

MINUTES OF THE BUDGET COMMITTEE  
OF THE METROPOLITAN SERVICE DISTRICT

April 1, 1985

Committee Members Present:

Councilors: Councilors Hansen (Chairman) and  
Kafoury

Citizens: Marc Kelley, James Knoll, Barbara  
Ledbury, Robert Phillips and Norman  
Rose

Committee Members Absent:

Councilors: Councilors Cooper, Gardner and Kelley

Councilors Present: Councilor Kirkpatrick

Also Present: Rick Gustafson, Executive Officer

Staff Present: Don Carlson, Jennifer Sims, Gene Leo,  
Kay Rich, Steve McCusker, Bob Porter,  
Jack Delaini, Jane Hartline, Gayle  
Rathbun, Sonnie Russill, Judy Munro,  
Phillip Fell, Janet Schaeffer, Vickie  
Rocker, Keith Lawton, Jeff Booth, Chum  
Chitty, Ray Barker

The meeting was called the meeting to order at 6:10 p.m.

General Fund Overview. Don Carlson described revenues of the General Fund explaining the bulk of revenues were received in the form of transfers from other Metro departments for the cost of General Fund services. Jennifer Sims provided more detailed explanation of how costs were allocated to departments for these services, based on actual use during the previous fiscal year. This information was also contained in a memo to the Committee dated March 13, 1985.

Mr. Carlson said transfers out of the General Fund were mostly local government dues transferred to the Intergovernmental Resource Center (IRC) and transfers to the Building Management Fund as building-related costs were actually incurred. Funds budgeted under the Unappropriated Balance, he explained, were being reserved for computer replacements in future years. He also said no cost of living salary increases were budgeted by FY 1985-86. If such increases were granted by the Council, funds would be transferred from Contingency.

Mr. Carlson then introduced staff who would be presenting information about division expenses within the General Fund.

Management Services (formerly called the Budget & Administrative Services Division). Ms. Sims referred the Committee to page 36 of the Budget Overview document and reviewed that information. She said a key proposed change for the new fiscal year was upgrading of the Personnel Office. This would be achieved by reclassifying the existing Personnel Analyst position to a Personnel Officer, and the duties of two support personnel would be focused exclusively on personnel activities. Questions and concerns raised by the Committee included:

- \* In response to Robert Phillips question, Ms. Sims reported the FTE for Personnel was proposed to change from 2.75 to 3.20. Reclassification of the Personnel Analyst to a Personnel Officer would allow for extensive emphasis on setting policies and procedures. The current Personnel Analyst would not be automatically moved into the Personnel Officer position, but would compete for that position if he chose to. Otherwise, he would be laid off, she said.
- \* Marc Kelley asked about Metro's Minority Business Enterprise Program (MBE) and Affirmative Action hiring policies. Ms. Sims replied the MBE and Female Business Enterprise (FBE) goals were adopted by the Council each year. Due to decreased construction contracting this fiscal year, current participation was under that for last year. However, she said, staff were reviewing progress carefully and were working to correct the situation. Mr. Carlson said he would provide Mr. Kelley with a copy of the current quarterly report containing information on the status of meeting MBE/FBE goals.

Affirmative Action goals were similar to those required by the Federal Department of Transportation, Ms. Sims reported. Mr. Kelley requested information about minorities hired for non-transportation, grant-funded projects.

- \* Chairman Hansen asked if consultants hired last year to conduct a study of all agency positions had recommended upgrading the Personnel Analyst position. Ms. Sims said they had recommended increasing the salary range slightly but made no recommendation to substantially upgrade the position.

Building Management Fund. Ms. Sims explained Metro would realize a significant cost savings by relocating its headquarters to the 2000 S.W. 1st Avenue Building. She then reviewed the assumptions in preparing the proposed budget: One and one-half floors of the new building would be leased to other tenants, \$150,000 would be transferred to the Building Fund as costs were incurred and it would cost

about \$190,000 to move into the building (one-third of this sum to be spent during FY 1985-86).

Accounting. Chum Chitty, Manager of Accounting, reviewed information from pages 34 and 35 of the Budget Overview.

