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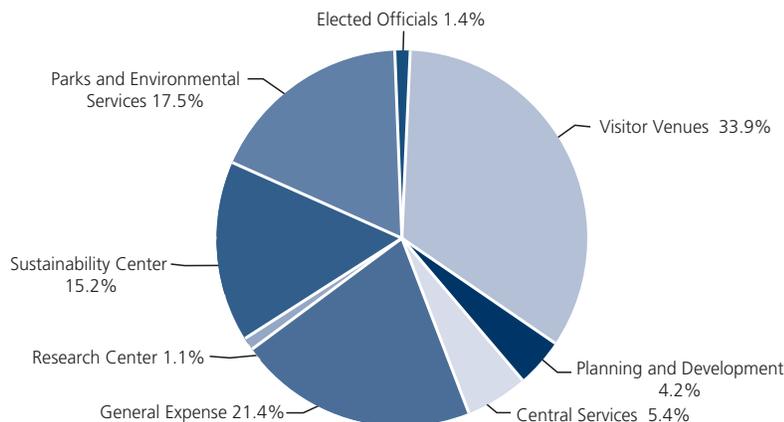
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Organizational summary

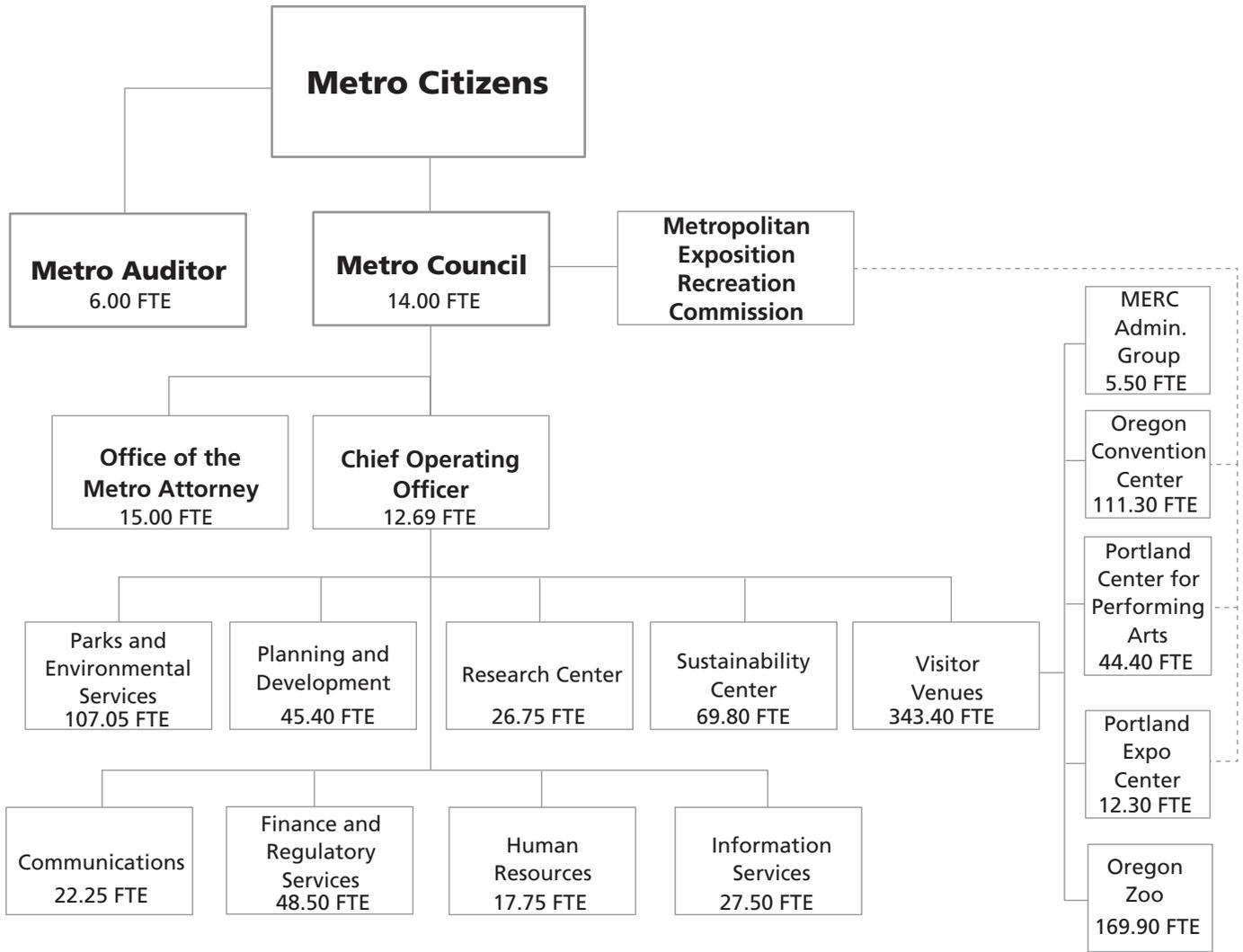
	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$73,984,490	\$76,388,503	\$79,964,117	\$79,683,638	\$83,203,038	\$83,203,038	\$83,751,779	5.11%
Materials and Services	99,375,744	96,023,271	116,199,406	120,819,885	117,050,113	117,050,113	121,872,363	0.87%
Capital Outlay	24,478,087	28,293,893	65,845,165	67,946,194	65,246,974	65,246,974	66,398,950	(2.28%)
Debt Service	41,950,078	64,941,026	54,769,223	54,769,223	40,937,068	40,937,068	40,937,068	(25.26%)
Interfund Reimbursements	8,396,573	9,167,136	10,118,777	10,118,777	9,885,541	9,885,541	9,885,541	(2.30%)
Internal Service Charges	2,887,871	2,820,489	4,143,190	4,143,190	5,000,442	5,000,442	5,000,442	20.69%
Interfund Loan	0	0	2,431,000	2,431,000	239,800	239,800	2,670,800	9.86%
Fund Equity Transfers	10,708,854	9,948,218	6,522,471	6,645,571	5,622,413	5,622,413	6,072,413	(8.62%)
TOTAL	\$261,781,697	\$287,582,536	\$339,993,349	\$346,557,478	\$327,185,389	\$327,185,389	\$336,589,356	(2.88%)
BUDGET BY ORGANIZATION								
Office of the Metro Auditor	\$612,596	\$663,772	\$708,748	\$717,764	\$712,882	\$712,882	\$725,382	1.06%
Office of the Council	3,264,909	3,218,601	3,964,829	4,155,240	3,625,837	3,625,837	3,938,637	(5.21%)
Office of Metro Attorney	1,839,519	1,909,208	1,927,172	1,913,205	2,061,480	2,061,480	2,061,480	7.75%
Communications	2,368,447	2,486,980	2,601,585	2,627,325	2,657,948	2,657,948	2,701,648	2.83%
Finance and Regulatory Services	5,424,445	5,631,630	6,363,845	6,300,997	6,697,996	6,697,996	6,808,292	8.05%
Human Resources	1,817,978	1,954,162	2,167,032	2,134,833	2,164,042	2,164,042	2,219,337	3.96%
Information Services	3,571,509	3,617,851	4,485,789	4,475,359	4,146,398	4,146,398	4,381,058	(2.11%)
Planning & Development	10,357,803	9,240,393	14,477,196	14,456,370	13,780,023	13,780,023	14,216,023	(1.66%)
Parks & Environmental Services	44,382,087	48,231,365	59,419,449	60,707,179	58,164,252	58,164,252	58,805,623	(3.13%)
Research Center	4,196,799	4,189,141	3,880,935	3,945,655	3,621,574	3,621,574	3,644,374	(7.64%)
Sustainability Center	30,857,777	38,955,196	56,766,211	56,959,948	50,842,461	50,842,461	51,208,084	(10.10%)
Visitor Venues	78,692,408	78,481,177	99,168,886	103,628,831	110,455,697	110,455,697	113,969,819	9.98%
General Expense	74,395,420	89,003,060	84,061,672	84,534,772	68,254,799	68,254,799	71,909,599	(14.93%)
TOTAL	\$261,781,697	\$287,582,536	\$339,993,349	\$346,557,478	\$327,185,389	\$327,185,389	\$336,589,356	(2.88%)
Contingency	0	0	61,037,639	56,421,152	58,243,430	58,243,430	60,244,356	6.78%
Unappropriated Balance	174,355,620	302,267,337	134,786,594	139,222,770	96,237,801	96,237,801	93,801,795	(32.62%)
TOTAL BUDGET	\$436,137,317	\$589,849,873	\$535,817,582	\$542,201,400	\$481,666,620	\$481,666,620	\$490,635,507	(9.51%)
FULL-TIME EQUIVALENTS	756.60	755.49	740.50	749.14	752.55	752.55	757.09	1.06%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								7.95

Organizational summary



Total expenditures: \$336,589,356

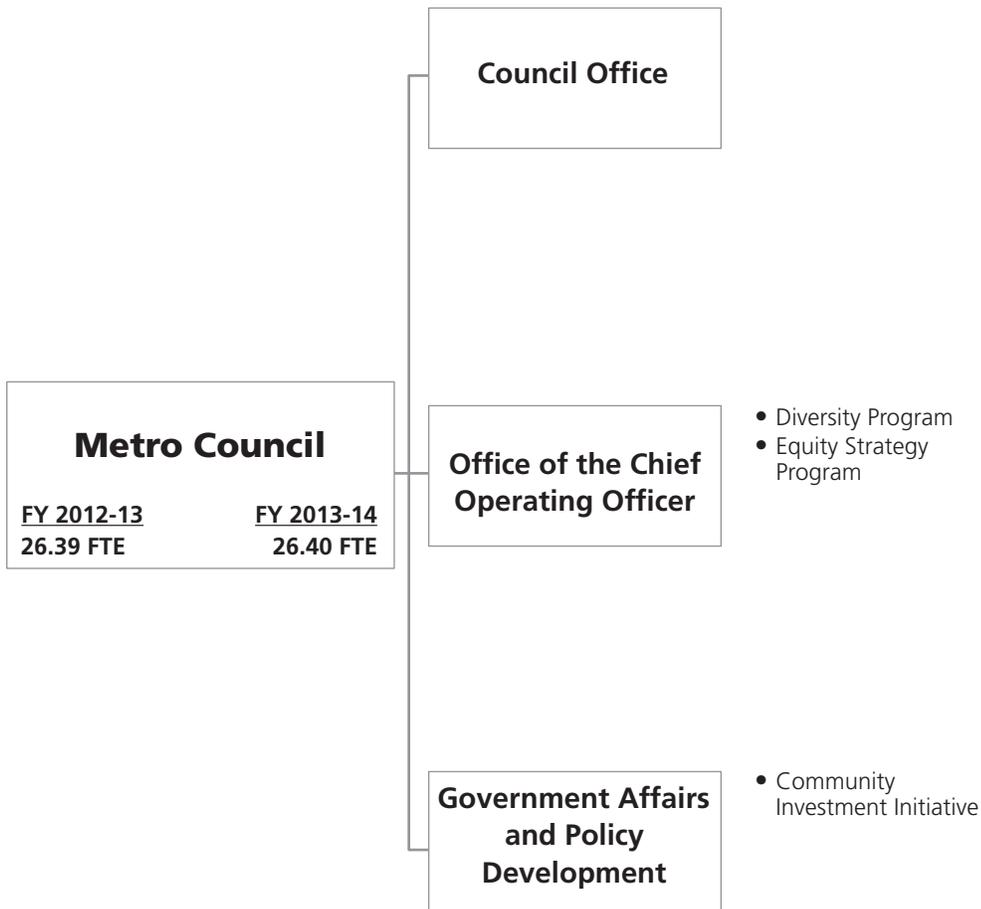
Organizational Chart



FY 2012-13 Total FTE – 743.14

FY 2013-14 Total FTE – 757.09





Summary of Metro Council

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$2,877,485	\$2,701,738	\$3,271,979	\$3,358,319	\$3,095,137	\$3,095,137	\$3,121,842	(7.04%)
Materials and Services	387,424	516,863	692,850	796,921	530,700	530,700	816,795	2.49%
TOTAL	\$3,264,909	\$3,218,601	\$3,964,829	\$4,155,240	\$3,625,837	\$3,625,837	\$3,938,637	(5.21%)
BUDGET BY FUND								
General Fund	\$3,264,909	\$3,218,601	\$3,964,829	\$4,155,240	\$3,625,837	\$3,625,837	\$3,938,637	(5.21%)
TOTAL	\$3,264,909	\$3,218,601	\$3,964,829	\$4,155,240	\$3,625,837	\$3,625,837	\$3,938,637	(5.21%)
FULL-TIME EQUIVALENTS (FTE)	25.25	25.38	25.38	26.39	26.40	26.40	26.69	1.13%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								0.30

The Metro Council consists of seven elected officials who provide regional governance and leadership by fulfilling Metro’s mission of crossing city limits and county lines to work with communities to create a vibrant and sustainable region for all. As the governing body of Metro, the Council develops long range plans for existing and future Metro activities, and assures the financial integrity of the agency.

MAJOR PROGRAMS

Council Office – The Council Office includes the seven councilors and policy and administrative staff that support the councilors as individuals as well as the Council as a whole in its role as a legislative body. Professional staff acts as a liaison between the councilors and Metro staff and external partners and stakeholders. An internship program provides learning and mentoring opportunities, as well as supporting the councilors and professional staff with research, analysis and operational support.

Office of the Chief Operating Officer – The Chief Operating Officer (COO) serves at the pleasure of the Council and provides leadership and management authority to agency staff by implementing the Council’s policy directives, goals and objectives. The COO and Deputy COO enforce Metro ordinances, provide day-to-day management of Metro’s resources, programs, enterprise businesses, facilities and workforce and prepare the proposed budget for Council consideration.

Government Affairs and Policy Development – This program supports current Council and agency objectives through policy development, strategic analysis and intergovernmental relations and advises the Council on emerging policies and initiatives.

Community Investment Initiative – The Community Investment Initiative (CII) is led by a Leadership Council consisting of business leaders, community nonprofit representatives, educators and former elected officials. The Leadership Council is charged with looking at infrastructure investment strategies for economic growth. The Leadership Council and Metro staff work together to craft an integrated federal, state, regional and local investment strategy to help close the gap between the region’s needs and its financial means.

Diversity Program – The Diversity program is responsible for the development, implementation and communication of diversity strategies which support Metro’s values, goals and Diversity Action Plan.

Equity Strategy Program – The Equity Strategy program is responsible for the development of an agency-specific Equity Strategy for Metro. The Equity Strategy will define Metro’s roles and responsibilities in advancing equity as one of the region’s six desired outcomes and will guide implementation of an actionable and measurable Equity Action Plan across the agency.

SIGNIFICANT CHANGES FOR THE BUDGET

FTE	\$	Description
(0.8)	(\$89,500)	Limited duration Program Analyst III position in CII eliminated at 09/30/13.
	(\$16,250)	Reduce temporary staffing support for CII.
	(\$249,500)	Reduce consultant support and Leadership Council administrative support for CII.
0.2	\$33,400	Add 0.20 FTE Policy Advisor I to support development of Regional Infrastructure Enterprise and implementation of demonstration projects.
3.0	\$240,000	Add 3.0 FTE in support of the Equity Strategy program.
	\$131,500	Add materials and services in support of the Equity Strategy program.
2.4	\$49,650	TOTAL

PERFORMANCE MEASURES

Level of satisfaction through staff questionnaire, “I am proud to work for Metro.”

10/11	11/12	12/13	13/14	14/15	15/16	16/17
94.5%	NA*	78.2%	81%	82.5%	84%	85%

*Data generated by Sightlines survey is conducted biennially.

PROGRESS ON FY 2012-13 KEY OBJECTIVES

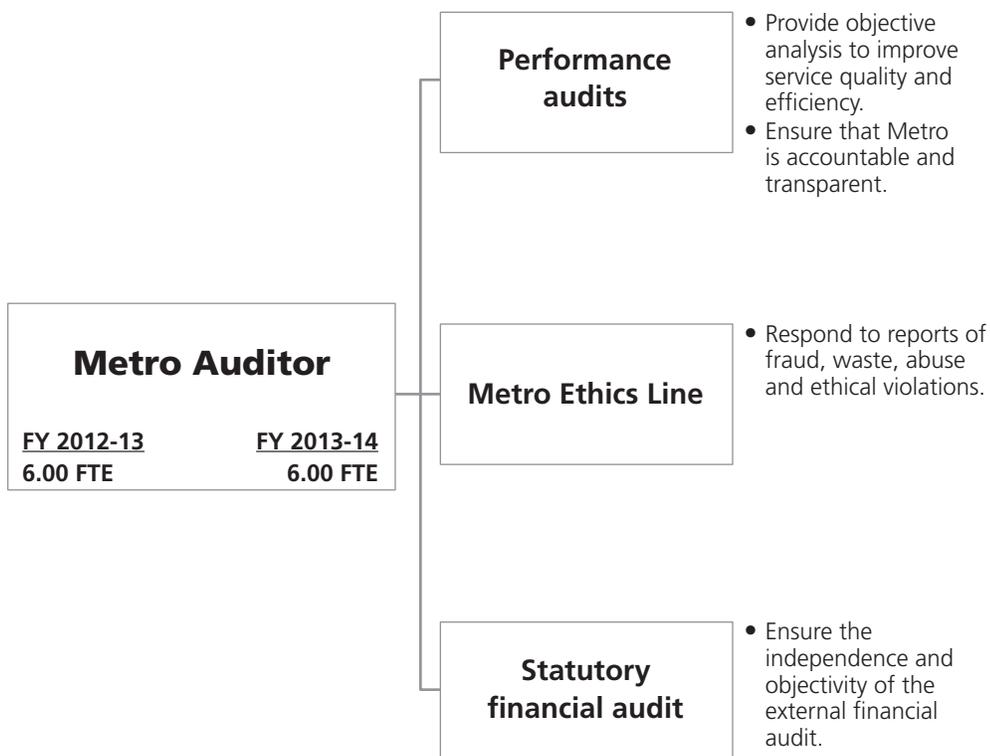
- Completed orientation and inauguration of three new Metro councilors.
- Concluded the Hotel Market Impact Study successfully.
- Initiated an agency-wide Equity Strategy program.
- Metro Council referred a levy for operations and maintenance on Metro parks and natural areas to the voters of the region for May 2013.
- Assisted in launching Greater Portland Export Leaders to implement the recommendations of the Metropolitan Export Initiative.
- Developed and executed the 2013 legislative agenda.
- Facilitated the development of a regional agenda on transportation for the 2013 Oregon legislative session.
- Provided key direction to the Climate Smart Communities project which mandates Metro to execute the requirements of House Bill 2001 for greenhouse gas scenario planning.
- Continued federal lobbying effort on transportation, including coordination of regional federal transportation agenda.
- Appointed an additional Council liaison to the Regional Infrastructure Enterprise implementation group of the Community Investment Initiative.
- Partnered with regional leaders to implement the Community Investment Initiative strategic plan resulting in an assessment tool to foster development-ready communities, legislative strategy in support of infrastructure funding, decision-making tool for school investment prioritization, and a business plan to develop the Regional Infrastructure Enterprise.
- Successfully implemented some local government engagement improvements including Council Office review of local agendas and directed attendance at key local meetings.
- Updated and modernized Council Rules and Procedures that had not been revisited in more than 15 years.

KEY OBJECTIVES FOR FY 2013-14

- Execute Metro’s role in implementing the Regional Infrastructure Enterprise business plan for the Community Investment Initiative.
- Improve local outreach and engagement strategy as directed by the Metro Council.
- Develop and execute 2014 legislative strategy and agenda.
- Provide political leadership in the urban growth management process.
- Support Visitor Venues general manager and staff in completing terms of development agreement for the Oregon Convention Center hotel.
- Continue to provide direction to the Climate Smart Communities project which mandates Metro to execute the requirements of House Bill 2001 for greenhouse gas scenario planning.

