

APPROVED
Date 7-28-93

MINUTES OF THE METRO COUNCIL BUDGET COMMITTEE

March 18, 1993

Council Chamber

Committee Members Present: Rod Monroe (Chair), Richard Devlin (Vice Chair), Roger Buchanan, Jon Kvistad, George Van Bergen

Councilors Also Present: Mike Gates, Terry Moore, Judy Wyers

Chair Monroe called the regular meeting to order at 1:34 p.m.

1. SOLID WASTE REVENUE FUND

C. Landfill Closure Account

James Watkins, Solid Waste Engineering & Analysis Manager, presented the staff report, and said the purpose of the program was to establish reserves necessary to provide for landfill closure in accordance with the September 1989 plan.

Mr. Watkins clarified the only monies allocated to the Landfill Closure Account were located on page 174 of the FY 1993-94 Proposed Budget.

D. Construction Account

Mr. Watkins noted \$1.65 million was allocated for a proposed Fibre-Base Fuel Project for a total for the Account of \$1.78 million. He said some debt service would be required should the project be implemented, however he explained the rates would not be affected.

E. General Account

Mr. Watkins highlighted allocations in the General Account. He said the Department planned to evaluate the possibility of constructing an area at Metro Central for the processing of latex paint. He also described signage projects.

In response to Councilor Buchanan, Mr. Watkins said the Department proposed \$125,000 of a budgeted line item of \$150,000 for the composter facility be used for work on a program for removal of putrescible waste from the waste stream. Bob Martin, Director of Solid Waste Department, described possible elements of such a program. Councilor Buchanan noted other companies were interested in mixed solid waste (MSW) operations, and inquired as to Metro's further involvement. Councilor Wyers recommended the matter be reviewed in the Solid Waste Committee. Councilor Buchanan concurred and asked Solid Waste Staff to work with John Houser, Council Analyst, to prepare a report.

F. Contingency

Mr. Martin noted \$6 million was contained in Contingency, and explained the components of the account. He indicated he would be bringing forth a written report.

Councilor Van Bergen inquired regarding direction of the waste stream, flow control and impact on recycling levels. Mr. Martin noted a contract with the Multnomah County Sheriffs Department, which he felt would assist in flow control. The Committee and Staff discussed the effect on flow control without a system management fee, and discussed the Unappropriated Balance.

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G. Debt Service

Roosevelt Carter, Solid Waste Budget and Finance Manager, highlighted the Debt Service Account, Solid Waste Revenue Fund.

H. Renewal and Replacement Account

Mr. Watkins noted \$510,000 was proposed in the FY 1993-94 budget for a new roof to be constructed at Metro South. In response to Councilor Van Bergen, Mr. Martin said any other proposed allocations would come before the Solid Waste Committee for review and approval.

I. Master Project Account

Mr. Carter explained the debt service payments made on Metro's behalf by its trustee were required by state budget law to appear in the annual budget. He said these were pass-through funds on debt related to the composter, and were not otherwise Metro funds.

J. Transfers

Jennifer Sims, Finance and Management Information Director, referenced page 178 of the FY 1993-94 Proposed Budget, and briefly outlined the transfers shown. She discussed the breakup of the former Planning and Development Department and its impact on reductions to costs to the Solid Waste Department.

Councilor Moore questioned allocations pertinent to the leasing of space in Metro Regional Center and contingency plans should space not be let and income producing.

Councilor Devlin noted a commitment had been made to come back with a recommendation concerning an Urban Arterial Fund.

2. REHABILITATION AND ENHANCEMENT FUND

Judith Mandt, Administrative Manager, outlined the components of the Rehabilitation and Enhancement Fund. She said several enhancement committees had been formed: the North Portland, Metro Central, Metro Composter, Forest Grove, and Oregon City Enhancement Committees. She noted the Metro Composter Community Enhancement Committee would be retiring FY 1993-94, and the use of funds would need to be determined. Mr. Martin briefly addressed that issue.

3. SUPPORT SERVICES FUND

A. Fund Purpose and Cost Allocation Plan

Ms. Sims distributed a document entitled, "FY 1993-94 Cost Allocation Plan", and outlined the topics covered in the document. This document has been made part of the permanent meeting record. She indicated transfers from departments paid for the fund through the Cost Allocation Plan. She said expenses were divided into Direct Costs and Indirect Costs, and said Indirect Costs were divided into Specific or Pooled costs. She said services were tracked over the course of a year as to how services were used, whether by specific usage or of a more common nature, that is, pooled costs.

