

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE )  
ANNUAL BUDGET FOR FISCAL YEAR )  
1997-98, MAKING APPROPRIATIONS, )  
CREATING FUNDS, CLOSING FUNDS, )  
LEVYING AD VALOREM TAXES; )  
AUTHORIZING INTERFUND LOANS,  
AND DECLARING AN EMERGENCY

ORDINANCE NO. 97-679A

Introduced by  
Mike Burton, Executive Officer

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, 1997, and ending June 30, 1998; 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 1997-98 Metro Budget," in the total amount of FOUR HUNDRED ELEVEN MILLION, TWO HUNDRED EIGHTY TWO THOUSAND, TWO HUNDRED AND EIGHTY THREE (\$411,282,283) DOLLARS, 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, for a total amount of TWENTY-SEVEN MILLION TWO HUNDRED FORTY-TWO THOUSAND ONE HUNDRED FOUR (\$27,242,104) DOLLARS to be levied upon taxable properties within the Metro District as of 1:00 a.m., July 1, 1997. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy.

SEVEN MILLION SIX HUNDRED SIXTY-EIGHT THOUSAND FIVE HUNDRED TEN (\$7,668,510) DOLLARS shall be for the Zoo Operating Fund, said

amount authorized in a tax base, said tax base approved by the voters of Metro at a general election held May 15, 1990, and subject to the General Government Limitation.

NINETEEN MILLION FIVE HUNDRED SEVENTY-THREE THOUSAND FIVE HUNDRED NINETY-FOUR (\$19,573,594) DOLLARS shall be for the General Obligation Bond Debt Service Fund, said levy needed to repay a portion of the proceeds of the Convention Center Project General Obligation bonds as approved by the voters of Metro at a general election held November 4, 1986, of the Open Spaces, Parks and Streams General Obligation bonds as approved by the voters at a special election held May 16, 1995, and the Zoo Oregon Project General Obligation Bonds as approved by the voters of Metro at a special election held September 17, 1996. Said levy is excluded from the General Government Limitation

**SUMMARY OF AD VALOREM TAX LEVY**

	Subject to the General Government <u>Limitation</u>	Excluded from <u>the Limitation</u>
Zoo Tax Base	\$7,668,510	
General Obligation Bond Levy		<u>\$19,573,594</u>
Category Total	\$7,668,510	\$19,573,594
<b>TOTAL LEVY</b>	<b>\$27,242,104</b>	

3. An interfund loan not to exceed SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) is hereby authorized from the Risk Management Fund to the General Obligation Bond Debt Service Fund. The loan is anticipated to provide necessary cash flow if Multnomah County is required to refund property taxes under a lawsuit currently pending in Oregon Supreme Court. The loan will be repaid in fiscal year 1998-99 from the General Obligation Bond Levy. Simple interest shall be

paid on the loan amount from the date of draw based on Metro's monthly pooled investment yield as calculated by the Department of Administrative Services.

4. An interfund loan not to exceed SEVEN MILLION, FIVE HUNDRED THOUSAND DOLLARS (\$7,500,000) is hereby authorized from the Solid Waste Revenue Fund to the General Obligation Bond Debt Service Fund. The loan is anticipated to provide necessary cash flow if the assessors of Multnomah, Clackamas, and Washington Counties are delayed in sending out property tax bills as anticipated due to uncertainties and delays from the late passage of implementing legislation for Ballot Measure 50. The loan will be repaid as soon as possible, but no later than fiscal year 1998-99 from the General Obligation Bond Levy. Simple interest shall be paid on the loan amount from the date of draw based on Metro's monthly pooled investment yield as calculated by the Department of Administrative Services.

5. The MERC Operating Fund is hereby created for the purpose of operating the Oregon Convention Center, the Portland Exposition Center, the Portland Center for the Performing Arts and the Civic Stadium. The sources of revenue for this fund shall be reimbursements, enterprise revenues, commissions, interest, user fees and other revenues attributable to the operations of the facilities. The fund shall be created with an initial transfer of funds remaining in the Oregon Convention Center Operating Fund, the Spectator Facilities Operating Fund, and the Expo portion of the Regional Parks and Expo Fund. In the event of the future elimination of this fund, remaining balances will be transferred to any successor fund or funds responsible for the operation of these facilities, or as the Metro Council shall direct.

