributions from other governments

These revenues represent a contribution from the City of Portland to support the operations of the PCPA. The contribution is decreased by 0.53 percent, a Consumer Price Index growth/decline agreed upon by intergovernmental agreement.

Enterprise revenues

MERC charges various fees for the use of its facilities, including rental fees, concession revenues, catering, parking and other enterprise activities. Enterprise revenue is projected to increase 1.0 percent. This increase is the net result of no increase in OCC revenues and an increase in the number of weeks of Broadway shows and commercial shows at PCPA and the impact of a depressed economy on family type events at Expo in spite of increase in rental rates.

Interest

Interest is calculated on the fund balance. The anticipated interest earnings are 1.0 percent in FY 2010-11 and will generate \$235,523, a decline from FY 2009-10 expected earnings of \$586,518.

Donations and bequests

In the past donations received for capital improvements were recorded in the MERC Pooled Capital Fund to match the contributions with the capital projects that they fund. In FY 2007–08 the MERC Pooled Capital Fund was merged with the MERC Operating Fund. An overall increase of 286 percent in FY 2009-10 was from a large signing award from a new food and beverage contract. Donations are expected to be \$585,500 in FY 2010-11, predominantly from a donation from the Friends of PCPA.

Interfund transfers

This category includes approximately \$475,000 provided to the OCC from General Fund revenues under the Metro Tourism Opportunity and Competitiveness Account.

CURRENT EXPENDITURES

Personal services

The decrease in this classification is a result of the addition of normal merit and cost of living increases offset by the reduction of 4.0 FTE. The budget eliminates a Public Relations position, a Sales Manager at OCC, the MERC Chief Operating Officer, the Director of Business and Community Development and a part-time Event Manager. OCC combined two part-time staff to help with Telecom/WiFi connections at OCC.

Materials and services

This category includes spending for goods and services required to operate and market the facilities. The major expenditures in this category are for food service contracts, utilities, marketing services and facility maintenance expenses. Expenditures are expected to fall about 4.0 percent from the FY 2009-10 budget, demonstrating efficiencies in line with the tight economy.

Capital outlay

Overall spending on capital projects is increasing about 50 percent as reserves restricted to capital outlay are expended in the budgeted year. OCC outlays include repair to moveable air walls, variable air volume controllers and CO₂ sensors, addition of automatic hand dryers and signage upgrades. Food and beverage capital investments are planned at all three facilities from the new food and beverage contract. PCPA will start the first year of a two year project to repair the exterior on the Arlene Schnitzer Concert Hall.

Debt service

This category is the debt service for a Local Improvement District (LID) assessment from the City of Portland for the Steel Bridge Pedestrian Walkway project. The debt was defeased in FY 2009-10.

Interfund transfers

In FY 2010-11 this fund contains three interfund transfers. Transfers to the General Fund are for central service charges as allocated through the cost allocation plan. Transfers to the Risk Management Fund represent MERC's costs associated with property, liability and workers' compensation insurance, claims and reserves. The transfer to the General Revenue Bond Fund is for principal and interest payments on Oregon Local Governments Full Faith and Credit bonds that refunded the OECDD loan, which provided financing for the Expo Center Hall D replacement.

Contingency

A contingency provides for unforeseen needs throughout the year. Expenditures from contingency may be made only through Council adoption of an ordinance amending the budget. Any transfer from contingency throughout the year that would exceed a cumulative amount greater than 15 percent of expenditures requires a full supplemental budget amendment, including public review.

FUND BALANCE

The beginning fund balance represents funds carried over from the previous year. These funds are used to maintain cash flow at the beginning of the fiscal year, preserve operating flexibility and provide cash reserves in the event of unexpected business downturns. The beginning fund balance is projected to be \$24.3 million. MERC expects to spend down some restricted reserves for capital improvements resulting in an anticipated ending fund balance of \$20.9 million.



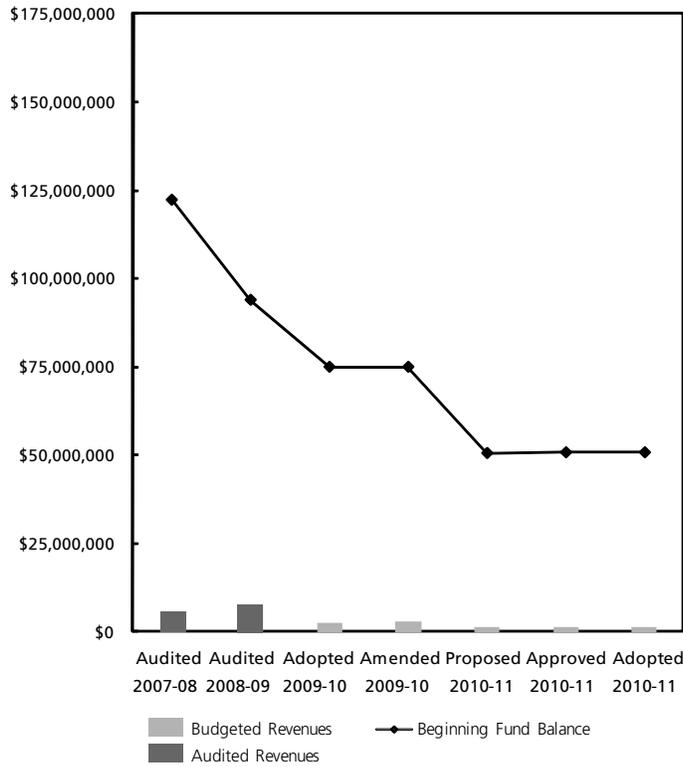
**Natural
Areas Fund**



Natural Areas Fund

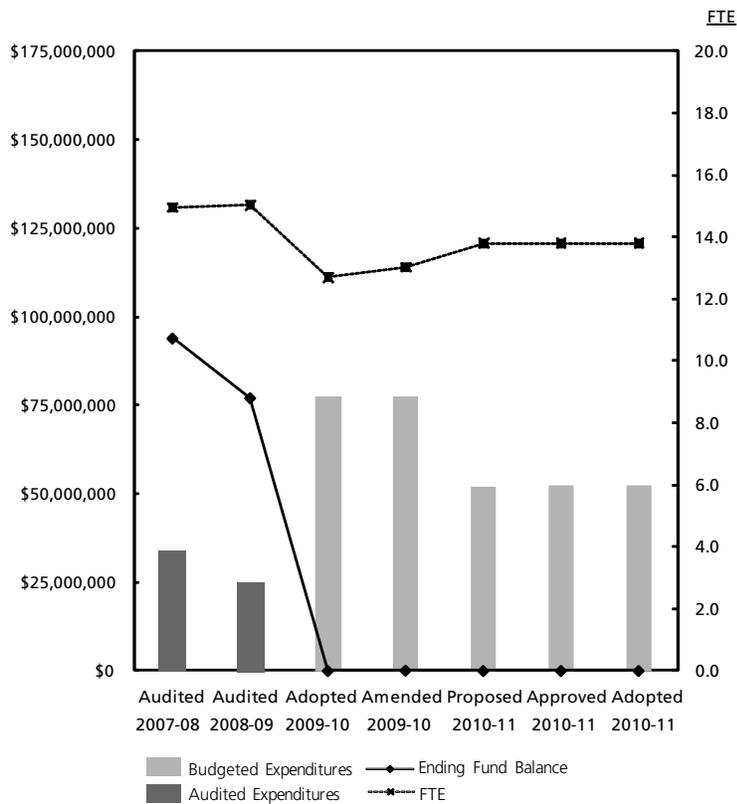
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$122,299,467	\$93,975,794	\$75,000,000	\$75,000,000	\$50,575,000	\$50,775,000	\$50,775,000	(32.30%)
Current Revenues								
Grants	0	526,680	835,710	835,710	913,210	913,210	913,210	9.27%
Interest Earnings	5,600,503	2,538,906	1,875,000	1,875,000	505,750	505,750	505,750	(73.03%)
Donations	0	4,695,376	0	90,000	30,000	30,000	30,000	(66.67%)
Other Misc. Revenue	27,380	100,000	0	0	0	0	0	0.00%
Subtotal Current Revenues	5,627,883	7,860,962	2,710,710	2,800,710	1,448,960	1,448,960	1,448,960	(48.26%)
TOTAL RESOURCES	\$127,927,350	\$101,836,756	\$77,710,710	\$77,800,710	\$52,023,960	\$52,223,960	\$52,223,960	(32.87%)
REQUIREMENTS								
Current Expenditures								
Personal Services	\$1,040,469	\$1,353,545	\$1,273,625	\$1,297,344	\$1,350,698	\$1,350,698	\$1,350,698	4.11%
Materials and Services	5,433,072	4,704,762	12,150,000	12,150,000	12,150,000	12,150,000	12,150,000	0.00%
Capital Outlay	26,726,564	17,602,084	45,119,612	45,119,612	33,002,590	33,202,590	33,202,590	(26.41%)
Interfund Transfers:								
Interfund Reimbursements	629,924	969,315	870,756	870,756	883,646	883,646	883,646	1.48%
Internal Service Transfers	121,527	97,843	601,536	601,536	618,595	618,595	618,595	2.84%
Contingency	0	0	17,667,050	17,642,838	3,988,905	3,988,905	3,988,905	(77.39%)
Subtotal Current Expenditures	33,951,556	24,727,549	77,682,579	77,682,086	51,994,434	52,194,434	52,194,434	(32.81%)
<i>Ending Fund Balance</i>	<i>93,975,794</i>	<i>77,109,207</i>	<i>28,131</i>	<i>118,624</i>	<i>29,526</i>	<i>29,526</i>	<i>29,526</i>	<i>(75.11%)</i>
TOTAL REQUIREMENTS	\$127,927,350	\$101,836,756	\$77,710,710	\$77,800,710	\$52,023,960	\$52,223,960	\$52,223,960	(32.87%)
FULL-TIME EQUIVALENTS	14.95	15.03	12.70	13.03	13.80	13.80	13.80	5.91%

Current revenues and fund balance



Natural Areas Fund

Current expenditures and full-time equivalents



Natural Areas Fund

In November 2006 the voters of the Metro region authorized the sale of \$227.4 million in general obligation bonds for the purpose of preserving natural areas and stream frontages, maintaining and improving water quality and protecting fish and wildlife habitat. The \$227.4 million total voter authorization included three elements:

- \$168.4 million regional component to purchase regionally significant natural areas in 27 target areas.
- \$44 million local share component to be provided directly to local cities, counties and park providers to allow flexibility for each community to meet its own needs and offer citizens improved access to nature in neighborhoods.
- \$15 million Nature in Neighborhoods Capital Grant program to complement the regional and local share portions of the 2006 bond measure by providing opportunities for the community to actively protect fish and wildlife habitat and water quality near where people live and work.

The first series of bonds under the 2006 authorization was issued in April 2007 for \$124,295,000. The agency is currently reevaluating program needs under this authorization. A small taxable issue of \$10 million is being considered for FY 2010-11 with the balance of the authorization issued in FY 2011-12. The Natural Areas Fund is used to account for proceeds and expenditures related to the Natural Areas general obligation bonds.

CURRENT REVENUES

Grants

Grants of approximately \$913,000 are anticipated in FY 2010-11 to assist in the acquisition and stabilization of certain key properties as well as the completion of targeted regional projects.

Interest earnings

Interest of \$506,000 will be earned on the unexpended balance of bond proceeds and other resources. Bond proceeds are invested in compliance with bond and arbitrage requirements.

CURRENT EXPENDITURES

Personal services

This category includes salaries and benefits for 13.80 FTE to implement the goals of the Natural Areas program as approved by the voters in November 2006. With the approval of the bond measure the Metro Council approved the addition of 13 new positions to support the acquisition, stabilization, local share and community grant elements of the program. Several of those positions related to financial and administrative support are now budgeted in a support pool in Parks and Environmental Services. In addition, portions of several existing positions were transferred from Parks and Environmental Services, the Sustainability Center and the former Open Spaces program to provide other expertise to the program. Legal and due diligence staff associated with the program are budgeted in the Office of Metro Attorney in the General Fund.

Materials and services

Funds are budgeted for local share payments to other jurisdictions and community grants. Professional and property services related to land acquisition are now budgeted under capital outlay.

Capital outlay

The capital outlay budget provides for the acquisition of land and the capital improvements of several existing properties as authorized under the bond measure. All contracted and property related services such as appraisals formerly budgeted under materials and services are now budgeted under capital outlay. The Natural Areas program is a willing seller program. Actual expenditures are dependent on available property. The budget allows the flexibility to meet a more aggressive acquisition goal should the opportunities arise.

Interfund transfers

Expenditures in this category include transfers to the General and Risk Management funds for central services, rent and insurance costs incurred on behalf of the Natural Areas program. These charges are allocated based on an approved central services cost allocation plan. There is also a transfer to the Research Center for mapping services provided by the Data Resource Center, as well as transfers for administrative and financial support provided by Parks and Environmental Services.

Contingency

Contingency funds are provided to meet unforeseen needs throughout the year. The Metro Council may, through budget amendment, move up to 15 percent of the value of the fund's appropriations from contingency. Any amount above that requires a full supplemental budget action. Because of the willing seller nature of the program, the Natural Areas Fund includes a contingency level that is significantly higher than would normally be budgeted. The balance of bond proceeds carried over from previous years and not needed to fund current year expenditures is placed in contingency.

FUND BALANCE

The fund balance represents unexpended bond proceeds plus interest earned. The balance will decrease as the program goals are achieved.



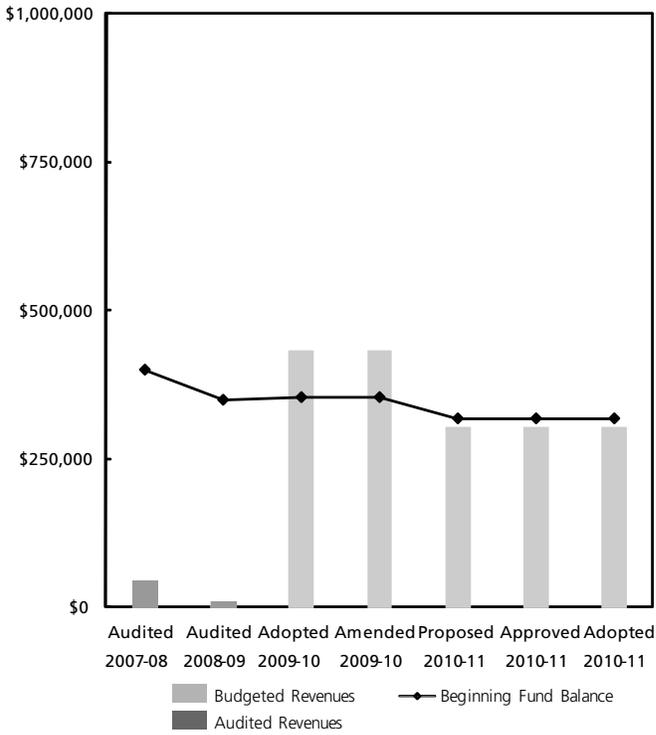
**Open
Spaces
Fund**



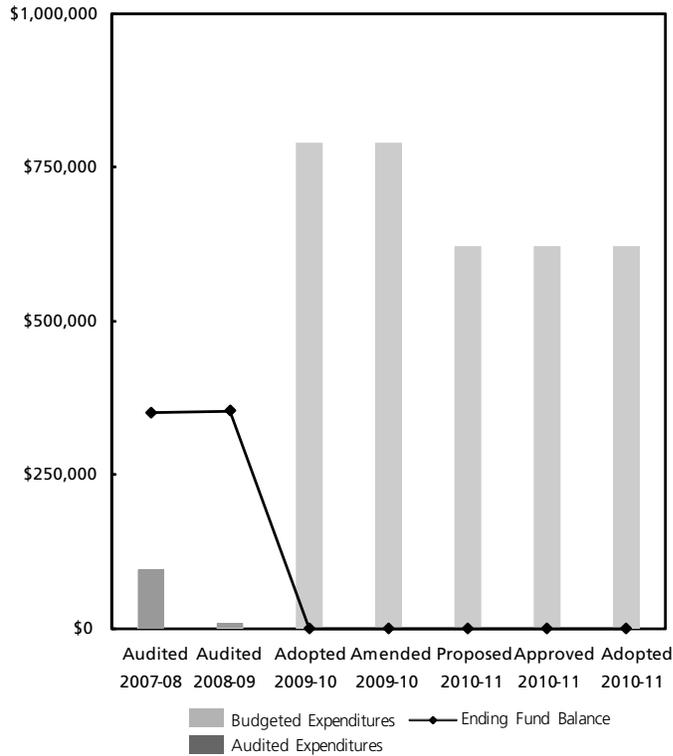
Open Spaces Fund

	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$400,389	\$350,070	\$354,515	\$354,515	\$318,942	\$318,942	\$318,942	(10.03%)
Current Revenues								
Grants	10,000	0	75,000	75,000	0	0	0	(100.00%)
Interest Earnings	18,183	10,584	8,863	8,863	3,189	3,189	3,189	(64.02%)
Donations	0	0	0	0	0	0	0	0.00%
Other Misc. Revenue	16,000	0	350,000	350,000	300,000	300,000	300,000	(14.29%)
Subtotal Current Revenues	44,183	10,584	433,863	433,863	303,189	303,189	303,189	(30.12%)
TOTAL RESOURCES	\$444,572	\$360,654	\$788,378	\$788,378	\$622,131	\$622,131	\$622,131	(21.09%)
REQUIREMENTS								
Current Expenditures								
Personal Services	\$2,271	\$372	\$0	\$0	\$0	\$0	\$0	0.00%
Materials and Services	92,231	1,555	0	0	0	0	0	0.00%
Capital Outlay	0	5,090	788,378	788,378	622,131	622,131	622,131	(21.09%)
Subtotal Current Expenditures	94,502	7,017	788,378	788,378	622,131	622,131	622,131	(21.09%)
<i>Ending Fund Balance</i>	<i>350,070</i>	<i>353,637</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0.00%</i>
TOTAL REQUIREMENTS	\$444,572	\$360,654	\$788,378	\$788,378	\$622,131	\$622,131	\$622,131	(21.09%)
FULL-TIME EQUIVALENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

Current revenues and fund balance



Current expenditures



Open Spaces Fund

Open Spaces Fund

In July 1992 Metro adopted the Metropolitan Greenspaces Master Plan. Among other strategies, the master plan called for the acquisition of regionally significant open spaces. The Open Spaces Fund has been used to account for bond proceeds and expenditures related to the Open Spaces, Parks and Streams 1995 general obligation bonds.

The fund includes the Open Spaces Acquisition program managed by the Sustainability Center. Historically the fund also managed and paid for the Due Diligence program. As purchases waned, the Due Diligence program switched emphasis to “owned” land agency-wide. As a result, the Due Diligence program was fully absorbed in the Office of Metro Attorney and costs allocated agency-wide as appropriate.

The funds have been used to purchase regionally significant open spaces in 14 target areas and six regional trails and greenway areas, construct two regional trails and fund approximately 90 local government parks projects through the local greenspaces project element of the bond measure.

As the acquisition program funded by this bond measure neared completion, staff were reduced or transferred to Parks and Environmental Services or the Sustainability Center for long-term maintenance of the properties.

CURRENT REVENUES

Interest earnings

Interest is earned on the unexpended balance of bond proceeds and other resources. Bond proceeds are invested in compliance with bond and arbitrage requirements. Interest earnings decline as the balance of bond proceeds is expended.

Sale of fixed assets

During FY 2010-11 Metro plans to sell a portion of a property purchased under the Open Spaces land acquisition program. Proceeds from the sale will be returned to the program for reinvestment in property.

CURRENT EXPENDITURES

Personal services

Historically this category included salary and benefits for staff hired to carry out the goals of the bond measure; as bond proceeds declined, staff was reduced or transferred to operations and maintenance.

Materials and services

Funds previously budgeted for completion of stabilization projects on lands purchased under the bond measure are now budgeted under capital outlay.

Capital outlay

The capital outlay appropriation reflects the final remaining amount available for the purchase of land.

FUND BALANCE

The fund balance represents unexpended bond proceeds plus interest earned. The balance has decreased as the program goals are achieved.

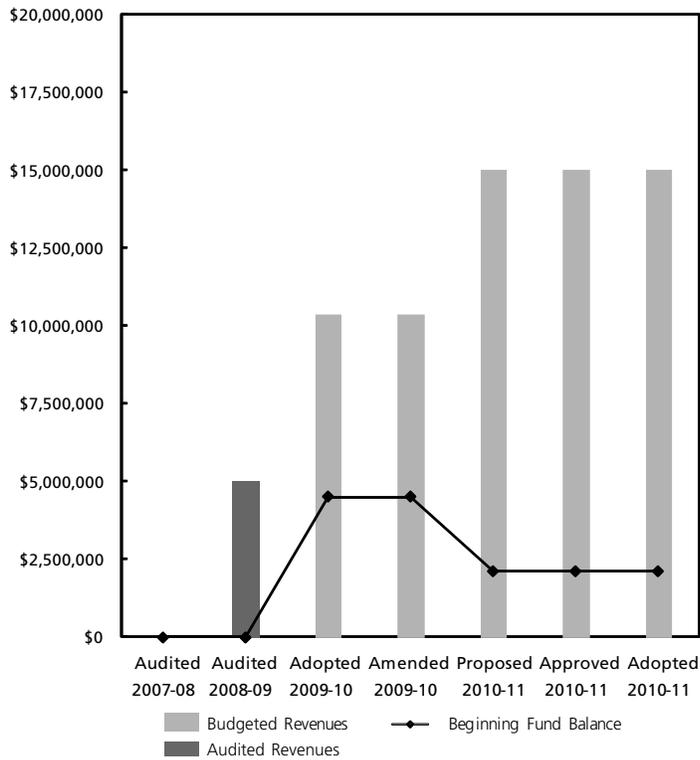
**Oregon Zoo
Infrastructure
and Animal
Welfare
Bond Fund**



Oregon Zoo Infrastructure and Animal Welfare Bond Fund

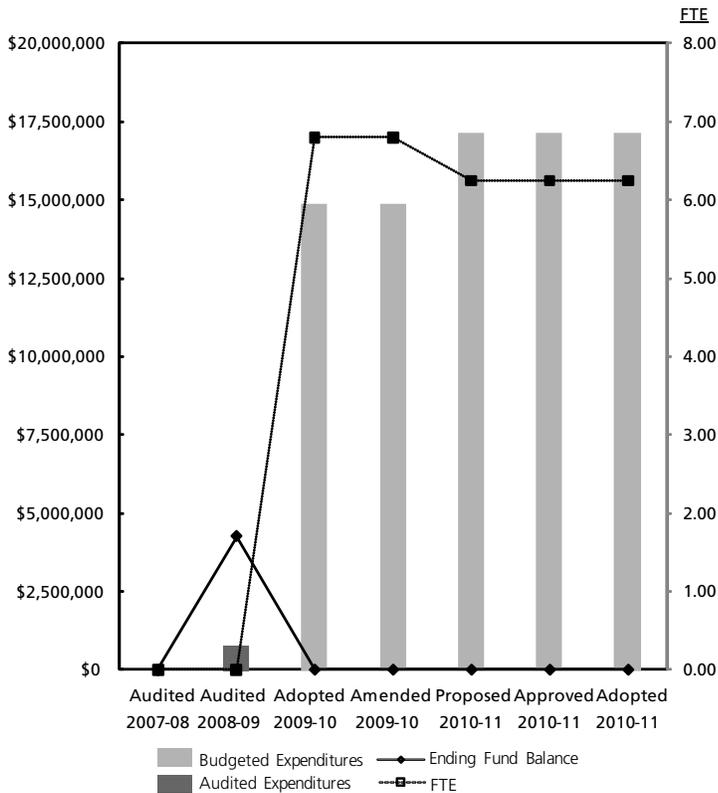
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$0	\$0	\$4,512,846	\$4,512,846	\$2,121,338	\$2,121,338	\$2,121,338	(52.99%)
Current Revenues								
Interest Earnings	0	37,280	362,821	362,821	21,213	21,213	21,213	(94.15%)
Bond and Loan Proceeds	0	5,000,000	10,000,000	10,000,000	15,000,000	15,000,000	15,000,000	50.00%
Subtotal Current Revenues	0	5,037,280	10,362,821	10,362,821	15,021,213	15,021,213	15,021,213	44.95%
TOTAL RESOURCES	\$0	\$5,037,280	\$14,875,667	\$14,875,667	\$17,142,551	\$17,142,551	\$17,142,551	15.24%
REQUIREMENTS								
Current Expenditures								
Personal Services	\$0	\$101,178	\$684,142	\$684,142	\$659,562	\$659,562	\$659,562	(3.59%)
Capital Outlay	0	676,046	11,350,000	11,350,000	14,696,830	14,696,830	14,696,830	29.49%
Interfund Transfers:								
Interfund Reimbursements	0	0	0	0	190,278	190,278	190,278	0.00%
Internal Service Transfers	0	0	0	0	104,637	104,637	104,637	0.00%
Contingency	0	0	2,826,363	2,826,363	1,476,683	1,476,683	1,476,683	(47.75%)
Subtotal Current Expenditures	0	777,224	14,860,505	14,860,505	17,127,990	17,127,990	17,127,990	15.26%
<i>Ending Fund Balance</i>	0	4,260,056	15,162	15,162	14,561	14,561	14,561	(3.96%)
TOTAL REQUIREMENTS	\$0	\$5,037,280	\$14,875,667	\$14,875,667	\$17,142,551	\$17,142,551	\$17,142,551	15.24%
FULL-TIME EQUIVALENTS	0.00	0.00	6.80	6.80	6.25	6.25	6.25	(8.09%)

Current revenues and fund balance



Oregon Zoo Infrastructure and Animal Welfare Bond Fund

Current expenditures and full-time equivalents



Oregon Zoo Infrastructure and Animal Welfare Bond Fund

In November 2008 the voters of the Metro region authorized the sale of \$125.0 million in general obligation bonds for Oregon Zoo infrastructure and projects related to animal welfare. A small bond of \$5 million was issued in December 2008 under this authorization; another small issue of \$15 million will be issued in early FY 2010-11. As project planning, design and permitting progresses, additional bonds under this authorization will be issued.

CURRENT REVENUES

Interest earnings

Interest of approximately \$21,000 will be earned on the unexpended balance of bond proceeds and other resources. Bond proceeds are invested in compliance with bond and arbitrage requirements.

CURRENT EXPENDITURES

Personal services

This category includes salaries and benefits for 6.25 FTE to implement the Oregon Zoo Bond program, 0.55 FTE is moved from the bond program back to zoo operations to better segregate and manage the activities. One new position has been added to provide support to the staff responsible for the planning, design and construction of the planned projects. In addition, one existing position was eliminated.

Capital outlay

The capital outlay budget provides for preliminary master planning, land use and permitting costs for all projects, as well as initial construction costs for several projects including the veterinary hospital, improving on-site elephant facilities, more humane enclosures for apes and monkeys and the penguin filtration system.

Interfund Transfers

This category includes charges from the General or Risk Management funds for services received such as legal, payroll, accounting, human resources, finance and communications. In FY 2010-11 the bond fund will also transfer funds to Communications to assist with public involvement and the land use process.

Contingency

Contingency funds are provided to meet unforeseen needs or other emergencies throughout the fiscal year. The Metro Council must authorize the appropriation and expenditure of contingency by ordinance.

FUND BALANCE

The fund balance represents unexpended bond proceeds plus interest earned. The balance will decrease as the program goals are achieved.

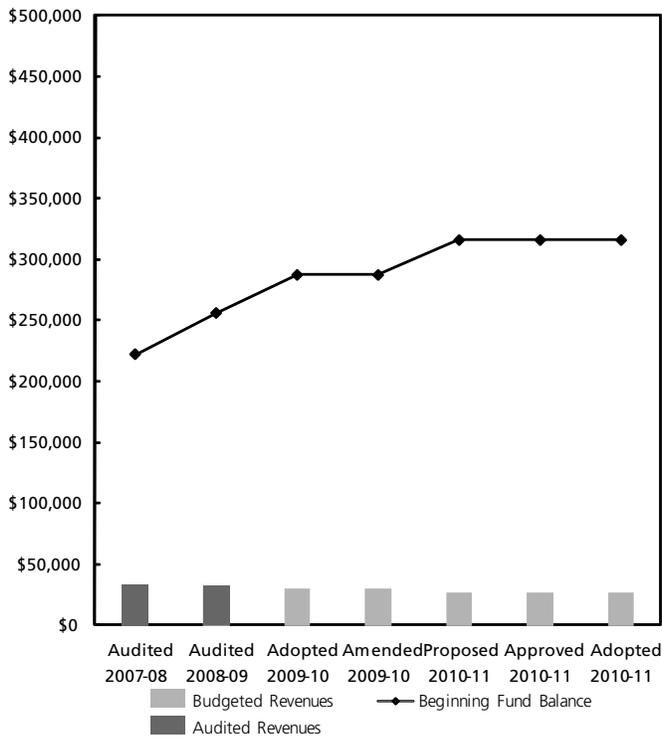
**Pioneer
Cemetery
Perpetual
Care Fund**



Pioneer Cemetery Perpetual Care Fund

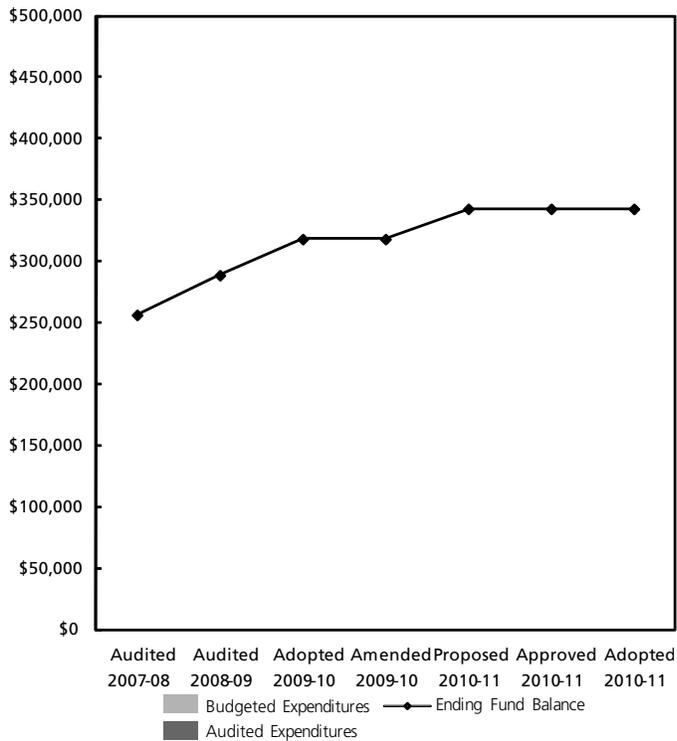
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$222,452	\$256,340	\$287,615	\$287,615	\$316,297	\$316,297	\$316,297	9.97%
Current Revenues								
Other Derived Tax Revenue	23,267	24,168	23,300	23,300	23,300	23,300	23,300	0.00%
Interest Earnings	10,621	8,175	7,190	7,190	3,163	3,163	3,163	(56.01%)
Subtotal Current Revenues	33,888	32,343	30,490	30,490	26,463	26,463	26,463	(13.21%)
TOTAL RESOURCES	\$256,340	\$288,683	\$318,105	\$318,105	\$342,760	\$342,760	\$342,760	7.75%
REQUIREMENTS								
<i>Ending Fund Balance</i>	\$256,340	\$288,683	\$318,105	\$318,105	\$342,760	\$342,760	\$342,760	7.75%
TOTAL REQUIREMENTS	\$256,340	\$288,683	\$318,105	\$318,105	\$342,760	\$342,760	\$342,760	7.75%
FULL-TIME EQUIVALENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

Current revenues and fund balance



Pioneer Cemetery Perpetual Care Fund

Current expenditures



Pioneer Cemetery Perpetual Care Fund

The Pioneer Cemetery Perpetual Care Fund was created in FY 2003–04 to provide financial support for the long-term maintenance of the Metro Pioneer Cemeteries after the cemeteries are no longer receiving revenue from grave sales and burial services. The fund was seeded with a transfer of the Willamina Farmer Family account from the Regional Parks Specials Accounts Fund. This account was a bequest from the family to provide for the long-term maintenance and upkeep of the Farmer Family plot and the Pioneer Cemeteries.

Resolution 08-3943, adopted May 15, 2008, clarified the fund as a permanent fund, restricting the use of the principal. The fund receives revenue from a 15 percent surcharge on grave sales, the maximum amount allowed by state law. No expenditures are anticipated from this fund until grave sites are exhausted at the cemeteries.

A recent review of the cemetery sites shows fewer burial plots remaining than originally thought. The Metro Council will consider pricing strategies and other revenue options in FY 2010-11.

CURRENT REVENUES

Other derived tax revenue

A 15 percent surcharge is added to every grave sale to provide a contribution to the long-term perpetual care of the plot. Revenues are not increasing because of the temporary suspension of grave sales at Lone Fir and Multnomah cemeteries.

Interest earnings

Interest will be earned on the balance of the fund. Interest is projected at 1.0 percent of the cash balance.

FUND BALANCE

No expenditures are planned from this fund until such time as the department runs out of grave sites to sell. The fund balance will continue to grow annually with additional contributions from grave sales and interest earnings.

**Rehabilitation
and
Enhancement
Fund**

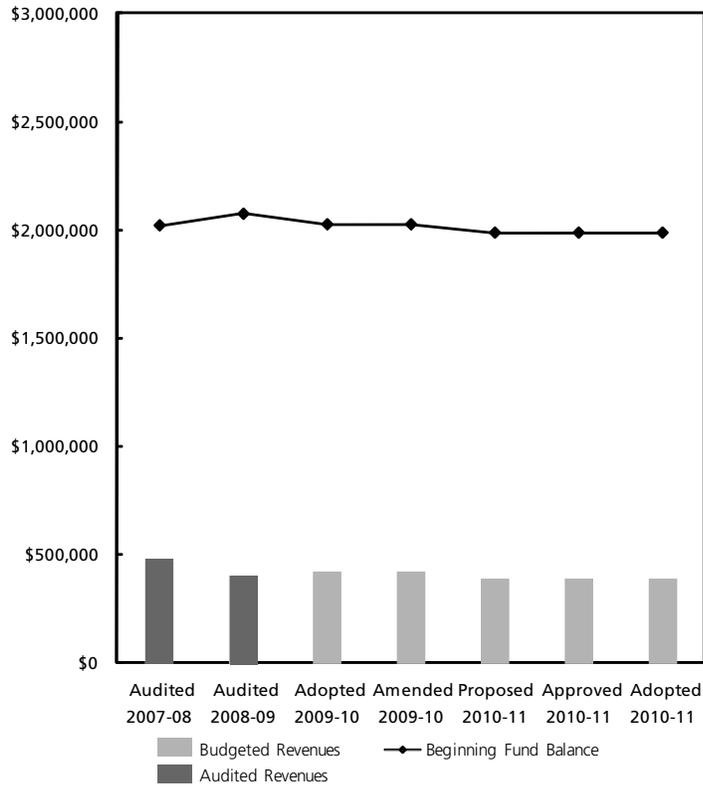


Rehabilitation and Enhancement Fund

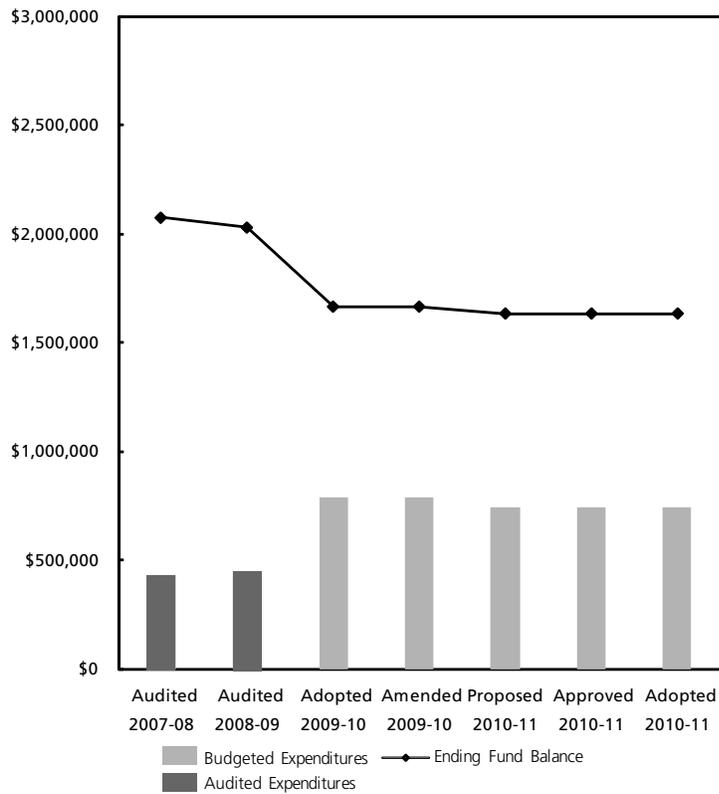
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$2,021,856	\$2,074,726	\$2,026,532	\$2,026,532	\$1,988,304	\$1,988,304	\$1,988,304	(1.89%)
Current Revenues								
Interest Earnings	91,706	61,936	50,663	50,663	19,883	19,883	19,883	(60.75%)
Interfund Transfers:								
Fund Equity Transfers	387,805	339,435	373,312	373,312	367,984	367,984	367,984	(1.43%)
Subtotal Current Revenues	479,511	401,371	423,975	423,975	387,867	387,867	387,867	(8.52%)
TOTAL RESOURCES	\$2,501,367	\$2,476,097	\$2,450,507	\$2,450,507	\$2,376,171	\$2,376,171	\$2,376,171	(3.03%)
REQUIREMENTS								
Current Expenditures								
Materials and Services	\$397,246	\$416,683	\$452,649	\$452,649	\$409,639	\$409,639	\$409,639	(9.50%)
Interfund Transfers:								
Internal Service Transfers	29,395	30,085	32,662	32,662	32,962	32,962	32,962	0.92%
Contingency	0	0	300,000	300,000	300,000	300,000	300,000	0.00%
Subtotal Current Expenditures	426,641	446,768	785,311	785,311	742,601	742,601	742,601	(5.44%)
<i>Ending Fund Balance</i>	2,074,726	2,029,329	1,665,196	1,665,196	1,633,570	1,633,570	1,633,570	(1.90%)
TOTAL REQUIREMENTS	\$2,501,367	\$2,476,097	\$2,450,507	\$2,450,507	\$2,376,171	\$2,376,171	\$2,376,171	(3.03%)
FULL-TIME EQUIVALENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

Rehabilitation and Enhancement Fund

Current revenues and fund balance



Current expenditures



Rehabilitation and Enhancement Fund

The Rehabilitation and Enhancement Fund was established to comply with Senate Bill 662, enacted by the Oregon Legislature in 1985. The fund accounts for rehabilitation and enhancement fees (\$0.50 per ton of solid waste material processed) collected at the Metro Central, Metro South and Forest Grove transfer stations. Funds are used for community enhancement projects in the vicinity of each of these solid waste facilities:

North Portland Community Enhancement Program: The North Portland Community Enhancement Committee solicits and recommends projects to rehabilitate and enhance North Portland areas surrounding the St. Johns Landfill. Because the landfill no longer generates fees, revenue for this program comes from interest earnings on the fund balance for this account. On a one-time basis, a portion of the St. Johns Landfill gas recovery revenue was dedicated to this program in FY 2005–06. This dedication was to offset the impact of low interest earnings and allow the committee to formulate a long range spending plan for these funds during FY 2005–06. The committee decided to continue the policy of spending only anticipated interest earnings. Anticipated earnings more than the budgeted amount will be maintained to enable the committee to fund more grants during periods of lower interest yields. This year is anticipated to have a lower interest yield, therefore the recommended expected spending of \$36,000 is about \$19,000 more than anticipated interest earnings.

Oregon City Community Enhancement Program: Receives funds from community enhancement fees at Metro South Station in Oregon City. Funds are paid to Oregon City on a quarterly basis and are used for local community enhancement projects.

Metro Central Community Enhancement Program: Receives funds from community enhancement fees at Metro Central Station. Funds are used for community enhancement projects in the vicinity of Metro Central Station in Northwest Portland, as recommended by a seven-member citizen committee.

Forest Grove Community Enhancement Program: Receives fees collected at a privately owned transfer station in Forest Grove. Funds are paid to the City of Forest Grove on a quarterly basis and are used for local community enhancement projects.

CURRENT REVENUES

Interest

This represents interest earned on the fund balances designated for the North Portland Community Enhancement and Metro Central Enhancement accounts.

Interfund transfers

These funds are the community enhancement fees collected at the solid waste facilities and transferred from the Solid Waste Revenue Fund. Transfers vary from year to year depending upon the solid waste tonnage received.

CURRENT EXPENDITURES

Materials and services

About 54 percent of the materials and services expenditures in this fund is for grants and contractual services. The North Portland and Metro Central Community Enhancement Committees administer programs through grants and contracts with community organizations and others. Most of the remaining expenditures are direct payments to Oregon City and Forest Grove.

Interfund transfers

This represents funds transferred to the Solid Waste Revenue Fund for personal services costs associated with employee staffing of the North Portland and Metro Central Community Enhancement committees.

Contingency

Of the \$300,000 budgeted in FY 2010-11, \$200,000 is allocated for the North Portland Community Enhancement program, which has consistently maintained a higher contingency to provide greater flexibility to finance projects during the fiscal year. The Metro Council, through ordinance, must authorize use of contingency funds.



