

APPROVED
Date 7-28-93

MINUTES OF THE METRO COUNCIL BUDGET COMMITTEE

April 1, 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, Ruth McFarland, Terry Moore

Chair Monroe called the regular meeting to order at 1:36 p.m.

■ **PHASE II BUDGET REVIEW**

Donald E. Carlson, Council Administrator, referenced his memorandum and attachments to the Budget Committee dated March 23, 1993 regarding Phase I Review of the FY 1993-94 Proposed Budget for the Support Services Fund, Building Management Fund and the Insurance Fund. This document has been made part of the permanent meeting record.

1. SUPPORT SERVICES FUND

A. Finance and Management Information Department

Jennifer Sims, Finance and Management Information Director, introduced the managers of the divisions within the Department, who presented their FY 1993-94 Proposed Budgets.

o Accounting

Don Cox, Accounting Manager, referenced a memorandum from Ms. Sims to the Council Budget Committee dated April 1, 1993 responding to questions to the Accounting Division. This document has been made part of the permanent meeting record.

The Committee and Staff discussed the questions and responses, audit procedures and findings.

Mr. Cox said he did not believe the goal of 10 solid waste audits would be met, but rather, he thought, 3 would be done.

Regarding question no. 4, page 4, Chair Monroe commented the position requested was to be funded by Solid Waste Department funds. He noted the Solid Waste Department was experiencing a \$2 million shortfall, and said the Committee would be looking at this position carefully.

Mr. Cox referenced question no. 2, page 4, and agreed with Chair Monroe that if the new programs related to the Traffic Demand Management Program (TDM) were not implemented, there would be no need for the .25 FTE requested for the work.

Mr. Carlson and Mr. Cox discussed the functions of the TDM program, and Ms. Sims clarified the TDM program was part of the Land Use permit involved in the acquisition of the Metro Regional Center building. Dick Engstrom, Deputy Executive Officer, commented there were no specific guidelines related to what the design of the TDM program should be, and agreed it was Metro's decision as to how to design the program. Ms. Sims indicated it was the intention of Metro to develop a model for TDM overall.

Mr. Cox referenced page 5, and said five personal computers were planned for purchase by the Division.

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o Office Services

Pam Juett, Office Services Manager, referenced pages 7 through 11 of Ms. Sims memorandum responding to Council Staff questions. Ms. Juett presented a plan to the Committee for cost savings by purchasing a second copier and indicated it would pay for itself in 2 1/2 years. She referenced Attachment B which detailed the cost information comparisons.

Councilor Kvistad recommended the Division purchase a 486 computer rather than one with lesser power.

o Finance

Craig Prosser, Financial Planning Manager, noted a correction concerning a reclassification, and said the position had undergone a change from a represented position to a non-represented position which accounted for the conversion. He referenced page 12 of Ms. Sims April 1 memorandum, pages 12 through 14 responding to budget questions from Council Staff.

Mr. Carlson commented on a policy question regarding costs for an election, which he said could be considered a benefit to the organization and could be allocated in the Support Services Fund.

Councilor Devlin requested Staff inquire by request from each of the counties as to how election costs would be calculated in the future from the counties. He asked that a copy of the requests be made available to the Council with follow up within a couple of months regarding responses.

Mr. Prosser and Ms. Sims emphasized the need to travel to make a ratings presentation to the credit rating agencies in New York this fall.

Mr. Prosser responded regarding funding of college courses for employees. Mr. Carlson said his question was specific to the number of college courses being provided, that is, eight.

o Information Services

Ms. Clem referenced pages 15 through 18 of Ms. Sims memorandum responding to Council Staff budget questions. She noted user and department manager involvement in decision making regarding budget proposals had taken place.

Ms. Clem emphasized the Grants Billing system improvements proposed at \$27,000 could be deferred pending final decision.

Ms. Clem noted the need to cross-train staff on different computer environments.

Councilor Kvistad commented regarding a bargain currently available on MicroSoft Office, and encouraged the use of mother board upgrades throughout the agency.

In response to Mr. Carlson, Ms. Clem said an agency standard had not been set, and said as long as the software systems interfaced she did not feel more than one environment was a problem. Mr. Carlson commented concerning a previous problem with interfacing, and said he was concerned about future problems.

B. Public Affairs Department

Marie Nelson, Public Affairs Supervisor, referenced the Department's document entitled "Public Affairs Department, Support Services Fund Programs, Response to Questions About The Proposed FY 1993-94 Budget." Ms. Nelson reviewed areas of the document. This document has been made part of the permanent meeting record.

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In response to Councilor Kvistad, Ms. Nelson clarified questions concerning staff salaries and whether the positions were represented or non-represented employees.

Councilor Devlin commented regarding methods to both broaden and measure how citizens of the region could be reached regarding familiarization with Metro and its functions.

Janice Larson, Public Affairs Supervisor, Graphics Division, commented the move to the new building would heighten Metro's profile in the region.

In response to Councilor Kvistad, Ms. Nelson said the salary level for 5 FTE budgeted was an average over a range.

The Committee discussed possible salary comparisons and studies, such as public vs. private and public vs. public.

C. Personnel Office

Paula Paris, Personnel Manager, referenced her memorandum to the Budget Committee dated March 29, 1993 giving responses to questions from Mr. Carlson regarding the Proposed Personnel FY 93-94 Budget. This document has been made part of the permanent meeting record. Ms. Paris noted the addition of 900 employees to Metro's computerized personnel/payroll system through the merger of MERC.

