

BEFORE THE METRO COUNCIL

AMENDING THE FY 2006-07 BUDGET AND ) ORDINANCE NO. 07-1153  
APPROPRIATIONS SCHEDULE )  
TRANSFERRING APPROPRIATIONS IN THE ) Introduced by Mike Jordan, Chief Operating  
MERC OPERATING AND POOLED CAPITAL ) Officer, with the concurrence of Council  
FUNDS AND DECLARING AN EMERGENCY ) President Bragdon  
)

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2006-07 Budget; and

WHEREAS, the need for the increase of appropriation has been justified; and

WHEREAS, adequate funds exist for other identified needs; now, therefore,

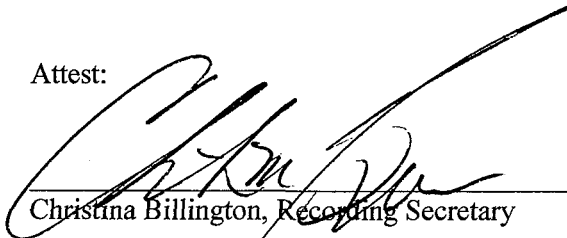
THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2006-07 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibits A and B to this Ordinance for the purpose of amending the MERC Operating and MERC Pooled Capital Funds.
2. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

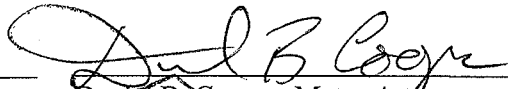
ADOPTED by the Metro Council this 31<sup>st</sup> day of May, 2007.

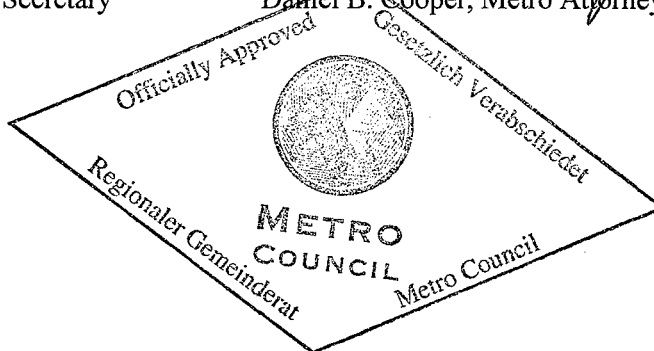
  
\_\_\_\_\_  
David Bragdon, Council President

Attest:

  
\_\_\_\_\_  
Christina Billington, Recording Secretary

Approved as to Form:

  
\_\_\_\_\_  
Daniel B. Cooper, Metro Attorney



**Exhibit A**  
**Ordinance No. 07-1153**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>MERC Operating Fund</b>							
<b>Total MERC Operating Fund</b>							
<u>Resources</u>							
<i>BEGBAL Beginning Fund Balance</i>							
	* MERC Admin		130,602		0		130,602
	* Expo Center		3,102,543		0		3,102,543
	* Oregon Convention Center		5,692,249		0		5,692,249
	* Portland Center for the Performing Arts		4,268,924		0		4,268,924
<i>LGSHRE Local Gov't Share Revenues</i>							
4130	Hotel/Motel Tax		8,794,328		0		8,794,328
4142	Intergovernment Misc. Revenue		43,955		0		43,955
<i>GVCNTB Contributions from Governments</i>							
4145	Government Contributions		687,200		0		687,200
<i>CHGSVC Charges for Service</i>							
4500	Admission Fees		1,462,000		0		1,462,000
4510	Rentals		5,394,504		0		5,394,504
4550	Food Service Revenue		10,719,309		777,000		11,496,309
4560	Retail Sales		32,750		0		32,750
4570	Merchandising		37,400		0		37,400
4575	Advertising		95,870		0		95,870
4580	Utility Services		2,306,685		0		2,306,685
4590	Commissions		512,900		0		512,900
4620	Parking Fees		2,390,415		0		2,390,415
4645	Reimbursed Services		2,589,361		0		2,589,361
4647	Reimbursed Services - Contract		279,582		0		279,582
4650	Miscellaneous Charges for Svc		87,290		0		87,290
<i>INTRST Interest Earnings</i>							
4700	Interest on Investments		355,642		0		355,642
<i>DONAT Contributions from Private Sources</i>							
4760	Sponsorship Revenue		181,270		0		181,270
<i>MISCRV Miscellaneous Revenue</i>							
4805	Financing Transaction		3,000		0		3,000
4890	Miscellaneous Revenue		72,000		0		72,000
<b>TOTAL RESOURCES</b>			<b>\$49,239,779</b>		<b>\$777,000</b>		<b>\$50,016,779</b>
<b>Total Personal Services</b>		<b>161.00</b>	<b>\$15,441,793</b>	<b>0.00</b>	<b>\$0</b>	<b>161.00</b>	<b>\$15,441,793</b>
<u>Materials &amp; Services</u>							
<i>GOODS Goods</i>							
5201	Office Supplies		201,911		0		201,911
5205	Operating Supplies		317,001		0		317,001
5210	Subscriptions and Dues		25,902		0		25,902
5214	Fuels and Lubricants		10,350		0		10,350
5215	Maintenance & Repairs Supplies		131,700		0		131,700
5225	Retail		12,000		0		12,000
<i>SVCS Services</i>							
5240	Contracted Professional Svcs		778,412		0		778,412
5245	Marketing Expense		2,024,375		0		2,024,375
5247	POVA Pass-Through		385,239		0		385,239
5251	Utility Services		2,299,479		0		2,299,479
5255	Cleaning Services		16,950		0		16,950
5260	Maintenance & Repair Services		517,970		0		517,970
5265	Rentals		489,634		0		489,634
5280	Other Purchased Services		350,722		0		350,722
5281	Other Purchased Services - Reimb		262,794		0		262,794