- \* In response to Mr. Kelley's question, Mr. Chitty reported for the current month Metro realized a return of about 8.4 percent on a 30-day certificate of deposit. Treasury bills earned about 8.41 percent and the state investment pool, similar to a money market fund, earned 8.5 percent for the quarter period. Metro's investment policies, established by a subcommittee of the Council and three citizen advisory members with considerable investment and financial experience, limited investments to six-month period.
- \* Chairman Hansen asked if on-site landfill audits were performed to ensure Metro received user fees. Mr. Chitty said Metro performed these audits and were currently working to improve reporting procedures.
- \* Mr. Kelley asked if Mr. Chitty reviewed Zoo and Solid Waste expenditures to ensure sound cost accounting. Mr. Chitty said this was done routinely.

Data Processing. Keith Lawton, Technical Manager, described the division's proposed budget plans as outlined on page 38 of the Budget Overview. Major emphasis would be given to upgrading personnel in order to improve the operation, he reported.

- \* Mr. Kelley advised staff to pay special attention to terms of maintenance contracts when purchasing new computer equipment. He also asked if Metro had considered contracting computer time to local governments. Mr. Lawton said Multnomah County had traditionally provided this regional service and Metro was reluctant to get into the data processing business.

Public Affairs. Phillip Fell, until recently Acting Director for Public Affairs, introduced Vickie Rucker, the new Public Affairs Director (April 1 was her first day on the job), and Janet Schaeffer, who had been closely involved in preparing the division's budget. He described the division's proposed activities as described on page 32 of the Budget Overview.

- \* On March 25, Mr. Kelley asked how Public Affairs related to the Zoo Graphics operation. Mr. Fell explained Zoo Graphics performed a number of very specialized tasks related to

promoting specific events, exhibits and the Zoo in general, and interpreting exhibits. The Public Affairs division produced information designed to promote the overall efforts of Metro, he said.

- \* Mr. Kelly, on March 25, had also asked about the relationship between Public Affairs and other operating departments, especially in planning solid waste reduction programs. Mr. Fell explained Ms. Schaeffer was the Public Affairs project manager for the solid waste program, working closely with the Solid Waste Department, planning marketing programs and connecting Solid Waste with the appropriate agencies to ensure the message was delivered to the appropriate audience.
- \* Mr. Kelley said he was still uncertain about the relationship between Metro and the Zoo on a larger, policy point of view.
- \* Mr. Phillips asked about the number of community organizations Metro addressed and about the nature of these contacts. Mr. Fell said staff had regular contact with many of these organizations and an inventory was currently being conducted to quantify this relationship. Publications were mailed to organizations and staff made in-person appearances to explain special issues.
- \* Councilor Kafoury was concerned about the lack of policy to manage the number, nature, quality and purpose of all publications produced by Metro. Councilor Kirkpatrick agreed an overall strategy was very important. Ms. Rocker said she would be examining this situation very closely.
- \* Norman Rose said he did not think most of Metro's public relations efforts would be acknowledged by the public. For example, he did not read most of the newsletters he received from government agencies. He also had problems with recent promotions for the Alaska Tundra Exhibit, explaining the advertisements seemed more like travel ads for Alaska Airlines. He thought people would read news articles about the Zoo or solid waste issues if they were interested in those topics.
- \* Mr. Phillips said he appreciated receiving materials from agencies when they were not in a position of raising money or trying to win elections.
- \* John Knoll thought it was very important to present Metro's message in an attractive package. If the information is not attractively presented, people would discard it, he said.

- \* Ms. Rocker explained it was the responsibility of Public Affairs to inform people about Metro issues and activities. Metro had sometimes been criticized for not providing enough information, but staff would analyze approaches to reaching the public.
- \* Councilor Hansen thought the best way to improve Metro's image was to do a good job that would, in turn, be reported by the media and Public Affairs. Staff could not create or improve an image, he said.

Executive Management. Sonnie Russill, Executive Assistant, explained the division's program as outlined on page 39 of the Budget Overview.