- Continue serving as agency liaison to West Hayden Island planning process to reconcile deepwater marine industrial lands with fish and wildlife habitat protection.
- Complete management diversity training that will build on planned leadership diversity training from FY 2012-13.
- Initiate agency-wide Cultural Compass Survey in fall 2013.
- Develop Equity Baseline for the region's desired outcomes, aside from equity (complete step 1 of multi-year process).
- Implement management equity training (coordinated with diversity program training).





Summary of Metro Auditor

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$584,191	\$639,243	\$664,274	\$673,290	\$676,911	\$676,911	\$689,411	2.39%
Materials and Services	28,405	24,529	44,474	44,474	35,971	35,971	35,971	(19.12%)
TOTAL	\$612,596	\$663,772	\$708,748	\$717,764	\$712,882	\$712,882	\$725,382	1.06%
BUDGET BY FUND								
General Fund	\$612,596	\$663,772	\$708,748	\$717,764	\$712,882	\$712,882	\$725,382	1.06%
TOTAL	\$612,596	\$663,772	\$708,748	\$717,764	\$712,882	\$712,882	\$725,382	1.06%
FULL-TIME EQUIVALENTS (FTE)	6.00	6.00	6.00	6.00	6.00	6.00	6.00	0.00%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								0.00

The Office of the Metro Auditor ensures that Metro and its activities are transparent and accountable to the public. Auditors objectively analyze Metro programs to determine areas where service quality can be improved and efficiencies can be gained. The Metro Auditor selects an external financial auditing firm to audit Metro’s annual financial statements and administers the contract.

MAJOR PROGRAMS

Performance Audits – After conducting a risk assessment, the Metro Auditor decides which audits will be scheduled for the next fiscal year. Auditors provide written audit reports on topics covering the full spectrum of Metro organizational units and activities. Audits are conducted following Government Auditing Standards. The results are presented publicly to the Metro Council and published on the Auditor’s web site. The office regularly tracks the implementation of audit recommendations and conducts follow-up audits two years after the original audit work was completed. In March 2013 the office received the Knighton Gold Award for best audit in 2012 in the small shop category from the Association of Local Government Auditors for the audit on the Maintenance of Natural Areas.

Metro Ethics Line – The office administers a phone and on-line system that allows Metro employees and citizens to anonymously report concerns related to fraud, waste, abuse and ethical violations. The Auditor oversees investigations that are conducted in response to reports and can initiate an audit if needed.

Financial Statement Audit – The Auditor’s Office secures formal bids from auditing firms interested in performing the annual audit of Metro’s financial statements and manages the evaluation of the bids received. The Auditor appoints the external auditor and administers the contract.

BUDGET ENVIRONMENT

Metro performs a broad range of activities that can expose Metro resources to significant risk. Audits need to address risk within the organization in several ways so that resources are adequately protected, business processes are efficiently operating and programs are effectively meeting goals. The level of audit resources affects which areas are audited and when. The challenge is to target audits strategically so that they produce the most value.

SIGNIFICANT CHANGES FOR THE BUDGET

None.

PERFORMANCE MEASURES

Percent of recommendations implemented by five years after audit issued.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
79%	93.2%	75%	75%	75%	75%	75%

Average hours per audit completed.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
680	801	1,535	1,200	1,200	1,200	1,200

Reports issued per FTE.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
1.8	1.5	1.3	1.5	1.5	1.5	1.5

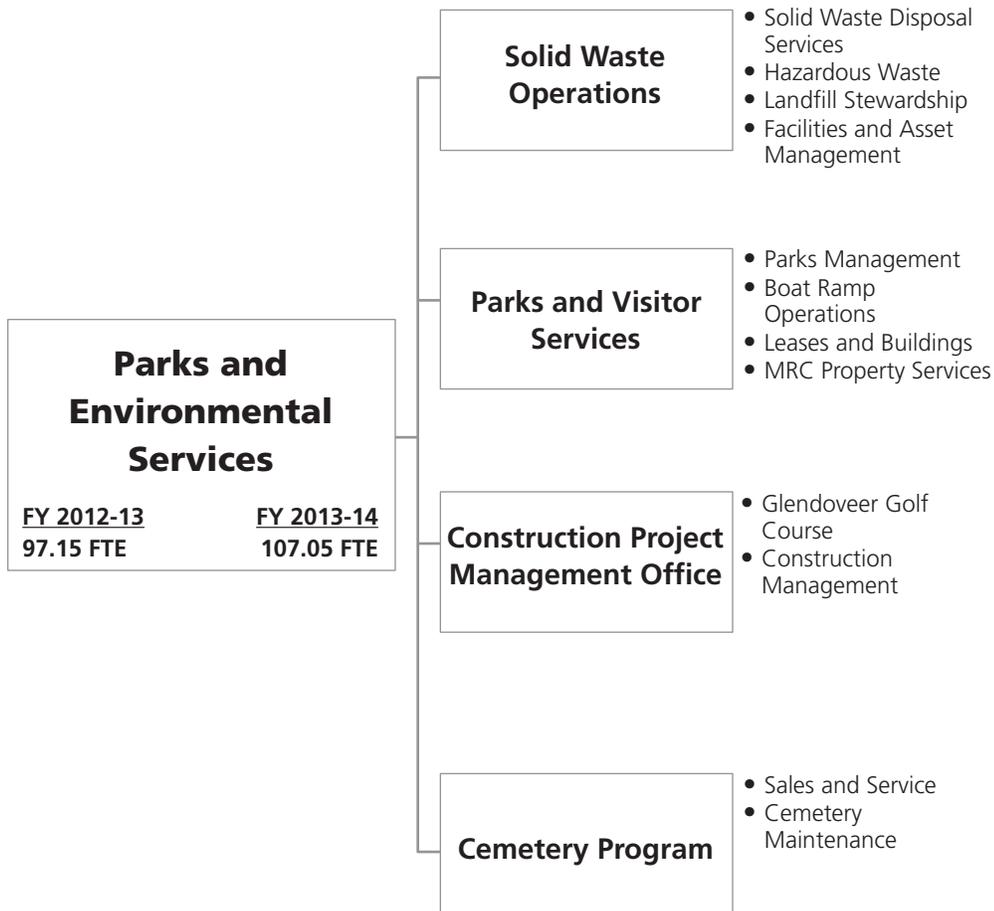
PROGRESS ON FY 2012-13 KEY OBJECTIVES

- The Auditor contracted with the Association of Local Government Auditors to conduct a peer review of the office to determine if auditors were following Government Auditor Standards. Peer reviewers were on-site December 3-7 and gave an opinion that the office's internal quality control system was suitably designed and operating effectively to provide reasonable assurance of compliance with standards.

KEY OBJECTIVES FOR FY 2013-14

- Decrease the turnaround time from audit start to finish by focusing on smaller program areas.

Parks and Environmental Services



Summary of Parks and Environmental Services

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$8,852,100	\$9,343,270	\$9,888,918	\$9,888,363	\$10,967,374	\$10,967,374	\$10,967,374	10.91%
Materials and Services	34,464,473	36,523,687	41,273,096	42,541,381	40,870,324	40,870,324	41,216,739	(3.11%)
Capital Outlay	1,065,514	2,364,408	8,257,435	8,277,435	6,326,554	6,326,554	6,621,510	(20.01%)
TOTAL	\$44,382,087	\$48,231,365	\$59,419,449	\$60,707,179	\$58,164,252	\$58,164,252	\$58,805,623	(3.13%)
BUDGET BY FUND								
General Fund	\$6,496,666	\$6,620,261	\$6,681,825	\$7,965,869	\$8,768,344	\$8,768,344	\$8,818,344	10.70%
General Asset Management Fund	1,212,845	1,171,378	3,010,579	3,030,579	2,407,688	2,407,688	2,518,644	(16.89%)
Parks and Natural Areas Local Optic	0	0	0	0	2,296,544	2,296,544	2,296,544	n/a
Smith & Bybee Lakes Fund	101,043	51,970	65,000	65,000	65,000	65,000	65,000	0.00%
Solid Waste Revenue Fund	36,571,533	40,387,756	49,662,045	49,645,731	44,626,676	44,626,676	45,107,091	(9.14%)
TOTAL	\$44,382,087	\$48,231,365	\$59,419,449	\$60,707,179	\$58,164,252	\$58,164,252	\$58,805,623	(3.13%)
FULL-TIME EQUIVALENTS (FTE)	98.55	97.30	97.15	102.65	107.05	107.05	107.05	4.29%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								4.40

Parks and Environmental Services contributes directly to the preservation of the region's livability and supports the goals and objectives developed by the Metro Council by providing for the safe, efficient and effective reuse, recycling and disposal of solid and household hazardous waste, and by providing places for the residents of the region to hike, fish, picnic, boat, golf, swim and play while engaging in their natural surroundings. Parks and Environmental Services is divided into four budgetary programs: Solid Waste Operations, Parks and Visitor Services, Construction Project Management Office and Cemetery program.

MAJOR PROGRAMS

Solid Waste Operations – The primary purpose of the Solid Waste Operations program is to provide comprehensive solid and hazardous waste reuse, recycling and disposal services to the public and commercial haulers. The Solid Waste Operations program includes three specific service areas:

Hazardous Waste Reduction – Reduces the toxicity of the waste stream and the amount of hazardous materials that enters the environment through collection and environmentally-sound disposal of hazardous waste at its two sites and neighborhood roundups, and recycling of latex paint at the MetroPaint facility. Reuses and recycles materials, including latex paint under contract with PaintCare, to keep them from unnecessary disposal.

Disposal Services – Provides comprehensive solid waste disposal services to commercial haulers and the public; includes Metro's two transfer stations.

Landfill Stewardship – Provides effective stewardship of two of the region's inactive solid waste landfills. It ensures compliance with all federal, state and local regulations applicable to landfill closure operations and post-closure requirements. Limited quantities of landfill gas (methane) are recovered and sold to an end-user.

Cemetery Program – Metro owns, operates and maintains 14 historic cemeteries spread across 25 miles and totaling 66 acres. Sales of casket burial plots and related services provide the majority of revenue generated for the program. With only 22 years of casket plot inventories remaining and finite land to be developed, long term revenue options are necessary to ensure that funds are set aside for the perpetual care of the properties.

Parks and Visitor Services greets thousands of visitors each day in Metro's regional parks, golf course and marine facilities. The division maintains and operates (directly or through service contracts) Oxbow Regional Park, Blue Lake Regional Park, Glendoveer Golf Course, Howell Territorial Park, Chinook Landing Marine Park, M. James Gleason Boat Ramp, Sauvie Island Boat Ramp, Smith and Bybee Wetlands Nature Park, Mt. Talbert Nature Park, Cooper Mountain Nature Park, Mason Hill Park and Graham Oaks Nature Park. Property Management is responsible for the maintenance of nearly 40 residential homes on natural area properties and agricultural leases on Metro natural areas. Property Services maintains operations within the Metro Regional Center and Irving Street Parking Structure. Property Services includes three main services: building and security services, office services and fleet management

Construction Project Management Office consolidates multiple functions across Metro and is responsible for overseeing the newly developed Construction Project Management Manual. The Construction Project Management Office is responsible for overall construction project management and management of most capital projects for Metro and Metropolitan Exposition Recreation Commission (MERC) facilities.

BUDGET ENVIRONMENT

Solid waste system tonnage in the region plummeted as the recession gained momentum. It appears that the bottom has been reached, although tonnage remains relatively flat. By the end of FY 2012-13 a slight uptick is expected regionally, with slow but steady upward growth to follow. However, there is continuing erosion of tonnage going through the Metro transfer stations. Simultaneously the agency is developing policies that reduce waste. Most recently and significantly the diversion of organic food waste from the putrescible waste stream, such as the City of Portland's residential food waste program, have contributed to Metro's transfer stations increase in volume.

The Cemetery program completed the Cemetery Business and Operations Plan in September 2011. The plan shifted the focus of the program to records management, best management practices and investments in cremation offerings, to accelerate sales and contributions to the Cemetery Perpetual Care Fund.

Parks and Environmental Services continues to focus on major projects at two facilities: Oxbow Park and the Glendoveer Golf Course. During the past two winters Oxbow Park suffered significant erosion, and extensive short- and long-term work is needed to plan and implement continued safe public access to camping and other areas of the park. A State Parks and Recreation Department grant was awarded in 2013 that will help fund the construction of new campgrounds at Oxbow Park to replace those lost to erosion. At the Glendoveer Golf Course, a new operator began operations of the facility on January 1, 2013. Extensive work continues on maintenance of the facility in addition to ongoing capital improvements.

The Parks and Natural Areas Levy, passed by the voters in May 2013, will result in significant improvement to parks facilities in Metro's portfolio. The levy will fund increased staffing, additional maintenance of developed parks and a significant capital program that will add amenities and replace aging structures across all of Metro's parks.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
4.50	\$78,250	Janitorial services for the Metro Regional Center will be provided by in-house staff rather than contractors.
	(\$3,380,000)	Reduction in contract services for solid waste transfer, transport and disposal services based on solid waste forecasts.
5.00	4,322,851	New staff and services to implement the Parks and Natural Areas Levy.
9.50	\$1,021,101	TOTAL

PERFORMANCE MEASURES

Material recovery rate at Metro Central Transfer Station.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
32.7%	34%	34%	34%	34%	34%	34%

Material recovery rate at Metro South Transfer Station.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
17%	17%	17%	17%	17%	18%	18%

Revenues as a percentage of total expenses at MetroPaint.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
	100%	100%	100%	100%	100%	100%

Annual percentage increase in cemetery sales and service revenue.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
NEW	10%	5%	5%	10%	10%	10%

Revenues as a percentage of total direct expenses at Oxbow, Blue Lake and Marine Facilities.

<u>10/11</u>	<u>11/12</u>	<u>12/13</u>	<u>13/14</u>	<u>14/15</u>	<u>15/16</u>	<u>16/17</u>
67%	66.5%	66.5%	65.5%	65%	64.5%	64%

PROGRESS ON FY 2012-13 KEY OBJECTIVES

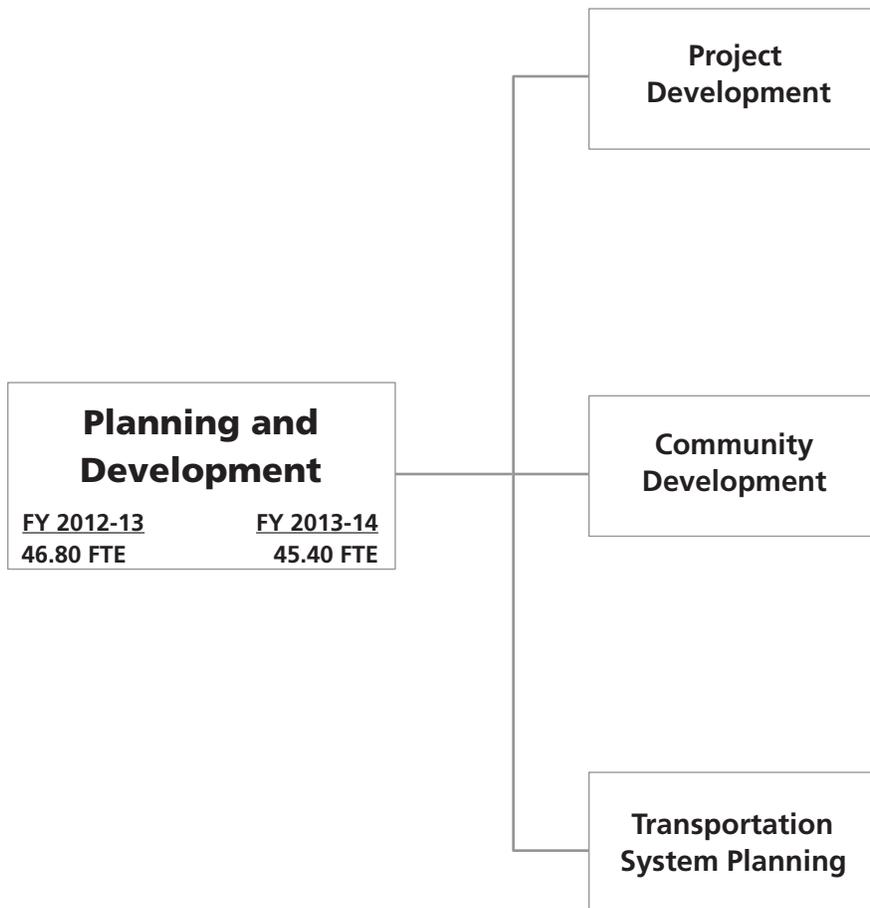
- Made significant progress on Solid Waste Roadmap with several projects and initial public engagement efforts beginning.
- Metro Council formed the Cemetery Advisory Committee in August 2012.
- Completed multiple safety and visitor experience improvement projects to ensure that Oxbow Park was open for the 2012 camping season, resulting in increased attendance.
- Metro entered into a contract with a new operator at Glendoveer Golf Course on January 1, 2013, and entered into a new lease agreement with the Ringside Restaurant. Work continues on capital improvements and renovation and replacement projects at the golf course.

KEY OBJECTIVES FOR FY 2013-14

- Continue work on the Solid Waste Roadmap project.
- Obtain extension of the contract with PaintCare for recycling of latex paint.
- Implement the marketing plan to increase cemetery revenue and reopen sales at Lone Fir Cemetery through the new cremation garden.
- Successfully implement the new projects and programs funded by the Parks and Natural Areas Levy.



Planning and Development



Summary of Planning and Development

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$5,851,442	\$5,986,497	\$5,611,037	\$5,590,211	\$5,324,852	\$5,324,852	\$5,750,677	2.87%
Materials and Services	4,506,361	3,253,896	8,866,159	8,866,159	8,455,171	8,455,171	8,465,346	(4.52%)
TOTAL	\$10,357,803	\$9,240,393	\$14,477,196	\$14,456,370	\$13,780,023	\$13,780,023	\$14,216,023	(1.66%)
BUDGET BY FUND								
General Fund	\$10,357,803	\$9,240,393	\$14,477,196	\$14,456,370	\$13,780,023	\$13,780,023	\$14,216,023	(1.66%)
TOTAL	\$10,357,803	\$9,240,393	\$14,477,196	\$14,456,370	\$13,780,023	\$13,780,023	\$14,216,023	(1.66%)
FULL-TIME EQUIVALENTS (FTE)	57.20	55.96	46.80	46.80	41.90	41.90	45.40	(2.99%)
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								(1.40)

Planning and Development partners with public and private sector interests to build more sustainable, prosperous and equitable communities consistent with the Region 2040 Growth Concept and local goals. Our vision is for diverse citizens of the region to live in vibrant communities and enjoy transportation and housing choices, access to good jobs, clean air and water.

The department also performs all the federally mandated functions required of a Metropolitan Planning Organization (MPO) including staffing the Joint Policy Advisory Committee on Transportation and Transportation Policy Alternatives Committee, managing the Metropolitan Transportation Improvement Program (MTIP) process and developing and implementing the Regional Transportation Plan.

MAJOR PROGRAMS

Project Development – partnering with communities to identify and target the right combination of investments necessary to help them grow their downtowns, main streets and employment areas.

Community Development – implementing the Region 2040 Growth Concept through policy development, education and technical assistance, as well as monitoring local compliance.

Transportation System Planning – including all functions critical to Metro’s role as the federally designated Metropolitan Planning Organization, such as gaining regional consensus on transportation funding priorities, developing and implementing the 20-year Regional Transportation Plan, Regional Travel Options, and leading the Transportation System Management and Operations program to optimize use of our existing infrastructure and increase transportation choices.

