

A G E N D A

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METRO

MEETING: Metro Council Budget Workshop
DATE: February 26, 1994
DAY: Saturday
TIME: 10:00 a.m.
PLACE: Metro Regional Center - Room 370

<u>Time*</u>		<u>Presenter</u>
9:45 a.m.	Arrive, coffee, tea, etc.	
10:00 a.m.	Overview of the Day	Judy Wyers
10:10 a.m.	General Budget Overview	Don Carlson
10:20 a.m.	Specific Budget Presentations <ul style="list-style-type: none"> • General Government/Support Service Functions (Review of Appropriate Funds and Identification of major issues/changes) 	
11:00 a.m.	<ul style="list-style-type: none"> • Solid Waste Programs (Review of Solid Waste Funds and Identification of major issues/changes) 	John Houser
12:00 noon	Lunch	
12:15 p.m.	<ul style="list-style-type: none"> • Planning Programs (Review of Planning Fund and Identification of major issues/changes) 	Gail Ryder
1:00 p.m.	<ul style="list-style-type: none"> • Zoo Programs (Review of Zoo Funds and Identification of major issues/changes) 	Casey Short
1:45 p.m.	<ul style="list-style-type: none"> • Metro ER Commission Programs (Review of MERC Funds and Identification of major issues/changes) 	Casey Short
2:20 p.m.	Break	
2:30 p.m.	<ul style="list-style-type: none"> • Regional Parks and Greenspaces (Review of Funds and Identification of major issues/changes) 	Casey Short
3:10 p.m.	Discussion of Proposed Budget Directions for Budget Committee	Rod Monroe
4:00 p.m.	Adjourn	

TOTAL METRO BUDGET

(by fund)

<i>FUND</i>	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BASE</i>	<i>% CHANGE PROPOSED</i>
General *	5,244,871	5,915,414	5,798,767	6,493,430	-2.0%	9.8%
Support Service *	5,992,132	6,802,525	7,595,910	7,624,111	11.7%	12.1%
Building Management	1,658,170	2,578,974	3,094,357	3,094,357	20.0%	20.0%
Risk Management	6,418,113	7,310,864	7,652,149	7,652,149	4.7%	4.7%
General Revenue Bond	16,323,325	5,180,925	3,517,075	3,517,075	-32.1%	-32.1%
Zoo Operating *	17,666,518	19,202,118	18,005,644	17,952,991	-6.2%	-6.5%
Zoo Capital	3,542,931	3,545,279	1,314,087	1,314,087	-62.9%	-62.9%
Solid Waste Revenue *	112,882,621	85,657,487	87,173,217	86,701,333	1.8%	1.2%
Rehab and Enhancement	2,763,038	2,844,201	2,770,923	2,770,923	-2.6%	-2.6%
Planning *	6,714,314	12,966,929	10,799,189	11,929,541	-16.7%	-8.0%
Regional Parks & Expo *		5,368,400	5,683,825	5,735,018	5.9%	6.8%
S & B Lakes Trust	2,078,968	2,842,764	3,505,754	3,505,754	23.3%	23.3%
Metro Greenspaces		1,000,000	1,000,000	1,000,000	0.0%	0.0%
Regional Parks Trust **			378,319	378,319	N.A.	N.A.
MERC Administration	747,620	627,740	640,112	640,112	2.0%	2.0%
OCC Operating	16,777,899	17,060,052	19,676,577	19,676,577	15.3%	15.3%
OCC Capital	4,834,241	2,700,000	1,419,255	1,419,255	-47.4%	-47.4%
OCC Debt	7,339,140	8,299,354	8,434,904	8,434,904	1.6%	1.6%
OCC Renew & Replace		705,000	2,115,000	2,115,000	200.0%	200.0%
Spec. Facilities Operating	11,426,171	9,891,491	8,060,759	8,060,759	-18.5%	-18.5%
Coliseum Operating	10,944,332	1,000,000	180,000	180,000	N.A.	N.A.
PCPA Capital ***	18,528				N.A.	N.A.
Zoo Revenue Bond ***		1,158,760			N.A.	N.A.
TOTAL	233,372,932	202,658,277	198,815,823	200,195,695	-7.9%	-7.2%

* Funds affected by Base Budget

** New Funds

*** Eliminated Funds

TOTAL METRO BUDGET
(by category of revenue and expenditure)

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BASE BUDGET</i>	<i>% CHANGE PROPOSED BUDGET</i>
RESOURCES						
Fund Balance	79,991,767	67,143,658	64,504,298	64,504,299	-3.9%	-3.9%
Grants	3,422,635	11,073,070	9,477,345	9,476,845	-14.4%	-14.4%
Property Taxes	11,115,246	10,663,487	10,417,612	10,417,612	-2.3%	-2.3%
Excise Tax	4,527,103	5,256,914	4,908,767	5,603,430	-6.6%	6.6%
Enterprise Revenue	85,793,396	77,241,174	79,956,868	79,375,477	3.5%	2.8%
Intergov'tl Transfers	3,823,297	5,189,259	5,062,279	5,062,279	-2.4%	-2.4%
Donations & Bequests	422,536	1,937,500	2,021,600	2,021,600	4.3%	4.3%
Local Dues	583,847	597,563	0	600,000	N/A	0.4%
Bond Proceeds *	25,900,757	1,919,419	1,919,419	1,919,419	0.0%	0.0%
Interest	3,021,752	3,252,774	1,968,563	1,968,564	-39.5%	-39.5%
Interfund Transfers	11,818,269	15,517,380	16,534,430	17,201,926	6.6%	10.9%
Other	2,952,327	2,866,079	2,044,642	2,044,244	-28.7%	-28.7%
TOTAL RESOURCES	233,372,932	202,658,277	198,815,823	200,195,695	-1.9%	-1.2%
REQUIREMENTS						
Personal Services	29,328,799	32,631,980	33,437,040	34,148,256	2.5%	4.6%
Materials & Services	69,654,935	80,683,978	74,624,471	74,865,961	-7.5%	-7.2%
Capital Outlay	15,644,816	11,756,221	7,336,933	7,381,139	-37.6%	-37.2%
Debt Service	34,198,475	11,009,121	10,265,177	10,265,177	-6.8%	-6.8%
Transfers	11,819,644	15,550,895	16,534,410	17,201,906	6.3%	10.6%
<i>Support Services</i>	<i>5,585,722</i>	<i>6,467,839</i>	<i>6,940,391</i>	<i>6,968,592</i>	<i>7.3%</i>	<i>7.7%</i>
<i>Building Management</i>	<i>1,011,651</i>	<i>1,269,507</i>	<i>2,425,672</i>	<i>2,429,048</i>	<i>91.1%</i>	<i>91.3%</i>
<i>Risk Management</i>	<i>1,470,203</i>	<i>1,535,645</i>	<i>698,030</i>	<i>698,030</i>	<i>-54.5%</i>	<i>-54.5%</i>
<i>Other</i>	<i>3,752,068</i>	<i>6,277,904</i>	<i>6,470,317</i>	<i>7,106,236</i>	<i>3.1%</i>	<i>13.2%</i>
Contingency	0	10,120,416	11,785,377	11,833,581	16.5%	16.9%
Unappropriated Balance	72,726,263	40,905,666	44,832,415	44,499,675	9.6%	8.8%
TOTAL REQUIREMENTS	233,372,932	202,658,277	198,815,823	200,195,695	-1.9%	-1.2%
TOTAL FTE	812.66	762.04	750.96	764.71	-1.5%	0.4%

* FY 92-93 technically not bond proceeds to be spent on Metro project. These are bond receipts passed through agency for composter project financing.

TOTAL BASE AND PROPOSED FY 94-95 BUDGET

Major Changes/Issues

- ♦ Fund Structure. The Proposed Budget contains 21 separate funds to budget and account for Metro functions and programs. The proposed new and eliminated funds are as follows:

NEW FUND

Regional Parks Trust Fund

ELIMINATED FUND

Zoo Revenue Bond Fund

In addition, the Coliseum Operating Fund is effectively eliminated reflecting the decision to transfer the facility back to the City of Portland for operation by the Oregon Arena Corporation.

- ♦ Both the Base and Proposed Budgets are slightly reduced from the current year. In the Base Budget 10 Funds increase, 9 decrease and 1 remains the same. In the Proposed Budget 11 Funds increase, 8 decrease and 1 remains the same.
- ♦ The Base Budget affects only 6 Funds. For the General Fund the issue is primarily a revenue matter -- 6% or 7% Excise Tax rate. For the Planning Fund, the Regional Parks/Expo Fund and the Support Service Fund the issue is primarily and expenditure matter -- type and level of programs to be provided. For the Zoo Operating Fund and the Solid Waste Revenue Fund the issue is the amount of revenue available to the Fund. At a lower Excise Tax rate more revenue stays in each of these funds.
- ♦ Total Enterprise Revenues are slightly increased from the current year reflecting a slightly increased amount of solid waste anticipated at Metro facilities.
- ♦ Total annual Debt Service payments are reduced which reflects the recent refunding of Metro debt.
- ♦ Transfers to the Building Management Fund are increased substantially to reflect conservative estimates for lease income at the Metro Center Building and full payment of the debt service costs of the Metro Regional Center Building out of current income.
- ♦ Transfers to the Risk Management Fund are substantially reduced which reflects the advice of our actuary that the our environmental impairment reserves are adequate.
- ♦ Total Contingencies are increased by approximately 17% and Total Unappropriated Balances are increased by approximately 9%.

GENERAL FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BASE BUDGET</i>	<i>% CHANGE PROPOSED BUDGET</i>
RESOURCES						
Fund Balance	676,575	608,500	850,000	850,000	39.7%	39.7%
Excise Tax	4,527,103	5,256,914	4,908,767	5,603,430	-6.6%	6.6%
Interest	37,145	50,000	40,000	40,000	-20.0%	-20.0%
Other	4,048	0	0	0	N/A	N/A
TOTAL RESOURCES	5,244,871	5,915,414	5,798,767	6,493,430	-2.0%	9.8%
REQUIREMENTS						
Personal Services	1,083,510	1,397,951	1,399,079	1,399,079	0.1%	0.1%
Materials & Services	523,716	545,028	515,165	515,165	-5.5%	-5.5%
Capital Outlay	14,378	4,000	27,719	27,719	593.0%	593.0%
Transfers	2,870,207	3,273,270	3,303,847	3,999,349	0.9%	22.2%
<i>Support Services</i>	<i>595,209</i>	<i>598,647</i>	<i>733,820</i>	<i>733,313</i>	<i>22.6%</i>	<i>22.5%</i>
<i>Building Management</i>	<i>155,444</i>	<i>222,373</i>	<i>409,612</i>	<i>394,827</i>	<i>84.2%</i>	<i>77.6%</i>
<i>Planning</i>	<i>1,910,188</i>	<i>1,780,738</i>	<i>1,639,290</i>	<i>2,298,891</i>	<i>-7.9%</i>	<i>29.1%</i>
<i>Parks/Greenspaces</i>	<i>*</i>	<i>646,672</i>	<i>496,135</i>	<i>547,328</i>	<i>-23.3%</i>	<i>-15.4%</i>
<i>Other</i>	<i>209,366</i>	<i>24,840</i>	<i>24,990</i>	<i>24,990</i>	<i>0.6%</i>	<i>0.6%</i>
Contingency	0	427,500	552,957	552,118	29.3%	29.2%
Unappropriated Balance	753,060	267,665	0	0	N/A	N/A
TOTAL REQUIREMENTS	5,244,871	5,915,414	5,798,767	6,493,430	-2.0%	9.8%
TOTAL FTE	19.09	16	16.5	16.5	3.1%	3.1%

BASE / PROPOSED FY 94-95 GENERAL FUND

Major Changes/issues

REVENUE

- ♦ Significant increase in the projected Fund Balance from current fiscal year. While this is positive news it's important to monitor this estimate as we proceed with the budget deliberations to assure its accuracy and reliability.
- ♦ Excise Tax rate varies -- Base at 6%/Proposed at 7%. The current Excise Tax rate is at 7% with a sunset provision effective on September 1, 1994 moving it to 6%. The Base Budget estimate assumes a 6% rate effective on August 4, 1994. The Proposed Budget estimate assumes a 7% rate for the entire fiscal year. For the latter to happen, an ordinance to continue the rate at 7% must be passed by the Council no later than June 2, 1994 (last regular meeting in May). Based on estimates each one percent of excise tax raises approximately \$800,000. The users of Metro facilities and services account for the following approximate proportions of Excise Tax receipts: Solid Waste, 85%; Zoo, 8%; Convention Center, 4%; Expo, 2%; and Others, 1%.

EXPENDITURES

- ♦ A revised department/program structure. Both the Base and Proposed Budgets provide for a significantly revised organizational arrangement in the General Fund. A summary of the major expenditures is as follows:

PROGRAM / DEPT.	FY 92-93 ACTUAL	FY 93-94 ADOPTED BUDGET	FY 94-95 BASE	FY 94-95 PROPOSED BUDGET
COUNCIL	1,040,782	1,132,211	1,132,184	1,132,184
FTE	10.0	10.0	10.0	10.0
EXEC. MGMT.	419,528	422,780	435,027	435,027
FTE	5.0	5.0	5.5	5.5
AUDITOR	0	0	79,752	79,752
FTE	0	0	1.0	1.0
GOVT. RELATIONS	161,294	141,988	0	0
FTE	1.75	1.0	0	0
ELECTIONS	(117,692)*	250,000	150,000	150,000
SPECIAL APPROP.	0	0	145,000**	145,000**
DISCRETIONARY				
TRANSFER	2,275,152	2,497,410	2,368,975***	3,078,478***

Footnotes on next page.

