



METRO COUNCIL MEETING

Meeting Summary

Jan. 17, 2013

Metro, Council Chamber

Councilors Present: Council President Tom Hughes and Councilors Shirley Craddick, Craig Dirksen, Carlotta Collette, Kathryn Harrington, Sam Chase, and Bob Stacey

Councilors Excused: None

Deputy Council President Shirley Craddick called the regular council meeting to order at 2:02 p.m.

1. INTRODUCTIONS

There were none.

2. CITIZEN COMMUNICATIONS

Ellen Ino, 5769 N. Vancouver Ave., Portland: Ms. Ino addressed the Council as a resident in Portland, but also noted that she was a small business owner, a member of LIUNA 483 and a temporary worker for Metro. Ms. Ino stated that she hoped to be granted one-on-one meetings with each councilor over the next two months. She discussed the different definitions for the terms permanent, temporary, and limited duration positions, and regular versus seasonal positions. She stated that the definitions seek to clarify the nature of the employment and the expectation of the duration of the relationship between the employer and employee. She offered definitions for each position and provided examples of positions at Metro facilities. She also stated that permanent seasonal employees should not have to reapply for their positions each year.

Ninette Jones, 7637 N. Interstate, Portland: Ms. Jones asked a series of questions regarding the elephants at the Oregon Zoo. She wanted to know what would happen to Tusko once he was genetically represented within the herd. She advocated that the Oregon Zoo purchase Tusko and Lily from the company *Have Trunks Will Travel*. She also inquired about the future for Samudra and asked that he not be isolated like Packy. Additional questions addressed the new on-site elephant habitat and what it meant for the male and female elephants to cohabitate together and what self-directed activity meant.

3. FY 2011-12 EXTERNAL FINANCIAL AUDIT RESULTS

Metro Auditor Suzanne Flynn stated that the Auditor's role in the external audit is limited to managing the selection and contract processes for the external auditor, and to facilitate Metro's Audit Committee. She welcomed Mr. Jason Stanley, chair of the Audit Committee, to provide information on the committee's role and observations for FY 11-12, and Mr. Jim Lanzarotta of Moss Adams, LLP for the FY 11-12 external audit results.

Mr. Stanley overviewed the committee membership and role. He stated that over the years the relationship between the audit and management has been professional and appropriate, and that management has been proactive in addressing issues before they arise.

Mr. Lanzarotta also spoke to the role and value of an audit committee and complimented the committee's membership. He stated that the purpose of the external audit is to determine if Metro has accurately compiled its Comprehensive Annual Financial Report (CAFR), and to determine if all of the balances and transactions within the report are reflected correctly. Additionally, the external audit is used to review Metro's internal controls used by management to put the CAFR together. His presentation provided information on:

- Scope of services provided by the external audit, such as technical review of the CAFR for compliance with generally accepted accounting principles;
- FY 11-12 audit results for the Oregon Municipal Audit Standards, federal grants, and bond expenditures;
- Status of prior year and current year observations and recommendations; and
- New and anticipated changes in accounting standards, such as economic condition reporting or future financial projections.

Overall, Mr. Lanzarotta stated that the audit found an unqualified opinion, or clean opinion, and that Metro's financial statements are accurate and meet the requirements of accounting standards. (Presentation included as part of the meeting record.)

Mr. Tim Collier of Metro provided management's response. Mr. Collier reiterated that the CAFR serves as Metro's report card on how well the agency implemented its financial budget for FY 11-12. Additionally, he stated that it serves as a primary document Metro and financial bodies – such as the S&P – use to issue bond ratings. He stated that the CAFR is a complicated document and recommended that councilors and the public focus on the following highlighted sections for more information: *Management's Discussion and Analysis, Fund Financial Statements, Notes to the Financial Statements, the Statistical Section, and Audit Comments and Disclosures*. Mr. Collier also addressed the audit's FY 11-12 comments and recommendations. He stated that the agency has already put in place procedures to address the audit's comments regarding corrections to MERC procurement practices. Additionally, he stated that management believed that all expenditures of natural areas bond funds were proper and generally administrative, but did agree with the audit's recommendation to tighten the agency's policy around what constitutes an allowable administrative expense for bond funds.

Council discussion

Councilors thanked Mr. Stanley, Ms. Kathryn McLaughlin (in audience) and additional members for their service on the audit committee. Councilors discussed potential negative impacts to local jurisdictions caused by including future financial projections in CAFR documents; for example potential difficulty in securing loans. Additionally, councilors noted that the further out the projection, the less reliable and more expensive it becomes. Councilors also asked clarifying questions about Metro's administrative costs compared to industry standards. Mr. Lanzarotta recommended Metro benchmark against itself, and stated that Metro is too unique to compare to any city or county. The agency could, however, be potentially compared on a topic level such as solid waste, the Oregon Zoo, etc.

4. CONSIDERATION OF THE MINUTES FOR JAN. 10, 2013

Motion:	Councilor Shirley Craddick moved to approve the Council minutes for Jan. 10, 2013.
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Vote:	Council President Hughes and Councilors Craddick, Collette, Stacey, Chase, Dirksen, and Harrington voted in support of the motion. The vote was 7 ayes, the motion <u>passed</u> .
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5. CHIEF OPERATING OFFICER COMMUNICATION

Ms. Martha Bennett announced the following three events:

- Many Metro facilities will be closed on Monday, Jan. 21 in observance of Dr. Rev. Martin Luther King Day. Tickets to the Scanner breakfast are still available; Councilors were asked to contact their Policy Coordinator if interested in attending.
- The Oregon State Parks Commission has scheduled a site tour of Willamette Falls Blue Heron site on Jan. 29. Councilors are welcome to attend.
- A discussion on Oregon's African-American history has been scheduled on Feb. 14 at Metro to commemorate Black History Month.

6. COUNCILOR COMMUNICATION

Councilors recognized and shared personal stories of Mr. Forest Soth, a long-time volunteer and civic leader in the region who recently passed away.

Councilor updates included the recent Tigard public open house on the Fields property, and recent and upcoming ODOT open houses on reliable passenger rail.

7. ADJOURN

There being no further business, Council President Hughes adjourned the regular meeting at 2:57 p.m. The Metro Council will convene the next regular council meeting on Thursday, Jan. 24 at 2 p.m. at the Council Chamber.

Respectfully submitted,



Kelsey Newell, Regional Engagement and Legislative Coordinator

ATTACHMENTS TO THE PUBLIC RECORD FOR THE MEETING OF JAN. 17, 2013

Item	Topic	Doc. Date	Document Description	Doc. Number
	Minutes	1/10/13	Council minutes for 1/10/13	11713c-01