



METRO

**METROPOLITAN SERVICE DISTRICT**

527 SW. HALL ST., PORTLAND, OR. 97201, 503/221-1646

**MEMORANDUM**

Date: January 12, 1981

To: Metro Council

From: Rick Gustafson *Rick*

Regarding: attached statement

Attached is a copy of the statement I will be using in my meetings today with members of the press. I have also included a copy of the executive order I issued outlining the curtailments which went into effect yesterday.

The staff positions which have been cut (and are not enumerated in the statement) are the senior fiscal analyst, the policy development officer (vacant), and two secretarial positions.

Statement on Metro budget      January 12, 1982

As you know, we have experienced problems in our accounting department as we worked to develop a system to give us quick and accurate reporting on our revenues and expenditures.

Late last week, I received preliminary information from our outside audit which indicated that if we continue to expend our FY 82 budget at the current rate, we would end the year with a \$200,000 deficit.

Effective immediately, I am eliminating four positions, sharply curtailing expenditures for materials and services, and instituting a freeze on travel and tight controls on filling vacancies that occur.

These control measures will be carefully monitored to assure that they are producing the necessary savings. If they are not, I will take additional steps as necessary.

The final audit report will not be ready until next month, but I feel it is necessary to move quickly to begin to bring our budget into balance. If the final audit reveals the need for further savings, I have identified an additional \$100,000 through personnel changes.

I am confident the steps I have outlined will accumulate the savings needed to balance our budget.

To put the budget problem in perspective, we are about 5 percent out of balance on a general fund budget of \$4 million. Metro's total budget for this year is \$37 million.

I want to emphasize that this problem only affects our general fund. The two major funds -- Zoo and Solid Waste -- appear to be in control. No problems in those fund balances have been revealed in the preliminary audit figures we have to date.

The problems in our general fund resulted from three factors: (1) revenues were less than anticipated; (2) some expenses were higher than expected; and (3) because of problems with our accounting system, we were not receiving timely reports on our various accounts. As a result, we did not have an accurate picture of last year's fund balance until we received the preliminary audit figures.

My goals in taking the action I've outlined to balance the budget are three-fold:

First, to meet our legal responsibility to end the fiscal year with a balanced budget.

Second, to minimize the impact on our professional staff.

And third, to continue at the highest level of service possible within the resources available.



**METROPOLITAN SERVICE DISTRICT**  
527 S.W. HALL ST., PORTLAND, OR. 97201, 503/221-1646

EXECUTIVE ORDER NO. 9


Effective Date: January 11, 1982

Subject: FY '82 Budget Controls

Because of an anticipated shortfall in our FY '82 General Fund Budget, the following actions will take effect immediately:

- 1) A freeze on travel expenditures from non-grant general fund; any grant travel must have prior approval of Executive Officer with full documentation;
- 2) A freeze on all meal reimbursements from the general fund;
- 3) Positions which become vacant will not be filled except after Executive Officer review;
- 4) All merit increases will be delayed until July 1, 1982;
- 5) A freeze on all non-grant funded tuition; any grant funded tuition must have prior approval of Executive Officer with full documentation;
- 6) A freeze on all non-grant funded overtime compensation;
- 7) Executive Officer approval on all RFPs and final award for contractual services, both grant and non-grant funded;
- 8) Centralized approval for all non-grant funded expenditures.

ORDER by the Executive Officer this 11th day of January, 1982.

  
Rick Gustafson, Executive Officer



METRO

METROPOLITAN SERVICE DISTRICT  
527 SW. HALL ST., PORTLAND, OR. 97201, 503/221-1646

## MEMORANDUM

Date: July 29, 1982  
To: Metro Council  
From: Rick Gustafson, Executive Officer  
Regarding: Metro Financial Management Report

This memo is in response to your request for an evaluation and report on our fiscal management situation and needs. You asked during the budget process to report to you by July 31, 1982.

As a result of the work of your Special Task Force on Fiscal Management and the 1982-83 budget process, we have restructured the fiscal management system at Metro. The Management Services Department has been abolished and the Department of Finance and Administration has been created. There are three divisions in the Finance and Administration Department, including Budget & Administrative Services, Accounting, and Data Processing. The restructuring has put the accounting function on an equal par with the budget function and has placed the data processing function in a "neutral" position so it can independently serve the primary users, Transportation and Accounting. The organization chart for the Department of Finance and Administration is attached as Exhibit "A". As indicated, the Deputy Executive Officer serves as the department head and the division managers include Chum Chitty, Accounting; Jennifer Sims, Budget & Administrative Services; and Keith Lawton, Data Processing.

The status report on our fiscal management situation can be divided into two parts--work being performed on the 1981-82 fiscal year and work being performed on the current fiscal year, 1982-83.

### 1981-82 Fiscal Year

We have just completed an intensive five-month effort of restructuring our fiscal information while tightly monitoring revenue and expenditures, particularly for the General Fund. During this time, we have prepared monthly revenue and expenditure reports, a supplemental budget and a revised schedule of appropriations. We are now preparing for our 1981-82 Audit. You have selected Coopers & Lybrand to conduct our audits for the next three years. Coopers has established a schedule for completion of the Audit by September 30, 1982. In

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July 29, 1982  
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order for that schedule to be met, we must supply them with a list of records by August 16, 1982. The full list of records we must submit to Coopers is attached as Exhibit "B".

Because a timely audit is crucial for the financial management of our current year budget (1982-83), we have made a strong commitment to meeting Coopers August 16 date. This commitment includes the expenditure of \$12,000 in 1981-82 (April & May) for two senior level accountants from Peat, Marwick and Mitchell to work on the Zoo and Solid Waste funds, the immediate filling of a vacant Senior Accountant (Solid Waste) position, and more currently, the retention of two senior level accountants--one from Peat, Marwick and Mitchell and the other from Coopers & Lybrand--to assist in the preparation of the schedules required by our auditors (see Exhibit "C"). The final financial statements will be available by August 16.

#### 1982-83 Fiscal Year

The focus of the current fiscal year is timely financial reporting. Our pledge to the Council is to establish and maintain a budget and accounting system which is capable of providing timely and accurate fiscal reports to the Council.

In this regard, we have restructured the basic fund accounts for simplicity's sake (separated the Planning Fund from the General Fund and established separate funds for pass-through grants in Transportation and Criminal Justice). We have greatly simplified the Chart of Accounts and have worked hard to bring the Chart of Accounts together with the budget document. We have spent considerable time instructing the department heads and their fiscal assistants on use of the Chart of Accounts in coding transactions.