Footnotes:

* *Included in the Council Dept. Budget.*

** *Proposed Contract with Metro Arts Commission to Start Implementation of Regional Cultural Funding Task Force recommendations.*

*** *Includes a transfer of approximately \$232,000 to the Support Service Fund for Govt. Relations functions formerly budgeted in the General Fund (\$183,000) and portions of the Metro Center Costs for the Zoo, MERC and Parks reallocated to the General Fund (\$49,000).*

- ♦ Potential to shift additional agency-wide costs to the Support Services Fund for inclusion in the Cost Allocation Plan. The Base and Proposed Budgets move the Office of Governmental Relations to the Support Service Fund for combination with programs of the Public Affairs Department to create a new department. Both Budgets continue to rely on Excise Tax revenue to fund the activity. Election costs for the elected officials are proposed to be continued in the General Fund and General Fund resources are proposed to be used to pay for allocable costs for the Metro Center Building for the Zoo, MERC facilities and Parks/Expo. These costs add up to approximately \$382,000. Not all of it would be a saving of General Fund resources since part of these costs are allocable to the General Fund. Finally, it is important to balance such efforts with an understanding of the impact on the operating funds. Each increase in central service costs can divert resources away from direct program expenditures or cause a need to increase revenue in the operating fund.
- ♦ Sufficiency of budgeted election costs. If the Council decides to place a Greenspaces funding measure (or any other measure) on the ballot in FY 1994-95, there does not appear to be sufficient resources budgeted to the pay for these costs. The Finance Office has estimated that a measure on the September 1994 ballot (vote by mail election) would cost approximately \$150,000. Costs for such an election (a measure for a specific program or purpose) would not be eligible for inclusion in the Cost Allocation Plan.

SUPPORT SERVICE FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BASE BUDGET</i>	<i>% CHANGE PROPOSED BUDGET</i>
RESOURCES						
Fund Balance	168,136	133,936	380,519	380,519	184.1%	184.1%
Enterprise Revenue	162,250	200,750	275,000	275,000	37.0%	37.0%
Interfund Transfers	5,585,772	6,467,839	6,940,391	6,968,592	7.3%	7.7%
<i>General Government</i>	595,208	598,647	733,820	733,313	22.6%	22.5%
<i>Zoo</i>	704,298	1,048,727	1,196,364	1,167,187	14.1%	11.3%
<i>Solid Waste</i>	2,613,326	2,597,346	2,438,088	2,364,458	-6.1%	-9.0%
<i>Planning</i>	808,680	1,005,862	1,348,360	1,484,103	34.1%	47.5%
<i>Parks/Expo</i>		370,554	338,390	343,829	-8.7%	-7.2%
<i>MERC</i>	864,260	846,703	885,369	875,702	4.6%	3.4%
Interest	50,967	0	0	0	N/A	N/A
Other	25,007	0	0	0	N/A	N/A
TOTAL RESOURCES	5,992,132	6,802,525	7,595,910	7,624,111	11.7%	12.1%
REQUIREMENTS						
Personal Services	3,862,842	4,430,098	4,510,156	4,510,156	1.8%	1.8%
Materials & Services	1,306,983	1,281,985	1,421,470	1,456,470	10.9%	13.6%
Capital Outlay	168,170	94,166	7,600	40,390	-91.9%	-57.1%
Transfers	437,492	579,671	988,019	948,430	70.4%	63.6%
<i>Building Management</i>	390,765	507,283	937,159	897,570	84.7%	76.9%
<i>Risk Management</i>	46,727	72,388	50,860	50,860	-29.7%	-29.7%
Contingency	0	265,039	261,040	261,040	-1.5%	-1.5%
Unappropriated Balance	216,645	151,566	407,625	407,625	168.9%	168.9%
TOTAL REQUIREMENTS	5,992,132	6,802,525	7,595,910	7,624,111	11.7%	12.1%
TOTAL FTE	83.5	84.72	78.7	78.7	-7.1%	-7.1%

BASE AND PROPOSED FY 94-95 SUPPORT SERVICE FUND

Major Changes/Issues

REVENUE

- ♦ Basis for transfers. This is an internal service fund which primarily receives revenue from other operating funds based on a Cost Allocation Plan (pages A-14 and A-15 in Budget). There are basically two kinds of resources transferred into the fund. **Indirect** transfers are calculated based on a historical record of actual use of goods and services. **Direct** transfers are those items of a sufficient size and clarity of purpose that they are allocated to a specific identified program or fund. An example of a direct transfer is the allocation of costs for the governmental affairs program to the General Fund (\$183,287).

The major increases in indirect support service costs from the current year are to the Planning Fund (48% in the Proposed Budget); the OCC Operating Fund (37%); and the Spectator Facilities Fund (12%). Most of the other funds experience a decrease. It should be noted that a portion of the Planning Fund indirect costs are paid for by the General Fund because the overhead rate charged to federal grants has been set at 36% rather than the actual needed rate of 42%.

The Executive Officer has suggested changing the support service fund revenue system from a historically based plan to a direct charge plan. The most recent Add Package includes \$293,660 for a "Prudent Management Reserve" and \$50,000 for a "Direct Billing System". Both costs are proposed to be born by the General Fund.

EXPENDITURES

- ♦ Increase in fund expenditures as overall agency expenditures and FTE level off. The expenditures in this fund have increased substantially over the past few years as Metro has grown to assume additional responsibilities and continue to grow as total Metro expenditures and FTE stabilize as indicated below:

<i>FUND/TOTAL EXPENDITURE</i>	<i>FY 90-91 ACTUAL</i>	<i>FY 91-92 ACTUAL</i>	<i>FY 92-93 ACTUAL BUDGET</i>	<i>FY 94-95 ADOPTED</i>	<i>FY 94-95 PROPOSED BUDGET</i>
SUPPORT SERVICES	4,119,919	5,420,092	5,992,132	6,802,525	7,624,111
FTE	65.40	78.60	83.50	84.72	78.70
ALL METRO	218,914,764	275,137,745	233,372,931	202,658,277	200,195,695
FTE	701.00	788.82	812.66	762.04	764.71

- ♦ Substantially revised department/program structure. Both the Base and Proposed Budgets provide for a substantial change in organization as shown in the following summary of direct fund expenditures:

<i>PROGRAM / DEPT.</i>	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE</i>	<i>FY 94-95 PROPOSED BUDGET</i>
FM&I	2,953,498	3,111,764	2,821,471	2,832,701
FTE	43.75	45.4	42.0	42.0
General Services -Regional Facilities	771,567	869,184	1,657,654	1,710,614
FTE	10.70	10.00	16.15	16.15
Personnel	516,617	601,177	605,802	605,802
FTE	10.30	11.30	10.30	10.30
General Counsel	407,474	460,091	477,723	481,323
FTE	6.00	6.00	6.00	6.00
Public Affairs	688,839	764,033	0	0
FTE	12.60	12.00	0.00	0.00
Public & Government Relations	0	0	376,576	376,576
FTE	0.00	0.00	4.25	4.25
Total Budget Expenditures	5,337,995	5,806,249	5,939,226	6,007,016
FTE	83.35	84.72	78.70	78.70

- ♦ Impact of proposed organizational changes. The Base and Proposed Budgets substantially alter the current work program provided by the Public Affairs Department. It is important to understand what services/functions will be retained and/or eliminated. What services/functions will be shifted to the operating departments. The Base and Proposed Budgets transfer services/functions to a new General Services Department. Is this reorganization desirable, or would some other reorganization be more cost effective?

BUILDING MANAGEMENT FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BASE BUDGET</i>	<i>% CHANGE PROPOSED BUDGET</i>
RESOURCES						
Fund Balance	185,748	294,449	274,718	274,718	-6.7%	-6.7%
Enterprise Revenue	439,199	1,015,018	393,967	390,591	-61.2%	-61.5%
Interfund Transfers	1,011,651	1,269,507	2,425,672	2,429,048	91.1%	91.3%
<i>General Government</i>	155,444	222,373	409,612	394,827	84.2%	77.6%
<i>Support Services</i>	390,765	507,283	937,159	897,570	84.7%	76.9%
<i>Solid Waste</i>	232,122	194,199	427,520	409,639	120.1%	110.9%
<i>Planning</i>	227,578	275,152	502,807	575,042	82.7%	109.0%
<i>Parks/Expo</i>	0	30,000	94,238	96,497	214.1%	221.7%
<i>MERC</i>	5,742	40,500	54,336	55,473	34.2%	37.0%
Interest	21,572	0	0	0	N/A	N/A
TOTAL RESOURCES	1,658,170	2,578,974	3,094,357	3,094,357	20.0%	20.0%
REQUIREMENTS						
Personal Services	100,335	182,246	240,181	240,181	31.8%	31.8%
Materials & Services	774,593	1,098,670	975,999	975,999	-11.2%	-11.2%
Capital Outlay	51,553	50,000	60,000	60,000	20.0%	20.0%
Transfers	230,183	1,178,058	1,428,958	1,428,958	21.3%	21.3%
<i>Gen'l Rev Fund MRC Debt</i>	0	662,432	1,143,952	1,143,952	72.7%	72.7%
<i>Gen'l Rev Fund Parking Debt</i>	230,183	515,626	285,006	285,006	-44.7%	-44.7%
Contingency	0	70,000	70,000	70,000	0.0%	0.0%
Unappropriated Balance	501,506	0	319,219	319,219	N/A	N/A
TOTAL REQUIREMENTS	1,658,170	2,578,974	3,094,357	3,094,357	20.0%	20.0%
TOTAL FTE	3.1	4.2	5.5	5.5	31.0%	31.0%

PROPOSED FY 94-95 BUILDING MANAGEMENT FUND

Major Changes/Issues

REVENUE

- ♦ Substantially different revenue pattern to current year. The projected enterprise revenue is substantially reduced from the current year budget. This reflects a more conservative assumptions on the ability to lease space at the Metro Center Building. Conversely, the interfund transfers are substantially increased. This reflects the reduction in potential enterprise revenue and the payment of the entire debt service expense for the Metro Regional Center out of current income.
- ♦ Subsidy of the Metro Parking Structure. The Proposed Budget includes potential transfers from the General Fund (\$54,336) and the OCC Operating Fund (\$54,336). These resources will be used to make up any difference between anticipated parking fee income and parking facility operating costs.

EXPENDITURES

- ♦ Similar program structure. The Proposed Budget continues the current programs and the direct program costs are as follows:

PROGRAM / DEPT.	FY 92-93 ACTUAL	FY 93-94 ADOPTED BUDGET	FY 94-95 PROPOSED BUDGET
Metro Center	683,799	589,336	394,173
FTE	1.45	0.1	0.8
Metro Regional Center	165,278	621,910	807,915
FTE	145.00	3.85	4.25
Parking Structure	77,404	97,512	74,092
FTE	0.20	0.10	0.45
Total Direct Expenditures	926,481	1,308,758	1,276,180
FTE	146.65	4.05	5.50

- ♦ Full payment of Metro Center Debt Service out of current income. This is the first year in which the entire debt service costs for the Metro Regional Center (\$1,492,958) are paid out of current resources. Last year approximately \$750,000 were paid out of bond proceeds.

RISK MANAGEMENT FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BASE BUDGET</i>	<i>% CHANGE PROPOSED BUDGET</i>
RESOURCES						
Fund Balance	4,663,045	5,485,219	6,674,119	6,674,119	21.7%	21.7%
Interest	257,200	290,000	260,000	260,000	-10.3%	-10.3%
Interfund Transfers	1,470,203	1,535,645	698,030	698,030	-54.5%	-54.5%
<i>General Gov't</i>	9,366	24,840	25,010	25,010	0.7%	0.7%
<i>Support Services</i>	46,727	72,388	50,860	50,860	-29.7%	-29.7%
<i>Zoo</i>	344,289	381,194	177,479	177,479	-53.4%	-53.4%
<i>Solid Waste</i>	507,210	607,894	83,069	83,069	-86.3%	-86.3%
<i>Planning</i>	25,426	42,053	34,050	34,050	-19.0%	-19.0%
<i>Parks/Expo</i>	0	78,000	90,859	90,859	16.5%	16.5%
<i>MERC</i>	537,185	329,276	236,703	236,703	-28.1%	-28.1%
Other	27,665	0	20,000	20,000	N/A	N/A
TOTAL RESOURCES	6,418,113	7,310,864	7,652,149	7,652,149	4.7%	4.7%
REQUIREMENTS						
Personal Services	157,692	225,151	263,815	263,815	17.2%	17.2%
Materials & Services	648,947	1,306,595	1,105,215	1,105,215	-15.4%	-15.4%
Capital Outlay	0	3,900	20,000	20,000	412.8%	412.8%
Contingency	0	200,000	200,000	200,000	0.0%	0.0%
Unappropriated Balance	5,611,474	5,575,218	6,063,119	6,063,119	8.8%	8.8%
TOTAL REQUIREMENTS	6,418,113	7,310,864	7,652,149	7,652,149	4.7%	4.7%
TOTAL FTE	3.07	4.05	4.35	4.35	7.4%	7.4%

GENERAL REVENUE BOND FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BASE BUDGET</i>	<i>% CHANGE PROPOSED BUDGET</i>
RESOURCES						
Fund Balance	15,409,034	3,916,683	2,018,983	2,018,983	-48.5%	-48.5%
Interest	377,880	86,184	69,134	69,134	-19.8%	-19.8%
Interfund Transfers	230,183	1,178,058	1,428,958	1,428,958	21.3%	21.3%
Other	306,228	0	0	0	N/A	N/A
TOTAL RESOURCES	16,323,325	5,180,925	3,517,075	3,517,075	-32.1%	-32.1%
REQUIREMENTS						
Personal Services	193,212	68,704	0	0	-100.0%	-100.0%
Materials & Services	136,143	145,740	0	0	-100.0%	-100.0%
Capital Outlay	10,615,954	913,009	0	0	-100.0%	-100.0%
Debt Service	1,618,859	1,494,332	1,492,958	1,492,958	-0.1%	-0.1%
Contingency	0	400,339	218,412	218,412	-45.4%	-45.4%
Unappropriated Balance	3,759,157	2,158,801	1,805,705	1,805,705	-16.4%	-16.4%
TOTAL REQUIREMENTS	16,323,325	5,180,925	3,517,075	3,517,075	-32.1%	-32.1%
TOTAL FTE	2.95	1.05	0	0	-100.0%	-100.0%