BUDGET ENVIRONMENT

The department has a healthier financial outlook for FY 2013-14 than in FY 2012-13. However, resource shortfalls in the General Fund and in discretionary federal grant funds continue to require department cutbacks on program services through staffing reductions. The availability of project specific grants has helped lessen the impact of fewer resources in Project Development and Transportation System Planning but project funding in future years looks limited. Resource considerations as we go forward include:

- Federal transportation dollars for planning, development and construction have generally declined across the nation over the past several years. MAP-21, the new federal transportation legislation, was adopted last summer. While it contained some significant changes and new requirements, little additional funds were made available to meet them. Metro was able to secure some additional Public Lands/ Surface Transportation Program/section 5303 program funding through Oregon Department of Transportation’s MPO allocation process which helped ease the loss.
- MTIP funded programs such as Transit Oriented Development (TOD) and Regional Travel Options (RTO) have relatively stable funding for the next several years.
- Staff is working with local and regional partners to secure additional funds to fully complete the next phase of the SW Corridor Project and to initiate the Powell/Division Corridor Plan.
- Corridor Planning staff were awarded a Transportation Research Board grant (\$275,000) to do project development on NE 238th Avenue, a high priority of the East Metro Connections Plan completed last summer.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
Community Development		
(1.00)	(\$143,000)	Eliminate vacant Manager position.
Project Development		
(1.00)	(\$129,400)	Eliminate Senior Planner position from Corridor Planning.
Transportation System Planning		
(0.40)	(\$45,500)	Reduce Sr. Management Analyst position from 1.00 to 0.60 FTE.
(2.4)	(\$317,900)	TOTAL

PERFORMANCE MEASURES

Project Development:

Southwest Corridor Refinement Plan – Percentage Completion.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
25%	50%	75%	100%			

Number of TOD projects completed each year in each center, corridor or station area.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
2	4	1	3	3	3	3

Community Development:

Number of jurisdictions in compliance with Title 13 Nature in Neighborhoods.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
23	24	26	28	28	28	28

Number of 2040 centers that meet the requirement in Title 6 to be eligible for regional investments.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
NA	2	2	4	4	6	6

PROGRESS ON FY 2012-13 KEY OBJECTIVES

At Metro Council's direction, staff spent the past three years establishing an outcomes-based planning and policy framework to implement the Region 2040 Growth Concept. We are now focusing on specific implementation efforts consistent with Council direction to become more focused on community development needs. Progress on objectives for FY 2012-13 include:

- Worked with partners to target public and private resources to create development ready industrial sites, facilitate brownfield clean-up and promote sustainable design and construction practices.
- Established ongoing resources to engage property owners, businesses and local partners in focused efforts to catalyze and sustain downtown redevelopment (e.g. Michelle Reeves Downtown Revitalization Curriculum, storefront improvements, walkability audits).
- Worked with the Environmental Justice Work Group on MTIP process, continued work with Multnomah County's Health and Equity grant, engaged underserved populations in corridor planning work, and partnered with the Coalition for Livable Future, Portland State University and others on opportunity maps to be utilized in our projects and the region's next Equity Atlas.
- Continued to stimulate development, create jobs and improve quality of life in the region via direct investments such as TOD construction projects, RTO grants, Community Development and Planning grants.

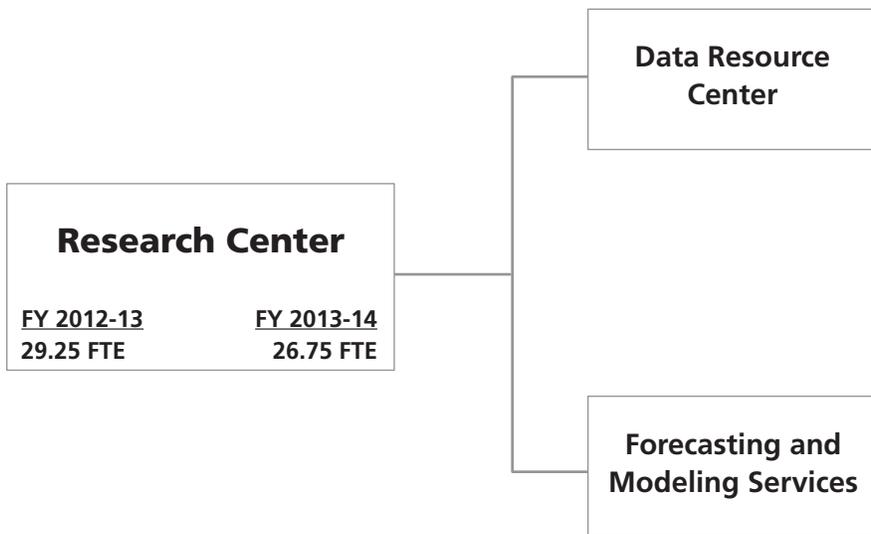
- The Climate Smart Communities Scenarios Project made significant progress in 2012 and early 2013. Working together with cities, counties, state, businesses and community leaders, Metro continued to research how land use and transportation policies and investments can be leveraged to help create great communities, support the region's economy and meet goals for reducing greenhouse gas emissions.
- Substantially completed Phase 1 of the SW Corridor Plan; integrated local land use and community development plans with a transportation alternatives analysis to develop an implementation strategy for the Southwest Corridor.
- Consistent with the High Capacity Transit Plan, worked with TriMet and other regional partners to develop scope, schedule and budget for the Powell-Division project with a focus on Bus Rapid Transit (BRT).
- Continued to provide leadership to develop a regional transportation finance strategy to include state, federal and regional funding to address significant gaps in the region's infrastructure.
- Continued to assist the Federal Transit Administration (FTA) in the development of guidance for travel demand forecasting, economic development and station access methodologies for the Small Starts funding program. Launched Streetcar Methods Analysis project with TriMet, Portland Streetcar Inc., FTA, the City of Portland and the City of Hillsboro to analyze economic development potential of streetcars through case studies in two to three areas around the region and develop methodology that can be replicated nationally.

KEY OBJECTIVES FOR FY 2013-14

- Work with partners to target public and private resources to create development ready industrial sites, facilitate freight movement and workforce access to jobs, support brownfield clean-up and promote sustainable design and construction practices. Support the Metropolitan Export Initiative with staff expertise and technical assistance.
- Support Metro's growth management responsibility to accommodate the region's 20-year population and employment growth.
- Continue efforts to move forward with transit investments in the southwest corridor, with a focus on refinement of high capacity transit design that will identify key issues prior to formal commencement of the environmental impact process in 2014. Advance other implementation elements including Development Strategy and Transportation Plan early opportunities.
- Formally commence transportation and high capacity transit planning in partnership with the City of Portland, the City of Gresham, Multnomah County, TriMet and ODOT. Build public private partnerships to enhance project efforts.
- Complete FTA Analysis project and use findings to determine opportunities for further public-private partnerships to advance streetcar corridors and development readiness in targeted areas.
- Revise and formalize pilot programs focused on engaging property owners, businesses and local partners in focused efforts to catalyze and sustain downtown redevelopment (e.g. Michelle Reeves Downtown Revitalization Curriculum, storefront improvements, walkability audits).
- Update and implement performance-based Regional Transportation Plan, the region's blueprint for a multi-modal transportation system.
- Work with local communities to refine and implement investments that create more walkable communities, grow the regional economy and expand transportation options as the region addresses climate change.



Research Center



Summary of the Research Center

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$3,330,617	\$3,296,539	\$3,263,156	\$3,327,876	\$3,098,699	\$3,098,699	\$3,121,499	(6.20%)
Materials and Services	866,182	892,602	617,779	617,779	522,875	522,875	522,875	(15.36%)
TOTAL	\$4,196,799	\$4,189,141	\$3,880,935	\$3,945,655	\$3,621,574	\$3,621,574	\$3,644,374	(7.64%)
BUDGET BY FUND								
General Fund	\$4,196,799	\$4,189,141	\$3,880,935	\$3,945,655	\$3,621,574	\$3,621,574	\$3,644,374	(7.64%)
TOTAL	\$4,196,799	\$4,189,141	\$3,880,935	\$3,945,655	\$3,621,574	\$3,621,574	\$3,644,374	(7.64%)
FULL-TIME EQUIVALENTS (FTE)	32.67	31.47	28.50	29.25	26.75	26.75	26.75	(8.55%)
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								(2.50)

The Research Center supports the Metro Council, Metro staff, external clients and the public by providing accurate and reliable data, information, mapping, forecasting and technical services to support public policy analysis and regulatory compliance. The center coordinates data and research activities with local government partners, academic institutions and the private sector. In addition the regional economic and travel forecasts provided by the Research Center meet federal and state requirements as consistent, accurate and reliable data and forecasting tools.

MAJOR PROGRAMS

Data Resource Center – The Data Resource Center (DRC) is the region’s steward of Geographic Information System (GIS) data as housed in the Regional Land Information System (RLIS). Data Resource Center staff employs this information to provide spatial analysis and mapping products for internal and external clients.

Forecasting and Modeling Services – The Transportation Research and Modeling Services and the Economic and Land Use Forecasting sections comprise the Forecasting and Modeling Services component of the Research Center. This program provides support to Metro’s operating units and regional partners by providing economic analysis, land use allocation and travel demand forecasts to policy officials to assist in regional decision-making. The program also serves a number of external public and private sector clients with forecasting information and technical oversight.

BUDGET ENVIRONMENT

Management and Coordination – Research Center has two major challenges for FY 2013-14:

1. **Financial stabilization:** continued reductions in general and grant funds available for both core and client services have reduced capacity in both areas and result in less flexibility to bring on new clients throughout the year. This was the primary area that influenced development of the budget for FY 2013-14. The department will be evaluating options and developing a strategy to address this issue through fall 2013.
2. **Data to Decisions:** a major challenge for department management is ongoing outreach to customers and clients on new or revamped services, information and analytical tools available for their use, and ensuring that data and information is useful and well understood by staff, stakeholders, and the Council. Enhancing understanding of Research Center products will be a major management initiative for FY 2013-14 and will range from training to projects.

Data Resource Center – In FY 2013-14 the DRC will continue to focus on increasing the efficiency of our data collection, maintenance and distribution process. This will be accomplished through an ongoing effort to streamline the maintenance processes and cultivate relationships with data providers and other partners at the state and local level.

The DRC will also be looking to expand partnerships and collaboration on projects requiring spatial data, mapping and GIS services consistent with its mission. This will address the ongoing economic challenge of being requested to provide less work for some clients while better being able to meet the needs of others.

The DRC will also focus on reducing barriers to accessing information by developing creative approaches to illustrating information at both the regional and local scale.

Forecasting and Modeling Services – The revenue stream from state, local and federal funds continues to be constrained. As a consequence the forecasted level of project planning in FY 2013-14 will lessen. The Transportation Research and Modeling Services and Economic and Land Use Forecasting sections have again identified external partnerships and funding commitments to, in part, offset the loss of project revenue and allow for the retention of key staff.

SIGNIFICANT CHANGES IN THE BUDGET

None.

PERFORMANCE MEASURES

Percentage of clients who rate the quality of DRC products and services as excellent.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
77%	73%	67%	67%	67%	67%	67%

Percentage of clients who rate the relevance of RLIS data to their needs as excellent.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
61%*	67%	70%	72%	72%	72%	72%

* Survey instrument was developed and implemented as part of the Research Center strategic planning process in FY 2009-10.

Travel Demand Model capability, as measured by annual survey of clients. Continuous scale – 1.0 is poor, 5.0 is excellent.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
3.5*	4.1	4.1	4.3	4.3	4.4	4.4

Quality of the data produced by the model, as measured by annual survey of clients. Continuous scale – 1.0 is poor, 5.0 is excellent.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
4.8	4.0*	4.3	4.6			

Customer service, as measured by annual customer survey. Continuous scale – 1.0 is poor, 5.0 is excellent.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
4.5*	5.0	5.0	5.0	5.0	5.0	5.0

*The methodology behind the survey instrument was refined as part of the Research Center strategic planning process. These changes will allow for year-to-year trend analysis beginning in FY 2010-11.

Regional macroeconomic model and MetroScope capabilities, as measured by annual survey of clients. Continuous scale – 1.0 is poor, 5.0 is excellent.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
4.5	5.0	4.95	4.7	4.7	4.7	4.7

Quality of the data produced by the models, as measured by annual survey of clients. Continuous scale – 1.0 is poor, 5.0 is excellent.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
4.7	5.0	4.95	5.0	5.0	5.0	5.0

PROGRESS ON FY 2012-13 KEY OBJECTIVES

- Initiated Research Center Financial Stabilization Plan project to better manage department resources with client demand for services while maintaining core program of data and tools.
- Continued Greater Portland Pulse efforts for outreach, fundraising, data collection, maintenance, training and reporting; utilized GPP data, indicators and approach in coordination efforts with Climate Smart Communities, CLF Equity Atlas, Metro Equity project, and Metro’s Six Regional Outcomes.

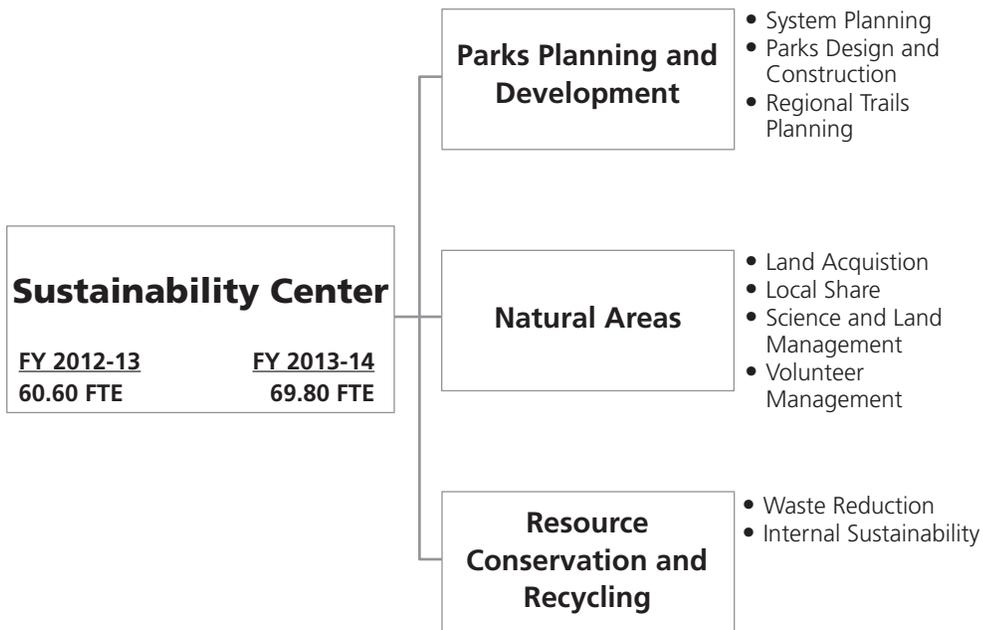
- Provided periodic updates to the Regional Land Information System for partners and subscribers.
- Made historical aerial photos available via web service.
- Completed the regional bicycle network data refinement project.
- Completed the regional sidewalk data refinement project.
- Completed the 2011 Travel Behavior Survey. The data was used to update and validate the current trip-based travel demand model.
- Continued the development of the new tour based travel demand model.
- Introduced advanced traffic modeling techniques into the region through the use of Dynamic Traffic Assignment methods in project analysis (SW Corridor Study, Clackamas County TSP).
- Continued to develop an advanced method for pedestrian modeling for the region in conjunction with Portland State University.
- Developed and deployed sketch land use tools and modifications to decision-models to enhance Metro decision-making around the Six Regional Outcomes.
- Completed the 2010-40 Regional Growth Distribution Forecast via Metro Council action (ordinance 12-1292A) and submittal to Department of Land Conservation and Development. The growth distribution satisfies state-mandated population coordination requirements for ORS 195.036.

KEY OBJECTIVES FOR FY 2013-14

- Complete and implement key components of Research Center Financial Stabilization Plan in time for FY 2014-15 budget development, in particular to maintain and enhance resources to ensure efficient core Research Center functions.
- Continue Greater Portland Pulse implementation, outreach and utilization, and coordination with similar evaluation and indicator activities.
- Complete the regional demographic data maintenance plan.
- Complete the sensitivity testing for the Dynamic tour based travel demand model. Commence the application of the tool in project work.
- Integrate the pedestrian analysis research conducted by Portland State University into the full travel modeling system.
- Conduct research into the two topics identified in ordinance 12-1292A. The ordinance directs Metro: 1) to investigate factors that influence the supply of residential and non-residential redevelopment; and 2) to analyze the innate residential demand preferences in the region.
- Prepare a buildable land inventory (residential and employment) in time for the state mandated 2014 Urban Growth Report (UGR) decisions. Include in this inventory the findings from the first research topic.
- Complete UGR analysis; produce an update to the state mandated UGR in 2014 that incorporates methodological changes in the buildable land inventory, add to the BLI elements of residential and employment redevelopment / infill, update Housing Needs Analysis and potential MetroScope analysis.
- Produce a range forecast for housing and employment via Metro Council actions, which are also acknowledged by LCDC.
- Proceed with research and development for a MetroScope update in order to provide better analysis of policy assumptions and the potential socio-economic impact to Metro's Six Regional Outcomes.



Sustainability Center



Summary of the Sustainability Center

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$6,980,100	\$7,301,979	\$6,669,780	\$6,629,617	\$7,715,922	\$7,715,922	\$7,741,537	16.77%
Materials and Services	13,877,722	15,348,859	17,894,237	18,128,137	20,295,715	20,295,715	20,610,223	13.69%
Capital Outlay	9,999,955	16,304,358	32,202,194	32,202,194	22,830,824	22,830,824	22,856,324	(29.02%)
TOTAL	\$30,857,777	\$38,955,196	\$56,766,211	\$56,959,948	\$50,842,461	\$50,842,461	\$51,208,084	(10.10%)
BUDGET BY FUND								
General Fund	\$4,578,230	\$4,695,872	\$4,086,762	\$4,332,136	\$3,800,631	\$3,800,631	\$3,916,131	(9.60%)
Natural Areas Fund	19,604,953	27,288,427	45,179,080	45,177,698	35,247,915	35,247,915	35,247,915	(21.98%)
Parks and Natural Areas Local Option	0	0	0	0	5,227,100	5,227,100	5,227,100	n/a
Open Spaces Fund	78,819	21,347	738,934	738,934	643,064	643,064	643,064	(12.97%)
Rehabilitation & Enhancement Fund	296,637	250,770	358,641	358,641	327,996	327,996	330,990	(7.71%)
Solid Waste Revenue Fund	6,299,138	6,698,780	6,402,794	6,352,539	5,595,755	5,595,755	5,842,884	(8.02%)
TOTAL	\$30,857,777	\$38,955,196	\$56,766,211	\$56,959,948	\$50,842,461	\$50,842,461	\$51,208,084	(10.10%)
FULL-TIME EQUIVALENTS (FTE)	69.75	69.40	60.60	60.60	69.60	69.60	69.80	15.18%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								9.20

The Sustainability Center contributes directly to the preservation of the region's livability and supports the goals and objectives developed by the Metro Council, including the Making a Great Place initiative. The Sustainability Center focuses on providing accessible regional natural areas, parks and trails, and maintaining and enhancing environmental quality. It also promotes sustainable resource management through waste reduction initiatives, hands-on interpretive programs, youth and adult education, grants, demonstration projects and volunteer opportunities.

MAJOR PROGRAMS

Parks Planning and Development – Provide long-range and site-specific plans and designs for ensuring regional access to nature. Specific efforts include The Intertwine: working with the non-profit Intertwine Alliance, park providers, business leaders and non-governmental organizations to broaden the range of support for parks, trails and natural areas to build collaborative regional strategies. Other efforts include collaborating with local park providers and citizens to plan alignments for regional trails, strategize funding and implementation options and securing grants to build out the system. Provide design and construction oversight expertise to build or modify developed park and trail facilities or sites.