I have issued Executive Order No. 12, attached as Exhibit "D", which will serve as a guide for our administrative fiscal management program this year. Basically, department heads will be responsible for staying within the expenditure plan approved by the Council. To the extent that funds can be shifted administratively within line item accounts, prior approval must be obtained from the Budget Officer and Accounting must be informed of the change for recording purposes. Our effort will be on consciously deciding to alter the approved expenditure plan and keeping a record of it at the time the change takes place. It is our plan to follow the recommendation of the Finance Task Force and provide timely and accurate financial reports to the Council. Initially, we will focus on providing the following reports:

Combined Schedule of Cash and Investments (monthly)

Statement of Actual and Estimated Revenue and Appropriations and Expenditures (monthly)

Balance Sheets (quarterly)

Schedule of Open Grant Projects (monthly)

Projected Revenue and Expenditures (at mid-year and nine months)

### Recommendations

The Council has asked that I make recommendations at this time regarding further actions. The following are my recommendations and actions:

1. I have assigned the duties, functions and responsibilities of chief financial officer to the Deputy Executive Officer for a period of four months (July 1, 1982 to October 30, 1982). As such, he will serve as head of the Finance and Administration Department. I recommend and ask Council concurrence in a salary increase for the Deputy for this same time period from his existing salary of \$2,950 per month to \$3,334 per month. Such salary increase can be funded within the existing Personal Services appropriation to the Executive Management Department.
2. I will take action to provide the timely and accurate financial reports to the Council as outlined above.
3. I am committed to take such necessary actions to complete the 1981-82 Audit on schedule.
4. I recommend and will ask that your Special Task Force on Fiscal Management be reconvened at a time after completion of Metro's Audit schedules (after August 16, 1982) but prior to mid-October to review our fiscal situation.
5. I will prepare an updated fiscal management report to the Council by October 30, 1982 taking into account:
  - a. the advice from the Task Force on Fiscal Management;
  - b. the results of the Audit including the Letter to Management from the auditors; and

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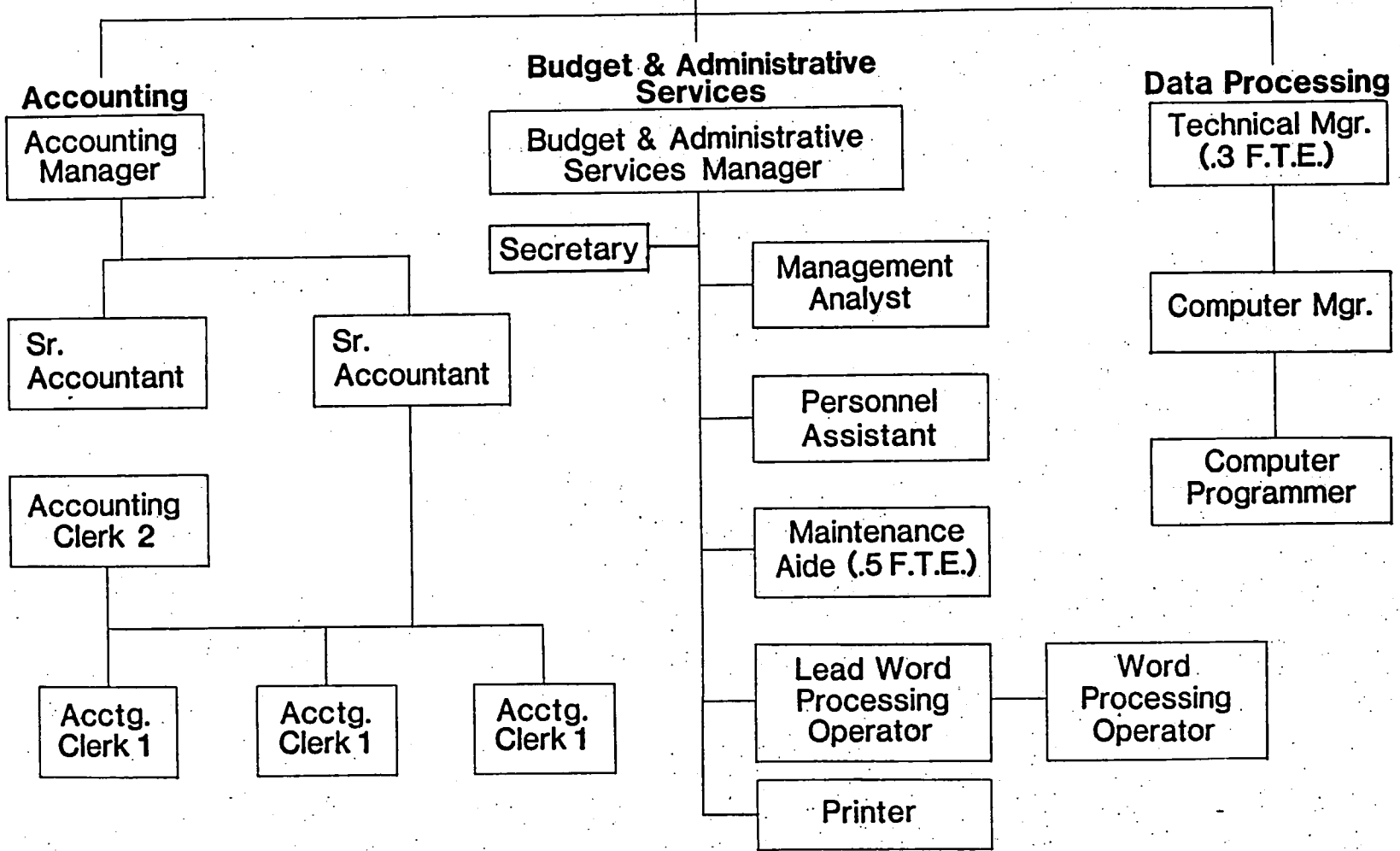
- c. the experience with our financial reports to Council.

This report and the recommendations contained herein will be put on the August 16 Council Coordinating Committee agenda. If you have any comments or suggestions prior to that date, please let me know.

RG/DC/gl  
6409B/D4



DEPUTY EXECUTIVE OFFICER



Because we have committed to an audit report delivery date of September 30, Metro must have its books ready to be closed and the following schedules accurately prepared for our use by August 16. Any variation from the above requirements would prevent timely delivery of our report. The schedules we expect Metro to prepare are as follows:

1. Comparative trial balances by funds with revenue and expenditure accounts by budget function category. The trial balances, of course, must agree to the general ledger.
2. Reconciliation of all bank accounts to general ledger.
3. Schedules supporting the following accounts in the general ledger: accounts receivable (aged), accounts payable, accrued expenses, retainage payable, investments, inventories.
4. Schedule of changes in fixed assets and depreciation for the year with additions reconciled to capital outlay expenditures.
5. Schedules by grant indicating:
  - . Overhead rate computation with supporting detail agreed to general ledger.
  - . Grant awards summary updated for any 1981-82 awards.
  - . Receivable at June 30, 1981, cash receipts, reimbursable expenditures and receivable at June 30, 1982.
  - . Detail of grant reimbursable expenditures agreed to general ledger, final grants approved budget, and last fiscal 1981-82 billing to grants.
  - . Drawdowns on letters of credit supported by necessary documentation.