**Risk
Management
Fund**

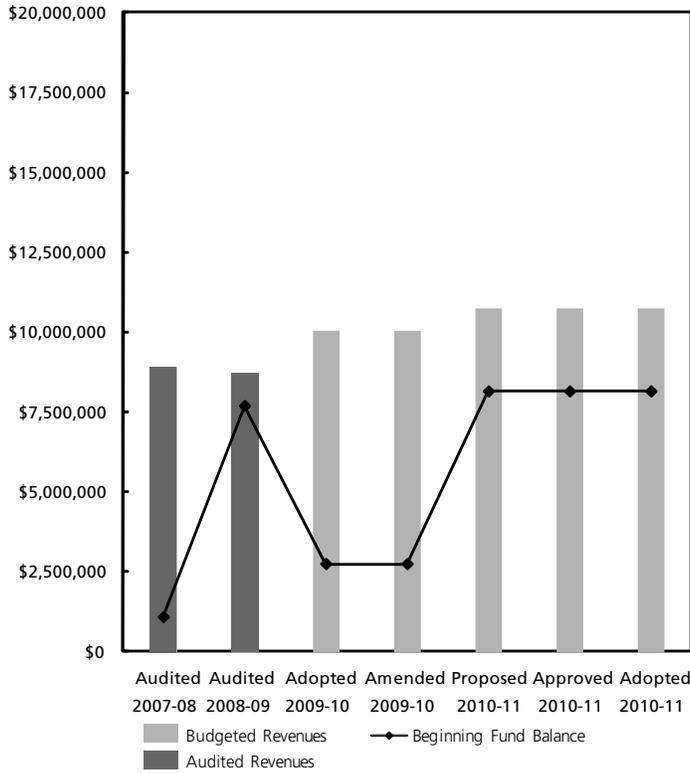


Risk Management Fund

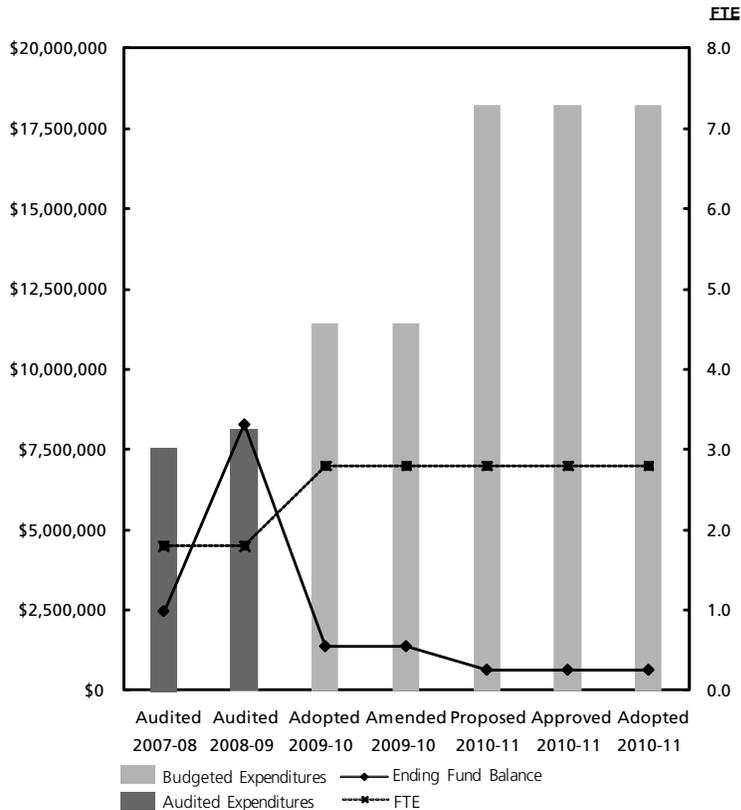
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$1,101,136	\$7,687,255	\$2,756,352	\$2,756,352	\$8,142,227	\$8,142,227	\$8,142,227	195.40%
Current Revenues								
Grants	71,446	62,320	40,000	40,000	50,000	50,000	50,000	25.00%
Enterprise Revenue	6,914,850	6,996,780	8,586,555	8,586,555	9,470,278	9,470,278	9,470,278	10.29%
Interest Earnings	380,843	281,032	200,000	200,000	25,000	25,000	25,000	(87.50%)
Other Misc. Revenue	85,071	529	5,000	5,000	5,000	5,000	5,000	0.00%
Interfund Transfers:								
Interfund Reimbursements	1,473,146	1,397,822	1,150,000	1,150,000	1,125,423	1,125,423	1,125,423	(2.14%)
Internal Service Transfers	0	0	61,710	61,710	60,672	60,672	60,672	(1.68%)
Subtotal Current Revenues	8,925,356	8,738,483	10,043,265	10,043,265	10,736,373	10,736,373	10,736,373	6.90%
TOTAL RESOURCES	\$10,026,492	\$16,425,738	\$12,799,617	\$12,799,617	\$18,878,600	\$18,878,600	\$18,878,600	47.49%
REQUIREMENTS								
Current Expenditures								
Personal Services	\$152,751	\$163,677	\$258,640	\$258,640	\$267,152	\$267,152	\$267,152	3.29%
Materials and Services	7,411,486	7,960,889	11,175,399	11,175,399	12,231,485	12,231,485	12,231,485	9.45%
Interfund Transfers:								
Fund Equity Transfers	0	0	0	0	5,225,000	5,225,000	5,225,000	0.00%
Contingency	0	0	0	0	528,084	528,084	528,084	0.00%
Subtotal Current Expenditures	7,564,237	8,124,566	11,434,039	11,434,039	18,251,721	18,251,721	18,251,721	59.63%
<i>Ending Fund Balance</i>	<i>2,462,255</i>	<i>8,301,172</i>	<i>1,365,578</i>	<i>1,365,578</i>	<i>626,879</i>	<i>626,879</i>	<i>626,879</i>	<i>(54.09%)</i>
TOTAL REQUIREMENTS	\$10,026,492	\$16,425,738	\$12,799,617	\$12,799,617	\$18,878,600	\$18,878,600	\$18,878,600	47.49%
FULL-TIME EQUIVALENTS	1.80	1.80	2.80	2.80	2.80	2.80	2.80	0.00%

Risk Management Fund

Current revenues and fund balance



Current expenditures and full-time equivalents



Risk Management Fund

This fund accounts for the revenues and expenditures related to administration of Metro's Risk Management program and Employee Benefits program. Costs are assessed to all centers and services based on past claims experience and exposure. The fund is managed by Finance and Regulatory Services.

CURRENT REVENUES

Grants

Grant reimbursement is available from the State of Oregon Workers' Compensation Division for wage subsidies and work site modification. The amount of grant revenue depends on the number of qualifying injured workers.

Enterprise revenues

The enterprise revenues include internal charges for service to organizational units for insurance premiums related to unemployment and health and welfare.

Interest on investments

Interest on investments is forecast at \$25,000 for FY 2010-11, down from the prior year's budgeted \$200,000. This decrease reflects both a drop in interest rates in recent years, and the transfer back to the Solid Waste Fund of the \$5.225 million previously held in the Risk Management Fund for probable environmental liability. This transfer is explained in greater detail in the Interfund Transfers and Fund Balance sections of this summary.

Interfund transfers

On the revenue side, these transfers represent payments from other Metro programs for their assessed costs of the Risk Management program. In FY 2007-08 Risk Management increased its resources and reserves, changing the assessment method to (1) more accurately transfer insurance costs to the programs utilizing the different lines of insurance and (2) increase resources for total claims costs to ensure funding in accordance with the most recent actuarial report. Claim costs can vary significantly from year to year. In summer 2008 Metro received its latest scheduled independent actuarial report; Metro's Risk Management Fund exceeds the 85 percent confidence goal recommended by the actuary.

In FY 2004-05 Metro expensed \$5.225 million for probable environmental liability, based on an independent evaluation of its environmental impairment risks. While the money was not recognized in fund balance, it was not actually spent. In FY 2010-11, that \$5.225 million will be transferred from the Risk Management Fund to the Solid Waste Revenue Fund, the original source of the \$5.225 million in FY 2004-05 (see the Fund Balance section for more information).

CURRENT EXPENDITURES

Personal services

Costs associated with the Risk Management Fund include personnel costs for 2.8 FTE.

Materials and services

This classification includes the costs for the Employee Insurance, Health and Wellness, Liability/Property, Workers' Compensation and Unemployment programs. Each area has experienced an increase in costs over the past several years, the largest of which has been for health insurance.

FUND BALANCE

The Risk Management Fund is required to operate on an actuarially sound basis. Generally accepted accounting principles require that exposure liabilities, once known, be expensed. Although this action restricts the available fund balance, the funds remain with Metro since the liability is "probable" and not yet actually spent. In addition to the available fund balance, the Risk Management Fund in recent years has held \$5.225 million already expensed for probable pollution remediation liability, based on a FY 2003-04 independent evaluation. In FY 2009-10 GASB Statement 49, *Accounting and Financial Reporting for Pollution Remediation Obligations* required Metro to state its pollution remediation obligations in the fund where the liability resides, rather than defaulting to the Risk Management Fund. In FY 2010-11 \$5.225 million held in the Risk Fund as an environmental liability will be returned to the Solid Waste Fund where the liability and funding originated. In anticipation of this action, at the year end close out of FY 2008-09 the \$5.225 million environmental impairment liability was eliminated in the Risk Management Fund, and the beginning fund balance at July 1, 2008, was restated to \$7,687,255. Metro's pollution remediation obligations, as determined by a 2009 actuarial study under GASB 49, are now reflected directly in the Solid Waste and MERC funds.

In addition, approximately \$850,000 has been expensed for the probable final costs of workers' compensation, general liability and property claims. This will be reviewed at the end of FY 2009-10, using a recommended two year actuarial cycle.

In FY 2006-07 Metro expanded the opportunity for represented employees to "opt out" of Metro's health insurance program under certain restrictive conditions. Savings are to be used toward health insurance costs and are collected in the Risk Management Fund balance. In FY 2010-11 a portion of the opt out balance (estimated at \$600 per employee) will be spent to buy down Metro's share of employee health insurance costs.



**Smith and
Bybee
Wetlands
Fund**

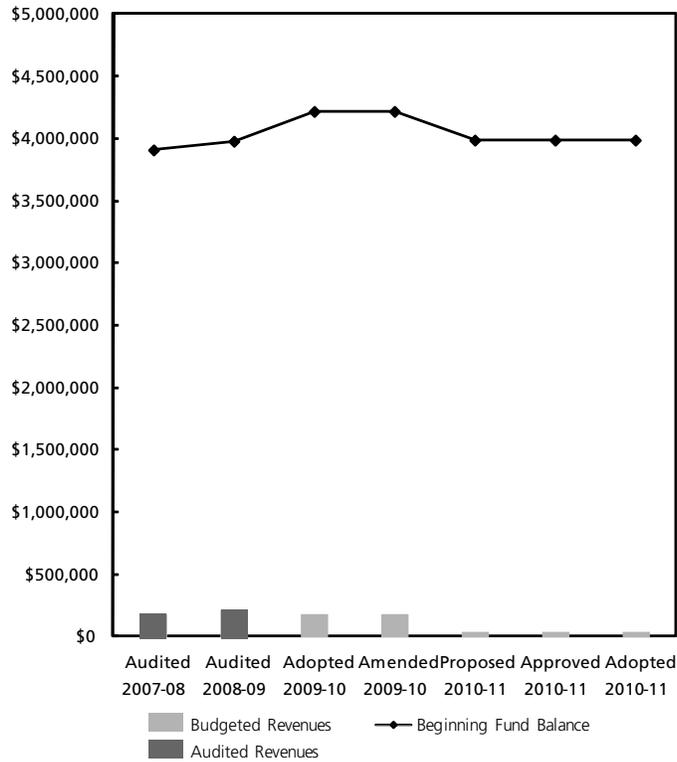


Smith and Bybee Wetlands Fund

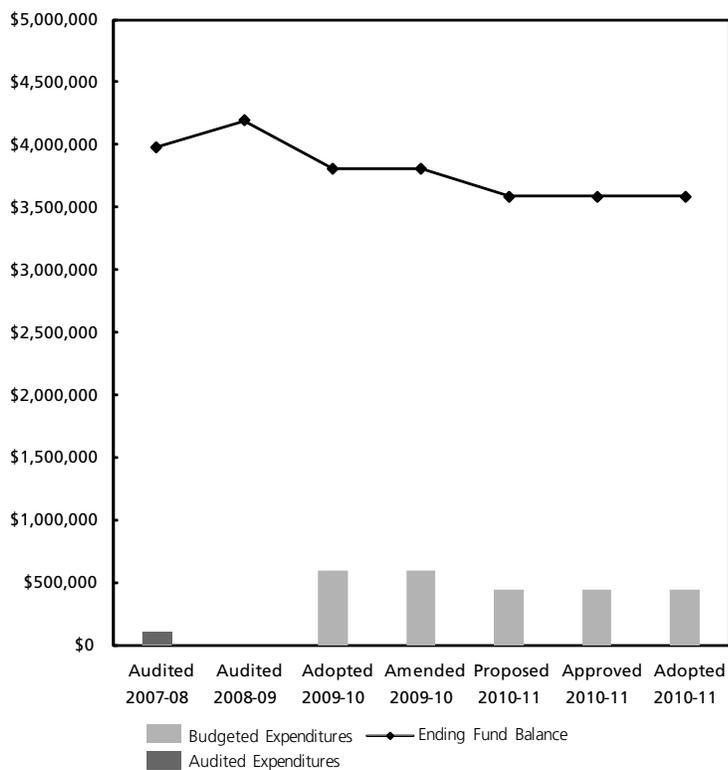
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$3,908,823	\$3,977,928	\$4,215,397	\$4,215,397	\$3,987,047	\$3,987,047	\$3,987,047	(5.42%)
Current Revenues								
Grants	0	0	30,000	30,000	0	0	0	(100.00%)
Contributions from other Gov'ts	0	0	50,000	50,000	0	0	0	(100.00%)
Enterprise Revenue	958	564	1,700	1,700	1,000	1,000	1,000	(41.18%)
Interest Earnings	176,975	122,129	103,091	103,091	39,870	39,870	39,870	(61.33%)
Interfund Transfers:								
Internal Service Transfers	0	91,740	0	0	0	0	0	0.00%
Subtotal Current Revenues	177,933	214,433	184,791	184,791	40,870	40,870	40,870	(77.88%)
TOTAL RESOURCES	\$4,086,756	\$4,192,361	\$4,400,188	\$4,400,188	\$4,027,917	\$4,027,917	\$4,027,917	(8.46%)
REQUIREMENTS								
Current Expenditures								
Materials and Services	\$87,128	\$0	\$266,740	\$221,740	\$130,000	\$130,000	\$130,000	(41.37%)
Interfund Transfers:								
Internal Service Transfers	21,700	0	124,899	169,899	111,379	111,379	111,379	(34.44%)
Contingency	0	0	200,000	200,000	200,000	200,000	200,000	0.00%
Subtotal Current Expenditures	108,828	0	591,639	591,639	441,379	441,379	441,379	(25.40%)
<i>Ending Fund Balance</i>	<i>3,977,928</i>	<i>4,192,361</i>	<i>3,808,549</i>	<i>3,808,549</i>	<i>3,586,538</i>	<i>3,586,538</i>	<i>3,586,538</i>	<i>(5.83%)</i>
TOTAL REQUIREMENTS	\$4,086,756	\$4,192,361	\$4,400,188	\$4,400,188	\$4,027,917	\$4,027,917	\$4,027,917	(8.46%)
FULL-TIME EQUIVALENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00%

Smith and Bybee Wetlands Fund

Current revenues and fund balance



Current expenditures



Smith and Bybee Wetlands Fund

This fund was established as a dedicated endowment fund for development and management of the Smith and Bybee Wetlands Natural Area as required by the Smith and Bybee Wetlands Natural Resource Management Plan. The plan was adopted by the City of Portland, Port of Portland and Metro Council in 1990. The plan, along with the St. Johns Landfill closure and purchase assurance agreement, designated Metro as the lead agency establishing and managing the fund and implementing the plan.

The plan calls for Smith and Bybee Wetlands to be managed as environmental and recreational resources for the region. The lakes are to be preserved in a manner faithful to their original condition as historical remnants of the Columbia River riparian and wetland system.

The fund is managed by Parks and Environmental Services.

CURRENT REVENUES

Enterprise revenues

The fund receives a small amount from fees collected from educational program users at the nature area.

Interest earnings

Interest is earned on the unused portion of the fund balance. Earnings are based on the current rates of Metro's average investment portfolio. For FY 2010-11 the budget assumes an interest rate of 1.0 percent and will generate approximately \$40,000 in earnings.

CURRENT EXPENDITURES

Materials and services

Expenditures in this category depend on the special nature of projects to be completed under the management plan. Several small projects are anticipated for FY 2010-11.

Transfers

The fund reimburses Parks and Environmental Services and the Sustainability Center for costs associated with management and oversight of the natural areas including a small portion of an environmental educator and a natural resource scientist.

FUND BALANCE

Other than interest earnings, the fund has no continuous source of funding. The fund was established as an endowment fund to enable the development and management of the Smith and Bybee Wetlands Natural Area. However, it was known at the time of the development of the management plan that the existing fund balance would be insufficient to fund fully all current and long-term needs. The fund balance has been stable relatively for several years and will show fluctuations depending on specific program needs.

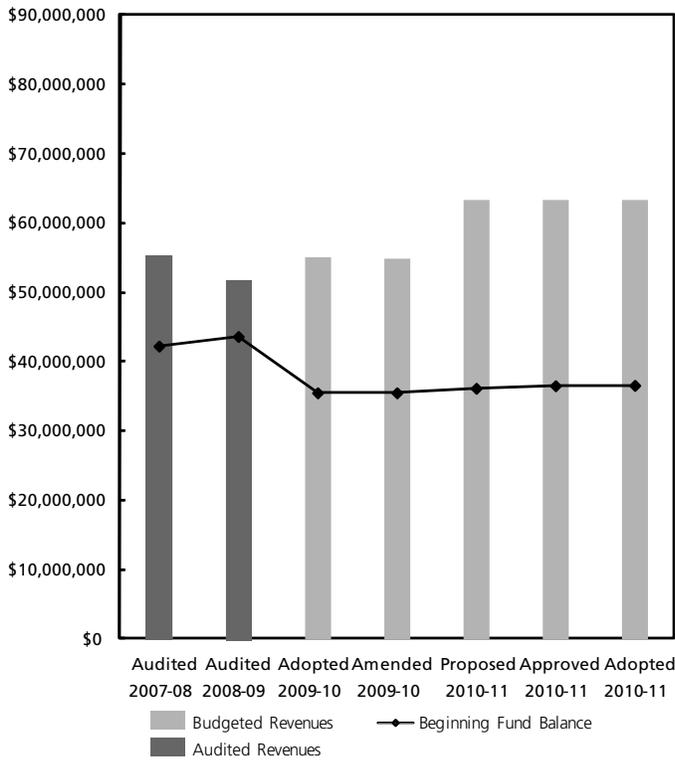
**Solid
Waste
Revenue
Fund**



Solid Waste Revenue Fund

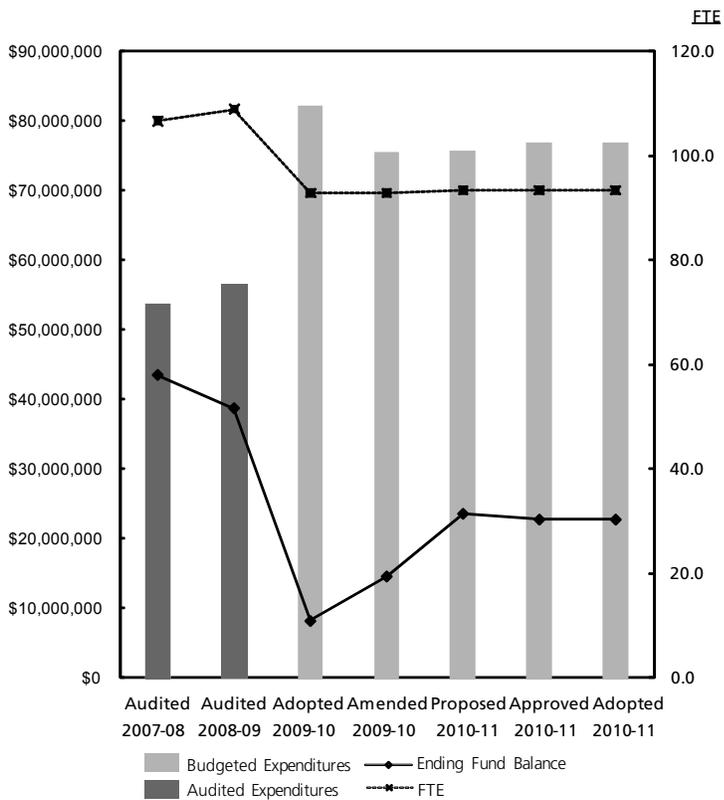
	Audited FY 2007-08	Audited FY 2008-09	Adopted FY 2009-10	Amended FY 2009-10	Proposed FY 2010-11	Approved FY 2010-11	Adopted FY 2010-11	Change from FY 2009-10 Amended
RESOURCES								
<i>Beginning Fund Balance</i>	\$42,152,577	\$43,528,582	\$35,470,285	\$35,470,285	\$36,117,708	\$36,483,002	\$36,535,502	3.00%
Current Revenues								
Grants	34,966	2,387	1,094,105	1,094,105	1,094,105	1,411,752	1,411,752	29.03%
Enterprise Revenue	53,149,453	50,361,800	52,667,789	52,667,789	56,327,850	56,057,596	56,057,596	6.44%
Interest Earnings	1,880,967	1,157,633	883,119	883,119	357,538	357,538	357,538	(59.51%)
Donations	0	25,729	0	0	0	0	0	0.00%
Other Misc. Revenue	109,912	114,621	33,000	33,000	33,000	33,000	33,000	0.00%
Interfund Transfers:								
Internal Service Transfers	29,395	30,085	32,662	32,662	32,962	32,962	32,962	0.92%
Interfund Loan	0	0	266,250	0	0	0	0	0.00%
Fund Equity Transfers	13,000	39,299	122,375	122,375	5,413,487	5,413,487	5,413,487	4323.69%
Subtotal Current Revenues	55,217,693	51,731,554	55,099,300	54,833,050	63,258,942	63,306,335	63,306,335	15.45%
TOTAL RESOURCES	\$97,370,270	\$95,260,136	\$90,569,585	\$90,303,335	\$99,376,650	\$99,789,337	\$99,841,837	10.56%
REQUIREMENTS								
Current Expenditures								
Personal Services	\$9,170,747	\$9,365,624	\$8,958,159	\$8,958,159	\$9,209,369	\$9,209,369	\$9,209,369	2.80%
Materials and Services	38,435,632	36,746,935	39,617,960	39,667,960	39,981,678	41,095,063	41,095,063	3.60%
Capital Outlay	446,538	1,142,558	5,066,583	5,066,583	5,011,783	5,141,783	5,194,283	2.52%
Debt Service	1,335,513	4,697,481	0	0	0	0	0	0.00%
Interfund Transfers:								
Interfund Reimbursements	3,397,065	3,473,361	4,358,532	4,358,532	4,353,932	4,353,932	4,353,932	(0.11%)
Internal Service Transfers	668,388	725,304	2,081,232	2,081,232	2,254,915	2,254,915	2,254,915	8.35%
Interfund Loan	0	0	10,650,000	0	0	0	0	0.00%
Fund Equity Transfers	387,805	339,435	388,815	388,815	386,386	386,386	386,386	(0.62%)
Contingency	0	0	11,172,580	15,122,580	14,540,763	14,540,763	14,540,763	(3.85%)
Subtotal Current Expenditures	53,841,688	56,490,698	82,293,861	75,643,861	75,738,826	76,982,211	77,034,711	1.84%
<i>Ending Fund Balance</i>	<i>43,528,582</i>	<i>38,769,438</i>	<i>8,275,724</i>	<i>14,659,474</i>	<i>23,637,824</i>	<i>22,807,126</i>	<i>22,807,126</i>	<i>55.58%</i>
TOTAL REQUIREMENTS	\$97,370,270	\$95,260,136	\$90,569,585	\$90,303,335	\$99,376,650	\$99,789,337	\$99,841,837	10.56%
FULL-TIME EQUIVALENTS	106.75	109.00	92.95	92.95	93.45	93.45	93.45	0.54%

Current revenues and fund balance



Solid Waste Revenue Fund

Current expenditures and full-time equivalents



Solid Waste Revenue Fund

The Solid Waste Revenue Fund is an enterprise fund established to account for Metro revenues and expenses related to the operation and management of the region's solid waste system.

Metro Ordinance No. 89-319, known as the Master Bond Ordinance and adopted in 1989, placed restrictions on the uses of this fund as a condition of issuing \$28 million in revenue bonds to finance major capital components of Metro's solid waste system. The ordinance set up the following accounts within the fund to facilitate compliance with bond covenants: operating, debt service, debt service reserve, landfill closure, construction, renewal and replacement and general account. Although the bonds were defeased in December 2008, Metro will continue to use the account system set up in the Master Bond Ordinance for its budget.

Almost 90 percent of the fund's current revenues consists of fees and charges. Solid waste revenue varies with solid waste tonnage, which in turn is influenced by economic activity and waste recovery efforts. Solid waste generation declined significantly during the economic downturn. The decline has flattened out, and the tonnage forecast for FY 2010-11 remains at about the same level as for FY 2009-10. By FY 2011-12 Metro expects to see a return of moderate growth.

Approximately 39 percent of current expenditures (including contingency) covers the cost of operations and disposal at Metro facilities. In FY 2010-11 \$29.6 million is budgeted for processing, transporting and landfilling solid waste, a 3.9 percent increase from FY 2009-10. Direct operating costs not related to the disposal operation are projected to increase 3 percent from the FY 2009-10 level. The budget structure for FY 2010-11 continues to reflect the Sustainable Metro Initiative budget structure implemented in FY 2009-10.

About \$5.2 million of total current expenditures will be spent on capital projects, as scheduled in Metro's capital budget. No single project dominates this fiscal year's capital expenditures with the exception of a dike stabilization project at St. Johns Landfill that will be completed by the U.S. Army Corps of Engineers, and recognized by Metro as the owner of the asset. This project was postponed from last year to this fiscal year. The next largest project is an expenditure of about \$750,000 to implement the Solid Waste Information System (SWIS) for tonnage data collection and reporting.

CURRENT REVENUES

Enterprise revenues

Metro's solid waste system is funded largely through three types of user fees: The Regional System Fee, the Metro Tip Fee, and transaction fees. The rates described as follows are included for FY 2010-11: The Regional System Fee is imposed on all waste generated in the Metro region and ultimately disposed of for a fee. The Metro Tip Fee is a user charge collected only at Metro transfer stations and includes the Regional System Fee. The rates for FY 2010-11 include a \$0.81 decrease in the Regional System Fee to \$16.72 per ton and a \$5.10 increase in the Metro Tip Fee to \$85.85 per ton. The Transaction Fee is a flat fee charged on each load of solid waste accepted at the Metro Transfer stations to cover costs that do not vary with the load size, such as scalehouse expenses. In FY 2006-07 Metro implemented a split transaction fee based on two customer classes to allocate scalehouse costs more accurately among users. The transaction fee at the staffed scales (scalehouses) will increase by \$1.00 to \$11.00 per transaction. At the automated scales, the charge will remain at the FY 2008-09 level, \$3.00 per transaction. Enterprise revenues includes a new \$1.3 million service fee revenue increase from the implementation of the product stewardship law in Oregon. Metro will be a contracted service provider for PaintCare, the paint industry's nonprofit corporation for managing the state's left over paint.

Total enterprise revenues are projected to increase by about 6.4 percent (\$3.4 million) from the FY 2009-10 budget.

Interest

Interest earnings were calculated using the current rate of return on Metro's investment portfolio and are expected to produce \$357,500, a decrease of \$525,000.

CURRENT EXPENDITURES

Personal services

The 93.45 FTE budgeted total represents a 0.50 FTE increase over the prior fiscal year. This increase is due to the reorganization of work strategies within the education programs.

Materials and services

Materials and services are budgeted to increase by approximately 3.6 percent (\$1,400,000) from the FY 2009-10 budget. This increase is predominantly driven by prices set by contract for processing, transporting and landfilling solid waste. The budget incorporates cost figures for two new contracts to operate Metro's transfer stations.

The FY 2010-11 budget includes changes to the Hazardous Waste program, both the collection program and the MetroPaint recycling facility, to implement the Oregon PaintCare program.

Capital outlay

This category mainly includes the purchase of equipment and capital improvements at Metro solid waste facilities. Capital improvements are scheduled in Metro's capital improvement plan.

Capital expenditures are segregated into three categories. The Solid Waste General Account expenditures are typically new capital assets intended to improve the efficiency and effectiveness of Metro's two transfer stations. Projects for FY 2010-11 at Metro Central include improvements to the organics/food-handling area and to the stormwater system. Projects at Metro South include a new access lane and improvements to the truck entrance. The General Account also includes the SWIS database project for tonnage data collection and reporting.

The projects in the Renewal and Replacement Account are to realize the optimal life span of capital assets. FY 2010-11 projects at Metro Central include a truck scale and roof replacement. Projects at Metro South include a compactor and roof gutters replacement.

The projects funded or identified in the Landfill Closure Account are limited to projects needed to close St. Johns Landfill or implement post-closure monitoring. Projects for FY 2010-11 are mostly established, ongoing projects including perimeter stabilization. A \$1.7 million project being conducted with the U.S. Army Corps of Engineers to improve dike stabilization has been postponed from last fiscal year to this fiscal year's budget.

Debt service

The debt service category previously included the necessary payments for the Solid Waste and Recycling department's bonded debt which was defeased in December 2008.

Transfers

Transfers to other funds include internal service charges for central services and for Geographic Information System services provided by the Research Center. Since the implementation of the Sustainable Metro Initiative in the FY 2009-10 budget, this category also includes direct cost transfers for solid waste activities provided by other Metro services or centers.

Contingency

The operating contingency is funded to cover unanticipated cost spikes or tonnage (revenue) losses. For FY 2010-11, the operating contingency, which represents 13.8 percent of total contingency, is budgeted at \$2.0 million. The remaining 86.2 percent in contingency consists of restricted funds in the Renewal and Replacement and St. Johns Landfill accounts.

FUND BALANCE

The unappropriated ending fund balance of \$22.8 million consists of designated and restricted funds. Approximately 34 percent of the balance is reserved for rate stabilization and available as working capital to meet cash flow needs. The capital reserve account represents 23 percent of the total fund balance. Five percent of the ending fund balance is the amount that remains designated in the PERS reserve. In addition, 23 percent of the ending balance is reserved for probable Environmental Impairment Liability. This is a new reserve in the FY 2010-11 Solid Waste Fund budget. The reserve was previously included in the Risk Management Fund and transferred to the Solid Waste Fund to comply with the new GASB 49. The remaining 15 percent is undesignated balance. Debt service reserves are no longer required.

Capital Improvement Plan

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Capital Improvement Plan

Fiscal Year 2010-11 through FY 2014-15

Prepared by

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OVERVIEW OF PROCESS

Metro's capital budget process involves four phases described below and in the accompanying capital budget calendar.

Phase 1– Capital requests

The foundation for the capital improvement plan (CIP) is the centers' and services' capital project requests. To develop these requests, centers and services inventory existing capital assets, prepare a status report on current capital projects and assess future capital needs. The capital project requests, status report, list of unfunded projects and major assets inventory comprise a center's or service's capital budget submission.

Phase 2– Financial forecasts

In conjunction with the program budget, centers and services and the financial planning division prepare five-year financial forecasts that are used to evaluate each program's funding capacity for operating needs and the capital projects requested.

Phase 3– Chief Operating Officer review, capital budget development

After the centers and services submit project requests, the Chief Operating Officer reviews the information. This includes:

- Technical review by the financial planning division of projects submitted, including an assessment of Metro's capacity to fund the requested projects based on five-year forecasts.
- Review of projects by the Chief Operating Officer.
- Presentation to Council of recommended projects for final decision and inclusion in the proposed CIP.

Phase 4– Council review and capital budget adoption

The Metro Council reviews the proposed capital projects and acts on the proposed CIP following a public hearing. The Council adopts the five year plan in its entirety and makes appropriations for the first year through budget adoption. Changes to the plan require Council action by resolution or ordinance, depending on the circumstance.

Because appropriations for projects are included in the annual budget, capital projects included in the first year of the capital budget are reviewed as the Council considers the proposed budget.

OVERVIEW OF DOCUMENT

This section contains Metro’s plan for FY 2010-11 through FY 2014-15. It also includes summaries for any project costs incurred prior to FY 2010-11. The document is divided into the following sections:

Overview

This section presents summary information on sources of capital project funding and uses.

Project summaries and analysis

Organized by center or service, this section identifies all capital projects and analyzes the funding capacity.

Lists of unfunded projects

Projects that were not included in the budget for lack of funding, insufficient details or further needs assessment are presented in this section. Centers and services may request that these projects be included in future plans as funding becomes available or project scope is further defined.

Current projects status reports

This section presents information on the status of capital projects which were previously authorized and scheduled for completion by the end of FY 2009-10.

Capital Asset Management Policies

In 2001 Metro Council adopted the Capital Asset Management Policies. These are reviewed annually as part of the budget process. In June 2008 the Metro Council increased the capital project threshold to \$100,000, consistent with the state’s definition of “public improvement.”

Project detail sheets available

Previously, the major capital assets inventories and project details were included in this document. To conserve resources, this information is now available upon request. In addition, the project detail sheets, including detailed descriptions of each capital project, are now available in a database.

CAPITAL BUDGET CALENDAR

Key Tasks	Task Completion
Financial Planning division issues capital budget instructions	October
Departments submit capital project requests, current projects status reports and list of unfunded projects	December
Financial Planning division completes evaluation of organizational units requests and prepares financial projections	December–February
Chief Operating Officer review and discussion	February
Proposed capital budget document forwarded to Council	April
Budget review meetings	April
Council holds public hearing and adopts capital budget	June
Adopted first year projects incorporated into FY 2010-11 adopted budget	June

BEFORE THE METRO COUNCIL

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

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

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

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

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

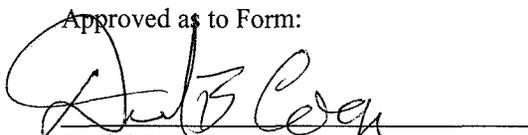
WHEREAS, the Metro Council has conducted a public hearing on the FY 2010-11 budget including the FY 2010-11 through FY 2014-15 Capital Improvement Plan; now therefore

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

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

ADOPTED by the Metro Council this 17 day of JUNE 2010.


 David Bragdon, Metro Council President

Approved as to Form:

 Daniel B. Cooper, Metro Attorney





A capital project is defined in the CIP as any physical asset acquired or constructed by Metro with a total capital cost of \$100,000 or more and a useful life of at least five years. The CIP for FY 2010-11 through FY 2014-15 includes 100 capital projects at a total cost of about \$268.5 million.

During FY 2008-09 Metro reorganized. Like functions were consolidated, producing efficiencies in operations and creating centers of operations rather than departments. The following crosswalk relates the former capital budget organization to the new organization and programs:

Former Department	New Organization Unit	Program
Finance/Metro Regional Center	Parks and Environmental Services	Property Services
Information Technology	Information Services	Information Services
Oregon Zoo	Oregon Zoo	Zoo Visitor Experience
	Oregon Zoo	Zoo Infrastructure and Animal Welfare Bond
Planning	Research Center	Research Center
Regional Parks and Greenspaces	Parks and Environmental Services	Parks and Natural Areas Management
	Sustainability Center	Natural Areas
	Sustainability Center	Parks Planning and Development
Solid Waste and Recycling	Parks and Environmental Services	Solid Waste Operations
	Sustainability Center	Resource Conservation and Recycling

For the FY 2010-11 budget Metropolitan Exposition Recreation Commission (MERC) capital projects are integrated into this CIP to increase transparency and accountability. First year projects are described; over time the CIP will include MERC status reports and unfunded projects as well.

The summary table below presents the capital costs of these projects by fiscal year. The “Total” column represents the overall project costs, including expenditures in all prior years.

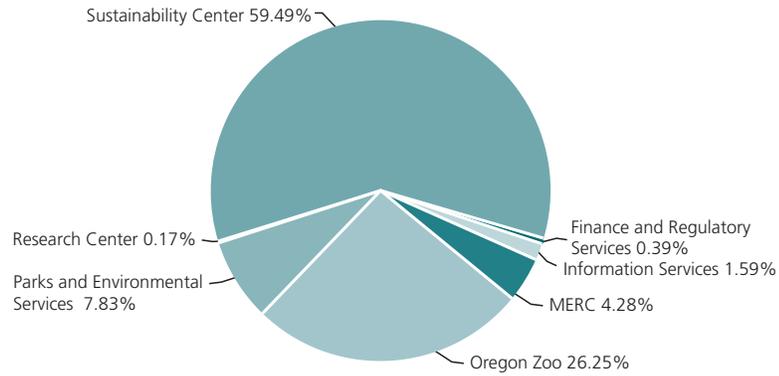
Projects costs by organization unit

	Total Projects	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Finance & Regulatory Services	1	75,000	750,000	-	-	-	-	825,000
Information Services	7	1,956,133	1,201,004	506,134	414,053	306,349	594,390	4,978,063
MERC	31	450,000	4,520,645	1,358,258	230,000	590,000	1,455,000	8,603,903
Oregon Zoo	21	5,755,881	16,128,974	14,253,464	12,898,098	5,760,641	1,011,722	55,808,780
Parks and Environmental Services	34	4,203,862	5,540,143	3,322,021	4,212,571	1,345,327	510,851	19,134,775
Research Center	2	1,026,192	57,000	77,000	91,200	57,000	44,000	1,352,392
Sustainability Center	4	64,319,326	33,202,590	36,005,264	21,592,644	20,937,532	1,685,259	177,742,615
TOTAL	100	77,786,394	61,400,356	55,522,141	39,438,566	28,996,849	5,301,222	268,445,528
FIVE YEAR TOTAL, FY 2010-11 through FY 2014-15			\$190,659,134					

This year’s proposed CIP would have been considerably smaller than previous years if it had not incorporated 31 projects of MERC. In part this change comes from increasing the project threshold from \$50,000 to \$100,000, consistent with the State of Oregon’s definition of “public improvement.” Construction has been completed on two major parks, and the Blue Lake Nature and Golf Learning Center project has been postponed. However, with the exception of the Natural Areas and Zoo bond funds and the Solid Waste Revenue Fund, there are almost no new capital projects funded. Most are renewal and replacement projects with the only exceptions being the final elements of the *Red Ape Reserve* project at the zoo and a small project in

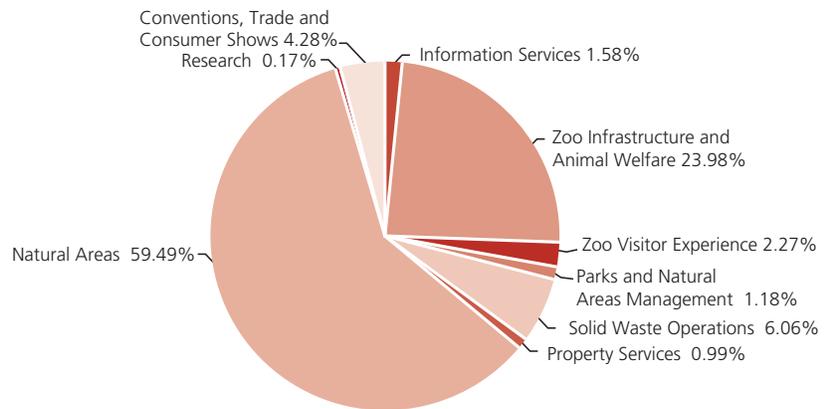
Information Services. Caring for Metro’s existing assets is an absolute priority, but Metro has yet to develop a means of funding new capital in General Fund areas. Some of the Zoo Bond projects do not yet appear in the CIP because construction will not begin for more than five years. The Natural Areas acquisitions will also begin to slow down in the fifth year of this current plan, but will increase again when the remaining bonds are sold.

Projects costs by organizational unit



The Sustainability Center includes funding for land purchases and the development of four new parks, two of which have expenditures in this capital budget. The Oregon Zoo projects reflect passage of the bond measure and includes the expected construction of two of the approved projects. Parks and Environmental Services includes the solid waste operations, parks renewal projects and projects for the Metro Regional Center. MERC includes capital projects for Oregon Convention Center, Portland Center for the Performing Arts and the Expo Center.

Capital expenditures by budget program



The chart above shows the percent of expenditures by program. The largest two programs, Natural Areas and the Zoo Infrastructure and Animal Welfare, are the programs expending bond proceeds. The next highest expenditures are in the Solid Waste Operations program, which includes new Solid Waste projects, landfill remediation and renewal and replacement projects. Convention, Trade and Consumer Shows are MERC projects that include replacement and upgrade projects. Zoo Visitor Experience and Information Services projects are predominantly renewal and replacement projects.

SOURCES OF FUNDS

Overview

The funding for these capital projects varies by project and center.

The Finance and Regulatory Services project consolidates various databases used in the solid waste operations of Metro. This consolidation is expected to bring efficiencies in data analysis, tax collection and reporting for the solid waste system including both Metro operations and private facilities. This project is located in Finance and Regulatory Services, which manages rate setting and data management of Metro's solid waste operations, and is funded by Solid Waste capital reserves.

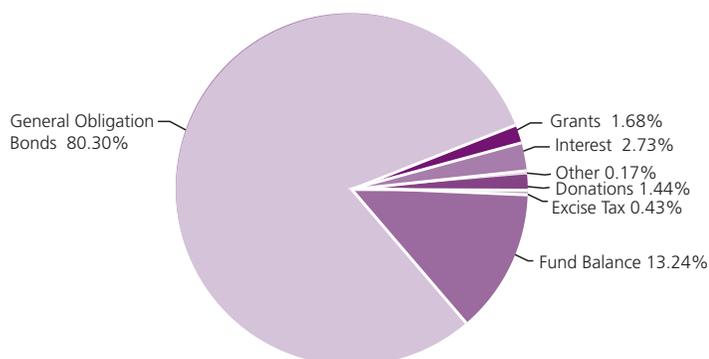
Information Services projects in this capital budget consist predominantly of renewal and replacement for existing equipment and software funded by the General Renewal and Replacement Fund reserves and contributions. One three year project continued from FY 2009-10, Enterprise Productivity Platform Upgrade and Licensing, migrates the agency to consistent software usage and moves the agency e-mail from GroupWise to Outlook. One project, Domain Integration, began in FY 2009-10 and combines the information services infrastructure of Metro and the Metropolitan Exposition Recreation Commission (MERC) to allow better, more efficient communication across the agency.

Oregon Zoo projects are projects funded by the recently passed Zoo Infrastructure and Animal Welfare Bond. Prior to the bond, the majority of funding for new projects came from fund balance and donations. All renewal and replacement projects are funded by the General Renewal and Replacement Fund balance and the allocated contributions to that fund. A small portion of the *Red Ape Reserve* is carried forward to FY 2010-11 to complete this project.

Care for most of Metro's facilities is now consolidated in Parks and Environmental Services including all existing parks, the Metro Regional Center and the Solid Waste Operations. Parks and Metro Regional Center projects are renewal and replacement in nature and are funded by the General Renewal and Replacement Fund balance, grants from partner governments and allocated contributions to that fund. Solid Waste operations generally relies on fund balance or capital reserve accounts. Funding for these projects is considered when setting the disposal rate. These reserves are kept in three accounts: General Account for new projects; Renewal and Replacement for replacement of existing equipment and facilities; and Landfill Closure for projects associated with the closed St. Johns Landfill. In addition, the U.S. Army Corps of Engineers is supporting the landfill dike stabilization.

The Research Center equipment is funded by fund balance, grant allocations and enterprise revenues.

Major funding sources



Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Donations	\$623,324	\$289,000	\$577,000	\$100,000	\$460,000	\$1,325,000	\$3,374,324
Cost Allocation Plan	102,285	0	0	0	0	0	\$102,285
Excise Tax	476,318	815,000	0	0	0	0	\$1,291,318
Fund Balance and Reserves	8,609,345	10,619,540	4,566,440	5,466,722	2,642,317	1,946,963	\$33,851,327
G.O. Bonds	65,371,707	47,063,710	49,650,443	28,581,232	25,837,532	1,985,259	\$218,489,883
Grants	1,327,223	2,556,106	651,258	0	0	0	\$4,534,587
Interest	0	0	0	5,199,412	0	0	\$5,199,412
Other	1,276,192	57,000	77,000	91,200	57,000	44,000	\$1,602,392
TOTAL	\$77,786,394	\$61,400,356	\$55,522,141	\$39,438,566	\$28,996,849	\$5,301,222	\$268,445,528

The Sustainability Center performs the planning and development of new parks projects as well as purchasing land from the proceeds of the Natural Areas Bond.

General Obligation Bonds

The Natural Areas and Zoo Infrastructure and Animal Welfare bond proceeds provide for 80.3 percent of the funding for the CIP projects.