Natural Areas – Protects, restores and manages natural areas throughout the region. To this end, staff implements and administers the \$227.4 million Natural Areas bond measure passed by voters in November 2006 and portions of the Parks and Natural Areas Local Option Levy. This includes the acquisition of regionally significant natural areas in identified target areas to protect lands around local rivers and streams, preserve significant fish and wildlife habitat, enhance trails and wildlife corridors and connect urban areas with nature. This program also includes a local share component, where cities, counties and park districts within Metro's jurisdiction will complete more than 150 locally significant projects, and a capital grants component that will fund neighborhood projects that enhance natural features and their ecological functions on public lands. Science and land management activities within this program focus on the preservation, restoration and enhancement of natural area habitats for fish and wildlife, including the use of volunteers who assist with stewardship of natural areas. Some Nature in Neighborhoods initiatives and grant programs such as the community enhancement grants are also included in this program.

Resource Conservation and Recycling (RCR) – RCR includes two sub-programs: regional Waste Reduction and Metro's Internal Sustainability efforts. Waste Reduction advances the region's efforts to reduce the environmental and human health impacts associated with the production, consumption and end-of-life management of goods used by residents and businesses. Internal Sustainability focuses on implementing sustainable practices into Metro's own operations.

BUDGET ENVIRONMENT

Natural areas acquisition is supported entirely by voter-approved general obligation bonds, which are restricted to capital expenditures as described in the authorizing resolution. Long-term stewardship of lands acquired under the bond program must be financed from other, non-bond sources. Efforts are underway to identify opportunities for stable, long-term funding. In the near term, the voter-passed Parks and Natural Areas Local Option Levy will fund these activities. In the Parks Planning and Development program, four planning studies and two construction efforts are funded by the federal government but all were completed (or nearly completed) by June 30, 2013, and there are no more federally funded projects in the pipeline.

RCR is being driven by Regional Solid Waste Management Plan responsibilities and a materials management framework that aims to reduce lifecycle environmental impacts. The program will continue its emphasis on effective program delivery, including the use of strategic partnerships, utilization of policy strategies such as product stewardships, and research to support effective program design and measurement. A key element of the partnership approach is the service delivery cost-sharing model with local government partners that strongly contributes to the region's ability to implement effective on-the-ground waste reduction programs. The program budget reflects reductions in a number of project areas, including closing out the Clean Fleet Diesel Retrofit.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
	(\$313,850)	Reduction in materials and services due to end of diesel retrofit project and other DEQ activities.
9.0	\$5,582,944	New projects and programs funded by the Parks and Natural Areas Levy.
9.0	\$5,269,094	TOTAL

PERFORMANCE MEASURES

Complete feasibility and/or master plan studies for segments of the Regional Trail System.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
2	2	2	3	2	2	2

Complete plans or projects that will increase access to nature.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
1	1	1	3	3	3	3

Acres of land acquired for protection each year.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
417	1,249	525	425	425	300	250

Number of hours volunteered at Metro natural areas.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
	14,557	15,000	15,500	16,000	16,500	17,000

No annual increase in regional per capita solid waste generation (in pounds).

10/11	11/12	12/13	13/14	14/15	15/16	16/17
2,690	2,605	2,530	2,530	2,530	2,530	2,530

Regional recovery rate.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
58%	64%	64%	64%	64%	64%	64%

PROGRESS ON FY 2012-13 KEY OBJECTIVES

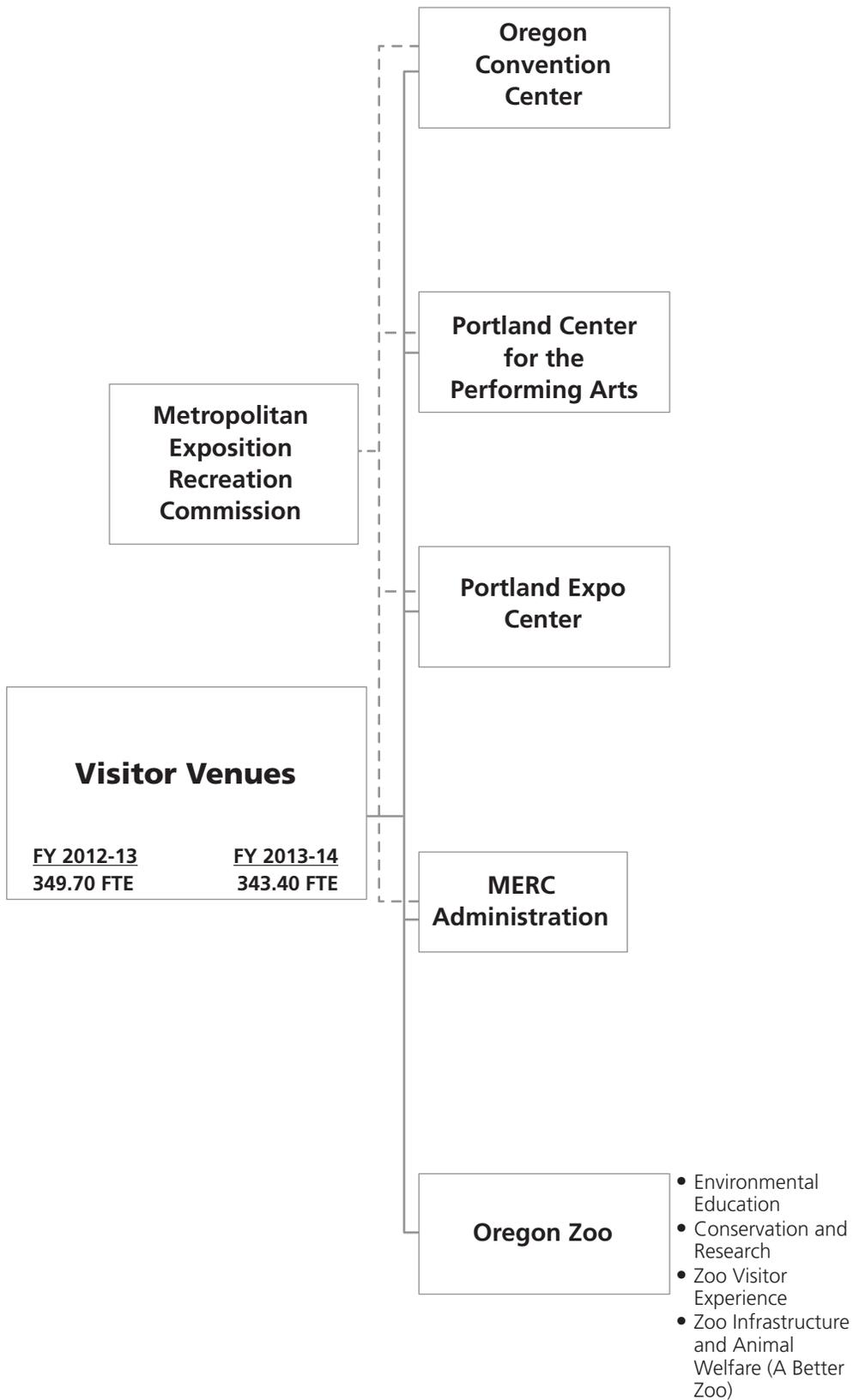
- Worked with the Metro Council on the referral of a five-year local option levy to support restoration and maintenance of natural areas and parks, community involvement in nature and an expanded Nature in Neighborhoods grant program.
- Continued natural area acquisitions, local share projects and Nature in Neighborhoods Capital Grants.
- Worked closely with Parks and Environmental Services and Finance and Regulatory Services, local government, state and private sector partners to plan for and respond to significant changes in the food waste system.

KEY OBJECTIVES FOR FY 2013-14

- Begin implementation of the Parks and Natural Areas Local Option Levy, including increased maintenance, new restoration projects and scoping and planning of initial site access projects.
- Work with Council and affected stakeholders to identify and implement ongoing funding for system restoration and park development purposes, expected to be a multi-year complex engagement.
- Continue natural area acquisitions, local share projects and Nature in Neighborhoods Capital Grants as promised by the 2006 Natural Areas bond measure.
- Work with local government, state and private sector partners to stabilize and then expand food waste initiatives, which are priority elements of the Regional Solid Waste Management Plan adopted by the Metro Council in 2008.



Visitor Venues



Summary of Visitor Venues

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$33,317,210	\$34,230,394	\$36,789,774	\$36,577,567	\$37,462,997	\$37,462,997	\$37,462,997	2.42%
Materials and Services	31,009,081	33,348,545	36,591,738	39,285,961	35,689,526	35,689,526	38,581,788	(1.79%)
Capital Outlay	12,772,316	9,309,199	24,196,922	26,174,851	35,729,293	35,729,293	36,351,153	38.88%
Debt Service	1,593,801	1,593,039	1,590,452	1,590,452	1,573,881	1,573,881	1,573,881	(1.04%)
TOTAL	\$78,692,408	\$78,481,177	\$99,168,886	\$103,628,831	\$110,455,697	\$110,455,697	\$113,969,819	9.98%
BUDGET BY FUND								
General Fund	\$25,125,391	\$27,167,818	\$30,862,025	\$31,227,511	\$31,465,451	\$31,465,451	\$31,585,451	1.15%
General Asset Management Fund	840,091	1,518,823	1,937,754	3,810,683	6,467,084	6,467,084	6,833,939	79.34%
General Revenue Bond Fund	1,593,801	1,593,039	1,590,452	1,590,452	1,573,881	1,573,881	1,573,881	(1.04%)
MERC Fund	42,414,375	41,511,688	45,252,653	47,488,420	44,886,700	44,886,700	47,913,967	0.90%
Parks and Natural Areas Local Option Levy Fund	0	0	0	0	297,413	297,413	297,413	n/a
Oregon Zoo Infrastructure & Animal Welfare Fund	8,718,750	6,689,809	19,526,002	19,511,765	25,765,168	25,765,168	25,765,168	32.05%
TOTAL	\$78,692,408	\$78,481,177	\$99,168,886	\$103,628,831	\$110,455,697	\$110,455,697	\$113,969,819	9.98%
FULL-TIME EQUIVALENTS (FTE)	345.98	345.16	349.45	349.70	343.15	343.15	343.40	(1.80%)
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								(6.30)

Summary of MERC Administration

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$1,866,526	\$1,405,853	\$1,155,255	\$1,147,691	\$703,412	\$703,412	\$703,412	(38.71%)
Materials and Services	288,563	248,974	559,309	559,309	392,881	392,881	442,881	(20.82%)
Capital Outlay	0	0	47,000	47,000	92,800	92,800	92,800	97.45%
TOTAL	\$2,155,089	\$1,654,827	\$1,761,564	\$1,754,000	\$1,189,093	\$1,189,093	\$1,239,093	(29.36%)
BUDGET BY FUND								
MERC Fund	\$2,155,089	\$1,654,827	\$1,761,564	\$1,754,000	\$1,189,093	\$1,189,093	\$1,239,093	(29.36%)
TOTAL	\$2,155,089	\$1,654,827	\$1,761,564	\$1,754,000	\$1,189,093	\$1,189,093	\$1,239,093	(29.36%)
FULL-TIME EQUIVALENTS (FTE)	20.00	14.85	11.50	11.50	5.50	5.50	5.50	(52.17%)
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								(6.00)

Metro's Visitor Venues include the Oregon Convention Center (OCC), Portland Center for the Performing Arts (PCPA), Portland Expo Center (Expo) and the Oregon Zoo. Formed in July 2010 to enhance collaboration on operational issues, the team actively works toward a common mission of maintaining world-class gathering and entertainment spaces for residents and visitors and creating significant economic impact throughout the region.

Through its Metropolitan Exposition Recreation Commission (MERC), Metro benefits from business and community leaders whose expertise and guidance set the strategic business direction for three of the venues: OCC, PCPA and Expo. Commission members are nominated by Clackamas, Multnomah and Washington counties and the City of Portland and appointed by the Metro Council to serve four-year terms.

The Oregon Zoo also benefits from a key public/private partnership through the Oregon Zoo Foundation (OZF), composed of business and community leaders. The OZF's mission is to foster community pride and involvement in the Oregon Zoo and to secure financial support for the zoo's conservation, education and animal welfare programs.

MAJOR PROGRAMS

Conventions, Trade and Consumer Shows – OCC and Expo are among the West Coast's largest convention and exhibition spaces, attracting a million visitors each year combined to a wide variety of international, national and regional events that foster business development and support the region's economy.

Performing Arts, Arts and Culture – PCPA is a collection of performance spaces serving the city's major resident companies, commercial promoters, local nonprofit arts groups and a national Broadway show touring series. A central component to Portland's thriving Cultural District, PCPA hosts more than 800,000 visitors who attend events and performances each year and contribute to the cultural vibrancy of the region.

Zoo Conservation Education – The Oregon Zoo's conservation program focuses on identification and implementation of *in situ* and *ex situ* wildlife conservation through direct fieldwork, research, improved animal husbandry techniques and captive propagation. Educational programs offer learning opportunities to people of all ages and cultures, both on-campus and off.

Zoo Visitor Experience – Visitor experiences at the Oregon Zoo represent a guest's primary activities during their visit to the zoo campus. Supporting the zoo's mission statement, the zoo provides guests a variety of opportunities for observation, discovery, and engagement with animals in a naturalistic environment. It serves 1.6 million visitors each year.

Zoo Infrastructure and Animal Welfare Bond Program – The Oregon Zoo's bond program, A Better Zoo, implements the capital planning and construction activities funded through approval of the 2008 general obligation bond.

BUDGET ENVIRONMENT

The recession's long-term effects continue to pose challenges to the visitor venues as a corporate nonprofit and general public customers maintain caution in their spending levels implemented in recent years. Signs of growth are emerging, evidenced by increasing attendance and size of events overall. The venues reduced spending, captured new markets and diversified events, all of which have contributed to strong net revenues despite the downturn. A direct result of the 2008 recession, the

number of national conventions booked at the OCC is lower than average. Expo is taking an aggressive approach to generating new streams of revenue through a staff reorganization and increased marketing. PCPA is benefitting from a new, more lucrative ticketing contract and a strong 10-week run of Broadway in FY 2012-13. The Oregon Zoo is focusing on the guest experience during FY 2013-14 to mitigate the impacts created by campus-wide bond funded construction. Areas include access to animal viewing, such as elephants, concert lawn events and activities, catering functions and train operations.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
	\$667,097 *	OCC's budget includes the allocation of positions to best serve the current business needs within the operations department and the addition of a sales position contingent on approval of a convention center hotel. \$615,000 in capital projects are funded from the MERC Pooled TLT Capital reserve account.
	202,549 *	PCPA eliminates three full time operations positions and increases one new position to supervise maintenance and engineering services. Operating revenues and expenditures reflect an increase based on the required accounting for the PCPA ticketing system contract. The previous agreement recognized net revenue compared to the new agreement which requires PCPA record gross revenue and associated costs of the ticket agency fee and credit card expense.
	211,137 *	Expo's budget includes an interim solution for administrative staffing by eliminating the executive assistant position and providing support services with two part time positions. Material and services include the new storm water fee and \$40,000 for unanticipated emergency maintenance projects. \$165,000 in capital projects are funded from the MERC Pooled TLT Capital reserve account.
	328,917 *	The Oregon Zoo eliminates 1.80 FTE and recognizes revenue adjustments related to higher concert sales; admission fee increase effective February 2013; OZF simplifying membership rate structure; elimination of parking fee revenue as City of Portland assumes operation of the parking lot; and other adjustments related to construction.
MERC Administration Only		
(6.0)	(\$537,201)	The MERC/Metro Business Practices Study outcomes continue into the new fiscal year with six administrative positions, formerly 100% MERC dedicated, transitioning into central service positions allowing a net cost savings to the Venues budget of \$159,704. <ul style="list-style-type: none"> • 4.0 FTE accounting positions. • 2.0 FTE information services positions.
	(\$166,428)	Materials and services are 29 percent less than prior year due to savings generated from the closing of the MERC Administration office located at the Oregon Convention Center; and costs associated with employees transitioning to Central Services; and on-going Information Services requirements.
(6.0)	(\$703,629)	Total

*Significant budget changes for the four venues appear in the following sections.

PERFORMANCE MEASURES

Estimated economic impact in metropolitan region (millions).

	10/11	11/12	12/13	13/14	14/15	15/16	16/17
OCC	\$449.6	\$515.0	\$475.0	\$450.0	\$475.0	\$525.0	
OR Zoo	\$72.0	\$75.0	\$79.0	\$83.0	\$87.0	\$91.0	
PCPA	\$60.0	\$65.0	\$60.0	\$62.0	\$64.0	\$65.0	
Expo	\$34.1	\$33.5	\$34.2	\$35.2	\$36.6	\$38.4	

PROGRESS ON FY 2012-13 KEY OBJECTIVES

- Emphasize training and business process improvement, especially for users of EBMS.

Training is ongoing for all MERC venues who continue to work to bring all staff to a baseline competency in the system.

- Complete First Opportunity Target Area (FOTA) assessment and present policy recommendations to Council and Commission.

This project has not progressed as anticipated. Staff is working now with the diversity program manager and MWESB program coordinator to bring recommended improvements for this MERC policy before the Commission for consideration by the middle of FY 2013-14.

- Conduct needs/strengths assessment of venue communications, marketing, web/social media and public relations functions; implement visitor venue marketing and communications plan; identify functional teams and prepare recommendations for FY 2012-13 resource reallocation.

All four venues are coordinating their communication and public relations functions through Stephanie Soden in the venues office. We continue to work to create a coordinated model in an effort to maximize resources and create efficiencies for all of the venues.

- Develop strategic business plan in coordination with MERC Commission.

All four venues completed the first version of a five-year mission critical plan documenting mission, vision, values, goals and objectives. The zoo is continuing on with a larger effort to create a multiple year strategic and business plan while the MERC venues are refining their mission critical plans each year to assist in budget planning.

- Examine the financial operating model for Expo and OCC with an eye to the long-term financial sustainability of the current business models (with or without a convention center hotel).

This project began with the development of the five-year mission critical planning process. Next steps will involve more specific project scoping and assignment of a project manager to drive the project. This step is pending resource allocation.

- Integrate a long-term solution to the budget gap created by the reduction in transient lodging taxes received by PCPA.

This project began with the development of the five-year mission critical planning process. Next steps will involve more specific project scoping and assignment of a project manager to drive the project. This step is pending resource allocation.

- Complete the design of the elephant and condor exhibits, as well as site infrastructure funded by the Oregon Zoo Infrastructure and Animal Welfare Bond.

Site infrastructure design is complete and work has begun. Elephant habitat design transitioned from design to construction in summer 2013, and the new condor habitat is planned to open in fall 2013.

- Combine the education staff from the Sustainability Center with the zoo education staff to expand their regional collaboration and the ability to develop their community service/outreach and youth programming.

Completed and progress well under way to expand outreach and collaboration regionally.

- Develop, train and support staff at Expo with a renewed focus on enhancing revenues, fiscal responsibility, community engagement and outstanding customer service.

Expo staff has been reorganized and trained on a broader vision for their work, responsibilities and support for their work. Work that there are no resources to address has been assumed by other venue staff.

KEY OBJECTIVES FOR FY 2013-14

- Work with all four venues to identify scope of work needed to evaluate current business model against known challenges in the three to five year outlook. Identify resources to perform project work with stakeholders to develop options and or changes to current business model to ensure financial sustainability of all venues.
- Execute classification and compensation update project for the MERC venues. Primary elements of the project include updating classification descriptions, determining compensation strategy, determining resource needs and rollout timing.
- Create a standardized set of customer service measures across all venues to be included in annual performance measures.
- Complete OCC hotel negotiations and begin construction on hotel project.
- Ensure the elephant habitat construction is well underway and on budget.
- Work with stakeholders and the city to ensure smooth transition to paid parking at the zoo and implementation of the Transportation Management Agency agreement.
- Continue to increase coordination of strategic communications from the venues.
- Ensure all venues hit revenue targets and aggressively manage expenses.
- Continue to engage with leadership of the Columbia Crossing Project representing Metro's interests as a land owner at Expo.



