

MINUTES OF THE COUNCIL OF THE
METROPOLITAN SERVICE DISTRICT

SPECIAL MEETING
SEPTEMBER 29, 1983

Councilors Present: Councilors Banzer, Bonner, Deines,
Etlinger, Hansen, Kafoury, Kelley,
Kirkpatrick, Oleson, Van Bergen, Waker,
and Williamson.

Also Present: Rick Gustafson, Executive Officer.

Staff Present: Andrew Jordan, Ray Barker, and Dan LaGrande.

A special meeting of the Council of the Metropolitan Service District was called to order at 5:16 p.m. by Presiding Officer Banzer for the purpose of discussing Guidelines for Council Expenditures.

She stated a resolution introduced by Councilors Kirkpatrick and Kafoury along with an Exhibit "A" outlining proposed guidelines had been distributed previous to the meeting. She also indicated that a new Exhibit "A" had been prepared and distributed as the result of a meeting with Executive Officer Gustafson, Councilors Kirkpatrick, Oleson and herself. She said the new Exhibit would be used as the basis for the discussion. (A copy of the exhibit is attached to the agenda of the meeting.)

COUNCILOR PER DIEM

Proposed Guidelines:

1. Each Councilor is authorized to receive up to \$2,160 (72 meetings per year) each fiscal year in per diem from the Council Per Diem account.
2. Per diem shall be paid at a rate of \$30 per meeting [, up to six meetings per month].

Councilor Kirkpatrick stated that inserting "72 meetings per year" in place of "up to six meetings per month" as originally proposed, would allow Councilors to receive per diem for meetings in excess of six per month. For example, she said, during the budget process, more than six meetings a month were usually held. She said the intent of the change in No. 1 was to delete the words "up to six meetings per month" from No. 2.

Councilor Hansen suggested that the number of meetings be limited to 36 meetings per half year. He said this would allow a new Councilor arriving in January to receive half the allocation.

Councilor Williamson proposed that No. 1 be amended to read as follows: "Each Councilor is authorized to receive up to \$2,160 (36 meetings per one-half year, i.e., June-December/January-June) each fiscal year in per diem from the Council Per Diem Account".

A consensus of the Council agreed with the change suggested by Councilor Williamson.

Proposed Guideline:

3. Per diem shall be authorized for attendance at regular and special Council meetings, and regular and special Council committee and task force meetings to which a Councilor has been assigned by the Council. Per diem may also be collected for attendance at a Council committee, [or] task force meeting [to which a Councilor has been invited in writing to attend by the Chair of that committee or task force] or function approved in writing by the Presiding Officer or Chair of Committee.

Councilor Waker said the business of Metro was not just conducted at the Metro offices and that meetings with other officials were just as valuable to their constituents. He said he preferred that the individual Councilors have the prerogative to determine the use of per diem for any meeting they attend.

Councilor Kafoury clarified that meetings outside Metro were allowable under the proposed guideline if a Councilor had been invited in writing to attend by the appropriate officer of the Council.

Councilor Kelley expressed concern that the language prohibited Councilors from receiving per diem for attending committee meetings they were not assigned to unless a written approval had been received. She argued that if an issue was germane to a Councilor's district, they should not have to get permission to attend a meeting to get information. She said they should be able to make the judgment on which meetings to receive per diem.

Councilor Kirkpatrick said the language in the first sentence had been proposed by Councilor Deines in 1981 and was intended to strengthen the committee system.

Councilor Williamson stated that attendance at meetings of the body was the only type of meeting for which per diem should be received. He said the organization may be open to criticism if per diem was claimed for any meeting they attended.

Presiding Officer Banzer stated the state statute was vague in its definition of meetings and that she believed when the agency was established, per diem was intended as compensation for their work.

Motion: Councilor Bonner moved to amend No. 3, second sentence, to read as follows: Per diem may also be collected for attendance at a Council committee, task force meeting, or function approved by the Presiding Officer.

