



600 NE Grand Ave.
Portland, Oregon
97232-2736

2011-12

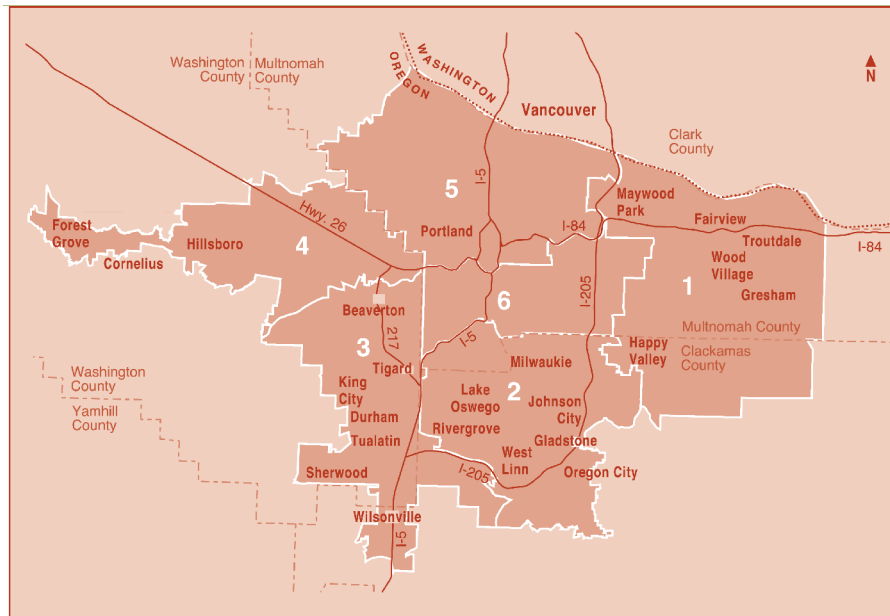
ADOPTED BUDGET Summary



Metro | *Making a great place*

2011-12

ADOPTED BUDGET Summary



Metro **Making a great place**

Clean air and clean water do not stop at city limits or county lines. Neither does the need for jobs, a thriving economy and good transportation choices for people and businesses in our region. Voters have asked Metro to help with the challenges that cross those lines and affect the 25 cities and three counties in the Portland metropolitan area.

A regional approach simply makes sense when it comes to protecting open space, caring for parks, planning for the best use of land, managing garbage disposal and increasing recycling. Metro oversees world-class facilities such as the Oregon Zoo, which contributes to conservation and education, and the Oregon Convention Center, which benefits the region's economy.

Your Metro representatives

Council President
Tom Hughes
503- 797-1889

District 1
Shirley Craddick
503- 797-1547

District 2
Carlotta Collette
503- 797-1887

District 3
Carl Hosticka
503- 797-1549

District 4
Kathryn Harrington
503- 797-1553

District 5
Rex Burkholder
503- 797-1546

District 6
Barbara Roberts
503- 797-1552

Auditor
Suzanne Flynn, CIA
503- 797-1891

*Printed on recycled paper.
Cover is 100 percent recycled content, 30 percent post-consumer waste. Text is 100 percent post-consumer waste recycled content.*

Revenue analysis

Revenue summary	E-2
Introduction	E-3
Enterprise revenue.....	E-4
Tax revenue	E-9
Intergovernmental and grant revenue	E-12