Summary of the Oregon Convention Center

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$8,768,638	\$8,950,462	\$9,224,471	\$9,125,317	\$9,674,777	\$9,674,777	\$9,674,777	6.02%
Materials and Services	14,998,774	15,101,697	17,351,832	18,732,147	15,392,337	15,392,337	17,732,337	(5.34%)
Capital Outlay	2,625,972	1,301,110	2,152,577	2,152,577	2,305,535	2,305,535	2,731,540	26.90%
TOTAL	\$26,393,384	\$25,353,269	\$28,728,880	\$30,010,041	\$27,372,649	\$27,372,649	\$30,138,654	0.43%
BUDGET BY FUND								
MERC Fund	\$26,393,384	\$25,353,269	\$28,728,880	\$30,010,041	\$27,372,649	\$27,372,649	\$30,138,654	0.43%
TOTAL	\$26,393,384	\$25,353,269	\$28,728,880	\$30,010,041	\$27,372,649	\$27,372,649	\$30,138,654	0.43%
FULL-TIME EQUIVALENTS (FTE)	110.30	110.30	110.30	110.30	111.30	111.30	111.30	0.91%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								1.00

The Oregon Convention Center (OCC) is among the largest convention facilities in the Pacific Northwest and serves as a significant economic activity generator for the region and state by attracting out-of-town visitors to national conventions, to tradeshows and meetings and brings local residents to special events.

MAJOR PROGRAMS

Conventions, Trade and Consumer Shows – The Oregon Convention Center hosts, on average, half a million visitors each year who attend international, national and regional conferences, meetings and events. OCC events induce direct and indirect spending in local businesses, which create and support living wage jobs and generate tax revenues for state and local governments.

BUDGET ENVIRONMENT

The OCC revenue picture for FY 2012-13 exceeded expectations. OCC achieved two record revenue months in FY 2012-13 that did not seem possible when the budget was established more than a year ago. Reasons for this uptick in revenue are growth of some key shows, and the addition of new events like ComicCon, Retro Gaming and Magic, which have popular appeal in Portland. OCC continues to pursue high tech and local corporate business to produce further revenue gains.

Current bookings for FY 2013-14 lag behind trend in large part due to a reduced level of convention business that may be attributed to the recession, Portland's lack of a headquarter hotel and it simply being an off year. Sales staff has been actively targeting local food and beverage business, sports events and corporate events to fill the gap. The rebranding of ARAMARK to *pacificwild* catering has been well received especially due to the quality of the food produced by executive chefs. Partnerships with Pepsi and Portland Roasting Coffee have a promise of developing more marketing opportunities and events.

The convention center hotel project, if successful, will enhance the center's marketability to a national audience. OCC continues to lead the nation in sustainability programs and is upgrading infrastructure to enhance technical capacity to serve the high tech industry.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
(1.0)	(\$102,317)	Eliminate Chief Engineer position.
1.0	\$76,689	Add Telecom and Information Systems Technician.
1.0	\$77,725	Add an additional Sales Manager contingent on a term agreement and approval of a convention center hotel.
	\$615,000	Fund a portion of OCC capital projects from the MERC Pooled TLT Capital account.
1.0	\$667,097	TOTAL

PERFORMANCE MEASURES

National Conventions.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
44	42	37	32	42	44	44

(Note: 2015 and beyond is projected to return to historical levels)

Food and Beverage Margin.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
17.5%	11.3%	16.3%	14.7%	15.5%	16.0%	16.0%

Ratio Operating Revenue to Expenditures.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
90.7%	85.5%	80.2%	78.0%	82.0%	87.0%	87.0%

PROGRESS ON FY 2012-13 KEY OBJECTIVES

- OCC is on pace to achieve a 72 percent diversion rate.
- Front of house composting will begin facility-wide ahead of schedule on April 1, 2013.
- OCC is currently engaged in the LEED-EBOM recertification effort. We are working with Green Building Services to update and gather information required for recertification and are in the performance tracking stage.
- OCC is currently reviewing plans to renovate Dragon Café; one of its main concession stands. The addition of menu boards, menu changes and pricing modifications has led to additional concession revenues.
- OCC implemented complimentary Wi-Fi zones around the Stir Lounge, Portland Roasting Coffee shops and throughout Ginkoberry Lane in July 2012. The entire structure of the Internet services offered by OCC was revised to provide a better customer experience and to ensure that complimentary services wouldn't render paid services obsolete.
- OCC was successful in producing eight free concerts on Thursday evenings in July and August 2012. Sponsorship efforts were successful to underwrite the cost of the musicians.
- Per the direction of the Metro Chief Operating Officer, OCC completed a five-year mission critical plan identifying key goals and initiatives to pursue in the upcoming years.

KEY OBJECTIVES FOR FY 2013-14

- Achieve LEED-EBOM Gold Certification.
- Increase focus on efficiencies and cost reductions in the entire operation.
- Enhance short term booking strategy focusing on banquet and gala events to offset reduction in national conventions.
- Conduct proactive preventative maintenance and maximization of equipment efficiencies to reduce short- and long-term equipment replacement costs.
- Provide a high level of service to all clients utilizing our customer service program to acknowledge high-level performance.



Summary of Portland Center for the Performing Arts

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$5,189,316	\$5,377,506	\$5,582,207	\$5,522,476	\$5,623,884	\$5,623,884	\$5,623,884	1.84%
Materials and Services	3,354,848	3,830,795	3,582,046	4,431,305	4,469,199	4,469,199	4,469,199	0.86%
Capital Outlay	930,503	523,252	570,000	675,000	831,000	831,000	916,000	35.70%
TOTAL	\$9,474,667	\$9,731,553	\$9,734,253	\$10,628,781	\$10,924,083	\$10,924,083	\$11,009,083	3.58%
BUDGET BY FUND								
MERC Fund	\$9,474,667	\$9,731,553	\$9,734,253	\$10,628,781	\$10,924,083	\$10,924,083	\$11,009,083	3.58%
TOTAL	\$9,474,667	\$9,731,553	\$9,734,253	\$10,628,781	\$10,924,083	\$10,924,083	\$11,009,083	3.58%
FULL-TIME EQUIVALENTS (FTE)	46.40	47.40	46.40	46.40	44.40	44.40	44.40	(4.31%)
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								(2.00)

Portland Center for the Performing Arts (PCPA) provides superior, responsibly managed performance spaces that foster an environment in which diverse performing arts, events and audiences flourish.

MAJOR PROGRAMS

Performing Arts, Arts and Culture – PCPA is the hub of downtown Portland’s thriving Broadway Cultural District. The center draws roughly one million visitors each year to enjoy world class performance arts and entertainment, contributing to a vibrant and culturally rich region.

BUDGET ENVIRONMENT

Despite the recent rebound in transient lodging tax (TLT) revenues and the restoration of PCPA’s allocation to \$1.2 million in FY 2010-11, PCPA still faces a funding gap as expenses continue to outpace revenues. The organization’s mission to support local resident arts groups by providing deeply discounted rental rates of performance spaces is becoming increasingly difficult to achieve. Buildings that now range from 25 to 100 years old are creating renewal and replacement demands that PCPA, at its current funding levels, will not be able to sustain in the long term. Discussions on how to resolve this will need to take place in FY 2013-14. PCPA will have only 6.5 weeks of Broadway in FY 2013-14 with a slightly better than average product. The symphony and ballet combined will perform 17 fewer performances, although this revenue could be made up through commercial bookings in these open dates. This will also be the first full year of a new ticketing system that is anticipated to generate more revenue than the previous system.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
(1.0)	(\$5,000)	Eliminate vacant full time Lead Stage Door Attendant which is now covered by part time agents with the additional savings funding a part time administrative assistant to support the operations department.
(2.0)	(\$134,625)	Eliminate two part time non-represented facility maintenance positions; services will be contracted out.
1.0	\$89,718	Add a new position to supervise maintenance and engineering services.
	\$252,456	Due to full year on the new, more profitable ticketing system, ticketing commissions are up \$819,456. The commission is also higher as PCPA collects the full service charge then pays the ticketing company their ticket fee and pays the credit card expense reflected in a materials and services increase of \$567,000. Under the old system, the former ticketing company took their fee out prior to sending ticket commissions to us.
(2.0)	202,549	TOTAL

PERFORMANCE MEASURES

PCPA total weeks of Broadway.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
13	12.5	10	6.5	10	10	10

(Note: 2015 and beyond is project to return to historical levels)

Food and Beverage Margin.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
10.9%	19.9%	13.9%	14.54%	15.0%	16.0%	16.0%

Ratio Operating Revenue to Expenditures.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
88.9%	94.5%	88.9%	89.0%	90.0%	90.0%	90.0%

PROGRESS ON FY 2012-13 KEY OBJECTIVES

- Implemented new ticketing system to increase ticketing revenues.
- Developed new brand identity and website.
- Continued work with PCPA Foundation to clarify mission to raise capital funds for facility projects.
- Developed sponsorship packages for Music on Main and Summer Arts on Main.

KEY OBJECTIVES FOR FY 2013-14

- Work with stakeholders to identify long term funding strategy for PCPA.
- Roll out of new brand and website launch.
- Develop incentive packages to encourage commercial rentals during periods of open dates.
- Implement sponsorship and marketing packages to increase revenues.
- Fully utilize new ticketing system tools to promote ticket sales.
- Develop and launch foundation fundraising event.



Summary of the Portland Expo Center

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$1,388,413	\$1,469,088	\$1,605,485	\$1,608,478	\$1,655,148	\$1,655,148	\$1,655,148	2.90%
Materials and Services	2,552,818	3,083,033	2,847,971	2,912,620	2,776,724	2,776,724	2,832,986	(2.73%)
Capital Outlay	450,004	219,918	574,500	574,500	969,003	969,003	1,039,003	80.85%
Debt Service	1,189,131	1,188,631	1,187,132	1,187,132	1,188,651	1,188,651	1,188,651	0.13%
TOTAL	\$5,580,366	\$5,960,670	\$6,215,088	\$6,282,730	\$6,589,526	\$6,589,526	\$6,715,788	6.89%
BUDGET BY FUND								
General Revenue Bond Fund	\$1,189,131	\$1,188,631	\$1,187,132	\$1,187,132	\$1,188,651	\$1,188,651	\$1,188,651	0.13%
MERC Fund	\$4,391,235	\$4,772,039	\$5,027,956	\$5,095,598	\$5,400,875	\$5,400,875	\$5,527,137	8.47%
TOTAL	\$5,580,366	\$5,960,670	\$6,215,088	\$6,282,730	\$6,589,526	\$6,589,526	\$6,715,788	6.89%
FULL-TIME EQUIVALENTS (FTE)	13.30	13.30	13.30	13.30	12.30	12.30	12.30	(7.52%)
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								(1.00)

The Portland Expo Center (Expo) is a multi-purpose exhibition facility comprised of meeting rooms, exhibit halls, lobby and outdoor space and a full-service restaurant. Considered the region's primary destination for consumer public shows, tradeshows and special feature events, Expo hosts on average a half a million visitors each year.

MAJOR PROGRAMS

Conventions, Trade and Consumer Shows – Expo attracts regional visitors to diverse events that contribute to the livability of this region by inducing direct and indirect spending at local businesses that create and support living wage jobs and generating tax revenues for state and local governments.

BUDGET ENVIRONMENT

Expo is still in transition, with one fiscal year completed under new leadership and a myriad of new faces still in training. Expo has embraced a new marketing and communications plan, a revitalized brand and web presence, and has provided a number of new events while solidifying the core markets that have supported the success of Expo for many years. Additionally, Expo has embarked on a number of new sustainable efforts with a focus on reducing expenses. The efforts of this past year have left Expo well-positioned to focus on sales and increased revenues.

The FY 2013-14 budget does not include *Cirque du Soleil*. While looking positive, we still await final date negotiations, and will amend the budget as circumstances allow.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
(1.0)	(71,180)	Eliminate Executive Assistant position for one fiscal year to assess administrative staffing needs. In the interim two part time positions will provide focused support to administrative and operating support.
	42,317	Add two part time administrative and operating support positions.
	35,000	Increase in payment to the City of Portland for a new storm water fee to be phased in over several years; expected annual cost to peak around \$150,000.
	40,000	Add contingency for emergency or other unanticipated facility repair projects at Expo.
	165,000	Fund a portion of Expo capital projects from the MERC Pooled TLT Capital account.
	\$211,137	TOTAL

PERFORMANCE MEASURES

Number of Events.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
93	114	110	109	112	115	118

Food and Beverage Margin.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
11.4%	11.3%	19.3%	17.9%	18.0%	18.5%	19.0%

Ratio Operating Revenue to Expenditures.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
128.48%	134.21%	128.06%	133.77%	134.0%	135.0%	136.0%

PROGRESS ON FY 2012-13 KEY OBJECTIVES

- Further implemented Expo marketing and communications plan, including targeted enhancements to the www.expocenter.org website, implemented a media outreach plan that included transit and local advertising, expanded (phase two) on-site signage and revised policy on logo use with client base for increased earned media opportunities.
- Successfully created an active and supportive Expo Advisory Committee from a diverse group of clients, tradeshow professionals, community partners and MERC Commissioners to review, recommend and assist in the continued growth and support of the events and overall activities of Expo.
- Managed ongoing review of Expo's exhibit halls A, B and C, beginning with survey analysis, structural and geotechnical engineer analysis, and economic and fiscal business model review as it relates to those halls and impacts of this information on Expo's current Master Plan.
- Continued engagement with the City of Portland's Bureau of Sustainability (Stormwater Management increases) and the Multnomah County Drainage District #1. All of these agencies relate to the immediate and future impacts to the Expo's current business model.
- Continued development, training and support of small staff at Expo focused on enhancing revenues, fiscal responsibility, sustainable initiatives, community engagement and outstanding customer service.
- Completed capital projects included: Equipment purchases of five full-size bleachers; Renovation of Hall E lobby (carpet/paint/coffee cart upgrade), WiFi installation Hall D, Roof repairs for Hall D Lobby, Roof repairs Halls A and C, Parking Lot Repairs – Upper Four. Ongoing work for WiFi in Hall E, Electronic signage and AV Upgrades continue as of this writing.

KEY OBJECTIVES FOR FY 2013-14

- Focus marketing and communications planning and execution on increased sales revenue opportunities for new and repeat business.
- Continue work on broader opportunities where expansion into new markets is possible and meeting our community outreach objectives.
- Develop ongoing food and beverage improvements with our partners ARAMARK/pacificwild, up to and including concession stand improvements, new event development, and all with a focus on quality, community and cleanliness.
- Continue engagement with Metro staff for the Columbia River Crossing project, the City of Portland's Bureau of Sustainability (Stormwater Management increases) and the Multnomah County Drainage District #1.
- Further develop the positive attributes of having an engaged Expo Advisory Committee dedicated to the topics of the Columbia River Crossing, Long-Term Funding Solutions, Community Outreach, History and Equity.
- Focus capital projects on sustainable initiatives: Halls A, B, D and E lighting retrofit projects, bioswale improvements and sustained efforts on diversion practices. A measured and project managerial approach to renewal and replacement projects and our continued follow-up and research for the ongoing Hall A, B and C study.



Summary of the Oregon Zoo

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted from Amended FY 2013-14	% Change FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$16,104,317	\$17,027,485	\$19,222,356	\$19,173,605	\$19,805,776	\$19,805,776	\$19,805,776	3.30%
Materials and Services	9,814,078	11,084,046	12,250,580	12,650,580	12,658,385	12,658,385	13,104,385	3.59%
Capital Outlay	8,765,837	7,264,919	20,852,845	22,725,774	31,530,955	31,530,955	31,571,810	38.93%
Debt Service	404,670	404,408	403,320	403,320	385,230	385,230	385,230	(4.49%)
TOTAL	\$35,088,902	\$35,780,858	\$52,729,101	\$54,953,279	\$64,380,346	\$64,380,346	\$64,867,201	18.04%
BUDGET BY FUND								
General Fund	\$25,125,391	\$27,167,818	\$30,862,025	\$31,227,511	\$31,465,451	\$31,465,451	\$31,585,451	1.15%
General Asset Management Fund	840,091	1,518,823	1,937,754	3,810,683	6,467,084	6,467,084	6,833,939	79.34%
General Revenue Bond Fund	404,670	404,408	403,320	403,320	385,230	385,230	385,230	(4.49%)
Natural Areas Local Option Levy Fund	0	0	0	0	297,413	297,413	297,413	n/a
Oregon Zoo Infrastructure & Animal Welfare	8,718,750	6,689,809	19,526,002	19,511,765	25,765,168	25,765,168	25,765,168	32.05%
TOTAL	\$35,088,902	\$35,780,858	\$52,729,101	\$54,953,279	\$64,380,346	\$64,380,346	\$64,867,201	18.04%
FULL-TIME EQUIVALENTS (FTE)	155.98	159.31	167.95	168.20	169.65	169.65	169.90	1.01%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								1.70

The Oregon Zoo is the state's most popular paid attraction whose mission is to inspire visitors to learn about endangered species protection and take action toward native habitat restoration.

MAJOR PROGRAMS

The Oregon Zoo activity is budgeted in three funds: the General Fund, the General Asset Management Fund and the Oregon Zoo Infrastructure and Animal Welfare Fund. It is organized into divisions, including Living Collections, Environmental Education, Guest Services, Facilities Management, Marketing, Administration and Bond Program.

Environmental Education: This program is made up of zoo education, volunteer services and youth core, as well as ongoing integration of the sustainability conservation education division. The education aspect of this program provides learning opportunities to people of all ages and cultures. The zoo develops leaders and community relationships, encourages growth and inspires change through vital and dynamic volunteer opportunities and models behavior on sustainable living by our actions and examples of how we operate our facilities. Zoo and sustainability education programs increase the public's understanding of environmental issues, the need for direct action related to clean air and water, the management of resources for future generations and improving access to nature.

Conservation and Research: This program comprises animal welfare research scientists and species recovery specialists. The conservation aspect of this program identifies and implements *in situ* and *ex situ* wildlife conservation through direct fieldwork, research, improved animal husbandry techniques and captive propagation. Research is an important aspect of this program that continues the zoo's leadership in animal welfare science and innovation. In addition to cooperating with the Association of Zoos & Aquariums, the zoo participates in species survival plans and partners with several other conservation groups to conserve endangered and threatened species in our care and in nature.

Zoo Visitor Experience: This program represents the primary activities that serve guests during their visit to the zoo campus. Supporting the zoo's mission statement, the zoo provides guests the opportunity for observation, discovery and engagement of animals in naturalistic environments. To meet guest expectations, provide positive experiences and to generate enterprise revenues, the zoo provides many services and activities, such as admissions, food services, campus security, facility management, public events, catering venues, marketing and the zoo railway. The zoo also provides world class animal care for its collection of more than 2,000 animals that guests interact with on their visit.

The Oregon Zoo Infrastructure and Animal Welfare (A Better Zoo): This program represents the capital planning and construction activities funded by the November 2008 general obligation bond authority. Current and future projects include an Elephant Habitat and Related Infrastructure, Remote Elephant Facility, Conservation Discovery Zone, Polar Bear, Primate, Rhino and Condor projects and sustainability initiatives.

BUDGET ENVIRONMENT

Revenues are based on attendance of 1.61 million, the same as budgeted for FY 2012-13 and compared to the actual attendance of 1,597,475 in FY 2011-12. The attendance is based on a staging 16 premium concerts, the zoo's 125th Anniversary celebration, and the opening of both the Flamingo aviary and the Condor Habitat. In addition, the General Fund revenue drivers include an admission price increase

of \$1.00 as of February 2013. A revenue challenge will be managing the impacts to visitors due to the beginning stages of construction of the elephant habitat, which will require that the train be out of commission a portion of the year. Planning is underway for construction related displays and exhibits to involve guests in the excitement of the new exhibits to offset the potential impacts from construction.