Councilor Devlin referenced Mr. Houser's document entitled "Public Affairs Department / Solid Waste Programs." This document has been made part of the permanent meeting record. He noted the last page of the document concerning the Support Services Fund allocation for the Public Affairs Department (question no. 3), and requested the worksheets for the Public Affairs Department be provided to the Budget Committee along with Mr. Houser's request.

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Ms. Sims noted the Support Services Fund was managed on a \$0 fund balance basis with the exception of Contractor License fees.

B. Finance and Management Information Department

Ms. Sims said the total budget for the Department for FY 1993-94 was \$3.2 million, a 4.5% increase.

► Accounting

Don Cox, Accounting Manager, said the Accounting Division was responsible for the timely and accurate recording all financial activities of Metro and providing reports for others to assist in managing the financial affairs of Metro. He described proposed objectives for FY 1993-94.

The Committee and Staff discussed the administration of the Transportation Demand Management plan and the MERC accounting function.

► Office Services

Pam Juett, Office Services Manager, said the Office Services Division was responsible for the centralized service needs of Metro Departments in the areas of document reproduction, courier service, archive and microfilm management, postage, and other service needs such as FAX machine service.

Ms. Juett noted the Print Shop had produced 6 million copies, and noted a request for a new duplicator in the Print Shop, and said cost recovery would occur in approximately three years due to lower maintenance costs. Ms. Juett noted a current 2%-3% cost savings realized by using an out-of-house postal sorting business.

Councilor Wyers questioned whether the current Metro letterhead needed to be as high quality as was currently used, and asked Donald E. Carlson, Council Administrator, to review the matter with the Division.

► Financial Planning

Craig Prosser, Financial Planning Manager, outlined the functions of the Financial Planning Division.

The Committee and Staff discussed fringe increases. Mr. Prosser said fringe increases were problematical to most employers, and said medical and retirement increases were common each year.

In response to Councilor Gates, Ms. Sims referenced page A-18 of the FY 1993-94 Proposed Budget which showed fringe calculation as a percentage of salaries and wages.

► Information Services

Ann Clem, Information Services Manager, said three divisions existed in the Information Services Division: 1) Management Information System Support Division; 2) PC Network Support Division; and, 3) UNIX System Support Division.

The Committee and Staff discussed funding for Metro's Financial Information System.

C. Public Affairs

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Vickie Rocker, Public Affairs Department Director, referenced page 76 of the FY 1993-94 Proposed Budget, and said the majority of the increases were due to fringe. She said a portion was due to reclassifications, and outlined the Support Services Fund programs in the Department. She said the Department identified a key issue was how to reach more constituents with information about Metro.

Councilor Van Bergen asked Ms. Rocker regarding a request for Councilors to participate in follow up events such as after the Global Warming Conference.

D. Office of General Counsel

Dan Cooper, General Counsel, presented the staff report for the FY 1993-94 Proposed Budget for the Office of General Counsel.

In response to Councilor Van Bergen, Mr. Cooper said a quarterly report was prepared from his office regarding status of current litigations. He gave a brief overview of outstanding cases including a LUBA dispute involving the City of Beaverton, a Winter Hawks dispute, and an injury claims related to spectator facilities. Mr. Cooper said the attorney workload would decrease with the loss of the Coliseum, but indicated it was increasing elsewhere.

E. Personnel Office

Ms. Paris presented the staff report for the FY 1993-94 Proposed Budget for the Personnel Office, and noted an increase in Personal Services for a transfer of a position from MERC, 1.0 FTE. to support the Benefits Administration Program.

Ms. Paris noted Michele Cline was working in the Labor Relations Office as Personnel Analyst.

Councilor Devlin requested the Committee be briefed regarding the reclassification of non-represented employees.

Ms. Paris said she had written an ordinance along with the help of a consultant which had been filed with the Clerk of the Council. She believed it was scheduled for first reading March 25, 1993. Ms. Paris noted a new Labor Relations Officer was coming on board at the end of March.

F. Regional Facilities

Neil Saling, Regional Facilities Director, distributed a document entitled, "Regional Facilities Department, Budget Presentation for Fy 1993-94," dated March 18, 1993. This document has been made part of the permanent meeting record. Mr. Saling referenced page 6 showing an employee worksheet, and he noted the budget request was for 18 FTE, and included a request forthcoming to add 1 FTE Security Officer for the new Metro Regional Center.