Fund balance

The second largest source of funds for capital projects, about 13.2 percent of total funds, is fund balance. This funding source has increased as a percentage of the total with the establishment of the General Renewal and Replacement Fund. Fueled by the \$5.7 million transfer in FY 2007-08, the budget now provides for a level annual contribution for all General Fund centers and services, no matter what projects start in any given year. This financing technique is particularly well suited for small-to medium-sized projects with a useful life of less than 20 years.

Excise tax

This category is General Fund excise, about 0.4 percent of total funding, tax allocated for capital use through the annual budget process. Expenditures include general renewal and replacement, parks facilities and capital projects at MERC targeted to maintaining competitive advantage.

Grants

Grants comprise about 1.68 percent of total funding for capital projects, funding part of the 40 mile loop project at Blue Lake and the dike stabilization at St. Johns Landfill.

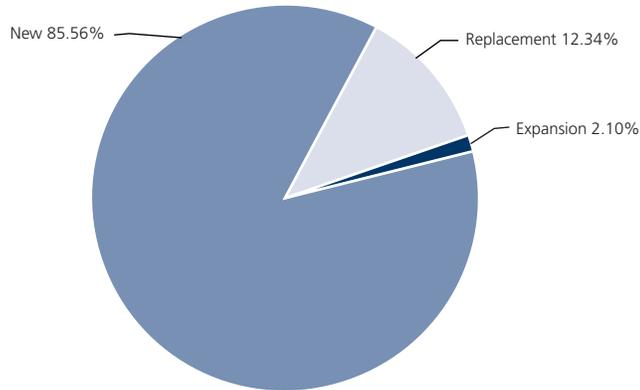
Interest

This category comprises mainly interest earned on bond proceeds from Natural Areas. Interest can also be earnings on specified reserves for a project. This source makes up about 2.7 percent of overall project funding.

Other

Other financing sources represent 0.2 percent of the total funds allocated to capital projects.

Funding by project type



Funding by project type

	Total Projects	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Expansion	10	852,828	\$1,375,000	\$622,188	\$2,003,851	\$0	\$0	\$4,853,867
New	25	69,300,600	\$51,566,203	\$49,856,443	\$33,783,644	\$26,040,532	\$1,888,259	232,435,681
Replacement	65	7,632,966	\$8,459,153	\$5,043,510	\$3,651,071	\$2,956,317	\$3,412,963	31,155,980
TOTAL	100	77,786,394	\$61,400,356	\$55,522,141	\$39,438,566	\$28,996,849	\$5,301,222	\$268,445,528
FIVE YEAR TOTAL, FY 2010-11 through FY 2014-15					\$190,659,134			

USES OF FUNDS

Capital projects in the capital budget consist of facilities (purchase, construction or improvements), land acquisitions and equipment purchases of \$100,000 or more. Of the 100 projects, 86 percent of expenditures are for new acquisition or construction. Two percent is for expansion or remodeling projects and 12.3 percent is for replacement projects.

Facilities

About 36 percent of total funds are allocated to a variety of facility projects. These projects include the replacement, renovation, expansion or new construction of buildings, exhibits, roadways, trails and other infrastructure. As with other capital projects, these capital assets must have a minimum useful life of five years to be considered. This eliminates routine maintenance and repair projects, which are treated as operating expenses. The zoo's projects account for about 72 percent of the total projects in this category, followed by Parks and Environmental Services at 18 percent, MERC at 7 percent and Sustainability Center projects at 3 percent.

Equipment

About 5 percent of funds for capital projects are allocated to stand-alone equipment and furnishings. As with other capital projects, equipment can only qualify for capital budget consideration if it costs \$100,000 or more and has a useful life of five years or more. Equipment required for new facilities is reflected in the costs of those facilities. MERC's projects are the highest at about 32 percent. Next highest at about 27 percent of the equipment category is Information Services followed by the needs of solid waste operations in Parks and Environmental Services at 22 percent, then by the Oregon Zoo at 9 percent. Smaller capital items such as vehicles and grounds equipment are usually included in renewal and replacement.

Land

The remaining \$111.4 million (58 percent) is allocated to land acquisition or improvements and is funded by Natural Areas bond proceeds and managed by the Sustainability Center.

Restoration

A small amount of the zoo's capital budget is devoted to restoration, which is usually restoration of interpretive artwork.

ANNUAL OPERATING BUDGET IMPACT SUMMARY

Each program estimates the net impact on operating costs resulting from each capital project. The impact is shown in 2010 dollars for the first full year of operation following completion of the project. The first table below is a summary of operating impacts by major budget category for all projects in the capital budget.

The second chart lists the projects with operating impact by operating center. One project is expected to produce positive cash flows at the Oregon Zoo by increasing attendance. Metro, overall, will have a net contribution to operations of \$51,404 to \$188,382 per year from the project. The overall cost increase to operations is mainly the result of the additional natural area acquisitions and the new Graham Oaks Nature Park.

Annual operating budget impact

Expenditures						
Personal Services	127,939	134,162	140,722	147,603	147,603	698,029
Materials and Services	494,395	594,800	608,654	622,894	635,873	2,956,616
Capital Outlay	0	0	0	0	0	0
Renewal and Replacement	47,500	49,500	49,500	49,500	49,500	245,500
Other Costs		0	0	0	0	0
TOTAL EXPENDITURES	669,834	778,462	798,876	819,997	832,976	3,900,145
NET CONTRIBUTION (Cost)	(\$464,452)	(\$622,398)	(\$680,308)	(\$729,931)	(\$764,572)	(\$3,261,661)

Annual net operating impact by project

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
INFORMATION SERVICES						
Develop Enterprise Business Applications Software	(30,000)	(30,000)	(30,000)	(30,000)	(30,000)	(150,000)
Enterprise Productivity Platform Upgrade and Licensing	0	(86,983)	(86,983)	(86,983)	(86,983)	(347,932)
TOTAL INFORMATION SERVICES	(30,000)	(116,983)	(116,983)	(116,983)	(116,983)	(497,932)
OREGON ZOO						
Red Ape Reserve "Orangutan"	188,382	139,064	101,568	73,066	51,404	553,484
TOTAL OREGON ZOO	188,382	139,064	101,568	73,066	51,404	553,484
PARKS AND ENVIRONMENTAL SERVICES						
M. James Gleason Boat ramp - Phase III & IV	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)	(87,500)
TOTAL OREGON ZOO	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)	(87,500)
SUSTAINABILITY CENTER						
Natural Area Acquisition	(395,895)	(407,772)	(420,035)	(432,636)	(445,615)	(2,101,953)
40-Mil Loop Trail Construction at Blue Lake Park	0	(2,000)	(2,000)	(2,000)	(2,000)	(8,000)
Graham Oaks Nature Park	(209,439)	(217,207)	(225,358)	(233,878)	(233,878)	(1,119,760)
TOTAL SUSTAINABILITY CENTER	(605,334)	(626,979)	(647,393)	(668,514)	(681,493)	(3,229,713)
TOTAL	(\$464,452)	(\$622,398)	(\$680,308)	(\$729,931)	(\$764,572)	(\$3,261,661)

Organizational unit summaries and analysis

This section contains the project summaries for each service or center. In addition, the section analyzes the operational capacity to fund both the capital costs and the operating costs for the long term.

Total projects summary by year

Each section begins with a complete listing, in priority order, of the projects contained in the current capital budget. The chart shows the expected expenditures by year, the total of all years including prior years and the five-year total.

Overview of projects

The narrative addresses significant issues regarding each unit's capital budget. The overview includes information about:

- New projects that are in the capital budget proposal.
- Changes in timing and scope of projects previously listed.

Current project status

The status of projects budgeted to be completed in the current fiscal year.

Project funding

This section of the narrative discusses the sources of funding for the various projects and any significant funding issues.

Operational impact

This section of the narrative discusses the change in operational costs as a result of the projects and refers to the Cumulative Net Impact on Operating Costs chart if there is an operating impact.

Unfunded projects

Projects included on these lists are those projects which were deemed worthy of future consideration but were not included in the CIP for one of the following reasons:

(1) sufficient funds are not available to finance the project, (2) scope of the project requires further definition or (3) alternatives need to be explored. As funds become available or projects are refined, programs may request their inclusion.



**Finance and
Regulatory
Services**



Total projects summary by year

	ID	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
SOLID WASTE GENERAL ACCOUNT									
Solid Waste Information System (SWIS)	65720	1	75,000	750,000	0	0	0	0	825,000
TOTAL GENERAL SOLID WASTE GENERAL ACCOUNT			75,000	750,000	0	0	0	0	825,000
TOTAL FINANCE AND REGULATORY SERVICES			75,000	750,000	0	0	0	0	825,000
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			750,000	Total Number of Projects 1					

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Fund Balance	75,000	750,000	0	0	0	0
Total - Finance and Regulatory Services	75,000	750,000	0	0	0	0

The rate setting arm of Finance and Regulatory Services is spearheading this project to combine solid waste related databases.

OVERVIEW OF PROJECTS

The FY 2010-11 through FY 2014-15 CIP includes one project for this area. This project is to streamline the data gathering function of the solid waste disposal system.

CURRENT PROJECT STATUS

This center has no other projects at this time.

PROJECT FUNDING

This project is funded by the Solid Waste and Recycling General Account. Projects financed through the Solid Waste and Recycling General Account are typically new capital assets designed to increase the efficiency and effectiveness of Metro's solid waste disposal system.

OPERATIONAL IMPACT

No specific operational impact; efficiencies are expected from the project, but they have not been quantified. Staff will be able to direct more time to analysis and less time to data management.

UNFUNDED PROJECTS

None.



Information Services



Total projects summary by year

	ID	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
ALL FUNDS									
Replace/Acquire Desktop Computers	IT1	1	709,202	80,000	80,000	80,000	80,000	80,000	1,109,202
TOTAL ALL FUNDS			709,202	80,000	80,000	80,000	80,000	80,000	1,109,202
GENERAL FUND CAPITAL FUND - 612									
Domain Integration	01534	1	60,000	40,000	0	0	0	0	100,000
Replace/Acquire Desktop Computers	56135	2	334,528	50,000	0	0	0	0	384,528
TOTAL GENERAL FUND CAPITAL FUND - 612			394,528	90,000	0	0	0	0	484,528
GENERAL FUND RENEWAL AND REPLACEMENT									
Net Appliance Alex File Server	01515	1	0	132,600	0	0	0	143,531	276,131
Upgrade of Business Enterprise Software (PeopleSoft)	65612	2	114,805	133,365	0	138,753	0	144,358	531,281
Enterprise Productivity Platform Upgrade and Licensing	56137	3	614,776	209,270	10,824	0	0	0	834,870
Information Technology R&R Projects	TEMP311	4	122,822	555,769	415,310	195,300	226,349	226,501	1,742,051
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT			852,403	1,031,004	426,134	334,053	226,349	514,390	3,384,333
TOTAL INFORMATION SERVICES			1,956,133	1,201,004	506,134	414,053	306,349	594,390	4,978,063
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			3,021,930						Total Number of Projects 7

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Fund Balance	1,853,848	1,201,004	506,134	414,053	306,349	594,390
Other	102,285	-	0	-	-	-
Total - Information Services	1,956,133	1,201,004	506,134	414,053	306,349	594,390

Annual net impact on operating costs

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Materials and Services	(30,000)	(116,983)	(116,983)	(116,983)	(116,983)
Total Expenditures	(30,000)	(116,983)	(116,983)	(116,983)	(116,983)
Net Contribution (Cost) Information Services	(30,000)	(116,983)	(116,983)	(116,983)	(116,983)

All Information Services projects, regardless of funding source, are included in this section, with the exception of the Research Center projects, which are described under that center but funded through Information Services, and the Solid Waste Information System project, which is listed in Finance and Regulatory Services.

OVERVIEW OF PROJECTS

The FY 2010-11 through FY 2014-15 Information Services capital budget contains four projects which are scheduled renewal and replacement projects. Two new technology projects are planned. One is to look at Metro's enterprise software. This project utilizes \$50,000 of the \$150,000 in funding carried forward from the prior fiscal year to purchase a budget module. The balance of \$100,000 is repurposed to integrate the information technology domains of Metro and MERC.

Renewal and replacement projects support preservation of Metro's various technology systems and include upgrades to business and planning software, and funding for the continued implementation of the Enterprise Productivity Platform Upgrade and Licensing that standardizes software throughout Metro centers.

The Replace/Acquire Desktop Computers project, a non-capital project, is an information item to keep the Metro Council informed of the cost of the desktop computers used by all Metro programs except MERC.

CURRENT PROJECT STATUS

One current project, the budget module (Develop Enterprise Business Application Software), is carried forward and repurposed to two separate projects mentioned above.

PROJECT FUNDING

The financing for projects is derived from a combination of costs allocated to Metro programs and transfers from several enterprise revenue sources to fund the renewal and replacement reserve.

OPERATIONAL IMPACT

The operational impact for most of these projects is the ongoing cost to fund renewal and replacement. The Enterprise Productivity Platform Upgrade requires the addition of licensing fees starting in FY 2011-12.

UNFUNDED PROJECTS

With the implementation of the renewal and replacement program, Information Services has no unfunded projects. Projects previously listed were the normal replacement of equipment or software.



**Metropolitan
Exposition
Recreation
Commission**



Total projects summary by year

	ID	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
MERC Fund									
Expo - Food & Beverage Upgrades	TEMP398	1	0	325,000	0	0	0	0	325,000
Expo - Parking Lot Asphalt Maint/Replace	TEMP399	2	75,000	0	50,000	50,000	50,000	50,000	275,000
Expo - Portable Bleacher Replacement	TEMP409	3	0	0	80,000	80,000	80,000	80,000	320,000
TOTAL Expo			75,000	325,000	130,000	130,000	130,000	130,000	920,000
MERC Fund									
OCC - Kitchen Remodel	TEMP394	1	375,000	525,000	0	0	0	0	900,000
OCC - Small Wares Purchase	TEMP395	2	0	300,000	0	0	0	0	300,000
OCC - Leg Up Program Store Project	TEMP401	3	0	150,000	0	0	0	0	150,000
OCC - Construction costs with Kitchen Remodel	TEMP402	4	0	100,000	0	0	0	0	100,000
OCC - Hand Dryers	TEMP403	5	0	150,000	0	0	0	0	150,000
OCC - Removeable Airwall Repair and Retrofit	TEMP404	6	0	560,000	0	0	0	0	560,000
OCC - VAV Controllers and CO2 Sensors on AHJs LEED	TEMP405	7	0	105,000	0	0	0	0	105,000
OCC - Signage Upgrade	TEMP406	8	0	150,000	0	0	0	0	150,000
OCC - Sizzler Block Plaza Construction Project	TEMP408	9	0	660,000	0	0	0	0	660,000
OCC - Parking Management System and Equipment Replacement	TEMP407	10	0	130,000	0	0	0	0	130,000
OCC - Lighting Retrofit	TEMP426	11	0	751,645	0	0	0	0	751,645
TOTAL OCC			375,000	3,581,645	0	0	0	0	3,956,645
MERC Fund									
PCPA - Arlene Schnitzer Concert Hall Roof	TEMP400	1	0	100,000	0	0	0	0	100,000
PCPA - Keller Auditorium Boiler Replacement	TEMP397	2	0	100,000	0	0	0	0	100,000
PCPA - Food & Beverage Capital Investment	TEMP410	3	0	325,000	0	0	0	0	325,000
PCPA - Hatfield Lighting Retrofit	TEMP411	4	0	0	129,070	0	0	0	129,070
PCPA - Hatfield Chiller Replacement	TEMP412	5	0	89,000	337,000	0	0	0	426,000
PCPA - Newmark Dimmer System	TEMP413	6	0	0	140,000	0	0	0	140,000
PCPA - Arlene Schnitzer Concert Hall Boiler Replacement	TEMP414	7	0	0	100,000	0	0	0	100,000
PCPA - Hatfield Cultural Video Project	TEMP415	8	0	0	522,188	0	0	0	522,188
PCPA - Keller Stage Floor	TEMP417	10	0	0	0	100,000	0	0	100,000
PCPA - Arlene Schnitzer Cooling Tower	TEMP418	11	0	0	0	0	110,000	0	110,000
PCPA - Arlene Schnitzer Chiller	TEMP419	12	0	0	0	0	250,000	0	250,000
PCPA - Newmark Stage Floor	TEMP420	12	0	0	0	0	100,000	0	100,000
PCPA - ASCH Lighting System	TEMP425	13	0	0	0	0	0	300,000	300,000
PCPA - Keller Dimmer System	TEMP421	14	0	0	0	0	0	275,000	275,000
PCPA - Winningstad Orchestra Seating Floor	TEMP422	15	0	0	0	0	0	150,000	150,000
PCPA - Hatfield Passenger Elevators	TEMP423	16	0	0	0	0	0	300,000	300,000
PCPA - ASCH Passenger Elevators	TEMP424	17	0	0	0	0	0	300,000	300,000
TOTAL PCPA			0	614,000	1,228,258	100,000	460,000	1,325,000	3,727,258
TOTAL MERC			450,000	4,520,645	1,358,258	230,000	590,000	1,455,000	8,603,903
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			8,153,903						Total Number of Projects 31

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Fund Balance	75,000	1,065,354	130,000	130,000	130,000	130,000
Excise Tax	0	815,000	0	0	0	0
Grants	0	626,291	651,258	0	0	0
Donations	0	289,000	577,000	100,000	460,000	1,325,000
Other	375,000	1,725,000	0	0	0	0
Total - MERC	450,000	4,520,645	1,358,258	230,000	590,000	1,455,000

All projects for the properties that the Metropolitan Exposition Recreation Commission (MERC) manages are included in this section. Those properties include Portland Expo Center (Expo) and the Oregon Convention Center (OCC), both owned by Metro, and the Portland Center for the Performing Arts (PCPA), owned by the City of Portland and managed by Metro. For several years MERC provided its capital information separately from the rest of Metro and this is the first year it is again included. For this first year only the projects for the five year plan are included; project status reports and unfunded projects will be included in subsequent plans.

OVERVIEW OF PROJECTS

The FY 2010-11 through FY 2014-15 MERC capital budget contains 31 projects, listed by facility. The Expo projects include food and beverage upgrades, capital maintenance of the parking lot and the replacement of portable bleachers. All three facilities received funding for food and beverage capital improvements as part of the concession contract with ARAMARK. Many of OCC's projects are for the replacement and upgrade of existing facilities. Significant projects included in this category are finishing a kitchen remodel, purchasing small wares and doing a lighting and airwall retrofit. OCC also plans to improve the area around the convention center by demolishing the old Sizzler building across the street from the convention center and constructing a Plaza that would supplement OCC's income by using the block for OCC's client event space and to book community events. Projects for PCPA are all renewal projects; the largest of these projects is the food and beverage capital investment.

PROJECT FUNDING

Funding for MERC projects is derived from a combination of sources. Kitchen upgrades for all three facilities are funded through the concessions contract with ARAMARK. Expo's other projects are predominantly funded by operations. OCC's projects are funded from reserves generated from operations, Metro General Fund excise tax allocation to the Metro Tourism Opportunity Competitiveness Account and Transient Lodging tax dedicated to capital improvements. Fundraising by the Friends of the PCPA provide the additional capital funding for PCPA.





Total projects summary by year

	ID	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
ZOO INFRASTRUCTURE AND ANIMAL WELFARE									
Construction Bond Issuance	ZIA001	1	29,682	120,000	500,000	0	0	0	649,682
Veterinary Medical Center	ZIP001	2	628,239	6,697,812	1,873,945	0	0	0	9,199,996
Comprehensive Capital Master Plan	ZIP011	3	100,000	997,505	748,129				1,845,634
Land Use Planning - Plan District	ZIP051	4	200,000	1,008,000	723,105				1,931,105
Water Main Replacement	ZII251	5	45,602	254,398					300,000
More Humane Enclosures for Apes & Monkeys	ZIP005	6	0	0	0	0	0	100,000	100,000
Penguin Filtration System Replacement	ZIP008	7	280,000	720,000	0	0	0	0	1,000,000
Elephants On Site Exhibit	ZIP002	8	6,159	0	4,900,000	9,800,000	4,900,000	0	19,606,159
Upgrading Zoo Facilities to Save Water and Energy	ZII001	9	446,132	0	0	0	0	100,000	546,132
Conservation Discovery Zone	ZIP006	10	30,000	100,000	100,000	0	0	0	230,000
Elephant Offsite Facility	ZIP003	11	12,885	4,799,115	4,800,000	2,388,000	0	0	12,000,000
Polar Bear Exhibit	ZIP004	12	0	0	0	0	0	100,000	100,000
TOTAL ZOO INFRASTRUCTURE AND ANIMAL WELFARE			1,778,699	14,696,830	13,645,179	12,188,000	4,900,000	300,000	47,508,708
GENERAL FUND RENEWAL AND REPLACEMENT									
Zoo Renewal and Replacement Projects	ZOO26	1	640,602	635,502	505,485	474,077	753,687	502,119	3,511,472
Zoo Micros POS System	ZV503	2	10,000	173,600	0	0	0	0	183,600
Perimeter USDA Fence	ZOO24	3	30,000	57,305	58,451	59,620	60,813	62,029	328,218
Zoo Parking Lot Replacement	ZR17	4	20,000	20,400	20,808	21,224	21,649	22,082	126,163
Zoo Railroad Track Replacement	ZR19	5	22,627	45,707	23,541	24,012	24,492	24,982	165,361
750 kw Generator	TEMP363	6	0	149,630	0	0	0	0	149,630
Roof Replacement Africafe	TEMP365	7	0	0	0	131,165	0	0	131,165
Penquinarium Interpretive Graphics	TEMP377	8	0	0	0	0	0	100,510	100,510
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT			723,229	1,082,144	608,285	710,098	860,641	711,722	4,696,119
ZOO CAPITAL PROJECTS FUND									
Red Ape Reserve "Orangutan"	ZPR12	1	3,253,953	350,000	0	0	0	0	3,603,953
TOTAL ZOO CAPITAL PROJECTS FUND			3,253,953	350,000	0	0	0	0	3,603,953
TOTAL OREGON ZOO			5,755,881	16,128,974	14,253,464	12,898,098	5,760,641	1,011,722	55,808,780
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			50,052,899	Total number of Projects 21					

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
GO Bonds Zoo	1,778,699	14,696,830	13,645,179	12,188,000	4,900,000	300,000
Donations	620,324	0	0	0	0	0
Fund Balance - Renewal and Replacement	723,229	1,082,144	608,285	710,098	860,641	711,722
Fund Balance	2,633,629	350,000	0	0	0	0
Total - Oregon Zoo	5,755,881	16,128,974	14,253,464	12,898,098	5,760,641	1,011,722

Annual net impact on operating costs

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Red Ape Reserve "Orangutan"	188,382	139,064	101,568	73,066	51,404	553,484
TOTAL OREGON ZOO	188,382	139,064	101,568	73,066	51,404	553,484

The FY 2010-11 through FY 2014-15 Oregon Zoo capital budget includes 21 projects. Twelve projects are related to the Zoo Infrastructure and Animal Welfare Bond measure. Eight projects are regular renewal and replacement for the zoo, and one project is the completion of the *Red Ape Reserve* capital project.

OVERVIEW OF PROJECTS

The Zoo Infrastructure and Animal Welfare Bond project costs are preliminary and will be refined after completion of a capital master planning effort currently underway. The Construction Bond Master Plan project has been split into four distinct projects, a change from the previous year. Funding for all bond projects is adjusted from the prior year to demonstrate what is now expected to be expended in the five-year time period. Previously the projects had been listed at the original target cost estimates. As the Capital Construction Master Planning process continues, all bond-related project target budgets will be adjusted to the most current estimates. Adjustments to the scope of all projects will continue as design is completed.

Comprehensive Capital Master Plan (\$1,845,634): This project will clarify and refine bond project scopes, sequencing, shared infrastructure, physical access to construction areas, staging and sustainability initiatives needed to successfully complete the bond program. The effort is underway and estimated to conclude in June 2011 with a master plan document.

Land Use Planning - Plan District (\$1,931,105): The zoo's current conditional use permit and master plan will expire soon. The zoo is engaging the City of Portland and other stakeholders in a discussion of future land use, which may take the form of a Plan District instead of a conditional use master plan. Regardless of the land use method ultimately chosen, the costs for the public involvement process, the land use approval process and the development approval process will be substantial.

Water Main Replacement (\$300,000): Replace the zoo's current in-ground double check assembly with an above-ground double check pressure reducing assembly. The new assembly requires a heated building with lighting and service outlets.

Construction Bond Issuance (\$649,682): The bond program paid issuance costs of \$29,682 in FY 2008-09 for a \$5 million private placement issuance. Future estimated issuance costs include a private placement in FY 2010-11, with a large general obligation bond issuance in FY 2011-12.

Veterinary Medical Center (\$9,199,996): The current veterinary facility is deficient. Medical center enclosures are being designed for ease of cleaning and disinfecting, reducing stress for animals, improving options for environmental enrichment and providing safe and efficient means to handle animals for medical treatments. The air from the animal holding areas will be isolated from other areas so zoo staff can safely quarantine and hold sick animals while reducing the risk of transmitting diseases to other animals and medical center personnel. Animal health and safety will be improved by replacing the zoo's aging and substandard veterinary and animal quarantine buildings with facilities that meet standards set by the Association of Zoos & Aquariums.

Upgrading Zoo Facilities to Save Water and Energy (\$546,132): An external consultant firm surveyed the entire zoo campus to support comprehensive campus-wide waste and storm water master planning. The zoo is currently completing a waste and storm water master plan that defines existing waste and storm water conditions on the zoo campus, defines drainage basins and proposes water management options. In addition, the zoo will undertake a major rebuilding of the water distribution system and installation of central plant piping systems. Leaking pipes will be replaced and drainage systems will be re-plumbed. Finally, a combination of solar panels, microturbines and absorption processes will generate energy on-site. Buildings will be designed to capture solar warmth, natural light and natural ventilation. The goal will be to produce substantial energy on-site. The refined scope, timing and costs associated with the waste and storm water, fresh water system rebuilding and energy generation projects will be a deliverable of the capital construction master planning effort.

Elephants On-Site Exhibit (\$19,606,159): The exhibit area will increase from 1.5 acres to approximately 6 acres. The space will be naturalized to include watering holes, shade structures, large trees and boulders, with a thicket of bamboo as a backdrop. The elephant barn will be replaced with a larger building featuring two communal rooms, several other rooms and upgraded conditions for elephants. The refined scope, timing and costs associated with the on-site elephant exhibit will be a deliverable of the capital construction master planning effort.

Penguin Filtration System Replacement (\$1,000,000): A modern filtration system that filters and recycles water for the 25,000-gallon penguin pool will reduce water usage by at least 80 percent, saving more than seven million gallons of water per year.

More Humane Enclosures for Apes and Monkeys (\$100,000): The rebuilt exhibit will provide expanded homes for primates and allow for the addition of smaller mammals and birds. Enlarged indoor and outdoor areas will give chimpanzees, mandrills and other monkeys and apes a sustainable and enriching environment. The new exhibit will be able to add new, younger chimps to an aging population. The refined scope, timing and costs associated with the primate exhibit will be a deliverable of the capital construction master planning effort.

Conservation Discovery Zone (\$230,000): This project will provide a dedicated space for the conservation education opportunities at the zoo. It will provide spaces for classes, camps, exhibits, presentations and hands-on learning for children, families and adults. There will be space for traveling and temporary exhibits. An Insect Zoo and Butterfly Lab will provide hands-on learning. The refined scope, timing and costs associated with this project will be a deliverable of the capital construction master planning effort. The zoo budgeted additional consultant assistance for planning this project in the next few years.

Elephant Off-site Facility (\$12,000,000): The zoo is currently identifying the site and facility needs for an off-site elephant facility. The timing of this project is uncertain, and funds have been set aside and budgeted should the zoo identify a property for acquisition that meets the long-term facility needs.

Polar Bear Exhibit (\$100,000): The world's largest land predators, polar bears need space, and this rebuild will offer them not only more room, but also a safer and more natural habitat to explore. The refined scope, timing and costs associated with this project will be a deliverable of the capital construction master planning effort. The zoo budgeted additional consultant assistance for planning this project in the next few years.

FY 2010-11 to 2014-15 Zoo Renewal and Replacement Projects (Five-year total of \$3,871,915): Five years of renewal and replacement projects include eight projects of more than \$100,000 that are listed in the project summary.

There is one project continued from the FY 2009-10 capital budget:

Red Ape Reserve exhibit (\$3,603,953): This \$3.6 million project constructs a new indoor exhibit, new holding/shift rooms, and renovates existing outdoor exhibits for the zoo's orangutans. This project continues the multi-year strategy to upgrade the zoo's primate building and replace/upgrade exhibits. The primate building, constructed in 1959, is past its useful life and does not conform to the zoo's desire for visitors to view, and animals to occupy, naturalistic exhibits. The project is funded from capital fund, donations and redeployed reserves.

CURRENT PROJECTS STATUS

The zoo completed the *Predators of the Serengeti* exhibit in FY 2009-10 and numerous renewal and replacement projects. The zoo bond projects, as indicated above, are still mainly in the master planning process.

PROJECT FUNDING

Of the \$56 million in zoo projects in the FY 2010-11 through FY 2014-15 CIP, \$47.5 million (85 percent) is funded from the Zoo Infrastructure and Animal Welfare Bond. The General Renewal and Replacement Fund provides \$4.7 million (8 percent). One capital project, *Red Ape Reserve*, will be completed in mid-2010.

OPERATIONAL IMPACT

The *Red Ape Reserve* exhibit is expected to raise an estimated half million dollars in net revenues over the five year period by increasing attendance.

UNFUNDED PROJECTS

With the passage of the Zoo Infrastructure and Animal Welfare Bond and the establishment of a fully funded General Renewal and Replacement Fund, the zoo does not have high priority unfunded projects.



Parks and Environmental Services



Total projects summary by year

	Project No.	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
PARKS GENERAL FUND RENEWAL AND REPLACEMENT									
M. James Gleason Boat Ramp - Phase II & IV	70178	1	1,544,500	55,000	0	0	0	0	1,599,500
M. James Gleason - Parking Lot Repaving	TEMP375	2	0	0	337,500	0	0	0	337,500
Blue Lake Wetland, Pathway, Trail	TEMP368	3	0	0	195,595	0	0	0	195,595
Oxbow Park Hardened River Access	TEMP378	4	0	0	0	0	0	303,253	303,253
Regional Parks Renewal and Replacement	TEMP321	5	114,123	535,117	468,991	15,185	125,180	204,598	1,463,194
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT			1,658,623	590,117	1,002,086	15,185	125,180	507,851	3,899,042
MRC GENERAL FUND RENEWAL AND REPLACEMENT									
Carpet Replacement	56180	1	128,395	141,161	120,150	0	0	0	389,706
Parking Structure Waterproofing	1301	2	450,000	450,000	0	0	0	0	900,000
Council Chamber Audio/Visual Upgrades	1511	3	143,300	0	0	140,851	0	0	284,151
Metro Regional Center Roof Replacement	TEMP109	4	0	0	0	0	512,404	0	512,404
Renewal and Replacement Property Services	TEMP308	5	56,070	125,082	113,785	20,535	104,743	0	420,215
TOTAL GENERAL FUND RENEWAL AND REPLACEMENT			777,765	716,243	233,935	161,386	617,147	-	2,506,476
GENERAL FUND									
Council/COO Building Space Remodel	01510	1	82,983	160,000	0	0	0	0	242,983
TOTAL GENERAL FUND			82,983	160,000	-	-	-	-	242,983
SOLID WASTE GENERAL ACCOUNT									
Metro Central Organics/Food Handling Area Impr.	76840	1	0	500,000	0	0	0	0	500,000
Improvements to Metro South truck entrance/exit	76840	2	0	110,000	0	0	0	0	110,000
Metro South - New Operations Supervisors' Office	76939	3	0	0	100,000	0	0	0	100,000
Metro Central - Tarping Station	76979	4	0	0	200,000	0	0	0	200,000
Expansion of MCS-HHW facility	TEMP330	5	0	0	0	863,000	0	0	863,000
Future Master Facility Plan Improvements	TEMP175	6	0	0	0	1,000,000	0	0	1,000,000
Reader Board at MSS entrance	TEMP328	7	0	0	0	0	200,000	0	200,000
TOTAL SOLID WASTE GENERAL ACCOUNT			-	610,000	300,000	1,863,000	200,000	-	2,973,000
SOLID WASTE LANDFILL CLOSURE									
St John's - Perimeter Dike Stabilization and Seepage Control	76986	1	456,771	1,666,783	6,000	3,000	3,000	3,000	2,138,554
St. John's - Re-establish Proper Drainage	76982	2	868,365	5,000	5,000	0	0	0	878,365
St. John's - Landfill Remediation	76995	3	0	1,000,000	1,000,000	1,000,000	0	0	3,000,000
TOTAL SOLID WASTE LANDFILL CLOSURE			1,325,136	2,671,783	1,011,000	1,003,000	3,000	3,000	6,016,919
SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT									
SW Renewal and Replacement Acct Non CIP	TEMP358	1	45,717	82,000	100,000	100,000	100,000	0	427,717
Metro Central HHW - Roof replacement	76933	2	0	150,000	0	0	0	0	150,000
Metro South - Compactor Replacement	76933	3	303,638	300,000	0	0	0	0	603,638
Metro South - Replace Ventilation Sys Components	76841	4	10,000	130,000	0	0	0	0	140,000
Metro Central - Scalehouse "C" Scale Replacement	76877	5	0	130,000	0	0	0	0	130,000
Metro South Transfer Station Bays -1 & 2 Ventilation Sys.	TEMP384	6	0	0	110,000	0	0	0	110,000
Metro South - Modify Entry Way to Operations Bld.	76842	7	0	0	175,000	0	0	0	175,000
Metro Central - Replace metal wall system	TEMP259	8	0	0	170,000	0	0	0	170,000
Metro Central - Baler Conveyor	TEMP262	9	0	0	220,000	0	0	0	220,000
Metro South Transfer Station - Roof replacement	TEMP345	10	0	0	0	335,000	0	0	335,000
Metro Central - Replace Slow Speed Shredder	TEMP343	11	0	0	0	600,000	0	0	600,000
Metro Central Standby Power Generator	TEMP307	12	0	0	0	135,000	0	0	135,000
Metro Central Station - High Speed Shredder Replacement	TEMP344	13	0	0	0	0	300,000	0	300,000
TOTAL SOLID WASTE RENEWAL AND REPLACEMENT ACCOUNT			359,355	792,000	775,000	1,170,000	400,000	-	3,496,355
TOTAL PARKS AND ENVIRONMENTAL SERVICES			4,203,862	5,540,143	3,322,021	4,212,571	1,345,327	510,851	19,134,775
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			14,930,913		Total number of Projects 34				

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Fund Balance - Renewal and Replacement	1,465,520	1,004,255	2,011,021	1,346,571	1,142,327	507,851
Donations	3,000	0	0	0	0	0
Fund Balance - Capital Reserve	82,983	770,000	300,000	1,863,000	200,000	0
Grants	1,327,223	1,094,105	0	0	0	0
Fund Balance - Landfill Closure	1,325,136	2,671,783	1,011,000	1,003,000	3,000	3,000
Total - Parks and Environmental Services	4,203,862	5,540,143	3,322,021	4,212,571	1,345,327	510,851

Annual net impact on operating costs

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Renewal and Replacement	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)
Total Expenditures	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)
Net Contribution (Cost) PES	(17,500)	(17,500)	(17,500)	(17,500)	(17,500)

OVERVIEW OF PROJECTS

Of the 11 projects for Parks and Natural Areas Management and Property Services, 10 are scheduled renewal and replacement projects. The largest project is the repair to the Metro Regional Center parking structure. One project completes the Metro Center third floor remodel, adding a council conference room and various needed offices.

Projects for the Solid Waste Operating program fall into three categories:

General Account

Projects financed through the Solid Waste and Recycling General Account are typically new capital assets designed to increase the efficiency and effectiveness of Metro's two transfer stations: Metro Central and Metro South. The majority of these projects are outlined in detail in a Master Facility Plan for the transfer stations, originally completed in April 1998 and updated in FY 2008-09. The Master Facility Plan and this capital budget are based on the following goals:

- Improve waste recovery and recycling.
- Reduce traffic congestion and improve site safety.
- Maximize station efficiencies.
- Improve facilities for Metro and station operator personnel.

There are currently seven approved projects, three of which are new. The largest General Account project planned for FY 2010-11 is the Metro Central Organics/Food Handling Area Improvements.

Renewal and Replacement Account

Projects financed through the Renewal and Replacement Account are replacements of equipment and rehabilitation of facilities necessary to realize the optimal lifespan of capital components. Every three years the program contracts with an engineering firm to assess the condition of equipment and facilities and calculate annual contribution amounts to the Renewal and Replacement Account. The latest study was completed in 2008, and this capital budget reflects the findings of the study. During FY 2010-11 Solid Waste Operations will review renewal and replacement procedures to determine if they will be combined with the other renewal and replacement program that funds the General Fund asset renewal and replacement.

Of the 13 projects in the capital budget, only one is new, the Metro South transfer station bays 1 and 2 ventilation repairs. Previously approved major projects scheduled to begin at Metro South in FY 2010-11 are the roof replacement at Metro Central's Household Hazardous Waste facility, the Metro Central "C" scale replacement at the scalehouse and compactor replacements.

Landfill Closure

The St. Johns Landfill Account is restricted to financing capital projects needed to close the St. Johns Landfill and maintain post-closure performance standards. The projects in the capital budget represent a series of improvements that are needed to minimize erosion damage, restore native vegetation, provide wastewater pretreatment, repair the landfill cover and dike systems and provide adequate facilities for staff.

CURRENT PROJECTS STATUS

One project in Parks and Natural Areas Management area, improvements to the M. James Gleason Boat Ramp is substantially complete. A small amount is carried forward to FY 2010-11.

All renewal and replacement projects that are scheduled to be completed in FY 2009-10 are on track to be completed.

Of the 11 Solid Waste Operations projects planned for this fiscal year, two are complete, four are expected to be completed by year end, two are ongoing projects at the landfill, one is canceled and the balance will be carried forward into FY 2010-11 or later.

MAJOR FUNDING SOURCES

Most capital projects associated with Parks and Natural Areas Management have been funded by dedicated funding sources. Of the projects included from FY 2010-11 through FY 2014-15, all are funded by the General Renewal and Replacement Fund.

Primary financing for Solid Waste Operations projects is derived from reserves established for the purpose indicated.

OPERATIONAL IMPACT

Operating costs include a component for renewal and replacement where appropriate.

UNFUNDED PROJECTS

Seven projects are on the unfunded list. All projects have been identified as important to the mission of Parks and Environmental Services but are of lower priority than those listed in the active capital budget. These projects include improvements at Blue Lake and the development of a nature center at Oxbow Park. The emergency generator project at Metro Regional Center is canceled. Four solid waste operations projects on the unfunded list are awaiting further study.

Research Center



Total projects summary by year

	Project No.	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
Regional Land Information System (RLIS)	94403	1	\$864,616	\$32,000	\$27,000	\$23,000	\$32,000	\$19,000	\$997,617
Transportation Modeling Services Cluster Upgrade	43990	2	\$161,576	\$25,000	\$50,000	\$68,200	\$25,000	\$25,000	\$354,778
TOTAL GENERAL FUND			\$1,026,192	\$57,000	\$77,000	\$91,200	\$57,000	\$44,000	\$1,352,395
TOTAL RESEARCH CENTER			\$1,026,192	\$57,000	\$77,000	\$91,200	\$57,000	\$44,000	\$1,352,395
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			326,200	Total number of Projects 2					

The Research Center serves as the metropolitan region's transportation planning organization and is responsible for urban growth management and land use planning. The Research Center consists of two sections: Forecasting and Modeling Services and the Data Resource Center.

The work performed by the Transportation Research and Modeling Services (TRMS) provides the base data used by Metro and local jurisdictions in the region to develop transportation alternatives. It uses a sophisticated system of interconnected servers and workstations for the development and application of travel demand forecasting models. In FY 2001–02 TRMS replaced the existing computer system with a new, more powerful modeling system called Transportation Simulations. This travel modeling system requires very large amounts of processing power. The financing mechanism for the project was a three-year internal loan from another Metro fund. TRMS plans to replace components of this system every year, with a replacement schedule ranging from two to three years, depending on the component. Approximately 9 percent of the annual payment is funded with General Fund revenues.

The Data Resource Center operates a network of computers to provide forecasting, mapping and decision-making tools needed by Metro programs, local governments and private-sector subscribers. The Regional Land Information System (RLIS) is the heart of the planning and mapping services provided by Metro. This technology supports the enterprise applications of the Geographic Information System (GIS). To keep up with the demand for sophisticated land-use planning tools, the center replaces portions of the RLIS system each year. The replacement schedule covers GIS work stations, plotters and specialized printers, and may include some network infrastructure items as needed to support high end data exchanges between the Data Resource Center and Metro partners. Historically, approximately 31 percent of Data Resource Center work is funded with General Fund revenues. The remainder is billed to users and contracting agencies.

OVERVIEW OF PROJECTS

Both projects in this center are regular replacement of equipment and software to complete the center's mission.

PROJECT FUNDING

Project funding is from the General Fund and allocations to users of the services both inside and outside of Metro.



Sustainability Center



Total projects summary by year

	Project No.	Priority	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	TOTAL
NATURAL AREAS FUND									
Natural Areas Acquisition	TEMP98	1	61,392,319	31,513,590	36,005,264	21,292,644	20,937,532	1,685,259	172,826,608
TOTAL NATURAL AREAS FUND			61,392,319	31,513,590	36,005,264	21,292,644	20,937,532	1,685,259	172,826,608
NATURAL AREAS FUND									
40-Mile Loop Trail Construction	71730	1	250,000	689,000	0	0	0	0	939,000
Graham Oaks Nature Park	70480	2	3,177,007	500,000	0	0	0	0	3,677,007
Willamette Cove Nature Park	TEMP186	3	0	300,000	0	0	0	0	300,000
TOTAL NATURAL AREAS FUND			3,427,007	1,489,000	0	0	0	0	4,916,007
TOTAL SUSTAINABILITY CENTER			64,819,326	33,002,590	36,005,264	21,292,644	20,937,532	1,685,259	177,742,615
FIVE YEAR TOTAL, FY 2010-11 THROUGH FY 2014-15			112,923,289	Total number of Projects 4					

Major funding sources

	Prior Years	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
G.O. Bonds - Open Spaces	63,870,508	32,389,380	36,005,264	16,093,232	20,937,532	1,685,259
Interest on Bond	0	0	0	5,199,412	0	0
Excise Tax	476,318	0	0	0	0	0
Grants	222,500	613,210	0	0	0	0
Other	250,000	0	0	0	0	0
Total - Sustainability Center	64,819,326	33,002,590	36,005,264	21,292,644	20,937,532	1,685,259

Annual net impact on operating costs

	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15
Graham Oaks Nature Park	(209,439)	(217,207)	(225,358)	(233,878)	(233,878)
Natural Areas Acquisition	(395,895)	(407,772)	(420,035)	(432,636)	(445,615)
40-mile Loop Trail Construction		(2,000)	(2,000)	(2,000)	(2,000)
Total Sustainability Center	(605,334)	(626,979)	(647,393)	(668,514)	(681,493)

The Sustainability Center capital projects include the acquisition of natural areas and the planning and development of new facilities for the parks system.