Zoo bond funded projects are underway and include the completion of the design of the elephant exhibit, condor exhibit and infrastructure improvements. Construction began on the access road around the campus and the adjustments to the train roundhouse and tracks to prepare the site for the construction of the elephant exhibit. In addition, an existing building is being converted to house the zoo's Wildlife Live program animals that will be displaced by the expanded elephant habitat.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
(1.0)	(127,812)	Elimination of Deputy Director position.
(0.8)	(34,519)	Elimination of limited duration Program Assistant 1.
(1.8)	(\$162,311)	TOTAL Expenditure
	689,080	Increased Admissions revenue based on 1.61 million attendance and price increase effective February 2013.
	237,048	Increase in Concert revenue projected based on higher sales and newly negotiated contract with ticketing agent.
	176,900	Higher membership revenue; OZF is simplifying rate structure and increasing membership pricing.
	(273,700)	Elimination of Parking Fee revenue; Parking Lot operations are being assumed by City of Portland.
	(338,100)	Decrease Exhibit Shows revenue; no large temporary exhibits planned for FY 2013-14.
	(\$230,670)	Decrease train revenue due to construction, although ZooLights rates are increased.
	\$491,228	TOTAL Enterprise Revenue

PERFORMANCE MEASURES

Conservation Education Program

Total conservation education program attendance (thousands).

10/11	11/12	12/13	13/14	14/15	15/16	16/17
202	202	205	209	212	215	218

Zoo Visitor Experience Program

Enterprise Revenue: Comparison of current achievement to the adopted budget. Admissions, food service and catering, retail, classes and camps, train and special exhibits.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
87%	95%	96%	98%	100%	100%	100%

The Oregon Zoo initiated a visioning process in FY 2012-13, for the purpose of developing a five-year strategic direction. Through this exercise, a new set of performance measures are being created that better link budgetary data to the desired operational outcomes.

PROGRESS ON FY 2012-13 KEY OBJECTIVES

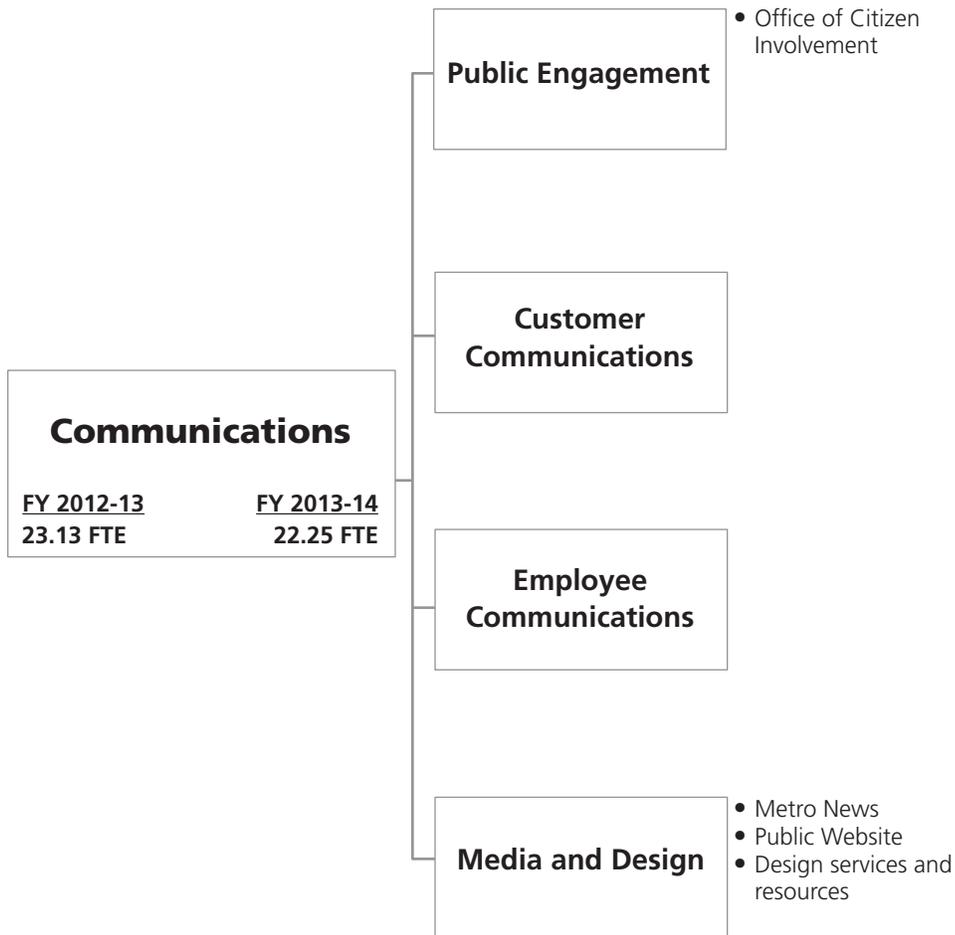
- Combined the education staff from the Sustainability Center with zoo education staff to expand their regional collaboration and the ability to develop their community service/outreach and youth programming.

- Completed the capital renovations and repairs to the Cascade Aviary Mesh and the Africa Lagoon projects funded by the Oregon Zoo Foundation’s “Don’t Miss the Flight” campaign.
- Completed the design of the condor exhibit and site infrastructure projects, funded by the Oregon Zoo Infrastructure and Animal Welfare Bond. Design for the elephant project completed in early summer 2013 and transitioned to construction.
- Construction of new access road around the zoo campus, including adjustments to the train roundhouse and tracks began in spring 2013.
- Enhanced member and visitor experience options by staging four Sunset at the zoo evening events.
- Fully staffed the expanded catering program, purchasing a new food cart for improved concessions, and currently updating restaurants and menus.
- Successfully upgraded Gateway ticketing system and target the integration with the Oregon Zoo Foundation’s Raiser’s Edge membership software to be completed in FY 2014-15.

KEY OBJECTIVES FOR FY 2013-14

- Minimize revenue impact from bond construction disruptions, specifically the effect on receipts from the summer concerts and train admissions.
- Maintain overall guest experience and satisfaction during construction activities.
- Complete condor and elephant infrastructure projects funded by the Oregon Zoo Infrastructure and Animal Welfare Bond.
- Begin design work for the Conservation Discovery Zone building funded by the Oregon Zoo Infrastructure and Animal Welfare Bond.
- Focus on increasing net revenue from food sales through continued refinement of the zoo’s food service business model.
- Work with stakeholders and the city to ensure smooth transition to paid parking at the zoo and implementation of the Transportation Management Association agreement.





Summary of Communications

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$2,256,391	\$2,357,670	\$2,340,085	\$2,335,825	\$2,537,548	\$2,537,548	\$2,537,548	8.64%
Materials and Services	112,056	129,310	261,500	291,500	120,400	120,400	164,100	(43.70%)
TOTAL	\$2,368,447	\$2,486,980	\$2,601,585	\$2,627,325	\$2,657,948	\$2,657,948	\$2,701,648	2.83%
BUDGET BY FUND								
General Fund	\$2,368,447	\$2,486,980	\$2,601,585	\$2,627,325	\$2,657,948	\$2,657,948	\$2,701,648	2.83%
TOTAL	\$2,368,447	\$2,486,980	\$2,601,585	\$2,627,325	\$2,657,948	\$2,657,948	\$2,701,648	2.83%
FULL-TIME EQUIVALENTS (FTE)	22.00	22.00	22.00	23.13	22.25	22.25	22.25	(3.80%)
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								(0.88)

Communications serves as a liaison among the public and Metro's departments, elected officials and stakeholders. Communications' writers, designers, community relations professionals and public engagement experts help tell the stories of Metro's partnerships, programs and policies, while making it easier for a politically and culturally diverse constituency to express its desires and expectations.

Communications' staff includes professionals in media relations, public involvement, journalism, marketing, graphic and web design, event planning, issue management, stakeholder analysis and advocacy. Its integrated communication plans and web strategies help make the most of existing resources, and its staff continues to adjust to the rapid changes in the public's communication habits and preferences.

Using innovative methods, such as Opt In, a regional public engagement tool, and Metro News, a candid look at regional policymaking, Communications helps the public understand and respond to Metro's portfolio of projects, fulfilling its ultimate goal of building trust with the voters and residents of the region.

MAJOR PROGRAMS

Public engagement/Office of Citizen Involvement– This team connects community leaders and the public with the Council on regional issues through innovative engagement tools such as an online opinion panel, community events, media outreach, publications and web sites. The program builds relationships with local and regional decision makers and ensures outreach to a diverse representation of the region's residents to uphold Metro's principles of public involvement. The work supports the Equity Strategy program, Community Investment Initiative, transportation corridor planning, climate change scenarios project, park and trail planning, the Regional Transportation Plan, MTIP and regional flexible fund allocation, urban growth management decisions, active transportation, visitor venue and parks-related master plans, the Solid Waste Road Map and other Council policy work.

Customer and community relations – This section is responsible for providing marketing and community relations support to a variety of Metro programs, services and facilities, including parks; transfer stations; household hazardous waste collection programs; RID patrol; Natural Areas acquisition, restoration and volunteer and grants programs. This work group also supports public education campaigns aimed at waste reduction, natural gardening, toxics reduction, MetroPaint, recycling and environmental education and regional travel options and it partners with venues communications staff on cross-marketing and other opportunities.

Employee communications – This section, which is in the COO's office but has a dotted line relationship to Communications, is responsible for workforce communications regarding management practices and policies, organizational changes and improvement initiatives, human resources, employee benefits, information services, contact and mailing management and other internal agency matters.

Media and design – The team provides editorial, web and design services for Metro, including the website, reports, displays, signs and other communication products. It is also the home of Metro News, which informs readers of regional decisions in an honest, transparent manner; Metro's social media, including Twitter and Facebook; and interactive products.

BUDGET ENVIRONMENT

The continued stress on the General Fund is forcing difficult choices for communications and other central services. Multiple General Fund programs with growing needs are competing for a declining share of General Fund-supported communications resources. Reliance on the Solid Waste Fund and bond funds is increasing and therefore absorbing a larger share of communications' staff time.

A revamped Office of Citizen Involvement and Public Engagement Review Committee will create external pressure for additional investments in public engagement and communications.

Print and other traditional news media continue to decline, which leaves a greater burden on Metro to engage and inform the region's residents.

The equity project, federal Title VI requirements and the changing demographics of the region's population are forcing a reevaluation of the resources needed to successfully inspire, inform, teach and invite people to participate in Metro's work.

The number and scope of Metro projects that require direct involvement with local elected officials and stakeholders create coordination and communication challenges. The challenges are becoming more acute as General Fund resources are cut from the department. Staff continues to work with the Council office to improve coordination of Metro's contacts with local elected officials, local government staff and key stakeholder organizations.

The creation of a new web platform and a new website for Metro continues to require significant communications resources. While some backfill has been provided, the web project has still reduced the department's discretionary capacity.

On the brighter side, agency partners in the region are increasingly supporting Opt In. Agreements with Clean Water Services and Washington County will support half of the annual license fee for Opt In. Other agencies also are using the panel for their own public engagement work, reducing Metro's need to find ways to regularly engage panel members.

SIGNIFICANT CHANGES IN THE BUDGET

Due to the tight budget environment, Communications' materials and services budget is significantly reduced. Because of the reduction, the department will need to rely on internal resources or materials and services resources from other departments. The result will be somewhat less flexibility and less ability to outsource work to vendors to meet demand.

PERFORMANCE MEASURES

A biennial public survey in which an increasing percentage of respondents can identify Metro and one or more of its programs.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
72%						

Percent of the region's elected officials who agree with the following: "Metro provides valuable services that have positive impacts on my constituents."

10/11	11/12	12/13	13/14	14/15	15/16	16/17
68%	72% will do again in FY 13-14			80%	80%	80%

Percent of employees reporting in a biennial survey that they agree or strongly agree with the following: "The agency has a well formulated strategy to achieve overall goals and directions."

10/11	11/12	12/13	13/14	14/15	15/16	16/17
41.7		41.6		65%		65%

Percent of website survey respondents reporting that they could easily find the information they were looking for on the Metro web site.

	10/11	11/12	12/13	13/14	14/15	15/16	16/17
NEW		67%	82%*	83%	90%	90%	90%

* The question asked in 2012 and again in 2013 was, "Was your most recent visit to the Metro website a positive or negative experience?" 82 percent of 2,173 respondents had a positive experience.

In addition to the measures above, Communications also will track a variety of other things that will help measure progress. They include the percentage of people who participate in the Opt In panel, social media fans and followers, electronic newsletter subscriptions, online content and customer satisfaction and awareness surveys (online and print).

PROGRESS ON FY 2012-13 KEY OBJECTIVES

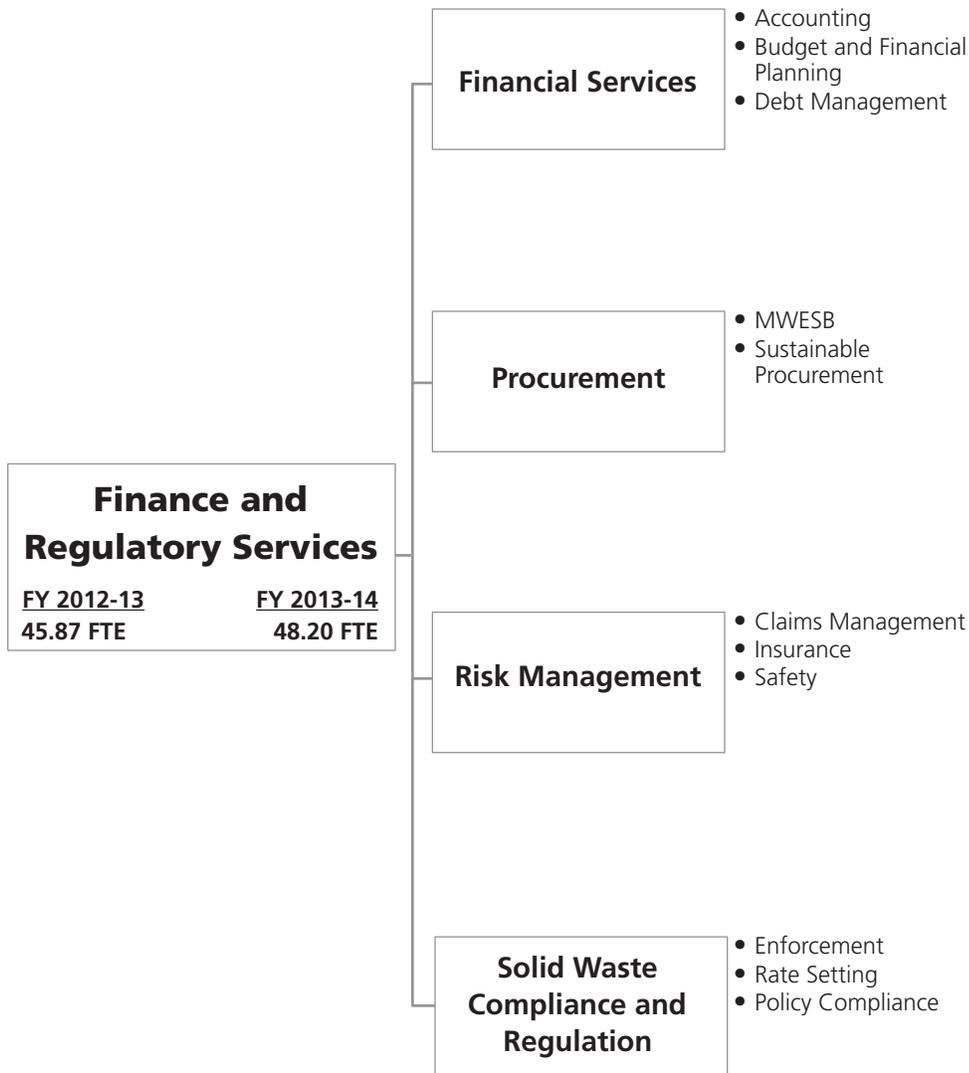
- Completed update of signage at Metro transfer stations and Blue Lake Regional Park, modernizing signage from about 20 years ago.
- Limited English Proficiency Plan - Incorporated new data analysis to implement Metro's Limited English Proficiency plan; began applying new best practices and standards to project work, (e.g., translation for Regional Flexible Funds materials, notifications and comment opportunities); began conducting LEP discussion groups to understand needs.
- East Metro Connections Plan –Successfully implemented engagement strategy to reach agreement among numerous local governments and agencies on a transportation and land use plan in East Multnomah county, setting the stage for future investments. Subsequently received federal grant to continue next steps of the engagement and development work.
- Produced strategic two-year marketing plans for MetroPaint, Natural Gardening, Regional Travel Options and coordinated living programs.
- Expanded Opt In partnerships to include TriMet, Washington County Clean Water Services, City of Portland, Portland Development Commission, Clackamas County and community newspapers.
- On schedule and on budget, more than 200 staff were engaged through a discovery process to complete creative briefs and wire frames for the launch of the new Metro website in 2014.
- Developed new Cemeteries branding and marketing plan.
- Increased accuracy of project tracking and real time reporting through implementation of Quickbase database.
- Finalized budget and coordinated marketing plan for efforts to launch in FY 2013-14 for living programs.

KEY OBJECTIVES FOR FY 2013-14

- Continue to strengthen relationships with and engage members of historically underserved populations through Opt In outreach, Equity Strategy implementation strategies and public involvement best practices.
- Build support for the Community Investment Initiative's Regional Infrastructure Enterprise through an integrated narrative, coordinated stakeholder outreach across Metro policies and projects, and clear opportunities for community leader and public engagement.
- Continue to implement recommendations from joint communications plan for sustainable living programs, including MetroPaint, regional travel options and resource conservation and recovery programs.

- Launch a modern, efficient Metro website to better serve citizens of the region.
- Support Metro cemeteries grave reclamation project.
- Develop and implement an integrated parks and natural areas marketing campaign.
- Propose a scope for selecting an agency-wide contact management system.
- Support success of Climate Smart Communities, RTP, Southwest Corridor and other planning and development projects.

Finance and Regulatory Services



Summary of Finance and Regulatory Services

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$4,341,779	\$4,536,337	\$5,022,348	\$4,959,500	\$5,296,715	\$5,296,715	\$5,332,011	7.51%
Materials and Services	1,082,666	1,095,293	1,341,497	1,341,497	1,401,281	1,401,281	1,476,281	10.05%
TOTAL	\$5,424,445	\$5,631,630	\$6,363,845	\$6,300,997	\$6,697,996	\$6,697,996	\$6,808,292	8.05%
BUDGET BY FUND								
General Fund	\$3,097,435	\$3,607,222	\$4,218,275	\$4,140,619	\$4,518,058	\$4,518,058	\$4,628,354	11.78%
Risk Management Fund	264,575	0	0	0	0	0	0	0.00%
Solid Waste Revenue Fund	2,062,435	2,024,408	2,145,570	2,160,378	2,179,938	2,179,938	2,179,938	0.91%
TOTAL	\$5,424,445	\$5,631,630	\$6,363,845	\$6,300,997	\$6,697,996	\$6,697,996	\$6,808,292	8.05%
FULL-TIME EQUIVALENTS (FTE)	43.70	43.70	45.87	45.87	48.20	48.20	48.50	5.73%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								2.63

Finance and Regulatory Services (FRS) provides financial management, administrative, regulatory and operational services to Metro's elected officials, operating centers and services, employees and the public. In addition, Finance and Regulatory Services licenses small contractors, regulates private solid waste facilities and sets rates for public solid waste disposal facilities.

MAJOR PROGRAMS

Financial Services – Financial Services joins the forces of the accounting and financial planning groups to assure the highest level of accountability in financial and operational performance. The group is responsible for processing and reporting all financial transactions, revenue collection, budgeting, investment and debt management. Other services include the management of the Contractor's Business License program and collection of the Construction Excise Tax.