SOLID WASTE REVENUE FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	28,115,582	25,465,337	26,596,332	4.4%
Grants	244,899	200,000	0	0.0%
Property Taxes	0	0	0	0.0%
Excise Tax	0	0	0	0.0%
Enterprise Revenue	55,385,647	54,021,768	55,973,307	3.6%
Intergovernmental Transfer	0	0	0	0.0%
Donations & Bequests	0	0	0	0.0%
Dues	0	0	0	0.0%
Bond Proceeds	25,900,757	1,919,419	1,919,419	0.0%
Interest	1,008,193	1,700,000	735,015	-56.8%
Interfund Transfers	19,038	0	0	0.0%
Other	2,208,505	2,350,963	1,477,260	-37.2%
TOTAL RESOURCES	112,882,621	85,657,487	86,701,333	1.2%
REQUIREMENTS				
Personal Services	4,089,883	5,133,714	5,617,633	9.4%
Materials & Services	45,026,244	51,795,617	49,746,066	-4.0%
Capital Outlay	1,680,796	2,730,610	2,311,670	-15.3%
Debt Service	28,655,215	3,823,536	3,229,579	-15.5%
Transfers	3,999,023	4,167,887	3,582,991	-14.0%
Contingency	0	6,027,571	8,297,521	37.7%
Unappropriated Balance	29,431,460	11,978,552	13,915,873	16.2%
TOTAL REQUIREMENTS	112,882,621	85,657,487	86,701,333	1.2%
TOTAL FTE	103.28	104.3	102.95	-1.3%

SOLID WASTE REVENUE FUND RESOURCES

<i>RESOURCES</i>	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
Fund Balances	28,115,582	25,465,337	26,596,332	4.4%
St. Johns Closure	18,652,164	13,031,671	11,114,745	-14.7%
Renewal & Replacement	1,291,571	1,527,571	2,197,541	43.9%
Metro Central Construction	1,190,976	130,000	0	-100.0%
Metro Central Reserve	2,842,218	2,842,218	2,912,948	2.5%
Metro Central Debt	1,082,006	1,377,439	1,469,033	6.6%
General Account	3,056,647	6,556,438	8,902,065	35.8%
Grants	244,899	200,000	0	-100.0%
Refuse Disposal Charges	404,381	330,026	1,072,298	224.9%
Disposal Fees	25,267,146	24,490,577	25,883,606	5.7%
User Fees	23,177,763	22,704,075	23,536,566	3.7%
Regional Transfer Charge	6,027,871	5,800,631	4,762,806	-17.9%
Rehab & Enhancement	204,811	166,225	171,859	3.4%
Host Fees	184,325	259,398	264,040	1.8%
Tire Disposal Fee	25,003	54,195	53,695	-.9%
Yard Debris Disposal Fee	79,332	162,105	80,306	-50.5%
Franchise Fees	2,429	2,502	2,629	5.1%
DEQ Fees	884,711	861,482	743,197	-13.7%
Refrigeration Disposal Fee	12,586	52,034	29,827	-42.7%
HHW Disposal Fees	0	0	115,675	
Fines and Forfeits	1,929	25,000	25,000	.0%
Interest	1,008,193	1,700,000	735,015	-56.8%
Finance Charge	33,651	100,000	103,000	3.0%
Pass Through Debt	25,900,757	933,013	350,000	-62.5%
Miscellaneous Revenue	1,191,660	213,000	103,000	-51.6%
Revenue Bond Proceeds	0	1,919,419	1,919,419	.0%
Other	115,592	218,468	153,063	-29.9%
TOTAL	112,882,621	85,657,487	86,701,333	1.2%

PROPOSED FY 94-95 SOLID WASTE REVENUE FUND BUDGET

Major Policy Issues

The following are major policy issues identified during a preliminary review of programs funded through the Solid Waste Revenue Fund.

REVENUE ISSUES:

Solid Waste Disposal Rates

- Maintaining the current \$75/ton fee, with changes in component fees
- Rate buy-down in future years through creation of a rate stabilization account
- Changes in the self-haul rate (minimum rate increases from \$19 to \$25, with a 25% rebate for a covered load)
- Need for other fees (tire disposal, refrigeration) to cover program costs

Pelletizer at Metro Central

- Council policy related to potential Metro purchase
- Will economic and operational data be available should Metro have to make a purchase decision in October, when the operating contract could be rebid
- Purchase options

Tonnage Estimates

- Tonnage estimates in the proposed budget appear to be lower than the estimates for tonnage during the current fiscal year

Contingency/Unappropriated Balance

- Total of all contingency/unappropriated balance accounts proposed to increase by \$4.2 million (22%)
- Creation and Purpose of a Rate Stabilization Account

EXPENDITURE ISSUES

Operations Contracts At Metro Central and Metro South

- Both operating contracts are subject to rebid or extension during FY 94-95
- Proposed budget assumes that operating costs will remain the same at both facilities
- Staff Exploring Several Options Including:
 - Rebidding One or Both Contracts
 - Rebidding Both Facilities as a Single Bid
 - Negotiating Changes in Existing Contracts

Potential Shift of Waste From Metro South to Metro Central

- Operations and transportation costs in the budget does not reflect any shift in waste from Metro South to Metro Central
- Staff has indicated that it is working on a plan to divert between 60-70,000 tons/yr. from Metro South to Metro Central

Oregon Waste Systems Contract Amendment

- Budget does not reflect any fiscal impact for any amendment that might be approved

Existing Programs

- Shift in Emphasis of Regional and Local Recycling Programs from residential to commercial, construction demolition and yard debris programs
- Administration of RIC/Recycling Education Programs
- Proposed Renewal of Enforcement Contract with Multnomah County Sheriffs Office and the Council's need for information on costs and benefits of existing program

New Programs

- Budget Proposes a Collection and Disposal Program for CEG Wastes That would cost \$632,000, but be self-supporting. Little information is provided concerning size, scope or purpose of program

- Initial Implementation of New Strategies Related to Organic Wastes. Council has not yet approved the specifics of this program.
- HHW Collection System in the eastern and western portions of the watershed. Metro approved plans call for the establishment of some type of mobile collection capacity in these areas. The proposed budget calls for the continuation of the present program of periodic one-day collection events

Challenge Grants

- Budget Proposes increase of \$100,000 (from current \$350,000 to \$450,000). Council may wish to address need and purpose of increase and whether increased funds should or designated for specific purposes.

Staffing

- Council may wish to give direction concerning maximum or acceptable levels of salary increase for rep and non-rep employees. In a small number of cases, increases in proposed budget appear to be more than 10% greater than the amount in the 93-94 approved budget.
- Several department divisions appear to be shifting or expanding the focus of their work. For example, waste reduction activities are shifting from residential to commercial, additional engineering and monitoring resources are being directed to the St. Johns Landfill, and the planning and technical services division appears to be expanding its data gathering and analysis capacity. A budgetary review of the apparent reallocation of staff in these divisions may be appropriate.

St. John's Landfill

- Actual Annual Contribution to Closure Account appears to be \$100,000 than originally estimated
- Status of ongoing negotiations with DEQ regarding the closure plan and their potential impact on closure costs
- Status of the Tri-State contract which was bid at about \$3 million less than the estimated cost for the work

SOLID WASTE DEPARTMENT

(by Division)

<i>RESOURCES</i>	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
Administration	507,175	606,538	645,471	6.4%
Budget & Finance	1,229,111	1,445,177	1,469,475	1.7%
Operations	37,858,243	40,754,652	42,532,899	4.4%
Engineering	712,321	875,613	943,156	7.7%
Waste Reduction	1,798,176	1,461,137	1,775,365	21.5%
Planning & Technical Srvcs	518,708	861,438	905,467	5.1%
RIC & Education	500,558	577,276	591,366	2.4%
<i>TOTAL</i>	<i>43,124,292</i>	<i>46,581,831</i>	<i>48,863,199</i>	<i>4.9%</i>

REHABILITATION AND ENHANCEMENT FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	1,999,232	2,328,577	2,279,524	-2.1%
Grants	0	0	0	0.0%
Property Taxes	0	0	0	0.0%
Excise Tax	0	0	0	0.0%
Enterprise Revenue	0	0	0	0.0%
Intergovernmental Transfer	0	0	0	0.0%
Donations & Bequests	0	0	0	0.0%
Dues	0	0	0	0.0%
Bond Proceeds	0	0	0	0.0%
Interest	120,029	90,001	55,500	-38.3%
Interfund Transfers	464,065	425,623	435,889	2.4%
Other	0	0	0	0.0%
TOTAL RESOURCES	2,583,326	2,844,201	2,770,913	-2.6%
REQUIREMENTS				
Personal Services	0	0	0	0.0%
Materials & Services	376,381	686,918	918,637	33.7%
Capital Outlay	0	0	0	0.0%
Debt Service	0	0	0	0.0%
Transfers	19,038	39,048	42,253	8.2%
Contingency	0	419,533	150,000	-64.2%
Unappropriated Balance	2,367,619	1,698,702	1,660,033	-2.3%
TOTAL REQUIREMENTS	2,763,038	2,844,201	2,770,923	-2.6%
TOTAL FTE	0	0	0	0.0%

PLANNING FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 BASE BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BASE BUDGET</i>	<i>% CHANGE PROPOSED BUDGET</i>
RESOURCES						
Fund Balance	175,517	335,000	92,663	92,663	-72.34%	-72.34%
Grants	3,147,932	9,555,470	8,408,662	8,408,162	-12.00%	-12.01%
Excise Tax	1,910,189	1,786,271	1,639,290	2,298,891	-8.23%	28.70%
Enterprise Revenue	644,692	247,500	268,374	214,500	8.43%	-13.33%
Donations & Bequests	1,500	50,000	0	0	-100.00%	-100.00%
Dues	583,847	597,563	0	600,000	-100.00%	0.41%
Interest	0	15,000	0	0	-100.00%	-100.00%
Interfund Transfers	249,646	324,125	340,200	265,325	4.96%	-18.14%
Other	991	56,000	50,000	50,000	-10.71%	-10.71%
TOTAL RESOURCES	6,714,314	12,966,929	10,799,189	11,929,541	-16.72%	-8.00%
REQUIREMENTS						
Personal Services	3,010,355	3,980,685	3,381,835	4,057,769	-15.04%	1.94%
Materials & Services	2,330,836	6,923,002	5,185,336	5,391,501	-25.10%	-22.12%
Capital Outlay	51,732	39,500	0	11,000	-100.00%	-72.15%
Transfers	1,061,684	1,437,567	1,885,217	2,093,195	31.14%	45.61%
<i>Support Services</i>	<i>808,680</i>	<i>1,005,862</i>	<i>1,348,360</i>	<i>1,484,103</i>	<i>34.05%</i>	<i>47.55%</i>
<i>Building Management</i>	<i>227,578</i>	<i>275,152</i>	<i>502,807</i>	<i>575,042</i>	<i>82.74%</i>	<i>108.99%</i>
<i>Risk Management</i>	<i>25,426</i>	<i>156,553</i>	<i>34,050</i>	<i>34,050</i>	<i>-78.25%</i>	<i>-78.25%</i>
Contingency	0	485,175	346,801	376,076	-28.52%	-22.49%
Unappropriated Balance	259,707	101,000	0	0	-100.00%	-100.00%
TOTAL REQUIREMENTS	6,714,314	12,966,929	10,799,189	11,929,541	-16.72%	-8.00%
TOTAL FTE	68.35	71.1	55.5	68.5	-21.94%	-3.66%

PROPOSED FY 94-95 PLANNING FUND

Major Changes / Issues

REVENUE

- Significant decrease in revenue. Revenues for the base budget, which anticipates a 6% excise tax level and no local government dues, is nearly 17% below FY 93-94 adopted budget. The proposed budget, which anticipates a 7% excise tax and full participation for a voluntary local government dues assessment, is 8% below FY 93-94.
- Upcoming budget amendment. The department is about to receive or has received a significant increase in federal grant money that is over what was anticipated for FY 93-94. This money is for high capacity transit. A budget amendment will be before the Council shortly requesting personal services increases that total \$57,344. Remaining parts of the request are unknown at this time because the amendment is in the process of being prepared. The staff increases are reflected in the base and proposed budgets. Under the amendment two existing Senior Regional Planners (Meyer and Whitehall-Baziuk) become Program Supervisors and an existing Management Technician position, now vacant, is upgraded to Assistant Management Analyst level. Also, an Associate Transportation Planner, two Assistant Transportation Planners, and a Secretary are added for the remainder of the fiscal year for a collective total of 1.0 FTE.