6. The Oregon Convention Center Operating Fund is hereby eliminated. Remaining fund balance shall be transferred to the MERC Operating Fund.

7. The MERC Administration Fund is hereby eliminated. Any remaining fund balance shall be transferred to the MERC Operating Fund.

8. The Spectator Facilities Operating Fund is hereby eliminated. Remaining fund balance shall be transferred to the MERC Operating Fund.

9. The Coliseum Operating Fund is hereby eliminated. Remaining fund balance shall be transferred to the MERC Operating Fund in accordance with provisions stipulated at the time of creation of the fund.

10. The OCC Renewal and Replacement Fund is hereby renamed the MERC Renewal and Replacement Fund. The purpose of the fund will be expanded to renewal and replacement needs for all MERC-operated facilities.

11. The Regional Parks and Expo Fund is hereby renamed the Regional Parks Fund. Henceforth, this fund will be used to account for revenues and expenditures associated with the operation and maintenance of Metro's regional parks and open spaces. In the event of the future elimination of this fund, remaining balances will be transferred to any successor fund or funds responsible for the operation of these facilities, or to the General Fund as the Metro Council shall direct.

12. In accordance with Section 2.02.125 of the Metro Code, the Metro Council hereby authorizes personnel 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, 1997, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

13. Pursuant to Metro Code 2.04.026(b) the Council designated the contracts which have significant impact on Metro for FY 1997-98 and their designations as shown in Exhibit E, attached hereto.

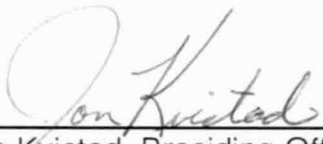
14. The Executive Officer shall make the following filings as provided by ORS 294.555 and ORS 310.060:

- a. Multnomah County Assessor
  - 1) An original and one copy of the Notice of Levy marked Exhibit D, attached hereto and made a part of this Ordinance.
  - 2) Two copies of the budget document adopted by Section 1 of this Ordinance.
  - 3) A copy of the Notice of Publication required by ORS 294.421.
  - 4) Two copies of this Ordinance.
- b. Clackamas and Washington County Assessor and Clerk

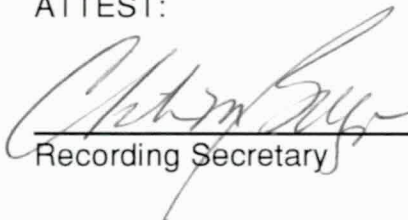
- 1) A copy of the Notice of Levy marked Exhibit D.
- 2) A copy of the budget document adopted by Section 1 of this Ordinance.
- 3) A copy of this Ordinance.
- 4) A copy of the Notice of Publication required by ORS 294.421.

15. 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, 1997, 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 26<sup>th</sup> day of June, 1997.

  
\_\_\_\_\_  
Jon Kvistad, Presiding Officer

ATTEST:

  
\_\_\_\_\_  
Recording Secretary

Approved as to Form:

  
\_\_\_\_\_  
Daniel B. Cooper, General Counsel

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**TAX SUPERVISING & CONSERVATION COMMISSION**  
**MULTNOMAH COUNTY, OREGON**

June 12, 1997

724 Mead Building 421 S.W. Fifth Avenue  
Portland, Oregon 97204-2189 Voice (503) 248-3054  
FAX (503) 248-3053 E Mail TSCC@aol.com

Councilors  
Metro  
600 NE Grand Avenue  
Portland, Oregon 97232

Dear Council Members:

The Tax Supervising and Conservation Commission met on June 12, 1997 to review, discuss and conduct a public hearing on the Metro 1997-98 Annual Budget. This hearing was conducted pursuant to ORS 294.605-705 to confirm compliance with applicable laws and to determine the adequacy of estimates necessary to support the efficient and economical administration of the district.

The 1997-98 budget, filed May 14, 1997 is hereby certified by majority vote of members of the Commission with no objections and the following recommendations. Aside from the exceptions noted, estimates were judged to be reasonable for the purpose shown and the document was found to be in substantial compliance with the law.

***Recommendations:***

***1. Revenue Estimates - Property Taxes***

Budgeted property tax revenue appears accurate. We estimate that Metro's tax base collections under Measure 50 will range between \$5.7 and \$5.9 million. However, it's very difficult if not impossible to accurately estimate the exact property tax loss - at least at this point in time. We recommend you simply closely monitor property tax collections next year as they relate to budget.