Procurement – Procurement Services oversees the contracting and purchasing activities of Metro's operating centers to assure compliance with state and federal regulations and Metro Code and to encourage a competitive process that supports openness and impartiality. Metro Code establishes policies that encourage use of minority-owned, women-owned and emerging small businesses (MWESB) by creating the maximum possible opportunity for such businesses to compete for and participate in Metro contracting activities.

Risk Management – Risk Management is responsible for Metro's workers' compensation and safety program, general liability and property claims. The Risk Management Fund is managed to meet actuarial standards, relying on both purchased insurance and self-insured risk management techniques.

Solid Waste Compliance and Regulation – As a business service, Solid Waste Policy and Compliance provides forecasting, modeling and analysis for setting rates for public solid waste disposal facilities, collecting all eligible fees and taxes from private facilities, monitoring compliance for tonnage-related limits (flow control) and auditing payments and compliance with solid waste's major operating contracts. As a regulator, Solid Waste Compliance and Cleanup works to minimize and mitigate impacts to the public and the environment from improper management of solid waste within the Metro region, first by ensuring that private solid waste facilities operating under Metro licenses, franchises and facility agreements meet regulatory, operational, environmental and financial assurance standards. Secondly the program cleans up and investigates illegal disposal sites and prosecutes persons illegally disposing of waste.

BUDGET ENVIRONMENT

FRS has constructed its budget based on increasing efficiency by consolidating Metro and MERC business processes and staff; the last four accounting positions in the MERC Fund are moving to the General Fund. Three significant automation projects have been completed with the goal of improving efficiency, information and future decision-making: the Solid Waste Information System project (SWIS) entered its execution phase; the budget module project was designed and tested for use in building the FY 2013-14 budget; and the implementation of the Enterprise Resource Planning (ERP) project to improve Metro's financial systems will be underway with a goal of reducing future processing and maintenance costs.

This year's automation projects include Chart of Accounts changes for both Planning and the Oregon Zoo, direct integration of data from ancillary systems into PeopleSoft and assisting with the upgrade of PeopleSoft Finance.

Metro's regulatory focus on facilities involved in reloading, transferring or processing organic waste, especially residential and commercial food waste, will increase. Public concern about compost facilities centers on increased odor, nuisance, vector and stormwater runoff issues and their impact on residential neighbors. Emerging technologies such as anaerobic digestion, pyrolysis, plasma and gasification will require more oversight and technical knowledge than traditional operations.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Description
4.0	\$328,581	Transfer of four positions from MERC to Finance and Regulatory Services as part of continuing consolidation of business services. Positions will become generalized with a proportionate share paid by MERC through the cost allocation plan.
(0.2)	(23,512)	Eliminate 0.2 FTE of Investment Coordinator position.
	\$205,000	Begin implementation of ERP roadmap.
3.8	\$510,069	TOTAL

PERFORMANCE MEASURES

Percentage of contracts and contract dollars awarded to MWESB firms.

	10/11	11/12	12/13	13/14	14/15	15/16	16/17
Contract \$	16%	11%	15%	15%	15%	15%	15%
Contract #	34%	24%	25%	30%	35%	35%	35%

Tons of solid waste cleaned up from illegal disposal sites each year.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
224	197	200	200	200	200	200

Number of illegal disposal sites with potentially hazardous waste cleaned up each year.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
52	65	70	70	70	70	70

Total Cost of Risk

10/11	11/12	12/13	13/14	14/15	15/16	16/17
.92%	<1.0%	<1.0%	<1.0%	<1.0%	<1.0%	<1.0%

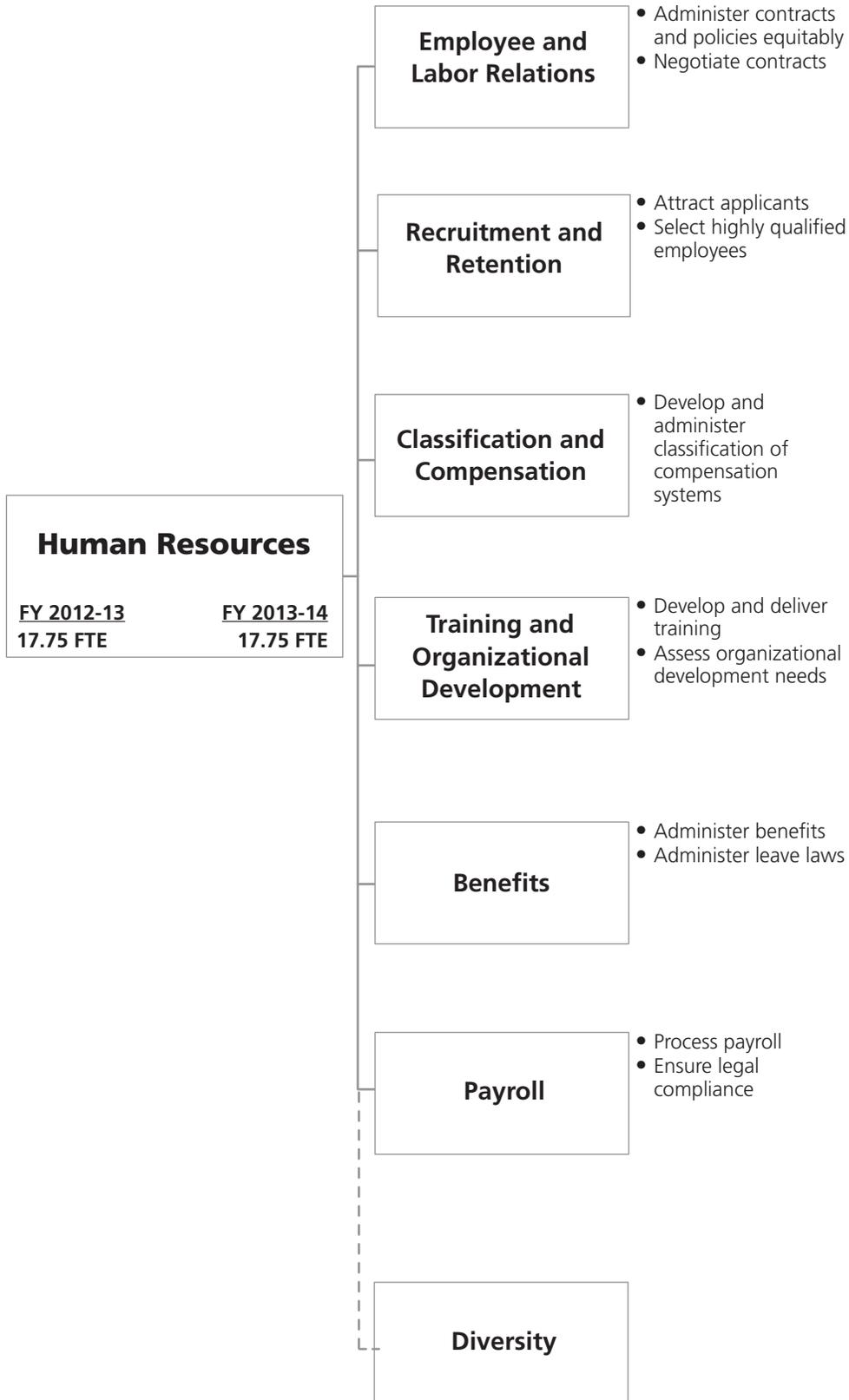
PROGRESS ON FY 2012-13 KEY OBJECTIVES

- Implemented Solid Waste Information System.
- Activated Purchase Order workflow and encumbrances.
- Implemented GASB 60.
- Consolidated banking services for Metro and MERC.
- Reaffirmed AAA bond rating.
- Completed Chart of Accounts consolidation project.

KEY OBJECTIVES FOR FY 2013-14

- Implement and execute the next stage of the Solid Waste Information System.
- Complete transfer station franchise extensions.
- Begin implementation of the Enterprise Resource Planning Roadmap.
- Assist PeopleSoft Finance upgrade.
- Build FY 2014-15 budget on new system.

Human Resources



Summary of Human Resources

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$1,503,316	\$1,616,083	\$1,764,601	\$1,732,402	\$1,844,321	\$1,844,321	\$1,844,321	6.46%
Materials and Services	314,662	338,079	402,431	402,431	319,721	319,721	375,016	(6.81%)
TOTAL	\$1,817,978	\$1,954,162	\$2,167,032	\$2,134,833	\$2,164,042	\$2,164,042	\$2,219,337	3.96%
BUDGET BY FUND								
General Fund	\$1,817,978	\$1,954,162	\$2,167,032	\$2,134,833	\$2,164,042	\$2,164,042	\$2,219,337	3.96%
TOTAL	\$1,817,978	\$1,954,162	\$2,167,032	\$2,134,833	\$2,164,042	\$2,164,042	\$2,219,337	3.96%
FULL-TIME EQUIVALENTS (FTE)	16.50	18.00	17.75	17.75	17.75	17.75	17.75	0.00%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								0.00

Human Resources partners with the overall agency as well as individual departments to provide strategic leadership ensuring consistent and sustainable human resources practices and systems to assist our customers in demonstrating Metro's values and carrying out the Council's six regional outcomes.

MAJOR PROGRAMS

Diversity – Staff is part of the COO's office with a programmatic relationship to HR. The diversity program is responsible for the development, implementation and communication of diversity strategies, which support Metro's values, goals and Diversity Action Plan.

Benefits – Staff administers and monitors the following programs: Metro's health and welfare benefits, wellness, Family Medical Leave Act, Americans with Disabilities Act, COBRA benefits continuation, voluntary retirement programs and unemployment.

Classification and Compensation – Staff develops, implements and administers Metro's classification and compensation systems. Staff also maintains the Human Resources Information System and the integrity of the data base.

Employee and Labor Relations – Staff represents Council and management in labor negotiations. Staff conducts employee related training and advises managers on ways to reduce employment risk. Staff also conducts employment related investigations, provides consultation and dispute resolution services to managers and employees and acts as a liaison between labor and management.

Organization Development and Training – Staff leads and provides support to organization change initiatives in order to achieve business goals. Staff provides leadership and management and staff development. Staff also maintains the Metro Learning Center, the on-line learning management system, and oversees New Employee Orientation.

Payroll – Staff processes all payroll for the organization and develops and maintains payroll policies and procedures in accordance with state and federal law and the applicable collective bargaining agreements. In addition, staff has responsibility for the timekeeping system.

Recruitment and Retention – Recruitment and retention staff works to attract, select and retain an exceptionally competent, productive, diverse and motivated workforce. They work closely with the hiring manager and Diversity Action Team to carry out the organization's goals of retaining a diverse workforce.

BUDGET ENVIRONMENT

A continuing challenge for Human Resources is strategic planning for the organization's recruitment, selection, training and use of human resources agency-wide so that personnel services do not outpace revenue forecasts. Human Resources is working actively with the health benefits broker to ensure Metro is obtaining the best rates possible and is working with the Joint Labor Management Committee for Health Benefits to develop health care strategies and review options for reducing the costs through plan design and the implementation of wellness measures. Another issue facing Human Resources is assisting the organization in establishing consistent management practices through policy and procedure development and training programs. Recruiting and retaining a highly skilled and diverse workforce also remains a primary Human Resources initiative.

SIGNIFICANT CHANGES IN THE BUDGET

There are no significant changes to the budget.

PERFORMANCE MEASURES

Human Resources staff is consistent with industry standards of HR to employee ratio. Note that this industry standard does not include payroll, and the calculation reflects that.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
1:122	1:119	1:121	1:100	1:100	1:100	1:100

Progress made toward reaching goals as set forth in the affirmative action plan.
Number of areas with goals set.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
7		7				<i>Measured every other year</i>

Percent of employees who agree with the following: "I am satisfied with the timeliness and quality of services provided by Human Resources?"

10/11	11/12	12/13	13/14	14/15	15/16	16/17
	83%	73%*	80%	85%	90%	90%

**Note in FY 2011-12 the survey ranking options changed to include a ranking of neutral which was not included in the 73 percent noted.*

PROGRESS ON FY 2012-13 KEY OBJECTIVES

- Developed a five year strategic plan.
- Expanded scope of service with the combining of MERC and Metro HR; thereby coordinating employee and labor relations across the agency.
- Developed agency wide strategies for implementation of Affordable Health Care Act components, this will pose ongoing challenges during the coming fiscal year.
- Worked with the JLMC-Health Benefits to develop long-term goals for health insurance benefits at Metro.
- Implemented a Kronos leave management program.
- Completed an RFP process and transitioned to a new vendor for the voluntary retirement programs.
- Continued review and development of best practices for common personnel policy and procedure with MERC and Metro and negotiated 16 new policies and work rules for various departments in the agency including the zoo and PES scale house.
- Resolved seven formal grievances.
- Prepared for and negotiated for three collective bargaining agreements.
- Continued to partner with managers on employee relations issues to increase managerial effectiveness and meet business needs.
- Developed or updated the following online classes: Policy Review Assignment – Batch 2, Procurement | MWESB 101, Procurement | Understanding the Basics, [Project Management Forum] Dancing with Partners – Video Recap.
- Developed and/or delivered the following classroom training: Addressing Negativity [Managers], The Art and Science of Project Management, Dealing with Negativity [Employees], Difficult Conversations, Emotional Intelligence in the Workplace, Harassment & Discrimination Awareness for Employees and Managers, Influence without Authority, Legal and Business Processes [Managers],

Managing Email, Meeting Management, Managing the Performance of Others, New Employee Orientation, Oregon's History of Racism, OUCH! That Stereotype Hurts – Diversity Training, OUCH! Train the Trainer, Perspectives, Project Management Forum – Three part series, Time Management, Understanding the Disciplinary Process, Uniting to Understand Racism.

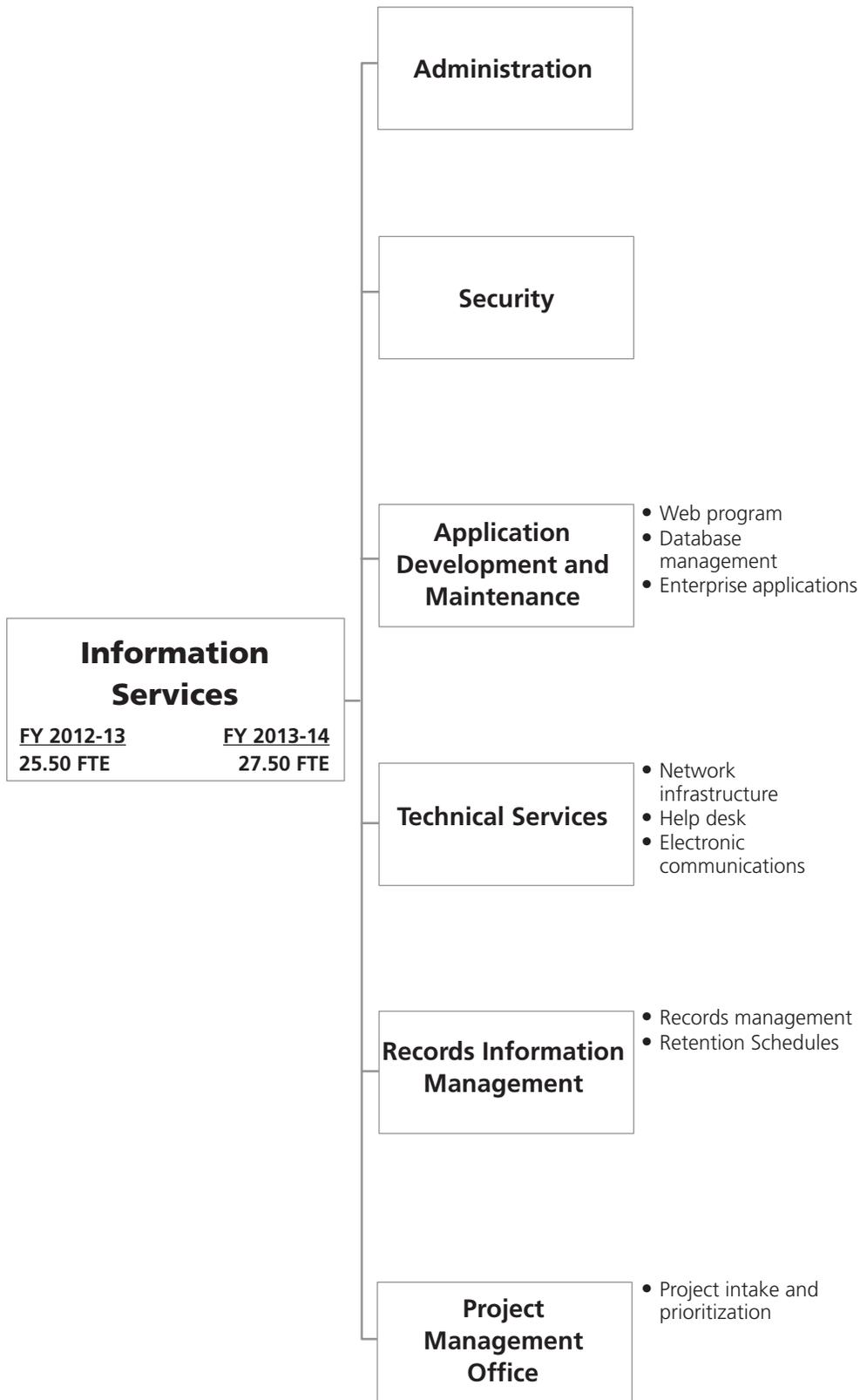
- Made improvements to employee onboarding program and new employee orientation.
- Administered the employee Sightline survey.
- Developed wellness program strategic plan to aid in achieving benefit goals.
- Moved HRMS from Oracle to SQL Server.

KEY OBJECTIVES FOR FY 2013-14

- Complete successor agreement negotiations with AFSCME 3580 and LIUNA 483.
- Conduct management diversity training that will build upon planned leadership diversity training from FY 2012-13.
- Rollout Cultural Compass Survey in August/September 2013.
- Expand diversity outreach in the recruitment and selection process.
- Further refine the classification and compensation system to align with the business needs of the agency.
- Implement health care reform.
- Benchmark leave usage across agency.
- Convert to pay cards for those employees currently receiving live checks.



Information Services



Summary of Information Services

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$2,295,249	\$2,541,071	\$2,736,393	\$2,682,863	\$3,070,077	\$3,070,077	\$3,070,077	14.43%
Materials and Services	692,083	889,657	909,607	909,607	820,018	820,018	845,018	(7.10%)
Capital Outlay	584,177	187,123	839,789	882,889	256,303	256,303	465,963	(47.22%)
TOTAL	\$3,571,509	\$3,617,851	\$4,485,789	\$4,475,359	\$4,146,398	\$4,146,398	\$4,381,058	(2.11%)
BUDGET BY FUND								
General Fund	\$2,884,515	\$3,411,127	\$3,640,353	\$3,586,823	\$3,890,095	\$3,890,095	\$3,915,095	9.15%
General Asset Management Fund	686,994	206,724	845,436	888,536	256,303	256,303	465,963	(47.56%)
TOTAL	\$3,571,509	\$3,617,851	\$4,485,789	\$4,475,359	\$4,146,398	\$4,146,398	\$4,381,058	(2.11%)
FULL-TIME EQUIVALENTS (FTE)	23.50	26.00	25.50	25.50	27.50	27.50	27.50	7.84%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								2.00

Information Services provides the professional skills and tools to deliver technical and information solutions for Metro departments to achieve their business objectives. The department strives for results that provide the right solution with the right functionality, balanced with implementation and long term support costs.

MAJOR PROGRAMS

Administration and Security – The Office of the Director is responsible for the development of strategic plans for information technology in support of the agency’s mission as well as providing overall policy, office and personnel management, development and implementation of the annual budget, purchasing and contract management. Provides high-level oversight of ongoing technology operations.