OVERVIEW OF PROJECTS

This capital plan includes the acquisition of natural areas and planning and construction of two new parks facilities at Graham Oaks and Willamette Cove.

CURRENT PROJECT STATUS

Sustainability Center projects planned for FY 2009-10 included the completed Cooper Mountain and Mt. Talbert Nature Park, in addition to land acquisition made under the Open Spaces and Natural Areas bond funds. The Nature and Golf Learning Center at Blue Lake Park, which was to be funded initially by an interfund loan through the construction phase, has been postponed and moved to the unfunded list due to the economic climate.

PROJECT FUNDING

The four projects in this fund are funded by the Natural Areas Bond Fund.

OPERATIONAL IMPACT

Operating costs include a component for renewal and replacement where appropriate and the expected operating costs of the new parks.

UNFUNDED PROJECTS

There are currently two unfunded projects for this center, the Smith and Bybee South Shore Trail and Bridge and the Nature and Golf Learning Center at Blue Lake Park.



Unfunded projects

Projects included on these lists are those projects which were deemed worthy of future consideration but were not included in the CIP for one of the following reasons:

(1) sufficient funds are not available to finance the project, (2) scope of the project requires further definition or (3) alternatives need to be explored. As funds become available or projects are refined, operating units may request their inclusion.

Key To Unfunded Lists

Project Title: Name given to project.

Type: Indicates whether project is a *New* capital asset, an *Expansion* or *Replacement* of an existing asset.

Priority: Indicates whether the project is a *High* or *Medium* priority relative to other projects.

Estimated Project Cost: Preliminary estimate of capital costs for the project expressed in 2009 dollars. A blank field here means the cost is unknown.

		Type	Priority	Estimated Cost
PARKS AND ENVIRONMENTAL SERVICES				
Parks and Natural Areas Management				
TEMP66	Blue Lake Park Improvements Phase 1	New	Medium	8,900,000
TEMP67	Blue Lake Park Improvements Phase 2	New	Medium	3,000,000
71772	Oxbow Park - Diack Environmental Education Center	New	Medium	1,767,645
Total Parks and Natural Areas Management				13,667,645
Solid Waste Operations				
76929	Metro South - Install High Capacity Baler	New	Medium	791,000
76931	Metro South - Wood Processing Capacity	New	Medium	804,000
76932	Metro South -Wood Staging Structure	New	Medium	480,000
Temp103	Metro South - Installation of Compactor for Public Unloading Area	New	Medium	880,000
Total Solid Waste Operations				2,955,000
SUSTAINABILITY CENTER				
Parks Planning and Development				
GF201	Nature and Golf Learning Center at Blue Lake Park	New	High	11,097,888
TEMP298	Smith and Bybee South Shore Trail and Bridge	New	High	1,323,750
TOTAL				\$12,421,638

Current project status reports

The Current Projects Status Report is used to report on the progress toward completion of existing projects and to assist in preparing the capital budget. Included are previously approved projects that were expected to be completed by the end of FY 2009-10. Status reports are grouped by operating unit.

Key to status reports

Project Title: Title by which the project was referenced in the last budget.

Year First Authorized: The fiscal year in which funds were first appropriated for the project.

Project Status: The status of the project is identified by the following: Incomplete, carried forward, complete, canceled or unfunded.

Completion Date: The original expected completion date for projects.

Original Cost Estimate: Estimate of total project costs when the project was first authorized.

Revised Cost Estimate: The most recent estimate of total project costs.

Expenditures: The total funds expended for the project if completed or canceled.

		Year First Authorized	Project Status	Completion Date	Original Cost Estimate	Revised Cost Estimate	Actual Expenditures as of Dec. 31, 2009
INFORMATION SERVICES							
Information Services							
1524	Learning Management System	2008-09	Carried Forward	6/30/11	115,000	Unchanged	40,923
56135	Develop Enterprise Business Applications Software	1998-99	Carried Forward	6/30/11	193,000	50,000	334,528
OREGON ZOO							
Zoo Visitor Experience							
TEMP363	750 kw Generator	2008-09	Carried Forward	6/30/11	149,630	Unchanged	-
ZVS03	Zoo Micros POS System	2008-09	Carried Forward	6/30/11	183,600	Unchanged	1,162
ZIP001	Veterinary Hospital	2008-09	Carried Forward	6/30/12	4,500,000	13,391,119	383,954
ZAR19	Predators of the Serengeti	2002-03	Complete	6/30/10	1,900,000	6,970,000	6,510,599
ZPR12	Red Ape Reserve "Orangutan"	2007-08	Carried Forward	6/30/11	1,800,000	3,550,000	2,707,257
ZPR13	Primate Building Roof Replacement	2007-08	Complete	6/30/10	120,000		99,250
PARKS AND ENVIRONMENTAL SERVICES							
Parks and Natural Areas Management							
70171	M. James Gleason Boat Ramp Renovation Phase III & IV	2008-09	Carried Forward	6/30/11	1,200,000	1,599,500	235,939
CEM101	Lone Fir Cemetery Improvements	2009-10	Carried Forward	6/30/11	170,000	Unchanged	709
Property Services							
1505	Rebuild Metro Regional Center planters	2006-07	Carried Forward	6/30/11	65,000	195,000	51,649
1301	Parking Structure Waterproofing	2007-08	Carried Forward	6/30/12	150,000	900,000	
1510	Council/COO Building Space Remodel	2007-08	Carried Forward	6/30/11	450,000	228,000	39,247
Solid Waste Operations							
76839	Power Surge Protection for scalehouses at MSS & MCS	2007-08	Complete	6/30/10	150,000	Unchanged	12,000
76840	Improvements to Metro South truck entrance/exit	2009-10	Carried Forward	6/30/11	11,000	Unchanged	
76841	Metro South - Replace Ventilation System	2004-05	Carried Forward	6/30/11	100,000	140,000	-
76870	Metro Central Bay 2 Concrete Floor	2009-10	Canceled	6/30/10	250,000	Canceled	
76968	Metro Central-HHW- Ventilation System Replacement	2004-05	Complete	6/30/10	100,000	150,000	25,578
Temp263	Metro Central- Scalehouse A Inbound scale	2007-08	Complete	6/30/09	90,000	110,000	105,520
76964	Metro Central - Chimney Removal	2002-03	Complete	6/30/10	175,000	500,000	195,052
76969	Metro Central - Truckwash	2004-05	Complete	2/20/10	180,000	350,000	103,367
76842	Metro South - Modify Entry Way to Operations Bld	2008-09	Carried Forward	6/30/11	175,000	Unchanged	
76973	Metro Central - Rainwater Harvesting	2002-03	Canceled	4/1/10	310,000	Unchanged	40,204
76979	Metro Central - Tarping Station	2009-10	Carried Forward	6/30/11	200,000	Unchanged	

							Actual
							Expenditures as
							of
	Year First		Completion	Original Cost	Revised Cost	Dec. 31, 2009	
	Authorized	Project Status	Date	Estimate	Estimate		
SUSTAINABILITY CENTER							
Parks Planning and Development							
71730	40 Mile Loop Trail Construction At Blue Lake Park	2009-10	Carried Forward	6/30/11	800,000	939,000	-
70463	Graham Oaks Nature Park	2008-09	Carried Forward	6/30/11	3,420,898	Unchanged	537,592
70463	Cooper Mountain Nature Park	2008-09	Complete	9/30/09	3,000,000	Unchanged	2,953,188
GF201	Nature and Golf Learning Center at Blue Lake Park	2009-10	Unfunded	6/30/10	11,691,609	Unchanged	535,201

Capital Asset Management Policies

In FY 2000–01 the Metro Council raised concerns about the lack of comprehensive agency asset management policies. The Presiding Officer established a Systems Performance Task Force to review the differing departmental approaches to capital asset management and make recommendations. The major finding of the task force was a need to have capital management policies for three principal reasons:

- To provide a general framework for capital asset management.
- To provide minimum standards and requirements related to capital asset management for all Metro departments.
- To have established written policies against which the Council can review the capital asset management programs of individual departments; these policies also require additional fiscal information be included in the capital budget and the budget that will give the Council a clearer picture of the total capital needs of the agency.

In 2001 via Resolution No. 01-3113, Council approved the Metro Capital Asset Management Policies. During FY 2002–03, operating procedures were developed to ensure consistent application of these policies.

The policies are reviewed and affirmed annually by the Metro Council as part of the budget adoption process.

CAPITAL ASSET MANAGEMENT POLICIES

The following policies provide guidance for current practices and a framework for evaluation of proposals for future projects. These policies also seek to improve Metro’s financial stability by providing a consistent approach to fiscal strategy. Adopted financial policies show the credit rating industry and prospective investors (bond buyers) the agency’s commitment to sound financial management and fiscal integrity. Adherence to adopted policies ensures the integrity and clarity of the financial planning process and can lead to improvement in bond ratings and lower cost of capital.

1. Metro shall operate and maintain its physical assets in a manner that protects the public investment and ensures achievement of their maximum useful life.

Ensuring the maximum useful life for public assets is a primary agency responsibility. Establishing clear policies and procedures for monitoring, maintaining, repairing and replacing essential components of facilities is central to good management practices. It is expected that each Metro department will have written policies and procedures that address:

Multi-year planning for renewal and replacement of facilities and their major components.

Annual maintenance plans.

2. Metro shall establish a Renewal and Replacement Reserve account for each operating fund responsible for major capital assets.

Ensuring that the public receives the maximum benefit for its investments in major facilities and equipment requires an ongoing financial commitment. A Renewal and Replacement Reserve should initially be established based on the value of the asset and consideration of known best asset management practices. Periodic condition assessments should identify both upcoming renewal and replacement projects and the need to adjust reserves to support future projects. If resources are not sufficient to fully fund the Reserve without program impacts, the Council will consider alternatives during the annual budget process. Establishing and funding the Reserve demonstrates Metro’s ongoing capacity and commitment to these public investments.

3. Metro shall prepare, adopt and update at least annually a five-year Capital Improvement Plan (hereto referred as the capital budget). The Plan will identify and set priorities for all major capital assets to be acquired or constructed by Metro. The first year of the adopted capital budget shall be included in the proposed budget.

The primary method for Metro departments to fulfill the need for multi-year planning is the capital budget process. The capital budget allows a comprehensive look at Metro's capital needs for both new facilities and renewal and replacement of existing ones, and allows the Council to make the necessary decisions to ensure financial resources match forecasted needs.

4. Capital improvement projects are defined as facility or equipment purchases or construction which results in a capitalized asset costing more than \$100,000* and having a useful (depreciable life) of five years or more. Also included are major maintenance projects of \$100,000 or more that have a useful life of at least five years. (*Effective July 1, 2009, per Resolution 08-3941A)

A clear threshold ensures that the major needs are identified and incorporated in financial plans.

5. An assessment of each Metro facility will be conducted at least every five years. The report shall identify repairs needed in the coming five years to ensure the maximum useful life of the asset. This information shall be the basis for capital improvement planning for existing facilities and in determining the adequacy of the existing Renewal and Replacement Reserves.

A foundation step for capital planning is an understanding of the current conditions of Metro facilities. It is expected that Metro departments have a clear, documented process for assessing facility condition at least every five years. The assessment processes may range from formal, contracted engineering studies to in-house methods such as peer reviews. The assessment should identify renewal and replacement projects that should be done within the following five years. The Renewal and Replacement Reserve account should be evaluated and adjusted to reflect the greater of the average renewal and replacement project needs over the coming five years or two percent of the current facility replacement value.

6. The capital budget will identify adequate funding to support repair and replacement of deteriorating capital assets and avoid a significant unfunded liability from deferred maintenance.

Using the information provided by facility assessments, Metro departments should use the capital budget process to identify the resources necessary to keep facilities in an adequate state of repair. In situations where financial resources force choices between programs and facility repair, the annual budget process should highlight these policy choices for Council action.

7. A five-year forecast of revenues and expenditures will be prepared in conjunction with the capital budgeting process. The forecast will include a discussion of major trends affecting agency operations, incorporate the operating and capital impact of new projects, and determine available capacity to fully fund the Renewal and Replacement Reserve.

Incorporation of capital needs into agency five-year forecasts ensures that problem areas are identified early enough that action can be taken to ensure both the maintenance of Metro facilities and integrity of Metro services.

8. To the extent possible, improvement projects and major equipment purchases will be funded on a pay-as-you-go basis from existing or foreseeable revenue sources. Fund Balances above established reserve requirements may be used for one-time expenditures such as capital equipment or financing of capital improvements.

Preparing a capital budget and incorporating it into five-year forecasts enables Metro to plan needed capital spending within foreseeable revenues. This minimizes the more costly use of debt for capital financing and ensures renewal and replacement of facility components takes place without undue financial hardship to operations.

9. Debt (including capital leases) may only be used to finance capital, including land acquisition, not ongoing operations. Projects that are financed through debt must have a useful service life at least equal to the debt repayment period.

Because interest costs impact taxpayers and customers, debt financing should be utilized only for the creation or full replacement of major capital assets.

10. When choosing funding sources for capital items, every effort should be made to fund enterprise projects either with revenue bonds or self-liquidating general obligation bonds. For the purpose of funding non-enterprise projects, other legally permissible funding sources such as systems development charges should be considered.

11. Acquisition or construction of new facilities shall be done in accordance with Council adopted facility and/or master plans. Prior to approving the acquisition or construction of a new asset, Council shall be presented with an estimate of the full cost to operate and maintain the facility through its useful life and the plan for meeting these costs. At the time of approval, Council will determine and establish the Renewal and Replacement Reserve policy for the asset to ensure resources are adequate to meet future major maintenance needs.

New Metro facilities should be planned within the overall business and service objectives of the agency. To ensure that the public gains the maximum utility from the new facility or capital asset, Metro should identify the full cost of building and operating the facility throughout its useful life. Resources generated from its operation or other sources should be identified to meet these needs.

Debt Summary

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Metro uses long and short-term debt to finance capital projects and some capital equipment. The following pages provide a summary of Metro's overall debt level as well as an explanation of Metro's outstanding debt by type and issue.

In March 2007 Metro was awarded underlying Aaa/AAA ("double triple") ratings for its general obligation debt issues by Moody's Investors Services and Standard & Poor's Ratings Services, the highest ratings available.

SUMMARY OF OVERALL DEBT

Metro has a relatively low level of outstanding debt. As of July 1, 2010, Metro has eight debt issues outstanding, totaling \$225,868,356. In November 2006 Metro received authorization from the voters to issue \$227.4 million in general obligation bonds for the acquisition of natural areas. The first series of bonds under this authorization was issued in April 2007. In addition, in November 2008 Metro received authorization from the voters to issue \$125.0 million in general obligation bonds for Oregon Zoo infrastructure and projects related to animal welfare. A small \$5 million bond was issued under this authorization in December 2008. The agency is currently evaluating short and long-term needs under these bond authorizations. Metro will issue another \$15 million bond under the Oregon Zoo authorization in early summer 2010.

The graphs and charts on the following pages summarize Metro's total outstanding debt by fiscal year as well as total debt as a percentage of real market value and assessed value. In addition, the Debt Ratios table shows Metro's level of outstanding debt on a per capita basis and as compared to the estimated real market value of the Metro region. With the passage of Ballot Measure 50 in May 1997, assessed values were rolled back to FY 1994-95 levels less 10 percent and capped at no more than a 3 percent annual increase. In the 13 years since passage of the measure, real market values have usually risen significantly faster than assessed values. In the past year as the economy has stuttered, the ratio of real market value to assessed value has fallen to 73 percent from 88 percent.

Periodically Metro will refund bond issues to take advantage of lower interest rates. Metro currently has five refunding bond issues outstanding. The net present value of the savings from refunding is calculated when the new bonds are issued and is included on the debt service schedules later in this section.

Metro will also defease or pay off bonds if financial circumstances warrant such an action. In July 2009 the long term installment contract with the City of Portland for the Steel Bridge Local Improvement District was paid in full, funded through Oregon Convention Center revenues. Also, in June 2010 the outstanding \$5 million 2008 Oregon Zoo Infrastructure Bonds were called and paid off as planned.

General Obligation Debt: \$171,848,356 outstanding

Metro's Charter and Oregon state law require Metro to obtain voter approval prior to issuing any general obligation bonds. To date, voters have approved five general obligation bond issues: \$65 million for the Oregon Convention Center issued in 1987, refunded in 1992 and 2001; \$135.6 million for Open Spaces, Parks and Streams issued in three series in 1995, with two of the three series refunded in 2002; \$28.8 million for improvements to the Oregon Zoo issued in 1996 and refunded in 2005; \$227.4 million for Natural Areas, the first series of which was issued in April 2007; and \$125.0 million for Oregon Zoo infrastructure and projects related to animal welfare, for which an initial \$5 million issue was placed in December 2008.

State law establishes a limit of 10 percent of real market value on Metro's total general obligation indebtedness. Metro's general obligation debt is 0.08 percent of real market value. The Metro Debt Limitation Comparison table (page I-6) shows a comparison of Metro's outstanding general obligation bonds to the statutory debt limit.

Full Faith and Credit Bonds: \$30,400,000 outstanding

Metro issued full faith and credit refunding bonds in 2003, refunding obligations for Metro Regional Center construction and loans to the Oregon Zoo. The Metro Regional Center obligation had been a General Revenue Bond issued in 1993, backed by assessments to Metro departments occupying Metro's headquarters building. The zoo obligations have been loans from the Oregon Economic and Community Development Department issued in 1995 and 1996 to pay Metro's share of Westside MAX light rail construction and reconfiguration of the Washington Park parking lot used by zoo patrons. These loans were paid from zoo revenues.

In April 2006 Metro joined with two other Oregon local governments to issue full faith and credit refunding bonds to refund the outstanding obligation remaining on an Oregon Economic Development Department, Special Public Works Fund loan. In April 2000 Metro obtained a loan from the Oregon Bond Bank through the Oregon Economic Development Department, Special Public Works Fund to pay for the construction of a new building to replace the existing Hall D at the Portland Expo Center. The loan was divided into two parts with the first being used to finance the construction of the Hall D replacement. The second part of the loan was for infrastructure improvements associated with the new building. The loan was paid from Metro Expo Center revenues.

The Full Faith and Credit bonds are backed by a broader pledge of Metro revenues, including property taxes used to support operations, and excise taxes levied on users of certain Metro services. The prior funding sources will continue to be used to pay debt service on the full faith and credit bonds, but the additional backing from other Metro revenues provides greater security for bondholders.

Pension Obligation Bonds: \$23,620,000 outstanding

In fall 2005 Metro joined with a pool of other local governments in the State of Oregon to issue limited tax pension obligation bonds to fund its share of the Oregon Public Employees Retirement System unfunded actuarial liability. Metro's share of the total principal will be repaid over a period of 22 years through assessments on operating units in exchange for a lower pension cost.

PLANNED DEBT

In November 2006 voters of the Metro region approved a \$227.4 million general obligation bond measure for natural areas. In April 2007 the first series of bonds under the authorization was issued for \$124,295,000. The agency is currently re-evaluating program needs under this authorization. Current forecasts estimate the balance of the authorization to be issued in 2012.

Metro has also recently received authorization for a \$125 million in general obligation bonds for the Oregon Zoo. A small \$5 million bond was issued under this authorization in December 2008. Another small bond issuance of \$15 million will be issued in summer 2010. Further bonds issues will be determined based on completion of land use approvals and program needs.

Outstanding debt issues

	Original Amount	Original Issue Date	Principal Outstanding	Final Maturity	Source of Payment
GENERAL OBLIGATION BONDS					
General Obligation Refunding Bonds					
Oregon Convention Center 2001 Series A	\$47,095,000	6/15/01	\$15,110,000	1/1/2013	Property Taxes
Open Spaces, Parks, and Streams 2002 Series	92,045,000	10/30/02	53,275,000	9/1/2015	Property Taxes
Metro Washington Park Zoo Oregon Project 2005 Series	18,085,000	5/12/05	13,315,000	1/15/2017	Property Taxes
General Obligation Bonds					
Open Spaces, Parks, and Streams 1995 Series B	5,219,923	9/29/95	223,356	9/1/2010	Property Taxes
Natural Areas 2007 Series	124,295,000	4/3/07	89,925,000	6/1/2026	Property Taxes
TOTAL GENERAL OBLIGATION BONDS OUTSTANDING			\$171,848,356		
FULL FAITH AND CREDIT BONDS					
Full Faith and Credit Refunding Bonds					
2003 Series	\$24,435,000	10/16/03	\$17,565,000	8/1/2022	General Revenues
2006 Series	14,700,000	4/20/06	12,835,000	12/1/2024	General Revenues
TOTAL FULL FAITH & CREDIT BONDS OUTSTANDING			\$30,400,000		
PENSION OBLIGATION BONDS					
Limited Tax Pension Obligation Bonds					
Series 2005	\$24,290,000	9/13/05	\$23,620,000	6/1/2028	Department Assessments
TOTAL PENSION OBLIGATION BONDS OUTSTANDING			\$23,620,000		
GRAND TOTAL – METRO DEBT OUTSTANDING			\$225,868,356		

Debt ratios as of July 1, 2010

FY 2010-11 Estimated Real Market Value \$208,123,520,973
 2010 Estimated Population 1,647,982

	Debt Outstanding	Debt per Capita	Debt as % of Real Market Value
General Obligation Debt	\$171,848,356	\$104.28	0.08%
Full Faith and Credit Bonds	30,400,000	18.45	0.01%
Pension Obligation Bonds	23,620,000	14.33	0.01%
TOTAL METRO DEBT	\$225,868,356	\$137.06	0.11%

Debt ratios as of June 30, 2011

FY 2010-11 Estimated Real Market Value \$208,123,520,973
 2010 Estimated Population 1,647,982

	Debt Outstanding	Debt per Capita	Debt as % of Real Market Value
General Obligation Debt	\$153,915,000	93.40	0.07%
Full Faith & Credit Bonds	\$28,510,000	17.30	0.01%
Pension Obligation Bonds	\$23,260,000	14.11	0.01%
TOTAL METRO DEBT	\$205,685,000	\$124.81	0.10%

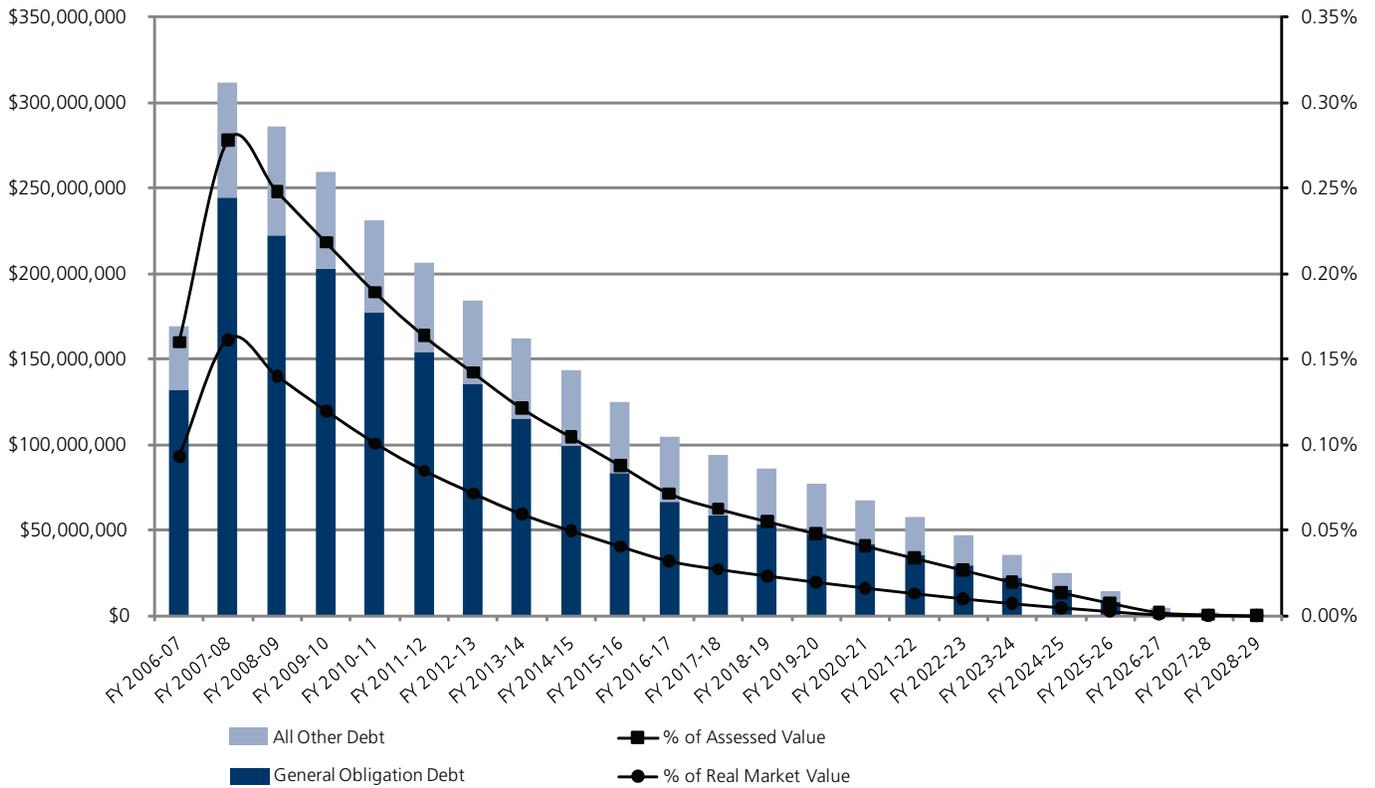
Debt limitation comparison

Statutory general obligation bond limit – 10 percent of Real Market Value

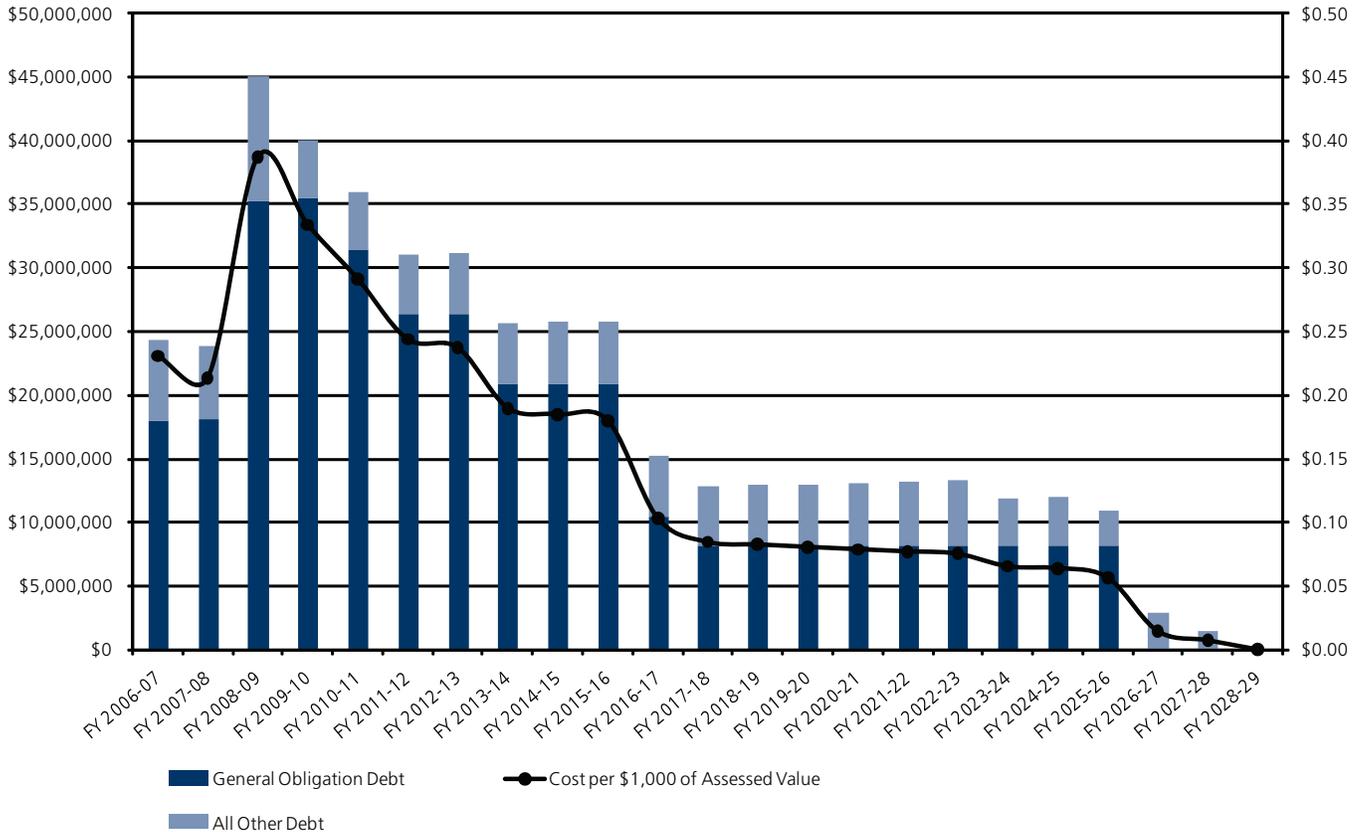
FY 2010-11 Estimated Real Market Value*	208,123,520,973
Times General Obligation Debt Limit Percentage	10%
Statutory General Obligation Bond Limit	\$20,812,352,097
Less General Obligation Debt Outstanding	\$171,848,356
General Obligation Bond Limit Remaining	\$20,640,503,741
Metro's General Obligation Debt Percentage	0.08%

* Unchanged from FY 2009-10 values due to current economic and market conditions.

Outstanding debt by fiscal year (not including authorized but unissued debt)



Debt service payments by fiscal year (not including authorized but unissued debt)



FY 2010-11 Summary of debt service payments

	Principal	Interest	Fiscal Year Debt Service
General Obligation Refunding Bonds			
Oregon Convention Center, 2001 Series A	\$4,785,000	\$691,795	\$5,476,795
Open Spaces, Parks, and Streams, 2002 Series	7,395,000	2,551,188	9,946,188
Metro Washington Park Zoo Oregon Project, 2005 Series	1,620,000	643,650	2,263,650
General Obligation Bonds			
Open Spaces, Parks, and Streams, 1995 Series B	223,356	277,644	501,000
Natural Areas, Series 2007	3,910,000	4,228,150	8,138,150
Full Faith & Credit Refunding Bonds			
2003 Series	1,265,000	644,615	1,909,615
2006 Series	625,000	564,131	1,189,131
Limited Tax Pension Obligation Bonds, Series 2005	360,000	1,169,472	1,529,472
TOTAL FY 2010-11 DEBT SERVICE PAYMENTS	\$20,183,356	\$10,770,645	\$30,954,001

Debt schedules





The Oregon Convention Center general obligation bonds were issued in 1987 for the construction of the Oregon Convention Center facility. The project opened for business in September 1990. Refunding bonds dated March 15, 1992, were issued for \$65,760,000 in order to refund the \$61,855,000 balance of the original issue. This bond issue was again refunded in 2001, resulting in a net present value savings of \$4,370,954.57.

General Obligation Refunding Bonds, Oregon Convention Center, 2001 Series A

Amount issued	\$47,095,000
Issue date	June 15, 2001
Original issue True Interest Rate (TIC)	4.323%
Ratings as of date of issuance	
Moody's	Aa1
Standard & Poor's	AA+
Principal outstanding balance as of July 1, 2010	\$15,110,000

Semi-annual debt service schedule

Due	Interest Rate	Principal Due	Interest Due	Total Debt Service	Total F/Y Debt Service
7-1-10	5.000%		345,897.50	345,897.50	
1-1-11	4.300%	4,785,000.00	345,897.50	5,130,897.50	5,476,795.00
7-1-11	4.300%		243,020.00	243,020.00	
1-1-12	4.400%	5,035,000.00	243,020.00	5,278,020.00	5,521,040.00
7-1-12	4.400%		132,250.00	132,250.00	
1-1-13	5.000%	5,290,000.00	132,250.00	5,422,250.00	5,554,500.00
Total		\$15,110,000.00	\$1,442,335.00	\$16,552,335.00	\$16,552,335.00

**General
Obligation
Bonds, Open
Spaces,
Parks and
Streams,
2002
Refunding
and 1995
Series B**

The Open Spaces, Parks and Streams general obligation bonds were authorized by the voters on May 16, 1995. The original bonds were issued in three series between Sept. 1 and Oct. 15, 1995, to facilitate compliance with federal regulations regarding expenditures and investment of bond proceeds. Bond proceeds are used to purchase regionally significant open spaces and to provide funds for local governments to purchase, construct and improve local parks. Series A and C of the original bonds were refunded in 2002 resulting in a net present value savings of \$6,104,077.

	2002 Refunding	1995 Series B
Amount issued	\$92,045,000	\$5,219,923
Issue date	Oct. 30, 2002	Sept. 9, 1995
Original issue True Interest Rate (TIC)	3.696%	5.259%
Ratings as of date of issuance		
Moody's	Aa1	Aa1
Standard & Poor's	AA+	AA+
Principal outstanding balance as of July 1, 2010	\$53,275,000	\$233,356

Semi-annual debt service schedule

Payment Due	Refunding Interest Rate	Refunding Principal Due	Refunding Interest	Series B Interest Rate	Series B Principal Due	Series B Interest	Total Principal Due	Total Interest Due	Total Debt Service	Fiscal Year Debt Service
9-1-10	5.000%	7,395,000.00	1,368,031.25	5.500%	223,355.82	277,644.18	7,618,355.82	1,645,675.43	9,264,031.25	10,447,187.50
3-1-11			1,183,156.25				1,183,156.25	1,183,156.25	1,183,156.25	
9-1-11	5.000%	8,265,000.00	1,183,156.25				8,265,000.00	1,183,156.25	9,448,156.25	
3-1-12			976,531.25				976,531.25	976,531.25	976,531.25	10,424,687.50
9-1-12	5.000%	8,690,000.00	976,531.25				8,690,000.00	976,531.25	9,666,531.25	
3-1-13			759,281.25				759,281.25	759,281.25	759,281.25	10,425,812.50
9-1-13	5.250%	9,140,000.00	759,281.25				9,140,000.00	759,281.25	9,899,281.25	
3-1-14			519,356.25				519,356.25	519,356.25	519,356.25	10,418,637.50
9-1-14	5.250%	9,630,000.00	519,356.25				9,630,000.00	519,356.25	10,149,356.25	
3-1-15			266,568.75				266,568.75	266,568.75	266,568.75	10,415,925.00
9-1-15	5.250%	10,155,000.00	266,568.75				10,155,000.00	266,568.75	10,421,568.75	10,421,568.75
Totals		\$53,275,000.00	\$8,777,818.75		\$223,355.82	\$277,644.18	\$53,498,355.82	\$9,055,462.93	\$62,553,818.75	\$62,553,818.75

The Oregon Zoo (formerly the Metro Washington Park Zoo) Oregon Project bonds were authorized by voters on Sept. 17, 1996. The original general obligation bonds were issued Nov. 1, 1996. Bond proceeds were used to fund a variety of improvements, new exhibits and support facilities at the Oregon Zoo. The callable portion of the 1996 Series A bonds was refunded in 2005 resulting in a net present value savings of \$1,427,412.

**General
Obligation
Bonds,
Metro
Washington
Park Zoo
Oregon
Project,
2005 Series**

Amount issued	\$18,085,000
Issue date	May 12, 2005
Original issue True Interest Rate (TIC)	3.689%
Ratings as of date of issuance	
Moody's	Aa1
Standard & Poor's	AAA
Principal outstanding balance as of July 1, 2010	\$13,315,000

Semi-annual debt service schedule

Payment Due	Interest Rate	Principal Due	Interest Due	Total Debt Service	Total F/Y Debt Service
7-15-10		0.00	321,825.00	321,825.00	
1-15-11	5.000%	1,620,000.00	321,825.00	1,941,825.00	2,263,650.00
7-15-11		0.00	281,325.00	281,325.00	
1-15-12	5.000%	1,710,000.00	281,325.00	1,991,325.00	2,272,650.00
7-15-12		0.00	238,575.00	238,575.00	
1-15-13	5.000%	1,795,000.00	238,575.00	2,033,575.00	2,272,150.00
7-15-13		0.00	193,700.00	193,700.00	
1-15-14	5.000%	1,890,000.00	193,700.00	2,083,700.00	2,277,400.00
7-15-14		0.00	146,450.00	146,450.00	
1-15-15	5.000%	1,995,000.00	146,450.00	2,141,450.00	2,287,900.00
7-15-15		0.00	96,575.00	96,575.00	
1-15-16	5.000%	2,095,000.00	96,575.00	2,191,575.00	2,288,150.00
7-15-16		0.00	44,200.00	44,200.00	
1-15-17	4.000%	2,210,000.00	44,200.00	2,254,200.00	2,298,400.00
Total		\$13,315,000.00	\$2,645,300.00	\$15,960,300.00	\$15,960,300.00

General Obligation Bonds, Natural Areas, 2007 Series

In November 2006 the region's voters approved Measure 26-80, a \$227.4 million bond measure that directed Metro to acquire natural areas, parks and streams to protect open spaces and water quality, enhance the region's network of trails, and provide greater access to nature. The first series of bonds for \$124,295,000 was issued April 3, 2007. The remaining portion of the bond authorization will be issued as program needs require. Debt service will be paid from property taxes assessed on real property within the Metro region.

Amount issued	\$124,295,000
Issue date	April 3, 2007
Original issue True Interest Rate (TIC)	4.0759%
Ratings as of date of issuance	
Moody's	Aaa
Standard & Poor's	AAA
Principal outstanding balance as of July 1, 2010	\$89,925,000

Semi-annual debt service schedule

Payment Due	Interest Rate	Principal Due	Interest Due	Total Debt Service	Total FY Debt Service
12/1/2010	-	-	2,114,075.00	2,114,075.00	
6/1/2011	4.00%	3,910,000	2,114,075.00	6,024,075.00	8,138,150.00
12/1/2011	-	-	2,035,875.00	2,035,875.00	
6/1/2012	4.00%	4,070,000	2,035,875.00	6,105,875.00	8,141,750.00
12/1/2012	-	-	1,954,475.00	1,954,475.00	
6/1/2013	4.00%	4,230,000	1,954,475.00	6,184,475.00	8,138,950.00
12/1/2013	-	-	1,869,875.00	1,869,875.00	
6/1/2014	5.00%	4,400,000	1,869,875.00	6,269,875.00	8,139,750.00
12/1/2014	-	-	1,759,875.00	1,759,875.00	
6/1/2015	5.00%	4,620,000	1,759,875.00	6,379,875.00	8,139,750.00
12/1/2015	-	-	1,644,375.00	1,644,375.00	
6/1/2016	5.00%	4,850,000	1,644,375.00	6,494,375.00	8,138,750.00
12/1/2016	-	-	1,523,125.00	1,523,125.00	
6/1/2017	5.00%	5,095,000	1,523,125.00	6,618,125.00	8,141,250.00
12/1/2017	-	-	1,395,750.00	1,395,750.00	
6/1/2018	5.00%	5,350,000	1,395,750.00	6,745,750.00	8,141,500.00
12/1/2018	-	-	1,262,000.00	1,262,000.00	
6/1/2019	5.00%	5,615,000	1,262,000.00	6,877,000.00	8,139,000.00
12/1/2019	-	-	1,121,625.00	1,121,625.00	
6/1/2020	5.00%	5,895,000	1,121,625.00	7,016,625.00	8,138,250.00
12/1/2020	-	-	974,250.00	974,250.00	
6/1/2021	5.00%	6,190,000	974,250.00	7,164,250.00	8,138,500.00
12/1/2021	-	-	819,500.00	819,500.00	
6/1/2022	5.00%	6,500,000	819,500.00	7,319,500.00	8,139,000.00
12/1/2022	-	-	657,000.00	657,000.00	
6/1/2023	4.50%	6,825,000	657,000.00	7,482,000.00	8,139,000.00
12/1/2023	-	-	503,437.50	503,437.50	
6/1/2024	4.50%	7,130,000	503,437.50	7,633,437.50	8,136,875.00
12/1/2024	-	-	343,012.50	343,012.50	
6/1/2025	4.50%	7,455,000	343,012.50	7,798,012.50	8,141,025.00
12/1/2025	-	-	175,275.00	175,275.00	
6/1/2026	4.50%	7,790,000	175,275.00	7,965,275.00	8,140,550.00
Total		\$89,925,000	\$40,307,050	\$130,232,050	\$130,232,050

In November 2008 the region's voters approved Measure 26-96, a \$125 million general obligation bond measure that directed Metro to fund Oregon Zoo capital projects to project animal health and safety, conserve and recycle water and to improve access to conservation education. The first series of bonds in the form of a private placement with Bank of America for \$5 million were issued December 22, 2008 and paid in June 2010. Metro is currently planning a second series of bonds to be issued in August 2010. The issue will be in the form of a two-year private placement for \$15 million.

Amount issued	\$15,000,000
Issue date	August 2010
Original issue True Interest Rate (TIC)	TBD
Ratings as of date of issuance	
Moody's	Aaa
Standard & Poor's	AAA
Principal outstanding balance as of July 1, 2010	n/a

General Obligation Bonds, Oregon Zoo Infrastructure and Animal Welfare Bonds, Series 2010

Full Faith and Credit Refunding Bonds, 2003 Series

Full faith and credit bonds were issued in October 2003 to refund outstanding obligations for Metro Regional Center acquisition and construction, and for loans from the Oregon Economic and Community Development Department's (OECDD) Special Public Works Fund to the Oregon Zoo for Metro's share of light rail station construction and Washington Park parking lot improvements. Bonds to finance Metro Regional Center were originally issued in 1991, and refunded in 1993, as revenue bonds to be paid by assessments to Metro operating units. The OECDD loans were issued in two series, in 1995 and 1996, to coincide with construction schedules for the light rail and parking lot improvements projects. These loans were paid from zoo revenues. The 2003 refunding broadened the pool of available funds to back payment of the obligations, by pledging Metro's general revenues including excise taxes and Metro's permanent rate property tax levy. Debt service payments will continue to be made from the same sources as before, but the full faith and credit pledge strengthens the security for bondholders. The refunding bonds produced net present value savings of \$2,462,082.

