

Jan. 31, 2013 Budget Committee Meeting

Commissioner Terry Goldman opened meeting at 2:10 p.m. Metro Room 301

Attendees: Commissioner Terry Goldman, Chair; Commissioner Ray Leary, Commissioner Chris Erickson, General Manager of Visitor Venues, Teri Dresler; Expo Director, Matthew P. Rotchford; OCC Director, Scott Cruickshank; PCPA Director, Robyn Williams; Finance Manager, Cynthia Hill

Opening comments: Dresler expressed the need to establish a long-term plan for reserve accounts. She announced that Metro Councilor Sam Chase is new Metro Liaison, representing District 5, the same district represented by former Councilor and MERC Liaison, Rex Burkholder.

Hotel Budget: Dresler presented budget plan for FY 2013-14.

MERC Admin Budget: Dresler presented noting that she is conscious that the money comes from the venues and is carefully planned. This budget is down for 2013-14 although approximately \$1000 has been moved to travel for Commissioners. Due to the successful trip Commissioner Leary took in 2012, Dresler added the amount to make it possible for other Commissioners to travel.

Expo Capital Budget: Director, Mathew P. Rotchford, presented.

(Commissioner Chris Erickson arrived at 2:30 p.m.)

OCC Capital Budget: Director, Scott Cruickshank, presented.

Commissioner Leary: Why is the Renewal and Replacement amount variable by the venue?

Dresler: We did an analysis and completed a 5-year plan. As we tuned-up the accounts, we knew that the R&R amounts might not match the actual need, so numbers were established and each venue contributes annually. The 5-year plan is adjusted annually.

Cruickshank thanked Matt Uchtman for taking the time to really understand the building which helped create a good budget.

3:18 p.m.: Group took a 10-minute break

3:20 p.m.: Commissioner Goldman reconvened the meeting

PCPA Capital Budget: Director, Robyn Williams, presented.

Commissioner Goldman: The City of Portland owns the venue, what's their responsibility?

Dresler: They give a percentage.

Goldman: Do we need to go to the City to request help with capital?

Dresler: The city says that PCPA must underwrite resident companies to a point but Williams notes that expenses are increasing and the resident companies are running into difficulties.

Williams: Should resident companies pay more? Should the city provide additional subsidy? We need conversations.

Commissioner Erickson: We are there now. The Symphony is asking for a donation. We will need to say "no".

Williams: Our mission is to support these groups and at the same time, our mission is to protect the venue structures. We're working to help the symphony this year.

Williams continued with the PCPA Capital Budget noting that the capital requests are based on priorities of safety and security.

Commissioner Goldman credited the venues with an outstanding job with the budget presentations.

Commissioner Erickson: How much is left in the Friends of PCPA account?

Williams: \$1 million or so. They need to find a right time to raise funds and it needs to be a public/private effort. They are also looking at other fund-raising opportunities.

Dresler: Commissioner Leary, you made a recommendation that the Commissioners could work with Metro Council or the city.

Leary: Cynthia Hill's presentation made it clear that without relief, Expo will have difficulties staying above water. It's time for dialog. I would like us to study the situation and take it on.

Erickson: What's Expo's debt?

Hill: about \$1,200,000.

Leary: When is the next joint session?

Dresler: March. We need to bring the right resources. The clock is ticking. The venues are increasingly costly. We can't price ourselves out of the market. This includes OCC as well. It makes sense that this is part of the budget process.

Meeting continued with the presentation of Capital Project Funding Sources and a Summary of Reserve Accounts

Goldman: My first question would be, once you've gone through your 5-year plan, is there anything in there that doesn't have to be there?

Williams: We are good at figuring two years out but it gets really "guessy" at 5 years out so we err on the high side. Our 5-year plan is a "worst case".

Dresler: I will draft an assignment for the Budget Committee to look at the five year plan. Maybe as 2-3 year and 3-5 year and propose some options. We could talk about this at a retreat. We need to take the responsibility for this.

A motion was made by Commissioner Goldman to present the budget to the Commission at its next meeting. Commissioner Leary seconded it.

Voting: Aye: 3 (Goldman, Leary, Erickson)

Nay: 0

Motion passed

Meeting adjourned at 5:00 p.m.