EXPENDITURES

- Reductions in staff. Significant reductions in staff are anticipated in the base budget which reduces the staff by nearly 22% or 15.6 FTE. These reductions include: Administration Section, 1.7 FTE; Data Resource Center Section, 5.5 FTE; Travel Forecasting, 3 FTE; Transportation Planning Section, 1 FTE; and Growth Management Section, 9 FTE. Only the High Capacity Transit Section has an increase of 4 FTE. The proposed budget restores all but 2.6 FTE but redistributes staff assignments. The following table details the change in funding and staffing levels under all three scenarios:

<u>DIVISION/Section</u>	<u>FY 93-94</u>	<u>Base Budget</u>	<u>Proposed Budget</u>
Administration	\$521,310 <i>9.7 FTE</i>	\$1,010,459 <i>8.0 FTE</i>	\$1,112,356 <i>11.0 FTE</i>
TECHNICAL SERVICES:			
Data Resource Center	1,345,600 <i>14.5 FTE</i>	859,200 <i>9.0 FTE</i>	1,093,999 <i>11.0 FTE</i>
Travel Forecasting	1,928,983 <i>11.0 FTE</i>	1,152,670 <i>8.0 FTE</i>	1,315,087 <i>10.0 FTE</i>
TRANSPORTATION:			
Transportation Planning	1,865,786 <i>8.0 FTE</i>	1,393,970 <i>7.0 FTE</i>	1,500,987 <i>8.0 FTE</i>
High Capacity Transit	3,404,400 <i>10.5 FTE</i>	4,351,890 <i>14.5 FTE</i>	4,362,115 <i>14.5 FTE</i>
GROWTH MANAGEMENT:	3,900,849 <i>15.0 FTE</i>	2,031,000 <i>6.0 FTE</i>	2,545,000 <i>11.0 FTE</i>
Total	<u>\$12,966,929</u> <i>71.1 FTE</i>	<u>\$10,799,189</u> <i>55.5 FTE</i>	<u>\$11,929,544</u> <i>68.5 FTE</i>

- Further impact on Administration Section:
 - Contract development will be slow
 - Contract compliance reviews less frequent
 - Billings will be delayed and reports not filed in a timely manner
 - Secretary support service will be inadequate
 - Federal lobbying efforts will need contractual support
 - There is a one-third reduction in personal computer support services, software and supplies.
- Further impact on Data Resource Center Section:
 - Elimination of \$15,000 for aerial photography
 - No FTE remaining for RLIS maintenance which will result in RLIS rapidly falling behind the pace of development and becoming outdated
 - Socio-economic databases and publishing reports documenting growth trends and providing research services reduced significantly
 - \$45,000 for collection of building permit and land development records eliminated
 - \$12,500 for the annual household survey used to update the key census variables eliminated and Annual Household Survey will not be conducted

Staffing reassignments of existing staff to manage annual updates of basic items

- DRC counter support eliminated affecting services to local jurisdictions, ODOT, and Greenspaces
 - Local jurisdictions billed for costs of all services
 - Severe restrictions to necessary new programming needs (e.g., 2040 Phase II, the earthquake preparedness project, and transportation surveys and LRT station area planning for the Westside)
 - Loss of ability to operate Metro econometric model and its application for planning, economic development and analysis
 - Restriction on ability to produce forecasts and growth simulations
 - No computer upgrades
- Further impact on Travel Forecasting Section:
 - Credibility of model may be in jeopardy if completion of analysis of household activity data take 3-4 years
 - Restrictions in implementation of an enhanced regional count program
 - Loss of material and services funds contributing toward purchase of an ARC/INFO and GRID license
 - Restricts local government users use of PL or Section 8 funds and local match for STP funds
- Further impact on Transportation Planning Section:
 - Restriction in ability to provide ODOT and local jurisdictions essential funding information to better schedule project implementation activities
 - Restriction in providing comprehensive public involvement activities and improved public responsiveness
 - Relinquishing Transportation Improvement Program coordination with Metro area jurisdictions responsibilities to ODOT
 - Restricts ability to provide coordination between ODOT and local jurisdictions for development of safety, bridge and pavement management systems
- Further impact on High Capacity Transit Section:
 - Reduces dues, software, travel and training
- Further impact on Growth Management Section:
 - Reduction in management and coordination abilities
 - Section Manager is upgraded to Senior Manager level
 - Reduction in staff support for Future Vision effort, particularly public involvement
 - Severe restriction in Urban Reserves program

- Only minimal activity to coordinate housing density with UGB and Urban Reserves program that will not lead to the adoption of the housing density element of the Regional Framework Plan
 - Eliminates Water Supply Sources program completely
 - Water Quality Planning reduced to bare legal minimum
 - Elimination of Water Resource Policy Advisory Committee because of inability of staff response
 - Reduces support development of a computerized regional emergency resources system and integration into Metro's RLIS database
- Proposed budget: The proposed budget anticipates excise tax revenue at a 7% level and full receipt of a voluntary local government dues assessment. While the excise tax level is fully within the control of the Council, local government dues are not. If the reaction at JPACT and MPAC is any indication of the sentiment of the local jurisdictions, full participation is very uncertain. There continues to be issues raised by some of the smaller jurisdictions, the City of Gresham, Clackamas and Washington County representatives linking this decision to the Council's decisions regarding the new and old building and Councilor salaries. Also strongly referenced is the belief that last year's participation was meant to be a "one-time" event. Also strongly noted is the fear that if the local jurisdictions continue to agree for "yet one more year" that Metro will never seek a stable source of funding for planning.

Attached is a table that illustrates by program the amount of discretionary excise tax (at 7% level) and voluntary local government dues, with full participation, added back under the proposed budget.

- Decision (Add) Packages: Four decision add packages were presented by the Executive Officer at the last Council meeting that are to be considered with the proposed budget. The four packages collectively need an additional \$340,000 of excise tax revenue. This could be accomplished by raising the excise tax by 0.49%. The four decision packages are in descending order of priority as follows:
 - Restoration of 2.0 FTE in Data Resource Center for RLIS Maintenance (\$120,000)
 - Restoration of 1.0 FTE in Data Resource Center for Data Services and Maintenance; research services for planning and transportation programs and socio-economic database maintenance (\$85,000)
 - Addition of 1.0 FTE to Travel Forecasting Section for Survey and Research; household activity data (\$70,000)
 - Addition of 1.0 FTE Assistant Regional Planner in Growth Management Section for Emergency Management freeing existing staff for work on Charter

implementation assignments (\$85,000)

- Funding level dilemma: Under the 1992 Metro Charter, planning is the primary focus of Metro as an agency. New requirements were placed on this agency to carry out this mandate - all anticipating receipt of a new revenue source to provide a stable source of funding for planning. In my opinion, the base budget, with it's 22% reduction in staff and 17% reduction in funding, does not come even close to accommodating the needs anticipated by the Charter. The proposed budget provides more assistance, with an 8% funding reduction over current levels.

Whether the proposed budget adequately addresses the requirements of the Charter is open to question. The Charter states: "The Council **shall** (emphasis added) appropriate funds sufficient to assure **timely** (emphasis added) completion of those (planning) functions." Largely these are questions of timing and degree but I anticipate a strong argument that the proposed budget level is not sufficient to the requirements. Here are some of the questions you should consider as you deliberate on the adequacy of funding for the Planning Department at a 7% excise tax and full dues level:

- At what point in time should the individual components of the Regional Framework Plan, which must be adopted by Dec. 31, 1997, be completed? This fiscal year? Next?
- How much "local government coordination" is adequate? Or, how do we mandate the changes in comprehensive plans for local governments, that will be part of the regional framework plan, without greater staff support at Metro to extensively examine current comprehensive plans?
- Are we paying enough attention to "public involvement" needs identified under ISTEA? For Future Vision and Region 2040? And if not, can we afford to?
- Are we coordinating enough with Clark County, Washington? What about the high speed rail issue?
- Are resources adequate to complete the Region 2040 decision package at the level discussed at the Saturday work session last month?

As you direct your analysts to recommend cuts to "down-size" this agency, you may want to give special guidance regarding the Planning Fund. If down-sizing this department is appropriate in your mind, then a characterization of what level of down-sizing is what is needed today.

PLANNING FUND ADD-BACKS UNDER PROPOSED BUDGET

Section	Program	Amount	Sub-Total
ADMINISTRATION	Mgmt. & Coordination	\$92,000	\$101,897
	PC Support	\$5,000	
	Federal Lobbyist	\$15,000	
	Other Requirements	(\$10,103)	
DATA RESOURCE CENTER	Database Maintenance	\$90,375	\$354,875
	Forecasts & Modeling	\$81,500	
	RLIS Maintenance & Dev.	\$28,725	
	RLIS Support	\$86,250	
	Mgmt. & Coordination	\$68,025	
TRAVEL FORECASTING	Surveys & Research	\$20,330	\$109,419
	Trans. System Monitoring	\$40,000	
	Model Refinements	\$9,950	
	Technical Assistance	\$38,439	
	Materials & Services	\$700	
TRANSPORTATION PLANNING	Regional Transportation Plan	\$7,000	\$169,185
	Transp. Improvement Plan	\$65,000	
	Urban Arterial	\$12,000	
	Congestion Management	\$18,000	
	Willamette Crossing	\$35,000	
	Transportation Demand Mgmt.	\$2,670	
	Air Quality	\$2,000	
	Mgmt. Plan Coordination	\$17,400	
	Materials & Services	\$10,115	
HIGH CAPACITY TRANSIT	Materials & Services	\$10,225	\$10,225
GROWTH MANAGEMENT	2040 Phase II	\$6,000	\$514,000
	Future Vision	\$88,000	
	Urban Reserves	\$89,000	
	UGB Administration	(\$6,000)	
	Housing Density	\$189,000	
	Mgmt. & Coordination	\$81,000	
	Water Supply	\$52,000	
	Emergency Management	\$15,000	
TOTAL		\$1,259,601	\$1,259,601

ZOO OPERATING FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	5,558,568	5,711,864	4,601,830	-19.4%
Grants	29,804	120,000	110,000	-8.3%
Property Taxes	5,467,336	5,708,807	5,875,560	2.9%
Enterprise Revenue	6,078,324	6,899,690	6,707,536	-2.8%
Donations & Bequests	271,937	485,000	521,600	7.5%
Interest	230,268	228,475	138,055	-39.6%
Other	30,281	48,282	51,063	5.8%
TOTAL RESOURCES	17,666,518	19,202,118	18,005,644	-6.2%
REQUIREMENTS				
Personal Services	6,331,203	7,376,103	7,698,488	4.4%
Materials & Services	3,724,513	4,372,729	4,433,901	1.4%
Capital Outlay	591,201	777,281	564,570	-27.4%
Transfers	1,048,587	1,863,921	1,373,843	-26.3%
<i>Support Services</i>	<i>704,298</i>	<i>1,048,727</i>	<i>1,196,364</i>	<i>14.1%</i>
<i>Zoo Capital</i>	<i>0</i>	<i>434,000</i>	<i>0</i>	<i>-100.0%</i>
<i>Other</i>	<i>344,289</i>	<i>381,194</i>	<i>177,479</i>	<i>-53.4%</i>
Contingency	0	598,222	562,832	-5.9%
Unappropriated Balance	5,971,014	4,213,862	3,372,010	-20.0%
TOTAL REQUIREMENTS	17,666,518	19,202,118	18,005,644	-6.2%
TOTAL FTE		194.52	198.44	2.0%

PROPOSED FY 94-95 ZOO OPERATING FUND BUDGET

Major Changes/Issues

Overview

The fund balance is declining, with a projected operating loss of \$1.2 million in 1994-95. This follows a budgeted loss of some \$1.5 million in 93-94, for an erosion of 43.5% of the reserve funds in two years. The Council was advised last year that the Zoo expected to lose money until the 1997 opening of Westside Light Rail, but the context of Zoo finances should be set at the start of a discussion of its budget.

Resources

Net operating revenues are static, at 99.36% of 1993-94 budget, with the major revenue categories showing little projected change. Factors to be considered are the disruption of the parking lot and Canyon Road due to construction, the recent admission fee increase being in effect for the full year, introduction of small new exhibits but no major ones.

Expenditures

Total operating expenditures show a slight (2.2%) reduction from 93-94, from \$14.39 million to \$14.07 million. Included in the 1993-94 total, however, was a one-time transfer of \$434,000 to the Capital Fund to help pay for design work on the Oregon Exhibit. Without this expense, the 94-95 expenditures show a small increase of \$114,000.

Personal Services shows an increase of 4.4%, with an increase of 4 FTE (2%). Materials & Services increases only 1.4%, and Capital Outlay is down 27%. Excluding last year's transfer to the Capital Fund, the interfund transfer total is down 3.9%, with a 50% decrease in insurance costs outweighing a 14% increase to Support Services.

Issues

- In light of the proposed \$1.2 million shortfall and projected continuing losses, should the Zoo freeze budgeted FTE, as was done in 1991-92?
- Is the Zoo losing revenue through its current contract with the Friends of the Zoo?

ZOO CAPITAL FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	3,262,825	2,655,076	686,492	-74.1%
Donations & Bequests	149,099	350,000	500,000	42.9%
Interest	131,007	106,203	20,595	-80.6%
Interfund Transfer	0	434,000	0	-100.0%
Other	0	0	107,000	n/a
TOTAL RESOURCES	3,542,931	3,545,279	1,314,087	-62.9%
REQUIREMENTS				
Personal Services	59,956	88,949	15,300	-82.8%
Materials & Services	1,324	0	0	0.0%
Capital Outlay	932,640	3,199,000	1,148,787	-64.1%
Contingency	0	150,000	150,000	0.0%
Unappropriated Balance	2,549,011	107,330	0	-100.0%
TOTAL REQUIREMENTS	3,542,931	3,545,279	1,314,087	-62.9%
TOTAL FTE		1	0.17	-83.0%

PROPOSED FY 94-95 ZOO CAPITAL FUND BUDGET

Major Changes/Issues

Resources

Capital Fund revenues are down 63 %, reflecting the spending down of dedicated capital resources. The fund balance is down 74 %, while donations are budgeted to increase from \$350,000 to \$500,000 to support design of the Oregon Exhibit.

Expenditures

The only major project in this Fund for 94-95 is design work on the Oregon Exhibit, accounting for 88% of total expenditures (excluding contingency). There is some money budgeted to complete three other current projects (Research Building remodel, elephant yard improvements, and the People Mover trolley), but aside from work on the Oregon Exhibit, the Capital Fund will be virtually exhausted in the coming year. Capital improvements will have to be funded from the Operating Fund until additional capital funds are secured.

Issues

There are two issues in this Fund. The first concerns the budget for donations and bequests, and is simply a question of whether it is realistic to expect \$500,000 to support work on the Oregon Exhibit.

The other issue is the major issue at the Zoo, tied to the long-range financial concerns. What is the future of the Oregon Exhibit, and how is it going to be financed? If we spend a million dollars to plan this major new attraction, what will be the result of this expenditure? What is its status? Will the plans incorporated in the Master Plan need to be scaled back to meet the June 1997 deadline for completion or to recognize a shortage of funds?

REGIONAL PARKS AND EXPO FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance		187,372	329,965	76.1%
Grants		1,057,600	873,683	-17.4%
Enterprise Revenue		2,902,298	3,396,990	17.0%
Intergov'tl Transfer		169,259	416,300	146.0%
Donations & Bequests		5,500	0	-100.0%
Interest		41,151	26,726	-35.1%
Interfund Transfer		779,872	525,524	-32.6%
Other		225,348	114,637	-49.1%
TOTAL RESOURCES	0	5,368,400	5,683,825	5.9%
REQUIREMENTS				
Personal Services		1,978,484	2,152,822	8.8%
Materials & Services		2,495,947	2,182,921	-12.5%
Capital Outlay		233,415	517,236	121.6%
Transfers	0	548,554	612,737	11.7%
<i>Support Services</i>		370,554	338,390	-8.7%
<i>Building Management</i>		30,000	94,238	214.1%
<i>MERC Administration</i>		70,000	73,500	5.0%
<i>Other</i>		78,000	106,609	36.7%
Contingency		112,000	165,097	47.4%
Unappropriated Balance		0	53,012	n/a
TOTAL REQUIREMENTS	0	5,368,400	5,683,825	5.9%
TOTAL FTE		51.65	55.3	7.1%

PROPOSED FY 94-95 REGIONAL PARKS AND EXPO FUND

Major Changes/Issues

Overview

The major change is the existence of this Fund and the Regional Parks and Greenspaces Department, effective January 1, 1994. For purposes of this discussion, I will separate the activities of this department from Expo Center operations, which are managed by MERC. I also use the base budget numbers, rather than the proposed budget. The difference is \$40,020.