Councilor Hansen seconded the motion.

Councilor Kafoury urged that the Council oppose the motion because there was a public need for documentation of their activities and charges against the per diem and expense accounts. She said the Accounting Division needed to have clear direction about what was allowed and not allowed.

Councilor Bonner said they already provided the documentation when they submitted their statements for reimbursement and they would continue to do that with the Presiding Officer approving the requests for reimbursement.

Motion to amend: Councilor Kelley moved to amend the main motion to delete the following words from the first sentence of No. 3: "to which a Councilor has been assigned by the Council".

Councilor Bonner accepted the proposal as a friendly amendment to the main motion.

Councilor Kafoury noted that the changes being proposed would make the guidelines less clear than the original Deines guidelines.

Councilor Banzer stated that the two sentences of No. 3 would be voted on separately.

Vote: The vote on the motion to amend sentence one of No. 3, resulted in:

Ayes: Councilors Banzer, Bonner, Deines, Etlinger, Hansen, Kelley, Oleson, and Waker.

Nays: Councilors Kafoury, Kirkpatrick, Van Bergen, and Williamson.

Motion carried.

Vote: The vote on the motion to amend sentence two of No. 3, resulted in:

Ayes: Councilors Banzer, Bonner, Etlinger, Hansen, Oleson, and Waker.

Nays: Councilors Rafoury, Kirkpatrick, Van Bergen, and Williamson.

Abstention: Councilors Deines and Kelley.

Motion failed.

Councilor Kelley said in order to clarify the second sentence, in light of the motion which had carried, the words "at a Council committee" should be deleted.

Motion: Councilor Kelley moved that sentence two of No. 3 be amended to read as follows:

Per diem may also be collected for attendance at a task force meeting or function approved by the Presiding Officer.

Councilor Etlinger seconded the motion.

Councilor Van Bergen said when he came on board as a member of the Council he was amazed there was per diem at all. He said his only expectation was to be reimbursed for out-of-pocket expenses. He suggested that if Councilors expected compensation, they should receive a monthly stipend of \$180, for those who wanted it, and that would take care of the pressure on the staff to try to figure out what was authorized and what was not.

Andrew Jordan, Legal Counsel, pointed out that the statute did not permit a stipend for the Councilors.

Vote: The vote on the motion to amend sentence two of No. 3 resulted in:

Ayes: Councilors Banzer, Bonner, Etlinger, Hansen, Kelley, Oleson, and Waker.

Nays: Councilors Deines, Rafoury, Kirkpatrick, Van Bergen, and Williamson.

Motion carried.

Proposed Guideline:

4. Payments within these limits shall be authorized by the fiscal officer of the Metropolitan Service District.

Motion: Councilor Etlinger moved to amend No. 4 to substitute "Presiding Officer" for "fiscal officer". Councilor Bonner seconded the motion.

Councilor Deines said he disagreed with the motion. He said that was the worst thing they could do audit wise was to have someone authorizing things who was themselves a participant. He said the Presiding Officer should not be in the position of authorizing payments for themself.

Councilor Kirkpatrick said the intent of No. 4 was to clarify the role of the Presiding Officer--that the Presiding Officer was not an administrative person.

Councilor Bonner asked what the fiscal officer would do if the Presiding Officer approved the attendance at meetings. Councilor Deines responded that he interpreted it to mean the fiscal officer would check for the necessary documentation.

Councilors Etlinger and Bonner withdrew the motion and second.

COUNCILOR EXPENSES

Proposed Guideline:

1. Each Councilor is authorized to receive up to \$1,500 each fiscal year as reimbursement for authorized expenses incurred for necessary Council-related activities.

There were no amendments to this guideline.