**Exhibit A**  
**Ordinance No. 07-1153**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>MERC Operating Fund</b>							
<b>Total MERC Operating Fund</b>							
5291	Food and Beverage Services		8,422,996		600,000		9,022,996
5292	Parking Services		205,011		0		205,011
<i>IGEXP</i>	<i>Intergov't Expenditures</i>						
5300	Payments to Other Agencies		88,872		0		88,872
5310	Taxes (Non-Payroll)		7,000		0		7,000
<i>OTHEXP</i>	<i>Other Expenditures</i>						
5450	Travel		85,513		0		85,513
5455	Staff Development		80,264		0		80,264
5480	Fee Reimbursements		40,300		0		40,300
5490	Miscellaneous Expenditures		132,022		0		132,022
<b>Total Materials &amp; Services</b>			<b>\$16,886,417</b>		<b>\$600,000</b>		<b>\$17,486,417</b>
<b>Total Debt Service</b>			<b>\$18,899</b>		<b>\$0</b>		<b>\$18,899</b>
<b>Total Capital Outlay</b>			<b>\$40,000</b>		<b>\$0</b>		<b>\$40,000</b>
<b>Total Interfund Transfers</b>			<b>\$6,088,876</b>	<b>0.00</b>	<b>\$0</b>		<b>\$6,088,876</b>
<i>Contingency and Ending Balance</i>							
<i>CONT</i>	<i>Contingency</i>						
5999	Contingency						
	* General Contingency		859,037		(600,000)		259,037
<i>UNAPP</i>	<i>Unappropriated Fund Balance</i>						
5990	Unappropriated Fund Balance						
	* Restricted Fund Balance (User Fees)		840,445		0		840,445
	* Ending Balance		9,064,312		777,000		9,841,312
<b>Total Contingency and Ending Balance</b>			<b>\$10,763,794</b>		<b>\$177,000</b>		<b>\$10,940,794</b>
<b>TOTAL REQUIREMENTS</b>		<b>161.00</b>	<b>\$49,239,779</b>	<b>0.00</b>	<b>\$777,000</b>	<b>161.00</b>	<b>\$50,016,779</b>

**Exhibit A  
Ordinance No. 07-1153**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
<b>MERC Pooled Capital Fund</b>							
<i>Personal Services</i>							
SALWGE	<i>Salaries &amp; Wages</i>						
5010	Reg Employees-Full Time-Exempt						
	Construction Coordinator	1.00	65,854	-	0	1.00	65,854
	Construction/Capital Projects Manager	1.00	86,120	-	0	1.00	86,120
5043	Part-Time, Non-Reimbursed Labor		0		46,000		46,000
5089	Merit/Bonus Pay		10,404		0		10,404
FRINGE	<i>Fringe Benefits</i>						
5100	Fringe Benefits						
	Base Fringe (variable & fixed)		54,894		12,450		67,344
5190	PERS Bond Recovery		5,034		1,550		6,584
<b>Total Personal Services</b>		<b>2.00</b>	<b>\$222,306</b>	<b>0.00</b>	<b>\$60,000</b>	<b>2.00</b>	<b>\$282,306</b>
<i>Capital Outlay</i>							
CAPNON	<i>Capital Outlay (Non-CIP Projects)</i>						
5710	Improve-Oth thn Bldg (non-CIP)		25,000		0		25,000
5720	Buildings & Related (non-CIP)		71,000		0		71,000
5740	Equipment & Vehicles (non-CIP)		253,000		0		253,000
5750	Office Furn & Equip (non-CIP)		25,000		0		25,000
CAPCIP	<i>Capital Outlay (CIP Projects)</i>						
5715	Improve-Oth thn Bldg (CIP)		150,000		0		150,000
5725	Buildings & Related (CIP)		2,676,985		(60,000)		2,616,985
<b>Total Capital Outlay</b>			<b>\$3,200,985</b>		<b>(\$60,000)</b>		<b>\$3,140,985</b>
<b>Total Interfund Transfers</b>			<b>\$76,196</b>		<b>\$0</b>		<b>\$76,196</b>
<i>Contingency and Ending Balance</i>							
CONT	<i>Contingency</i>						
5999	Contingency						
	* General Contingency		742,702		0		742,702
	* Current Year PERS Reserve		224		0		224
UNAPP	<i>Unappropriated Fund Balance</i>						
5990	Unappropriated Fund Balance						
	* Ending Balance		1,205,471		0		1,205,471
<b>Total Contingency and Ending Balance</b>			<b>\$1,948,397</b>		<b>\$0</b>		<b>\$1,948,397</b>
<b>TOTAL REQUIREMENTS</b>		<b>2.00</b>	<b>\$5,534,374</b>	<b>0.00</b>	<b>\$0</b>	<b>2.00</b>	<b>\$5,534,374</b>