Revenue summary, all sources

	Audited FY 2008-09	Audited FY 2009-10	Adopted FY 2010-11	Amended FY 2010-11	Proposed FY 2011-12	Approved FY 2011-12	Adopted FY 2010-11 FY 2011-12	Change from Amended
CURRENT REVENUES								
Real Property Taxes	\$44,897,096	\$51,457,063	\$48,483,349	\$48,483,349	\$39,039,151	\$39,039,151	\$39,039,151	(19.48%)
Excise Tax	\$14,705,646	\$14,392,093	\$16,203,937	\$16,203,937	\$16,705,765	\$16,705,765	\$16,705,765	3.10%
Other Derived Tax Revenue	\$24,168	\$25,497	\$23,300	\$23,300	\$25,000	\$25,000	\$25,000	7.30%
Grants	\$14,306,069	\$13,115,905	\$14,783,392	\$14,809,693	\$12,271,501	\$12,511,750	\$12,558,425	(15.20%)
Local Government Shared Revenues	11,202,982	10,406,511	11,173,508	11,129,553	11,708,979	11,708,979	11,708,979	5.21%
Contributions from Other Governments	1,001,028	2,271,100	2,361,371	2,547,234	3,827,419	3,827,419	3,827,419	50.26%
Enterprise Revenue	109,086,690	109,754,507	118,870,045	120,131,000	120,751,815	109,311,784	109,488,784	(8.86%)
Interest Earnings	6,675,487	2,131,822	1,611,106	1,611,106	825,959	825,959	825,959	(48.73%)
Donations	8,324,043	5,235,274	1,806,930	1,806,930	3,041,100	3,041,100	3,141,100	73.84%
Other Misc. Revenue	2,758,599	2,469,556	2,514,169	2,514,169	302,779	302,779	302,779	(87.96%)
Bond and Loan Proceeds	5,000,000	0	15,000,000	15,000,000	0	0	0	(100.00%)
Subtotal External Current Revenues	217,981,808	211,259,328	232,831,107	234,260,271	208,499,468	197,299,686	197,623,361	(15.64%)
INTERFUND TRANSFERS								
Interfund Reimbursements	7,474,080	7,680,866	8,396,573	8,396,573	9,397,205	9,397,205	9,397,205	11.92%
Internal Service Transfers	944,972	2,723,052	3,122,488	3,122,488	3,000,237	3,000,237	3,000,237	(3.92%)
Fund Equity Transfers	6,014,113	5,175,785	10,765,853	10,937,200	8,816,595	9,684,485	9,724,485	(11.09%)
Subtotal Internal Current Revenues	14,433,165	15,579,703	22,284,914	22,456,261	21,214,037	22,081,927	22,121,927	(1.49%)
TOTAL CURRENT REVENUES	\$232,414,973	\$226,839,031	\$255,116,021	\$256,716,532	\$229,713,505	\$219,381,613	\$219,745,288	(14.40%)

This section presents a consolidated summary of major operating revenues, a description of each source, underlying assumptions for revenue estimates and recent trends. Tables showing estimated or actual revenues for each major source for the last four fiscal years supplement this discussion. The five largest revenue sources (enterprise revenues, property taxes, excise taxes, grants and intergovernmental revenues) constitute 98 percent of Metro's current revenues (excluding interfund transfers) and are described in greater detail. Operating revenues are augmented by fund balances, which are addressed in the Budget Summary and Fund Summaries sections in this document.

Enterprise revenue

	Actual FY 2008-09	Actual FY 2009-10	Amended FY 2010-11	Adopted FY 2011-12	% of Department Total	% of Total Enterprise Revenue	% Change from FY 2010-11	% Change from FY 2008-09
MERC								
Rentals	7,428,389	6,970,751	7,420,586	7,333,144	23.72%		(1.18%)	(1.28%)
Concessions and Catering	11,562,004	\$12,564,711	\$13,030,716	11,912,662	41.66%		(8.58%)	3.03%
Parking	2,538,446	\$2,469,064	\$2,882,854	2,874,555	9.22%		(0.29%)	13.24%
Reimbursed Services	3,042,169	\$3,192,995	\$3,174,967	3,173,161	10.15%		(0.06%)	4.31%
Utility Services	1,368,285	\$1,586,568	\$1,598,360	1,578,500	5.11%		(1.24%)	15.36%
Other	3,779,197	\$2,727,747	\$3,170,730	3,410,727	10.14%		7.57%	(9.75%)
TOTAL MERC	29,718,490	29,511,836	31,278,213	30,282,749	100.00%	27.66%	(3.18%)	1.90%
OREGON ZOO								
Admissions	6,809,675	7,055,522	7,751,800	7,798,000	40.81%		0.60%	14.51%
Food Sales	5,357,828	5,048,000	5,454,700	5,376,000	28.72%		(1.44%)	0.34%
Retail Sales	2,279,919	2,202,173	2,272,000	2,258,000	11.96%		(0.62%)	(0.96%)
Railroad Rides	973,132	969,245	960,000	960,000	5.05%		0.00%	(1.35%)
Tuition and Lectures	1,081,230	1,135,720	1,111,955	1,208,887	5.85%		8.72%	11.81%
Exhibit Shows	522,144	232,634	636,400	702,500	3.35%		10.39%	34.54%
Other	890,649	818,638	808,726	882,000	4.26%		9.06%	(0.97%)
TOTAL OREGON ZOO	17,914,577	17,461,932	18,995,581	19,185,387	100.00%	17.52%	1.00%	7.09%
SOLID WASTE AND RECYCLING								
Disposal Fees	25,210,217	25,121,689	28,514,495	27,416,784	50.87%		(2.56%)	6.17%
Regional System Fee	19,056,487	19,725,884	19,715,106	19,579,416	35.17%		0.16%	5.25%
Transaction Fee	2,370,538	2,455,749	2,800,076	2,972,225	4.99%		(1.79%)	26.14%
Other	3,724,558	3,512,882	5,027,919	4,716,037	8.97%		(6.20%)	9.83%
TOTAL SOLID WASTE AND RECYCLING	50,361,800	50,816,204	56,057,596	54,684,462	100.00%	49.95%	(2.45%)	8.58%
Other Enterprise Revenue	11,094,186	11,965,053	13,799,610	5,336,186		4.87%	(61.33%)	(51.90%)
TOTAL ENTERPRISE REVENUE	\$109,089,053	\$109,755,025	\$120,131,000	\$109,488,784		100.00%	(8.86%)	0.37%