- \* In response to Mr. Kelley's question, Ms. Russill explained the difference between the Council and Executive Officer's responsibilities was the Council was the legislative body for the agency. The Executive Officer was the administrator for the policies established by the Council.
- \* Councilor Kirkpatrick asked if proposed state legislation increasing salaries for circuit court judges could increase the Executive Officer's salary (by statute, the Executive Officer's minimum salary is the same as circuit court judges). Ms. Sims said an increase was possible. Councilor Kirkpatrick thought it best to propose the salary reflecting this possibility rather than returning to the Council for a budget adjustment.
- \* Mr. Rose asked if a position evaluation had been performed for the position of Executive Officer. Ms. Russill said evaluations had not been conducted for elected officials.
- \* Mr. Kelley asked about the responsibilities of the General Counsel. Ms. Russill explained Counsel managed the day-to-day legal matters of Metro. Some legal work was contracted out and Counsel closely monitored those contracts. The expense of contracted legal work was included in Solid Waste, Zoo and Executive Management budgets.

Council. Ray Barker, Council Assistant, reviewed changes proposed in the budget by the Council Management Committee.

- \* Mr. Kelley asked if the Council set its own budget. Mr. Barker said the budget was reviewed by the Council Management Committee, a subcommittee of the Council.

Miscellaneous Pass-Through Funds. Ms. Sims reviewed three funds that served as a "clearinghouse" for money passed on to other agencies. There were no questions about these funds.

Chairman Hansen called a recess from 8:10 to 8:20 p.m.

Zoo Budget

Gene Leo, Zoo Director, thanked citizen members of the Budget Committee who toured the Zoo facilities and for reviewing the Zoo Master Plan. He then introduced the Zoo division managers who explained their portions of the budget in more detail.

Revenues. Kay Rich, Assistant Zoo Director, explained the independent consulting firm of Leland & Hobson had been contracted to assist in calculating attendance and revenue projections for FY 1985-86. About 47.5 percent of revenue was projected to be received from non-tax sources. He explained that weather was an important factor in meeting these projections.

- \* Mr. Phillips asked if some programs would be cut if revenue fell short of projections. Mr. Rich explained staffing for concession, gate and gift shop operations was very flexible. Staff were instructed to call in on bad weather days to see if they were to report to work.
- \* Mr. Kelley was concerned that current concession facilities were not keeping pace with demand. He thought the long lines could be a deterrent to people wanting to buy food. Mr. Rich said staff were very aware of this problem. The Bear Walk Cafe was scheduled for remodeling and a new main food service center, the AfriCafe, would open in two years as part of the new Africa Bush Exhibit. The latter facility would provide weather protection for patrons. He explained another outdoor food service area would also be open this summer.
- \* Mr. Phillips asked if new food service facilities would be designed with special attention given to speed of service and traffic flow. Gayle Rathbun, Visitor Services Manager, said consultants with expertise in food service planning would be assisting in the design of these facilities.
- \* In response to Mr. Rose's question, Mr. Rich said the Zoo's profits on food and gift sales averaged about 35 percent and 25 percent respectively. Other zoos may receive greater earned revenue profits because they serve a greater metropolitan area, charge higher admissions, charge for parking, have amusement rides, or more food stands. However, he

explained, the Washington Park Zoo earned more revenue than most other zoos and was working to expand its revenue-earning capabilities. Mr. Leo added some expenses for other zoos may not be reflected in their profit figures. For example, the city of Seattle provided maintenance for the Woodland Park Zoo and that expense was not reflected in that zoo's budget.

- \* Mr. Knoll asked if staff had considered leasing out its concession operation. Mr. Rich responded that possibility had been examined but it was determined the Zoo would have more flexibility and quality control if they operated the food service themselves. Other zoos who leased out concessions have expressed dissatisfaction with that arrangement, he said. Mr. Leo explained the current trend was for zoos to operate their own concessions. One major benefit would be more flexible use of staff.

Administration Division. Mr. Rich reviewed the major responsibilities of the division. A key emphasis for the new year would be to improve the capabilities of the Development Office to raise funds for the Elephant Museum and other projects. Staff proposed to hire a Development Officer and maintain the part-time Development Analyst. There were no questions from the Committee.