Amount issued	\$24,435,000
Issue date	Oct. 16, 2003
Original issue True Interest Rate (TIC)	3.793%
Ratings as of date of issuance	
Moody's	Aa2
Standard & Poor's	AA+
Principal outstanding balance as of July 1, 2010	\$17,565,000

Semi-annual debt service schedule

Payment Due	Interest Rate	MRC Principal Due	MRC Interest Due	Zoo Principal Due	Zoo Interest Due	TOTAL Principal Due	TOTAL Interest Due	Total Debt Service	Total F/Y Debt Service
8-1-10	3.000%	935,000	291,985.00	330,000	39,810.00	1,265,000	331,795.00	1,596,795.00	
2-1-11			277,960.00		34,860.00	0	312,820.00	312,820.00	1,909,615.00
8-1-11	3.125%	960,000	277,960.00	340,000	34,860.00	1,300,000	312,820.00	1,612,820.00	
2-1-12			262,960.00		29,547.50	0	292,507.50	292,507.50	1,905,327.50
8-1-12	3.300%	990,000	262,960.00	350,000	29,547.50	1,340,000	292,507.50	1,632,507.50	
2-1-13			246,625.00		23,772.50	0	270,397.50	270,397.50	1,902,905.00
8-1-13	3.500%	1,025,000	246,625.00	360,000	23,772.50	1,385,000	270,397.50	1,655,397.50	
2-1-14			228,687.50		17,472.50	0	246,160.00	246,160.00	1,901,557.50
8-1-14	3.600%	1,060,000	228,687.50	380,000	17,472.50	1,440,000	246,160.00	1,686,160.00	
2-1-15			209,607.50		10,632.50	0	220,240.00	220,240.00	1,906,400.00
8-1-15	3.700%	1,090,000	209,607.50	395,000	10,632.50	1,485,000	220,240.00	1,705,240.00	
2-1-16			189,442.50		3,325.00	0	192,767.50	192,767.50	1,898,007.50
8-1-16	3.800%	1,150,000	189,442.50	175,000	3,325.00	1,325,000	192,767.50	1,517,767.50	
2-1-17			167,592.50			0	167,592.50	167,592.50	1,685,360.00
8-1-17	4.000%	1,210,000	167,592.50			1,210,000	167,592.50	1,377,592.50	
2-1-18			143,392.50			0	143,392.50	143,392.50	1,520,985.00
8-1-18	4.000%	1,255,000	143,392.50			1,255,000	143,392.50	1,398,392.50	
2-1-19			118,292.50			0	118,292.50	118,292.50	1,516,685.00
8-1-19	4.100%	1,305,000	118,292.50			1,305,000	118,292.50	1,423,292.50	
2-1-20			91,540.00			0	91,540.00	91,540.00	1,514,832.50
8-1-20	4.200%	1,360,000	91,540.00			1,360,000	91,540.00	1,451,540.00	
2-1-21			62,980.00			0	62,980.00	62,980.00	1,514,520.00
8-1-21	4.300%	1,420,000	62,980.00			1,420,000	62,980.00	1,482,980.00	
2-1-22			32,450.00			0	32,450.00	32,450.00	1,515,430.00
8-1-22	4.400%	1,475,000	32,450.00			1,475,000	32,450.00	1,507,450.00	1,507,450.00
Total		\$15,235,000	\$4,355,045.00	\$2,330,000	\$279,030.00	\$17,565,000	\$4,634,075.00	\$22,199,075.00	\$22,199,075.00

Full Faith and Credit Refunding Bonds, 2006 Series

In April 2000 Metro obtained a loan from the Oregon Bond Bank through the Oregon Economic Development Department (OEDD) Special Public Works Fund (SPWF) to pay for the construction of a new building to replace the existing Hall D at the Expo Center. The loan was divided into two parts with the first being used to finance the construction of the Hall D replacement. The second part of the loan was for infrastructure improvements associated with the new building. In April 2006 Metro joined with two other Oregon local governments to issue full faith and credit refunding bonds to refund the outstanding obligation remaining on the loan. The refunding realized a net present value savings of \$758,683, 5.05 percent of refunding proceeds.

Amount issued	\$14,700,000
Issue date	April 20, 2006
Original Issue True Interest Rate (TIC)	4.3278%
Ratings as of date of issuance	
Moody's	A2
Insured to:	Aaa
Principal Outstanding Balance as of July 1, 2010	\$12,835,000

Semi-annual debt service schedule

Payment Due	Interest Rate	Principal Due	Interest Due	Total Debt Service	Total FY Debt Service
12-1-10	4.00%	625,000.00	288,315.63	913,315.63	
6-1-11			275,815.63	275,815.63	1,189,131.26
12-1-11	4.00%	650,000.00	275,815.63	925,815.63	
6-1-12			262,815.63	262,815.63	1,188,631.26
12-1-12	4.00%	675,000.00	262,815.63	937,815.63	
6-1-13			249,315.63	249,315.63	1,187,131.26
12-1-13	4.25%	705,000.00	249,315.63	954,315.63	
6-1-14			234,334.38	234,334.38	1,188,650.01
12-1-14	4.25%	735,000.00	234,334.38	969,334.38	
6-1-15			218,715.63	218,715.63	1,188,050.01
12-1-15	4.25%	765,000.00	218,715.63	983,715.63	
6-1-16			202,459.38	202,459.38	1,186,175.01
12-1-16	4.38%	795,000.00	202,459.38	997,459.38	
6-1-17			185,068.75	185,068.75	1,182,528.13
12-1-17	5.00%	830,000.00	185,068.75	1,015,068.75	
6-1-18			164,318.75	164,318.75	1,179,387.50
12-1-18	5.00%	870,000.00	164,318.75	1,034,318.75	
6-1-19			142,568.75	142,568.75	1,176,887.50
12-1-19	5.00%	915,000.00	142,568.75	1,057,568.75	
6-1-20			119,693.75	119,693.75	1,177,262.50
12-1-20	5.00%	960,000.00	119,693.75	1,079,693.75	
6-1-21			95,693.75	95,693.75	1,175,387.50
12-1-21	4.25%	1,010,000.00	95,693.75	1,105,693.75	
6-1-22			74,231.25	74,231.25	1,179,925.00
12-1-22	4.25%	1,055,000.00	74,231.25	1,129,231.25	
6-1-23			51,812.50	51,812.50	1,181,043.75
12-1-23	5.00%	1,095,000.00	51,812.50	1,146,812.50	
6-1-24			24,437.50	24,437.50	1,171,250.00
12-1-24	4.25%	1,150,000.00	24,437.50	1,174,437.50	1,174,437.50
Total		\$12,835,000.00	\$4,890,878.19	\$17,725,878.19	\$17,725,878.19

Limited Tax Pension Obligation Bonds, 2005 Series

Metro joined in a pool with other local governments in the State of Oregon to issue limited tax pension bonds to fund its share of the Oregon Public Employee Retirement System unfunded actuarial liability. The taxable bonds were issued on Sept. 13, 2005. Debt service will be repaid through assessments on operating units in exchange for a lower pension cost. The underlying Moody's rating is A3. The issue was insured to receive an Aaa rating.

Amount Issued	\$24,290,000
Issue date	Sept. 13, 2005
Original issue True Interest Rate (TIC)	5.0420%
Ratings as of date of issuance	
Moody's	A3
Insured to	Aaa
Principal outstanding balance as of July 1, 2010	\$23,620,000

Semi-annual debt service schedule

Payment Due	Interest Rate	Principal Due	Interest Due	Total Debt Service	Total FY Debt Service
12-1-10		0	584,735.88	584,735.88	
6-1-11	4.516%	360,000	584,735.88	944,735.88	1,529,471.76
12-1-11		0	576,607.08	576,607.08	
6-1-12	5.500%	435,000	576,607.08	1,011,607.08	1,588,214.16
12-1-12		0	564,644.58	564,644.58	
6-1-13	4.613%	525,000	564,644.58	1,089,644.58	1,654,289.16
12-1-13		0	552,535.45	552,535.45	
6-1-14	4.665%	615,000	552,535.45	1,167,535.45	1,720,070.90
12-1-14		0	538,190.58	538,190.58	
6-1-15	4.859%	710,000	538,190.58	1,248,190.58	1,786,381.16
12-1-15		0	520,941.13	520,941.13	
6-1-16	4.859%	820,000	520,941.13	1,340,941.13	1,861,882.26
12-1-16		0	501,019.23	501,019.23	
6-1-17	4.859%	930,000	501,019.23	1,431,019.23	1,932,038.46
12-1-17		0	478,424.88	478,424.88	
6-1-18	4.859%	1,055,000	478,424.88	1,533,424.88	2,011,849.76
12-1-18		0	452,793.65	452,793.65	
6-1-19	4.859%	1,185,000	452,793.65	1,637,793.65	2,090,587.30
12-1-19		0	424,004.08	424,004.08	
6-1-20	4.859%	1,325,000	424,004.08	1,749,004.08	2,173,008.16
12-1-20		0	391,813.20	391,813.20	
6-1-21	5.004%	1,480,000	391,813.20	1,871,813.20	2,263,626.40
12-1-21		0	354,783.60	354,783.60	
6-1-22	5.004%	1,645,000	354,783.60	1,999,783.60	2,354,567.20
12-1-22		0	313,625.70	313,625.70	
6-1-23	5.004%	1,820,000	313,625.70	2,133,625.70	2,447,251.40
12-1-23		0	268,089.30	268,089.30	
6-1-24	5.004%	2,010,000	268,089.30	2,278,089.30	2,546,178.60
12-1-24		0	217,799.10	217,799.10	
6-1-25	5.004%	2,210,000	217,799.10	2,427,799.10	2,645,598.20
12-1-25		0	162,504.90	162,504.90	
6-1-26	5.004%	2,430,000	162,504.90	2,592,504.90	2,755,009.80
12-1-26		0	101,706.30	101,706.30	
6-1-27	5.004%	2,660,000	101,706.30	2,761,706.30	2,863,412.60
12-1-27		0	35,153.10	35,153.10	
6-1-28	5.004%	1,405,000	35,153.10	1,440,153.10	1,475,306.20
Total		\$23,620,000.00	\$14,078,743.48	\$37,698,743.48	\$37,698,743.48

Appendices

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BEFORE THE METRO COUNCIL

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

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

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

THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. The “Fiscal Year 2010-11 Metro Budget,” in the total amount of FOUR HUNDRED THIRTY MILLION FOUR HUNDRED THIRTY EIGHT THOUSAND FOURTY SIX DOLLARS (\$430,438,046), attached hereto as Exhibit B, and the Schedule of Appropriations, attached hereto as Exhibit C, are hereby adopted.

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

SUMMARY OF AD VALOREM TAX LEVY

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

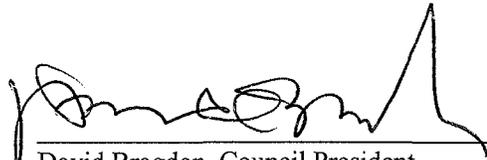
3. In accordance with Section 2.02.040 of the Metro Code, the Metro Council hereby authorizes positions and expenditures in accordance with the Annual Budget adopted by Section 1 of this Ordinance, and hereby appropriates funds for the fiscal year beginning July 1, 2010, from the funds and for the purposes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

Adopting ordinance, *continued*

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

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

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



David Bragdon, Council President

ATTEST:



Anthony Andersen, Recording Secretary

Approved as to Form:



Daniel B. Cooper, Metro Attorney

Schedule of appropriations

GENERAL FUND	
Communications	2,514,675
Council Office (includes COO & Strategy Center)	3,496,913
Finance & Regulatory Services	3,358,417
Human Resources	1,836,807
Information Services	3,058,380
Metro Auditor	671,433
Office of Metro Attorney	2,012,886
Oregon Zoo	27,204,192
Parks & Environmental Services	6,942,305
Planning and Development	15,414,229
Research Center	4,631,745
Sustainability Center	5,470,794
Former ORS 197.352 Claims & Judgments	100
Special Appropriations	5,201,637
Non-Departmental	
Debt Service	1,529,472
Interfund Transfers	4,313,554
Contingency	3,478,646
Unappropriated Balance	13,191,950
Total Fund Requirements	\$104,328,135
GENERAL OBLIGATION BOND DEBT SERVICE FUND	
Debt Service	37,325,783
Unappropriated Balance	12,008,376
Total Fund Requirements	\$49,334,159
GENERAL RENEWAL AND REPLACEMENT FUND	
Renewal & Replacement Program	3,419,506
Non-Departmental	
Interfund Transfers	128,000
Contingency	4,870,784
Unappropriated Balance	300,000
Total Fund Requirements	\$8,718,290
GENERAL REVENUE BOND FUND	
Project Account	
Capital Outlay - Washington Park Parking Lot	219,090
Subtotal	219,090
Debt Service Account	
Debt Service - Metro Regional Center	1,504,945
Debt Service - Expo Center Hall D	1,189,132
Debt Service - Washington Park Parking Lot	404,670
Subtotal	3,098,747
Unappropriated Balance	5,777
Total Fund Requirements	\$3,323,614
MERC FUND	
MERC	43,669,107
Non-Departmental	
Interfund Transfers	3,681,630
Contingency	2,652,773
Unappropriated Balance	18,296,543
Total Fund Requirements	\$68,300,053
METRO CAPITAL FUND	
Capital Program	559,500
Non-Departmental	
Contingency	418,368
Total Fund Requirements	\$977,868
NATURAL AREAS FUND	
Sustainability Center	46,703,288
Non-Departmental	
Interfund Transfers	1,502,241
Contingency	3,988,905
Unappropriated Balance	29,526
Total Fund Requirements	\$52,223,960

Schedule of appropriations, *continued*

OPEN SPACES FUND	
Sustainability Center	622,131
Total Fund Requirements	\$622,131
OREGON ZOO INFRASTRUCTURE AND ANIMAL WELFARE FUND	
Oregon Zoo	15,356,392
Non-Departmental	
Interfund Transfers	294,915
Contingency	1,476,683
Unappropriated Balance	14,561
Total Fund Requirements	\$17,142,551
PIONEER CEMETERY PERPETUAL CARE FUND	
Unappropriated Balance	342,760
Total Fund Requirements	\$342,760
REHABILITATION & ENHANCEMENT FUND	
Sustainability Center	409,639
Non-Departmental	
Interfund Transfers	32,962
Contingency	300,000
Unappropriated Balance	1,633,570
Total Fund Requirements	\$2,376,171
RISK MANAGEMENT FUND	
Finance & Regulatory Services	12,498,637
Non-Departmental	
Interfund Transfers	5,225,000
Contingency	528,084
Unappropriated Balance	626,879
Total Fund Requirements	\$18,878,600
SMITH AND BYBEE WETLANDS FUND	
Parks & Environmental Services	130,000
Non-Departmental	
Interfund Transfers	111,379
Contingency	200,000
Unappropriated Balance	3,586,538
Total Fund Requirements	\$4,027,917
SOLID WASTE REVENUE FUND	
Operating Account	
Finance & Regulatory Services	2,181,465
Sustainability Center	8,099,252
Parks & Environmental Services	39,691,715
Subtotal	49,972,432
Landfill Closure Account	
Parks & Environmental Services	3,003,783
Subtotal	3,003,783
Renewal and Replacement Account	
Parks & Environmental Services	980,000
Subtotal	980,000
General Account	
Parks & Environmental Services	1,542,500
Subtotal	1,542,500
General Expenses	
Interfund Transfers	6,995,233
Contingency	14,540,763
Subtotal	21,535,996
Unappropriated Balance	22,807,126
Total Fund Requirements	\$99,841,837
TOTAL BUDGET	\$430,438,046

The Council approved the following note in the adopted budget. It provides additional direction to staff in carrying out the programs or functions of the agency and serve as statements of legislative intent.

Budget Note: Columbia River Gleason Boat Ramp/Broughton Beach Master Plan

(line item is on page H-34 of Capital Improvement Plan, Project No. Temp375, entitled M. James Gleason- Parking Lot Repaving)

The fourth and final phase of the Columbia River Gleason Boat Ramp/Broughton Beach Master Plan is scheduled for funding in this fiscal year 2011-12, and is intended to expand the existing parking lot, add fixed restrooms to replace the portable restrooms currently in use and repave the existing lot to include bioswales and other landscaping features to resolve the environmental issues that go with a parking area of this size.

As part of this work, Metro staff is directed to work with our master plan partners to discuss the possibility of incorporating long-term boat storage into the total vision for parking in Phase IV. Construction will not occur until all partners agree on parking needs. Inclusion of boat storage at the facility would leverage the past investments made at the site and address a community desire for the particular service.

Property tax levy

Tax Rate Levy

FY 2009-10 ASSESSED VALUE	\$120,667,474,935
Assessed Value Increase:	
Statutory 3% allowable	3,620,024,248
Estimate for new construction @ 0.0%	0
ESTIMATED FY 2010-11 ASSESSED VALUE	\$124,287,499,183
Tax Rate=	\$0.0966 /\$1000
FY 2010-11 TAX RATE LEVY	\$12,006,172
(estimated assessed value x tax rate)	
Less: Loss due to Measure 5 compression	(\$135,000)
ESTIMATED TAXES TO BE RECEIVED	\$11,040,190
(based on 93.0% collectable rate)	

General Obligation Bond Debt Service

FY 2010-11 REQUIREMENTS

07/01/10 payment (Oregon Convention Center)	\$345,898
07/15/10 payment (Oregon Zoo)	321,825
9/01/10 payment (Open Spaces)	9,264,031
12/01/10 payment (Natural Areas)	2,114,075
01/01/11 payment (Oregon Convention Center)	5,130,898
01/15/11 payment (Oregon Zoo)	1,941,825
03/01/11 payment (Open Spaces)	1,183,156
06/01/11 payment (Natural Areas)	6,024,075
07/01/11 payment (Oregon Conv Center-cash flow)	243,020
07/15/11 payment (Oregon Zoo-cash flow)	281,325
09/01/11 payment (Open Spaces-cash flow)	9,448,156
12/1/11 payment (Natural Areas- cash flow)	2,035,875
TBD 2010 Oregon Zoo Infrastructure Bond	11,000,000
TOTAL REQUIREMENTS	\$49,334,159
Sources available for cash flow:	
Fund balance	\$12,045,000
Prior years taxes	800,000
Interest earned, FY 2010-11	100,000
Total non-tax sources	\$12,945,000
Tax resources required	\$36,389,159
Levy (assume 93.0% collectable rate)	\$39,128,127
Estimated FY 2010-11 Assessed Value	\$124,287,499,183
Levy rate per \$1000	\$0.3148
On \$100,000 property	\$31.48
FY 2010-11 TAX LEVY AMOUNT	\$39,128,127

FY 2010-11 budget transfers

Interfund transfers are a significant part of the annual budget. Generally, transfers are made between funds when the revenue is received in one fund for an expenditure that occurs in another fund. Another primary reason for transfers is for a fund to pay for services provided by another fund (for example, the Solid Waste Revenue Fund transfers money to the Risk Management Fund for insurance coverage).

A transfer is an expenditure to the fund that is transferring the money out or buying services. A transfer is a resource to the fund that is receiving the money or selling the services. For every expenditure transfer there is a corresponding resource transfer. (For example, the expenditure of “Transfer to Risk Management Fund” in the Solid Waste Revenue Fund would show as a resource “Transfer from Solid Waste Revenue Fund” in the Risk Management Fund.) The corresponding transfers must show the same dollar amount. Since the internal transfers are complex and can be difficult to understand and trace through the budget document, the following explanation is provided for each transfer, by fund.

From (Expenditures)	To (Resources)	Type	\$ Amount Purpose
General Fund	Risk Management Fund	Indirect	\$476,219 Charges for insurance premiums, reserves and related costs associated with the agency's liability, property, safety and workers' compensation programs.
	General Revenue Bond Fund (Debt Service Account)	Resource	\$1,909,615 Charges for debt service payments on Metro Regional Center and the parking structure. Charges are included in each department's indirect transfer to the General Fund and passed through to the General Revenue Bond Fund when debt service payments are due. Also includes transfer from the Oregon Zoo to repay debt issued to reconfigure parking lot and contribute to light rail station.
	MERC Capital Fund	Resource	\$475,000 Transfer from the Metro Tourism Opportunity and Competitiveness Account designed to assist the Oregon Convention Center's competitiveness in the pursuit of conventions from outside the region.
	General Renewal & Replacement Fund	Resource	\$1,264,233 Annual renewal and replacement contribution to provide for General Fund assets including Metro Regional Center, Oregon Zoo, Parks and Environmental Services, and Information Services.
General Renewal and Replacement Fund	Solid Waste Revenue Fund	Resource	\$188,487 Transfer to support agency Sustainability program.
	General Fund	Direct	\$128,000 Transfers money originally budgeted in General Renewal and Replacement Fund for a project that is capital maintenance.
MERC Operating Fund	General Fund	Indirect	\$1,993,186 Charges for services provided, including but not limited to, accounting, human resources, legal and information services support. Also includes charges for office and shared space, such as conference rooms, as well as a share of the Chief Operating Officer and archives program.
	Risk Management Fund	Indirect	\$499,312 Charges for insurance premiums, reserves and related costs associated with the agency's liability, property, safety and workers' compensation programs.
	General Revenue Bond Fund (Debt Service Account)	Resource	\$1,189,132 Transfer from Expo Center operations to pay debt service on outstanding revenue bonds issued to refund the OECDD loan for the Expo Center Hall D construction.

FY 2010-11 Budget transfers, *continued*

From (Expenditures)	To (Resources)	Type	\$ Amount	Purpose
Natural Areas Fund	General Fund	Indirect	\$877,851	Charges for services provided, including but not limited to, accounting, human resources, legal and information services support. Also includes charges for office and shared space, such as conference rooms, as well as a share of the Chief Operating Officer and archives program.
	Risk Management Fund	Indirect	\$5,795	Charges for insurance premiums, reserves and related costs associated with the agency's liability, property, safety and workers' compensation programs.
	General Fund	Direct	\$55,127	Charges for services provided by Finance and Communications not included in the indirect pool.
	General Fund (Data Resource Center)	Direct	\$229,388	Charges for services provided by the Data Resource Center related to the acquisition of natural areas.
	General Fund (Parks & Environmental Services)	Direct	\$334,080	Charges for services provided by finance and administration staff of the Sustainability Center and Parks and Environmental Services.
Rehabilitation and Enhancement Fund	Solid Waste Revenue Fund	Direct	\$32,962	Charges for Sustainability Center staff support to the various advisory committees.
Risk Management Fund	Solid Waste Revenue Fund	Direct	\$5,225,000	Return of funds for contingent environmental liability, now recorded in the SW Fund.
Smith and Bybee Wetland Fund	General Fund (Parks and Environmental Services)	Direct	\$111,379	Charges for Parks staff managing operations and providing education at Smith and Bybee Lakes.
Solid Waste Revenue Fund	General Fund	Indirect	\$4,212,029	Charges for services provided, including but not limited to, accounting, human resources, legal and information services support. Also includes charges for office and shared space, such as conference rooms, as well as a share of the Chief Operating Officer and archives program.
	Risk Management Fund	Indirect	\$141,903	Charges for insurance premiums, reserves and related costs associated with the agency's liability, property and workers' compensation programs.
	Risk Management Fund	Direct	\$60,672	Charges for safety staff housed in Risk Management.
	General Fund (Planning and Data Resource Center)	Direct	\$405,654	Charges for services provided by the Data Resource Center and travel forecasting section of Planning. Includes a fee for maintaining databases.
	General Fund (Parks & Environmental Services)	Direct	\$3,473	Charges for service incurred on behalf of and directly related to solid waste issues.
	General Fund	Direct	\$478,777	Charges for services provided by Finance and Communications not included in the indirect pool.
	General Fund	Direct	\$1,231,281	Charges for services provided by finance and administration staff of the Sustainability Center and Parks and Environmental Services.
	General Fund	Direct	\$75,058	Sustainability Center Education/Climate Change
	Rehabilitation and Enhancement Fund	Resource	\$367,984	Fee collected on each ton of solid waste dedicated to rehabilitation and enhancement of the areas affected by the solid waste facilities.
	General Renewal and Replacement Fund	Resource	\$18,402	Annual renewal and replacement contribution to provide for copy machines housed in the Solid Waste area.

FY 2010-11 Budget transfers, *continued*

From (Expenditures)	To (Resources)	Type	\$ Amount	Purpose
Zoo Bond Fund	General Fund	Indirect	\$188,084	Charges for services provided, including but not limited to, accounting, human resources, legal and information services support. Also includes a share of the Chief Operating Officer and archives program.
	Risk Management Fund	Indirect	\$2,194	Charges for insurance premiums, reserves and related costs associated with the agency's liability, property, safety and workers' compensation programs.
	General Fund	Direct	\$104,637	Charges for services provided by Communications not included in the indirect pool.
	Total Transfers		\$22,284,914	

GASB 54 Fund balance designation

Governmental Accounting Standards Board Statement 54 introduces a restructuring and redefinition of fund balance components for governmental fund types. Enterprise funds such as the Solid Waste and MERC fund are not included. The statement is intended to improve the usefulness of the amount reported in fund balance by providing more structured classification. To improve the reporting of fund balance, a hierarchy of fund balance classifications has been created based primarily on the extent to which governments are bound by constraints on resources reported in the funds. This approach is intended to provide users more consistent and understandable information about a fund's net resources.

The hierarchy of five possible classifications of fund balance is:

- Nonspendable - balances in permanent funds and inventories that are permanently precluded from conversion to cash.
- Restricted - constrained to a specific purpose by enabling legislation, external parties or constitutional provisions.
- Committed - constraints imposed by the government using the highest level of decision-making authority.
- Assigned - amounts intended for a specific purpose by a government's management.
- Unassigned - amounts available for any purpose.

Estimated July 1, 2010 fund balance designations are:

Fund	FY 2010-11 Designations				
	Non-Spendable	Restricted	Committed	Assigned	Unassigned
General Fund	\$0	\$4,802,939	\$2,840,000	\$0	\$18,711,402
General Obligation Bond Debt Service Fund	0	12,045,000	0	0	0
General Revenue Bond Fund	0	0	0	22,567	0
Metro Capital Fund	0	287,709	0	499,929	0
Natural Areas Fund	0	50,775,000	0	0	0
Open Spaces Fund	0	318,942	0	0	0
Oregon Zoo Infrastructure and Animal Welfare Fund	0	2,121,338	0	0	0
Pioneer Cemetery Perpetual Care Fund	316,297	0	0	0	0
Rehabilitation and Enhancement fund	0	1,988,304	0	0	0
Smith and Bybee Wetlands Fund	0	3,987,047	0	0	0
General Renewal and Replacement Fund	0	0	0	6,876,878	0
TOTAL FUND BALANCE DESIGNATIONS	\$316,297	\$76,326,279	\$2,840,000	\$7,599,374	\$18,711,402

Chapter III Section 10 of the Metro Charter authorizes Metro to levy and collect taxes except as prohibited by law or restricted by the Charter. The Metro Code Chapter 7.01.020 imposes a tax on each user for the privilege of using the facilities, equipment, systems, functions, services or improvements owned, operated, franchised or provided by Metro. Certain exemptions to the tax are specified in Section 7.01.050 of the Code. The tax is not applied to the Portland Center for the Performing Arts under terms of the Consolidation Agreement with the City of Portland, nor to the Oregon Zoo operations by Council action.

The excise tax is Metro's primary General Fund revenue source. It supports the Council Office and transfers of indirect costs of associated central services. The tax also supports various planning, parks facility activities and MERC marketing efforts. The excise tax rate for FY 2010-11 will be 7.5 percent for all facilities subject to the excise tax with the exception of solid waste facilities.

Concurrent with the adoption of the FY 2000-01 budget, the Council adopted an ordinance to amend the excise tax. The change took effect Dec. 1, 2000. Almost 81 percent of all excise tax is generated on solid waste revenue. To increase revenue predictability, the Council changed the method by which the solid waste excise tax is calculated from a percentage of the tipping fee to a per-ton fee. For budgeting purposes, the revenue raised increases at the same rate as the Consumer Price Index. The Council may exceed the Consumer Price Index limitation if additional resources are deemed necessary during the budget review and adoption process.

In addition to the base rate, Metro Code previously had additional dedicated per-ton provisions. Beginning in FY 2002-03, the Council implemented the addition of \$1.00 per ton excise tax dedicated to the former Regional Parks Department. The FY 2004-05 budget increased that amount to \$2.50 per ton effective Sept. 1, 2004. In addition, \$0.50 per ton was levied starting Sept. 1, 2004, to establish a Tourism Opportunity and Competitiveness Account in the General Fund contingency to provide assistance to Metropolitan Exposition Recreation Commission in marketing the Oregon Convention Center.

In FY 2006-07, the dedications were removed from Metro code and became subject to the annual budget process. The FY 2010-11 proposed budget implements a companion proposal to combine the "additional tax" into a single per-ton base rate. This will increase predictability and moderate revenue swings in times of either increasing or decreasing tonnage. The newly combined base rate will be modified by the CPI indicator, not tonnage, in future years; the charter limitation on expenditures is unaffected by this change.

History of Excise Tax Collections

	Actual	Actual	Actual	Actual	Actual	Actual	Budgeted	Budgeted
EXCISE TAX RATE: 7.50%*	FY 2003-04	FY 2004-05	FY 2005-06	FY 2006-07	FY 2007-08	FY 2008-09	FY 2009-10	FY 2010-11
Oregon Zoo**	\$954,630	\$978,285	\$1,079,554	\$1,168,953	\$1,131,278	\$468,626	\$0	\$0
Planning	13,111	14,532	16,719	15,909	16,800	13,051	4,830	4,830
Regional Parks and Greenspaces	189,266	178,956	188,388	195,284	184,736	201,468	225,665	224,589
Portland Expo Center	403,106	425,423	404,403	413,543	437,126	421,091	469,039	441,301
Building Management	27,044	42,758	51,195	53,344	43,683	45,818	51,568	58,459
Oregon Convention Center	1,064,350	1,143,791	996,113	1,183,805	1,084,166	1,174,916	1,317,527	1,313,778
Solid Waste - Metro Facilities ***	7,854,574	4,700,086	4,923,062	5,072,874	4,624,732	4,573,655	4,864,765	5,625,990
Solid Waste - Non-Metro Facilities	0	6,094,060	6,583,818	6,731,009	7,154,676	6,072,442	6,531,988	7,234,990
TOTAL EXCISE TAX EARNED	\$10,506,081	\$13,577,891	\$14,243,252	\$14,834,721	\$14,677,197	\$12,971,067	\$13,465,382	\$14,903,937

* In December 2000, the Council converted the excise tax levied on solid waste activities from 8.5% to a per-ton rate. The per-ton rate is set annually during the budget process.

** The budget reflects the Oregon Zoo Operations exemption from excise tax effective September 1, 2008.

***Solid Waste - Metro Facilities in FY 2010-11 includes excise tax at 7.5% on product sales of paint and compost bins.

Limited duration positions

Positions approved by the Metro Council for specific projects funded by non-recurring or one-time sources of revenues are authorized for limited duration time periods only. Unless specifically re-authorized by the Council during a budget action the position is eliminated at the end of the authorized duration. As of July 1, 2010, the Council has authorized the following limited duration positions:

Position	Pos #	Department	Duration	FTE	Program/Project
Sr. Public Affairs Specialist	1079	Communications	06/30/2012	1.00	Oregon Zoo bond program
CRC Project Director	491	Council Office	09/30/2010	1.00	Columbia River Crossing
Program Analyst I	1117	Council Office	06/30/2012	1.00	Community Investment Strategy
Associate Public Affairs Specialist	new	Council Office	06/30/2012	0.50	Community Investment Strategy
Program Analyst V	1078	Council Office	12/31/2012	1.00	Community Investment Strategy
Program Analyst	new	Council Office	12/31/2012	1.00	Community Investment Strategy
Administrative Assistant II	1133	Human Resources	06/30/2011	1.00	Learning Management System
Principal Regional Planner	1120	Parks and Environmental Services	06/30/2011	1.00	Regional Parks Capital Projects
Program Analyst IV	1115	Planning and Development	02/09/2012	0.90	Active Transportation
Assistant Regional Planner	1116	Planning and Development	06/30/2011	1.00	Development Opportunity Fund
Records Information Analyst	new	Planning and Development	06/30/2011	0.50	Urban and Rural Reserves
Assistant Public Affairs Specialist	1124	Planning and Development	06/30/2013	1.00	Regional Transportation Options
Principal Regional Planner	1131	Research Center	01/31/2011	0.80	Regional Indicators
GIS Technician	new	Research Center	606/30/2011	1.34	DAS Contract
GIS Specialist	new	Research Center	06/30/2012	0.60	Community Investment Strategy
Program Analyst	617	Sustainability Center	06/30/2011	1.00	Climate Change

In addition, Metro has received authorization from the voters of the region for two longer-term general obligation capital programs – the Natural Areas program approved in November 2006 and the Oregon Zoo Infrastructure and Animal Welfare program approved in November 2008. With the approval of the bond programs, the Council authorized the addition of a number of positions specifically funded by bond proceeds. All bond funded positions are authorized for the duration of the program – both estimated to be 8 to 10 years – and are evaluated annually during the budget process for continued need. The following positions were authorized for bond programs:

Position	Pos #	Department	Duration	FTE	Program/Project
Sr. Public Affairs Specialist	275	Communications	Program Duration	1.00	Natural Areas Bond Program
Legal Counsel II	1023	Office of Metro Attorney	Program Duration	1.00	Natural Areas Bond Program
Legal Secretary	1024	Office of Metro Attorney	Program Duration	1.00	Natural Areas Bond Program
Paralegal II	1025	Office of Metro Attorney	Program Duration	1.00	Natural Areas Bond Program
Legal Counsel II	1066	Office of Metro Attorney	Program Duration	1.00	Natural Areas Bond Program
Principal Regional Planner	1026	Parks and Environmental Services	Program Duration	1.00	Natural Areas Bond Program
Property Management Technician	1034	Parks and Environmental Services	Program Duration	1.00	Natural Areas Bond Program
Natural Resource Technician	1036	Parks and Environmental Services	Program Duration	1.00	Natural Areas Bond Program
Senior GIS Specialist	1031	Research Center	Program Duration	1.00	Natural Areas Bond Program
Program Director	1022	Sustainability Center	Program Duration	1.00	Natural Areas Bond Program
Real Estate Negotiator	1027	Sustainability Center	Program Duration	1.00	Natural Areas Bond Program
Real Estate Negotiator	1028	Sustainability Center	Program Duration	1.00	Natural Areas Bond Program
Real Estate Negotiator	1029	Sustainability Center	Program Duration	1.00	Natural Areas Bond Program
Senior Management Analyst	1032	Sustainability Center	Program Duration	1.00	Natural Areas Bond Program
Associate Natural Resources Scientist	1033	Sustainability Center	Program Duration	1.00	Natural Areas Bond Program
Program Assistant III	1035	Sustainability Center	Program Duration	1.00	Natural Areas Bond Program
Natural Resource Technician	1132	Sustainability Center	Program Duration	1.00	Natural Areas Bond Program
Program Assistant III	1127	Oregon Zoo	Program Duration	1.00	Oregon Zoo Bond Program
Assistant Management Analyst	1137	Oregon Zoo	Program Duration	1.00	Oregon Zoo Bond Program
Program Analyst IV	1126	Oregon Zoo	Program Duration	1.00	Oregon Zoo Bond Program
Program Director	1125	Oregon Zoo	Program Duration	1.00	Oregon Zoo Bond Program

In November 1992 the voters of the region approved a charter for Metro. Section 14 of the Charter places limitations on the expenditures of certain tax revenues as follows:

Section 14. Limitations on Expenditures of Certain Tax Revenues

1. Generally, except as provided in this section, for the first fiscal year after this charter takes effect Metro may make no more than \$12,500,000 in expenditures on a cash basis from taxes imposed and received by Metro and interest and other earnings on those taxes. This expenditure limitation increases in each subsequent fiscal year by a percentage equal to (a) the rate of increase in the Consumer Price Index, All Items, for Portland-Vancouver (All Urban Consumers) as determined by the appropriate federal agency or (b) the most nearly equivalent index as determined by the council if the index described in (a) is discontinued.
2. Exclusions from limitation. This section does not apply to (a) taxes approved by the voters of Metro for the Metropolitan Service District and interest and other earnings on those taxes, (b) payroll taxes specified in section 11 of this charter, and (c) tax increment financing charges on property.

The following table reflects the dollar limitation on expenditures from these tax revenues for each fiscal year. The Consumer Price Index (CPI) is calculated using the latest calendar year-end data available at budget adoption time and comparing that with the prior year. Data is from the U.S. Department of Labor, Bureau of Labor Statistics.

The Consumer Price Index for All Urban Consumers, Portland-Salem Consolidated Metropolitan Statistical Area now stands at 217.2 on the 1982–84=100 reference base.

Fiscal Year	CPI Prior Year End	% Change	Limit
1993–94	140.90	---	\$12,500,000
1994–95	145.80	3.50%	12,938,000
1995–96	150.10	2.90	13,313,000
1996–97	153.90	2.50	13,646,000
1997–98	160.00	4.00	14,192,000
1998–99	165.50	3.40	14,675,000
1999–00	168.10	1.60	14,910,000
2000–01	174.40	3.70	15,462,000
2001–02	179.50	2.90	15,910,000
2002–03	183.60	2.30	16,276,000
2003–04	184.00	0.20	16,309,000
2004–05	186.50	1.40	16,537,000
2005–06	192.50	3.20	17,066,000
2006–07	197.50	2.60	17,510,000
2007–08	202.50	2.50	17,948,000
2008-09	210.50	4.00	18,666,000
2009-10	216.20	2.70	19,170,000
2010-11	217.20	0.50	19,266,000

Charter limitation on expenditures

Fringe benefit rate calculation

The base fringe rate calculation is split into two components: a fixed rate per FTE and a variable rate to be applied to estimated salaries and wages. The variable rate includes all portions of the fringe benefits that are calculated on a straight percentage of salaries/wages—Oregon Public Employees Retirement System (PERS), FICA, TriMet payroll tax and long-term disability. The fixed rate per FTE includes all other benefits—health and welfare (medical, dental, vision), life insurance, dependent life insurance, accidental death insurance, worker compensation tax and the employee assistance program. All benefits are explained in detail below.

There is an additional variable rate fringe component called “PERS Bond Recovery.” In FY 2005–06 Metro financed its unfunded liability with the PERS through the issuance of pension obligation bonds. Metro received a 4.04 percent reduction in its direct pension costs to PERS, substituting an annual debt service payment on the outstanding pension bonds. The funding to pay the debt costs will be recovered from all centers and services in lieu of higher direct pension costs. The PERS Bond Recovery rate is applied against estimated salaries to recover the amount needed to fund the annual debt service payments. The rate will vary from year to year depending on the annual debt payments and the estimated salaries.

Explanation of individual benefits

FICA (Social Security tax): The total tax rate is 15.30 percent of salary with half paid by the employer and half paid by the employee. The employer-paid tax is included in the benefit rate calculation. The tax is divided into two components: Medicare at 1.45 percent of salary and Old Age, Survivor and Disability Insurance at 6.20 percent of salary.

TriMet Payroll Tax: Tax charged on all salaries and wages paid to TriMet, the local mass transit provider. The tax is calculated at 0.6918 percent of salary.

Long-Term Disability: Benefit paid to employees in the event of qualified non-work related injury or illness. Benefit is calculated at 0.39 percent of eligible salaries and wages.

Pension: Metro’s pension is provided through Oregon Public Employee Retirement System (PERS). PERS contribution rates are divided into two components: employee contribution and employer contribution. For most pension eligible employees, Metro pays the employee contribution on behalf of the employee in lieu of a salary increase. One collective bargaining group opted to receive the salary increase and forgo the 6 percent employee pick-up. The employee contribution rate, known as the employee pick-up, is set at 6 percent and does not vary from year to year. The employer rate is subject to actuarial evaluation every two years and will vary based on the results. For FY 2010-11 Metro’s average composite employer rate is estimated at 3 percent. Metro’s functions employ a number of temporary, seasonal or event-related part-time employees. While these employees may not be benefit eligible under Metro regulations, they may be PERS eligible if they meet certain criteria.

PERS Bond Recovery Rate: Percent applied against pension eligible salaries to fund the annual debt service payments on the pension obligation bonds calculated at 3.0 percent.

Worker Compensation Tax: State tax calculated at \$0.014 per hour worked.

Life Insurance: Benefit paid on behalf of all regular employees. Calculated at \$0.14 per \$1,000 of eligible salary up to a maximum of \$50,000.

Accidental Death Insurance: Benefit paid on behalf of all regular employees. Calculated at \$0.025 per \$1,000 of eligible salary up to a maximum of \$50,000.

Dependent Life Insurance: Benefit paid on behalf of all regular employees. Calculated at \$0.35 per employee per month.

Employee Assistance Program: Benefit paid on behalf of all regular employees. Calculated at \$1.78 per employee per month.

TriMet Passport Program: Benefit paid on behalf of all regular employees. Provides annual pass for use on mass transit system. Participating agencies must meet certain criteria for eligibility for the program. Annual pass costs are based on facility location, participation rates and access to mass transit. The Metropolitan Exposition Recreation Commission contracts with TriMet for a similar program at OCC. In FY 2010-11 the TriMet Passport program went from being part of the Fixed Fringe Cost to the Cost Allocation Plan.

Health and Welfare Program: Costs paid by Metro on behalf of the employee for medical, dental and vision coverage. The Metro cost is subject to a monthly cap set by the Metro Council for non-represented employees and through collective bargaining for represented employees. Monthly premium costs above the cap are paid by the employee. The current monthly cap is \$1,016 per employee per month. Accumulated reserves in the Risk Management Fund will offset the health and welfare charges to organization units by \$600 per full-time employee.

The following table summarizes the fringe benefit rate components. Where applicable, fixed cost benefit calculations assume a salary of \$50,000 and 2080 hours worked per year.

Variable rate components

	Regular employees with pick-up	Regular employees without pick-up	Pension eligible temporary/seasonal employees	Non-pension eligible temporary/seasonal employees
FICA	7.65%	7.65%	7.65%	7.65%
TriMet Payroll Tax	0.69%	0.69%	0.69%	0.69%
Long Term Disability	0.39%	0.39%	0.00%	0.00%
Pension (PERS) Employee Pick-up	6.00%	0.00%	6.00%	0.00%
Pension (PERS)- Employer Rate	3.00%	3.00%	3.00%	0.00%
TOTAL VARIABLE RATE COMPONENT	17.73%	11.73%	17.34%	8.34%
PERS BOND RECOVERY RATE	3.00%	3.00%	3.00%	0.00%
PERS RECOVERY RATE *	3.00%	3.00%	3.00%	0.00%

* Assessed against all PERS-eligible wages and held in reserve to cushion against future PERS increases.