Application Development and Maintenance – This program supports the development, updating and maintenance of applications used within Metro as well as specific enterprise-wide applications, including PeopleSoft HR and Finance, EBMS (the venues’ event business management system), KRONOS timekeeping, Celayix time scheduling, the Gateway Zoo ticketing system, Micros Point of Sale systems, TRIM records management and web software development. The latter supports specific program needs that cannot be met through purchase of commercial web content management systems. It also provides database management for all areas of the agency, including the RLIS and GIS databases, and ensures secure backups, performance monitoring, log management and support of custom and web applications.

Technical Services – The Technical Services program is responsible for all systems infrastructure, operations and helpdesk services, including hardware software and the communication transport necessary to maintain an efficient and effective computer network. All productivity tools, including e-mail, calendaring, file services, VoIP telephony, desktop spreadsheet and word processing are managed in this area. Technical Services manages all of the technical infrastructure and support requirements from the desktop through the network to the application being accessed by the user. This section also manages the umbrella service of technology security with both account provisioning, security review and implementing on-going technology security initiatives.

Records Information Management (RIM) – The RIM program develops agency policies, procedures and practice of professional management of information. This includes management from the time records are received or created through their processing, distribution, use and placement in a storage or retrieval system and their eventual destruction or permanent retention.

Project Management Office – The Project Management Office (PMO) is responsible for new project intake, scoping and resource utilization, assessing project risk and return on investment as well as continuous improvement on the process of implementing and updating technology projects. The PMO also includes training, technical and user documentation, change orders, developing and employing project management standards and is responsible for client interface.

BUDGET ENVIRONMENT

Technology at our desks, in our pockets, in the field, within the data center and out to the Internet continue to rapidly evolve and morph into new solutions and challenges. Information Services’ competing goals are to enable innovations from these multiple sources while managing risks to security, daily operations and longer term cost implications of increased support. Working in both supporting and enabling roles, the department continues to focus on optimizing people, processes and tools. Within the target constraints of the agency’s dollars, the department leverages existing

technologies, such as server and storage virtualization, to provide the agency with more efficient capabilities. There is a continued focus on dedicating the right staff through a more deliberate set of processes that will translate into immediate and sustainable improvements to the technology used to run the agency.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Service Impact
0.5	\$44,000	Conversion of limited duration records analyst position for Planning and Development records management into a regular position in recognition of ongoing work associated with urban growth boundary and land reserve decisions.
2.0	\$207,150	Transfer of two positions from MERC to Information Services as part of the continuing consolidation of business services. Positions will become generalized with a proportionate share paid by MERC through the cost allocation system.
2.50	\$251,150	TOTAL

PERFORMANCE MEASURES

Percent of Metro clients who rate the services of the helpdesk as satisfactory or better.*

10/11	11/12	12/13	13/14	14/15	15/16	16/17
84%	87%	89%	90%	92%	92%	92%

*measured by annual customer survey

Percent of Metro clients who rate Records Information Management services as satisfactory or better.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
69%	72%	75%	78%	80%	82%	82%

Percent uptime of HR Finance and timekeeping software.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
99%	99.5%	99.5%	99.5%	99.5%	99.5%	99.5%

Percent uptime of network, internet and email availability.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
99.65%	99.7%	99.7%	99.7%	99.7%	99.7%	99.7%

Percent cost reduction of record storage costs due to timely destruction of records and promotion of e-filing through TRIM.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
41%	30%	30%	30%	30%	30%	30%

PROGRESS ON 2012-13 KEY OBJECTIVES

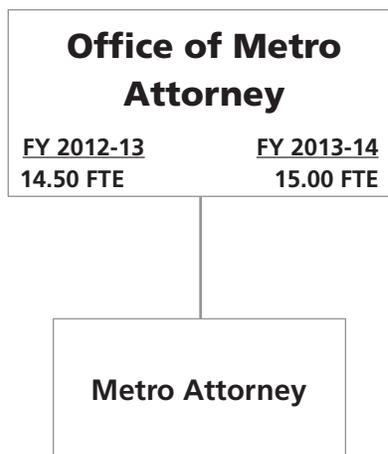
- The foundation of a centralized data center was laid with the opening of a new facility within the Oregon Convention Center. This enhanced environment now houses our core storage and server computing power.
- Several security reviews by staff and external experts are in progress and will result in additional enhancements to the Agency technology security defenses. The resulting findings continue to drive a multi-year effort for improved security.
- Response to the rapidly changing IT consumer devices continues to be studied on how best to manage and leverage the technology. Several pilot programs were introduced in a controlled environment throughout the year.
- Installed a new enterprise standard storage system in the new data center.
- The consolidation of email systems has been postponed for the updated Exchange 2013 platform and the completion of the new data center cooling system.

- An agency wide effort from all departments helped shape the survey component of a disaster recovery study, resulting in an initial identification of critical systems.
- Developed a recommendation for coordinating and consolidating various financial software systems. An advisory committee will decide what is most appropriate and timely to implement to create a more unified environment.
- Implemented the IS Project Prioritization Committee, comprised of senior staff throughout Metro and associated IS Project Management Office to provide standard intake, tracking and closeout of projects.

KEY OBJECTIVES FOR FY 2013-14

- Continued collapsing of dispersed technology systems, such as servers and storage, into unified standards at centralized data center.
- Implement an across the agency five-year strategy for desktop foundation and productivity tools.
- Implement enhanced information security policies, tools and procedures.
- Solidify a formulized technology project authorization process and a coordinated project implementation methodology.
- Complete the disaster preparedness plan.
- Launch enterprise resource planning system effort yielding increased efficiency through system integration and improved reporting.
- Deliver agency wide web project for new web presence.
- Pilot cloud storage and delivery of web page content.
- Continue standardization of database technology for enterprise applications.





Summary of the Office of Metro Attorney

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$1,794,610	\$1,837,682	\$1,861,972	\$1,848,005	\$1,994,280	\$1,994,280	\$1,994,280	7.92%
Materials and Services	44,909	63,758	65,200	65,200	67,200	67,200	67,200	3.07%
Capital Outlay	0	7,768	0	0	0	0	0	0.00%
TOTAL	\$1,839,519	\$1,909,208	\$1,927,172	\$1,913,205	\$2,061,480	\$2,061,480	\$2,061,480	7.75%
BUDGET BY FUND								
General Fund	\$1,839,519	\$1,901,399	\$1,927,172	\$1,913,205	\$2,061,480	\$2,061,480	\$2,061,480	7.75%
Open Spaces Fund	0	7,809	0	0	0	0	0	0.00%
TOTAL	\$1,839,519	\$1,909,208	\$1,927,172	\$1,913,205	\$2,061,480	\$2,061,480	\$2,061,480	7.75%
FULL-TIME EQUIVALENTS (FTE)	15.50	15.12	14.50	14.50	15.00	15.00	15.00	3.45%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								0.50

The Office of Metro Attorney (OMA), created in the Metro Code pursuant to the Metro Charter, has full charge and control of all legal business for the agency. The Office of Metro Attorney provides legal representation to Metro, both formally and informally, in a manner consistent with Metro’s goals and policies, and that fully complies with the highest professional and ethical standards of the Oregon State Bar, the Oregon Supreme Court and the legal profession.

MAJOR PROGRAMS

Office of Metro Attorney – OMA provides legal services to the entire Metro organization, including all departments, commissions, department directors, agency staff, the Chief Operating Officer, the Council and the Auditor. The work of OMA includes providing written opinions, negotiating and drafting contracts and intergovernmental agreements, drafting, negotiating and closing real estate transactions, drafting and reviewing ordinances and resolutions, offering assistance on legislative matters, providing advice regarding the agency’s legal compliance requirements, and providing other legal advice to Metro officers and employees. The Metro Attorney may initiate, defend or appeal litigation on behalf of Metro when requested by the Metro Council, Chief Operating Officer or the Metro Auditor. The Office of Metro Attorney staff includes the agency’s lead attorney (the Metro Attorney); eight full-time equivalent (FTE) attorneys; two paralegals; and four legal secretaries/administrative assistants.

BUDGET ENVIRONMENT

OMA’s budget for 2013-14 includes the addition of a 0.5 FTE attorney position, in support of the Parks and Natural Areas Levy.

SIGNIFICANT CHANGES IN THE BUDGET

FTE	\$	Service Impact
0.5	\$73,400	Add 0.5 FTE in support of the Parks and Natural Areas Local Option Levy program.
0.5	\$73,400	TOTAL

PERFORMANCE MEASURES

Legal services, both internal and external as a percent of the overall budget.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
0.90%	0.90%	0.90%	0.90%	0.90%	0.90%	0.90%

PROGRESS ON FY 2012-13 KEY OBJECTIVES

The office has achieved the following significant results:

- Provided legal advice and services in support of land use, transportation, and solid waste planning projects, such as the Urban Growth Boundary expansion; establishing Urban and Rural Reserves, passing a Land Use Final Order (LUFO) for the Columbia River Crossing Bridge Replacement Project; the SW Corridor plan and East Metro connection, Transportation Oriented Development, the Solid Waste Roadmap and Making a Great Place; executed intergovernmental agreements with local jurisdictions for Community Planning and Development Grants from CET funds; obtained 10-year Conditional Use Master Plan approval allowing for construction supporting the Oregon Zoo bond measure; drafted proposed Parks and Natural Areas Levy Ballot Title and Explanatory Statement for 2013 ballot and provided other legal advice and services in support of the 2013 Metro Parks and Natural Areas operating levy; defended the Land Conservation and Development Commission (LCDC) decision on Metro’s Urban

and Rural Reserves in the Oregon Court of Appeals; defended Metro in Federal District Court against Constitutional Claims arising from the 2012 LCDC decision on Metro's Urban and Rural Reserves.

- Provided legal advice and services in support of Metro's parks and natural areas, including assistance with the purchase of approximately 750 acres using Natural Areas Bond Measure funds; provided legal advice and support to Metro's procurement of a new Glendoveer Golf Course operator and negotiating the terms of a new five-year operations agreement, and supporting the Climate Change Initiative.
- Provided legal services to assist the Metropolitan Exposition Recreation Commission (MERC) and the MERC venues to pursue successful contracts; analyzed legal risk for defense of tort claims that led to reduced liability, successfully defended MERC venues in potential legal claims, provided substantial labor and employment advice for the MERC venues that prevented litigation against Metro or MERC, provided legal services to assist the procurement of a convention center hotel developer through RFP, and subsequent predevelopment negotiations, as well as providing legal services to Metro's other venues including the Oregon Zoo's implementation of the zoo bond measure.

KEY OBJECTIVES FOR FY 2013-14

- In support of Metro's goals of safe and reliable transportation and vibrant communities, advise Metro on land use and transportation matters, including further defense of Metro and LCDC's decision on Metro's the Urban and Rural Reserves, defending Metro Council expansion of the Urban Growth Boundary in the Oregon Court of Appeals; provide legal advice and assistance in support of the upcoming urban reserve report/capacity analysis in preparation for the 2014 UGB expansion analysis; assist Metro in pursuing local compliance with Metro planning requirements and support Metro's pursuit of federal transportation funding.
- In support of Metro's goals of clean air and water and sustainability, advise Metro regarding solid waste planning matters (for example the Solid Waste Roadmap), assist with the Metro Parks portfolio, including park improvements, expansions, and funding; support Metro's efforts to develop and implement a land use and transportation scenario to reduce greenhouse gas emissions, draft and negotiate complex transactions for the Natural Areas bond measure, and provide legal advice, contract drafting and transactional support to Metro parks in support of the Parks and Natural Areas Local Option Levy.
- In support of Metro's goals of economic prosperity and equity, advise Metro regarding the Community Investment Initiative and regional infrastructure funding, as well as provide legal advice and support for the next phase of the Construction Excise Tax Community Planning and Development grant process; assist with the enhanced marketing initiative for the OCC and MERC, provide legal advice and support to the zoo's procurement of construction services necessary to implement of the 2008 Oregon Zoo bond measure and Zoo Master Plan; support ongoing predevelopment negotiations leading to the construction of the proposed OCC Headquarters Hotel as well as negotiate and draft a development agreement between Metro/MERC, other public entities and the hotel developer. Assist Human Resources with policy and administrative goals. Provide legal advice and risk analysis to Human Resources and Senior Leadership regarding labor and employment issues. Provide legal advice and risk analysis regarding potential tort claims. Provide legal advice for Title VI compliance for Metro for continued federal funding for transportation planning and equity work. Provide leadership on Diversity Action Council.

**General
expense
summary**



Summary of General Expense

	Audited FY 2010-11	Audited FY 2011-12	Adopted FY 2012-13	Amended FY 2012-13	Proposed FY 2013-14	Approved FY 2013-14	Adopted FY 2013-14	% Change from Amended FY 2012-13
BUDGET BY CLASSIFICATION								
Personnel Services	\$0	\$0	\$79,800	\$79,800	\$118,205	\$118,205	\$118,205	48.13%
Materials and Services	11,989,720	3,598,193	7,238,838	7,528,838	7,921,211	7,921,211	8,695,011	15.49%
Capital Outlay	56,125	121,037	348,825	408,825	104,000	104,000	104,000	(74.56%)
Debt Service	40,356,277	63,347,987	53,178,771	53,178,771	39,363,187	39,363,187	39,363,187	(25.98%)
Interfund Reimbursements	8,396,573	9,167,136	10,118,777	10,118,777	9,885,541	9,885,541	9,885,541	(2.30%)
Internal Service Charges	2,887,871	2,820,489	4,143,190	4,143,190	5,000,442	5,000,442	5,000,442	20.69%
Interfund Loan	0	0	2,431,000	2,431,000	239,800	239,800	2,670,800	9.86%
Fund Equity Transfers	10,708,854	9,948,218	6,522,471	6,645,571	5,622,413	5,622,413	6,072,413	(8.62%)
TOTAL	\$74,395,420	\$89,003,060	\$84,061,672	\$84,534,772	\$68,254,799	\$68,254,799	\$71,909,599	(14.93%)
BUDGET BY FUND								
General Fund	\$7,091,393	\$8,509,065	\$14,272,002	\$14,455,102	\$10,992,945	\$10,992,945	\$14,216,745	(1.65%)
General Asset Management Fund	56,125	240,855	149,681	409,681	0	0	200,000	(51.18%)
General Obligation Bond Debt Service Fund	37,321,860	60,330,930	50,024,896	50,024,896	36,347,675	36,347,675	36,347,675	(27.34%)
General Revenue Bond Fund	1,504,945	1,717,207	1,499,585	1,499,585	1,295,441	1,295,441	1,295,441	(13.61%)
MERC Fund	3,787,561	6,137,175	4,806,913	4,806,913	4,900,804	4,900,804	5,131,804	6.76%
Natural Areas Fund	1,455,269	1,517,109	1,783,226	1,783,226	1,885,809	1,885,809	1,885,809	5.75%
Parks and Natural Areas Local Option Levy Fund	0	0	0	0	1,679,953	1,679,953	1,679,953	n/a
Oregon Zoo Infrastructure & Animal Welfare Fund	267,896	297,978	292,677	292,677	242,153	242,153	242,153	(17.26%)
Rehabilitation & Enhancement Fund	32,962	33,287	33,465	33,465	114,602	114,602	114,602	242.45%
Risk Management Fund	15,991,353	2,402,804	2,936,483	2,936,483	2,918,912	2,918,912	2,918,912	(0.60%)
Smith & Bybee Lakes Fund	88,852	96,287	104,841	104,841	110,102	110,102	110,102	5.02%
Solid Waste Revenue Fund	6,797,204	7,720,363	8,157,903	8,187,903	7,766,403	7,766,403	7,766,403	(5.15%)
TOTAL	\$74,395,420	\$89,003,060	\$84,061,672	\$84,534,772	\$68,254,799	\$68,254,799	\$71,909,599	(14.93%)
FULL-TIME EQUIVALENTS (FTE)	0.00	0.00	1.00	1.00	1.00	1.00	1.00	0.00%
FTE CHANGE FROM FY 2012-13 AMENDED BUDGET								0.00

General expense summary

The expenditures listed in the General Expense summary are primarily non-operating expenses such as general obligation debt service and interfund transfers. Expenditures include items such as special appropriations that cannot be easily tied to a single program, center or service. General Expense also includes costs such as election expenses that do not occur every year.

In FY 2013-14 the General Expense budget includes the second year of the conversion of the Metro website to the Drupal platform. Budgeted web improvement project costs in year two are \$358,130, with the total two-year budget remaining at \$592,000, including contingency. The project continues to be co-managed by Information Services and Communications.

PERFORMANCE MEASURES

Complies fully with Governmental Accounting Standards Board standards; achieves unqualified audit opinion.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
YES						

Maintains agency's underlying AAA/Aaa Bond Rating.

10/11	11/12	12/13	13/14	14/15	15/16	16/17
YES						

Highlights of the FY 2013-14 General Expense budget are:

- Debt service on general obligation bonds totaling \$36.3 million.
- Debt service on pension obligation bonds of \$1.7 million.
- Debt service on full faith and credit bonds for Metro Regional Center of \$1.3 million.
- Interfund loan payment of \$239,800 from the MERC Fund to the General Fund, for year two of the OCC Streetcar assessment loan.
- Interfund reimbursements of \$9.8 million for agency-wide central service functions such as accounting, legal services, communications, risk management and Metro Regional Center management.
- Transfer of \$1.7 million from the General Fund to the General Revenue Bond Fund to fund debt service payments on the Metro Regional Center and Washington Park Parking Lot bonds.
- Transfer of \$1.8 million from the General Fund to the General Asset Management Fund to support renewal and replacement needs of the General Fund centers and services.
- Transfer of \$1.4 million from the Solid Waste Fund to the General Fund to support solid waste education staff now in the consolidated education program in the zoo budget.
- Transfer of \$1.2 million from the MERC Fund to the General Revenue Bond Fund for debt service on outstanding bonds.
- Transfer of \$988,000 from the Solid Waste Revenue Fund to the General Fund for budget, finance and administrative support provided by Parks and Environmental Services and the Sustainability Center.
- Transfer of \$418,600 from the General Fund to MERC to support projects at the Oregon Convention Center designed to increase the competitiveness of the facility.
- Transfers of \$494,000 for services provided by the Data Resource Center to other Metro centers and services.

- Transfer of \$315,500 from the Natural Areas Fund to the General Fund for budget, finance and administrative support provided by Parks and Environmental Services and the Sustainability Center.
- Transfer of \$301,000 from the Risk Fund to the General Fund for risk personnel budgeted in the General Fund.
- Transfer of \$186,000 from the General Fund to the Solid Waste Revenue Fund to support the agency-wide Sustainability program.
- Payments of approximately \$1.3 million for claims from Metro's Risk Management unemployment, liability, property and workers' compensation programs.
- Payments of approximately \$818,000 in purchased insurance for Metro's Risk Management liability, property and workers' compensation programs.

General Fund special appropriations: \$4.4 million

- \$3.5 million for Construction Excise Tax grants to local governments for concept planning.
- \$200,000 in Nature in Neighborhoods community grants.
- \$178,000 for the TriMet passport program, Metro's primary employee commute option strategy.
- \$130,725 for Metro's required outside financial audit.
- \$125,000 for election expenses.
- \$36,000 for general agency dues for Regional Water Providers Consortium and Lloyd Business Improvement District.
- \$20,900 for general Metro sponsorship account.
- The following designated contributions are also included:
 - \$60,000 for the Greater Portland Pulse Consortium.
 - \$50,000 to The Intertwine Alliance.
 - \$25,000 to the Regional Arts and Culture Council.
 - \$25,000 to the Metropolitan Export Initiative.
 - \$25,000 for Greater Portland, Inc.
 - \$15,000 for First Stop Portland.
 - \$10,000 for Rail~Volution.
 - \$1,500 to the One Willamette River Coalition.