REGIONAL PARKS & GREENSPACES

Resources

Total resources are \$4.1 million, a 7.4% increase over 93-94. This includes a \$400,000 "Expo subsidy," which is listed in the Department's budget submittal but does not track through the Expo budget.

Other significant revenue points:

- Transfer of \$466,000 from the Multnomah County Natural Areas Fund (\$0 in 93-94). This is itemized as enterprise revenue because it's listed as "contract revenue."
- Enterprise revenues increase 21.2%, from \$1.56 million to \$1.89 million. This figure includes the \$466,000 transfer noted above; without this transfer, enterprise revenues show a decrease of 8.6%.
- Intergovernmental revenues increase from \$169,000 to \$416,000, almost exclusively from an increase in R.V. registration fee revenue that passes through Multnomah County.
- Grant revenues are down, reflecting expenditures of U.S. Fish & Wildlife grants from prior years.
- and a \$114,000 transfer from the Planning Fund is not continued.

Overall, it is difficult to track the revenues generated by the Multnomah County facilities, separate from revenues generated by (or dedicated to) the Greenspaces program. I will request clarification of this revenue split from the Department in the course of the budget process.

Expenditures

Operating expenditures increase marginally (1.8%), without including transfers and contingency. Personal Services increases 3.8%; Materials & Services is down \$300,000 (15%), while Capital Outlay increases \$300,000 (470%). A comparison of interfund transfers would be misleading at this point because transfers are budgeted at the Fund level, not by

program, and because there is not enough history to draw valid conclusions. The major readily identifiable change in expenditures is some \$300,000 set aside for land purchases, using money from the Natural Areas Trust Fund.

EXPO CENTER

Resources

Budgeted resources show an increase of \$33,000 (2.1%), to total \$1.58 million. No fund balance is separated for Expo, so I can't tell how much money is carried over from the County. There are also no interest earnings budgeted. The three major revenue categories of rental, concessions, and parking show significant increases (an aggregate increase of \$163,000, or 12%), while the "other" category decreases 54.5%. Some further justification of the shifts in revenues will be requested.

Expenditures

Personal Services increases \$113,000 (30%), with an increase from 8.5 to 11.7 FTE (38%). Materials & Services decreases slightly, and Capital decreases 10%. Total operating expenditures increase 7.1%.

Beyond the basic numbers, there are several questions that arise regarding where the Expo money goes. The issue of fund balance and interest earnings has already been raised. In addition, there is a discrepancy in budgeted figures for Unappropriated Balance: MERC's budget worksheets for Expo show an unappropriated balance of \$155,715, while the proposed budget has only \$55,715 in that category for the entire Fund.

Issues

The Fund and management structures established to assimilate the Multnomah County facilities contain a number of administrative problems that need to be worked out. It is awkward to split the management of this Fund between MERC and the Regional Parks and Expo Department, as shown in the discrepancy in the unappropriated balance figures. It would also be helpful to have clearer documentation of the sources of funds, between the Multnomah County facilities and programs and the Greenspaces programs. This issue was alluded to at the Regional Facilities Committee's briefing from the Department, where Councilors questioned the emphasis on the programs of the facilities in Multnomah County. Also, it should be determined whether the significant shifts in major revenue sources are attributable to normal fluctuations resulting from the transfer of programs from Multnomah County, or are some of these sources actually volatile?

The principal issue, however, is the question of finding funds for greenspaces acquisition and ongoing operations for the parks and open spaces. Work is actively proceeding on this question, and a determination of whether - and when - to put forth a bond measure should be made late this fiscal year or early in 94-95.

A final issue for the budget process is the proposed add packages in the budget. There are four "restore packages" totalling \$40,000 in the Fund's budget, which represent the difference between the "base" and "proposed" budgets. There are also five "add" or "decision" packages totalling \$189,000, representing additions above the proposed budget. These will be determined in the budget process.

SMITH & BYBEE LAKES TRUST FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	1,987,040	1,289,064	3,328,952	158.2%
Grants	0	140,000	65,000	-53.6%
Intergov'tl Transfers	0	1,300,000	0	-100.0%
Donations & Bequests	0	47,000	0	-100.0%
Interest	76,800	48,000	87,201	81.7%
Interfund Transfer	15,045	18,700	24,601	31.6%
Other	83	0	0	0.0%
TOTAL RESOURCES	2,078,968	2,842,764	3,505,754	23.3%
REQUIREMENTS				
Personal Services	56,665	65,623	82,652	25.9%
Materials & Services	71,415	504,950	161,230	-68.1%
Capital Outlay	313,289	450,000	221,000	-50.9%
Transfers	5,000	18,700	25,429	36.0%
Contingency	0	80,000	13,717	-82.9%
Unappropriated Balance	1,632,599	1,723,491	3,001,726	74.2%
TOTAL REQUIREMENTS	2,078,968	2,842,764	3,505,754	23.3%
TOTAL FTE		1	1.5	50.0%

SMITH & BYBEE LAKES TRUST FUND

Major Changes/Issues

Resources

The fund balance increases by \$2 million over 93-94 budget, and \$1.7 million over the actual 93-94 fund balance. The increase is \$1.6 million over the budgeted 93-94 ending fund balance. Other revenues decrease from 93-94, most notably \$1.3 million budgeted in 93-94 as "contract services (intergovernmental agreement)."

Expenditures

Personal Services increases with the requested addition of a half-time management intern at a cost of \$10,700. Materials & Services decreases 68%, with the reduction of Miscellaneous Professional Services from 485,000 to \$140,000. Capital Outlay decreases 50% to \$221,000. Contingency is down 83 % from \$80,000 to \$13,700, and the unappropriated balance is budgeted at \$3 million.

Issues

There are no significant issues. Some line item changes will need further explanation, and the question of adding the half-time position will need to be discussed.

METROPOLITAN GREENSPACES FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Donations & Bequests	0	1,000,000	1,000,000	0.00%
TOTAL RESOURCES	0	1,000,000	1,000,000	0.00%
REQUIREMENTS				
Capital Outlay	0	1,000,000	1,000,000	0.00%
TOTAL REQUIREMENTS	0	1,000,000	1,000,000	0.00%
TOTAL FTE		0	0	0.00%

Casey Short

PROPOSED FY 94-95 METROPOLITAN GREENSPACES FUND

Major Changes/Issues

This Fund was created in FY 1991-92 for acquisition of open spaces using money raised through a bond measure or major capital contributions. It has not yet received such funds, but is being held in case such funds are raised. Budgeted appropriation is \$1 million, dependent on funding.

REGIONAL PARKS TRUST FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance			297,516	
Interest			10,803	
Other			70,000	
TOTAL RESOURCES	0	0	378,319	
REQUIREMENTS				
Personal Services	0		0	
Materials & Services			65,988	
Capital Outlay			0	
Transfers			3,960	
Unappropriated Balance			308,371	
TOTAL REQUIREMENTS	0	0	378,319	
TOTAL FTE		0	0	

Casey Short

PROPOSED FY 94-95 REGIONAL PARKS TRUST FUND BUDGET

Major Changes/Issues

This new Fund comes over from Multnomah County with the transfer of the parks. It contains four accounts dedicated to specific programs. Budgeted expenditures from the accounts are quite small, and there are no issues to raise. A discussion of the specifics of the Fund will be included in staff's Phase I review.

MERC ADMINISTRATION FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	0	0	0	
Interest	7,419	8,000	6,500	-18.8%
Interfund Transfer	739,868	619,740	633,612	2.2%
Other	333	0	0	
TOTAL RESOURCES	747,620	627,740	640,112	2.0%
REQUIREMENTS				
Personal Services	738,602	500,240	487,462	-2.6%
Materials & Services	9,018	47,500	112,650	137.2%
Capital Outlay	0	0	0	
Contingency	0	80,000	40,000	-50.0%
Unappropriated Balance	0	0	0	
TOTAL REQUIREMENTS	747,620	627,740	640,112	2.0%
TOTAL FTE		8.5	7.5	-11.8%

PROPOSED FY 94-95 MERC ADMINISTRATION FUND BUDGET

Major Changes/Issues

Resources

Funding for the MERC Administration Fund comes almost exclusively from transfers from other MERC Funds. Total resources increase slightly (2%), with increases in transfer amounts coming from the Convention Center (10.3%) and Expo (5.0%), and a decrease from Spectator Facilities (-9.2%).

Consistent with a Budget Note in the 93-94 budget, MERC has developed a methodology for calculating the transfers to this Fund. The exception is the Expo transfer, which has no history on which to base a transfer amount. Expo's transfer was simply increased 5% over 93-94, with the expectation that a basis for the transfer will be included in 1995-96.

Expenditures

Total budgeted expenditures increase 2% above 1993-94, including contingency. Without contingency, the increase is 9.6%.

Personal Services expenditures are reduced 2.5%, reflecting the elimination of one Accountant position. Total FTE are reduced from 8.5 to 7.5. The 94-95 personnel budget for this Fund represents considerable stability in comparison with the prior year, when the structure of MERC's administrative operation was in flux, awaiting a new General Manager.

Materials & Services increase 137%, from \$47,500 to \$112,650. MERC explains this increase by saying this is a more realistic calculation of these costs than in prior years. This explanation is plausible on its face, though we should see some corresponding reductions in relevant expenditures in the constituent Funds.

Contingency is budgeted at \$40,000, a 50% reduction from 93-94. The 93-94 amount, however, included \$10,000 for the original contingency amount plus \$70,000 from Expo. The Expo amount was placed in Contingency because the transfer of the facility was not complete when the budget was adopted. Since there has never been an expenditure from this Fund's contingency, the \$40,000 amount may be subject to reduction.

OCC OPERATING FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	6,469,663	6,795,416	8,202,133	20.7%
Enterprise Revenue	6,223,946	6,269,636	7,008,787	11.8%
Interest	260,993	275,000	285,657	3.9%
Intergov't Transfer - Hotel tax	3,823,297	3,720,000	4,180,000	12.4%
TOTAL RESOURCES	16,777,899	17,060,052	19,676,577	15.3%
REQUIREMENTS				
Personal Services	2,672,238	3,126,813	3,584,037	14.6%
Materials & Services	4,990,939	6,142,647	5,980,334	-2.6%
Capital Outlay	187,168	248,000	370,000	49.2%
Transfers	753,222	1,170,142	2,459,830	110.2%
<i>Support Services</i>	<i>315,726</i>	<i>452,805</i>	<i>515,428</i>	<i>13.8%</i>
<i>Building Management</i>	<i>0</i>	<i>40,500</i>	<i>54,336</i>	<i>34.2%</i>
<i>MERC Administration</i>	<i>232,036</i>	<i>313,351</i>	<i>345,511</i>	<i>10.3%</i>
<i>OCC Renewal/Replacement</i>	<i>0</i>	<i>178,000</i>	<i>1,400,000</i>	<i>686.5%</i>
<i>Other</i>	<i>185,486</i>	<i>185,486</i>	<i>144,555</i>	<i>-22.1%</i>
Contingency	0	500,000	475,000	-5.0%
Unappropriated Balance	8,174,332	5,872,450	6,807,376	15.9%
TOTAL REQUIREMENTS	16,777,899	17,060,052	19,676,577	15.3%
TOTAL FTE		90.2	97.33	7.9%

PROPOSED FY 94-95
OREGON CONVENTION CENTER OPERATING FUND BUDGET

Major Changes/Issues

Resources

Budgeted resources are projected to increase 15.3% over 1993-94, but this amount of increase is misleading. The actual beginning fund balance in 1993-94 was \$8.17 million, some \$1.4 million higher than the budgeted figure.

Enterprise revenues are budgeted at 11.8% over 93-94 budgeted figures, and 12.6% over 92-93 actuals. We can expect the current year's earned revenues to be higher than budgeted, but the increase in such income is declining as the facility approaches capacity.

Hotel/motel tax revenues are projected at \$4.18 million, a 12.4% increase over 93-94 budget and a 9.3% increase over 92-93 actuals. The figure for 94-95 does not include the proposed diversion of \$600,000 in hotel/motel taxes to support the PCPA. If this reallocation is approved, we would see the OCC revenue figure decreased by this amount.

Expenditures

Personal Services shows an increase of 14.6%, with an FTE increase of 7.1 positions (7.9%). The only issue here would be whether increases in staff continue to be justified in light of the flattening of revenues.

Materials & Services shows a 2.6% decrease over the amount in the 93-94 amended budget. However, the current year's budget for this category includes the one-time payment of \$722,000 for the Convention Center Local Improvement District, which Council approved in October, 1993. Deducting this payment from the 93-94 budget shows an increase of 10.3% for next year.

Capital Outlay increases 49%, from \$248,000 to \$370,000. Some justification for this increase will be requested.

Transfers show a 110% increase. The principal cause is a requested transfer of \$1.4 million to the OCC Renewal & Replacement Fund, in an effort to get that reserve up to the target level of \$2.5 million as soon as possible. The increase of 13.8% in the Support Services transfer is large, and there is also an increase in the Building Management transfer related to Metro Regional Center garage use.

The Unappropriated Balance establishes a new "Business Stabilization & Facilities Planning Account" of \$4.2 million, which is intended as a reserve against economic downturns.

Overall, the 94-95 budget shows a net loss of \$1.4 million in this Fund, which is, coincidentally, equal to the transfer to Renewal and Replacement. The Fund has no short-term problems, and management is prudently setting money aside for reserves. The long term picture is not quite so rosy, and will require careful oversight to ensure continued financial health.