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

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

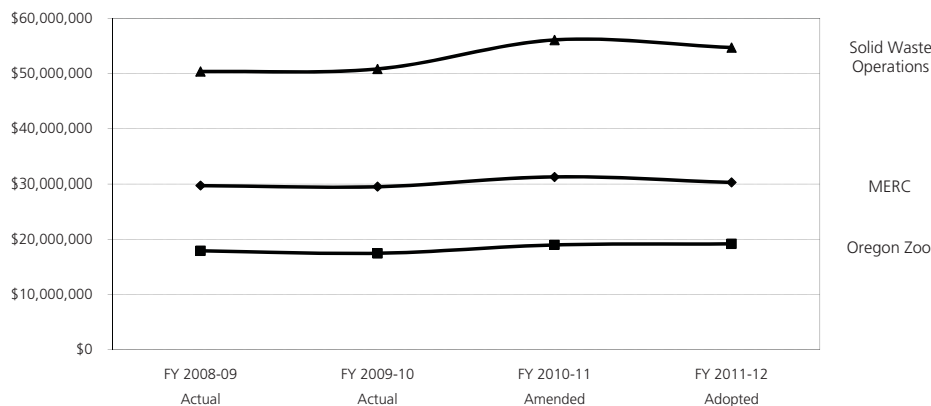
MERC ENTERPRISE REVENUE

Enterprise revenues from MERC-operated facilities account for 28 percent of total Metro enterprise revenues. MERC facilities include the Metropolitan Exposition Center (Expo Center), the Oregon Convention Center and the Portland Center for the Performing Arts (PCPA). Approximately 90 percent of MERC enterprise revenue derives from the following sources:

Rental

This is the combined total of revenue generated for license agreements for temporary leasing of space within the facilities and revenue generated from equipment rental charged back to clients. Revenue represents a 1 percent decrease from FY 2010-11 budgeted figures. OCC expects a 3.7 percent decrease in revenue, with 30 conventions booked for the year, down 7 from the prior year. Expo’s rental revenues are budgeted to increase 4.7 percent, which includes a 3 percent rate increase. Rental revenue at PCPA is projected to be flat, even though a decrease from 12.5 to 13 weeks of Broadway, the addition of two new art organizations bringing their seasons to PCPA and a rental rate increase of 3 percent. While these PCPA changes will result in an increase over FY 2010-11 actual revenues, those actual figures were less than budget by approximately 17 percent because the opera and the ballet each cut one production, and one full week of Broadway was cancelled.

Enterprise revenue



Concessions/Catering

These are revenues generated from food and beverage sales and catered functions. Projections are based on projected attendance and historical sales. Concession and catering revenue is largely dependent on the number of convention bookings at the Oregon Convention Center and can fluctuate from one year to the next. Concessions and catering revenues were up in FY 2010-11 due to stronger than expected convention attendance and spending. While FY 2010-11 experienced strong convention bookings, FY 2011-12 will have 7 fewer conventions. Total revenues in this category are projected to be down 8.6 percent in FY 2011-12.