***2. Use of Dedicated Revenue***

***a. MERC Operating Fund***

We noted that the operations of Civic Stadium, Portland Center for the Performing Arts, Oregon Convention Center, Expo Center and MERC Administration are now all being budgeted within one combined fund. While we support any efficiencies gained from the consolidation, we also are aware of the legal necessity to continue to segregate the related revenues and expenditures by facility. Staff has indicated that internal controls are in place to ensure a proper intra-fund accounting of revenues and expenditures. We can't emphasize enough the importance of these controls. Also, we request that future budgets forwarded to TSCC for review include the intra-fund breakout of revenues and expenditures - much like Metro already does within various of its other funds.

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***Commissioners***

Richard Anderson, Anthony Jankans, Roger McDowell,  
Charles Rosenthal, Ann Sherman

Councilors  
Metro

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*b. MERC Renewal and Replacement Fund*

We note that the allowable use of the Multnomah County transient lodging taxes has been expanded to include all MERC facilities. Does the expansion also apply to previous receipts -which at time of collection were restricted for use only at the Oregon Convention Center? It's our understanding that existing MERC Renewal and Replacement Fund reserves have in fact been earmarked for the Convention Center. If it hasn't done so already, Metro may wish to establish a formal policy guiding the use of these resources.

*c. Risk Management Fund Interest Revenue*

The budget message indicates that approximately \$175,000 in MERC support charges were offset by interest income on specific fund reserves. It's our understanding that the majority of the environmental impairment fund's balance was generated through charges to the Solid Waste Revenue Fund. Therefore, it seems reasonable to assume that any benefit from an over-funding of this reserve, including the interest thereon, should either accrue back to the charged department, or at a minimum be used to offset all department risk charges -not just MERC's. We recommend that you re-evaluate the reasonableness of this funding mechanism.

**3. Funding of OMSI Contribution**

We noted that the 97/98 General fund Special Appropriation budget included \$100,000 donation set aside for OMSI. We realize that Metro has jurisdiction over matters of metropolitan concern. And, that the support of regional non-profit organizations is not unprecedented -as witnessed by past and planned future support of the Regional Arts and Culture Council. We recommend that you simply monitor the nature and extent of these type expenditures. Metro may wish to develop a policy to help guide it in determining when to allocate resources for projects such as these in the future - if it hasn't done so already. Care should be taken to ensure that future expenditures are consistent with statutory and charter limitations.

Budget estimates and levy amounts certified are as follows:

General Fund	\$ 9,147,615
Unappropriated Balance	(200,000)
Risk Management Fund	11,852,370
Unappropriated Balance	(6,300,014)
Support Services Fund	9,707,617
Unappropriated Balance	(306,414)
Building Management Fund	3,478,828
Unappropriated Balance	(955,964)

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Budget estimates and levy amounts certified -continued:

Solid Waste Revenue Fund	94,218,228
Unappropriated Balance	(21,972,005)
Oregon Convention Center Operating Fund	3,594,023
General Revenue Bond Fund	4,658,035
Unappropriated Balance	(1,884,020)
General Obligation Bond Debt Service Fund	30,564,443
Unappropriated Balance	(11,443,087)
Zoo Operating Fund	24,197,824
Unappropriated Balance	(9,091,427)
Planning Fund	22,053,094
Unappropriated Balance	(36,650)
MERC Operating Fund	33,224,140
Unappropriated Fund	(5,532,793)
Regional Parks and Expo Fund	9,908,450
Unappropriated Balance	(1,985,142)
Spectator Facility Operating Fund	3,089,482
Coliseum Operating Fund	45,000
Zoo Capital Fund	32,133,225
Unappropriated Balance	(12,515,782)
Open Spaces Fund	103,316,379
Unappropriated Balance	(33,010,075)
Convention Center Project Capital Fund	123,300
MERC Renewal & Replacement Fund	2,893,420
Unappropriated Balance	(2,539,820)
Regional Parks Trust Fund	389,804
Unappropriated Balance	(355,804)
Rehabilitation & Enhancement Fund	2,593,848
Unappropriated Balance	(1,497,975)
Smith & Bybee Lakes Fund	3,992,280
Unappropriated Balance	(3,261,978)
Total Budget Estimates	\$ 405,181,405
Total Unappropriated Balances	(112,888,950)

Tax Levy:

Zoo Operating - Tax Base	\$ 7,668,510
Debt Service - Not Subject to Limit	<u>19,573,594</u>
Total Tax Levy	\$ 27,242,104



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Please file a copy of the adopted budget and supporting documentation within 15 days of adoption. This filing should include a copy of the budget, a copy of each LB form, proof of publication and the adopting resolutions. Responses to Commission recommendations should be included in either the adopting resolution, or within an accompanying letter.


