

## MINUTES OF THE METRO COUNCIL WORK SESSION MEETING

Tuesday, September 30, 2008  
Metro Council Chamber

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

Councilors Absent: David Bragdon (excused), Carlotta Collette (excused)

Deputy Council President Liberty convened the Metro Council Work Session Meeting at 2:01 p.m.

### **1. DISCUSSION OF AGENDA FOR COUNCIL REGULAR MEETING, OCTOBER 2, 2008/ADMINISTRATIVE/CHIEF OPERATING OFFICER COMMUNICATIONS**

Deputy Council President Liberty reviewed the October 2, 2008 Metro Council agenda, which there was only one action-item resolution. Michael Jordan, COO, talked about coordinating a general economic briefing for the region as well as matters pertaining to the headquarters hotel. He said it might be appropriate to organize a panel of experts to answer questions. Councilor Harrington asked for a discussion on the bond market. She also asked about members of the panel. Councilor Burkholder was not sure how projections and forecasts would ultimately help. Mr. Jordan said a panel could provide context for the region.

Deputy Council President Liberty wanted to know what the current economic situation meant for the housing market and development. Councilor Harrington asked about impacts on regional employment and business development. Councilor Hosticka said talking about current economic conditions versus projections for five or ten years down the road were two entirely different conversations, and that discussions should be kept focused. Councilor Harrington talked about relevant economic information in order to make future votes. Deputy Council President Liberty said he felt there was support for a broad economic discussion.

### **2. FINANCIAL CONDITION AND 2009-10 BUDGET PREVIEW**

Margo Norton, Finance Director, introduced her discussion on getting ready for the next budget cycle. She talked about the Fourth Quarter report, including spending, accruals, and budget planning. She talked about evaluating budget plans and reflecting on past quarters. She said final balances and funds were on track, and the audit should run smoothly.

Deputy Council President Liberty asked about consistency of the consolidated general fund. Councilor Burkholder asked about sufficiency and confidence of reserve funds, and the possibility of making management corrections. Ms. Norton talked about the independence of reserve funds.

Ms. Norton said the plan was on track and financial policies were in tact. She said the general fund was doing better than projected because of higher than expected interest returns. She stated, however, it was important to evaluate how safe Metro's investments were to continue higher than expected returns. She said it was becoming more and more difficult to invest in "safe" and secure investment opportunities.

Councilor Hosticka talked about state law's role in limiting investments. Kathy Rutkowski, Finance Department, discussed the inability of some banks to support various bonds. Councilor Burkholder asked about reliance upon interest earnings. Councilor Hosticka talked about market versus assessed values. He asked about default rates. Councilor Park asked about collection percentages. Ms. Norton said Metro's ability to estimate the collection rate had been very accurate.

Mr. Jordan talked about rate adjustments and tax revenue. Ms. Norton talked about tonnage and its role within the budget. Councilor Harrington talked about increasing energy rates and the possibility of subsequent trickle-down to residents of the region. Ms. Rutkowski discussed differences in fund balances throughout the year, and went through specific funds. Ms. Norton said reserve policies were in tact. Councilor Harrington asked about costs associated with the headquarters hotel. Councilor Park asked about excise taxes associated with solid waste. Ms. Rutkowski discussed allocations. Ms. Norton talked about specific budget amendments. She talked about the Tax Supervising and Conservation Commission (TSCC) meeting. Councilor Harrington asked about a contribution to an off-site elephant refuge, and whether the money for the contribution went back into the general fund. Ms. Rutkowski said it had been placed back into the general fund. Councilor Park asked about marking funds and how to place different funds in various contingency roles.

Ms. Norton discussed the future budget work session and components involved in setting the agenda for the approaching budget season. She said serious plans needed discussed in October to develop a balanced budget. Ms. Norton said resource availability would determine necessary trade-offs. Councilor Harrington wanted to hear more why programmatic budgets would be different. She said she could foresee an evaluation of which programs to prioritize in the next budget year. She talked about the ability to continue placemaking services, and to budget accordingly. Councilor Burkholder asked about new approaches and visions in terms of investing and allocations. Councilor Park talked about building a transparent system in regards to solid waste rate setting. Deputy Council President Liberty said the 2040 Growth Concept needed a much larger outreach effort. He talked about shifting from planning work to engagement work. Mr. Jordan said it was important to connect different projects.

### **3. COUNCIL BRIEFINGS/COMMUNICATIONS**

Councilor Burkholder asked for permission to attend a dinner. Councilors approved. Councilor Park updated on the headquarters hotel project and future timelines. He talked about push-back he had received in resource allocation discussions.

Councilor Harrington updated on meetings she'd had and would be attending.

There being no further business to come before the Metro Council, Deputy Council President Liberty adjourned the meeting at 3:40 p.m.

Prepared by,



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**ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF  
 SEPTEMBER 30, 2008**

<b>Item</b>	<b>Topic</b>	<b>Doc. Date</b>	<b>Document Description</b>	<b>Doc. Number</b>
1	Agenda	10/2/08	Agenda: Metro Council regular meeting, October 2, 2008	093008cw-1
2	Summary	9/18/08	FY 2007-08 Fund Balances, Summary of General Fund, September 18, 2008	093008cw-2
2	Executive Summary	9/30/08	Executive Summary addition, To: Metro Council From: Margo Norton and Finance Department Re: Executive Summary, Metro Quarterly Report Date: September 30, 2008	093008cw-3
2	Summary	10/2/08	Metro Public Hearing, \$125 million General Obligation Bond Measure (November 4, 2008 Election). Date: Thursday, October 2, 2008	093008cw-4
2	Report	9/30/08	Fiscal Year 2007-08, Quarterly Report Fourth Quarter, April through June 2008, September 30, 2008	093008cw-5