6. Schedule for each pass-through grant indicating:

- . Grant awards and changes during 1981-82.
- . Change in balance sheet items from beginning to end of year.
- . Resources and expenditures.

7. Miscellaneous schedules including:

- . Interest income for year allocated by fund.
- . Changes of debt and accrued interest payable from beginning to ending balance.
- . Vacation payable by fund agreed to supporting detail.
- . Changes in restricted assets and liabilities from beginning to ending balance with itemization of changes.
- . Commitments at June 30, 1982.
- . Changes in membership dues receivable from beginning to ending balance by member.
- . Budget appropriations, with itemization by modification for supplemental budgets and/or transfers.

Our fee is also predicated on Metro providing us with all necessary Council resolutions, ordinances and minutes, contracts, payroll records, paid and unpaid invoices, insurance policies, the 1982-83 budget document, cash receipt records and other documents necessary to complete the audit.



METROPOLITAN SERVICE DISTRICT  
527 SW. HALL ST., PORTLAND, OR 97201 503-221-1646

## MEMORANDUM

Date: July 14, 1982  
To: Don Carlson, Deputy Executive Officer  
From: Chum Chitty, Manager of Accounting *me*  
Regarding: Preparation of FY 1982 Audit Schedules

At our meeting on July 8, 1982, we discussed the Accounting Department's present status in the preparation of audit schedules requested by Coopers & Lybrand on August 16, 1982. You have indicated that this schedule must be met! I agree.

To ensure this time table, however, I request two additional accountants be hired for about three weeks. The estimated cost of a qualified person would be about \$2,000 to \$2,500. These individuals will be assigned the following tasks:

1. Schedule of changes in fixed assets and depreciation with the year's additions reconciled to capital outlay.
2. Reconciliation of accrued expenses (payroll and withholdings) from period ending 6/30/82 reports to the General Ledger.
3. Preparation of comparative trial balances.
4. Changes in restricted assets and liabilities.

As we have discussed, funding for this contract service is available in the Accounting Department's FY 1983 budget. If you would like to discuss this further, please let me know.

CC/srb  
6363B/D3

cc: Cindy Banzer  
Craig Berkman  
Charlie Williamson

EXECUTIVE ORDER NUMBER 12

EFFECTIVE DATE: July 1, 1982

SUBJECT: FISCAL MANAGEMENT FOR FISCAL YEAR 1982-83.

Because of the need to effectively manage Metro's fiscal affairs, the following actions and responsibilities will take effect on July 1, 1982:

- 1) Department Heads are responsible for monitoring their respective budgets to assure that sufficient revenues are received to cover appropriated expenditures. Department Heads will report immediately to the Dept. of Finance and Administration any changes in budgeted revenues. It shall be the responsibility of the Dept. of Finance and Administration to monitor the revenue receipts for the General Fund.
- 2) Expenditures for departments and/or divisions (programs in the case of the Solid Waste Operating Fund) shall stay within the specific line item amount included within the adopted FY1982-83 Budget. No expenditures of funds will be made which exceeds the budgeted line item amounts. Changes in budgeted line items are authorized only with approval of the Budget Officer. It shall be the responsibility of the Budget Officer to inform the Accounting Manager of the line item change immediately upon approval.
- 3) To assist Department Heads in managing their budgets and appropriations, it shall be the responsibility of the Dept. of Finance and Administration to supply monthly line item revenue and expenditure reports to the respective Department Heads. The format and distribution of such reports shall be substantially similar to that as indicated on the following attachments.

Executive Order  
No. 12  
July 1, 1982

- 4) In cases where an employee is supervised by a Department Head different from the funding department, the timesheet will be signed by two (2) Department Heads. The supervising department will verify work performed and the funding department will verify that funds are available and that the change is allowable. Department Heads are responsible for notifying Accounting when dual signatures are required. Accounting is responsible for verifying that all required signatures are on the timesheet prior to paying the employee.

\_\_\_\_\_  
Rick Gustafson  
Executive Officer

\_\_\_\_\_  
Date



METROPOLITAN SERVICE DISTRICT  
527 SW. HALL ST., PORTLAND, OR. 97201, 503/221-1646

## MEMORANDUM

Date: August 26, 1982  
To: Metro Council  
From: Jennifer Sims *JS* Manager of Budget and Administrative Services  
Regarding: July, 1982, Revenue and Expenditure Report  
All Funds

The attached materials comprise the revenue and expenditure report for July, 1982. The report covers all Metro funds which are:

|               |                                     |
|---------------|-------------------------------------|
| General       | Solid Waste Operating               |
| Planning      | Solid Waste Capital                 |
| Zoo Operating | Solid Waste Department Service      |
| Zoo Capital   | Transportation Technical Assistance |
| Drainage      | Criminal Justice Assistance         |

ERF funds have been excluded.

Note that beginning fund balances have not yet been established. Also, July interest revenue \$68,229 has not been allocated by fund. These figures will be displayed in the August report. Target percentages for revenues and expenditures are indicated although these should only be used as guides.

Your comments and suggestions on the format and presentation of this information are encouraged.

JS/cjv

TABLE A  
GENERAL FUND  
REVENUES & EXPENDITURES  
FY 1982-83

| Source                              | Budget        | Received<br>or Billed<br>Through<br>07/31/82 | Percent <sup>1</sup><br>Received<br>or Billed |
|-------------------------------------|---------------|--|---|
| <u>Revenues</u>                     |               |  |   |
| Beginning Fund Balance <sup>3</sup> | 25,700        | -  | -   |
| Dues Assessments                    | 579,070       | 474,468                                      | 81.9  |
| Licenses, Fees & Permits            | 6,400         | 8  | .1  |
| Documents/Publications              | 2,700         | 205  | 7.5   |
| Transfers                           |               |  |   |
| from Zoo Operating                  | 389,252       | 32,438                                       | 8.3   |
| from Solid Waste Operating          | 569,700       | 47,475                                       | 8.3   |
| from Transportation Planning        | 320,619       | 26,718                                       | 8.3   |
| from Development Services           | 81,214        | 5,768  | 8.3   |
| from Criminal Justice Planning      | <u>55,730</u> | <u>4,644</u>                                 | <u>8.3</u>                                    |
| Fund Total                          | 2,030,385     | 660,953                                      | 32.6  |