Finally, we extend thanks to staff for their efforts and assistance. Metro's budget document is well laid out and quite easy to follow.


Please give us a call if we can assist in any way.


Yours very truly,

TAX SUPERVISING & CONSERVATION COMMISSION

  
Richard Anderson, Commissioner  
*Ann Sherman*

  
Roger McDowell, Commissioner

  
Charles Rosenthal, Commissioner

  
Anthony Jankans, Commissioner

CW:pj



## METRO

Date: June 19, 1997  
To: Metro Council  
From: Mike Burton, Executive Officer  
Re: RESPONSE TO FY 1997-98 TSCC CERTIFICATION LETTER

Metro is in receipt of letter dated June 12, 1997, from the Tax Supervising and Conservation Commission reporting the results of the Commission's review of Metro's Approved Budget. This review was performed under the provisions of Oregon Revised Statutes 294.605 through 294.705. The law provides, in part, that the Commission must review Metro's approved budget prior to the date Metro adopts its budget.

The Commission has certified Metro's approved budget for the fiscal year 1997-98, and has made several recommendations regarding Metro's budget and its financial policies. Metro's responses to the Commission recommendations are as follows:

1. *Revenue Estimates -- Property Taxes* Budgeted property tax revenue appears accurate. We estimate that Metro's tax base collections under Measure 50 will range between \$5.7 and \$5.9 million. However, it's very difficult, if not impossible, to accurately estimate the exact property tax loss -- at least at this point in time. We recommend you simply closely monitor property tax collections next year as they relate to budget.

**Response:**

Metro is painfully aware of the difficulties in projecting FY 1997-98 tax receipts. The FY 1997-98 budget contains our best estimate at this time, though we assume that the actual amount will vary depending upon the provisions of implementing legislation yet to be adopted and the application of that legislation by the Oregon Department of Revenue. Metro will continue to monitor the situation closely and will be developing financial strategies to deal with any variation in actual receipts.

In addition to the problems with projecting estimated property tax base collections, we are also very concerned about possible delays in actual property tax collections due to delays in sending out property tax notices. We will be requesting authority for an interfund loan in our budget adoption ordinance to ensure that we will be able to make debt service payments on our General Obligation debt when due.

## 2. Use of Dedicated Revenue

- a. MERC Operating Fund We note that the operations of Civic Stadium, Portland Center for the Performing Arts, Oregon Convention Center, Expo Center, and MERC Administration are now all being budgeted within one combined fund. While we support any efficiencies gained from the consolidation, we also are aware of the legal necessity to continue to segregate the related revenues and expenditures by facility. Staff has indicated that internal controls are in place to ensure a proper intra-fund accounting of revenues and expenditures. We can't emphasize enough the importance of these controls. Also, we request that future budgets forwarded to TSCC for review include the intra-fund breakout of revenues and expenditures -- much like Metro already does within various of its other funds.

### **Response:**

All accounting for revenues and expenditures for each of the MERC facilities will be tracked separately within Metro's financial system. In addition, the Metro Council has directed MERC to continue to submit its budget request at the facility level, even though operations will be formally appropriated at the fund level. This information will be available in Metro's budget document.

- b. MERC Renewal and Replacement Fund We note that the allowable use of the Multnomah County transient lodging taxes has been expanded to include all MERC facilities. Does the expansion also apply to previous receipts -- which at the time of collection were restricted for use only at the Oregon Convention Center? It's our understanding that existing MERC Renewal and Replacement reserves have in fact been earmarked for the Convention Center. If it hasn't done so already, Metro may wish to establish a formal policy guiding the use of these resources.

### **Response:**

The restriction on previous transient lodging tax receipts was not specifically addressed by Multnomah County when it broadened the use of those resources. Logically, however, we assume that the broadened use would apply to previously collected receipts. In point of fact, however, the existing renewal and replacement reserve is dedicated to the Oregon Convention Center. In the future, as MERC builds renewal and replacement reserves for the other MERC facilities, additional accounts will be established within the MERC Renewal and Replacement Fund to track those reserves separately.