Mr. Paris highlighted details from page 253 and page 269 of the FY 1993-94 Proposed Budget document.

In response to Councilor Devlin, Ms. Paris described the utilization of an employee pool for MERC needs. Councilor Devlin asked if the pool might be reduced in the future. Ms. Paris was not certain what future needs would be.

D. Regional Facilities Department

- o Facilities Planning
- o Procurement
- o Construction Support
- o Facilities Management
- o Builder's License

Neil Saling, Regional Facilities Director, distributed and referenced two documents, one entitled "Policy Issues - Regional Facilities Department," and his memorandum dated March 29, 1993 regarding responses to budget questions posed by Council Staff. These documents have been made part of the permanent meeting record. He highlighted what he termed both the major and the minor policy issues for the Department as described in his document.

The Committee and Staff discussed budget issues for Regional Facilities.

Acting Chair Devlin commented regarding the Washington County transfer station which he noted was to be a private facility. Mr. Saling and Councilor Devlin discussed the role of Regional Facilities with that facility.

Councilor McFarland commented regarding a proposal in the Zoo budget for a design specialist, and Mr. Saling discussed how the function would coordinate with his Department.

In response to Councilor Gates, Mr. Saling said there were what he termed "warm prospects" as possible tenants to lease the third floor for the current Metro Center.

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E. Office of General Counsel

Dan Cooper, General Counsel, distributed and referenced his memorandum dated April 1, 1993 regarding the 1993-94 Budget Request for the Office of General Counsel.

The Committee and Staff discussed the purchase of ORS statutes for each attorney.

Chair Monroe recessed the Committee at 3:50 p.m.

Chair Monroe reconvened the Committee at 4:03 p.m.

2. RISK MANAGEMENT FUND

Scott Moss, Risk Manager, referenced pages 19 and 20 of Ms. Sims April 1 memorandum. The Committee and Staff discussed Metro liability in public buildings, and Mr. Moss noted the Tort laws limitation of \$100,000 per person, \$500,000 per occurrence. Councilor Gates noted earthquake liability could be sizable since earthquakes were considered what he termed "forseeable", and he felt Metro should take a new look at self-insurance risks. Mr. Moss noted Metro had \$100 million blanket earthquake coverage for its facilities. Councilor Gates questioned whether that amount would be sufficient. Mr. Moss discussed the recently developed earthquake models, and said when applied to Metro facilities with a potential 6.5 earthquake, damage estimates were at approximately \$20 million dollars with 21 persons injured. He noted, based on those estimates, the coverage could be considered adequate.

3. COST ALLOCATION PLAN

Ms. Sims referenced a memorandum dated April 1, 1993 from Kathy Rutkowski, Senior Management Analyst, regarding the FY 1993-94 Cost Allocation Plan, and she discussed the functions of the Cost Allocation and its relationship to various central support services with the Committee. She reviewed "specific costs" and "pooled costs" as described in the document, and explained how such costs were allocated to individual departments. This document has been made part of the permanent meeting record.

In response to Councilor Devlin, Ms. Sims said adjustments in allocating costs were made as deemed necessary according to specific information as it was made known.

4. GENERAL REVENUE BOND FUND

5. CONVENTION CENTER PROJECT CAPITAL FUND

6. CONVENTION CENTER PROJECT DEBT SERVICE FUND

Mr. Saling noted questions regarding the proposed FY 1993-94 Budget for Building Management and the Convention Center were included in Mr. Saling's response memorandum.

7. GENERAL FUND

A. Revenue Estimates

Councilor Devlin noted the tonnage revenue source was a declining revenue source, not a flat revenue source.

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Mr. Carlson referenced his memorandum dated March 30, 1993 to the Budget Committee regarding the General Fund Phase I Budget Review. This document has been made part of the permanent meeting record.

B. Executive Management Department

Dick Engstrom, Deputy Executive Officer, referenced his memorandum to the Metro Council and Mr. Carlson dated April 1, 1993 regarding Executive Management Budget Review, and he indicated the Executive Management Department supported strongly adding a Senior Management Analyst staff person to address issues not currently addressed within the Department. This document has been made part of the permanent meeting record.

C. Office of Government Relations

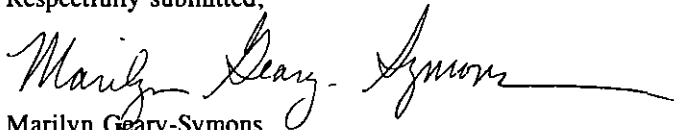
Merrie Waylett, Office of Government Relations, referenced Mr. Engstrom's memorandum pertaining to Budget Review for the Office of Government Relations proposed FY 1993-94 budget. This document has been made part of the permanent meeting record. Ms. Waylett and Mr. Engstrom reviewed the responses as contained in the memorandum. The Committee and Staff discussed the Office of Government Relations staffing further.

D. Council Department

Chair Monroe requested the budget review of the Council Department be postponed to the next Budget Committee meeting to be held April 6, 1993.

There being no further business, the meeting adjourned at 4:46 p.m.

Respectfully submitted,

A handwritten signature in cursive script, reading "Marilyn Geary-Symons", followed by a horizontal line.

Marilyn Geary-Symons
Committee Recorder