Parking

These are fees charged for parking in the lots at the Oregon Convention Center and the Expo Center. Parking revenues are budgeted to be about the same as those budgeted in FY 2010-11.

Reimbursement Services

These are charges to renters for the labor cost of staging and staffing events at all three facilities. About 69 percent of these revenues are reimbursements for labor at PCPA. Projections for this facility are based upon projected wage and fringe rates and the number of events to be held.

Utility Services

This category represents revenue received from contractors to cover the cost of a variety of utility services, such as electrical, telephone, air, water, gas, etc., used for business and show purposes. Approximately 86 percent of these costs are recovered at the Oregon Convention Center. Overall budgeted utility revenues are down just slightly from FY 2010-11; projections are based on the number of events to be held and the anticipated fees charged by the utility providers.

ZOO ENTERPRISE REVENUE

Enterprise revenues from the Oregon Zoo account for almost 18 percent of Metro's total enterprise revenues. The majority of the Oregon Zoo's revenue forecasts are based on average per capita spending or fees charged for services. Annual attendance increased substantially in previous years, reaching 1.6 million, but has remained relatively flat over the last year due to a weak economy. Spending recovered only slightly in FY 2010-11, leading to total budgeted enterprise revenues only 1 percent higher for FY 2011-12. The following categories represent 90 percent of the zoo's annual enterprise revenues:

Admissions

Annual attendance forecasts and admission rates determine the admissions revenue estimate. Attendance is forecasted to be 1.6 million visitors in FY 2011-12, with no change in general admission rates. Admission revenue is budgeted at \$5.4 million for general admission, \$1.2 million for membership sales and \$1.2 million for concerts.

Food Sales

This category includes revenues from food, beverage and catering sales. Food and beverage sales are budgeted at \$4.2 million, based on per capita spending of \$2.61 multiplied by the anticipated attendance of 1.6 million. This budget is slightly lower than the previous year due to lower than anticipated spending resulting from the weak economy. Catering food sales projections of \$1.2 million are based on sales and growth patterns from previous years.

Retail Sales

These are sales from the zoo gift shop and vending machines. The zoo forecasts revenues of \$2.3 million from retail sales in FY 2011-12.

Railroad Rides

These are revenues from visitors paying to experience the zoo's train ride; revenue projections are based on per capita spending of \$0.60, for a total of \$960,000, the same as budgeted in FY 2010-11.

Tuitions and Lectures

This category includes fees for educational classes and lectures provided by or sponsored by the zoo. Revenues are forecasted based on historical class participation and planned course offerings. Tuition and lecture revenue has remained relatively flat over the past few years and this budget of \$1.2 million reflects a very slight increase from FY 2010-11.

Exhibit and Shows

This revenue is received from special zoo temporary exhibits and shows. Many of the exhibits are transient and offered for only one or two summers. Revenue projections are based on previous temporary exhibit revenue experiences and fluctuate depending on planned offerings. During FY 2011-12 the zoo forecasted \$0.7 million, a slight increase from the previous year, which includes simulator revenue throughout the year, dinosaur revenue through September and a temporary butterfly exhibit beginning in spring 2012.

SOLID WASTE AND RECYCLING ENTERPRISE REVENUES (in Parks and Environmental Services)

Enterprise revenues from the solid waste operations in Parks and Environmental Services (PES) account for approximately 50 percent of total Metro enterprise revenues. These revenues are derived from charges for the processing and disposal of solid waste within the region. Haulers pay a "tip fee" to dispose of waste at a solid waste facility. At Metro's transfer stations, the tip fee covers the cost of processing, transport and disposal of the waste; general and administrative costs; Metro's Regional System Fee (see below); Metro Excise Tax; a host community fee; and Department of Environmental Quality fees. Effective Aug 1, 2011, Metro's tip fee increases by \$3.68 to \$89.53 per ton.

Tonnage Charge

This fee represents the portion of the Metro tip fee that covers the cost of disposing and transporting waste from Metro transfer stations. Solid waste generation declined significantly during the economic downturn. The decline has flattened out, and the tonnage forecast for FY 2011-12 remains at about the same level as the actual tonnage in FY 2010-11, but lower than the amount budgeted for that period. Solid waste enterprise revenues are projected to decrease by about 2.5 percent (\$1.4 million) from the FY 2010-11 budget. By FY 2012-13 Metro expects to see a modest uptick in tonnage.

