

BEFORE THE METRO COUNCIL

AMENDING THE FY 2009-10 BUDGET AND) ORDINANCE NO. 09-1224
APPROPRIATIONS SCHEDULE PROVIDING)
INCREASED APPROPRIATIONS IN THE MERC) Introduced by Michael Jordan, Chief
FUND AND DECLARING AN EMERGENCY) Operating Officer, with the concurrence of
) Council President David Bragdon

WHEREAS, the Metro Council has reviewed and considered the need to increase appropriations within the FY 2009-10 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 2009-10 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 providing increased appropriations in the MERC Fund.
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.

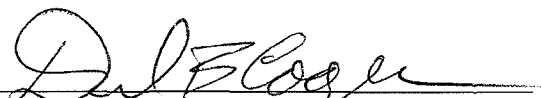
ADOPTED by the Metro Council this 19 day of NOV 2009.

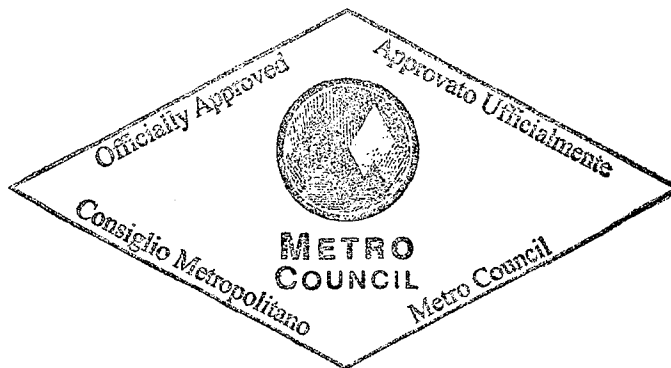

David Bragdon, Council President

Attest:


Anthony Andersen, Recording Secretary

Approved as to Form:


Daniel B. Cooper, Metro Attorney



**Exhibit A
Ordinance No. 09-1224**

ACCT	DESCRIPTION	Current		Revision		Amended	
		FTE	Amount	FTE	Amount	FTE	Amount
Metro Exposition Recreation Commission Fund							
MERC Fund							
<u>Resources</u>							
BGBAL	<i>Beginning Fund Balance</i>						
	* Prior year ending balance		25,702,261		0		25,702,261
	* Oregon Convention Center		325,000		0		325,000
	* Portland Center for the Performing Arts		47,500		0		47,500
GRANTS	<i>Grants</i>						
4125	Local Grants - Indirect		0		216,925		216,925
LGSHRE	<i>Local Gov't Share Revenues</i>						
4130	Hotel/Motel Tax		10,930,634		0		10,930,634
4142	Intergovernment Misc. Revenue		43,955		0		43,955
4145	Government Contributions		760,926		0		760,926
CHGSVC	<i>Charges for Service</i>						
4500	Admission Fees		1,439,332		0		1,439,332
4510	Rentals		7,201,549		0		7,201,549
4550	Food Service Revenue		12,123,799		0		12,123,799
4560	Retail Sales		22,000		0		22,000
4575	Advertising		25,500		0		25,500
4580	Utility Services		1,516,818		0		1,516,818
4590	Commissions		682,300		0		682,300
4620	Parking Fees		2,603,350		0		2,603,350
4645	Reimbursed Services		3,152,282		0		3,152,282
4647	Reimbursed Services - Contract		460,747		0		460,747
4650	Miscellaneous Charges for Svc		289,880		0		289,880
INTRST	<i>Interest Earnings</i>						
4700	Interest on Investments		586,518		0		586,518
DONAT	<i>Contributions from Private Sources</i>						
4750	Donations and Bequests		307,000		0		307,000
4755	Capital Donations and Bequests		1,250,000		0		1,250,000
4760	Sponsorship Revenue		365,500		0		365,500
MISCRV	<i>Miscellaneous Revenue</i>						
4805	Financing Transaction		81,126		0		81,126
4890	Miscellaneous Revenue		36,100		25,000		61,100
4891	Refunds and Reimbursements		5,000		0		5,000
EQTREV	<i>Fund Equity Transfers</i>						
4970	Transfer of Resources						
	* from General Fund		692,490		0		692,490
TOTAL RESOURCES			\$70,651,567		\$241,925		\$70,893,492
Total Personal Services			194.00	\$18,534,604	0.00	\$0	194.00 \$18,534,604
<u>Materials & Services</u>							
GOODS	<i>Goods</i>						
5201	Office Supplies		223,555		0		223,555
5205	Operating Supplies		297,086		0		297,086
5210	Subscriptions and Dues		90,896		0		90,896
5214	Fuels and Lubricants		17,970		0		17,970
5215	Maintenance & Repairs Supplies		584,175		0		584,175
5225	Retail		9,000		0		9,000
SVCS	<i>Services</i>						
5240	Contracted Professional Svcs		1,273,843		260,000		1,533,843
5245	Marketing Expense		2,619,362		0		2,619,362
5247	POVA Pass-Through		412,681		0		412,681
5251	Utility Services		2,584,520		0		2,584,520