| Description              | Budget           | July<br>Expenditure | Percent <sup>2</sup><br>Remaining |
|--------------------------|------------------|---------------------|-----------------------------------|
| <u>Expenditures</u>      |                  |                     |                                   |
| Council                  |                  |                     |                                   |
| Personal Services        | 69,514           | 2,533               | 96.4                              |
| Materials & Services     | 49,220           | 4,504               | 90.8                              |
| Capital Outlay           | 0                | 0                   | -                                 |
| Subtotal                 | <u>118,734</u>   | <u>7,037</u>        | <u>94.0</u>                       |
| Executive Management     |                  |                     |                                   |
| Personal Services        | 214,909          | 14,630              | 93.2                              |
| Materials & Services     | 11,420           | 951                 | 91.7                              |
| Capital Outlay           | 0                | 0                   | -                                 |
| Subtotal                 | <u>226,329</u>   | <u>15,581</u>       | <u>93.1</u>                       |
| Finance & Administration |                  |                     |                                   |
| Personal Services        | 428,331          | 30,413              | 92.9                              |
| Materials & Services     | 709,618          | 55,978              | 92.1                              |
| Capital Outlay           | 0                | 0                   | -                                 |
| Subtotal                 | <u>1,137,949</u> | <u>86,391</u>       | <u>92.4</u>                       |
| Public Affairs           |                  |                     |                                   |
| Personal Services        | 191,684          | 13,751              | 92.8                              |
| Materials & Services     | 30,113           | 1,488               | 95.0                              |
| Capital Outlay           | 0                | 0                   | -                                 |
| Subtotal                 | <u>221,797</u>   | <u>15,239</u>       | <u>93.1</u>                       |



| <u>Description</u>              | <u>Budget</u>  | <u>July Expenditure</u> | <u>Percent Remaining</u> |
|---------------------------------|----------------|-------------------------|--------------------------|
| <u>Expenditures - continued</u> |                |                         |                          |
| General Expense                 |                |                         |                          |
| Transfer                        |                |                         |                          |
| to Transportation Planning      | 139,192        | 11,596                  | 91.7                     |
| to Development Services         | 93,114         | 7,759                   | 91.7                     |
| Contingency                     | 93,270         | -                       | -                        |
|                                 | <u>325,576</u> | <u>19,355</u>           | <u>91.7</u>              |
| <br>Fund Total                  | <br>2,030,385  | <br>143,603             | <br>92.9                 |

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<sup>1</sup>Target % received = 8.3%  
<sup>2</sup>Target % remaining = 91.7%  
<sup>3</sup>Fund Balance not confirmed  
6655B/307-1/2

TABLE B  
 PLANNING FUND  
 REVENUES & EXPENDITURES  
 FY 1982-83

| Source                         | Budget        | Received<br>or Billed<br>Through<br>07/31/82 | Percent <sup>1</sup><br>Received<br>or Billed |
|--------------------------------|---------------|--|---|
| <u>Revenues<sup>3</sup></u>    |               |  |   |
| Documents/Publications         | 0             | 75   |   |
| Federal Grants                 | 1,435,628     | 0  | 0   |
| Licenses, Fees, Permits        | 7,000         | 0  | 0   |
| State Grants                   | 82,341        | 0  | 0   |
| Local Grants                   | 90,455        | 0  | 0   |
| Professional Services          | 60,000        | 0  | 0   |
| Transfer                       |               |  |   |
| from General Fund              | 232,306       | 19,356                                       | 8.3   |
| from Criminal Justice Planning | <u>41,732</u> | <u>3,478</u>                                 | <u>8.3</u>                                    |
| Fund Total                     | 1,949,462     | 22,909                                       | 1.2   |

| Description                                    | Budget         | July<br>Expenditure | Percent <sup>2</sup><br>Remaining |
|--|----------------|---------------------|-----------------------------------|
| <u>Expenditures</u>                            |                |                     |                                   |
| Transportation                                 |                |                     |                                   |
| Personal Services                              | 552,877        | 45,556              | 91.8                              |
| Materials & Services                           | 198,970        | 2,236               | 98.9                              |
| Capital Outlay                                 | 1,000          | 0                   | 100.0                             |
| Transfer                                       |                |                     |                                   |
| to Transportation Technical<br>Assistance Fund | 321,700        | 26,808              | 91.7                              |
| to General Fund                                | <u>320,619</u> | <u>26,718</u>       | <u>91.7</u>                       |
| Subtotal                                       | 1,395,166      | 101,318             | 92.7                              |
| Development Services                           |                |                     |                                   |
| Personal Services                              | 212,643        | 13,912              | 93.4                              |
| Materials & Services                           | 106,123        | 93                  | 99.9                              |
| Capital Outlay                                 | 0              | 0                   |                                   |
| Transfer                                       |                |                     |                                   |
| to General Fund                                | <u>81,214</u>  | <u>6,768</u>        | <u>91.7</u>                       |
| Subtotal                                       | 399,980        | 20,773              | 94.8                              |

| <u>Description</u>              | <u>Budget</u>  | <u>July<br/>Expenditure</u> | <u>Percent<br/>Remaining</u> |
|---------------------------------|----------------|-----------------------------|------------------------------|
| <u>Expenditures - continued</u> |                |                             |                              |
| Criminal Justice                |                |                             |                              |
| Personal Services               | 96,086         | 5,605                       | 94.2                         |
| Materials & Services            | 2,500          | 30                          | 98.8                         |
| Capital Outlay                  | 0              | 0                           | 0                            |
| Transfer                        |                |                             |                              |
| to General Fund                 | 55,730         | 4,644                       | 91.7                         |
| Subtotal                        | <u>154,316</u> | <u>10,279</u>               | <u>93.3</u>                  |
| Fund Total                      | 1,949,462      | 132,370                     | 93.2                         |

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- <sup>1</sup>Target % received = 8.3%  
<sup>2</sup>Target % remaining = 91.7%  
<sup>3</sup>Grant billings have not been done.