- c. Risk Management Fund Interest Revenue The budget message indicates that approximately \$175,000 in MERC support charges were offset by interest

*income on specific fund reserves. It's our understanding that the majority of the environmental impairment fund's balance was generated through charges to the Solid Waste Revenue Fund. Therefore it seems reasonable to assume that any benefit from the over-funding of this reserve, including the interest thereon, should either accrue back to the charged department, or at a minimum be used to offset all department risk charges -- not just MERC's. We recommend that you re-evaluate the reasonableness of this funding mechanism.*

**Response:**

After TSCC staff first raised this issue, we again reviewed the establishing ordinance for the Risk Management Fund and past practices. We found that our use of interest earnings in FY 1997-98 is consistent with both the ordinance and past practice. We should also note that although the budget message addressed only \$175,000 of the interest earnings from the risk reserves, in fact we have used a total of \$340,000 in FY 1997-98 to provide benefit to all departments except Regional Environmental Management. Last year, the benefit was directed exclusively to Regional Environmental Management, so over time, we have used these earnings to the benefit of all departments. Taking a longer view, as we have done, ensures equity over time while allowing us to direct funds to areas of greatest need in any one year.

- 3. Funding of OMSI Contribution We noted that the 97/98 General Fund Special Appropriation budget included \$100,000 donation set aside for OMSI. We realize that Metro has jurisdiction over matters of metropolitan concern. And, that the support of regional non-profit organizations is not unprecedented -- as witnessed by past and planned future support of the Regional Arts and Culture Council. We recommend that you simply monitor the nature and extent of these type expenditures. Metro may wish to develop a policy to help guide in determining when to allocate resources for projects such as these in the future -- if it hasn't done so already. Care should be taken to ensure that future expenditures are consistent with statutory and charter limitations.*

**Response:**

The Special Appropriation to OMSI is a one-year-only contribution, contingent upon contributions from Multnomah County and the City of Portland. The TSCC has raised legitimate issues with this contribution, and we will continue to monitor this and any similar future appropriations as the TSCC has suggested.

# Schedule of Appropriations

## GENERAL FUND

### Council

Personal Services	785,665
Materials and Services	135,980
Capital Outlay	30,000
<u>Subtotal</u>	<u>951,645</u>

### Executive Management

Personal Services	339,862
Materials and Services	31,250
Capital Outlay	3,500
<u>Subtotal</u>	<u>374,612</u>

### Special Appropriations

Materials and Services	350,000
<u>Subtotal</u>	<u>350,000</u>

### General Expenses

Interfund Transfers	6,740,957
Contingency	544,401
<u>Subtotal</u>	<u>7,285,358</u>

Unappropriated Ending Fund Balance 200,000

**Total Fund Requirements \$9,161,615**

## SUPPORT SERVICES FUND

### Administrative Services

Personal Services	4,382,424
Materials and Services	1,126,419
Capital Outlay	1,088,547
Debt Service	27,232
<u>Subtotal</u>	<u>6,624,622</u>

### Office of General Counsel

Personal Services	655,656
Materials and Services	41,856
Capital Outlay	21,644
<u>Subtotal</u>	<u>719,156</u>

### Office of Public and Government Relations

Personal Services	61,458
Materials and Services	56,827
Capital Outlay	1,750
<u>Subtotal</u>	<u>120,035</u>

# Schedule of Appropriations

## Council Office of Public Outreach

Personal Services	100,049
Materials and Services	31,185
Capital Outlay	8,033
<b>Subtotal</b>	<b>139,267</b>

## Office of Citizen Involvement

Personal Services	61,631
Materials and Services	22,480
<b>Subtotal</b>	<b>84,111</b>

## Auditor's Office

Personal Services	394,617
Materials and Services	141,413
Capital Outlay	8,606
<b>Subtotal</b>	<b>544,636</b>

## General Expenses

Interfund Transfers	788,762
Contingency	366,734
<b>Subtotal</b>	<b>1,155,496</b>

Unappropriated Ending Fund Balance	306,414
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<b>Total Fund Requirements</b>	<b>\$9,693,737</b>
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## BUILDING MANAGEMENT FUND

Personal Services	234,165
Materials and Services	562,562
Capital Outlay	140,933
Interfund Transfers	1,549,537
Contingency	38,667
Unappropriated Ending Fund Balance	955,964

