

MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Thursday, April 5, 2007
Metro Council Annex

Councilors Present: Council President Bragdon (Council President), Rod Park (Deputy Council President), Kathryn Harrington, Carl Hosticka, Robert Liberty, Rex Burkholder, Brian Newman

Councilors Absent:

Council President Bragdon convened the Metro Council Work Session Meeting at 3:39 p.m.

1. FY 2007-08 BUDGET DISCUSSION

Council President Bragdon talked about the reserves discussion that occurred in the Tuesday work session on budget. He noted using the reserves for renewal and replacement. He suggested having this discussion throughout the year. He summarized there was a lot more discussion to be had. Councilor Newman echoed Council President Bragdon's concerns about the reserves. He wanted the conversation to be more thoughtful. He suggested setting aside a portion of the reserves in contingency and having a more thorough conversation. Councilor Liberty said they made some recommendations with regards to the PERS reserves. He asked when they would be making some decisions on amendments. Council President Bragdon suggested discussing this next Tuesday. Councilor Harrington asked if there were other reserves. Kathy Rutkowski, Budget Manager, responded to her question.

Kathy Taylor, Metropolitan Exposition Recreation Commission (MERC) Acting Manager, introduced Cynthia Hill, who prepared the budget. Ms. Taylor said the FTE was up 26 from 2003-04. This included 15 stagehands. They had been included in the past as reimbursed laborers. 15 people were full time and got benefits. They needed to put them in position management. There had been some changes. Prior to 2003-04, there was a reduction of 20. In addition to the 15, they added 11 others, most from Oregon Convention Center (OCC) and Expo. She further detailed the increase in FTE. The total increase in FTE was 26 since 2004-05.

Councilor Newman asked about the increase in FTE and was it based on current forecasts? Ms. Taylor responded they had forecasted these out. Councilor Park asked if there were any other FTEs like stagehands. Ms. Hill responded to his question. She said the stagehands were unique. They were the only employees that were hourly but worked a full time schedule and were in the health and welfare system. Michael Jordan, Chief Operating Officer (COO), said he could provide information about changes in FTE count. Ms. Rutkowski said only those who were benefit-eligible were considered in the FTE numbers.

Ms. Taylor summarized her presentation (a copy of which is included in the meeting record). Councilors asked clarifying questions. Councilors discussed the Visitor Development Initiative (VDI) issue. Councilor Newman asked about the Metro Tourism Opportunity and Competitiveness Account (MTOCA) funds. Ms. Taylor said they usually bring it to Council in the spring. Councilor Newman suggested bringing the original resolution when they presented. Councilor Harrington asked about the total service level changes. Ms. Hill responded to her question. Councilor Park said the reason they will receive the \$400,000 was because of the work that Ms. Taylor had done.

Andy Cotugno, Planning Director, noted the summary of the Planning Department proposed budget (a copy of which is included in the meeting record). He noted the changes in the budget. He said there might be some contractual activities that would be carried over. He noted the impact of Measure 37 claims on this year's budget. Councilor Harrington asked about the duration of the Regional Transportation Plan (RTP) grant. Mr. Cotugno said they received a series of grants for RTP and Metropolitan Planning Organization (MPO) work. Councilor Hosticka said this budget was based on the two-year extension. Would there be an overall impact. Mr. Cotugno said there would be a shift from New Look back to regular Urban Growth Boundary (UGB) work. Councilor Liberty asked about the \$300,000 proposal. Mr. Cotugno responded to his question. Councilor Liberty wanted to know how much they were focused on things inside the UGB versus outside the UGB. Mr. Cotugno talked about the current resources being expended.

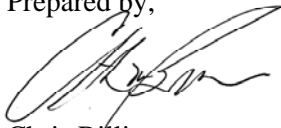
Council President Bragdon said Planning would be one of the budgets that would be amended periodically.

Suzanne Flynn, Metro Auditor, presented her program highlights. She noted the three changes. She said she restructured the staffing of her positions, which resulted in a slight decrease in Personal Services. She said she had added money in the M&S budget to pay for a fraud vendor. She added \$15,000 for temporary help. Councilor Burkholder asked about looking at performance measures and the cost per audits. Ms. Flynn said she had started reviewing this issue. Councilor Burkholder said Metro had additional audit functions outside her office. He wanted to know how they were coordinated with her office. Councilor Harrington asked, are we using best practices? Council President Bragdon noted that Ms. Flynn would be establishing an Audit Committee for the external audit.

Michael Jordan, COO, summarized the Central Services budgets. The cost allocation was up 2%. The reason that it was only 2% was because they had used up some of the PERS reserves. He noted the Council Office was only 1%. He noted one unfunded request, TRIM system. He then reviewed Human Resources (HR) budget, which was unchanged, with the exception of \$25,000 transferring Regional Leadership Initiative (RLI) from the COO office to HR. Councilor Burkholder asked about increasing the training budget. Mr. Jordan added that the Policy Coordinator positions possible changes were not included in the budget. Dan Cooper, OMA, talked about the increases in FTE in his department. Council President Bragdon asked about their training budget. Mr. Cooper said their training was adequate. Mr. Jordan talked about the Public Affairs budget and the consolidation of public affairs staff from other departments. He also talked about the reduction of \$100,000 because the web update would be completed this year. Mr. Jordan reviewed the Risk Management Fund. He also talked about the fixed asset analysis. He closed by talking about the PERS reserves.

There being no further business to come before the Metro Council, Council President Bragdon adjourned the meeting at 5:15 p.m.

Prepared by,



Chris Billington
Clerk of the Council

**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF
 APRIL 5, 2007**

Item	Topic	Doc. Date	Document Description	Doc. Number
1	Agenda	4/5/07	Detailed agenda for work session	040507cw-01
1	Budget Details	4/5/07	To: Metro Council From: Chris Billington, Council Office Re: Council Officer budget highlights	040507cw-02
1	Budget Details	4/5/07	To: Metro Council From: Andy Cotugno, Planning Department Re: Planning Department budget highlights	040507cw-03
1	Budget Details	4/5/07	To: Metro Council From: Suzanne Flynn, Metro Auditor Re: Auditor Office budget highlights	040507cw-04
1	Staff hours	4/5/07	To: Metro Council From: Suzanne Flynn, Metro Auditor Re: Projected Distribution of Staff Hours 07-08	040507cw-05
1	Budget Details	4/5/07	To: Metro Council From: Kathy Taylor, Acting General Manager for MERC Re: MERC budget highlights	040507CW-06