Regional System Fee

This fee is charged on a per-ton basis on all waste generated in the region and disposed of at a disposal site. This includes waste that is delivered to Metro's transfer stations, privately owned regional transfer stations, municipal waste-incinerators and landfills. The Regional System Fee recovers the cost of programs such as waste reduction, hazardous waste and a portion of landfill closure expenses. Debt service obligations have now been completed. The fee, currently \$16.72, is scheduled to increase to \$17.64 effective Aug. 1, 2011.

Transaction Fee

Transaction fees recover the cost of processing each load at Metro transfer stations, regardless of the weight. Users of the automated scales pay \$3.00 per load, unchanged from last year, and users of the staffed scales will pay \$12.00 per load beginning Aug. 1, 2011, up from \$11.00. The difference in fees reflects the difference in cost to serve each of these user groups.

Other Revenue

Other revenue derives from a variety of sources, including disposal charges for items such as tires, refrigeration units, yard debris and hazardous waste; community enhancement fees charged on each ton of waste accepted at Metro Central, Metro South and the Forest Grove transfer stations; and special assessment fees required by the Oregon Department of Environmental Quality. These other revenues will generate approximately \$4.7 million in FY 2011-12. Beginning on Aug. 1, 2011, Metro will reinstate a fee for household hazardous waste. The average household will pay \$5.00 per load to dispose of hazardous waste.

OTHER ENTERPRISE REVENUES

These revenues are derived from several sources and comprise about 5 percent of total enterprise revenues. Revenues include fees charged at Metro's regional parks, parking fees charged at Metro Regional Center and revenue generated by the regional Contractor's Business License and the Data Resource Center.

In FY 2011-12 Metro will change the way it accounts for the costs of employee health insurance. Previously, departments were charged a flat cost per covered employee each month. That revenue was then transferred to the Risk Management Fund classified as enterprise revenue, with insurance costs paid out of that fund. In FY 2011-12 actual insurance costs will be paid directly out of employees' home departments. This will result in a decrease of more than \$9 million in agency enterprise revenues in the FY 2011-12 budget as compared to FY 2010-11.

TAX REVENUE

Metro’s tax revenues are generated from two major sources: property taxes and excise taxes. Together, they constitute 28 percent of Metro’s total revenues (not including interfund transfers). This percentage overstates the tax revenue contribution to current operations because 70 percent of property taxes are dedicated to debt service.

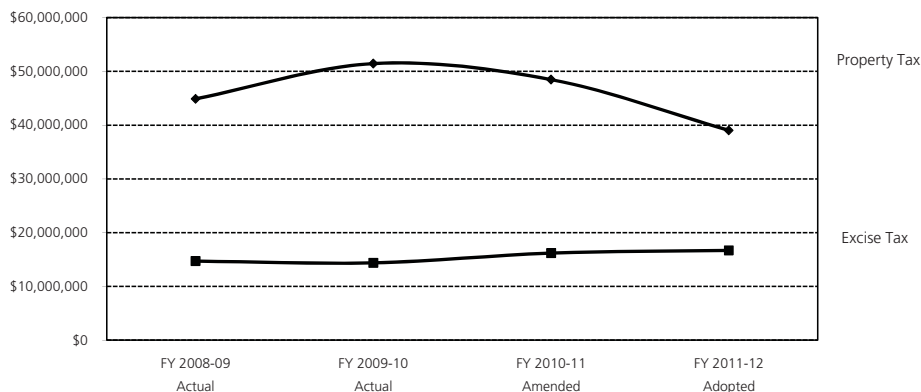
PROPERTY TAXES

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

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

The Oregon Zoo Infrastructure and Animal Welfare Bond program represents the capital planning and construction activities funded by the November 2008 general obligation bond authority. Bond proceeds will finance multiple capital projects within the zoo’s existing campus, as well as fund improvements for an off-site elephant facility. Metro issued two series bonds totaling \$20 million to fund master planning activities, as well as construction projects for the Veterinary Medical Center, penguin filtration system update and storm water management.