Fixed rate components (annual cost)

	Regular benefit eligible employees	Temporary/seasonal employees
Worker Comp Tax	\$29	\$29
Life Insurance	\$90	\$0
Accidental Death Insurance	\$18	\$0
Dependent Life Insurance	\$4	\$0
Employee Assistance	\$21	\$0
Health and Welfare	\$12,192	\$0
Health and Welfare reserve offset	(\$600)	\$0
TOTAL FIXED RATE COMPONENT	\$11,754	\$29

Cost allocation plan for federal grant purposes

DESCRIPTION	Planning and General Govt.	Solid Waste	Zoo Operations	MERC Operations	Nature in Neighbor.	Regional Parks	Zoo Bond	Natural Areas Bond	TOTAL ALLOCATED COSTS	Direct Costs	Disallowed Costs	TOTAL COSTS
General Fund - Allocation of Specific Costs												
Council Office												
Chief Operating Officer	\$97,866	\$254,112	\$114,949	\$55,546	\$0	\$31,578	\$2,444	\$18,776	\$575,272	\$0	\$12,843	\$588,115
Records Information Management	\$77,485	148,401	23,713	22,377	0	31,507	349	1,930	305,761	0	5,262	311,023
Non-Dept Special Appropriations	\$55,344	51,181	57,360	28,507	0	23,786	496	5,782	222,454	0	0	222,454
Subtotal Specific Costs - General Fund	230,695	453,693	196,022	106,430	0	86,871	3,289	26,488	1,103,487	0	18,105	1,121,592
Allocation of Pooled Costs	21,575	28,491	16,452	14,815	130	8,371	1,435	6,405	97,675	0	1,337	99,012
TOTAL GENERAL FUND TRANSFERS	\$252,270	\$482,184	\$212,474	\$121,244	\$130	\$95,242	\$4,725	\$32,893	\$1,201,162	\$0	\$19,442	\$1,220,604
Support Services Fund - Allocation of Specific Costs												
Finance & Regulatory Services												
Accounting	\$198,960	\$362,279	\$206,272	\$286,003	\$0	\$70,442	\$4,975	\$27,509	\$1,156,439	\$0	\$22,795	\$1,179,234
Financial Planning	\$43,866	113,900	51,523	74,402	0	14,154	1,096	8,416	307,356	459,740	16,026	783,122
Director's Office	\$56,780	147,431	66,692	96,305	0	18,321	1,418	10,893	397,841	0	8,186	406,028
Office Services	\$89,796	42,898	298	0	2,058	24,551	0	7,608	167,210	0	35,386	202,596
Property Services	\$86,173	34,521	0	0	2,504	21,851	0	5,259	150,308	0	1,336	151,644
Contract Services	\$59,279	220,006	104,365	4,581	2,402	49,223	5,473	21,065	466,395	0	9,197	475,592
Sustainability	\$0	0	0	0	0	0	0	0	0	48,186	82,451	130,637
Information Technology	\$566,109	585,581	568,465	321,678	7,340	217,184	7,908	40,104	2,314,370	0	317,057	2,631,428
Human Resources	\$290,096	267,651	425,056	284,992	0	151,982	10,285	25,714	1,455,776	0	26,314	1,482,091
Office of Metro Attorney	\$402,632	503,290	80,526	301,974	0	100,658	120,790	503,290	2,013,159	0	43,963	2,057,122
Auditor's Office	\$106,611	194,125	110,529	153,252	0	37,746	2,666	14,740	619,669	0	12,734	632,404
Communications												
Creative Services	\$242,318	208,663	0	0	0	127,890	0	13,462	592,332	0	11,793	604,125
Subtotal Specific Costs - Supp. Svcs. Fund	\$2,142,621	\$2,680,344	\$1,613,727	\$1,523,187	\$14,304	\$834,002	\$154,611	\$678,061	\$9,640,857	\$507,926	\$587,239	\$10,736,022
Allocation of Pooled Costs												
Support Services	\$236,536	\$312,353	\$180,368	\$162,415	\$1,426	\$91,779	\$15,737	\$70,219	\$1,070,833	\$0	\$64,930	\$1,135,763
Building Mgmt - Regional Center	\$94,894	125,311	72,361	65,158	572	36,820	6,313	28,171	429,600	0	185,975	615,575
Risk Mgmt - Liability/Property	\$5,221	6,894	3,981	3,585	31	2,026	347	1,550	23,635	0	178	23,813
Risk Mgmt - Workers' Comp	\$4,863	6,422	3,708	3,339	29	1,887	324	1,444	22,015	0	623	22,638
Subtotal Pooled Costs - Supp. Svcs. Fund	\$341,514	\$450,980	\$260,418	\$234,498	\$2,058	\$132,511	\$22,721	\$101,383	\$1,546,083	\$0	\$251,707	\$1,797,790
SUPPORT SERVICES FUND TRANSFER	\$2,484,135	\$3,131,324	\$1,874,145	\$1,757,684	\$16,362	\$966,513	\$177,332	\$779,444	\$11,186,940	\$507,926	\$838,945	\$12,533,811
BLDG MGMT TRANSFER - Regional Center	\$712,931	\$255,023	\$0	\$0	\$21,972	\$59,299	\$0	\$28,543	\$1,077,768	\$0	\$466,570	\$1,544,338
RISK MGMT TRANSFER - Liability/Property	\$34,141	\$57,778	\$119,179	\$386,117	\$435	\$49,034	\$1,006	\$2,959	\$650,648	\$0	\$1,116	\$651,764
RISK MGMT TRANSFER - Workers' Comp	\$26,475	\$83,352	\$144,704	\$111,791	\$409	\$52,725	\$1,137	\$2,712	\$423,305	\$60,672	\$3,903	\$487,880
TOTAL TRANSFERS	\$3,509,952	\$4,009,661	\$2,350,501	\$2,376,837	\$39,309	\$1,222,814	\$184,199	\$846,550	\$14,539,823	\$568,598	\$1,329,976	\$16,438,397
TOTAL DEPARTMENT DIRECT COSTS <i>(Total Personal Services)</i>	\$13,155,235	\$10,378,724	\$16,191,128	\$17,989,676	\$372,903	\$5,020,620	\$659,562	\$1,669,017	\$65,436,865			
CENTRAL SERVICE COST RATE	26.68%	38.63%	14.52%	13.21%	10.54%	24.36%	27.93%	50.72%	22.22%			
DISALLOWED (not included in above)	\$520,405	\$363,909	\$145,596	\$124,055	\$10,495	\$115,746	\$6,615	\$43,153	\$1,329,976			

Contracts

The following list contains all known, existing or anticipated contracts for FY 2010-11 with a total value of \$50,000 or more. This list has been prepared in accordance with Metro Code Section 2.04.028:

2.04.028 Council Information Reports

(a) Prior to adoption of the annual budget, the Chief Operating Officer shall provide the Council with a list of proposed contracts and proposed applications of Metro for grant funding over \$50,000 to be entered into or sought during the next fiscal year. Following the adoption of the annual budget, if the Chief Operating Officer proposes (1) to enter into a contract that will commit Metro to the expenditure of appropriations not provided for in the current fiscal year budget in an amount greater than \$50,000 that the Council has not considered during the annual budget process; or (2) to seek any individual grant funding in an amount greater than \$50,000 that the Council has not considered during the annual budget process, the Chief Operating Officer shall inform the Council President in writing of such contract or grant proposal.

The contracts are organized by organization and/or division. All contracts have been classified into one or more of the following types:

Agreement: Non-standard agreement IGA: Intergovernmental agreement
 CONST: Construction PROC: Procurement PS: Personal Services PUB: Public contract REV: Revenue

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
COMMUNICATIONS						
New	Various TBD	Printing services	PS	02/01/11 - 03/31/12	600,000	150,000
COUNCIL - Office of the Chief Operating Officer						
New	to be determined	Return on investment metrics	PS	07/01/10 - 06/30/11	100,000	100,000
New	to be determined	CIS project list refinement	PS	07/01/10 - 06/30/12	200,000	50,000
New	to be determined (Communications)	Public attitudes research	PS	07/01/10 - 06/30/13	275,000	100,000
New	to be determined (Communications)	Strategic communications	PS	07/01/10 - 06/30/12	135,000	60,000
COUNCIL - Government Affairs and Policy Development						
New	to be determined	State government relations	PS	07/01/10 - 06/30/11	75,000	75,000
New	to be determined	Federal government relations	PS	07/01/10 - 06/30/11	100,000	100,000
FINANCE AND REGULATORY SERVICES - Financial Services						
928336	US Bank Trust NA	Banking Services for Metro 1 year amendment	PS	12/01/10 - 11/30/12	100,000	50,000
927434	Seattle-Northwest Securities Corporation	Financial Advisor 1 year amendment	PS	09/15/10 - 09/15/11	100,000	100,000
New	Lloyd District TMA	10-11 MRC TriMet Passes	IGA	09/01/10 - 08/31/11	90,045	90,045
New	Lloyd District TMA	10-11 Offsite TriMet Passes	IGA	09/01/10 - 08/31/11	50,000	50,000

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
FINANCE AND REGULATORY SERVICES - Procurement Services						
928246	Galt Foundation	Metro wide temporary services 1 year amendment	PS	10/01/10 - 09/30/11	15,000	15,000
928238	DePaul Industries	Metro wide temporary services 1 year amendment	PS	10/01/10 - 09/20/11	25,000	25,000
FINANCE AND REGULATORY SERVICES - Solid Waste Compliance and Cleanup						
929804	Multnomah County	Investigative Services	IGA	07/01/10 - 06/30/11	128,785	128,785
929803	Multnomah County	Inmate Work Crews	IGA	07/01/10 - 06/30/11	223,135	223,135
929805	City of Tigard	Tigard Officer Illegal Dumping	IGA	07/01/10 - 06/30/11	212,180	212,180
FINANCE AND REGULATORY SERVICES - Solid Waste Policy and Compliance						
New	TBD	SWIS implementation	PS	07/01/10 - 06/30/12	750,000	650,000
HUMAN RESOURCES						
New	TBD	Background check services	PS	07/15/10 - 01/14/13	TBD	19,080
928434	ODS Health Plan	Employee Benefits Administration	PS	01/01/11 - 12/31/12	57,460	36,635
INFORMATION SERVICES						
New	To Be Determined	Metro OneDomain MERC/Metro Network Unification Project	PS	06/07/10 - 09/30/10	60,000	60,000
New	To Be Determined	Applicant Tracking System	PS	06/07/10 - 09/30/10	55,000	55,000

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
OREGON ZOO- Bond						
New	To be determined	Veterinary Hospital Construction	PUB	07/01/10 - 07/01/12	8,000,000	6,000,000
New	To be determined	Veterinary Hospital Furniture Stage and Installation	PUB	04/01/11 - 06/01/12	200,000	100,000
New	To be determined	Comprehensive Capital Master Planning	PS	07/01/10 - 12/31/11	2,000,000	1,500,000
New	To be determined	Consulting - Land use	PS	01/01/11 - 06/30/13	500,000	250,000
New	To be determined	Water main replacement	PUB	08/01/10 - 09/30/11	200,000	200,000
New	City of Portland	City of Portland - Planning	IGA	07/01/10 - 06/30/12	1,100,000	550,000
New	City of Portland	Consulting - Design Conservation Discovery Zone	PS	10/01/10 - 12/31/11	100,000	100,000
New	To be determined	Penguin filtration construction	PUB	08/01/10 - 07/31/11	1,500,000	1,500,000
New	To be determined	Archeological services	PUB	08/01/10 - 07/31/12	100,000	50,000
New	To be determined	Elephant Onsite - Design	PS	03/01/11 - 03/31/14	3,000,000	1,000,000
New	To be determined	Elephant Offsite - Design	PS	08/01/10 - 12/31/12	2,000,000	1,000,000
New	To be determined	Elephant Offsite - Construction	PUB	04/01/11 - 06/30/13	10,000,000	5,000,000
OREGON ZOO- Living Collections						
New	To be determined	Animal feed for herbivore, omnivore, waterfowl, polar bear	G&S	01/01/11 - 12/31/11	50,000	25,000
New	To be determined	Feeder mice	G&S	09/01/10 - 08/31/13	100,000	75,000
New	To be determined	Food for marine mammals, including fish and shellfish	G&S	09/01/10 - 06/30/12	100,000	50,000
New	To be determined	Animal food	G&S	07/01/10 - 06/30/13	300,000	100,000

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
OREGON ZOO- Facilities Management						
New	To be determined	Telecommunications services	PUB	07/01/10 - 06/30/15	400,000	75,000
New	To be determined - multiple	Telecommunications maintenance	PUB	07/01/10 - 06/30/13	150,000	50,000
New	To be determined	Stellar Cove pool coating	PUB	08/01/10 - 12/31/10	500,000	500,000
New	To be determined	Electrical Controls Services	PUB	07/01/10 - 06/30/13	95,000	50,000
New	To be determined - multiple	Exhibit Mesh Repair	PUB	08/01/10 - 12/31/10	125,000	125,000
New	To be determined	Installation of poles	PUB	08/01/10 - 06/30/11	100,000	100,000
New	To be determined	Rock Salt Supply for pools	G&S	08/01/10 - 07/31/13	80,000	25,000
New	To be determined	Treetops Structure Renewal	PUB	08/01/10 - 06/30/11	50,000	50,000
New	To be determined	Generator - Veterinary Hospital	G&S	08/01/10 - 07/31/11	225,000	225,000
New	To be determined	Roof replacements/repairs, various	PUB	04/01/11 - 03/31/15	200,000	100,000
New	To be determined, multiple	Rockwork as needed	PUB	09/01/10 - 12/31/11	95,000	50,000
New	To be determined	Misc Pool Coatings	PUB	09/01/10 - 12/31/11	70,000	70,000
New	To be determined	Electrical Repairs as needed	PUB	07/01/10 - 06/30/13	100,000	30,000
New	To be determined	Miscellaneous fencing repairs	PUB	09/01/10 - 08/30/13	200,000	50,000
New	To be determined	Miscellaneous plumbing repairs	PUB	07/01/10 - 06/30/13	75,000	25,000
New	To be determined	Miscellaneous asphalt repairs	PUB	07/01/10 - 06/30/13	150,000	50,000
New	To be determined - multiple	Miscellaneous painting	PUB	01/01/11 - 06/30/14	200,000	25,000
New	To be determined	Miscellaneous HVAC services	PUB	07/01/10 - 06/30/13	150,000	50,000
New	To be determined	Miscellaneous elevator update	PUB	07/01/10 - 06/30/11	90,000	90,000
New	To be determined	Miscellaneous concrete repairs	PUB	07/01/10 - 06/30/14	100,000	25,000
New	To be determined	Acrylic & glass polishing	PUB	07/01/10 - 12/31/11	100,000	25,000
New	To be determined - Multiple	Fire systems	PUB	08/01/10 - 08/30/12	100,000	40,000

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
OREGON ZOO- Marketing						
New	To be determined	Advertising Agency to produce and place print, radio and TV advertising	PS	07/01/10 - 06/30/13	1,500,000	300,000
OREGON ZOO- Conservation						
New	To be determined	Online event registration	PS	07/01/10 - 06/30/11	60,000	60,000
OREGON ZOO- Guest services						
New	To be determined	Produce concerts for Zoo Concert Series	PS	01/01/11 - 12/31/15	4,500,000	800,000
New	To be determined	Warehouse lease	PUB	07/01/10 - 06/30/15	200,000	40,000
New	To be determined	Provide food service pizza	G&S	07/01/10 - 06/30/15	300,000	50,000
New	To be determined	Specialty beverages	G&S	07/01/10 - 06/30/15	300,000	50,000
New	To be determined	Provide food service concession items	G&S	07/01/10 - 06/30/15	300,000	30,000
New	To be determined	Zoolights setup	PUB	09/01/10 - 08/31/13	125,000	40,000
New	To be determined	Specialty desserts for resale	G&S	08/01/10 - 07/31/13	75,000	25,000
New	To be determined	Provide specialty meats	G&S	07/01/10 - 06/30/15	600,000	120,000
New	To be determined - multiple	Provide food service seafood	G&S	01/01/11 - 12/31/14	500,000	150,000
New	To be determined	Provide Snow cone syrup	G&S	07/01/10 - 06/30/13	100,000	40,000
New	To be determined	Provide catering foods	G&S	07/01/10 - 06/30/13	75,000	25,000
New	To be determined	Provide candy for resale	G&S	07/01/10 - 06/30/13	75,000	20,000
New	To be determined	Food equipment rental	PUB	07/01/10 - 06/30/13	100,000	30,000
New	To be determined	Linen rental	PUB	11/01/10 - 10/31/15	300,000	60,000
New	To be determined	Shuttle bus service	PUB	08/01/10 - 07/31/13	100,000	30,000
New	To be determined	Restaurant supplies	G&S	08/01/10 - 07/31/13	100,000	30,000
New	To be determined	Supply custom printed food service paper items	G&S	07/01/10 - 06/30/12	200,000	100,000
New	To be determined	Supply plain paper products for food service	G&S	07/01/10 - 06/30/13	100,000	30,000
New	To be determined	Assorted contracts to supply merchandise for resale for food service	G&S	07/01/10 - 06/30/13	800,000	265,000
New	To be determined - multiple	Vehicle parts and repairs	PUB	07/01/10 - 06/30/13	100,000	30,000

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
<i>OREGON ZOO- Guest services, continued</i>						
New	To be determined - multiple	Railroad specialty supplies and repairs	PUB	07/01/10 - 06/30/13	200,000	65,000
New	To be determined	Vehicle purchases	G&S	07/01/10 - 06/30/11	300,000	300,000
New	To be determined	Permanent revenue generating exhibit	PUB	07/01/10 - 06/30/11	200,000	200,000
New	To be determined	Lease Agreement Simulation Theater	PUB	07/01/10 - 06/30/12	800,000	400,000
New	To be determined - multiple	Temporary Lease Exhibits	PUB	07/01/10 - 06/30/12	600,000	300,000
New	To be determined	Provide printed zoo maps	G&S	07/01/10 - 06/30/12	50,000	25,000
New	To be determined - multiple	Provide zoo uniforms	G&S	06/01/10 - 05/31/13	150,000	50,000
New	To be determined	Point-of-sale ticketing system	PUB	07/01/10 - 06/30/13	300,000	100,000
New	To be determined	Restaurant tables replace/add	G&S	07/01/10 - 06/30/11	60,000	60,000
New	To be determined	Custodial supplies	G&S	07/01/10 - 06/30/12	100,000	50,000
New	To be determined	Micros hardware replacement	PUB	07/01/10 - 09/30/11	190,000	190,000
Potential	Bureau of Land Mgmt	Urban Nature Overnights Program	GRANT	10/01/10 - 09/30/15	200,000	40,000
Potential	Washington Dept. of Fish and Wildlife	Mardon Skipper and Taylor's Checkerspot Butterflies	GRANT	08/01/10 - 07/31/14	120,000	30,000
Potential	Washington Dept. of Fish and Wildlife	Pygmy Rabbit Rearing	GRANT	04/01/10 - 03/31/12	90,000	20,000
Potential	Portland's Children's Levy	ZAP Program	GRANT	07/01/10 - 06/30/14	278,353	69,500
PARKS AND ENVIRONMENTAL SERVICES - Solid Waste Operations: Operating account						
New	To be determined	Supply diesel fuel, tax-exempt	PUB	07/01/10 - 06/30/15	15,000,000	1,208,461
New	To be determined	Credit card transactions	PUB	07/01/10 - 06/30/15	221,215	44,243
New	To be determined	Disposal System Planning	PS	07/01/10 - 06/30/11	250,000	250,000
New	To be determined	Home composting bins for resale	PUB	08/15/10 - 08/14/12	200,000	95,000
New	To be determined	Warehouse rental for latex paint	PUB	03/01/11 - 02/28/16	556,910	111,382
New	To be determined	Hazardous waste disposal	PUB	12/15/10 - 12/14/13	2,319,534	773,178

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
PARKS AND ENVIRONMENTAL SERVICES - Solid Waste Operations: Operating account, continued						
New	To be determined	Wastewater disposal	PUB	10/01/10 - 09/30/11	100,000	92,500
New	Multnomah County	Litter collection for Metro Central Station Area	IGA	07/01/10 - 06/30/12	80,000	39,037
New	Clackamas County	Litter collection for Metro South Station Area	IGA	07/01/10 - 06/30/12	80,000	39,038
New	To be determined	Consulting services for WeighMaster System	PS	07/01/10 - 06/30/12	90,000	44,243
New	To be determined	Supply Latex Paint Preservative	PUB	07/01/10 - 06/30/12	130,000	63,720
New	To be determined	Supply Plastic Buckets	PROC	10/16/10 - 10/15/12	240,000	120,000
New	To be determined	Supply Paint Cans	PROC	09/15/10 - 09/14/12	80,000	38,245
New	To be determined	Supply steel drums	PROC	06/01/10 - 05/31/12	210,000	103,314
New	Mt. Hood Community College	College internship program	IGA	07/01/10 - 06/30/12	115,000	56,076
New	DePaul Industries	Latex paint processing support	PS	07/01/10 - 06/30/12	850,000	424,750
New	PaintCare	Per Gallon Fee	PS	07/01/10 - 06/30/12	210,000	103,545
New	To be determined	Operational Technical Assistance	PS	07/01/10 - 06/30/11	75,000	75,000
PARKS AND ENVIRONMENTAL SERVICES - Solid Waste Operations: General account						
New	To be determined	Metro South - Natural Lighting Improvements	PUB	07/01/10 - 06/30/11	50,000	50,000
New	To be determined	Metro South - Truck Entrance/Exit Improvements	PUB	07/01/10 - 06/30/11	110,000	110,000
New	To be determined	Metro Central - Stormwater Improvements	CONST	07/01/10 - 06/30/11	135,000	135,000
New	To be determined	Metro Central - Organics/Food Handling Area Improvements	CONST	07/01/10 - 06/30/11	325,000	325,000
New	To be determined	Metro South - Access Lane	CONST	07/01/10 - 06/30/11	55,000	55,000
PARKS AND ENVIRONMENTAL SERVICES - Solid Waste Operations: Closure account						
New	To be determined	Landfill Remediation	CONST	07/01/10 - 06/30/13	3,000,000	1,000,000

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
PARKS AND ENVIRONMENTAL SERVICES - Solid Waste Operations: Renewal and replacement account						
New	To be determined	Unanticipated extraordinary repair/replacement of capital assets	PUB	07/01/10 - 06/30/11	82,000	82,000
New	To be determined	Metro Central - Scalehouse C Scale Replacement	CONST	07/01/10 - 06/30/11	115,000	115,000
New	To be determined	Metro South - Ventilation System Components Replacement	PUB	07/01/10 - 06/30/11	130,000	130,000
New	To be determined	Metro Central HHW - Roof Replacement	CONST	07/01/10 - 06/30/11	150,000	150,000
New	To be determined	Metro South - Compactor Replacement	PUB	07/01/10 - 06/30/11	300,000	300,000
New	To be determined	Metro South - Emergency Generator	PUB	07/01/10 - 06/30/11	80,000	80,000
New	To be determined	Metro Central - Roof Gutters and Piping	PUB	07/01/10 - 06/30/11	50,000	50,000
PARKS AND ENVIRONMENTAL SERVICES - Property Stewardship: Metro Regional Center - Renewal & Replacement						
New	To be determined	Carpet Replacement	PUB	07/01/10 - 06/30/12	261,311	141,161
New	To be determined	Council/COO Building space remodel	CONST	07/01/10 - 06/30/11	160,000	160,000
PARKS AND ENVIRONMENTAL SERVICES - Property Stewardship: Parks - Operating Account						
New	To be determined	Maintenance around perimeter of Glendoveer Golf Course	PUB	07/01/10 - 12/31/12	50,000	20,000
New	To be determined	Grave opening and closing services	PUB	02/01/11 - 01/31/13	275,000	136,956
New	City of Fairview	Police services: Chinook Landing and Blue Lake Park	IGA	07/01/10 - 06/30/15	150,000	30,000
New	To be determined	Lone Fir - Block 14	PS	07/01/10 - 06/30/11	91,600	91,600
New	To be determined	Graham Oaks Operations	PS	07/01/10 - 06/30/12	100,000	50,000
New	To be determined	Preferred Caterers/Amusement Providers for Parks	PS	01/01/11 - 12/31/12	50,000	25,000

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
PARKS AND ENVIRONMENTAL SERVICES - Property Stewardship: Parks - Renewal & Replacement						
New	To be determined	Chinook Landing - Transient Floats, Gangway, Piles	PUB	07/01/10 - 06/30/11	84,897	84,897
New	To be determined	Brainard Cemetery - Retaining Wall	PUB	07/01/10 - 06/30/11	65,040	65,040
PLANNING & DEVELOPMENT - Administration						
New	ODOT, PL/STP/Support	General Planning funds for transportation projects	IGA, REV	07/01/10 - 06/30/11	4,765,385	4,765,385
New	ODOT, Sec. 5303	General Planning funds for transportation projects	IGA, REV	07/01/10 - 06/30/12	481,752	481,752
New	TriMet	General Planning funds for transportation projects	IGA, REV	07/01/10 - 06/30/11	225,000	225,000
New	ODOT	Regional Greenhouse Gas Scenario Planning	IGA, REV	07/01/10 - 06/30/11	1,550,000	1,550,000
PLANNING & DEVELOPMENT - Transportation System Planning						
928958	FTA	Amendment to RTO Grant for Additional Revenue	GRANT, REV	10/01/10 - 06/30/13	2,397,000	1,521,869
New	To be determined	New Data software for Ridematch system	PS/IGA	07/01/10 - 06/30/11	50,000	50,000
New	To be determined	Evaluation of the RTO program	PS/IGA	03/01/11 - 09/30/11	50,000	50,000
New	To be determined	Various Contracts for Individualized Marketing Project (to be determined through the RTO solicitation process)	PS/IGA	07/01/10 - 06/30/11	550,000	550,000
New	South Waterfront TMA	Contract for TMA start up	PS/IGA	07/01/10 - 06/30/11	75,000	75,000
New	To be determined	Contracts/Grants to carry out Regional Travel Options strategic plan goals (to be determined through the RTO solicitation process)	PS/IGA, GRANT, EXP	07/01/10 - 06/30/11	488,790	488,790

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
PLANNING & DEVELOPMENT - Land Use Planning & Development						
New	To be determined	Various Agreements Focused on 2040 Implementation and Technical Assistance in Local Jurisdictions	PS/IGA	07/01/10 - 06/30/11	160,000	160,000
New	To be determined	Various TOD Program Purchases	PS/IGA	07/01/10 - 06/30/11	5,500,000	5,500,000
New	To be determined	Various Consultant Contracts for TOD Policy Development and Purchases	PS	07/01/10 - 06/30/11	225,000	225,000
New	To be determined	Various Agreements to Support Sustainable Development Initiatives in Partnership with Local Jurisdictions	IGA	07/01/10 - 06/30/11	407,877	407,877
New	To be determined	Construction Excise Tax Grant Awards	GRANT, EXP	07/01/10 - 06/30/12	3,728,000	1,850,000
PLANNING & DEVELOPMENT - Corridor Planning & Development						
New	To be determined	Southwest Corridor Refinement Plan - Transportation Analysis & Design	PS	07/01/10 - 06/30/11	200,000	200,000
New	To be determined	East Metro Corridor Refinement Plan - Transportation Analysis & Design	PS	07/01/10 - 06/30/11	150,000	150,000
New	To be determined	Various Funding Sources for Southwest Corridor and East Metro Corridor Refinement Plans	GRANT/ IGA, REV	07/01/10 - 06/30/11	1,035,000	1,035,000
RESEARCH CENTER - Modeling & Forecasting Services						
New	ODOT	Household Survey project	IGA, EXP	07/01/10 - 06/30/11	591,500	591,500
New	To be determined	Modeling Services	PS	07/01/10 - 06/30/11	50,000	50,000
RESEARCH CENTER - Data Resource Center						
New	To be determined	Aerial Photography	PS	07/01/10 - 06/30/11	152,800	152,800
New	To be determined	Multi-Modal Transportation Data Inventory	PS	07/01/10 - 06/30/11	50,000	50,000
SUSTAINABILITY CENTER - Land Conservation: Science and Stewardship - Operating Account						
New	To be determined	Vegetation Management	PUB	01/01/10 - 12/31/12	610,000	303,850

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
SUSTAINABILITY CENTER - Land Conservation: Nature in Neighborhoods: Operating Account						
New	To be determined	Nature in Neighborhoods project	PS	07/01/10 - 06/30/11	70,341	70,341
New	To be determined	Nature in Neighborhoods Grant	IGA	07/01/10 - 06/30/11	95,000	95,000
SUSTAINABILITY CENTER - Land Conservation: Natural Areas Fund						
New	To be determined	Blue Lake 40-mile Loop Trail construction	CONST	07/01/10 - 06/30/11	939,000	939,000
New	To be determined	Tonquin Geological Acquisition	GRANT, REV	07/01/10 - 06/30/11	300,000	300,000
New	To be determined, multiple	Nature in Neighborhoods Capital Grants	PS/IGA	TBD - TBD	2,150,000	2,150,000
New	To be determined, multiple	Local Share	IGA	TBD - TBD	10,000,000	10,000,000
SUSTAINABILITY CENTER - Parks Planning: Operating Account						
New	To be determined	Tonquin Trail Master Plan	PS	06/01/10 - 06/30/11	208,157	180,000
New	To be determined	Lake Oswego to Milwaukie bike & pedestrian bridge study	PS	07/01/10 - 06/30/11	208,157	208,157
New	To be determined	Intertwine Program web design and signage	PS	07/01/10 - 06/30/11	190,000	190,000
New	To be determined	Glendoveer Golf Course Master Planning	PS	07/01/10 - 06/30/11	150,000	75,000
SUSTAINABILITY CENTER - Resource Conservation and Recycling: Operating Account						
New	To be determined	Business Recycle-at-Work Data Application Maintenance	PS	07/01/10 - 06/30/11	80,000	80,000
New	To be determined, multiple	Business Resource Distribution	PS	07/01/10 - 06/30/11	60,000	60,000
New	To be determined	Organics: Research & Coordination	PS	07/01/10 - 06/30/11	75,000	75,000
New	To be determined	C&D: Salvage & Education Program	PS	07/01/10 - 06/30/11	80,000	80,000

Contract number	Vendor	Description	Type	Duration	Contract Total	FY 2010-11 Amount
SUSTAINABILITY CENTER - Resource Conservation and Recycling: Operating Account, continued						
New	To be determined	Measurement: Calculation of Metro Footprint	PS	07/01/10 - 06/30/11	50,000	50,000
New	To be determined	Outdoor School Conservation Education Initiative	PS	07/01/10 - 06/30/11	850,000	850,000
New	To be determined, multiple	Diesel Retrofit	PS	07/01/10 - 06/30/11	802,941	802,941
New	To be determined	New Initiatives in Waste Prevention	PS	07/01/10 - 06/30/11	50,000	50,000
New	To be determined	In-house Sustainability - Program activity implementation	PS	07/01/10 - 06/30/11	96,000	96,000
New	To be determined, multiple	Organics: Collection Program Development	GRANT	07/01/10 - 06/30/11	80,000	80,000
New	To be determined, multiple	Local government waste reduction program implementation	IGA	07/01/10 - 06/30/11	716,727	716,727
New	To be determined, multiple	Business Recycle-at-Work technical assistance	IGA	07/01/10 - 06/30/11	1,000,000	1,000,000
New	To be determined	Regional Green Development Resource Center	IGA	07/01/10 - 06/30/11	85,000	85,000
New	To be determined	School Assembly Program	PS	07/01/10 - 06/30/13	105,000	30,000

SUSTAINABILITY CENTER - Resource Conservation and Recycling: Rehabilitation and Enhancement

New	To be determined, multiple	Enhancement Grants Awarded by Metro Central Enhancement Committee	PS	01/01/11 - 12/30/11	184,365	104,365
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The objective of Metro’s chart of accounts is to:

1. Conform to generally accepted accounting principles (GAAP) and GAAFR (Governmental Accounting Auditing and Financial Reporting) standards.
2. Establish concise account chartfields that will be consistent in all funds and departments.
3. Permit full grant and project accounting.
4. Meet specific accounting and reporting needs of all Metro departments.
5. Allow “roll-up” to higher summary levels for managerial analysis and public review.

The chart of accounts is currently made up of the following chartfield components: Fund, Department, Account, Program, Class and ProjectID and when placed together are referred to as a chartfield combination. For budgetary compliance reporting, the Fund, Department, Program and Account chartfields are required. The remainder (Class and ProjectID) are used for internal management reporting needs.

Only definitions for the Account chartfield (and specifically, only the budgeted resources/revenues and uses/expenditures) are presented below. Fund definitions can be found in the adopted budget document fund narratives, as can many of the departmental definitions.

The chart of accounts presented below conforms to the requirements of Governmental Accounting Standards Board (GASB) Statement No. 34 and subsequent pronouncements.

ACCOUNT CHARTFIELD

The various account chartfields are presented below and are identifiable as a four digit number beginning with the digit 4 for revenues (or resources) and 5 for expenditures (or uses). Reporting roll-up relationships are represented on tree structures contained in Metro’s PeopleSoft financial management system; trees are structured to conform to the presentation (order) required by GAAP. The order of appearance of the account chartfields below is based upon their order of presentation for budget purposes, which generally follows a numerical sequence.

RESOURCES

GENERAL REVENUES

All revenues are general revenues unless they are required to be reported as program revenues (see category below). All taxes, even those levied for a specific purpose, are general revenues.

General Property Taxes: General property taxes are ad valorem taxes levied on an assessed valuation of real and/or personal property. The distinguishing characteristics of general property taxes are that the revenues are (1) derived from taxes, (2) levied by the government reporting entity and (3) assessed on the general property.

4010 Real Property Taxes–Current Year: Revenues received from ad valorem taxes assessed on real property within the Metro area, which is collected by the counties and remitted to Metro. This account reflects the collections assessed for the current fiscal year.

4015 Real Property Taxes–Prior Year: Revenues received from ad valorem taxes assessed on real property within the Metro area, which is collected by the counties and remitted to Metro. This account reflects the collections on prior year assessments.

4018 Payments In Lieu of Property Taxes: Revenues received from the counties in lieu of property taxes (for example, Western Oregon Timber Tax, etc.).

4019 Interest and Penalties–Real Property Taxes: Interest earned on property tax receipts while in the county’s treasury and remitted to Metro, as well as interest and penalties assessed to the taxpayer which are remitted to Metro.

Excise Taxes

4050 Excise Tax: Taxes imposed on Metro services and Metro-related revenues as defined in Metro Code to fund general government functions as prescribed.

4051 Excise Tax Rebates: A contra revenue account to segregate amounts collected on excise tax that are rebated to the taxpayer in accordance with any Metro Code approved rebate criteria. The balance of this account reduces the total reported for Excise Tax revenue in Metro’s financial reports.

4055 Construction Excise Tax: An excise tax imposed on construction within the district as defined in Metro code.

4056 Construction Excise Tax Administration: Metro reations 2.5 percent of Construction Excise Tax collections to pay for administering the collections and grants.

Other Derived Tax Revenues

4060 Cemetery Revenue Surcharge: Amount assessed on cemetery revenues to provide funding for perpetual care of Metro’s Pioneer Cemeteries.

Local Government Shared Revenues

4130 Hotel/Motel Tax: Revenue received through the City of Portland from Multnomah County based upon the agreed upon percentage of transient lodging taxes collected.

4132 Vehicle Rental Tax: This account records the amounts received as intergovernmental shared revenues from the Multnomah County Vehicle Rental Tax, a portion of which is shared by the County under the terms of an intergovernmental agreement—the Visitor Development Initiative (VDI).

4135 Marine Board Fuel Tax: Tax revenues from the State of Oregon and Multnomah County from sales of marine fuel.

4139 Other Local Government Shared Revenue: Miscellaneous other tax revenue shared by another government with Metro.

4140 Local Government Service Fees: Revenues received from local governments for services provided under contract, such as Data Resource Center services.

PROGRAM REVENUES

Program revenues derive directly from the program itself or from parties outside Metro’s taxpayers or citizenry, as a whole; and they reduce the net cost of the function to be financed from Metro’s general revenues. This classification includes three categories of revenue: charges for services, program-specific operating grants and contributions and program-specific capital grants and contributions.

Program Operating Grants and Contributions: This revenue category includes program-specific operating grants and contributions.

Intergovernmental Revenue: Revenues from other governments in the form of grants, entitlements, shared revenues or payments in lieu of taxes. The grant revenues identified below must be analyzed closely to determine the appropriate classification of the revenue. Federal Grants consist of grant funds provided by the federal government, whereas State and Local Grants are funds provided by those

respective jurisdictions from their own funds. Operating grants are contributions from another government to be used or expended for a specified purpose or activity. Capital grants are restricted by the grantor for the acquisition and/or construction of fixed assets. A grant may be received either directly from the granting government or indirectly as a pass-through from another government. Departments are cautioned to determine if money received from state or local governments is actually federal grant funds being passed through or used to fund the activity. Categorical grants are grants received from agencies whose programs are listed in the Catalogue of Federal Domestic Assistance (CFDA).

Grants

4100 Federal Grants–Direct

4105 Federal Grants–Indirect

4110 State Grants–Direct

4115 State Grants–Indirect

4120 Local Grants–Direct

4125 Local Grants–Indirect

Contributions From Other Governments

4145 Government Contributions: Funds provided to Metro by other governments not associated with grant, tax and other sources and used for operating purposes.

Contributions and Donations/Private Sources

4750 Donations and Bequests: Special gifts or bequests given in support of Metro functions and activities, including funds received to sponsor Metro events (e.g., Oregon Zoo concerts).

Program Capital Grants and Contributions: This revenue category includes program-specific capital grants and contributions.

4108 Federal Capital Grants: Direct Funds provided to Metro by the federal government for specific capital outlay expenditures.

4109 Federal Capital Grants–Indirect: Funds provided to Metro by a federal government grant program and passed through another governmental entity to Metro as a sub recipient that are restricted for capital purposes.

4118 State Capital Grants: provided by a state agency grant program restricted for capital purposes.

4128 Local Capital Grants: provided by a local government or other entity under a grant agreement that restrict the use to capital purposes.

4755 Capital Donations and Contributions: Donations and contributions provided for specific capital projects.

Charges for Services: Revenues derived from services performed by Metro for other individuals or entities for which there is a fee or assessed charge.

Governmental Fees

4200 Urban Growth Boundary Fees: Non-refundable fees paid by applicants for processing Urban Growth Boundary (UGB) amendments.

4210 Documents and Publications: Sale of maps, reports and other documents.

4220 Conferences and Workshops: Fees received for Metro-sponsored conferences, workshops and seminars.

4230 Product Sales: Revenues derived from various work products produced by Metro to specific customer specifications, such as census data, maps, and reports, etc.

Solid Waste Fees and Charges

4300 Disposal Fees: Fees charged customers at Metro solid waste disposal sites to cover the costs of disposal.

4301 Disposal Fees–Direct Haul: Fees charged to customers who are authorized by Metro to haul waste directly to a Metro designated disposal site.

4302 Disposal Fees–Unspecified: Revenues received from disposal charges where the components of the fee have not been designated by Council action in the rate-setting process.

4305 Regional System Fee: Fees charged to customers at Metro solid waste disposal sites to cover the costs of administering the Solid Waste program. This fee may also be assessed at non-Metro operated sites on waste generated within Metro’s boundaries.

4310 Metro Facility Fee: Fees charged customers at Metro disposal sites to cover the cost of the Metro disposal system such as capital items directly related to these facilities.

4315 Regional Transfer Charge: Fees charged customers at Metro solid waste disposal sites to cover the cost of operating the transfer station system. This fee may also be assessed at non-Metro operated sites on waste generated within Metro’s boundaries.

4325 Rehabilitation and Enhancement Fee: Fees required by state law (or Metro Code) to be collected to rehabilitate and enhance the areas surrounding the landfill or other disposal site.

4330 Transaction Fee–Manual: A fee assessed at Metro’s disposal facilities on a per transaction basis when using a “manual” transaction processing methodology at the scalehouse.

4331 Transaction Fee–Automation: A fee assessed at Metro’s disposal facilities on a per transaction basis when using an “automated scale” transaction processing methodology at the scalehouse.

4333 Uncovered Surcharge: A fee charged transfer station customers for arriving at scalehouse with an uncovered load.

4335 Host Fee: Fees assessed per Metro Code at non-Metro disposal facilities and remitted to Metro for pass-through to entities in the area where disposal facilities are sited.

4340 Tire Disposal Fee: Fees assessed for disposal of tires at Metro transfer station facilities.

4342 Organics Fee: Fees assessed for disposal of organic wastes at Metro transfer stations.

4345 Yard Debris Disposal Fee: Fees assessed for disposal of yard debris at Metro transfer station facilities.

4346 Curbside Yard Debris Fee: Fees collected for curbside yard debris; a subcategory of 4345.

4350 Orphan Site Account Fee: Fees collected to pay off debt incurred by the State of Oregon to clean up orphaned waste sites (assessed only on landfill waste).

4355 Department of Environmental Quality Promotion Fee: Fees collected to fund state-wide promotion of recycling by the State of Oregon’s Department of Environmental Quality (assessed on waste disposed at all sites).

4360 Refrigeration Unit Disposal Fee: Fees collected at Metro facilities for disposal of refrigeration units.

4365 Household Hazardous Waste Disposal Fee: Fees charged for the disposal of household hazardous waste at Metro facilities.

4368 Paint Recycling Fees: Fees charged to customers for recycling paint.

4369 PaintCare Revenue: Revenues received under the state's PaintCare program as stipulated in the contractual agreements for recycled paint processing.

4370 Conditionally Exempt Generator Fees: Revenues received for hazardous waste disposal from entities that generate small quantities of such waste as defined by Metro policy.

4400 Salvage Revenue: Revenue received from the sale of recyclable material.

4410 Franchise Fees: Fees assessed to Metro Council authorized franchised disposal site operators.

Culture and Recreation Fees

4160 Boat Ramp Use Permits: Revenues derived from permits for use of Metro boat ramps.

4165 Boat Launch Fees: Revenues derived from services provided for boat launches at marine facilities.

4500 Admissions Fees: Fees charged for admittance to Metro facilities and/or events.

4501 Conservation Surcharge: A Metro Council authorized surcharge on Oregon Zoo admission that is dedicated for payment (grant) to third parties in support of wildlife conservation efforts.

4502 Admission-Memberships: Fees charged for admittance to Metro facilities that represent amounts from those who have purchased "memberships" that provide for reduced rates.

4503 Admission-Special Concerts: Fees charged for admittance to Metro facilities that present special concerts where the concert admission is outside of the regular admission fee for the facility.

4510 Rentals: Revenue received from the rental of strollers, wheelchairs and other conveyances; from temporary rental of building facilities (not those under longer term sublease arrangements); rental of building office space; and rental of equipment, such as audio-visual devices, recorders, speakers, microphones, etc.

4511 Rental Refunds: A contra revenue account to reflect refunds of rental fees to reflect net rental income in combination with account 4510.

4550 Food Service Revenue: Revenue received from food sales in concession activities.

4551 Food Catering Revenue: Revenues generated through food service catering not associated with food revenues generated through contracted services.

4560 Retail Sales: Revenue received from the sale of retail (non-food) goods (for example, zoo gift shop items).

4570 Merchandising: Sale of souvenirs, novelty items, programs related to trade, exhibit and other spectator events, but unrelated to facility specific gift shop revenue.

4575 Advertising Revenue: Revenue received from customers for placement of advertising of Metro activities.

4580 Utility Services Revenue: Revenue received from contractors to cover the cost of electric power for lighting or other utility services used in Metro facilities for show purposes, for electrical and other utility-related services provided to customers in the ordinary course of business, including telephone services or equipment, supplying air, water or gas, supplying labor to provide other utility services in connection with activities or events, supplying audio/visual utility services, supplying lighting equipment and services and for supplying utility services not specifically identified in the account series noted above.

4581 Utility Services Revenue–Contra: A contra revenue account to segregate refunds or other reductions in utility service revenue authorized by facility management, and when netted with account 4580 reflects net utility services revenue.

4590 Commissions: Commissions received on box office ticket sales.

4635 Exhibit Shows: Revenue received for providing traveling or other zoo related exhibits.

4640 Railroad Rides: Admission/ticket revenue for the zoo railroad ride.

4645 Reimbursed Services: Amounts received from outside entities under contractual agreement to pay for specific labor and other charges associated with an event.

4646 Reimbursed Services–Contra: A contra revenue account to segregate amounts returned to outside entities as agreed to by facility management against prior charges under contractual agreement to pay for specific labor and other charges associated with an event.

4647 Reimbursed Services Contract: Amounts received in reimbursement for services provided to the customer by a party with which Metro has contracted to provide the service on Metro’s behalf.

4760: Sponsorship Revenue: Revenues received from entities that receive contractual rights for associating their names with Metro activities.