Included in the increase is \$200,000 for the minority marketing program, which was not included in the 93-94 budget. (OCC staff expects that \$150,000 of this contract's cost in the current year will require a budget adjustment to transfer that money from contingency.)

SPECTATOR FACILITIES OPERATING FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	4,901,496	3,867,491	2,689,598	-30.5%
Enterprise Revenue	6,138,191	5,870,000	5,260,778	-10.4%
Interest	186,484	154,000	110,383	-28.3%
Interfund Transfer	200,000	0	0	0.0%
TOTAL RESOURCES	11,426,171	9,891,491	8,060,759	-18.5%
REQUIREMENTS				
Personal Services	3,846,579	4,043,979	3,965,886	-1.9%
Materials & Services	2,065,068	2,297,150	1,766,059	-23.1%
Capital Outlay	384,242	530,000	250,000	-52.8%
Transfers	608,977	668,157	626,980	-6.2%
Support Svcs	212,616	290,186	320,231	10.4%
Building Management	0	0	0	0.0%
MERC Administration	239,532	236,389	214,601	-9.2%
Other	156,829	141,582	92,148	-34.9%
Contingency	0	305,037	182,000	-40.3%
Unappropriated Balance	4,521,305	2,047,168	1,269,834	-38.0%
TOTAL REQUIREMENTS	11,426,171	9,891,491	8,060,759	-18.5%
TOTAL FTE		129.25	126.72	-2.0%

CIVIC STADIUM

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE BUDGET</i>
RESOURCES				
Fund Balance	1,633,832	1,392,296	893,230	-35.8%
Enterprise Revenue	1,766,930	2,320,000	1,610,720	-30.6%
Interest	72,837	50,000	35,383	-29.2%
TOTAL RESOURCES	3,473,599	3,762,296	2,539,333	-32.5%
REQUIREMENTS				
Personal Services	537,014	654,861	587,478	-10.3%
Materials & Services	1,096,325	1,399,435	1,032,429	-26.2%
Capital Outlay	76,884	350,000	250,000	-28.6%
Transfers	156,475	230,130	145,757	-36.7%
<i>Support Svcs</i>		97,416	74,207	-23.8%
<i>Building Management</i>		0	0	
<i>MERC Administration</i>		87,647	50,295	-42.6%
<i>Other</i>		45,067	21,255	-52.8%
Contingency	0	100,000	82,000	-18.0%
Unappropriated Balance	1,606,901	1,027,870	441,669	-57.0%
TOTAL REQUIREMENTS	3,473,599	3,762,296	2,539,333	-32.5%
TOTAL FTE		20.28	15.88	-21.7%

PERFORMING ARTS CENTER

	<i>FY92-93 ACTUAL</i>	<i>FY93-94 ADOPTED BUDGET</i>	<i>FY94-95 PROPOSED BUDGET</i>	<i>% CHANGE BUDGET</i>
RESOURCES				
Fund Balance	3,267,664	2,475,491	1,796,368	-27.4%
Enterprise Revenue	4,371,261	3,550,000	3,650,058	2.8%
Interfund Transfer	200,000	0	0	
Interest	113,647	104,000	75,000	-27.9%
TOTAL RESOURCES	7,952,572	6,129,491	5,521,426	-9.9%
REQUIREMENTS				
Personal Services	3,309,565	3,389,118	3,378,408	-0.3%
Materials & Services	968,743	897,715	733,630	-18.3%
Capital Outlay	307,358	180,000	0	-100.0%
Transfers	452,502	452,893	476,164	5.1%
<i>Support Svcs</i>		192,770	242,422	25.8%
<i>Building Management</i>		0	0	
<i>MERC Administration</i>		163,608	164,306	0.4%
<i>Other</i>		96,515	69,436	-28.1%
Contingency	0	205,037	100,000	-51.2%
Unappropriated Balance	2,914,404	1,004,728	833,224	-17.1%
TOTAL REQUIREMENTS	7,952,572	6,129,491	5,521,426	-9.9%
TOTAL FTE		108.97	110.84	1.7%

PROPOSED FY 94-95 SPECTATOR FACILITIES OPERATING FUND BUDGET

Major Changes/Issues

Resources

The Fund Balance continues to shrink. The reduction is \$1.2 million (30.5%) from budgeted 93-94 beginning balance, and \$1.8 million (40.5%) from the actual balance. Enterprise revenue at the Fund level is also down 10% from budget. Total resources are down next year 18.5% from budget.

CIVIC STADIUM - The loss of the Portland Beavers AAA baseball franchise has cut into the 1993-94 revenue stream and significantly affects projected 94-95 revenues. Current year's revenues will be down from budget (by an amount not yet determined), and next year's projections show reductions in the 30% range from 93-94 budget. These projections for 94-95 are based on the assumption that AAA baseball will be back in the spring of 1995, so the absence of baseball would make the revenue picture even worse.

PCPA - Enterprise revenues hold steady with 93-94 budget. The revenue problem at PCPA is that enterprise revenue cannot support the operations, and the fund balance declines. Even with mid-year reductions this year, PCPA will run \$1.3 million in the red.

Expenditures

Operating expenditures show a reduction of 12.3%, from \$7.54 million to \$6.61 million. Personal Services reductions are small (1.9%), with large reductions in Materials & Services (23%) and Capital Outlay (52.8%). Overall, the interfund transfers are down 6%, even with a 10% increase in the transfer to Support Services.

CIVIC STADIUM - All expenditure categories are down, ranging from a 10% decrease in Personal Services to a 37% decrease in Interfund Transfers. These reductions reflect the loss of AAA baseball, and as noted above, will be even greater if AAA baseball does not return in 1995.

Even with the reductions, half the fund balance allocated to Civic Stadium will be used in 94-95. The apparent conclusion here is that another year of status quo operations would exhaust the available resources. MERC management has advised the Regional Facilities Committee that a decision on AAA baseball will be made by the end of March, and MERC will return to the Council for further guidance on Stadium operations if there is not a commitment from the owner of the Calgary baseball team.

PCPA - Noteworthy changes in expenditures include:

Personal Services expenditures are static, and FTE's increase slightly (addition of 7 FTE in part-time staff offset reductions of 5 FTE in full-time).

The 18% decrease in Materials & Services is principally in the area of marketing and promotional activities.

No capital outlay is budgeted.

Interfund transfers increase 5%, including a 26% increase to Support Services.

ISSUES

The ongoing problem of funding the PCPA has now extended to Civic Stadium, with the loss of baseball. At current expenditure levels, the Spectator Facilities Fund will be exhausted by the end of 1995-96 (if not sooner). MERC is working to find additional revenues through a concert series at the Stadium and a number of alternatives

at PCPA identified in its business planning process. It is apparent, though, that these efforts won't be enough to sustain the facilities: a source of subsidy must be found.

There is a proposal being discussed which would culminate in Multnomah County amending its hotel/motel tax ordinance to allow \$600,000 to be dedicated to PCPA operations for three years. This money, in conjunction with parallel efforts to reduce the annual PCPA deficit to that \$600,000 amount beginning in 1995-96, is needed for PCPA, but there are still details to be worked out with the proposal. Among those are the questions of subsidy for the Stadium (or for making hotel tax funds available for the MERC system as a whole), and a potential restriction on transfer payments that is in the current proposal.

Civic Stadium is aging, and serious thought must be given to the question of how long it can stay open. Even if baseball returns, or another way is found to make ends meet, the \$1.3 million cost of replacing the artificial surface in the next few years now appears to be beyond MERC's or Metro's means.

In addition to the broader issues, there are a couple of short-term budget issues for 1994-95:

- Is it prudent to eliminate the capital budget for PCPA?
- Is it acceptable to concentrate the PCPA cuts on promotions and marketing? (Many of these cuts are being implemented in the current fiscal year.)
- Revenue projections and the capital budget at the Stadium are based on the presence of AAA baseball in 1995. Should the budget be based on such an uncertainty?

OCC RENEWAL AND REPLACEMENT FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance		0	690,000	N/A
Interest		27,000	25,000	-7.4%
Interfund Transfer		678,000	1,400,000	106.5%
TOTAL RESOURCES	0	705,000	2,115,000	200.0%
REQUIREMENTS				
Unappropriated Balance		705,000	2,115,000	200.0%
TOTAL REQUIREMENTS	0	705,000	2,115,000	200.0%
TOTAL FTE		0	0	

PROPOSED FY 94-95 OCC RENEWAL & REPLACEMENT FUND

Major Changes/Issues

Resources

The budgeted resources for this Fund increase 200% over 93-94, reflecting a large contribution of \$1.4 million from the Convention Center Operating Fund, and the carryover of existing funds from the current year.

Requirements

This Fund is a reserve for major capital replacement and improvements at the Convention Center. It is not going to be needed for this purpose in 1994-95, so all the money sits in the Unappropriated Balance.

Issues

None.

OCC PROJECT CAPITAL FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	4,522,822	2,640,000	1,371,260	-48.1%
Interest	154,044	60,000	47,995	-20.0%
Other	157,375	0	0	0.0%
TOTAL RESOURCES	4,834,241	2,700,000	1,419,255	-47.4%
REQUIREMENTS				
Personal Services	32,760	33,240	37,694	13.4%
Materials & Services	1,341,102	39,500	22,500	-43.0%
Capital Outlay	562,623	1,483,340	689,351	-53.5%
Transfers	93,094	605,920	49,710	-91.8%
<i>Support Services</i>	<i>84,405</i>	<i>103,712</i>	<i>49,710</i>	<i>-52.1%</i>
<i>Building Management</i>	<i>7,117</i>	<i>0</i>	<i>0</i>	<i>0.0%</i>
<i>OCC Renewal/Replacement</i>	<i>0</i>	<i>500,000</i>	<i>0</i>	<i>-100.0%</i>
<i>Other</i>	<i>1,572</i>	<i>2,208</i>	<i>0</i>	<i>-100.0%</i>
Contingency	0	0	100,000	n/a
Unappropriated Balance	2,804,662	538,000	520,000	-3.3%
TOTAL REQUIREMENTS	4,834,241	2,700,000	1,419,255	-47.4%
TOTAL FTE		0.5	0.5	0.0%

PROPOSED FY 94-95 CONVENTION CENTER PROJECT CAPITAL FUND

Major Changes/Issues

Resources

This Fund contains residual money from the bond issue and other funding sources used to pay for construction of the Convention Center. Resources consist solely of the fund balance and interest, and the Fund gets smaller every year as the money is used for eligible capital projects. Total resources are down 47%, reflecting expenditures on projects in 1993-94.

Expenditures

Personal Services is up 13%, although it covers the same FTE as last year. Materials & Services is reduced 43%, as some of the relevant expenditures were made on specific projects last year. The reduction also marks the change from Regional Facilities Department management to MERC management of the Fund, as MERC is not including many of the small line item costs here.

Capital Outlay is down 53.5%, reflecting the smaller fund balance which results from completion of certain purchases and projects. Interfund transfers are down 92%, with the major change being the elimination of a \$500,000 transfer to the OCC Renewal & Replacement Fund. This transfer was made as part of the complicated multi-Fund transfer to pay the Local Improvement District assessment early in FY 93-94.

The Fund includes a contingency of \$100,000, and an unappropriated balance of \$520,000, the latter being a reserve for a future arbitrage payment.

Issues

There are two issues with this Fund. The first concerns the LID payment made in 1993-94. Putting it as simply as I can, the OCC Operating Fund made the full payment of \$722,000, with the Capital Fund then transferring \$500,000 to the Renewal & Replacement Fund in an effort to partially cover the budgeted transfer to the R&R Fund. The difference of \$222,000 could probably be reimbursed to the Operating Fund with the money remaining in this Fund. The reason to do this would be to preserve flexibility, as the Capital Fund is restricted to certain expenditures, and the Operating Fund is more open.

The second issue is somewhat related. This Fund continues to have transfers to Support Services assessed, in amounts of \$66,000 in 93-94 and \$49,000 in 94-95. The sooner this Fund is spent out, leaving only the arbitrage reserve, the less it will have to pay out in transfers, resulting in bond proceeds going more directly for the purposes intended.

OCC PROJECT DEBT SERVICE FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	1,594,247	3,304,674	2,959,694	-10.4%
Property Taxes	5,647,910	4,954,680	5,425,210	9.5%
Other	29,561	0	0	
Interest	67,422	40,000	50,000	25.0%
TOTAL RESOURCES	7,339,140	8,299,354	8,434,904	1.6%
REQUIREMENTS				
Personal Services	0	0	0	
Materials & Services	0	0	0	
Capital Outlay	0	0	0	
Debt Service	3,924,401	5,530,803	5,542,640	0.2%
Unappropriated Balance	3,414,739	2,768,551	2,892,264	4.5%
TOTAL REQUIREMENTS	7,339,140	8,299,354	8,434,904	1.6%
TOTAL FTE		0	0	0.0%

PROPOSED FY 94-95 CONVENTION CENTER DEBT SERVICE FUND

Major Changes/Issues

Resources

Fund balance decreases 10%, from \$3.3 million to \$2.96 million. Property taxes increase 9.5%, from \$4.95 million to \$5.42 million.

Expenditures

The debt service payment is in accordance with the debt service schedule, and unappropriated balance must equal or exceed the payment scheduled for July 1. Fluctuations are small, reflecting marginal changes in interest earnings and property tax collections.

Issues

There are no real issues with this Fund. The only question I would raise is why the property tax levy is increasing \$470,000 over the prior year.