Animal Management Division. Mr. McCusker discussed the animal husbandry, veterinarian and research efforts of his division. He proposed adding one full-time Animal Keeper to keep pace with new, naturalistic exhibits which he explained were more difficult to maintain than the older, concrete-type exhibits. The animal collection had also grown.

- \* Mr. Kelley commented on the excellent decorum of Animal Management staff. He was impressed with the professional caliber of staff. He asked Mr. McCusker to explain how staff calculated the quantity of animal food to purchased. Mr. McCusker replied food was largely purchased on a one-to-one ratio. It was sometimes necessary to purchase more food per individual for herd animals in ensure each animal received the proper amount of feed.
- \* Mr. Phillips asked about the impact of the Adopt An Animal program in paying for animal food costs. Mr. Rich said this revenue currently paid for about one-third of those costs. The program was being changed to encourage even larger donations for FY 1985-86.

Buildings & Grounds Division. Mr. Porter reviewed key objective activities of maintenance, grounds/gardening, railroad/vehicles and construction management programs. Major changes included adding a lead custodian to supervise swing-shift custodians and adding a motor pool mechanic. He proposed one part-time train engineer be added which would eliminate the need to pay overtime to other railroad employees.

- \* Mr. Phillips asked if energy audits had been performed at the Zoo. Mr. Porter said one general audit had been done and personnel regularly employed techniques to save energy where possible. All new facilities were designed to save energy. He explained less effort was made with some of the older buildings because costs for energy saving equipment and materials were more expensive than the energy saved, especially since most of these buildings would be replaced.
- \* Chairman Hansen asked about volunteer participation in landscape efforts. Mr. Porter said court workers were regularly used and the Senior Gardener actively recruited volunteers from various garden clubs and organizations. Chairman Hansen suggested interns from Portland Community College could also be used.
- \* Chairman Hansen asked if major construction projects made it difficult for Mr. Porter to accomplish day-to-day maintenance management tasks. Mr. Porter said the addition of a Maintenance Foreman had helped considerably but construction management still occupied a major portion of his time.

Educational Services Division. Mr. Delaini explained the major programs of his division: educational programming, exhibits and graphics and the Children's Zoo. He proposed to add one full-time Outreach Coordinator to plan and direct year-round animal demonstration programs for large audiences.

- \* Councilor Kirkpatrick asked how graphics staff related to other Zoo staff. Mr. Delaini said Graphics staff consulted with Public Relations personnel in planning promotions for special Zoo events such as Packy's birthday. Graphics personnel often came up with valuable ideas that PR staff would implement. Graphics created the art to promote Zoo events, educational and outreach programs, he explained.
- \* In response to Mr. Kelley's question, Mr. Delaini said Buildings & Grounds staff maintained the fixtures of the Children's Zoo.



- \* Ms. Ledbury questioned why larger farm animals were not included in the Childrens' Zoo collection. Mr. Delaini explained these animals required more space than was available and the Alpenrose Dairy had a small collection of domestic animals for public viewing. Ms. Ledbury then asked how decisions were made about which animals would be exhibited. Mr. Delaini and Mr. McCusker answered these decisions were made by staff consensus. Factors considered included compatibility with the Master Plan and whether facilities were designed to successfully house specific individuals. Most zoos have adopted a more specialized approach in the animals exhibited, Mr. McCusker reported.

Public Relations. Ms. Hartline discussed the division's marketing programs for locals, tourists and corporate groups. She proposed funding a traveling exhibit to present the Zoo's programs and major exhibits at regional fairs and other events.