Other Fees and Charges

4150 Contractors’ Business License: Revenues from businesses that must be licensed before doing business within Metro’s jurisdiction according to the requirements of the “passport” contractor licensing program.

4180 Contract and Professional Services: Revenues derived for services performed by Metro under contract, not identified in another object code category (for example, transportation studies).

4280 Grave Openings: Revenue from the public for services performed.

4285 Grave Sales: Revenue received from the public for cemetery plots.

4420 Natural Gas Recovery Revenue: Revenue generated from sales of natural gas produced by the St. Johns Landfill.

4450 Insurance Recovery Revenue: Amounts received upon settlement of insurance claims.

4600 Administrative Fee: Fees received for managing activities or events for the benefit of others.

4610 Contract Revenue: Share of revenue received from operations contracts, and concessions such as golf courses, under contract.

4620 Parking Fees: Revenues generated from parking fees charged for public and employee parking at Metro facilities.

4630 Tuition and Lectures: Fees received for classes and lectures sponsored by Metro organizations.

4650 Miscellaneous Charges for Services: Miscellaneous other revenues received for services not described above.

4651 Miscellaneous Charges for Services–Contra: A contra account for management’s use to segregate refunds of previously billed or received miscellaneous other revenues for which management desires such identification.

Internal Charge for Services

4455 Insurance Premiums–Unemployment: Amounts charged, due to and earned by the Risk Management Fund for insurance services provided to Metro’s operating units to cover unemployment claims.

4460 Insurance Premiums–Health and Welfare: Amounts charged, due to and earned by the Risk Management Fund for insurance services provided to Metro’s operating units for employee related health benefits.

4670 Charges for Services: Charges for services provided by one Metro department (fund) to another, such as conference room rentals, etc.

Miscellaneous Other Revenues

4142 Intergovernmental Miscellaneous Revenue: Revenues received from other governments that are service related and not associated with grant programs or on-going revenue sharing arrangements.

4170 Fines and Forfeits: Includes monies derived from fines and penalties imposed for the violation of lawful administrative rules, ordinances and/or regulations. Forfeits include monies derived from confiscating deposits held as performance guarantees.

4800 Cash Over and Short: Amounts deposited in bank in excess of/under sales revenue recorded (usually resulting from error). This account is specifically used for management analysis purposes.

4805 Other Financing Transactions: Revenues derived from financing customers over periods of time, such as finance charges, credit card fees, etc.

4808 Loan Principal Receipts: Amounts received that are in repayment of principal on loans issued by Metro to other parties (e.g., TOD program loans). On a budgetary basis these are reflected as revenues and reclassified on a GAAP basis as a reduction of the corresponding loan receivable.

4809 Loan Interest Receipts: Amounts received that are in payment of interest on loans issued by Metro to other parties (e.g., TOD program loans).

4810 Sale of Fixed Assets: Proceeds from the sale of Metro capital assets (also referred to as “fixed assets”).

4811 Gain (loss) - Sale of Capital Assets; Amounts received in excess or below the book value of a capital asset. This account is used for GAAP based reporting.

4815 Pass Through Debt Service Receipts: Amounts received under contract from third parties to pay off debt incurred on their behalf (conduit debt).

4820 Program Income: Revenues derived from specified program sources that must be counted against revenues from grant sources.

4890 Other Miscellaneous Revenue: Revenue for which no other account exists should be coded to this account.

4891 Refunds and Reimbursements: Amounts received as refunds or reimbursements for amounts previously paid or damages incurred for non-recurring events.

4895 Other Special Items: Infrequent and non-recurring revenues that meet the definition of a “special item” under GASB requirements. Accounting Services determines this classification of revenue on a case-by-case basis.

4898 Extraordinary Items: Amounts received that are both infrequent in occurrence and not subject to management’s control, as provided in FASB Statement 5.

Interest and Other Earnings on Investments

Interest on Investments

4700 Interest on Investments: Interest earned on investments made with cash balances in excess of immediate needs. Interest is allocated to each fund based upon its respective average periodic cash balance.

Change in Investment Value

4710 Change in Investment Value: Earnings, other than interest, from investments. This category includes gains and/or losses on the sale of investments (the difference between financial inflows and the carrying value of the disposed investments).

4719 Unrealized Gain/Loss–Fair Market Value Adjustment: Adjustment to investment value to reflect market value at period end as required by GASB Statement 31. This unrealized gain or loss is reversed in a subsequent period as Metro’s investment policy requires investments to be held to maturity.

OTHER FINANCING SOURCES–BOND AND LOAN PROCEEDS

Bond and Loan Proceeds

4900 General Obligation Bond Proceeds: Financial resources provided by the issuance of general obligation bonds.

4905 Revenue Bond Proceeds: Financial resources provided by the issuance of revenue bonds (bonds which are payable from specified revenue).

4910 State Bond Bank Proceeds: Financial resources provided by bonds issued by the State which are benefiting Metro programs.

4915 Premium on Bond Sales: Proceeds in excess of the par value of the bonds sold.

4920 Loan Proceeds: Proceeds from loans provided by other entities.

4925 Capital Lease Obligation Proceeds: Proceeds from capital leases entered into for the financing of the acquisition of assets. (Capital leases are, in essence, financing arrangements as opposed to operating leases, which convey no ownership interest in the underlying asset and, therefore, would constitute rent. Operating lease payments should be coded to account 5510).

4930 Bond Anticipation Note Proceeds: Proceeds of notes issued in anticipation of bond sale proceeds, to be repaid by those bonds.

INTERFUND TRANSFERS

Interfund Loans

4960 Interfund Loan–Principal: Transfers received for repayment of interfund loan principal.

4965 Interfund Loan–Interest: Transfers received in payment of interest on interfund loans.

Internal Service Transfers

4980 Transfer of Direct Costs: Resources received for services provided to another fiscal entity (fund), the services of which can be specifically identified and billed to the benefiting entity (fund).

Interfund Reimbursements

4975 Transfer of Indirect Costs (Reimbursements): Transfers received for services provided which have been allocated based upon an approved cost allocation plan. The allocation of incidental costs, such as overhead, should be treated as a reimbursement rather than as interfund services provided or used.

Fund Equity Transfers

4970 Transfer of Resources: Transfers of resources from one fund to another which are not based upon a cost allocation plan or any expectation of a payment for services provided; rather this transfer represents the transfer of a resource for another use.

4985 Residual Equity Transfer: Non-recurring or non-routine transfers of equity between funds, including transfers of residual balances of discontinued funds.

Intrafund Clearing Accounts

4899 Subfund Eliminations Account: Amounts are recorded here when a “subfund” is used and the overall result for the fund-level financial statements is required to net to zero but for which management desires an “in and out” to be reflected within each subfund.

4990 Intrafund Clearing Transfer: Amounts transferred from one related subfund to another for internal management purposes, but for which a zero net result is required at the fund-level financial statements.

4991 Intrafund Clearing Transfer–Resources: Amounts transferred from one related subfund to another for internal management purposes and related to resources, but for which an elimination will be made upon consolidation of the subfunds into the overall fund-level financial statements.

4992 Intrafund Clearing–Indirect: Amounts transferred from one related subfund to another for internal management purposes and related to indirect costs incurred in one subfund and “charged” to another subfund, but for which an elimination will be made upon consolidation of the subfunds into the overall fund-level financial statements.

4993 Intrafund Clearing–Direct: Amounts transferred from one related subfund to another for internal management purposes and related to direct costs incurred in one subfund and “charged” to another subfund, but for which an elimination will be made upon consolidation of the subfunds into the overall fund-level financial statements.

4994 Intrafund Clearing–Loan: Amounts transferred from one related subfund to another for internal management purposes and related to loan amounts between subfunds, but for which an elimination will be made upon consolidation of the subfunds into the overall fund-level financial statements.

USES

Department Expenditures: A budgetary appropriation category that combines the totals of Operating Expenditures and Capital Outlay.

Operating Expenditures: Operating Expenditures is an accumulation of all expenditures in the Personal Services and Materials and Services budgetary categories shown below.

Personal Services

Salaries and Wages

5000 Salaries–Elected Officials: Salaries paid to elected officials of the district.

5010 Salaries–Regular Employees (full-time, Exempt): Salaries paid to exempt employees who are full-time.

5015 Wages–Regular Employees (full-time, Non-exempt): Wages paid to hourly (non-exempt) employees who work a full-time schedule.

5020 Salaries–Regular Employees (part-time, Exempt): Salaries paid to exempt employees who work less than a full-time schedule.

5025 Wages–Regular Employees (part-time, Non-exempt): Wages paid to hourly (non-exempt) employees who work less than a full-time schedule.

5030 Wages–Temporary Employees: Wages paid to employees who are hired on a temporary basis.

5031 Salaries–Temporary Employees: paid to employees who are hired on a temporary basis.

5040 Seasonal Employees: Wages paid to temporary, seasonal employees who do not receive benefits.

5043 Non-reimbursable Labor: Wages paid to employees whose costs are not reimbursable by event promoters.

5045 Reimbursable Labor: Wages paid to employees whose costs are reimbursable by event promoters.

5080 Overtime: Wages paid for overtime work performed.

5085 Premium Pay (MERC only): Wages paid to MERC employees, over and above regular wages, for working specific shifts or events.

5086 Mobile Communications Allowance: Amounts paid to employees for providing mobile communications equipment for Metro related work.

5089 Merit/Bonus Pay: Remuneration paid to staff for performance as either a merit or bonus amount in accordance with policy.

Fringe Benefits

5100 Fringe Benefits: Fringe benefit expenditures for employees, including health insurance, retirement, etc.

5190 Pension Obligation Bonds Contribution: Amounts assessed to departments for their share of debt service on the Pension Obligation Bonds (budgetary basis account). Amounts in this account are reclassified to interfund transfers for GAAP reporting purposes.

Materials and Services: Goods include articles and commodities that are consumed or significantly altered when used and have a per unit cost generally less than \$5,000. Goods are identified in the accounts by type as outlined below.

Supplies

5201 Office Supplies: Pencils, forms, note pads, staples, small office equipment and other consumable office supplies with a unit cost of less than \$5,000, including personal computers.

5205 Operating Supplies: Operating supplies includes landscape, custodial, veterinarian and medical supplies, graphic and reprographic supplies and other supplies used for operating activities.

5210: Subscriptions and Dues: Subscriptions to professional periodicals, papers, newsletters and dues to professional organizations for which Metro gains benefit through publications, seminars, professional exchanges and related activities. This account also includes agency memberships.

5213 Fuels–Waste Transport: Expenditures for the purchase and use of fuels by Metro’s waste transport contractor.

5214 Fuels and Lubricants: Diesel, gasoline, oil, propane and other related goods.

5215 Maintenance and Repair Supplies: Building materials and supplies; paints and painting supplies; steel, iron, and other metals; plumbing supplies; electrical supplies; motor vehicle repair materials and supplies; replacement parts and other related items which generally cost less than \$500 per unit.

5219 Purchasing Card Expenditures: Optional account for use of tracking purchases made through this method where details are not desired. In accordance with purchasing procedures, this is the default account where all charges will reside should the holder not submit receipts and other required documentation (for other classification) on a timely basis.

**Merchandise for Resale
Goods purchased solely for resale as defined below.**

5220 Food: Food items purchased for resale to customers, such as soft drinks, hot dogs, french fries, etc.

5225 Retail: Goods purchased for resale to customers which are non-food, such as postcards, puzzles, souvenirs, film, etc.

Services: Services that by their nature can be performed only by persons or firms with specialized skills and knowledge. The primary reason for the purchase is the service provided, such as architects, engineers, auditors, physicians, attorneys and consultants. Expenditures included in this category are those which are not capitalized as a cost of a fixed asset.

5240 Contracted Professional Services: Includes services such as fees paid for audit or other accounting services, attorneys for legal services rendered, professional fees paid to firms for promotion and/or public relations (marketing) services provided under contract and fees paid to management consulting firms for services rendered. The account may be used in combination with the appropriate classification chartfield (e.g., Legal, Printing, Auditing, etc.) to identify more detailed professional services expenditures.

5245 Marketing: Significant professional services expenditures made under contract with marketing agencies. This account is intended to segregate significant contractual amounts for this service (e.g., POVA) from those coded to account 5240, which is used in combination with the appropriate Classification chartfield (e.g., Promotion, Advertising, etc.) to identify more detailed marketing type expenditures.

5246 Sponsorship Expenditures: Expenditures made which associate Metro’s or MERC’s name (or any of its operations or programs) with support of another entity, activity or event that is independent of Metro/MERC, and for which Metro derives an indirect or direct public benefit that supports Metro’s goals and objectives. The expenditures made may leverage other dollars in achieving these goals and objectives and increase the visibility and public awareness of Metro and/or its programs and to build relationships. These expenditures do NOT include grants, which require a formal award process. Nor does this account include dues or memberships paid to other organizations. (Grants, dues, and memberships have their own account chartfields found elsewhere.)

5247 Visitor Development Expenditures: Expenditures made to develop increased visitors to Metro facilities and the region.

5250 Contracted Property Services: Services purchased to operate, repair, maintain and rent property owned or used by Metro. These services are those performed by other than Metro employees. The primary reason for the purchase is the service provided. The expenditures reflected here are not capitalized as costs to capital assets, i.e., costs for renovation and/or remodeling are not included here, but should be reflected in a capital outlay account.

5251 Utility Services: Utility Services includes charges for the use of electrical energy provided by the utility vendor; for telephone services, for the use of water and sewer services, natural gas provided by the vendor, purchase of fuel used to heat buildings and charges for solid waste pick up/disposal provided by non-Metro personnel.

5255 Cleaning Services: Charges for services purchased to clean buildings and grounds (apart from services provided by Metro employees).

5260 Maintenance and Repair Services: Expenditures for repair and maintenance services not provided directly by Metro personnel. These expenditures include contracts and agreements covering the upkeep of buildings; expenditures under contract or agreement for the upkeep of grounds, vehicles, equipment, and railroad facilities, and expenditures incurred by MERC resulting from exhibitor actions which are not reimbursed.

5265 Rentals: Charges for renting equipment, on a short-term basis, the intent of which is not to acquire the asset, land or building, or lease payments made under a lease agreement where there is no evidence of future ownership of the property.

5270 Insurance: Expenditures for all types of insurance coverage, including property, liability and fidelity. Additional accounts for benefit-related premiums are:

5271 Insurance–Benefit Plans

5272 Kaiser HMO

5273 Other medical providers

5274 Dental insurance

5275 Long-term disability insurance

5276 Group term life insurance

5280 Other Purchased Services: Amounts paid for services rendered by firms or personnel who are not employees of Metro. Although a product may or may not result from the transaction, the primary reason for the purchase is the service provided, advertising, printing services, typesetting and repro-graphic services, delivery services and expenditures for services provided by temporary help services where the individual assigned is not an employee of Metro (e.g., DePaul Industries, Galt Foundation, etc.).

5281 Other Purchased Services–Reimbursed: Services contracted out by Metro on behalf of the customer, for which the customer pays Metro reimbursement.

5290 Operations Contracts: Expenditures for services provided under contract to perform operational services at Metro. Examples include solid waste disposal facilities, expenditures for transporting solid waste between facilities under contract, fees paid to non-Metro solid waste facilities for disposal of solid waste, charges incurred for the disposal of special or hazardous waste as part of Metro's solid waste system, expenditures to contractors for performance of services related to concession sales and/or catering for Metro facilities and operations, and for expenditures to contractors for services provided in managing Metro-owned or operated parking facilities.

5291 Food and Beverage Services: A subdivision of account 5290 to specifically account for operations contracts that provide food and beverage services to Metro's customers under contract with Metro or MERC.

5292 Parking Services: A subdivision of account 5290 to specifically account for operations contracts entered into for management of Metro or MERC parking facilities.

5293 Disposal Fees–Landfill: Expenditures for disposal of waste under Metro's contract with the Gilliam County landfill.

5294 Special Waste Disposal Fees: Expenditures for services provided other entities for disposal of special waste.

5295 Waste Transport: Expenditures for transporting waste from Metro's transfer stations to other disposal sites under contractual agreement.

5296 Transfer Station Operations: Expenditures for contracted operations of Metro's solid waste transfer stations.

Capital Maintenance

5261 Capital Maintenance–CIP: Expenditures for repair and maintenance services not provided directly by Metro personnel which are of such significant dollar size to meet the established thresholds for inclusion in Metro's Capital Improvement Planning (CIP) process. The costs are those not to be capitalized to a fixed (capital) asset due to Metro's capitalization policies under GAAP.

5262 Capital Maintenance–Non-CIP: Expenditures for repair and maintenance services not provided directly by Metro personnel which are not of such significant dollar size to meet the established thresholds for inclusion in Metro's Capital Improvement Planning (CIP) process. The costs are those not to be capitalized to a fixed (capital) asset due to Metro's capitalization policies under GAAP.

Intergovernmental Expenditures: Includes expenditures made by one level or unit of government to another government in support of government activities, administered by the recipient unit. This category includes non-payroll related taxes assessed on, and paid by, Metro.

5300 Payments to Other Agencies: Charges and amounts paid or payable to other governmental agencies for fees or other contributions.

5305 Election Expense: Expenditures made to the various counties for the cost of elections attributable to Metro issues/candidates.

5310 Taxes (Non-payroll): Expenditures for real property taxes on realty not used for Metro's governmental purposes (for example, subleased property), and federal arbitrage rebate on bonds.

5315 Grants to Other Governments: Payments to and expenditures incurred by other governmental entities under grant agreements.

5318 Contributions to Other Governments: Expenditures made for goods, services or other items, including capital items, that are or will be fully used or owned by a government other than Metro. This includes transfers of assets to other governments.

5320 Government Assessments: Payments made to other governments based upon assessments received, (e.g., Local Improvement District).

Internal Charges for Services

5400 Charges for Services: Services performed by one Metro department for another.

5405 Payment in Lieu of Rent: Expenditures for internal Metro department use of internally managed facilities.

5410 Employer Premium Assessment: Charges for workers' compensation, health and other insurance premiums assessed to operating units of Metro and owed to the Risk Management Fund for services and coverage provided.

Other Expenditures

5440 Program Purchases: Amounts expended in accordance with a program's specific or grant guidelines for goods or property consumed or used in the program (e.g., transit oriented development redevelopment property purchases).

5445 Grants and Loans: Amounts provided to non-governmental entities for program purposes. On a GAAP full-accrual basis, amounts reflected here representing loans are subsequently reclassified as loans receivable for financial statement presentation.

5450 Travel: Expenditures for transportation, meals, hotel and other expenses associated with staff travel for Metro. Payments for per diem in lieu of reimbursements for meals also are charged here.

5455 Staff Development: Registration fees for conferences, classes and seminars attended by Metro staff; books and other training materials provided are included here.

5470 Council Costs: Expenditures made by Councilors in the course of performing their official duties, including expenditures for attendance at Metro-related meetings as allowed per Council resolution or ordinance and annual expense accounts to cover Council business-related costs incurred by each Councilor.

5475 Claims Paid (Self Insurance): Expenditures for insurable losses incurred by Metro and paid from the Risk Management Fund.

5476 Actuarial Claims Expense: Expenses determined by actuarial estimates reflecting incurred but not reported (IBNR) claims and reserves in accordance with GASB Statement 10 requirements.

5477 Casualty and Other Loss: Expenditures made, or loss in value, from casualty losses.

5479 Claims (former ORS 197.352): Expenditures for claims under the requirements of ORS 197.352 as authorized by Metro Council action.

5480 Fee Reimbursements: Reimbursements to non-Metro disposal facilities based on the recovery rate achieved by the facility.

5490 Miscellaneous Other Charges: Expenditures that are not defined elsewhere in the chart of accounts or may include minor amounts of expenditures of those other categories if the amount is not significant enough to warrant separate classification.

GAAP Accounts

5500 Other GAAP Accounts–Depreciation: An expense that represents the usage of Metro-owned capital assets in providing services and the allocation of the assets cost to its period of use.

5510 Other GAAP Accounts–Amortization: An expense that represents the usage of Metro-owned intangible assets in providing services and the allocation of the assets cost to its period of use or benefit.

5520 Other GAAP Accounts–Bad Debt Expense: An expense that represents the amount determined by either specific identification or a formulaic estimate based upon an analysis of accounts receivable history and written off as the amount estimated to be uncollected. Such amounts will generally have been submitted to Metro’s designated collection agency for further action.

5590 Solid Waste Transfer Station Operations: A GAAP account used to reclassify budgetary materials and services expenditures in various organizational units and accounts to this classification for GAAP based financial statement reporting. This account is not to be used for expenditures charged on a budgetary basis.

Debt Service Expenditures: Budgetary accounts which reflect interest and principal payments on long-term debt.

Capital Lease Payments

5600 Capital Lease Payments–Principal: Principal amounts paid on capital lease obligations. A capital lease is a lease the substance of which is a financing arrangement leading to ownership of the asset. (FASB 13 requirements.) If the arrangement is solely rent payments with no future ownership, the amounts should be coded to rentals or operating lease accounts.

5605 Capital Lease Payments Interest: Amounts paid for interest on leases noted above.

Loan Payments

5610 Loan Payments–Principal: Payments which reduce the outstanding principal balances of loans.

5615 Loan Payments Interest: Payments of interest on outstanding principal balances on loans.

General Obligation Bond Payments

5620 General Obligation Bond–Principal: Payments which reduce the outstanding principal balance of bonds which are backed by the full faith and credit of Metro and which have been authorized by the voters.

5625 General Obligation Bond–Interest: Payments of interest on the outstanding principal balance of bonds which are backed by the full faith and credit of Metro and which have been authorized by the voters.

Revenue Bond Payments

5630 Revenue Bond–Principal: Payments which reduce the outstanding principal balance of bonds which are backed or secured by a revenue source or sources as identified in the bond covenant.

5635 Revenue Bond–Interest: Payments of interest on the outstanding principal balance of bonds which are backed or secured by a revenue source or as identified in the bond covenant.

Other Debt Payments

5650 Defeasance Payments to Escrow Agent: Payments made to trustees and escrow agents to defease an outstanding bond issue.

Capital Outlay: Expenditures for acquiring or adding to fixed (capital) assets (cost greater than or equal to capital threshold in accordance with Capital Asset Management Policy). Acquisitions and construction are coded by the type of asset as identified below.

5700	Land
5710	Improvements Other than Buildings
5720	Buildings and Related
5730	Exhibits and Related
5740	Equipment and Vehicles
5750	Office Furniture and Equipment
5760	Railroad Equipment and Facilities
5770	Leasehold Improvements
5780	Final Cover - Landfill
5788	Art and Collections
5790	Intangible Assets

INTERFUND TRANSFERS (see GASB Codification Section 1800.102)

Reciprocal Interfund Activity: These accounts are the internal counterpart to exchange and exchange-like transactions and include:

Internal Service Transfers

5820 Transfer of Direct Costs: A payment for services provided to a funding source by another funding source, which services can be specifically identified and billed to the recipient entity.

Interfund Loans

5860 Interfund Loan–Principal: A transfer to another fund in repayment of an interfund loan’s principal balance.

5865 Interfund Loan–Interest: A transfer to another fund in payment of interest on an interfund loan.

Non-Reciprocal Interfund Activity: These accounts are the internal counterpart to non-exchange transactions and include:

Interfund Reimbursements

5800: Transfer for Indirect Costs (Reimbursements): Transfers made by the benefiting funding source for services provided by the recipient funding source which are allocated based upon an approved cost allocation plan. The allocation of incidental costs, such as overhead, should be treated as a reimbursement.

Fund Equity Transfers

5810 Transfer of Resources: Transfers of resources from one fund to another which are not based upon a cost allocation plan or any expectation of a payment for services provided; rather, this transfer represents the transfer of a resource for another use.

5830 Residual Equity Transfer: Non-recurring or non-routine transfers of equity between funds, including transfers of residual balances of discontinued funds.

Intrafund Clearing Accounts

5891 Intrafund Clearing–Resources: Amounts transferred from one related subfund to another for internal management purposes and related to resources – but for which an elimination will be made upon consolidation of the subfunds into the overall fund-level financial statements.

5892 Intrafund Clearing–Indirect: Amounts transferred from one related subfund to another for internal management purposes and related to indirect costs – but for which an elimination will be made upon consolidation of the subfunds into the overall fund-level financial statements.

5893 Intrafund Clearing–Direct: Amounts transferred from one related subfund to another for internal management purposes and related to direct costs – but for which an elimination will be made upon consolidation of the subfunds into the overall fund-level financial statements.

5894 Intrafund Clearing–Loan: Amounts transferred from one related subfund to another for internal management purposes and related to a intra-subfund “loan” – but for which an elimination will be made upon consolidation of the subfunds into the overall fund-level financial statements.

Contingency

5999 Contingency: A budgetary account from which Council approved appropriation transfers may be made to any of the expenditure accounts noted above. No actual amounts are expended in this account.

Unappropriated

5990 Unappropriated Fund Balance: Funds reserved for future purposes and not available for spending in the current fiscal year. Purposes include designated capital projects, renewal and replacement and debt service.

FUNDS—BUDGETARY BASIS

010 General Fund

251 General Obligation Bond Debt Service Fund

300 Metro Capital Fund

350 Open Spaces Fund

351 Natural Areas Fund

413 General Revenue Bond Fund

531 Solid Waste Revenue Fund

555 MERC Fund

611 General Renewal and Replacement Fund

615 Risk Management Fund

740 Cemetery Perpetual Care Fund

761 Smith and Bybee Lakes Fund

768 St. Johns Rehabilitation and Enhancement Fund



Compensation Plans



FY 2010-11 Non-represented employee pay schedules, full-time positions

Pay Range	Job Code	Job Classification	Minimum Rate	1st Quartile	Midpoint / 2nd Quartile	3rd Quartile	Maximum Rate	
529	1120	Administrative Assistant I *	16.73 34,802	17.99 37,412	19.24 40,022	20.49 42,632	21.76 45,242	Hourly Annual
530		Vacant Range	17.67 36,744	19.13 39,785	20.59 42,827	22.05 45,868	23.51 48,909	Hourly Annual
531	1130	Administrative Assistant II *	18.91 39,332	20.47 42,578	22.04 45,825	23.60 49,071	25.15 52,317	Hourly Annual
532		Vacant Range	20.23 42,083	21.90 45,555	23.57 49,027	25.24 52,501	26.91 55,973	Hourly Annual
533	1140 1245	Administrative Assistant III * Legal Secretary *	21.57 44,865	23.51 48,909	25.46 52,954	27.40 56,997	29.35 61,042	Hourly Annual
534	1250 1210 1300	Paralegal I * Program Analyst I Service Supervisor I	23.30 48,467	25.39 52,824	27.49 57,181	29.59 61,538	31.68 65,895	Hourly Annual
535	1170 1520 1252 1220 1310	Policy Analyst Event Coordinator Paralegal II * Program Analyst II Service Supervisor II	25.16 52,339	27.43 57,051	29.69 61,764	31.96 66,477	34.23 71,190	Hourly Annual
536		Vacant Range	55,812	61,257	66,704	72,150	77,597	Annual
537	1230 1360 1320	Program Analyst III Program Supervisor I Service Supervisor III	60,838	66,769	72,701	78,633	84,564	Annual
538	1401 1405 1240 1370	Council Operations Coordinator Deputy Conservation Manager Program Analyst IV Program Supervisor II	66,305	72,776	79,247	85,718	92,188	Annual
539	1201 1202 1242 1330	Budget Coordinator Capital Projects Coordinator Program Analyst V Service Supervisor IV	71,384	78,880	86,375	93,872	101,367	Annual
540	1410 1580	Manager I Veterinarian I	77,801	85,976	94,151	102,326	110,501	Annual
54A	1415	Transit Project Manager I	81,691	90,276	98,859	107,443	116,026	Annual
541	1270 1420 1423	Legal Counsel I Manager II Policy Advisor I	85,577	94,572	103,566	112,561	121,556	Annual
542	1640 1425 1590	Legal Counsel II Transit Project Manager II Veterinarian II	92,998	103,458	113,920	124,382	134,842	Annual
543	1702 1725	Program Director Transit Program Director I	102,294	113,802	125,309	136,817	148,323	Annual
544	1451 1495 1728	Deputy Director Deputy Metro Attorney Transit Program Director II	112,519	125,180	137,841	150,502	163,164	Annual
545	1461 1463	Director Policy Advisor II	123,771	137,698	151,626	165,553	179,480	Annual
546	1481 1482	Deputy Chief Operating Officer General Manager, Visitor Venues	136,148	151,468	166,612	182,107	197,428	Annual

* These classifications are non-exempt. Hourly rates are calculated based on a 2080 hour work year.

Effective: 07/01/2010
Revised: 07/01/2010 (no COLA)

FY 2010-11 AFSCME 3580 employee pay schedule, full-time positions

Pay Range	Job Code	Job Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
01N	6012* 6003*	Office Assistant Visitor Services Worker III	\$11.61	\$12.17	\$12.77	\$13.43	\$14.08	\$14.77	\$15.51
02N		Open	12.17	12.77	13.43	14.08	14.77	15.51	16.28
03N	0050*	Printing/Mail Services Clerk	12.77	13.43	14.08	14.77	15.51	16.28	17.08
04N	0037*	Accounting Technician I	13.43	14.08	14.77	15.51	16.28	17.08	17.94
05N	6005*	Administrative Specialist I	14.08	14.77	15.51	16.28	17.08	17.94	18.82
06N	0040* 6026* 0013*	Program Assistant I Safety and Security Officer Scalehouse Technician	14.77	15.51	16.28	17.08	17.94	18.82	19.74
07N	0038* 0006* 0012* 6020* 0330*	Accounting Technician II Food Service/Retail Specialist Latex Retail Technician Payroll Technician Planning Technician	15.51	16.28	17.08	17.94	18.82	19.74	20.76
08N	6006* 0015* 0051*	Administrative Specialist II Building Service Worker Printing/Mail Services Lead	16.28	17.08	17.94	18.82	19.74	20.76	21.76
09N	6007* 0014* 0042*	Administrative Specialist III Lead Scalehouse Technician Program Assistant II	17.08	17.94	18.82	19.74	20.76	21.76	22.87
10N	0036* 6018* 0005*	Accounting Specialist Payroll Specialist Storekeeper	17.94	18.82	19.74	20.76	21.76	22.87	23.97
11N	6034*	Property Management Technician	18.82	19.74	20.76	21.76	22.87	23.97	25.16
11E	6030	Zoo Registrar	39,322.25	41,259.79	43,311.54	45,444.78	47,726.24	50,069.32	52,580.58
12N	6001* 6031 0054* 6016* 0055* 0052* 0053*	Accountant I Assistant Visual Communication Designer Education Coordinator I GIS Technician Landfill & Environmental Technician Latex Operations Technician SW&R Facilities Maintenance Technician	19.74	20.76	21.76	22.87	23.97	25.16	26.47
13N	6008* 0331* 6024* 0057*	Administrative Specialist IV Hazardous Waste Technician Program Assistant III Technical Specialist I	20.76	21.76	22.87	23.97	25.16	26.47	27.76
13E	6008 6024 0639	Administrative Specialist IV Program Assistant III Video and Photography Technician	43,311.54	45,444.78	47,726.24	50,069.32	52,580.58	55,235.45	57,952.50
14N	0016* 0059* 0058*	Building Service Technician Technical Specialist II Volunteer Coordinator I	21.76	22.87	23.97	25.16	26.47	27.76	29.14
14E	0333 0338 6032 0060 0056	Assistant Management Analyst Assistant Public Affairs Specialist Associate Visual Communication Designer Education Coordinator II Records & Information Analyst	45,444.78	47,726.24	50,069.32	52,580.58	55,235.45	57,952.50	60,836.57
15N	0063*	Latex Operations Specialist	22.87	23.97	25.16	26.47	27.76	29.14	30.60
15E	6002 0062	Accountant II Systems Administrator I	47,726.24	50,069.32	52,580.58	55,235.45	57,952.50	60,836.57	63,899.23

FY 2010-11 AFSCME 3580 employee pay schedule, full-time positions, *continued*

Pay Range	Job Code	Job Classification	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
	0061	Systems Analyst I							
16N	0332*	Hazardous Waste Specialist	\$23.97	\$25.16	\$26.47	\$27.76	\$29.14	\$30.60	\$32.11
	0064*	Landfill & Environmental Specialist							
16E	6004	Accountant III	50,069.32	52,580.58	55,235.45	57,952.50	60,836.57	63,899.23	67,047.68
	0306	Assistant Engineer							
	6009	Assistant GIS Specialist							
	6000	Assistant Natural Resource Scientist							
	0354	Assistant Regional Planner							
	0343	Assistant Solid Waste Planner							
	6011	Assistant Transportation Modeler							
	0348	Assistant Transportation Planner							
	0334	Associate Management Analyst							
	0339	Associate Public Affairs Specialist							
	6033	Senior Visual Communication Designer							
	0065	Volunteer Coordinator II							
17E	0067	Systems Administrator II	52,580.58	55,235.45	57,952.50	60,836.57	63,899.23	67,047.68	70,397.82
	0066	Systems Analyst II							
18E	0307	Associate Engineer	55,235.45	57,952.50	60,836.57	63,899.23	67,047.68	70,397.82	73,891.64
	6013	Associate GIS Specialist							
	6014	Associate Natural Resource Scientist							
	0355	Associate Regional Planner							
	0344	Associate Solid Waste Planner							
	6015	Associate Transportation Modeler							
	0349	Associate Transportation Planner							
	6025	Property Management Specialist							
	0335	Senior Management Analyst							
19E	6017	Investment Coordinator	57,952.50	60,836.57	63,899.23	67,047.68	70,397.82	73,891.64	77,586.95
	0340	Senior Public Affairs Specialist							
20E	0476	Construction Coordinator	60,836.57	63,899.23	67,047.68	70,397.82	73,891.64	77,586.95	81,425.66
	0365	Real Estate Negotiator							
	0070	Systems Administrator III							
	0069	Systems Analyst III							
	0068	Web Master							
21E	6035	Lead Real Estate Negotiator	63,899.23	67,047.68	70,397.82	73,891.64	77,586.95	81,425.66	85,488.55
	0308	Senior Engineer							
	6027	Senior GIS Specialist							
	6028	Senior Natural Resource Scientist							
	0356	Senior Regional Planner							
	0345	Senior Solid Waste Planner							
	6029	Senior Transportation Modeler							
	0350	Senior Transportation Planner							
22E	6021	Principal GIS Specialist	67,047.68	70,397.82	73,891.64	77,586.95	81,425.66	85,488.55	89,745.35
	6022	Principal Natural Resource Scientist							
	0357	Principal Regional Planner							
	0346	Principal Solid Waste Planner							
	6023	Principal Transportation Modeler							
	0351	Principal Transportation Planner							
	0072	Systems Administrator IV							
	0071	Systems Analyst IV							
	0077	Transportation Engineer							

* Non-exempt classification
 Employees in this class are eligible to receive overtime compensation

Effective: 07/01/2010-06/30/2011
 Revised: 07/01/2010
 COLA: 1.5% (07/01/2010)

FY 2010-11 Elected official pay schedule

Job Code	Office	Annual Salary
0998	Council President	114,468
0997	Councilor	38,156
0999	Auditor	91,574

FY 2010-11 Visitor service worker pay schedule, seasonal pay ranges (hourly rates)

Job Code	Classification	Beginning Rate	Maximum Rate
0001*	Visitor Services Worker 1	8.40	11.00
0002*	Visitor Services Worker 2	8.40	12.50
0003*	Visitor Services Worker 3	8.40	13.50

FY 2010-11 Positions not in classification system pay schedule

Pay Range	Job Code	Job Classification	Minimum Rate	1st Quartile	Midpoint / 2nd Quartile	3rd Quartile	Maximum Rate
109	5110	Confidential Secretary	\$40,543	\$43,784	\$47,285	\$50,592	\$53,920
115	5112	Council President Policy Coordinator	48,467	52,824	57,181	61,538	65,895
120	5109	Assistant to Council President	63,878	70,112	76,345	82,580	88,814
201	4300	Auditor's Administrative Assistant					
	1480	Chief Operating Officer					
	1490	Metro Attorney					
	3100	Senior Management Auditor					
	3105	Principal Management Auditor					

Note: Grade 201 is an open range

FY 2010-11 LIU, Local 483 Regular employees

Pay Range	Job Code	Job Classification	Entry Rate (Step 1)	Six	18 Months	30	42 Months
				Months (Step 2)	(step 3)	Months (Step 4)	(Step 5)
305	0461*	Stationmaster **	12.84	13.65	14.51	15.43	16.38
310	0019*	Typist-Receptionist **	13.48	14.33	15.24	16.20	17.20
310	0444*	Custodian **	13.48	14.33	15.24	16.20	17.20
315	N/A	Vacant Range	14.16	15.05	16.00	17.00	18.07
320	0035*	Cash Office Clerk	14.87	15.80	16.80	17.85	18.97
325	3020*	Clerk/Stenographer	15.61	16.60	17.64	18.75	19.91
325	0451*	Lead Cash Office Clerk	15.61	16.60	17.64	18.75	19.91
325	3021*	Admissions Lead **	15.61	16.60	17.64	18.75	19.91
330	N/A	Vacant Range	16.38	17.42	18.51	19.68	20.91
335	N/A	Vacant Range	17.20	18.29	19.45	20.68	21.95
340	0465*	Gardener ** #	18.07	19.20	20.41	21.70	23.05
340	0445*	Maintenance Worker 1 ** #	18.07	19.20	20.41	21.70	23.05
340	0533*	Nutrition Technician I ** #	18.07	19.20	20.41	21.70	23.05
345	0470*	Animal Keeper ** #	18.97	20.17	21.44	22.79	24.21
345	0452*	Natural Resource Tech ** #	18.97	20.17	21.44	22.79	24.21
345	0450*	Park Ranger ** #	18.97	20.17	21.44	22.79	24.21
350	0449*	Exhibits Technician II ** #	19.91	21.17	22.50	23.92	25.42
350	0536*	Veterinary Technician ** #	19.91	21.17	22.50	23.92	25.42
350	0446*	Maintenance Worker 2 ** #	19.91	21.17	22.50	23.92	25.42
355	0535*	Nutrition Technician II ** #	20.91	22.23	23.63	25.12	26.68
360	0471*	Sr. Animal Keeper ** #	21.95	23.33	24.81	26.37	28.01
360	0467*	Senior Gardener ** #	21.95	23.33	24.81	26.37	28.01
360	3450*	Park Ranger Lead ** #	21.95	23.33	24.81	26.37	28.01
360	3023*	Natural Resource Tech Lead ** #	21.95	23.33	24.81	26.37	28.01
360	0468*	Arborist ** #	21.95	23.33	24.81	26.37	28.01
360	0447*	Maintenance Worker 3 ** #	21.95	23.33	24.81	26.37	28.01
360	0448*	Maintenance Tech ** #	21.95	23.33	24.81	26.37	28.01
360	0478*	Work Center Coordinator #	21.95	23.33	24.81	26.37	28.01
365	0455*	Maintenance Lead ** #	23.05	24.50	26.04	27.69	29.41
365	0456*	Master Mechanic ** #	23.05	24.50	26.04	27.69	29.41
370	0454*	Exhibits Tech Lead ** #	24.21	25.73	27.35	29.08	30.89
370	3024*	Electrician I	24.21	25.73	27.35	29.08	30.89
375	N/A	Vacant Range	25.42	27.02	28.72	30.53	32.43
380	0457*	Electrician II ** #	26.68	28.37	30.16	32.05	34.05
385	3456	Project Coordinator #	58,290.23	61,963.72	65,869.44	70,028.50	74,377.58

* Non-exempt

** Includes 3 cents for uniform laundering

Includes 5 cents for book allowance

Effective: 07/01/2010-06/30/2011

Revised: 07/01/2010

COLA: 1.5% (07/01/2010)

FY 2010-11 LIU, Local 483 Temporary employees

Pay Range	Job Code	Job Classification	Hourly Rate
405	4008*	Ticket Seller **	10.71
410	4430*	Laborer ** #	10.87
413	4010*	Lead Laborer ** #	11.96
415	4461*	Stationmaster **	12.84
420	4019*	Typist-Receptionist **	13.48
420	4444*	Custodian **	13.48
425	N/A	Vacant Range	14.16
430	4035*	Cash Office Clerk	14.87
435	4020*	Clerk/Stenographer	15.61
435	4001*	Lead Cash Office Clerk	15.61
435	4002*	Admissions Lead**	15.61
440	N/A	Vacant Range	16.38
445	N/A	Vacant Range	17.20
450	4465*	Gardener ** #	18.07
450	4445*	Maintenance Worker 1 ** #	18.07
450	4535*	Nutrition Technician I ** #	18.07
455	4470*	Animal Keeper ** #	18.97
455	4003*	Natural Resources Technician ** #	18.97
455	4450*	Park Ranger ** #	18.97
460	4449*	Exhibit Technician II ** #	19.91
460	4536*	Veterinary Technician ** #	19.91
460	4446*	Maintenance Worker 2 ** #	19.91
465	4004*	Nutrition Tech II ** #	20.91
470	4471*	Senior Animal Keeper ** #	21.95
470	4467*	Senior Gardener ** #	21.95
470	4005*	Park Ranger Lead ** #	21.95
470	4006*	Natural Resources Tech Lead ** #	21.95
470	4468*	Arborist ** #	21.95
470	4447*	Maintenance Worker 3 ** #	21.95
470	4448*	Maintenance Technician ** #	21.95
470	4478*	Work Center Coordinator #	21.95
475	4455*	Maintenance Lead ** #	23.05
475	4456*	Master Mechanic ** #	23.05
480	4007*	Exhibits Tech Lead** #	24.21
480	4011*	Electrician I ** #	24.21
485	N/A	Vacant Range	25.42
490	4457*	Electrician II ** #	26.68
495	4009	Project Coordinator#	58,290.23

* Non-exempt

** Includes 3 cents for uniform laundering

Includes 5 cents for book allowance

Effective: 07/01/2010-06/30/2011

Revised: 07/01/2010

COLA: 1.5% (07/01/2010)

FY 2010-11 MERC, Non-Represented employee pay schedule, full-time, non-exempt

Pay Range	Job Code	Job Classification	Minimum Rate	2nd Quartile	Midpoint	3rd Quartile	Maximum Rate
210		Open	\$11.50	\$12.36	\$13.22	\$14.08	\$14.95
211	8015 8010	Accounting Technician I Secretary	12.65	13.59	14.54	15.49	16.44
212	8494 8262	EXPO Center Utility Lead Lead Stagedoor Watchperson	13.90	14.94	15.99	17.03	18.07
213	8046 8023	Administrative Assistant Box Office Coordinator	14.93	16.24	17.55	18.85	20.16
214	8021 8045 8128	Accounting Technician II Executive Assistant Services Sales Coordinator I	16.37	17.80	19.23	20.66	22.09
215	8510 8004	Audio visual Technician Painter	18.31	19.91	22.51	23.12	24.72
216	8250	Telecom and Information Systems Technician	20.03	22.04	24.04	26.04	28.04
217		Open	22.44	24.68	26.92	29.17	31.41