Proposed Guideline:

2. Each request for reimbursement must be accompanied by supporting documentation which shall include the nature and purpose of the activity, the names and titles of all persons for whom the expense was incurred, [the duration of the activity,] and receipts justifying the expense as required by the Internal Revenue Service. [No reimbursement shall be authorized for any expense submitted without the above-required documentation.] Any deviation of this requirement, such as lost receipts will require a written explanation and approval by the Presiding Officer or Council Coordinating Committee before any reimbursement will be made.

Councilor Kirkpatrick stated that the intent of the proposed language was to set up a procedure to allow for reimbursement of an expense if a receipt were lost. She said she believed it was appropriate that approval for such a reimbursement in excess of \$10.00 be determined by the Council Coordinating Committee.

Motion: Councilor Kirkpatrick moved that No. 2 be amended to read as follows:

Each request for reimbursement must be accompanied by supporting documentation which shall include the nature and purpose of the activity, the names and titles of all persons for whom the expense was incurred, and receipts justifying the expense as required by the Internal Revue Service. An deviation of this requirement, such as lost receipts, will require a written explanation and approval by the Council Coordinating Committee before any reimbursement will be made.

Councilor Kafoury seconded the motion.

Councilor Bonner noted that if a receipt was lost, the IRS wouldn't allow the expense. Councilor Kirkpatrick said the originally proposed language would not have allowed reimbursement if there were no receipt. She said she would withdraw her motion if there was support for the original language. Councilor Bonner said he would second such a motion.

Councilors Kirkpatrick and Kafoury withdrew their motion and second.

Motion: Councilor Kafoury moved to amend No. 2 to read as follows:

Each request for reimbursement must be accompanied by supporting documentation which shall include the nature and purpose of the activity, the names and titles of all persons for whom the expense was incurred, and receipts justifying the expense as required by the Internal Revenue Service. No reimbursement shall be authorized for any expense submitted without the above-required documentation.

Councilor Bonner seconded the motion.

Councilors Waker and Banzer argued that there may be circumstances where a receipt was lost or stolen and the expense should be reimbursed without the receipt.

Councilor Kafoury said the Accounting Department must have proper justification in order to approve payment. She said it was good business practice to require receipts for reimbursement and the Council should use good business practices when using public funds.

Vote: The vote on the motion to amend No. 2 resulted in:

Ayes: Councilors Banzer, Bonner, Deines,
Etlinger, Hansen, Kafoury, Kelley,
Kirkpatrick, Van Bergen, and Williamson.

Nays: Councilors Oleson and Waker.

Motion carried.

Proposed Guideline:

3. In addition to necessary Council-related travel, meals, and lodging expenses, expenses may include:
 - a. Advance reimbursement for specific expenses, provided that any advance reimbursement in excess of actual expenses incurred shall be returned or shall be deducted from subsequent expense reimbursement requests;
 - b. Up to \$200 per year for memberships in non-partisan community organizations.
 - c. Expenses to publish and distribute a Council-related district newsletter, provided that any such newsletter may not be mailed within 90 days of an election in which a Councilor is a candidate, and further provided that no Metropolitan Service District staff shall assist in the production and distribution of such newsletter;
 - d. Council business-related books, publications and subscriptions; [and]
 - e. Meeting or conference registration fees[.], and
 - f. Child care costs for Metro business with documentation as outlined in No. 2 of this section, including duration of the activity.

Councilor Kirkpatrick said No. 3 was a listing of authorized expenses the Accounting Department would approve without any question for Councilor Expense accounts. She said as a result of the meeting

with Mr. Gustafson, Councilors Oleson and Banzer, and herself, they moved child care from the unauthorized expenses list to the authorized expense list. She said the intent was to allow child care costs for Metro-related business.

Councilor Etlinger said that he was concerned about the language in (c) which would disallow the use of Metro staff in producing or distributing newsletters. He said if it was a newsletter which was about Metro business, staff should be involved at least as far as providing information, proofing, printing and distribution.

Motion: Councilor Hansen moved to adopt Section 3 with an amendment to (c) to delete the following: "and further provided that no Metropolitan Service District Staff shall assist in the production and distribution of such newsletter".