COLISEUM OPERATING FUND

	<i>FY 92-93 ACTUAL</i>	<i>FY 93-94 ADOPTED BUDGET</i>	<i>FY 94-95 PROPOSED BUDGET</i>	<i>% CHANGE</i>
RESOURCES				
Fund Balance	0	1,000,000	180,000	-82.0%
Enterprise Revenue	10,883,397	0	0	
Interest	60,935	0	0	
TOTAL RESOURCES	10,944,332	1,000,000	180,000	-82.0%
REQUIREMENTS				
Personal Services	3,092,967	0	0	
Materials & Services	6,327,756	1,000,000	180,000	-82.0%
Capital Outlay	72,542	0	0	
Transfers	693,137	0	0	
<i>Support Svcs</i>	<i>251,513</i>			
<i>MERC Administration</i>	<i>268,300</i>			
<i>Other</i>	<i>173,324</i>			
Contingency	0	0	0	
Unappropriated Balance	757,930	0	0	
TOTAL REQUIREMENTS	10,944,332	1,000,000	180,000	-82.0%
TOTAL FTE		0	0	

PROPOSED FY 94-95 COLISEUM OPERATING FUND BUDGET

Major Changes/Issues

Discussion

This Fund was created in 1993-94 to settle any outstanding liabilities from Metro's operation of Memorial Coliseum prior to its returning to City of Portland responsibility. Metro and the City agreed to reserve \$300,000 of Coliseum funds to pay such claims. Following closure of all outstanding claims, any remaining funds will be paid to the City.

Estimated beginning fund balance is \$180,000, which is appropriated in the Insurance line item.

There are a few questions to ask about the nature of settled and outstanding claims against this Fund, but there are no major issues for the Council to consider.

Council
3/10/94
4-1

MINUTES OF THE METRO COUNCIL

February 24, 1994

Council Chamber

Corrected
3/10/94

Councilors Present: Presiding Officer Judy Wyers, Deputy Presiding Officer Ed Washington, Richard Devlin, Jim Gardner, Mike Gates, Sandi Hansen, Jon Kvistad, Ruth McFarland, Susan McLain, Rod Monroe, Terry Moore and George Van Bergen

Councilors Absent: Roger Buchanan

Also Present: Executive Officer Rena Cusma

Presiding Officer Wyers called the regular meeting to order at 4:00 p.m.

1. INTRODUCTIONS

None.

2. CITIZEN COMMUNICATIONS TO THE COUNCIL ON NON-AGENDA ITEMS

None.

3. EXECUTIVE OFFICER COMMUNICATIONS

Executive Officer Cusma presented the proposed FY 1994-94 Budget and Appropriations Schedule (copy of her speech filed with the record of this meeting).

Executive Officer Cusma noted a letter she received from David Green, citizen, 545 SW Maplecrest Drive, Portland, and read it for the record (filed with the record of this meeting). She said Mr. Green had responded to the February 19 Oregonian story in the "Metro" section on Metro as a whole and said he applauded Metro's efforts to increase citizen communications via computer networks.

Executive Officer Cusma and the Council briefly discussed budget particulars further based on whether a 6 or 7 percent excise tax would be imposed. Executive Officer Cusma distributed her February 24, 1994, memorandum to the Metro Council, "FY 1994-95 Decision (Add) Packages." She said the memorandum had "add" packages not included in the Proposed FY 1994-95 Budget, but that should be considered for inclusion in the final budget if funding for same was achieved.

4. CONSENT AGENDA

4.1 Minutes of January 27 and February 10, 1994

Motion: Councilor Hansen moved, seconded by Councilor Gates, for adoption of the Consent Agenda.

Vote: Councilors Gardner, Gates, Hansen, Kvistad, McFarland, Monroe, Moore, Van Bergen, Washington and Wyers voted aye. Councilors Buchanan, Devlin and McLain were absent. The vote was 10/0 and the Consent Agenda was adopted.

5. ORDINANCES, FIRST READINGS

5.1 Ordinance No. 94-535, For the Purpose of Adopting the Annual Budget for Fiscal Year 1994-95, Making Appropriations and Levying Ad Valorem Taxes; and Declaring an Emergency (Public Hearing)

The Clerk read Ordinance No. 94-535 for a first time by title only.

Presiding Officer Wyers announced that per Oregon Budget Law, ORS 294.401, any citizens wishing to do so could testify on Metro's proposed FY 1994-95 budget at this time.

Presiding Officer Wyers opened the public hearing

No persons present appeared to testify and the public hearing was closed.

Presiding Officer Wyers announced the Council would hold an informational workshop on the proposed budget on Saturday, February 26, at Metro Regional Center, Room 370, and said members of the public were welcome to attend.

5.2 Ordinance No. 94-531, For the Purpose of Amending Metro Code Chapter 5.02 to Adjust Disposal Fees Charged at Metro Solid Waste Facilities, Provide for Special Exemptions from Fees and Establish Covered Load Rebates

The Clerk read the ordinance for a first time by title only.

Presiding Officer Wyers announced Ordinance No. 94-531 had been referred to the Solid Waste Committee for consideration.

6. NON-REFERRED RESOLUTIONS

Motion to Suspend the Rules: Councilor Gates moved, seconded by Councilor Van Bergen, to suspend the Council's rules requiring resolutions be referred by committee so that the Council as a whole could consider Resolution Nos. 94-1899 and 94-1907.

Vote on Motion to Suspend: Councilors Gardner, Gates, Hansen, McFarland, McLain, Monroe, Moore, Van Bergen, Washington and Wyers voted aye. Councilors Buchanan, Devlin and Kvistad were absent. The vote was 10/0 and the motion to suspend the rules passed.

6.1 Resolution No. 94-1899, For the Purpose of Accepting a Sixth Group of Nominees to the Metro Committee for Citizen Involvement (Metro CCI)

Motion: Councilor Van Bergen moved, seconded by Councilor Gardner, for adoption of Resolution No. 94-1899.

Councilor Van Bergen explained the resolution would fill three vacancies on the Metro Committee for Citizen Involvement (MCCI); or, one regular member and alternate from District 5, and one alternate from District 10.

There was no Councilor discussion or questions.

Vote: Councilors Gardner, Gates, Hansen, McFarland, McLain, Monroe, Moore, Van Bergen, Washington and Wyers voted aye. Councilors Buchanan, Devlin and Kvistad voted aye. The vote was 10/0 and Resolution No. 94-1899 was adopted.

6.2 Resolution No. 94-1907, For the Purpose of Establishing a "Metro Regional Hazard Mitigation Awards Program" to: (1) Recognize Excellence in the Design and Construction of Buildings to Reduce the Risk to Public Health and Safety from Seismic Hazards; (2) Recognize Special Effort by Private or Public Agencies to Reduce Risks to the Public or to the Work Force Through Non-Structural Mitigation Measures; and (3) Honor Individuals Who Have Demonstrated Deep and Consistent Commitment to Improving the Community's Emergency Preparedness Capability

Motion: Councilor Van Bergen moved, seconded by Councilor Gates, for adoption of Resolution No. 94-1907.

Councilor Van Bergen explained the resolution would establish an awards program under Metro's auspices to recognize those who had worked to reduce potential damage in emergencies and that it was geared primarily towards earthquake preparedness.

The Council briefly discussed the issues. They discussed what structural damage was, what committee should oversee the awards program, and why. Councilor Gates said the Governmental Affairs Committee was responsible for intergovernmental relations and therefore should oversee the program, and Councilor Moore believed the work called for should be covered by the Planning Committee.

Vote: Councilors Gardner, Gates, Hansen, McFarland, McLain, Monroe, Moore, Van Bergen, Washington and Wyers voted aye. Councilors Buchanan, Devlin and Kvistad were absent. The vote was 10/0 and Resolution No. 94-1907 was adopted.

7.1 Resolution No. 94-1905, For the Purpose of Amending the FY 1994 Transportation Improvement Program to Allocate Funds to Support the Oregon Transportation Finance Committee Public Outreach Program

Motion: Councilor Monroe moved, seconded by Councilor Hansen, for adoption of Resolution No. 94-1905.

Councilor Monroe gave the Planning Committee's report and recommendations. He explained the resolution would allocate \$8,700 in regional STP funds to assist lobbying efforts for the next multi-modal transportation funding package before the 1995 State Legislature. He said STP funds had been used for this purpose in the past.

Vote: Councilors Gardner, Gates, Hansen, McFarland, McLain, Monroe, Moore, Van Bergen, Washington and Wyers voted aye. Councilors Buchanan, Devlin and Kvistad were absent. The vote was 10/0 and Resolution No. 94-1905 was adopted.

7.2 Resolution No. 94-1900, For the Purpose of Endorsing the NW 112th Linear Park for Funding as Part of ODOT Region 1 Priorities for Transportation Enhancement Funding in the 1995-1998 Transportation Improvement Program

Motion: Councilor McLain moved, seconded by Councilor Van Bergen, for adoption of Resolution No. 94-1900.

Councilor McLain gave the Planning Committee's report and recommendations and noted supporting documents printed in the agenda packet. She said it was still felt that the Joint Policy Advisory Committee on Transportation (JPACT) and the Council were not communicating clearly enough on pivotal issues. She said Resolution No. 94-1900 focussed only on the Linear Park project, which was part of a larger package, but said the project had been controversial to-date.

Councilor Moore said the project in question was not a park, but was a pathway through a park. Councilor McLain said the project's title had also been a source of debate, but that it was the project's official title at this time.

METRO COUNCIL

February 24, 1994

Page 4

Presiding Officer Wyers opened a public hearing.

Patricia Miller, MCCI member, 11165 NW Cornell Road, Portland, said she wanted to state that the Council was responsible for clarifying the criteria on this project only. She said the only public process activity on the project to-date had been a Washington County open house which displayed a model of the project which she said was misleading to citizens. She said the open house and model did not answer questions on use, safety, access or connection to light rail. Ms. Miller distributed copies of her February 17 memorandum to the Planning Committee, "Resolution 94-1900 Linear Park," and discussed the same. She said the public information process had not been adequate and said the MCCI would work on that issue. She discussed the proposed physical parameters of the path, and said as written, they were unsafe. She said it was unclear if the path would be deeded to the Tualatin Valley Recreation Association or not.

Mike Borreson, Washington County Department of Land Use & Transportation, reviewed deed details and said the facility in question would be deeded to the Tualatin Valley Recreation Association.

Councilor Gardner and Mr. Borreson discussed where the pathway would connect with light rail. Councilor Monroe asked if the parkway area would be used to widen the highway and delete the parkway and bikeway. Mr. Borreson said the County did not plan to widen the highway and was why they wanted to deed it over and make the project a park. Councilor Moore discussed the physical specifications of one corner in detail and said it contained no provisions for a sidewalk. Councilor Moore said the project in question was a pathway and referred to the minority report she filed at the October 28 Council meeting for Resolution No. 94-1858B which listed four reasons to send the resolution/issues back to JPACT and TPAC for further consideration. She said the main issue related to the ranking of the project compared to other regional projects. She said she did not hear during testimony that adequate technical analysis had been done. She said neither TPAC or JPACT performed necessary analysis of technical ranking. She said the public process had been examined, but the reasons for returning the project were not. She said she would have been supportive of the project if her questions had been properly answered.

Councilor Gardner said a primary issue was whether or not the project would be built within the 1995-98 TIP project list. He said the project would provide amenities for the neighborhood but did not serve true transportation purposes. He expressed concern also about the public process procedures used to-date. He said JPACT had promised to hold a public hearing, but canceled one scheduled for December 1993. He said the public process had been violated and that he would vote nay on the resolution also.

Councilor Kvistad said the resolution only involved one project which Planning, JPACT, and TPAC had all reviewed and approved numerous times. He said it had been referred back to JPACT for further work, but said the Council was not responsible for what JPACT did or did not do. He said Metro staff had done an excellent job and that citizens had been given the opportunity to give input.

Councilor McLain said the Council should approve the resolution based on whether or not the Council believed the criteria would enhance intermodal transportation in the region. She said Metro was developing citizen involvement standards and that Washington County would have to meet them in the future. She said she asked JPACT about the public hearing they canceled. She said it was unfortunate that JPACT had canceled the December public hearing, but said that JPACT had taken testimony on the issues on two other occasions.

Vote: Councilors Devlin, Gates, Kvistad, McFarland, McLain, Monroe, Van Bergen, Washington and Wyers voted aye. Councilors Gardner, Hansen and Moore voted nay. Councilor Buchanan was absent. The vote was 9/3 in favor and Resolution No. 94-1900.

7.3 Resolution No. 94-1892, For the Purpose of Revising Chapter 5 of the Regional Solid Waste Management Plan and Adjusting Tonnages at Metro Facilities

Councilor Monroe gave the Solid Waste Committee's report and recommendations. He explained the resolution was meant to provide for a comprehensive revision of the Regional Solid Waste Management Plan (RSWMP) as it related to the development and regulation of solid waste disposal and recycling facilities in the region; provide Council support for the implementation of a plan to divert a minimum of 60,000 tons per year from Metro South Station (MSS) to Metro Central Station (MCS); and establish a five-year moratorium on new large-scale transfer stations. He said RSWMP revisions would be completed by the end of 1994 and implementation of the tonnage diversion would be completed by July 1, 1994.

Councilor McLain said the resolution would limit the RSWMP and offered no flexibility and said she could not support it. Councilor Devlin said he could support the resolution except for the language contained in Be It Resolved Section No. 4. Councilor Moore concurred and said it was important to address the different types of waste processed at transfer stations also. Councilor Monroe said language in Be It Resolved Section No. 4 had been misinterpreted and said it referred larger facilities with tonnage over a certain amount. Councilor McLain said review of Chapter 5 was necessary at this time. She concurred with Councilor Gardner's statement that it was as easy to impose a moratorium as it was to take it off. She said Metro was currently renegotiating its contract with Oregon Waste Systems (OWS) and other contract negotiations were coming up. She said it was premature to adopt the resolution at this time. Councilor Kvistad concurred with Councilor McLain.

Motion to Amend: Councilor Devlin moved, seconded by Councilor Hansen, to amend Resolution No. 94-1892 by deleting Be It Resolved Section No. 4 language as follows: ~~[That it is the Metro Council's intent that no new transfer stations, as defined in Metro Code Section 5.01.010(u), with a capacity of over 75,000 tons per year shall be franchised for a period of five years from the date of approval of this resolution.]~~

Councilor Monroe opposed the motion to amend and concurred with Councilor Gardner's comments. Councilor Gates said the idea was to move more tonnage from MSS to MCS. He said MSS was in his district and he would vote for the amendment. Councilor Devlin said the resolution presupposed there would be no other major solid waste facilities built.