6655B/307-3/4

TABLE C  
ZOO OPERATING FUND  
REVENUES & EXPENDITURES  
FY 1982-83

| Source                 | Budget           | Received<br>or Billed<br>Through<br>07/31/82 | Percent <sup>1</sup><br>Received<br>or Billed |
|------------------------|------------------|--|---|
| <u>Revenues</u>        |                  |  |   |
| Beginning Fund Balance | 1,110,309        | -  | -   |
| Federal Grants         | 33,500           | 8,500  | 25.4  |
| Taxes, Current Year    | 4,650,000        | 8,456  | .2  |
| Taxes, Prior Year      | 212,237          | 56,876                                       | 26.8  |
| Interest <sup>3</sup>  | 65,000           | -  | -   |
| Concessions, Food      | 731,500          | 138,117                                      | 18.9  |
| Admissions             | 1,015,200        | 181,039                                      | 17.8  |
| Concessions, Gifts     | 192,960          | 35,539                                       | 18.4  |
| Vending                | 7,700            | 339  | 4.4   |
| Rental Strollers       | 15,840           | 2,310  | 14.6  |
| Railroad Rides         | 231,000          | 45,602                                       | 19.7  |
| Tuition/Lectures       | 3,140            | 640  | 20.4  |
| Donations/Bequests     | 44,000           | 6,832  | 15.5  |
| Sale of Animals        | 15,000           | 50   | .3  |
| Sale of Equipment      | 2,000            | 0  | 0   |
| Building Rental        | 700              | 0  | 0   |
| Miscellaneous Income   | 4,000            | 86   | 2.1   |
| <b>Fund Total</b>      | <b>8,334,086</b> | <b>484,386</b>                               | <b>5.8</b>                                    |

| Description            | Budget           | July<br>Expenditure | Percent <sup>2</sup><br>Remaining |
|------------------------|------------------|---------------------|-----------------------------------|
| <u>Expenditures</u>    |                  |                     |                                   |
| Personal Services      | 2,571,958        | 221,210             | 91.4                              |
| Materials & Services   | 1,512,929        | 153,256             | 89.9                              |
| Capital Outlay         | 325,299          | 12,682              | 96.1                              |
| Transfers              |                  |                     |                                   |
| to General Fund        | 389,252          | 32,438              | 91.7                              |
| to Capital Fund        | 2,213,750        | 184,479             | 91.7                              |
| Contingency            | 224,594          | -                   | -                                 |
| Total Appropriations   | 7,347,782        | 604,065             | 91.8                              |
| Unappropriated Balance | 986,304          |                     |                                   |
| <b>Fund Total</b>      | <b>8,334,086</b> |                     |                                   |

<sup>1</sup>Target % received = 8.3

<sup>2</sup>Target % remaining = 91.7

<sup>3</sup>Total interest revenue for all funds is \$68,229. This has not yet been allocated by fund.

TABLE D  
 ZOO CAPITAL FUND  
 REVENUES & EXPENDITURES  
 FY 1982-83

| Source                              | Budget           | Received<br>or Billed<br>Through<br>07/31/82 | Percent <sup>1</sup><br>Received<br>or Billed |
|-------------------------------------|------------------|--|---|
| <u>Revenues</u>                     |                  |  |   |
| Beginning Fund Balance <sup>4</sup> | 1,033,209        | -  | -   |
| Interest <sup>2</sup>               | 103,000          | -  | -   |
| Donations/Bequests                  | 300,000          | 0  | 0   |
| Transfer<br>from Zoo Operating Fund | <u>2,213,750</u> | <u>184,497</u>                               | <u>8.3</u>                                    |
| Fund Total                          | 3,649,959        | 184,497                                      |   |

| Description         | Budget         | July<br>Expenditure | Percent <sup>3</sup><br>Remaining |
|---------------------|----------------|---------------------|-----------------------------------|
| <u>Expenditures</u> |                |                     |                                   |
| Capital Projects    | 3,284,999      | 61,524              | 99.9                              |
| Contingency         | <u>364,960</u> | -                   | -                                 |
| Fund Total          | 3,649,959      | 61,524              | 99.9                              |

<sup>1</sup>Target % received = 8.3%

<sup>2</sup>Total interest revenue for all funds is \$68,229. This has not yet been allocated by fund.

<sup>3</sup>Target % remaining = 91.7%

<sup>4</sup>Fund balance not confirmed.

6655B/307-6

TABLE E  
SOLID WASTE OPERATING FUND  
REVENUES & EXPENDITURES  
FY 1982-83

| Source                               | Budget         | Received<br>or Billed<br>Through<br>07/31/82 | Percent <sup>1</sup><br>Received<br>or Billed |
|--------------------------------------|----------------|--|---|
| <u>Revenues</u>                      |                |  |   |
| Beginning Fund Balance <sup>3</sup>  | 414,300        | -  | 0   |
| Documents/Publications               | 0              | 40   | -   |
| Grants                               | 59,000         | 0  | 0   |
| Disposal Fees-Commercial             | 4,301,550      | 222,958                                      | 5.2   |
| Disposal Fees-Non-Commercial         | 200,000        | 26,280                                       | 3.3   |
| Franchise Fees                       | 900            | 0  | 0   |
| User Fees                            | 1,300,000      | 101,176                                      | 7.8   |
| Salvage Revenue                      | 5,500          | 0  | 0   |
| Interest <sup>4</sup>                | 60,000         |  |   |
| Transfer from<br>Solid Waste Capital | <u>566,735</u> | <u>47,228</u>                                | <u>8.3</u>                                    |
| Fund Total                           | 7,507,985      | 397,682                                      | 5.3   |
| <u>Expenditures</u>                  |                |  |   |
| Description                          | Budget         | July<br>Expenditure                          | Percent <sup>2</sup><br>Remaining             |
| Personal Services                    | 684,133        | 48,478                                       | 92.9  |
| Materials & Services                 | 4,460,189      | 51,871                                       | 98.8  |
| Capital Outlay                       | 52,835         | 0  | 100.0   |
| Transfer                             |                |  |   |
| to General Fund                      | 569,700        | 47,475                                       | 91.7  |
| to Solid Waste Debt Service          | 810,200        | 134,401                                      | 83.4  |
| to Solid Waste Capital               | 344,000        | 0  | 100.0   |
| Contingency                          | <u>586,928</u> | <u>-</u>                                     | <u>-</u>                                      |
| Fund Total                           | 7,507,985      | 282,225                                      | 96.2  |

<sup>1</sup>Target % received = 8.3

<sup>2</sup>Target % remaining = 91.7

<sup>3</sup>Fund Balance not confirmed

<sup>4</sup>Total interest revenue for all funds is \$68,229. This has not yet been allocated by fund.