Tax revenue



Tax revenue

	Actual FY 2008-09	Actual FY 2009-10	Amended FY 2010-11	Adopted FY 2011-12	% of Category Total	% of Total Tax Revenue	% Change from FY 2010-11	% Change from FY 2008-09
PROPERTY TAXES								
Operations	\$10,755,647	\$11,232,027	\$11,294,190	\$11,767,309	30.14%		4.19%	9.41%
G.O. Debt Service	34,141,449	40,225,036	37,189,159	27,271,842	69.86%		(26.67%)	(20.12%)
TOTAL PROPERTY TAXES	44,897,096	51,457,063	48,483,349	39,039,151	100.00%	70.03%	(19.48%)	(13.05%)
EXCISE TAXES								
Construction Excise Tax	1,734,579	1,427,730	1,300,000	1,605,000	9.61%		23.46%	(7.47%)
Solid Waste and Recycling Operations	10,646,097	11,110,695	12,663,730	13,117,976	78.52%		3.59%	23.22%
MERC Operations	1,595,867	1,608,290	1,755,079	1,694,279	10.14%		(3.46%)	6.17%
Zoo Operations	468,626	0	0	0	0.00%		N/A	(100.00%)
Other	260,477	245,373	485,128	288,510	1.73%		(40.53%)	10.76%
TOTAL EXCISE TAXES	14,705,646	14,392,088	16,203,937	16,705,765	100.00%	29.97%	3.10%	13.60%
TOTAL TAX REVENUE	\$59,602,742	\$65,849,151	\$64,687,286	\$55,744,916		100.00%	(13.82%)	(6.47%)

EXCISE TAXES

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

The rate per ton on solid waste revenues is determined annually during the budget process based on a formula set in the authorizing ordinance. In addition to the base per ton amount generated on solid waste activities, an additional per ton amount is levied. The additional levy was initially set at \$3.00 per ton in FY 2004-05 and increased annually based on Consumer Price Index. The FY 2010-11 budget combined the additional tax with the base tax, altering the method of calculation for the additional tax. The combined rate will result in a flat fee of \$11.80 per ton on solid waste tonnage in FY 2011-12, up from \$10.94. (For additional discussion on the excise tax, see "Where the money comes from" in Section D, Budget Summary, in this document).

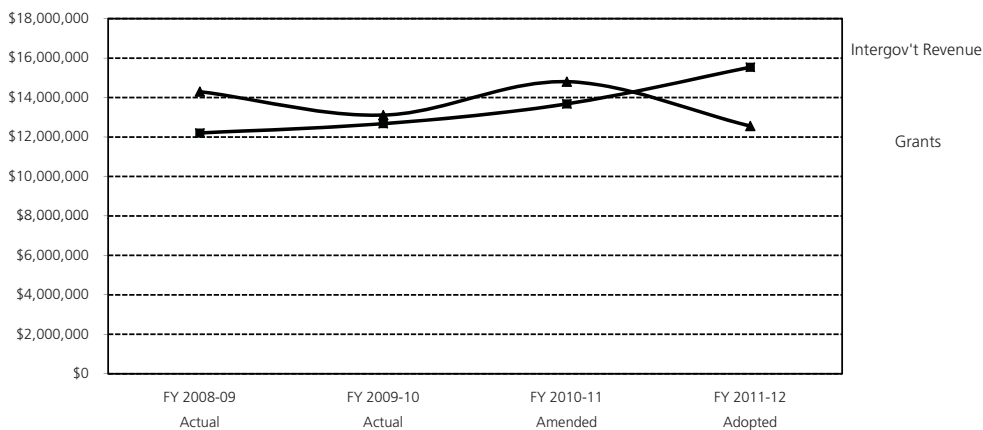
Excise tax revenue dropped nearly 10 percent in FY 2008-09, due to both the end of excise taxes collections at the zoo and the significant drop in tonnage at solid waste facilities. Collections in FY 2009-10 dropped another 2 percent. While excise taxes increased in FY 2010-11, much of the increase is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

Beginning July 1, 2006, Metro began collection of a new Construction Excise Tax (CET). This tax is imposed on new construction within the region, with limited exceptions, and was established to raise \$6.3 million over three years to fund concept planning in the new areas recently brought into the Urban Growth Boundary. In June 2009, the Metro Council voted to extend the CET through Sept. 30, 2014, to provide funding for planning of future expansion areas, future urban reserves and planning that enables redevelopment of centers, corridors and employment areas within the existing Urban Growth Boundary. The Construction Excise Tax is expected to generate \$1.6 million in FY 2011-12.