Vote on Motion to Amend: Councilors Devlin, Gates, Hansen, Kvistad, McLain and Moore voted aye. Councilors Gardner, McFarland, Monroe, Van Bergen, Washington and Wyers voted aye. Councilor Buchanan was absent. The vote was 6/6 and the motion to amend failed to pass.

Vote on Main Motion: Councilors Gardner, Gates, McFarland, Monroe, Washington and Wyers voted aye. Councilors Devlin, Hansen, Kvistad, McLain, Moore and Van Bergen voted nay. The vote was 6/6 and Resolution No. 94-1892 was not adopted.

Councilor McFarland said the Solid Waste Committee would review the issues again and try to propose a workable solution.

Presiding Officer Wyers recessed the Metro Council and convened the Contract Review Board to consider Agenda Item Nos. 7.4, 7.5 and 7.6.

7.4 Resolution No. 94-1894, For the Purpose of Authorizing an Exemption to the Competitive Procurement Procedures of Metro Code Chapter 2.04.053 and Authorizing a Change Order to Design Services Agreement with Parametrix, Inc.

Motion: Councilor Hansen moved, seconded by Councilor McFarland, for adoption of Resolution No. 94-1894.

Councilor Hansen gave the Regional Committee's report and recommendations. She said the resolution would authorize work to close St. Johns Landfill (SJL) subareas 4 and 5 with the final subarea to go through bid next year.

There were no Council discussion or questions.

Vote: Councilors Devlin, Gardner, Gates, Hansen, Kvistad, McFarland, McLain, Monroe, Moore, Van Bergen, Washington and Wyers voted aye. Councilor Buchanan was absent. The vote was 12/0 and Resolution No. 94-1894 was adopted.

7.5 Resolution No. 94-1920, For the Purpose of Rejecting an Appeal by Rollins & Greene Builders, Incorporated, of the Award of a \$361,150 Contract to Remodel the Research Building at the Metro Washington Park Zoo and Authorizing the Executive Officer to Execute the Agreement with Lonigan Construction Company

Motion: Councilor McFarland moved, seconded by Councilor Hansen, for adoption of Resolution No. 94-1920.

Councilor McFarland gave the Solid Waste Committee's report and recommendations. She explained that two companies had presented bids, the low bidder had been accepted, but it was decided that both bidders were marginally unresponsive and had some errors in their bid documents. She said they resubmitted their bids within two days and the losing bidder appealed per Metro Code language that stated minor irregularities could be waived. She said the Committee decided Lonigan was the more responsive bidder and awarded the contract to that company.

Vote: Councilors Devlin, Gardner, Gates, Hansen, Kvistad, McFarland, McLain, Monroe, Moore, Van Bergen, Washington and Wyers voted aye. Councilor Buchanan was absent. The vote was 12/0 and Resolution No. 94-1920 was adopted.

Councilor Van Bergen asked if the plaintiff could sue Metro. General Counsel Dan Cooper said the plaintiff had 60 days to ask the Circuit Court for review. He said the issue at hand was a discretionary one for the Council to decide.

7.6 Resolution No. 94-1909, For the Purpose of Waiving Competitive Bidding and Authorizing a Design-Build Contract with Ray Mendez for a Naked Mole Rat Exhibit

Motion: Councilor Washington moved, seconded by Councilor Devlin, for adoption of Resolution No. 94-1909.

Councilor Washington gave the Regional Facilities Committee's report and recommendations.

Councilor McFarland said the contract was sole-source because there was only one contractor nationally who was able to fulfill specifications for naked mole rat quarters.

The Council as a whole discussed naked mole rats further.

Councilor Hansen noted the contractor had developed a concrete the naked mole rat could not chew through and also could breed in successfully. She said also that naked mole rats were indigenous to Africa, were burrowing animals, and

needed a hot, humid habitat. She said they had a similar social structure to that of a bee colony and had a naked mole rat queen.

Councilor Van Bergen asked what the source of funding for the project was and asked what other Zoo project had been cut back to do so.

Casey Short, Senior Council Analyst, explained that building the naked mole rat exhibit had not caused other projects to be cut back or delayed. He said completion of work at the Elephant Interpretive Center had been cut back to wait for some survey results and that two other projects at the Zoo had been cut back separately and independently from the Naked Mole Rat Exhibit. He said Zoo staff had not answered whether or not there would be other costs related to the Naked Mole Rat Exhibit. Councilor Van Bergen asked if the exhibit was being funded out of contingency. Mr. Short said it would be funded from the Design & Services Zoo line item. He said the contract was before the Council for consideration because it was sole source, but said the project had already been approved in the budget.

Vote: Councilors Devlin, Gardner, Gates, Hansen, Kvistad, McFarland, McLain, Monroe, Moore, Washington and Wyers voted aye. Councilor Van Bergen voted nay. Councilor Buchanan was absent. The vote was 11/1 in favor and Resolution No. 94-1909 was adopted.

8. COUNCILOR COMMUNICATIONS AND COMMITTEE REPORTS

Councilor McLain thanked Metro staff for their presentations at the Council work session on the 2040 Program. She said the work session had been excellent and was glad to see citizens in attendance.

Councilor Hansen discussed alternative efforts to fund maintenance of pioneer cemeteries, noted a task force would meet soon to discuss the issues, and asked Councilors to provide any suggestions on same.

Councilor McFarland said she attended a meeting on February 23 on the MERC business plan. She said it was not finished, but said it appeared to be a worthy document.

Councilor Kvistad asked when Councilors could tour newly added Metro facilities. Councilor Hansen said the Regional Facilities Committee had visited the Expo Center, but said a tour of other facilities would not be scheduled until the weather improved.

Councilor Van Bergen said he did not object to Resolution No. 94-1909 because it was sole source, but because it should have been covered as an item under the budget and not as a resolution.

Councilor Van Bergen said he did not like the comments made earlier at this meeting about JPACT's conduct in 1993 when considering the 112th Linear Park project. He said he had acted as chair of JPACT in good faith. Councilor Moore said she had not referred to JPACT's conduct in 1993, but to JPACT's most recently held meeting and its lack of response to the concerns she had expressed on the project.

Councilor Gardner said he could not attend the Council Budget Workshop scheduled for February 26 until 12:00 and asked why its starting time had been changed from the previously-agreed upon time 12:00 p.m. to 10:00 a.m. The Council discussed the changed start date.

Don Carlson, Council Administrator, reviewed the auditor's work on public affairs activities to-date.

All business having been attended to, Presiding Officer Wyers adjourned the regular meeting at 6:08 p.m.

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Respectfully submitted,

Paulette Allen
Clerk of the Council
MCMIN94.055

Council
3/10/94
7.5

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 94-1908A, FUNDING SECOND-YEAR METROPOLITAN GREENSPACES EDUCATION GRANTS PROGRAM

Date: March 9, 1994

Presented by: Councilor Hansen

COMMITTEE RECOMMENDATION: At its March 2, 1994 meeting the Regional Facilities Committee voted 4-0 to recommend Council adoption of Resolution No. 94-1908A. Voting in favor were Councilors Hansen, McFarland, Moore, and Washington. Councilor Gates was absent.

COMMITTEE DISCUSSION/ISSUES: Senior Regional Planner Ron Klein presented the staff report. He said the resolution would authorize the awarding of \$59,000 in grants to specific groups for specific projects, based on recommendations of the grant committee. He added that there was an amendment proposed to the resolution, which merely put the various attachments and exhibits in proper order.

Councilor Moore pointed out that up to \$64,260 is authorized for this grant program in the 1993-94 budget, but only \$59,000 is recommended for award. Mr. Klein said the lower amount represents those applications that met the criteria set for the program, which emphasizes hands-on learning. Councilor Moore noted that of the total available, \$54,260 is from a U.S. Fish & Wildlife grant, and \$10,000 is excise tax money. She asked how the funds were proposed to be spent, based on the sources. Mr. Klein said all the grant money will be spent, with the remaining \$4,740 being excise tax funds. In response to a question from Councilor Moore, Planning and Capital Development Manager Pat Lee said the remaining \$5,260 is uncommitted, and would either be available for projects this fiscal year or carried over into next fiscal year as part of the beginning balance in the General Fund. He added that the remaining \$5,260 is not included in the department's 1994-95 budget request. Councilor Moore said she wanted to see the entire appropriation spent on education grants. Mr. Klein said the department could review the grants that were partially funded to see if some could qualify for more funding, but he noted that letters advising of the recommended award amounts had already been sent. Charles Ciecko, Regional Parks & Greenspaces Department Director, said the Executive Officer had requested departments to try to save up to 3% of General Fund dollars in 1993-94 in order to bolster the 94-95 fund balance. He said he didn't know how the money in question here would fit into that, and added that the department has made no recommendations on this issue, but he wanted to advise the committee of that development.

Councilor Moore encouraged staff to prepare press packets for this item, to be ready when Council acts on it.

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 94-1918A, ENTERING INTO A MEMORANDUM OF UNDERSTANDING WITH THE FRIENDS OF FOREST PARK FOR RECEIPT OF A LAND DONATION AND RELATED EASEMENTS

Date: March 8, 1994.

Presented by: Councilor McFarland

COMMITTEE RECOMMENDATION: At its March 2, 1994 meeting the Regional Facilities Committee voted 4-0 to recommend Council adoption of Resolution No. 94-1918A. Voting in favor were Councilors Hansen, McFarland, Moore, and Washington. Councilor Gates was absent.

COMMITTEE DISCUSSION/ISSUES: Senior Regional Planner Nancy Chase presented the staff report. She explained that this resolution would authorize a Memorandum of Understanding (MOU), anticipating donation of a 38-acre parcel of land in northwest Multnomah County from the Friends of Forest Park. Much of the land is old growth forest. She said a management plan for use of the property needs to be developed, and \$17,500 for development of that plan is proposed for the 1994-95 budget; the plan should be completed in the coming fiscal year if funding is approved.

Councilor McFarland said this is a very important issue, as it sets a pattern for future use and management of such lands. The effect of this action will last longer than the lifetime of anyone here now. She moved the resolution, amending it to reflect that it will be Metro, not the Regional Parks and Greenspaces Department, that will be party to the MOU with the Friends of Forest Park.

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 94-1912, CORRECTING THE LEGAL DESCRIPTION OF REAL PROPERTY INTERESTS TRANSFERRED TO TRI-MET TO ALLOW CONSTRUCTION OF THE WESTSIDE LIGHT RAIL LINE INCLUDING A STATION TO SERVE THE METRO WASHINGTON PARK ZOO AND MODIFICATIONS TO THE PARKING LOT

Date: March 9, 1994

Presented by: Councilor Moore

COMMITTEE RECOMMENDATION: At its March 2, 1994 meeting the Regional Facilities Committee voted 4-0 to recommend Council adoption of Resolution No. 94-1912. Voting in favor were Councilors Hansen, McFarland, Moore, and Washington. Councilor Gates was absent.

COMMITTEE DISCUSSION/ISSUES: Executive Assistant Don Rocks presented the staff report. He said the Council had earlier approved a resolution allowing Tri-Met access to areas in the Zoo parking lot, for construction purposes. Resolution 94-1912 is a technical document, changing the footprint of the area originally provided for construction. The change became necessary after construction got underway on the Westside light rail project. All four parties with an interest in the parking lot (Metro, City of Portland, World Forestry Center, and OMSI) must agree to the change for it to become effective. He said this item does not relate to discussions concerning the design of the parking lot and its future use; that item will be brought to Council at a later time.

Councilor Moore asked for clarification of the nature of the various supporting documents, which Mr. Rocks provided. There was no further committee discussion. Following committee approval, Chair Hansen asked for this item to be placed on the Council's consent agenda.

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 94-1923, CONFIRMING THE REAPPOINTMENT OF MITZI SCOTT TO THE METROPOLITAN EXPOSITION-RECREATION COMMISSION

Date: March 9, 1994

Presented by: Councilor Washington

COMMITTEE RECOMMENDATION: At its March 2, 1994 meeting the Regional Facilities Committee voted 4-0 to recommend Council adoption of Resolution No. 94-1923. Voting in favor were Councilors Hansen, McFarland, Moore, and Washington. Councilor Gates was absent.

COMMITTEE DISCUSSION/ISSUES: Executive Assistant Don Rocks presented the staff report and introduced Ms. Scott. Ms. Scott said she has been working on issues related to public trade and spectator facilities since 1978. She said she regards the position on MERC as a public trust and takes it very seriously. She said there are three projects she wants to see to fruition. First is completion and implementation of the MERC business plan. Second is the Expo Center, which she sees as a tremendous opportunity. Third is the arts and resolution of the funding problem, which will allow the region to maximize the potential of the PCPA.

There was no committee discussion.

REGIONAL FACILITIES COMMITTEE REPORT

RESOLUTION NO. 94-1919, ESTABLISHING A PROCESS FOR CONSIDERING AND EXECUTING OPTIONS TO PURCHASE LAND FOR THE REGIONAL PARKS AND GREENSPACES SYSTEM

Date: March 8, 1994

Presented by: Councilor Moore

COMMITTEE RECOMMENDATION: At its March 2, 1994 meeting the Regional Facilities Committee voted 4-0 to recommend Council adoption of Resolution No. 94-1919. Voting in favor were Councilors Hansen, McFarland, Moore, and Washington. Councilor Gates was absent.

COMMITTEE DISCUSSION/ISSUES: Senior Regional Planner Nancy Chase presented the staff report. She said the purpose of the resolution is to establish a process for Metro to respond in a speedy and businesslike manner to property owners in considering whether to purchase options for regional greenspaces. The proposed process would allow waiver of the eight-day filing period preceding Regional Facilities Committee meetings, and allow the Committee, and subsequently the Council, to consider offers in executive session.

Councilor Moore asked whether Council had to announce the results of its executive session deliberations immediately following the executive session. Pat Lee, Planning & Capital Development Manager, said the relevant documents would become public information following executive session, and the Council could choose to accept or reject the offer or refer it to receive public comment. Councilor Moore wanted to be sure this process would not violate the terms of the public meetings law, including provisions for proper notice, public record of votes, and opportunity for public testimony.

Councilor McFarland reiterated Councilor Moore's concerns, saying the public process must be observed. Councilor Washington suggested counsel should be available to address these issues when Council considers this item.