<b>Total Fund Requirements</b>	<b>\$3,481,828</b>
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## RISK MANAGEMENT FUND

Personal Services	256,078
Materials and Services	4,741,122
Capital Outlay	15,156
Interfund Transfers	340,000
Contingency	200,000
Unappropriated Ending Fund Balance	6,300,014

<b>Total Fund Requirements</b>	<b>\$11,852,370</b>
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# Schedule of Appropriations

## GENERAL REVENUE BOND FUND

### Construction Account

Capital Outlay	23,200
<u>Subtotal</u>	<u>23,200</u>

### Project Account

Capital Outlay	500,000
<u>Subtotal</u>	<u>500,000</u>

### Debt Service Account

Debt Service	1,770,222
<u>Subtotal</u>	<u>1,770,222</u>

### General Expenses

Interfund Transfers	20,000
Contingency	460,593
<u>Subtotal</u>	<u>480,593</u>

Unappropriated Ending Fund Balance 1,884,020

**Total Fund Requirements \$4,658,035**

## ZOO OPERATING FUND

Personal Services	7,879,883
Materials and Services	4,807,868
Capital Outlay	920,402
<u>Subtotal</u>	<u>13,608,153</u>

### General Expenses

Interfund Transfers	1,310,974
Contingency	581,039
<u>Subtotal</u>	<u>1,892,013</u>

Unappropriated Ending Fund Balance 9,091,427

**Total Fund Requirements \$24,591,593**

## ZOO CAPITAL FUND

Personal Services	91,846
Capital Outlay	15,775,597
Contingency	5,000,000
Unappropriated Ending Fund Balance	12,515,782

**Total Fund Requirements \$33,383,225**

# Schedule of Appropriations

## SOLID WASTE REVENUE FUND

### Operating Account

Personal Services	6,157,814
Materials and Services	42,270,348
<u>Subtotal</u>	<u>48,428,162</u>

### Debt Service Account

Debt Service	2,673,426
<u>Subtotal</u>	<u>2,673,426</u>

### Landfill Closure Account

Materials and Services	314,400
Capital Outlay	1,213,500
<u>Subtotal</u>	<u>1,527,900</u>

### Renewal and Replacement Account

Capital Outlay	508,900
<u>Subtotal</u>	<u>508,900</u>

### General Account

Capital Outlay	3,262,332
<u>Subtotal</u>	<u>3,262,332</u>

### Master Project Account

Debt Service	350,000
<u>Subtotal</u>	<u>350,000</u>

### General Expenses

Interfund Transfers	3,742,909
Contingency	12,021,901
<u>Subtotal</u>	<u>15,764,810</u>

Unappropriated Ending Fund Balance	21,972,005
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<b>Total Fund Requirements</b>	<b>\$94,487,535</b>
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## REHABILITATION AND ENHANCEMENT FUND

Materials and Services	760,617
Interfund Transfers	35,256
Contingency	300,000
Unappropriated Ending Fund Balance	1,497,975

<b>Total Fund Requirements</b>	<b>\$2,593,848</b>
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# Schedule of Appropriations

## PLANNING FUND

### Transportation Department

Personal Services	3,644,106
Materials and Services	9,196,092
Capital Outlay	2,733,466
Debt Service	152,500
<b>Subtotal</b>	<b>15,726,164</b>

### Growth Management Services

Personal Services	2,431,378
Materials and Services	1,363,738
Capital Outlay	23,542
Debt Service	188,000
<b>Subtotal</b>	<b>4,006,658</b>

### General Expenses

Interfund Transfers	2,194,536
Contingency	365,778
<b>Subtotal</b>	<b>2,560,314</b>

Unappropriated Ending Fund Balance	36,650
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<b>Total Fund Requirements</b>	<b>\$22,329,786</b>
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## REGIONAL PARKS FUND

### Regional Parks and Greenspaces

Personal Services	2,109,937
Materials and Services	1,872,575
Capital Outlay	2,409,765
<b>Subtotal</b>	<b>6,392,277</b>

### General Expenses

Interfund Transfers	1,578,398
Contingency	191,621
<b>Subtotal</b>	<b>1,770,019</b>

Unappropriated Ending Fund Balance	1,972,142
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<b>Total Fund Requirements</b>	<b>\$10,134,438</b>
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# Schedule of Appropriations