6655B/307-7

TABLE G

SOLID WASTE DEBT SERVICE FUND  
REVENUES & EXPENDITURES  
FY 1982-83

| Source                                 | Budget  | Received<br>or Billed<br>Through<br>07/31/82 | Percent <sup>1</sup><br>Received<br>or Billed |
|--|---------|--|---|
| <u>Revenues</u>                        |         |  |   |
| Transfer<br>from Solid Waste Operating | 810,200 | 134,401                                      | 16.6  |
| Fund Total                             | 810,200 | 134,401                                      | 16.6  |
| Description                            | Budget  | July<br>Expenditure                          | Percent <sup>2</sup><br>Remaining             |
| <u>Expenditures</u>                    |         |  |   |
| Principal Payments                     | 352,000 | 30,000                                       | 91.5  |
| Interest Payments                      | 458,200 | 104,401                                      | 77.2  |
| Fund Total                             | 810,200 | 134,401                                      | 83.4  |

<sup>1</sup>Target % received = 8.3  
<sup>2</sup>Target % remaining = 91.7  
6655B/307-9

TABLE F  
SOLID WASTE CAPITAL FUND  
REVENUES & EXPENDITURES  
FY 1982-83

| Source                              | Budget           | Received<br>or Billed<br>Through<br>07/31/82 | Percent <sup>1</sup><br>Received<br>or Billed |
|-------------------------------------|------------------|--|---|
| <u>Revenues</u>                     |                  |  |   |
| Beginning Fund Balance <sup>4</sup> | 3,087,750        | -  |   |
| State Grants                        | 709,510          | 0  |   |
| Interest <sup>2</sup>               | 100,000          | -  |   |
| Loan Proceeds                       | 8,251,900        | 1,157,700                                    | 14.0  |
| Transfers                           |                  |  |   |
| from Solid Waste Operating          | 344,000          | 28,667                                       | 8.3   |
| from ERF Construction               | <u>1,069,572</u> | <u>0</u>                                     | <u>0</u>                                      |
| Fund Total                          | 3,087,750        | 1,188,349                                    | 38.5  |

| Description              | Budget           | July<br>Expenditure | Percent <sup>3</sup><br>Remaining |
|--------------------------|------------------|---------------------|-----------------------------------|
| <u>Expenditures</u>      |                  |                     |                                   |
| Clackamas Center         |                  |                     |                                   |
| Land                     | 35,000           | 858                 |                                   |
| Construction             | 3,430,000        | 0                   |                                   |
| Engineering Design       | 200,000          | 0                   |                                   |
| Transfer Stations        |                  |                     |                                   |
| Land                     | 1,306,800        | 0                   |                                   |
| Construction             | 4,000,000        | 0                   |                                   |
| Engineering Design       | 530,000          | 0                   |                                   |
| St. Johns                |                  |                     |                                   |
| Engineering Design       | 72,000           | 6,518               |                                   |
| Final Cover              | 984,000          | 0                   |                                   |
| Final Cover Reserve      | 150,000          | 0                   |                                   |
| Wildwood, Engineering    | 375,000          | 0                   |                                   |
| Transfer                 |                  |                     |                                   |
| to Solid Waste Operating | 566,735          | 47,228              | 8.3                               |
| Contingency              | <u>1,913,197</u> | <u>-</u>            | <u>-</u>                          |
| Fund Total               | 13,562,732       | 54,604              | 99.6                              |

<sup>1</sup>Target % received = 8.3%

<sup>2</sup>Total interest revenue for all funds is \$68,229. This has not yet been allocated by fund.

<sup>3</sup>Target % remaining = 91.7%

<sup>4</sup>Fund Balance not confirmed.

6655B/307-8



TABLE H

TRANSPORTATION TECHNICAL ASSISTANCE FUND  
 REVENUES & EXPENDITURES  
 FY 1982-83

| <u>Source</u>                  | <u>Budget</u>  | <u>Received<br/>or Billed<br/>Through<br/>07/31/82</u> | <u>Percent<sup>1</sup><br/>Received<br/>or Billed</u> |
|--------------------------------|----------------|--|---|
| <u>Revenues</u>                |                |  |   |
| Federal Grants                 | 151,400        | 0  | 0   |
| Transfer<br>from Planning Fund | <u>321,700</u> | <u>26,808</u>  | <u>8.3</u>  |
| Fund Total                     | 473,100        | 26,808   | 5.7   |
| <u>Description</u>             | <u>Budget</u>  | <u>July<br/>Expenditure</u>                            | <u>Percent<sup>2</sup><br/>Remaining</u>              |
| <u>Expenditures</u>            |                |  |   |
| Payments to Other Agencies     | <u>473,100</u> | <u>0</u>   | <u>100.0</u>  |
| Fund Total                     | 473,100        | 0  | 100.0   |

<sup>1</sup>Target % received = 8.3  
<sup>2</sup>Target % remaining = 91.7  
 6655B/307-10

TABLE I  
 CRIMINAL JUSTICE ASSISTANCE FUND  
 REVENUES & EXPENDITURES  
 FY 1982-83

| Source                                 | Budget        | Received<br>or Billed<br>Through<br>07/31/82 | Percent <sup>1</sup><br>Received<br>or Billed |
|--|---------------|--|---|
| <u>Revenues</u>                        |               |  |   |
| Federal Grants                         | 420,000       | 0  | 0   |
| Professional Services                  | 180,000       | 0  | -   |
| Interest <sup>2</sup>                  | <u>41,732</u> | -  | <u>0</u>                                      |
| Fund Total                             | 641,732       | 0  | 0   |
| Description                            | Budget        | July<br>Expenditure                          | Percent <sup>3</sup><br>Remaining             |
| <u>Expenditures</u>                    |               |  |   |
| Payments to Other Agencies<br>Transfer | 600,000       | 0  |   |
| to Planning Fund                       | <u>41,732</u> | <u>3,478</u>                                 | <u>91.7</u>                                   |
| Fund Total                             | 541,732       | 3,478  | 99.5  |

<sup>1</sup>Target % received = 8.3%

<sup>2</sup>Total interest revenue for all funds is \$68,229. This has not yet been allocated by fund.

<sup>3</sup>Target % remaining = 91.7%

6655B/307-11

TABLE J  
DRAINAGE FUND  
REVENUES & EXPENDITURES  
FY 1982-83

| <u>Source</u>          | <u>Budget</u> | <u>Received<br/>or Billed<br/>Through<br/>07/31/82</u> | <u>Percent<sup>1</sup><br/>Received<br/>or Billed</u> |
|------------------------|---------------|--|---|
| <u>Revenues</u>        |               |  |   |
| Beginning Fund Balance | 9,545         | 0  | 0   |
| Interest <sup>2</sup>  | <u>1,145</u>  | =  | <u>0</u>  |
| Fund Total             | 10,690        | 0  | 0   |
| <u>Description</u>     | <u>Budget</u> | <u>July<br/>Expenditure</u>                            | <u>Percent<sup>3</sup><br/>Remaining</u>              |
| <u>Expenditures</u>    |               |  |   |
| Contingency            | <u>10,690</u> | <u>0</u>   | <u>100.0</u>  |
| Fund Total             | 10,690        | 0  | 100.0   |

<sup>1</sup>Target % received 8.3%

<sup>2</sup>Total interest revenue for all funds is \$68,229. This has not yet been allocated by fund.