Councilor Oleson seconded the motion.

Councilor Hansen said the staff was protected inasmuch as any request for assistance would have to be approved by the Executive Officer under current policy. He said he would not want to spend tax dollars for a Metro-related newsletter and not be able to have the staff's input as to its accuracy.

Councilor Kafoury asked for an interpretation of Metro business as it related to subsection (f).

Presiding Officer Banzer responded that her interpretation was that it was for the costs incurred in carrying out Metro business, such as meetings for which she would put in for per diem, meetings she was invited to as a Metro Councilor or as the Presiding Officer; i.e., going to the legislature and working on the Tri-Met legislation. She said that for the last year and one-half she had kept a log of both the days she had been at Metro and the meetings she had attended. She said she also had an expense book which listed the duration of the activities and coincided with the expenses she had submitted for child care costs.

Councilor Kafoury said in reading (f) it was still unclear and undefined what "Metro business" was.

Councilor Waker offered a definition which would define "Metro business" as any business that any Councilor believed was in the best interest of the Metropolitan Service District and their constituents.

Councilor Deines said each Councilor would have a different interpretation of what "Metro business" was and that the issue needed to be addressed. He said he intended to address it by supporting language later in the guidelines which would not allow the Presiding Officer to have a call on any other funds than their own per diem and expense accounts.

Motion: Councilor Oleson moved the previous question and end debate. Councilor Hansen seconded the motion.

Vote: The vote on the motion resulted in:

Ayes: Councilors Banzer, Deines, Hansen, Oleson, Van Bergen, and Waker.

Nays: Councilors Bonner, Etlinger, Kafoury, Kelley, Kirkpatrick, and Williamson.

Motion failed.

Councilor Williamson said he personally did not feel that child care costs should be paid for with public funds; that they were a personal expense.

Motion to amend: Councilor Kirkpatrick moved to amend the main motion to change the word "business" in (f) to "meetings", which would be consistent with the Councilor per diem language in No. 3 of the Councilor Per Diem section.

Councilor Kafoury seconded the motion.

At this time, the Council recessed for five minutes.

Councilor Deines suggested that the word "necessary" be placed in subsection (f) before "Metro business" as a further clarification and definition of that subsection.

Councilor Kirkpatrick noted that she had received a letter from the president of the Women's Political Caucus supporting the idea of reimbursing child care costs but not for extensive use; and that it was important that the public realize that it was not to be misused.

Vote: The vote on the motion to amend the main motion to substitute the word "meetings" for "business" in (f) resulted in:

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Ayes: Councilors Deines, Kafoury, Kirkpatrick,
and Williamson.

Nays: Councilors Banzer, Bonner, Etlinger,
Hansen, Kelley, Oleson, Van Bergen, and
Waker.

Motion to amend failed.

Motion to
amend:

Councilor Deines moved to amend the main motion
to add the word "necessary" before "Metro busi-
ness" in subsection (f)

Councilor Williamson seconded the motion.

Vote:

The vote on the motion to amend the main motion
resulted in:

Ayes: Councilors Banzer, Bonner, Deines,
Etlinger, Hansen, Oleson, Waker,
Williamson.

Nays: Councilors Kafoury, Kirkpatrick, and
Van Bergen.

Absent: Councilor Kelley.

Motion carried.

Motion to
amend:

Councilor Williamson moved to amend the main
motion to change 90 days to 120 days in subsec-
tion (c). Councilor Hansen seconded the motion.

Vote:

The vote on the motion to amend the main motion
resulted in:

Ayes: Councilors Banzer, Bonner, Deines,
Etlinger, Hansen, Kafoury,
Kirkpatrick, Oleson, Van Bergen,
Waker, and Williamson.

Nays: None.

Absent: Councilor Kelley.

Motion carried.