## SMITH AND BYBEE LAKES TRUST FUND

Personal Services	84,536
Materials and Services	144,654
Capital Outlay	438,000
Interfund Transfers	54,160
Contingency	35,352
Unappropriated Ending Fund Balance	3,255,578

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**Total Fund Requirements** **\$4,012,280**

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## REGIONAL PARKS TRUST FUND

Materials and Services	30,000
Interfund Transfers	4,000
Unappropriated Ending Fund Balance	355,804

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**Total Fund Requirements** **\$389,804**

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## OPEN SPACES FUND

Personal Services	1,177,634
Materials and Services	15,216,971
Capital Outlay	21,073,134
<u>Subtotal</u>	<u>37,467,739</u>

Interfund Transfers	2,209,125
Contingency	31,000,000
<u>Subtotal</u>	<u>33,209,125</u>

Unappropriated Ending Fund Balance 33,010,075

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**Total Fund Requirements** **\$103,686,939**

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## CONVENTION CENTER PROJECT CAPITAL FUND

Materials and Services	123,300
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**Total Fund Requirements** **\$123,300**

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## GENERAL OBLIGATION BOND DEBT SERVICE FUND

Debt Service	19,121,356
Unappropriated Ending Fund Balance	11,443,087

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**Total Fund Requirements** **\$30,564,443**

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# Schedule of Appropriations

## MERC OPERATING FUND

Operating Expenses (Personal Services & Materials and Services)	24,200,383
Capital Outlay	2,207,596
Debt Service	719,058
<u>Subtotal</u>	<u>27,127,037</u>

Interfund Transfers	0
Contingency	1,121,263
<u>Subtotal</u>	<u>1,121,263</u>

Unappropriated Ending Fund Balance 6,835,293

**Total Fund Requirements \$35,083,593**

## OREGON CONVENTION CENTER OPERATING FUND

Interfund Transfers	4,347,212
<u>Subtotal</u>	<u>4,347,212</u>

**Total Fund Requirements \$4,347,212**

## MERC RENEWAL & REPLACEMENT FUND

Capital Outlay	340,000
Contingency	13,600
Unappropriated Ending Fund Balance	2,539,820

**Total Fund Requirements \$2,893,420**

## SPECTATOR FACILITIES OPERATING FUND

Interfund Transfers	3,768,282
<u>Subtotal</u>	<u>3,768,282</u>

**Total Fund Requirements \$3,768,282**

## COLISEUM OPERATING FUND

Interfund Transfers	45,000
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**Total Fund Requirements \$45,000**

**TOTAL REQUIREMENTS \$411,282,283**

BEFORE THE METRO COUNCIL

FOR THE PURPOSE OF ADOPTING THE )  
ANNUAL BUDGET FOR FISCAL YEAR )  
1997-98, MAKING APPROPRIATIONS )  
AND LEVYING AD VALOREM TAXES; )  
AND DECLARING AN EMERGENCY )

ORDINANCE NO. 97-679

Introduced by  
Mike Burton, Executive Officer

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, 1997, and ending June 30, 1998; 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 1997-98 Metro Budget," 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, for a total amount of TWENTY-SEVEN MILLION TWO HUNDRED FORTY-TWO THOUSAND ONE HUNDRED FOUR (\$22,719,767) DOLLARS to be levied upon taxable properties within the Metro District as of 1:00 a.m., July 1, 1997. The following allocation and categorization subject to the limits of Section 11b, Article XI of the Oregon Constitution constitute the above aggregate levy.

SEVEN MILLION SIX HUNDRED SIXTY-EIGHT THOUSAND FIVE HUNDRED TEN (\$7,668,510) DOLLARS shall be for the Zoo Operating Fund, said amount authorized in a tax base, said tax base approved by the voters of Metro at a general election held May 15, 1990, and subject to the General Government Limitation.