Intergovernmental agreements and grant revenue

	Actual FY 2008-09	Actual FY 2009-10	Amended FY 2010-11	Adopted FY 2011-12	% of Category Total	Grant and Gov't Revenue	% Change from FY 2010-11	% Change from FY 2008-09
GRANTS								
Planning Grants	\$11,225,062	\$10,961,508	\$11,068,732	\$11,380,355	90.62%		2.82%	1.38%
Regional Parks Grants	906,038	428,563	1,395,792	473,401	3.77%		(66.08%)	(47.75%)
Solid Waste Grants	2,387	4,093	1,411,752	317,660	2.53%		(77.50%)	13207.92%
Capital Grants	1,915,019	1,226,124	49,500	63,334	0.50%		27.95%	(96.69%)
Other	257,563	495,617	883,917	323,675	2.58%		(63.38%)	25.67%
TOTAL GRANTS	14,306,069	13,115,905	14,809,693	12,558,425	100.00%	44.70%	(15.20%)	(12.22%)
INTERGOVERNMENTAL REVENUES								
Hotel/Motel Taxes	10,658,553	9,897,188	10,558,553	11,155,335	71.80%		5.65%	4.66%
City of Portland for PCPA	734,709	766,100	756,907	784,320	5.05%		3.62%	6.75%
Support for Regional Parks and Greenspaces	484,446	499,590	571,000	553,644	3.56%		(3.04%)	14.28%
Planning	0	1,500,000	1,500,000	2,888,500	18.59%		92.57%	N/A
Other	326,302	14,733	290,327	154,599	1.00%		(46.75%)	(52.62%)
TOTAL INTERGOVERNMENTAL REVENUES	12,204,010	12,677,611	13,676,787	15,536,398	100.00%	55.30%	13.60%	27.31%
TOTAL GRANTS AND INTERGOVERNMENTAL	\$26,510,079	\$25,793,516	\$28,486,480	\$28,094,823		100.00%	(1.37%)	5.98%

Intergovernmental and grant revenue



Inter- governmental and grant revenue

For FY 2011-12 grants and intergovernmental revenue represent 14 percent of Metro's total revenues (not including interfund transfers). The principal sources for these revenues are state and federal planning grants, support for PCPA from the City of Portland and Multnomah County's pass-through of hotel/motel taxes.

Grants

Most of Metro's grant revenues support planning activities, with the majority funding transportation planning. Because Metro is the designated agency for regional transportation planning under the Federal Transportation Efficiency Act of the 21st Century, it receives a significant amount of federal grant dollars. In addition, Metro receives grants from the state, the local transit agency (TriMet) and other local governments within the region. Planning grants fluctuate from year to year based on approved projects. A delay in the federal reauthorization of transportation funding has placed a portion of these grants funds at risk. A \$2 million multi-year grant from the Federal Transit Administration to improve transit in the Southwest corridor as well as the second year of a three year funding commitment from the State of Oregon related to the study of green house gas emissions will provide substitute or bridge funding until such time as the federal funding is reauthorized. Metro also receives grants for projects planned at regional parks and natural areas, the Oregon Zoo and solid waste facilities.

Intergovernmental Revenues

Intergovernmental revenues include contributions from other governments to support Metro programs and capital projects and revenues received from other governments and shared with Metro on a formula basis. The largest shared operating revenue program is the hotel/motel occupancy tax levied by Multnomah County. Multnomah County passes through to Metro almost all of its 3 percent hotel/motel tax to support the operations of the Oregon Convention Center and the Portland Center for the Performing Arts. After dropping at the start of the economic downturn, occupancy rates are expected to rise by 6 percent in FY 2011-12, with budgeted revenue up 6 percent as well.

Additionally, Metro receives intergovernmental revenue from the City of Portland to support the operations at the Portland Center for the Performing Arts, owned by the city but managed by Metro. Through agreements negotiated in FY 2000-01, the city annually adjusts its contributions for operations and capital improvements at PCPA by CPI.

The other principal sources of shared revenues for Metro are registration fees for recreational vehicles and marine fuel taxes. Projections for these sources are based on estimates received from the State of Oregon and Multnomah County.