**Exhibit B**  
**Ordinance No. 07-1153**  
**FY 2006-07 SCHEDULE OF APPROPRIATIONS**

	<u>Current</u> <u>Appropriation</u>	<u>Revision</u>	<u>Amended</u> <u>Appropriation</u>
<b>MERC OPERATING FUND</b>			
Operating Expenses (PS & M&S)	\$32,328,210	\$600,000	\$32,928,210
Debt Service	18,899	0	18,899
Capital Outlay	40,000	0	40,000
Interfund Transfers	6,088,876	0	6,088,876
Contingency	859,037	(600,000)	259,037
Unappropriated Balance	9,904,757	777,000	10,681,757
<b>Total Fund Requirements</b>	<b>\$49,239,779</b>	<b>\$777,000</b>	<b>\$50,016,779</b>
<b>MERC POOLED CAPITAL FUND</b>			
Operating Expenses (PS & M&S)	\$308,796	\$60,000	\$368,796
Capital Outlay	3,200,985	(60,000)	3,140,985
Interfund Transfers	76,196	0	76,196
Contingency	742,926	0	742,926
Unappropriated Balance	1,205,471	0	1,205,471
<b>Total Fund Requirements</b>	<b>\$5,534,374</b>	<b>\$0</b>	<b>\$5,534,374</b>

*All Other Appropriations Remain as Previously Adopted*

## STAFF REPORT

### IN CONSIDERATION OF ORDINANCE NO.07-1153, AMENDING FY 2006-07 BUDGET AND APPROPRIATIONS TRANSFERRING APPROPRIATIONS IN THE MERC OPERATING AND POOLED CAPITAL FUNDS AND DECLARING AN EMERGENCY

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Date: May 1, 2007

Prepared by: Cynthia Hill

## BACKGROUND

This action requests amended appropriation authority for the following purposes:

### *Oregon Convention Center Food & Beverage Sales*

The Oregon Convention Center is experiencing food and beverage sales greater than estimated in the adopted budget. Revenue is currently estimated at \$8.1 million, an increase of \$777,000 over the budget. With increased sales, there is an increase in the cost of goods sold estimated at \$600,000. The projected food and beverage margin for fiscal year 2006-07 is 23 percent. Oregon budget law does not allow the recognition and direct appropriation of this revenue without benefit of a supplemental budget. This action requests the transfer of \$600,000 from the MERC Operating Fund contingency to provide for the necessary increase of food and beverage expenditures, however, increased revenue will more than offset the request.

<i>MERC Operating Fund</i>	
<i>Revenues</i>	
Food & Beverage Sales	\$777,000
<i>Expenditures</i>	
Food & Beverage Services	\$600,000
Contingency	(\$600,000)
Ending Balance	\$777,000

### *MERC Pooled Capital Projects*

The Oregon Convention Center (OCC) and the Portland Center for Performing Arts (PCPA) employees will complete a portion of the labor required on two capital projects. Using existing staff is a cost savings to the overall projects. OCC staff will work on AV Control Room Project and at PCPA staff will work on the Arlene Schnitzer Concert Hall Front House Lighting System Replacement. This action requests the transfer of \$60,000 from capital outlay to personal services in the MERC Pooled Capital Fund to pay for the staff costs associated with these employees.

<i>MERC Pooled Capital Fund</i>	
<i>Expenditures</i>	
Part-time staff	\$46,000
Fringe Benefits	\$12,450
Fringe PERS Bond Recovery	\$1,550
Capital Outlay	(\$60,000)

## **ANALYSIS/INFORMATION**

- 1. Known Opposition:** None known.
- 2. Legal Antecedents:** ORS 294.450 provides for transfers of appropriations within a fund, including transfers from contingency, if such transfers are authorized by official resolution or ordinance of the governing body for the local jurisdiction.
- 3. Anticipated Effects:** This action provides appropriation authority necessary for MERC to meet its service demands.
- 4. Budget Impacts:** This action will transfer \$600,000 from contingency in the MERC Operating Fund to provide for increase food and beverage services at the Oregon Convention Center. However, additional revenue will be received over budget estimates that will more than offset the transfer. There is anticipated to be a positive cash flow to the ending balance of approximately \$177,000. In the MERC Pooled Capital Fund in-house labor will be used to complete two capital projects at a cost savings to the facilities. This action transfers appropriation authority from capital outlay to personal services to cover the staff costs.

## **RECOMMENDED ACTION**

The Chief Operating Officer recommends adoption of this Ordinance.