NINETEEN MILLION FIVE HUNDRED SEVENTY-THREE THOUSAND FIVE HUNDRED NINETY-FOUR (\$19,573,594) DOLLARS shall be for the General

Obligation Bond Debt Service Fund, said levy needed to repay a portion of the proceeds of the Convention Center Project General Obligation bonds as approved by the voters of Metro at a general election held November 4, 1986, of the Open Spaces, Parks and Streams General Obligation bonds, and the Zoo Oregon Project General Obligation Bonds as approved by the voters of Metro at a special election held September 17, 1996. Said levy is excluded from the General Government Limitation

SUMMARY OF AD VALOREM TAX LEVY

	Subject to the General Government <u>Limitation</u>	Excluded from the <u>Limitation</u>
Zoo Tax Base	\$7,668,510	
General Obligation Bond Levy		<u>\$19,573,594</u>
Category Total	\$7,668,510	\$19,573,594
TOTAL LEVY	\$27,242,104	

3. An interfund loan not to exceed SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000) is hereby authorized from the Risk Management Fund to the General Obligation Bond Debt Service Fund. The loan is anticipated to provide necessary cash flow if Multnomah County is required to refund property taxes under a lawsuit currently pending in Oregon Supreme Court. The loan will be repaid in fiscal year 1998-99 from the General Obligation Bond Levy. Simple interest shall be paid on the loan amount from the date of draw based on Metro's monthly pooled investment yield as calculated by the Department of Administrative Services.

4. The Coliseum Operating Fund is hereby eliminated. Remaining fund balance shall be transferred to the Spectator Facilities Fund in accordance with provisions stipulated at the time of creation of the fund.

5. In accordance with Section 2.02.125 of the Metro Code, the Metro Council hereby authorizes personnel 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, 1997, from the funds and for the purposes listed in the Schedule of Appropriations, Exhibit C.

6. Pursuant to Metro Code 2.04.026(b) the Council designated the contracts which have significant impact on Metro for FY 1997-98 and their designations as shown in Exhibit E, attached hereto.

7. The Executive Officer shall make the following filings as provided by ORS 294.555 and ORS 310.060:

a. Multnomah County Assessor

- 1) An original and one copy of the Notice of Levy marked Exhibit D, attached hereto and made a part of this Ordinance.
- 2) Two copies of the budget document adopted by Section 1 of this Ordinance.
- 3) A copy of the Notice of Publication required by ORS 294.421.
- 4) Two copies of this Ordinance.

b. Clackamas and Washington County Assessor and Clerk

- 1) A copy of the Notice of Levy marked Exhibit D.
- 2) A copy of the budget document adopted by Section 1 of this Ordinance.
- 3) A copy of this Ordinance.
- 4) A copy of the Notice of Publication required by ORS 294.421.

8. 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, 1997, 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 \_\_\_\_\_ day of June, 1997.

\_\_\_\_\_  
Jon Kvistad, Presiding Officer

ATTEST:

Approved as to Form:

\_\_\_\_\_  
Recording Secretary

\_\_\_\_\_  
Daniel B. Cooper, General Counsel

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## STAFF REPORT

### CONSIDERATION OF ORDINANCE NO. 97-679 ADOPTING THE ANNUAL BUDGET FOR FISCAL YEAR 1997-98, MAKING APPROPRIATIONS AND LEVYING AD VALOREM TAXES; AND DECLARING AN EMERGENCY

Date: February 4, 1997

Presented by: Mike Burton  
Executive Officer

## FACTUAL BACKGROUND AND ANALYSIS

I am forwarding to the Council for consideration and approval my proposed budget for Fiscal Year 1997-98.

Council action, through Ordinance No. 97-679, is the next step in the process for the adoption of Metro's operating financial plan for the forthcoming fiscal year. Final action by the Council to adopt this plan must be completed by June 30, 1997.

Oregon Revised Statutes 294.635, Oregon Budget Law, requires that Metro prepare and submit Metro's approved budget to the Tax Supervising and Conservation Commission by May 15, 1997. The Commission will conduct a hearing during June 1997 for the purpose of receiving information from the public regarding the Council's approved budget. Following the hearing, the Commission will certify the budget to the Council for adoption and may provide recommendations to the Council regarding any aspect of the budget.

Once the budget plan for Fiscal Year 1997-98 is adopted by the Council, the number of funds and their total dollar amount and the maximum tax levy cannot be amended without review and certification by the Tax Supervising and Conservation Commission. Adjustments, if any, by the Council to increase the level of expenditures in a fund are limited to no more than 10 percent of the total value of any fund's appropriations in the period between Council approval and adoption.

Exhibits B and C of the Ordinance will be available at the public hearing on February 20, 1997.

## EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends that the Council conduct a public hearing on Ordinance No. 97-679. The Executive Officer recommends that the Council schedule consideration of the proposed budget and necessary actions to meet the key dates as set out in Oregon Budget Law described above.

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