<sup>3</sup>Target % remaining 91.7%

6655B/307-12



METRO

METROPOLITAN SERVICE DISTRICT  
527 SW. HALL ST., PORTLAND, OR. 97201, 503/221-1646

## MEMORANDUM

Date: January 27, 1983  
To: Metro Council  
From: Rick Gustafson, Executive Officer  
Regarding: Report to Council on Management Objectives  
for 1983

The purpose of this memo is to share with you my thoughts about management objectives for the Metro administration for calendar year 1983. The objectives listed are in the nature of attitudes and aspirations which are important to the success of the organization. They will be used as the framework by myself and department heads in developing specific program and budget requests in the coming two months. The objectives discussed below are by no means limited to the exclusive domain of the executive side. They are equally relevant to the Council and I share them with you for your consideration and use as you make policy.

The past year, as you know, has been a very trying experience for all of us. Although it has been frustrating, it can also be viewed in a positive vein in that the lessons learned can be used as a realistic base for carrying out the work that has been assigned us.

There has been positive movement. We are well on our way to developing a first rate fiscal management system. We are committed to reach consensus on a solid waste disposal system which will serve this metropolitan area into the next century. The Zoo continues to improve and prosper and we have adopted a Regional Transportation Plan which is being used as a basis for cooperative funding decisions by local, state and federal agencies.

My principal objective for 1983 is to restore a measure of credibility to Metro. It is essential that we be a credible organization if we expect to participate in solving the myriad of governmental problems facing this area. If we are not credible in the eyes of our peers and the citizens whom we serve, we will be replaced by some other governmental mechanism.

But credibility is not something to be sought directly, it comes from the job performed--it is an essential by-product. Consequently, my goals for the management of Metro for 1983 are to:

1. Maintain and enhance the professional competency of Metro;
2. Exhibit patience in dealing with issues and resolving problems;
3. Establish a good, clear working relationship with the Council; and
4. Improve interdepartmental working relationships.

#### Professional Competency

Metro has good, competent staff members. This past year we have hired a Deputy Executive Officer, Director of Solid Waste, Manager of Accounting and Waste Reduction Coordinator to join our management team. In addition, internal reorganization has caused the appointment from within of a Development Services Director as well as a Data Processing Manager. These managers are functioning within a decentralized system which places a great amount of reliance on their administrative skills. It is my intention to continue the present system and further encourage our managers to develop their program areas--clearly articulating goals and objectives and performance targets for my consideration and ultimately for your review and approval.

It will be the responsibility of the Executive Management Department to provide the coordination necessary to bring forward a cohesive interrelated program for Metro to the extent that is possible given the disparate functions of the organization. Executive Management will also monitor department goals, objectives and work programs to assure that stated performance targets and policies are met or adjusted as conditions warrant.

Just as managers must have the opportunity to perform their function, they should continually provide similar opportunities for their employees. It is crucial that we set a climate for work at Metro which encourages development of the skills and knowledge of all our employees. We must also provide for a proper physical setting, ample materials with which to work and a sense of purpose and direction. It is essential that crisis management atmosphere be diminished, and that our work is directed by the goals and objectives agreed to by the Council and Executive Officer. If we can provide these things, the general level of competence and performance of the organization will rise.

### Patience in Dealing with Issues and Solving Problems

In looking at the last four years at Metro, it appears that we were generally in a hurry to find answers or to solve a problem. This most likely occurred as a result of the newness of the organization and the great expectations that we and our supporters had for Metro. One of the most important things we can do at this time is exhibit a great deal of patience in dealing with the issues or problems that confront us. This is true both in terms of providing the services we are currently empowered to provide and in deciding to undertake new responsibilities.

We do not always have to have an immediate answer. We do need to clearly understand the issue at hand and the interrelationship of the issue with citizens, interest groups and governmental units in the community. We must take time to develop good information regarding an issue or problem and measure or weigh any solution against other alternatives or options available. Also, in regard to a decision to undertake a new function, it is important that we understand thoroughly the financial ramifications of such a decision.

Patience will help us overcome the tendency to lurch from one crisis to another. Such erratic functioning carries a heavy cost in time and energy spent and ultimately diminishes the quality of work performed or decision rendered, as the case may be.

I personally pledge to you and the staff to work on exhibiting patience during the next year. We have plenty of work to do and decisions to make in the areas of solid waste, zoo, transportation, development services and criminal justice planning. It is crucial that the work be done thoroughly, professionally and deliberately for us to be effective.

### Executive/Council Relationships

The past year's events have caused a healthy examination of the relationship between the Executive Officer and the Council as a whole as well as individual Council members. Such examination hopefully will lead to improvements in attitude and functioning of both the Executive and the Council. It is essential for Metro to be successful that both sides be strong and function well. The staff, as well as the public, must understand that the role of the Council is to formulate policy, provide direction and monitor programs, and that the Executive role is to manage the operation within the resources provided. It is also essential that there be a good working relationship amongst us all.

For my part, I intend to strive for a clear working relationship with the Council. This includes more formal communication between us so that the Council fully understands my position on policy matters which are before the Council.

It also includes an understanding that the Council is ultimately responsible for setting policy for the organization. Consequently, I will do everything possible to ensure that policy issues and the information needed by the Council in its deliberations are presented in an accurate, complete and timely fashion.

While I feel it is important to provide more structure to our relationship, I also recognize the importance of individual contact. It is important that we continue to communicate our ideas and concerns about Metro on a less formal basis. I will take the initiative from time to time to make these contacts and encourage you to reciprocate should the need arise.

Finally, I would encourage you to evaluate your functions and role as the Metro governing body and hope that at some point we could meet jointly to examine our relationship and the direction for Metro in the next several years.

#### Interdepartmental Work Relationships

One of the most important tasks at hand is to develop a better understanding and good working relationships among the various Metro departments. As you know, our functions are generally unrelated and the points of contact for employees are uneven.

At the hub of our interdepartmental system is the General Fund or central services departments--Finance and Administration, Public Affairs and Executive Management. The major objective of these central departments is to provide good, effective service to the functional departments. We have spent considerable time, money and energy improving our fiscal management service to the functional departments and it has produced good results in the departmental attitudes about Metro. We will continue to do so in all areas.

Communication is another important aspect for developing good interdepartmental relationships. We have instituted over the past several years regular department head meetings and senior staff meetings which serve as an information exchange mechanism for the organization. These meetings will continue and we will look for ways to expand the interdepartmental communications at Metro.

Memorandum  
January 27, 1983  
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Finally, it is important that all of us understand the nature of Metro so that we can better reconcile our expectations with the reality of our resources and responsibilities. Given the disparate functions of Metro it is highly unlikely that we will be a closely interrelated organization. As such, we will continually experience difficulty identifying fully with one another. Knowing this, we can concentrate on those objectives which are universal--providing the best possible service to the citizens in the region in an efficient and effective manner.