Mr. Saling outlined the program areas associated with each Division of the Department. He said the Divisions were Program Development, Construction Support, Facilities Management, Project Management, Procurement, Contractor's Licenses.

Mr. Saling referenced the Oregon Convention Center fund on page 227, and described the remaining issues surrounding the construction and equipping of the Oregon Convention Center, such as raised seating, movable equipment, electrical, mechanical and plumbing projects, concessions, and other miscellaneous capital items.

4. BUILDING MANAGEMENT FUND

Mr. Saling referenced page 83, and outlined the four components of the Building Management Fund, including the parking structure, a child day care facility, and occupation of Metro Center by new tenants as well as maintenance and security and other building management matters.

Mr. Saling noted .2 FTE was applied to the Day Care facility and said he believed the applicable functions of the position would phase out in the future with policy guidance in place.

Councilor Devlin inquired regarding 24 hour security status at the new building. Mr. Saling said 24 hour security would be in place as of this date at Metro Regional Center until such time as the building was occupied.

Mr. Saling said he had signed a Certificate of Completion for the Metro Regional Center as of this date. He said additional work would be taking place such as painting and clean-up and would continue after the building was occupied.

Mr. Saling summarized by highlighting identified key issues of each Division.

Councilor Devlin inquired regarding the existing status of the End of the Oregon Trail Project. Mr. Saling said discussions were in progress.

5. GENERAL REVENUE BOND FUND

Ms. Sims referenced page 109 of the FY 1993-94 Proposed Budget, and said the fund accounted for bond proceeds used to construct Metro Regional Center as well as assessments against Metro departments for payment of debt service on those bonds.

She said refunding was under consideration for this bond, and would be brought forward at a later date for review.

5. RISK MANAGEMENT FUND

Scott Moss, Risk Manager, distributed a document entitled, "FY 1993-94 Risk Management Budget Highlights," and described briefly the points covered in the FY 1993-94 Proposed Budget. This document has been made part of the permanent meeting record.

In response to Councilor Van Bergen, Mr. Moss commented on areas of concern pertinent to the Child Day Care facility. He said the operator would be required to carry appropriate insurance indemnifying Metro, and holding Metro harmless.

6. GENERAL FUND

A. Fund Purpose and Overview

► Revenue Estimates

Ms. Sims distributed her memorandum dated March 11, 1993 regarding increased excise tax requirements, as well as a document showing excise tax estimate comparisons for FY 1992-93 and FY 1993-94. These documents have been made part of the permanent meeting record.

Ms. Sims distributed a document entitled, "Summary of Airfare Travel," for consideration by the Committee. This document has been made part of the permanent meeting record.

B. Executive Management Department

Dick Engstrom, Deputy Executive Officer, presented the Department's report for the FY 1993-94 Proposed Budget and the proposal to add a Senior Management Analyst to the Department.

The Committee and Mr. Engstrom discussed media relations.

C. Office of Government Relations

Mr. Engstrom said Betsy Bergstein was currently on leave and would return May 1, 1993.

D. Council Department

Mr. Carlson referenced page 31 of the FY 1993-94 Proposed Budget, and said staffing level remained the same.

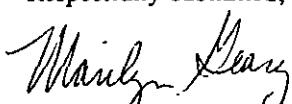
Councilor Buchanan felt some agreement existed among the Council that Presiding Officer Wyers have a staff person working for her, and asked if a contingency had been budgeted FY 1993-94 for such a transfer of staff time. Mr. Carlson said a job description should be prepared followed by a line item insertion in the budget. Chair Monroe indicated he requested Mr. Carlson to review the budget for a potential staff person, and he said he had asked the Presiding Officer to develop a job description for the position. Chair Monroe said a proposal would come forward to add the position in an appropriate manner prior to Phase III. Councilor Buchanan and Chair Monroe agreed to discuss the matter further.

Councilor Devlin discussed fringe payments for Councilors.

Mr. Carlson said the excise tax ordinance was on the Metro Council agenda for March 25, but, said should the matter not pass out of the Finance Committee, it would be removed from the March 25 agenda.

There being no further business, the meeting adjourned at 5:58 p.m.

Respectfully submitted,


Marilyn Geary-Symons
Committee Recorder