Effective: 04/01/2010
Revised: 04/01/2010

FY 2010-11 MERC, Non-Represented employee pay schedule, full-time, exempt

Pay Range	Job Code	Job Classification	Minimum Rate	2nd Quartile	Midpoint	3rd Quartile	Maximum Rate
320	open		\$33,333.00	\$36,667.00	\$40,000.00	\$43,333.00	\$46,667.00
321	8013	Accountant	38,000	41,800	45,600	49,400	53,200
	8511	Audio Visual Technician Lead					
	8230	Computer Systems Administrator					
	8125	Volunteer Services Coordinator					
322	8350	Account Executive	42,367	47,134	51,900	56,666	61,433
	8370	Admissions Staffing Manager					
	8481	Assistant Ticket Services Manager					
	8180	Event Manager					
	8402	Graphic Designer					
	8014	Procurement Analyst					
	8035	Sales Manager					
	8507	Services Sales Coordinator II					
	8245	Setup & Operations Supervisor					
	8024	Sustainability Coordinator					
323	8317	Assistant Operations Manager-Expo Center	48,163	53,582	59,000	64,418	69,837
	8509	Audio Visual Supervisor					
	8252	Facility & Technical Services Supervisor					
	8210	Facility Maint & Construction Supervisor					
	8168	Maintenance Supervisor					
	8006	Senior Accountant					
	8215	Senior Event Manager					
	8185	Senior Set-up Supervisor - OCC					
	8410	Stage Supervisor					
	8480	Ticket Services Manager					
324	8318	Assistant Operations Manager - OCC	54,694	60,847	67,000	73,153	79,306
	8314	Assistant Operations Manager - PCPA					
	8220	Assistant Event Services Manager					
	8018	Business System Analyst					
	8288	Construction Project Manager					
	8028	Marketing & Web Services Manager					
	8162	Operations Manager - Housekeeping & Setup					
	8515	Security Manager					
	8234	Ticketing & Parking Services Manager					

Effective: 07/01/2010
 Revised: 07/01/2010

FY 2010-11 MERC, Non-Represented employee pay schedule, full-time, exempt, *continued*

Pay Range	Job Code	Job Classification	Minimum Rate	2nd Quartile	Midpoint	3rd Quartile	Maximum Rate
325	8011	Budget Manager	62,400	70,200	78,000	85,800	93,600
	8290	Construction Division Manager					
	8012	Controller					
	8302	Director of Event Services					
	8303	Director of Sales and Marketing					
325	8205	Events Services Manager - PCPA	62,400	70,200	78,000	85,800	93,600
	8158	Human Resources Manager - MERC					
	8232	Information Technology Manager					
	8164	Operations Manager - Expo Center					
	8163	Operations Manager - Technical Services					
	8027	Public Affairs Manager					
	8034	Sales & Booking Manager - PCPA					
	8057	Sales & Events Manager					
326	8306	Director of Operations	72,400	81,450	90,500	99,550	108,600
	8165	Operations Manager - PCPA					
327	8039	Assistant Executive Director - PCPA	84,000	94,500	105,000	115,500	126,000
	8307	Assistant Executive Director -OCC					
	8602	Director of Business and Community Development					
	8601	Director of Communications and Strategic Development					
328	8295	Director - Expo Center	97,600	109,800	122,000	134,200	146,400
	8304	Deputy General Manager					
329	8475	Executive Director - OCC	113,600	127,800	142,000	156,200	170,400
	8110	Executive Director - PCPA					

Effective: 07/01/2010
 Revised: 07/01/2010

FY 2010-11 MERC, Non-Represented employee pay schedule, part-time

Pay Range	Job Code	Position	Entry Rate	1 Year Rate	2 Year Rate
120	8285	Custodian	11.36	11.69	12.02
	8030	Event Receptionist			
	8255	Stagedoor Watchperson			
121		Open	12.50	12.86	13.22
122	8040	Administrative Assistant - PT	13.75	14.15	14.54
	8120	Medical Specialist			
123	8639	Marketing & Promotions Coordinator I	15.41	15.85	16.30
124	8150	Audio Visual Production Assistant	17.26	17.75	18.25
	8005	Marketing & Promotions Coordinator II			
	8140	Ticket Services Supervisor			
	8375	Volunteer Services Coordinator			
125	8200	House/Event Manager	19.33	19.88	20.43

* Non-exempt position
 Effective: 09/01/2007
 Revised: 08/16/2007

FY 2010-11 MERC, IATSE Local B-20 employee pay schedule

Pay Range	Job Code	Classification	Hourly Rate
865	8270	Checkroom Attendant	11.51
865	8265	Elevator Operator	11.51
865	8080	Gate Attendant	11.51
865	8070	Usher	11.51
820	8075	Ticket Seller	12.69
815	8065	Show Seller *	14.51
855	8090	Admissions Lead	15.39

Effective: 07/01/2009 - 06/30/2010

Revised: 07/01/2009

Note: Updated pay schedule unavailable at time of publication due to on-going contract negotiations

FY 2010-11 MERC, IATSE Local B-20 temporary employee pay schedule

Pay Range	Job Code	Classification	Hourly Rate
865	8271	Checkroom Attendant - Temp	11.51
865	8555	Elevator Operator - Temp	11.51
865	8325	Gate Attendant - Temp	11.51
865	8540	Usher - Temp	11.51
820	8076	Ticket Seller - Temp	12.69
815	8066	Show Seller - Temp	14.51
855	8355	Admissions Lead - Temp	15.39

Effective: 07/01/2009

Revised: 07/01/2009

Note: Updated pay schedule unavailable at time of publication due to on-going contract negotiations

FY 2010-11 MERC, IATSE Local 28 employee pay schedule

Salary Range	Job Code	Classification	Hourly Rate
910	8440	Department Head Stagehand - Carpentry	23.53
910	8445	Department Head Stagehand - Electrician	23.53
910	8455	Department Head Stagehand - Flyrail	23.53
910	8430	Department Head Stagehand - General	23.53
910	8435	Department Head Stagehand - Properties	23.53
910	8450	Department Head Stagehand - Sound	23.53
911	8446	Riggers	32.53
912	8432	Department Head Stagehand - Recording Rt	28.00
913	8452	Truck Loaders	26.40
914	8447	Ground Rigger	24.50
915	8442	Grip Recording	24.03
917	8437	Grips - Extra People	20.23

Effective: 07/01/2009

Revised: 07/01/2009

Note: Updated pay schedule unavailable at time of publication due to on-going contract negotiations

FY 2010-11 MERC, IUOE Local 701 employee pay schedule

Pay Range	Job Code	Job Classification	Step 1	Step 2	Step 3
172	8196	Apprentice Operating Engineer	23.83	25.26	26.65
176	8420	Apprentice Electrician	26.17	27.73	29.23
170	8195	Operating Engineer	28.03		
147	8505	Operating Engineer (part time)	28.03		
171	8160	Lead Operating Engineer	29.99		
173	8240	Electrician	30.79		
175	8390	Lead Electrician	33.16		

Effective: 07/01/2010 - 06/30/2011

Revised: 07/01/2010

COLA: 2.0% (07/01/2010)

FY 2010-11 MERC, IUOE Local 701-1 employee pay schedule

Pay Range	Job Code	Job Classification	Step 1	Step 2
110	8610	Event Custodian	12.81	14.47
130	8632	Utility Maintenance Technician	17.21	18.78
134	8636	Utility Lead	18.98	19.87

Effective: 07/01/2010 - 06/30/2011

Revised: 07/01/2010

COLA: 2.0% (07/01/2010)

FY 2010-11 MERC, AFSCME Local 3580-1 utility workers employee pay schedule

Pay Range	Job Code	Classification	Prob Step	Reg Step
970	8485	Event Custodian	12.16	13.75
951	8190	Utility Worker I	14.23	16.03
952	8500	Utility Worker II	15.38	17.32
849	8170	Utility Maintenance Technician *	16.35	17.83
941	8490	Utility Grounds Maintenance	16.70	19.00
961	8495	Utility Lead *	18.03	18.87
950	8175	Utility Maintenance	18.62	20.98
962	8300	Utility Maintenance Specialist **	19.77	21.66
972	8385	Utility Maintenance Lead	21.31	22.47

Effective: 07/01/2009 - 06/30/2010

Revised: 07/01/2009

COLA: 3.3% (07/01/2009)

Note: Updated pay schedule unavailable at time of publication due to on-going contract negotiations

2040: See *Metro 2040 Growth Concept*.

AA: Affirmative Action.

Accrual Basis of Accounting: Accounting method in which revenue is recognized when it is earned, regardless of when cash is received; expenses are recognized when the associated liability is incurred, regardless of when cash is paid.

ADA: Americans with Disabilities Act.

Ad Valorem Tax: A tax based on the assessed value of taxable property.

Advance Disposal Fee: A fee on a product that is intended to capture the cost of waste disposal of that product.

AFSCME: See *American Federation of State, County, and Municipal Employees*.

American Federation of State, County, and Municipal Employees (AFSCME): An organized labor bargaining unit.

A/P: Accounts Payable.

Appropriation: The legal spending authority approved by Metro Council to fund Metro activities. Can be changed only by the action of the Council and in some instances are further restricted by Oregon budget law.

A/R: Accounts Receivable.

Arbitrage: Interest earned from the proceeds of bond issues in which the rate of interest earned is greater than the interest rate owed on the bonds.

Arbitrage Rebate: Money owed to the Internal Revenue Service from interest earnings on bond proceeds that exceed the interest (bond yield) owed on the bonds.

Assessed Value: The value set by a county assessor on real and personal taxable property as a basis for levying taxes.

Ballot Measure 5: Amendment to the Oregon Constitution approved by the voters in 1990, which limits property tax rates. This is now Article XI, Section 11(b) of the Oregon Constitution.

Ballot Measure 37: Constitutional amendment approved by voters in November 2004. Measure 37 requires that governments pay owners, or waive enforcement by repealing, changing or not applying restrictions, when certain land use restrictions reduce owners' property value.

Ballot Measure 47: Constitutional amendment approved by voters in November 1996. Ballot Measure 47 rolled back property taxes on individual properties to either the FY 1994–95 tax or the FY 1995–96 tax less 10 percent, whichever was less. The measure allowed increases of no more than 3 percent per year in property tax bills in ensuing years and limited fee increases without voter approval. Ballot Measure 47 was to take effect in FY 1997–98, but was repealed in May 1997 by Ballot Measure 50.

Ballot Measure 50: A Constitutional amendment referred to the voters by the Legislature in May 1997. Ballot Measure 50 repealed and replaced Ballot Measure 47. Ballot Measure 50 rolled assessed values back to FY 1994–95 levels less 10 percent and allows them to increase no more than 3 percent per year. Existing operating tax levies (including tax bases and levies approved in November 1996) were reduced by a statewide average of 17 percent and were converted to rate-based levies. Ballot Measure 50 took effect in FY 1997–98.

Beginning Fund Balance: Net resources (cash and non-cash) available in a fund at the beginning of a fiscal year, carried over from the prior fiscal year.

Bonds: A written promise to pay a sum of money at a future date, with interest paid at an agreed rate on a set schedule. Bonds are typically used by governments to finance long-term capital improvements.

Brownfield: An urban development site that has been previously built on or environmentally contaminated and is currently unusable or abandoned.

Budget: A plan for receiving and spending money in a fiscal year. The budget is the financial plan for Metro's allocation of resources to provide services, accomplish Metro's objectives and perform activities.

Budget Calendar: The schedule of key dates and major events in the budget process.

Budget Committee: The Metro Council sits as a special committee under Oregon Budget Law to review the Chief Operating Officer's proposed budget and to adopt the budget for the following fiscal year.

Budget Phases: Metro's annual budget is developed in four phases, as follows:

Requested: Requests from departments for the following year's budget.

Proposed: The Chief Operating Officer's recommended budget, which is reviewed by the Council Budget Committee.

Approved: The budget and tax levy as approved by the Council that is forwarded to the Multnomah County Tax Supervising and Conservation Commission for its certification.

Adopted: The budget as adopted by the Council in the annual budget ordinance, following certification by the Tax Supervising and Conservation Commission.

Budget Program: A portfolio of products, services, funding and performance measures that links to Council goals within a performance-based program budget. A performance-based program budget links funding to agency results affecting external audiences. Metro budget programs include varying levels of programs, projects and operations.

Budget Program Performance Measures: Designed to measure the effectiveness of Metro budget programs. These outcome-based measures should specifically track Metro's efforts relative to achieving regional goals. Budget program performance measures provide feedback for strategic guidance in aligning budget programs with regional goals. Regularly provided to Council in the quarterly management report.

Capacity ordinance: Every five years Metro Council must examine the capacity of the region to accommodate the next 20 years' growth and, if found lacking, a plan for achieving it.

CAFR: See *Comprehensive Annual Financial Report*.

Capital Budget: See *Five-Year Capital Budget*.

Capital Budget Document: The official document presenting Metro's Five-Year Capital Budget. The document is included in the agency budget document and contains information on Metro's capital funding capacity, unfunded capital needs and a status report on current capital projects. The capital budget and the annual operating budget document are presented to the Council by the Chief Operating Officer for its consideration and adoption.

Capital Improvement Plan (CIP): See *Five-Year Capital Budget*.

Capital Outlay: A major expenditure category that includes appropriations for the purchase or improvement of land and buildings, and for furniture and equipment with a cost of more than \$5,000 and a useful life of one or more years.

Capital Project: A capital project is any physical asset acquired, constructed or financed by Metro, with a total capital cost of \$100,000 or more and a useful life of at least five years. It can include land, facilities, trails, roads, other infrastructure, major equipment and parts thereof. It can include renewal and replacement projects as well as new acquisitions and construction projects. Acquisition or construction of a capital project may be staged over several years.

Cash Basis of Accounting: Accounting method under which transactions are recognized when cash changes hands.

Centers and Services: Work units organized to serve budget programs and/or provide internal services (formerly referred to “as departments”).

Centers and Services Operations Plan: Plan that documents the major undertakings and outputs of Metro’s centers and services.

Central Services: Services provided internally to Metro departments by another Metro department or departments. These are primarily business services, such as accounting, risk management, information services, human resources and legal services.

CET: See *Construction Excise Tax*.

CFO: Chief Financial Officer.

Challenge Grants: Grants to local jurisdictions to support their waste reduction programs to help meet state and regional waste reduction goals.

Chart of Accounts: A coding framework that categorizes various financial information into a logical structure which is the basis and foundation for all financial reporting within the agency.

CIP: Capital Improvement Plan, See *Five-Year Capital Budget*.

CMS: Congestion Management Study.

COLA: Cost of Living Adjustment.

Commission: An appointed body established in the Metro Code responsible for daily operations of a Metro operation (specifically MERC).

Community Investment Strategy: Existing local, state, and federal revenue sources to pay for infrastructure (e.g. roads, parks, public plazas, transit systems, school and other public facilities, etc.) are forecast to provide about half of the region’s investment needs, creating an infrastructure finance gap of \$15-\$20 billion over the next 30 years. The Community Investment Strategy will identify methods to close the gap between the region’s investment needs and its financial means. It is aimed both at maintaining existing infrastructure and community assets and at supporting targeted new investments to accommodate anticipated population and employment growth. It will help the region invest existing dollars strategically; to focus its investments for maximum impact; to increase the level of overall investment; and to deploy our region’s public resources in a way that supports private investment.

Compensation Plan: A listing of all Metro position classifications, their classification number and the rates of pay authorized. The document is updated annually and adopted by the Council.

Component Unit: Legally separate organization for which elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity’s statements to be misleading or incomplete, in accordance with GASB Statements 14 and 39.

Comprehensive Annual Financial Report (CAFR): The official public record of Metro's financial condition and results of operations, prepared at the close of each fiscal year, subject to audit.

Compression: The effect produced if the combined (and otherwise authorized) property tax rates of all non-school jurisdictions in a taxing area exceed the limit of \$10 tax per \$1000 in assessed value, as required by the Oregon Constitution since the passage of Ballot Measure 5. The result of such an excess is reduced proportionally to each general government jurisdiction's rate so the total rate does not exceed \$10.

Concept Plan: See *Metro Region 2040 Growth Concept*.

Connecting Green: Connecting Green is an emerging effort to create this country's best parks and trails system. Guided by a vision of making parks, trails and natural spaces as important to our core infrastructure as roads, power, sewage and schools, the effort plans to deliver a healthier, happier population, sustainable, vibrant metropolitan expansion and a cleaner, richer ecosystem Renamed "The Intertwine" un FY 2009-10.

Construction Excise Tax (CET): Effective July 1, 2006, Metro imposed a 0.12 percent Construction Excise Tax on eligible construction throughout the region to fund concept planning for areas brought into the Urban Growth Boundary in 2002 and 2004. All jurisdictions issuing permits have signed intergovernmental agreements to collect the tax on Metro's behalf.

Contingency: A major expenditure category that includes appropriations set aside for unforeseen expenses. The Council must approve, by ordinance, any transfers from a contingency account to an expenditure account.

Contract: An agreement in writing between two parties where there is an exchange of goods or services. A contract is enforceable by law.

COO: Chief Operating Officer.

Cost Allocation Plan: A document prepared each fiscal year that identifies costs for central services and assigns them to operating units based on the best estimate of use or benefit received. The plan is used in preparing the annual budget to determine the amount of interfund transfers for the central service funds.

CPI: Consumer Price Index.

CRAG: Columbia Region Association of Governments.

Data Resource Center (DRC): The division of Metro's Research Center that supplies economic and demographic information for Metro's planning functions, and that manages the Regional Land Information System (RLIS).

DBE: See *Disadvantaged Business Enterprise*.

Debt Service: 1. Payment of principal and interest on bonds, interest-bearing warrants and short-term notes; 2. A major expenditure category that includes all categories of debt service payments.

DEIS: Draft Environmental Impact Statement.

Department: A functional unit of Metro, now referred to as centers or services.

Department of Environmental Quality–Oregon (DEQ): The Oregon Department of Environmental Quality, a state agency, which regulates Metro's solid waste disposal system and aspects of Metro planning operations such as air quality and water quality.

DEQ: See *Department of Environmental Quality*.

Direct Costs: The amount of charges to a department for specific services provided by another department.

Disadvantaged Business Enterprise (DBE): A for-profit, small business concern (a), that is at least 51 percent owned by one or more individuals who are both socially and economically disadvantaged or, in which 51 percent of the stock is owned by one or more such individual; and (b), whose management and daily business operations are controlled by one or more of the socially and economically disadvantaged individuals who own it.

DRC: See *Data Resource Center*.

Dry Waste: Non-putrescible (does not decay) waste, including demolition debris.

EEO: Equal Employment Opportunity.

Emerging Small Business (ESB): There are two tiers for certification as an ESB in the State of Oregon: 1. Tier 1 program participation is restricted to Oregon-based firms with 20 or fewer employees whose average annual gross receipts over the last three years have not exceeded \$1.5 million for construction firms and \$600,000 for non-construction related firms. Tier 2 program participation is restricted to Oregon-based firms with 30 or fewer employees whose average annual gross receipts over the last three years have not exceeded \$3 million for construction firms and \$1 million for non-construction related firms. An ESB must be properly licensed, legally registered and an independently-owned Oregon firm.

Employee Fidelity Coverage: Insurance covering loss in the event of theft by an employee.

Ending Fund Balance: Unspent and unobligated net resources at the end of a fiscal year. Usually generated by cash reserves and under-spending of appropriations.

Enhancement Grants: Grants for community projects made to local communities that contain major solid waste disposal facilities. There are four such grant programs (for Forest Grove, Metro Central, Metro South and St. Johns), funded out of the Rehabilitation and Enhancement Fund by a surcharge of \$0.50 per ton on waste deposited at the facility.

Enterprise Activity: Business conducted by Metro in which a customer pays a fee or charge for a service or product.

Enterprise Revenues: Revenues earned through the sale of Metro goods or services, including admission fees, building rentals, food and drink at Metro facilities, etc.

EPA: Environmental Protection Agency (Federal agency).

ESB: See *Emerging Small Business*.

Excise Tax: A tax that is paid by users of Metro facilities for the privilege of the use of the facilities, equipment, systems, or services owned, licensed, franchised or operated by Metro. For additional information, see Appendices, Excise Tax.

Expenditure: The actual outlay of, or obligation to pay, cash.

Expo: *Portland Metropolitan Exposition Center; The Expo Center*; located at 2060 North Marine Drive in Portland, consists of 333,000 square feet of flat floor space in four adjacent buildings for public exhibits and shows.

Expo Center: See *Expo*.

Ex Situ research: Research conducted on wildlife that is not in its native range.

FRS: Finance and Regulatory Services.

Fiscal Year: Metro's annual budget and accounting period, from July 1 through June 30.

Five-Year Capital Budget: a long-range plan prepared annually to identify capital projects to be funded over a five-year period. The five-year capital budget identifies each project, the year in which it will be started or acquired, the yearly expenditures of the project and proposed method of financing. The capital budget is reviewed and approved by the Chief Operating Officer and the Metro Council. Projects approved for the first year of the plan become part of Metro's budget for the ensuing year and may be modified in subsequent years.

FMLA: Family Medical Leave Act.

Fringe Benefits: Non-salary employee benefits provided in accordance with state and federal law, union contracts and/or Council policy. Such benefits for regular employees include pension plans (including PERS and Social Security); medical, dental, vision and life insurance; vacation, holiday and sick leave; workers' compensation and unemployment insurance. Temporary employees receive only those benefits mandated by law, such as Social Security, workers' compensation and unemployment insurance.

FTA: Federal Transit Administration (formerly UMTA, Urban Mass Transit Administration).

FTE: See *Full-time Equivalent*.

Full-time Equivalent (FTE): The ratio of time expended in any position to that of a full-time position. One person working full-time for one year is one FTE.

Functional Plan: Urban Growth Management Functional Plan.

Fund: An independent fiscal and accounting entity with a self-balancing set of accounts that is segregated for the purpose of carrying on specific activities or attaining certain objectives. Metro maintains several types of funds, including:

General: Revenues may be spent for any legitimate Metro purpose.

Enterprise: A fiscal and budgeting entity that accounts for a specific Metro operation that earns a substantial portion of its money through enterprise activities. An example of a Metro enterprise funds is the Solid Waste Revenue Fund.

Special Revenue: Resources are restricted to expenditures for specific purposes, generally in support of the department that manages the fund.

Capital Projects: Dedicated to acquisition, construction or improvement of the fixed assets managed by a particular department.

Internal Service: Accounts for the financing of goods or services provided by a central service department, with revenues coming from benefiting units on a cost-reimbursement basis.

Debt Service: Dedicated to paying debt service obligations.

Trust: Expenditures are dedicated to a specified purpose, as stipulated by the entity or entities that provided money to establish the fund.

Fund Balance: The difference between a fund's assets and its liabilities; a fund's net resources.

Future Vision: Non-regulatory conceptual statement providing a standard against which to judge progress toward maintaining a livable region. To be updated by July 1, 2010.

FY: Fiscal Year.

GAAP: See *Generally Accepted Accounting Principles*.

GASB: See *Governmental Accounting Standards Board*.

General Fund: See description under *Fund*.

General Obligation Bonds: Bonds that are backed by the full faith and credit of the issuing government. General obligation bonds must be approved by the voters, and are paid through property taxes.

General Renewal and Replacement Fund: The General Renewal and Replacement Fund was created as a separate fund in FY 2008-09 to provide for Metro's general assets including the Oregon Zoo, Regional Parks, Metro Regional Center and Information Services.

Generally Accepted Accounting Principles (GAAP): A standard established by the Accounting Practices Board of the American Institute of Certified Public Accountants. These rules, conventions and procedures define accepted accounting practices.

GFOA: Government Finance Officers Association.

GIS: Geographical Information System.

Governmental Accounting Standards Board (GASB): A private, non-profit organization established in 1984; responsible for setting generally accepted accounting principals for state and local governments.

GPAC: Greenspaces Policy Advisory Committee.

Grant: A contribution of assets by one entity to another. Grants are generally designated for a specific expenditure or project.

Greenhouse gases: Gases in an atmosphere that absorb and emit radiation within the thermal infrared range.

Greenspaces: Open areas, usually in public ownership, that are available for public use. While mostly undeveloped or developed only minimally, greenspaces may include parks, cemeteries, natural areas and golf courses.

Greenspaces Master Plan: The Council-adopted document that establishes policies and lays out long-range plans and goals for Metro's program of acquiring, preserving and developing open spaces for public use and protection of wildlife habitat.

Growth Concept: See *Metro 2040 Growth Concept*.

HCT: See *High Capacity Transit*.

HCTF: See *Housing Choice Task Force*.

High Capacity Transit (HCT): High capacity transit includes any form of public transit that has an exclusive right of way, a non-exclusive right of way or a possible combination of both. High capacity transit includes options such as light rail, commuter rail and bus rapid transit; these and others will be examined as part of the High Capacity Transit System Plan.

Household Hazardous Waste: Any discarded chemical materials or products that are or may be hazardous or toxic to the public or the environment and are commonly used in or around households.

Housing Choice Task Force (HCTF): Directed by the Metro Council to consider financial, physical, market, political and regulatory barriers to increasing particularly affordable workforce housing supply in various communities and 2040 centers and corridors.

HR: Human Resources.

IATSE: See *International Alliance of Theatrical State Employees*.

International Alliance of Theatrical State Employees (IATSE): An organized labor bargaining unit.

IGA: See *Intergovernmental Agreement*.

Indirect Costs: The central overhead costs (i.e., payroll, accounts payable, legal counsel) necessary for the operation of a department or execution of a grant and not directly attributable to a specific function or grant. These costs are computed and charged to the appropriate department or grant based on a cost allocation plan.

***In Situ* research:** Research conducted with wildlife in its native range.

Interfund Transfer: 1. An amount of money distributed from one fund to finance activities in another fund. The most common types of interfund transfers are for central services, payment for specific services performed or for general financial support. 2. A major expenditure category that accounts for all movement of money from one fund to another.

Intergovernmental Agreement (IGA): A signed agreement between two or more units of government, and approved by their governing bodies, that provides for the exchange of goods or services between the governments.

Intergovernmental Revenue: Funds received from a unit of government other than Metro in support of a Metro activity.

Interstate MAX: A light rail line from the Rose Quarter to the Columbia River along Interstate Avenue operated by TriMet.

The Intertwine: is a network of integrated parks, trails and natural areas. The Intertwine provides opportunities to preserve natural areas, open spaces, water and wildlife habitat.

IT: Information Technology.

IS: Information Services.

Joint Policy Advisory Committee on Transportation (JPACT): This committee consists of elected and appointed officials from jurisdictions throughout the region who are charged with developing and approving regional transportation plans.

JPACT: See *Joint Policy Advisory Committee on Transportation*.

KFD: Killingsworth Fast Disposal (landfill site).

Latex Processing Facility: The part of a solid waste transfer station that treats, recycles and disposes of latex paint.

Leadership in Energy and Environmental Design (LEED): A Green Building Rating System; a voluntary, consensus-based national standard for developing high-performance, sustainable buildings; developed by U.S. Green Building Council, representing all segments of the building industry.

LEED: See *Leadership in Energy and Environmental Design*.

Line Item: An object of expenditure. See *Chart of Accounts*.

Line Item Budget: The traditional form of government budgeting in which proposed expenditures are based on individual objects of expenditure within a fund or department.

LIU: Laborers International Union.

M & S: See *Materials and Services*.

Major Expenditure Category: One of six classifications of spending, including personal services, materials and services, debt service, capital outlay, interfund transfers, and contingency.

Making the Greatest Place: A comprehensive effort the Metro Council has undertaken, in collaboration with local governments and the private sector, to implement the region's more effective long-range growth management plan, the 2040 Growth Concept. The effort is focused on generating new, more efficient ways to manage the region's land and transportation infrastructure and leverage market forces to create better urban areas.

Master Plan: A comprehensive plan for a program or facility that establishes policies and goals for the program or facility, for a period of five years or longer.

Material Recovery Facility (MRF): A waste facility that receives commingled loads of waste and sorts them into recyclable and non-recyclable components.

Materials and Services: A major expenditure category that includes contractual and other services, materials, supplies and other charges.

MAX: TriMet's Light Rail system, Metropolitan Area Express, connects Portland, Gresham, Beaverton, Hillsboro, Clackamas and the Portland Airport.

MBE: See *Minority Business Enterprise*.

MCCI: Metro Committee for Citizen Involvement.

Minority Business Enterprise (MBE): A business concern 1. that is at least 51 percent owned by one or more minority individuals, or, in the case of a publicly owned business, at least 51 percent of the stock is owned by one or more minority individuals; and 2. whose daily business operations are managed and directed by one or more of the minority owners.

Measure 5, Measure 37, Measure 47, Measure 50: See *Ballot Measures*.

MERC: See *Metropolitan Exposition Recreation Commission*.

Metropolitan Exposition Recreation Commission (MERC): An appointed seven-member board and its staff, which is responsible for daily operations of the Oregon Convention Center, Portland Center for the Performing Arts and the Portland Expo Center.

Metro 2040 Growth Concept: Defines regional growth and development in the Portland Metropolitan region. The growth concept was adopted in the Region 2040 planning and public involvement process in December 1995.

Metro Central: Metro's solid waste transfer station at 6161 NW 61st Avenue, Portland.

MetroPaint: A high quality, affordable, 100 percent recycled latex paint produced in Portland, Oregon, since 1992. Metro produces and sells recycled latex paint in 5-gallon pails and 1-gallon cans.

Metro Recycling Information Center: The clearinghouse for waste reduction, recycling and solid waste disposal information in the region.

Metro Regional Center: Metro's governmental headquarters, located at 600 NE Grand Avenue, Portland.

MetroScope: MetroScope is a set of decision support tools used by Metro and the City of Portland to model changes in measures of economic, demographic, land use and transportation activity. MetroScope comprises four models and a set of GIS (geographic information system) tools that keep track of the location of development activities and produce visual representations (maps) from the models' output.

Metro South: Metro's solid waste transfer station at 2001 Washington St., Oregon City.

Modified Accrual Basis of Accounting: The accrual basis of accounting adapted to the governmental fund type under which revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures are generally recognized when the related fund liability is incurred.

MPAC: Metro Policy Advisory Committee.

MPO: Metropolitan Planning Organization.

MRF: See *Material Recovery Facility*.

MTAC: Metro Technical Advisory Committee.

MTIP: Metropolitan Transportation Improvement Program.

MTOCA: Metropolitan Tourism Opportunity and Competitiveness Account.

MTP: Metropolitan Transportation Plan (Clark County, Washington).

Natural Areas Program (2006): Program designed to conserve a regional system that protects the very best remaining fish and wildlife habitats, lands around local rivers and streams that are important to water quality and natural areas threatened by urban development. It establishes target areas for protection by incorporating some of the target areas established in the 1995 open spaces, parks and streams bond measure and adding new areas that have been recognized as priorities during the past decade.

Natural Areas Bond Measure: A voter-approved bond measure passed in November 2006. The \$227.4 million bond measure protects natural areas and lands near rivers and streams throughout the metro region, safeguarding the quality of our water while managing the impacts of growth and maintaining the area's quality of life for future generations.

Nature in Neighborhoods: A regional habitat protection, restoration and greenspaces program that inspires, strengthens, coordinates and focuses the activities of individuals and organizations with a stake in the region's fish and wildlife habitat, natural beauty, clean air and water and outdoor recreation.

New Look at Regional Choices: See *Making the Greatest Place*.

OCC: See *Oregon Convention Center*.

OCI: Office of Citizen Involvement (located within Communications service of Metro).

ODOT: See *Oregon Department of Transportation*.

OECD: See *Oregon Economic and Community Development Department*.

OMA: Office of Metro Attorney.

One-time Revenue: A source of funding that cannot reasonably be expected to recur. Examples include single-purpose grants, use of reserves and proceeds from the sale of property or other assets.

Open Spaces: Undeveloped land, preserved for its natural, environmental or recreational benefits.

Open Spaces Bond Measure: The Metro bond measure approved by the voters in 1995, authorizing \$135.6 million for public acquisition of open spaces and natural areas in and near the Metro region.

Open Spaces Program: Metro's program of acquiring and preserving open spaces and natural areas. The program is administered by the Sustainability Center and funded by bond proceeds through the Open Spaces Fund.

Oregon Convention Center (OCC): The Oregon Convention Center, located at 777 N.E. Martin Luther King Jr. Boulevard in Portland, consists of 50 meeting rooms and 255,000 square feet of exhibition space.

Oregon Department of Transportation (ODOT): A department of the Oregon state government responsible for systems and transportation.

Oregon Economic and Community Development Department (OECDD): Invests lottery, federal and other funds to help communities and regions build a healthy business climate that stimulates employment, enhances quality of life and sustains Oregon's long-term prosperity.

ORS: Oregon Revised Statute.

PaintCare: A non-profit corporation established by the paint industry to manage leftover paint, as mandated by HB3037, which became law in July of 2009. PaintCare contracts with local governments, paint retail stores, and waste contractors to collect, transport and process all of the leftover paint generated in the state.

Pass-through: Money given by a government or organization to another government or organization with a requirement that it be given to a third government or organization.

PCPA: See *Portland Center for the Performing Arts*.

PDC: Portland Development Commission.

PeopleSoft: Metro's management information system software which provides centralized accounting, payroll, human resource and budgeting information.

Performance Audit: Investigation of a program, operation or department that is designed to determine whether the subject of the audit is properly, efficiently and effectively managed. Metro's elected Auditor is responsible for conducting performance audits for Metro.

Performance Measures: Objective standards for determining work loads, effectiveness and efficiency of Metro departments and programs.

PERS: See *Public Employees Retirement System*.

PERS Reserve: An amount set aside for potential future pension cost liabilities.

Population and Employment Allocations: Estimates of the number of residents and the number of jobs projected for each jurisdiction in the region in a given year.

Portland Metropolitan Exposition Center: See *Expo*.

Portland Center for the Performing Arts (PCPA): This leading cultural institution encompasses four acclaimed theaters that include Keller Auditorium, Arlene Schnitzer Concert Hall, and the Newmark Theater, Dolores Winningstad Theater and Brunish Hall, all located in the Antoinette Hatfield Hall.

Position: A budgeted authorization for employment, which can be full-time or part-time. One position may be budgeted as any fraction of an FTE but cannot be budgeted in excess of one FTE.

Post-closure Activities: The planning, execution and environmental monitoring of activities associated with the closure of the St. Johns Landfill.

PP&L Finanswer Loan: A special loan offered by Pacific Power & Light Co. to help finance energy conservation measures. Used by Metro to pay for energy conservation measures in the construction of Metro Regional Center.

Preliminary Audit Plan: The Metro Auditor's work plan periodically developed, reviewed and updated to guide future audit work.

Program: Defined as either a group of related projects managed in a coordinated way or a distinct set of offerings targeted at a specific audience to yield a specific outcome (such as the Drive Less/Save More program). Multiple programs can roll up to a budget program to align with Council goals. Programs are based upon outcomes of offerings, target audience and delivery method, and do not have a defined life. All programs will have defined goals and performance measures to track progress toward the defined goal.

Program Budget: A plan for expenditure of money that is based on objectives and the cost to realize those objectives, rather than on individual line items.

Program Performance Measures: Quantifiable effectiveness measures of the impact of specific Metro efforts towards achieving program goals. These should be available on a quarterly basis.

Project: A temporary endeavor to create a unique work product, service or result.

Public Employees Retirement System (PERS): The retirement benefit package offered by most public jurisdictions in the state.

Quarterly Financial Report: Companion to the quarterly management report, this report fulfills a financial policy direction found in the Metro's adopted financial policies by monitoring and reporting revenues and expenditures.

Quarterly Management Report: Companion to the quarterly financial report, this report gives Council provides the Metro Council with highlights of budgetary programs and project performance.

Rate Stabilization Reserve: A reserved fund balance established to stabilize solid waste rates from unanticipated fluctuations.

Records and Information Management (RIM): Provides for Metro's professional management of information from the time records are received or created through their processing, distribution, use and placement in a storage or retrieval system until their eventual destruction or permanent archival retention.

Recovery Rate: The percent of solid waste that is recovered from the total municipal solid waste stream.

Recycling Information Center: See *Metro Recycling Information Center*.

Refinement Plan: One of several plans of the Natural Areas Acquisition division of the Sustainability Center that identifies specific parcels of land to be acquired within a larger target area.

Region: The area inside Metro's boundary.

Region 2040: Metro's growth management planning document that establishes policies to manage regional growth over a 50-year period and to guide development of the Regional Framework Plan. See *Metro 2040 Growth Concept*.

Regional Framework Plan: The growth management planning document mandated in the 1992 Metro Charter that prescribe's guidelines to be observed by local governments in establishing their local land-use plans in conformance with regional goals. The plan was adopted by the Council in 1997.

Regional Land Information System (RLIS): Metro's computerized mapping system, which has the capability to apply demographic, topographic, land-use, infrastructure and other information in map form.

Regional Solid Waste Management Plan (RSWMP): A policy and planning document adopted by the Metro Council in ordinance form that establishes policies for managing the disposal of solid waste from the region.

Regional Solid Waste Reduction Plan: The 10-year plan established to comply with state mandated waste recovery goals.

Regional System Fee (RSF): Solid waste revenue raised from all customers system wide to fund regional solid waste programs. Rate is set annually by the rate review process.

Regional Transportation Plan (RTP): The plan required by the federal government, in order to receive federal transportation funds, that includes regional transportation policies and goals as well as a list of major transportation projects contemplated for a six-year period. This plan must be approved by the Joint Policy Advisory Committee on Transportation and the Metro Council.

Regional Travel Options (RTO): Promotes and supports the transportation choices available in the region to reduce the number of drive-alone trips. Reducing the number of vehicles on the road cuts vehicle emissions, decreases congestion, extends the life cycle of existing roadways and promotes a healthier community.

Regional Urban Growth Goals and Objectives: A policy and planning document approved by the Metro Council in ordinance form that establishes policies to guide growth management planning in the region.

REIN: Regional Environmental Information Network.

Requirements: Total budgeted expenditures (including contingency) plus the amount of unappropriated balance.

Resources: All financial assets of a fund, including anticipated revenues plus cash available at the start of the fiscal year.

Restoration/Education Grants: Grants administered by the Sustainability Center for funding projects of public education on natural resource preservation or in support of restoring land to its natural state.

Revenue: Assets earned or received by a Metro fund during a fiscal year.

RFB: Request for Bid.

RFP: Request for Proposal.

RFQ: Request for Qualifications.

RIC: See *Metro Recycling Information Center*.

RIM: See *Records and Information Management*.

RLIS: See *Regional Land Information System*.

RSF: See *Regional System Fee (credit program)*.

RSWMP: See *Regional Solid Waste Management Plan*.

RTC: Regional Transportation Council (of southwest Washington, formerly IRC).

RTO: See *Regional Travel Options*.

RTP: See *Regional Transportation Plan*.

SAFETEA-LU: See *Safe, Accountable, Flexible, Efficient Transportation Equity Act*.

Safe, Accountable, Flexible, Efficient Transportation Equity Act (SAFETEA-LU): Authorizes the Federal surface transportation programs for highways, highway safety, and transit for a 5-year period, now expired and awaiting federal reauthorization.

St. Johns Landfill: A 238-acre parcel of land in North Portland used as the region's principal general purpose landfill for more than fifty years until its closure in 1991. Metro manages activity at the facility, which primarily consists of implementing an approved closure plan.

Satellite Collection Events: Temporary household hazardous waste collection activities at sites remote from permanent household hazardous waste facilities.

SMI: See *Sustainable Metro Initiative*.

Smith and Bybee Wetlands Natural Area: The area including Smith and Bybee Lakes and surrounding property in North Portland that is managed as an environmental and recreational resource for the region.

Solid Waste Information System: The data base maintained by Metro staff providing statistical analyses of the region's solid waste generation, recovery and disposal characteristics.

SOV: Single Occupancy Vehicle.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources (other than expendable trust or capital projects) that are legally restricted to expenditure for specified purposes.

Supplemental Budget: A change to an adopted budget that is undertaken during the fiscal year a budget is in effect, as defined by Oregon local budget law. A supplemental budget is required if resources greater than those identified in the budget are to be used, or if additional expenditures greater than the amount in contingency, or greater than 15 percent of total appropriations are required. A supplemental budget that is greater than 10 percent of appropriated expenditures requires TSCC review and certification, and Council adoption by ordinance. A supplemental budget less than 10 percent of appropriated expenditures requires Council adoption.

Sustainable Metro Initiative: An ongoing continuous improvement effort to provide regional services efficiently and effectively by aligning Metro's business processes, management structure and core competencies with desired outcomes; providing opportunities for employees to succeed across the organization; and operating transparently.

Sustainability: Using, developing and protecting resources in a manner that enables people to meet current needs while ensuring that future generations can also meet their needs, from the joint perspective of environmental, economic and community objectives.

Target Area: An area containing regionally significant open spaces that are to be preserved through public acquisition.

Tax Base: Property taxes dedicated to the annual financial support of a government or a government operation, authorized by voter approval.

Tax Supervising and Conservation Commission (TSCC): Review body composed of citizens appointed by the governor, whose charge under state law is to review the budgets of all jurisdictions headquartered in Multnomah County and determine whether they comply with Oregon's local government budget law. The TSCC reviews the approved budget and supplemental budgets of Metro prior to Council adoption, in order to certify compliance.

TOD: See *Transit-Oriented Development*.

TPAC: Transportation Policy Alternatives Committee.

Transfer: See *Interfund Transfer*.

Transfer Station: A facility that receives solid waste from commercial haulers and private citizens and ships the material to an appropriate disposal facility.

Transit-Oriented Development (TOD): Development of property near major transit stations that supports reduced dependence on automobile use by mixing housing, retail and commercial activity with access to transit.

TRIM: Tower Records and Information Management.

TriMet: Provides public transportation in the Portland, Oregon, metropolitan area, including most of Clackamas, Multnomah and Washington counties.

TSCC: See *Tax Supervising and Conservation Commission*.

Unappropriated Balance: A line item in the budget that represents amounts set aside to be carried over to the following fiscal year. Unappropriated balances may not be spent in the current fiscal year.

UGA: Urban Growth Area.

UGB: See *Urban Growth Boundary*.

UPWP: Unified Planning Work Program.

Urban Growth Boundary (UGB): A line delineating the area within the Metro region that may be developed at urban density levels.

VDI: See *Visitor Development Initiative*.

Visitor Development Initiative (VDI): The initiative to fund the expansion of the Oregon Convention Center, and capital improvements to the Portland Center for the Performing Arts and PGE Park (Civic Stadium).

VMT: See *Vehicle Miles Traveled*.

Vehicle Miles Traveled (VMT): A measure of the number of miles that residential vehicles are driven.

WBE: See *Women-Owned Business Enterprise*.

Women Owned Business Enterprise (WBE): A woman-owned business enterprise as defined by the State of Oregon is a proprietorship, partnership, corporation or joint-venture that is 51 percent owned, operated and controlled by United States citizens that are female. The female owner must not be inextricably associated nor dependent upon a non-disadvantaged firm(s) or individual(s), interest must have managerial and operational control over all aspects of the business and must have made a real and substantial contribution of capital or expertise to the business, which is commensurate with their ownership interest.

Waste Characterization Studies: Studies conducted to determine the content of solid waste generated in the region.

Westside Light Rail: A light rail line, an extension of MAX, connecting downtown Portland with Hillsboro. See *MAX*.

Willing Seller: A land owner who freely agrees to sell land to Metro for its Natural Areas Acquisition program.

Workforce and Organizational Development: Improvement efforts regarding staff skills, organizational structure and management practices (such as through the Sustainable Metro Initiative).

WSDOT: Washington State Department of Transportation.