This memo is the first of several discussion papers I would like you to consider. At a later date I will present, for your consideration, a set of program priorities for Metro to be followed by a discussion of some general problems and issues facing the region. I urge you to review this paper and respond with your comments and suggestions. I am anxious to enter into a dialogue with you individually and collectively so that we may jointly provide the services to our constituents that are expected of us.

RG/gl  
7559B/D4



# STATE OF METRO MESSAGE

by

**RICK GUSTAFSON,  
EXECUTIVE OFFICER**

**December 18, 1986**

Metro is a very young organization -- only eight years old. As my tenure as Metro's first Executive Officer comes to an end, I thought it would be useful to reflect on those first eight years. This organization has struggled through some difficult times in establishing itself and in handling unpopular issues. We have all had our personal ups and downs in dealing with these issues and have sometimes felt ours was the job no one wanted to talk about. Despite all the difficulties and struggles, it is important to remember how far Metro has come in the past 8 years. With the commitment of the Council, staff and numerous supporters, the groundwork has been laid and Metro is poised to handle the challenges that lay ahead.

What have we accomplished in those eight years?

**1. Establishment of an effective Council/Executive Officer relationship.** There is always an adjustment period under the best of circumstances, but because Metro was a new organization, no tradition had been established and there was a longer period of "trial and error". (Corky, in particular, as the remaining original member of the Council, shares a full understanding of our efforts) While the relationship has gone through several phases, the Council and Executive Officer now work closely together in carrying out their respective roles of setting policy and carrying out policy. Developing a mission for Metro and establishing the annual goal-setting workshop four years ago, has

been effective in arriving at common goals and using them as a guideline in monitoring program progress. I would urge Council to continue this practice.

**2. Increase of support for the zoo to enable it to carry out its reconstruction program.** Not only were we successful in the passage of two zoo levy measures, but in its first year in 1979, the Council increased the amount of the levy, laying the groundwork for a nationally recognized zoo with excellent natural habitat and educational exhibits. Enterprise activity at the zoo has been strongly encouraged and we have seen significant improvements in food services, jazz and bluegrass concerts, picnics and other special events. The Council reinstated the annual free pass to the Friends of the Washington Park Zoo, allowing that organization opportunity for greater growth. In turn, the Friends have enhanced the zoo's exhibits and activities with their support. The levy before you will fully fund the remaining renovations.

**3. Expansion of our capacity and responsibilities in the handling of solid waste disposal.** Solid waste has been a much more complex and controversial issue for Metro, but I believe we have made tremendous progress in the development of a regional disposal system and one that includes public/private cooperation. In 1979, Metro was not in the business of solid waste disposal; Metro had only planning responsibilities. Today, Metro handles 70% of the region's waste. We are successfully operating two facilities -- the St. Johns Landfill under contract with the City of Portland and the Clackamas Transfer and Recycling Center which we built. Metro has been involved in a major landfill siting process which certainly paved the way for the current DEQ process, developed an alternative technology process and contract only to be defeated by the voters in Oregon City, sited a transfer and recycling center in Washington County, has begun a major waste reduction program including a thorough review of alternative technologies, and has helped implement yard debris recycling programs.

#### **4. Acknowledgment and maintenance of the Urban Growth**

**Boundary.** In 1979 Metro received the first major land use acknowledgment in the tri-county area. The UGB was finally acknowledged after seven years of court cases. In the past eight years, we have established a fair and equitable process for handling requests for amendments.

**5. Development of an effective resource for intergovernmental coordination.** Metro assumed several planning departments from CRAG -- criminal justice, planning, environmental services and transportation. Elimination of federal support in 1981 required elimination of two departments and over 30 employees. The eventual result of these changes was the formation of the Intergovernmental Resource Center which has effectively coordinated issues involving regional cooperation. The Joint Policy Committee on Transportation (JPACT) continues its success in the setting of regional priorities and the allocation of Federal dollars. Metro assumed leadership with the state, Tri-Met and the City of Portland to contract with a federal lobbyist to preserve federal commitments to this region. Metro has conducted transportation and land analyses, including the westside light rail and corridor studies and industrial lands study, which have significantly impacted decisions in this region.

**6. Approval by the voters of a \$65 million General Obligation bond for construction of a regional convention and trade facility.** Metro has participated in a convention center effort since 1979. A study under both Mayors McCready and Ivancie was shelved, but was reactivated by Mayor Clark. Metro staffed and participated in an 18 month study conducted by the Convention, Trade and Spectator Facilities Committee resulting in the decision that the convention facility should be built on

a regional basis. Metro submitted a \$65 million general obligation bond to the voters for funding of the facility which was approved.

**7. Formation of a public affairs department unifying public involvement, government relations, graphics and communications.** The formation of a centralized public affairs department was an issue of concern because of the need to provide consistent communication for our dissimilar functions. This has finally been accomplished and public affairs has developed regular reports on Metro activities, established a speakers' bureau, developed good public relations and public involvement techniques and provides our organization with excellent writing and graphics support.

**8. Increase in Metro's financial capabilities and adoption of long-term financial policies.** Following Metro's financial difficulties in 1981, our budget, financial management and data processing functions were reorganized in the Finance and Administration department. Significant improvements were made in our financial system and today, we have the ability to receive good bond ratings because of our sound fiscal management and good financial position. We carried our responsibilities a step further and developed general financial principals and policies which provide a basis for seeking financial stability for Metro.

### **Metro is poised for the future**

We have come a long way in the past eight years. Overall they have been rich and rewarding ones for me. Metro is now in a major transition from the learning period to the doing period. My leaving can help mark that turning point. At this point, Metro is poised to take on several projects:

- The convention Center has been approved and your job is to build it.

- The Zoo renovations are nearly complete and a new mission for the Zoo is in order.
- The landfill permit will be issued this year and your effort will be to develop it.
- The west transfer and recycling center has been sited, the permit application accepted and this project will also be built.
- Alternative technology bids will be received in January and a decision will be made on resource recovery facilities.
- The UGB is acknowledged and you will maintain it.

I would leave you with several issues requiring your attention in the next six months that will have long term ramifications for Metro.

- **Landfill mitigation policies** for the DEQ siting process.
- **Formation of the Regional Commission on Convention, Trade and Spectator Facilities** will be the first commission formed by Metro under the new authority granted in the last legislative session.
- **The proposed state gas tax** will set the construction program for this region for the next ten years.

Finally, some personal observations.

**Keep the long term perspective.** The Metro concept was first started in the early '60s. We now have a regional government with elected representation -- the first in the nation. We have made slow but steady improvements. These improvements, along with recognition, will continue as the community needs Metro's services. We should all be proud of the opportunity we have been given to contribute.