**Exhibit A
Ordinance No. 09-1224**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
Metro Exposition Recreation Commission Fund							
MERC Fund							
5255	Cleaning Services		33,260		0		33,260
5260	Maintenance & Repair Services		836,943		0		836,943
5265	Rentals		591,388		0		591,388
5270	Insurance		28,060		0		28,060
5280	Other Purchased Services		420,448		0		420,448
5281	Other Purchased Services - Reimb		390,913		0		390,913
5291	Food and Beverage Services		9,431,528		0		9,431,528
5292	Parking Services		292,357		0		292,357
IGEXP	<i>Intergov't Expenditures</i>						
5300	Payments to Other Agencies		235,379		306,564		541,943
5310	Taxes (Non-Payroll)		11,500		0		11,500
5320	Government Assessments		0		0		0
OTHEXP	<i>Other Expenditures</i>						
5450	Travel		164,625		0		164,625
5455	Staff Development		221,665		0		221,665
5490	Miscellaneous Expenditures		5,500		0		5,500
Total Materials & Services			\$20,776,654		\$566,564		\$21,343,218
Capital Outlay							
CAPCIP	<i>Capital Outlay (CIP Projects)</i>						
5710	Improve-Oth thn Bldg		75,000		0		75,000
5720	Buildings & Related		3,123,490		(18,075)		3,105,415
5740	Equipment & Vehicles		56,000		0		56,000
5750	Office Furniture & Equip		170,000		0		170,000
Total Capital Outlay			\$3,424,490		(\$18,075)		\$3,406,415
Debt Service							
LOAN	<i>Loan Payments</i>						
5610	Loan Payments-Principal		10,280		135,000		145,280
5615	Loan Payments-Interest		6,978		0		6,978
Total Debt Service			\$17,258		\$135,000		\$152,258
Total Interfund Transfers			\$3,704,857	0.00	\$0		\$3,704,857
Contingency and Ending Balance							
CONT	<i>Contingency</i>						
5999	Contingency						
	* General Contingency		2,009,197		(683,489)		1,325,708
	* Renewal and Replacement		970,000		0		970,000
	* Prior Year PERS Reserve		1,486,398		0		1,486,398
	* Reimbursable HQH Contingency		3,700,000		0		3,700,000
	* Contingency for Capital (TL TAX)		640,310		0		640,310
UNAPP	<i>Unappropriated Fund Balance</i>						
5990	Unappropriated Fund Balance						
	* Restricted Fund Balance (User Fees)		1,339,841		0		1,339,841
	* Ending Balance		12,148,391		241,925		12,390,316
	* Renewal & Replacement		815,000		0		815,000
	* Current Year PERS Reserve		375,187		0		375,187
	* Prior Year PERS Reserve		709,380		0		709,380
Total Contingency and Ending Balance			\$24,193,704		(\$441,564)		\$23,752,140
TOTAL REQUIREMENTS		194.00	\$70,651,567	0.00	\$241,925	194.00	\$70,893,492