Vote: The vote on the main motion, as amended, resulted in:

Ayes: Councilors Banzer, Bonner, Deines,
Etlinger, Hansen, Oleson, Van Bergen, and
Waker.

Nays: Councilors Kafoury, Kirkpatrick, and
Williamson.

Absent: Councilor Kelley.

Motion carried.

Proposed Guideline:

4. Reimbursement shall not be authorized for the following:
 - a. Alcoholic beverages;
 - b. [Laundry or dry cleaning costs] Parking tickets or citations for traffic violations;
 - c. [Parking tickets or citations for traffic violations] Contributions to political campaigns of any kind;
 - d. [Child care costs;]
 - e. [Contributions to political campaigns of any kind] Parking tickets or citations for traffic violations;
 - f. Contributions to fund-raising efforts of any kind;
 - g. Home entertaining or other social functions; or
 - h. Any other costs or purchases considered to be of a personal nature, such as supplies for personal use.

Councilor Kirkpatrick said the original intent of listing things that were not authorized was simply to provide guidelines for the Councilors. She said if there were requests for reimbursement, the original language would have required the Council Coordinating Committee's approval for reimbursement. She asked that the Legal Counsel identify those items which were clearly illegal.

Mr. Jordan responded as follows:

- Alcoholic beverages; clearly illegal.
- Laundry and dry cleaning was borderline--that if a Councilor spilled coffee on their clothing during a Council meeting, there may be an argument for reimbursement.
- Parking tickets or citations for traffic violations; clearly illegal.
- Contributions to political campaigns of any kind; clearly illegal.
- Contributions to fund-raising efforts of any kind--as long as the fund-raising effort had anything to do with a Metro related power, it could be appropriate.
- Home entertaining or other social functions--social functions were probably illegal, home entertaining might be legal if it was related to Metro business.
- Any other costs or purchases considered to be of a personal nature; clearly illegal.

Motion: Councilor Kirkpatrick moved adoption of Section 4, to read as follows:

Reimbursement shall not be authorized for the following:

- a. Alcoholic beverages;
- b. Laundry or dry cleaning costs;
- c. Parking tickets or citations for traffic violations;
- d. Contributions to political campaigns of any kind;
- e. Contributions to fund-raising efforts of any kind;
- f. Home entertaining or other social functions; or
- g. Any other costs or purchases considered to be of a personal nature, such as supplies for personal use.

Councilor Kafoury seconded the motion.

Councilor Oleson said the list should only include those items which were clearly illegal. He asked if there was a state statute prohibiting alcohol. Mr. Jordan responded there was no state statute prohibiting but that the Council was bound to spend public funds only on authorized expenditures; that is, expenditures authorized by statute, and expenditures for a public purpose. He said if they had to go to court on a particular expenditure, they would have to show that it met the test of being authorized by state statute and that it met with a public purpose. He said he didn't believe alcohol could meet the test.

Motion to
amend:

Councilor Oleson moved to amend the main motion to list only those items which were clearly illegal:

Parking tickets or citations for traffic violations; and Contributions to political campaigns of any kind.

Councilor Hansen seconded the motion.

Councilor Kafoury said she was opposed to the amendment. She said it would signal to Councilors that it was permissible to buy alcohol for the home and charge it to Metro; that it was permissible to have a party in the home, unspecified for what purpose, and charge it to Metro; and permissible to purchase personal items and charge it to Metro.

Councilor Oleson responded that he did not agree with Councilor Kafoury's interpretation. He said the underlying theme was they had the public trust and an obligation to use good judgement. He said he resented trying to codify every possible circumstance.

Councilor Kafoury countered that they were writing policy for eventuality and for possible misinterpretation and misuse. She urged the Council to vote against the amendment.

Vote:

The vote on the motion to amend resulted in:

Ayes: Councilors Hansen, Oleson, and Waker.

Nays: Councilors Banzer, Bonner, Etlinger, Kafoury, Kirkpatrick, Van Bergen, and Williamson.