- \* Mr. Kelley asked about the goals of the market research program. Ms. Hartline said she wanted to test the effectiveness of current promotional efforts in order to make improvements. She explained staff lacked the expertise to conduct sophisticated marketing surveys and funds budgeted in this line item would resolve that problem. She also hoped to computerize research findings. Mr. Kelley strongly supported the expenditure of these funds explaining the success of any business was in thoroughly knowing its market.
- \* Mr. Phillips said he had read an article about the top ten zoos in the United States and was surprised Portland was not on the list. Mr. Leo explained these lists were not prepared by zoo professional organizations and the ranking of zoos was arbitrary. The key to getting on a list would be to have more national visibility, he said, and the Washington Park Zoo was starting to gain that kind of recognition.
- \* Mr. Phillips encouraged staff to work with the state of Oregon and Chambers of Commerce to promote the Zoo as a major tourist attraction and state resource. Information about the Zoo should be included in state publications. He also suggested working with Rose Festival officials to promote Zoo visitation by tourists. Mr. Kelley also encouraged working with high level state personnel in promoting tourism.
- \* Councilor Kirkpatrick noted the proposed printing budget was four times higher than four years ago. She asked if staff received estimates on each printing job. Ms. Hartline said estimates were always received, sometimes four or five per

job. She explained some printing money had previously been included in another line item which made the four-year increase in that line item appear high.

- \* Councilor Kirkpatrick strongly encouraged staff to solicit competitive proposals for the public relations consultant when the current contract expired. She thought it would be good to use a different consultant for the next contract.
- \* Mr. Phillips asked if the Zoo used cable television as a means of educating the public about its programs and exhibits. Ms. Hartline said staff had many requests from producers of cable programs and encouraged the use of this medium. Wacker Siltronics had recently donated a video camera unit to the Zoo which would allow staff and volunteers to produce their own programs.

Visitor Services Division. Mr. Rathbun presented information about food service, gift shop, railroad scheduling and admissions operations. He said a planned remodel of the gift shop would add another 50 percent square footage -- a much needed addition. Major remodeling of the Bear Walk Cafe was also planned. He explained the Zoo had reached a plateau in serving the public because its facilities could no longer keep pace with demand. Future renovations and additions would solve these problems, however.

- \* Mr. Phillips asked how concessions and gift shop revenues were projected. Mr. Rathbun said an independent consulting firm, Leland & Hobson, had been contracted to assist in preparing FY 1985-86 projections. They had studied past per capita and attendance trends and had calculated a 5.5 percent inflation factor.

Capital Improvements Programs. Mr. Rich reported the major capital projects were the remodel of the West Bear Grotto and related areas, the start of Phase I of the Africa Bush Exhibit, and building a new Education Center. Minor improvements were proposed to be made to the elephant and snow leopard exhibits.

- \* Mr. Phillips encouraged leaving the main railroad station in its current location because it would be more accessible to the elderly and handicapped. The Master Plan had recommended relocating the station to a more central point in the Zoo. Mr. Rich said no change would be made until staff and planners examined all the issues. Councilor Kirkpatrick thought a mid-Zoo station might be advantageous in transporting the elderly and handicapped around the Zoo.

- \* Mr. Kelley strongly urged staff to resolve the severe parking problem. Because OMSI was working to increase attendance and because changes to freeway exits caused backup problems at the Sylvan Exit, he did not see how things would improve without extensive attention to finding a solution, including the involvement of influential citizens. Mr. Leo said the directors of the Zoo, OMSI and the Forestry Center were starting to address these issues. Letters had been written to the State Department of Highways about the freeway problem. Shuttle buses were used during the concert series. He said one of his priorities as Zoo Director would be to solve this problem.

Ms. Sims reminded the Committee a public hearing was scheduled for 6:00 p.m. on April 8. The Committee would complete their review of the Solid Waste Department and the IRC that evening. A discussion followed about when to meet to complete the Committee's work. Chairman Hansen said he would call the members absent and arrange a schedule that would be best for the majority of members. Ms. Sims then reviewed the schedule and process for adoption of the new budget.

The Committee discussed processes for reviewing the budget and recommending amendments. Ms. Sims explained recommended changes or concerns could be made by motion for each fund. After reviewing each fund, one final vote could be taken to recommended approval to the Council.

After discussion, Chairman Hansen requested the Solid Waste staff return on April 8 for conclusion of their budget review. No presentation would be made but the Committee would ask questions of staff.

There being no further business, Chairman Hansen adjourned the meeting at 10:10 p.m.

Respectfully submitted,



A. Marie Nelson  
Clerk of the Council

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