Exhibit B
Ordinance 09-1224
Schedule of Appropriations

	<u>Current</u>	<u>Revision</u>	<u>Revised</u>
	<u>Appropriation</u>		<u>Appropriation</u>
MERC FUND			
MERC	42,735,748	548,489	43,284,237
Non-Departmental			
Debt Service	17,258	135,000	152,258
Interfund Transfers	3,704,857	0	3,704,857
Contingency	8,805,905	(683,489)	8,122,416
Unappropriated Balance	15,387,799	241,925	15,629,724
Total Fund Requirements	\$70,651,567	\$241,925	\$70,893,492

All other appropriations remain as previously adopted

STAFF REPORT

IN CONSIDERATION OF ORDINANCE NO 09-1224 AMENDING THE FY 2009-10 BUDGET AND APPROPRIATIONS SCHEDULE PROVIDING INCREASED APPROPRIATIONS IN THE MERC FUND AND DECLARING AN EMERGENCY

Date: October 16, 2009

Presented by: Cynthia Hill
503-731-7829

BACKGROUND

This ordinance requests a modification to the FY 2009-10 MERC budget for four items as described below.

1. In FY 2008-09 MERC received a \$225,000 contribution from the City of Portland for Architectural and Urban Design for the Arlene Schnitzer Concert Hall (ASCH) Renovation and Main Street Project. About \$216,925 will carry forward to FY 2009-10 for this project. An additional \$43,075 will be reallocated from unspent capital projects funded with a donation from the Friends of the PCPA. This action request requests an increase of \$260,000 in professional services to provide for continuation of the project. The primary contract for this project, awarded in September 2009, provides adequate authority for the work and does not need to be amended.
2. MERC is required to pay a Local Improvement District assessment made by the City of Portland on the PCPA for the Portland Mall Revitalization project. The total assessment is \$310,025. MERC is responsible for \$306,564 and the First Congregational Church is responsible for \$3,461. Although financing options are available through the City of Portland, the most cost effective alternative is to make payment in full when due. This action requests the transfer of \$306,564 from the MERC contingency to pay the assessment.
3. In 2002, the Oregon Convention Center was required to pay a Local Improvement District assessment to the City of Portland for the Steel Bridge improvements. MERC chose to finance this payment over a 20 year period. The loan carries an interest rate of 5.32 percent. Under the current market conditions it is most cost effective to pay off this loan in full. Retiring this debt now will save approximately \$50,000 in future interest payments over the remaining life of the loan. This action requests the transfer of \$135,000 from the MERC contingency to retire this debt.
4. During the Oregon Convention Center Expansion project an insurance reserve account was funded for potential outstanding workers' compensation claims. This account will be closed and the final balance of \$25,000 will be released to the Oregon Convention Center. MERC is reinvesting this revenue in the renovation of a portion of the Oregon Convention Center food service facility known as the Stir Lounge. Additional funds are being requested for the project for operation needs not recognized in the original design costs related to equipment purchases, furniture purchases, kitchen layout and equipment needs, and additional electrical requirements. The request, although initially funded from contingency, will be offset by a declaration of \$25,000 in miscellaneous revenue.

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 will allow the continuation of an important study on the design of a portion of the PCPA; allow the payment of two Local Improvement District assessments to the City of Portland, and provide the completion of the Stir Lounge at the Oregon Convention Center.
- 4. Budget Impacts:** This ordinance authorizes a net reduction in contingency of \$683,489 to make payment to the City of Portland, retire an outstanding loan and continue projects at PCPA and the Oregon Convention Center. Additional revenue of \$241,925 will be recognized or received to offset the contingency reduction.

RECOMMENDED ACTION

The Chief Operating Officer recommends adoption of this Ordinance.