Absent: Councilors Deines and Kelley.

Motion to amend failed.

Motion to
amend:

Councilor Bonner moved to amend the main motion to list the following items:

- a. Parking tickets or citations for traffic violations.
- b. Contributions to political campaigns of any kind.
- c. Home entertaining or other social functions.
- d. Any other costs or purchases to be of a personal nature, such as supplies for personal use.

Councilor Oleson seconded the motion.

Councilor Hansen asked if Councilor Bonner would accept a friendly amendment to delete the word "Home" from "Home entertaining and other social functions". Councilor Bonner agreed to the friendly amendment.

Councilor Etlinger commented that the list the Council approved should be consistent with the guidelines for the staff. He said alcohol as well as other items were not a reimbursable expense for staff.

Vote: The vote on the motion to amend the main motion resulted in:

Ayes: Councilors Banzer, Bonner, Hansen, Oleson, and Waker.

Nays: Councilors Etlinger, Kafoury, Kirkpatrick, Van Bergen, and Williamson.

Absent: Councilors Deines and Kelley.

Motion to amend failed.

Motion to amend: Councilor Etlinger moved to amend the main motion to delete the word "Home" from (g). Councilor Hansen seconded.

Councilor Van Bergen asked if home entertaining would be allowed by deleting home from (g). Mr. Jordan responded that no entertaining, home or otherwise, would be allowed if the motion carried. He said a dinner was entertainment but if it was coincident to business, it was legitimate.

Vote: The vote on the motion to amend the main motion resulted in:

Ayes: Councilors Banzer, Bonner, Etlinger, Hansen, Kafoury, Kirkpatrick, Van Bergen, and Williamson.

Nays: Councilor Oleson.

Absent: Councilor Deines, Kelley, and Waker.

Motion to amend carried.

Vote: The vote on the main motion, as amended, resulted in:

Ayes: Councilors Banzer, Bonner, Et`
Hansen, Kafoury, Kirkpatrick, Oleson, Van
Bergen, and Williamson.

Nays: None.

Absent: Councilors Deines, Kelley, and Waker.

Motion carried.

Proposed Guideline:

5. Payments within these limits shall be authorized by the fiscal officer of the Metropolitan Service District. Other requests for documented Council-related business must be approved by the Council Coordinating Committee or Presiding Officer.

Councilor Bonner said that Councilor Kelley had asked him to make a pitch on her behalf on No. 5. She was concerned that it appeared that a Councilor would have to make the expenditure and then document it and then go to the Council Coordinating Committee. He said she suggested that the second sentence be amended to delete the word "documented" and substitute "Metro-related" for "Council-related".

Motion: Councilor Kirkpatrick moved adoption of Section 5 as follows:

Payments within these limits shall be authorized by the fiscal officer of the Metropolitan Service District. Other requests for Metro-related business must be approved by the Council Coordinating Committee.

Councilor Kafoury seconded.

Councilor Etlinger argued that the Presiding Officer should be the authorized person instead of the Council Coordinating Committee to approve the requests, other than the Presiding Officer's requests which should go to the Council Coordinating Committee.

Vote: The vote on the motion to adopt Section 5 resulted in:

Ayes: Councilors Banzer, Bonner, Hansen, Kafoury,
Kirkpatrick, Van Bergen, and Williamson.

Nays: Councilors Etlinger and Oleson.

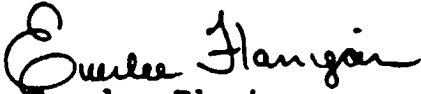
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Absent: Councilors Deines, Kelley, and Waker.

Motion carried.

Inasmuch as the special meeting was running into the time scheduled for the regular Council meeting, the special meeting was adjourned at 7:40 p.m. and an additional special meeting was scheduled for 5:30 p.m. on October 6, 1983 to consider the remainder of the guidelines.

Respectfully submitted,


Everlee Flanigan
Clerk of the Council

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