

## December 16, 2013 Budget Committee Meeting

Commission Budget Chair Cynthia Haruyama opened the meeting at 3:40 p.m. at the Oregon Zoo Skyline Room

Attendees: Commissioner Cynthia Haruyama, Chair; Commissioner Chris Erickson; Martha Bennett, Metro COO; Teri Dresler, GM Metro Visitor Venues; Expo Director, Matthew P. Rotchford; OCC Director, Scott Cruickshank; Portland's Director, Robyn Williams; Director of Finance, Tim Collier; Brian Kennedy  
Absent: Commissioner Terry Goldman

- Opening Remarks: Dresler summed up the goals for the meeting
- Reserves: Tim Collier presented a brief history of the MERC reserves and the recommendations proposed in 2011. He then proposed a new strategy, the "Reserve Accounts plan" which changes the percentage amounts in the reserves for renewal and replacement and new capital/business strategy set aside each year for each venue.
  - Scott Cruickshank inquired about the wording in the proposal. He thought the sentence "Transition the annual Operating Contingency contribution from a lump sum amount to a 5% calculation of operating 'expense' budget" should be changed to 'revenue' budget. Collier agreed. Tim Collier will bring the proposal in clear terms at the next budget meeting on Jan. 29, 2014.
- Venue directors each presented their 5-year capital plans
  - Following Robyn Williams' presentation, Commissioner Erickson inquired about what the City of Portland was responsible for as far as expenses.
  - Dresler responded that the contract with the City makes it clear that building expenses are Metro's responsibility however at some point it would be good to present the venues' situation to the City's attention.
- Tim Collier presented new recommendations for the MTOCA funds  
The amount currently contributed each year is based on what the general fund can afford. Currently the money is used to fund the HQH Hotel project. The basic plan is to change the definition to include Expo Center.
  - Commissioner Haruyama inquired if it would make sense to make the MTOCA funds available to all venues.
  - Dresler answered negatively.
  - Haruyama asked what the downside of the change would be.
  - Collier responded that fewer dollars would go to the hotel project.
  - Scott Cruickshank inquired if there was a way to support Expo without decreasing the money that goes to OCC?
  - Collier responded that he will need to prepare language that would clarify the plan. It will need to be presented to the MERC and then to Metro Council before it could take effect.

- Tim Collier discussed the upcoming high impact budget issues faced by the venues in 2015.
  - Commissioner Erickson asked if it would be possible to provide the actual dollar amounts that will go to PERS for current and new employees.
  - Tim Collier responded that he would work on that and bring the numbers to the next budget meeting.
  - Scott Cruickshank requested that, since Aramark labor costs affect the venues' budgets and specifically since it affects the OCC budget, he would like to have it on the list of impacts.
  - Collier responded that he will work on those numbers and make them available.
  
- Collier noted that the next budget committee meeting is scheduled for January 29<sup>th</sup>. The agenda will include:
  - Venues' budget presentations
  - MTOCA draft language
  - Reserves draft language including a 4-year projection for reserve amounts
  - It was recommended that the meeting be scheduled for 2 hours, from 3-5 p.m.
  - A third meeting in February should be planned.

The meeting adjourned at 5 p.m.