

**METROPOLITAN EXPOSITION RECREATION COMMISSION**

**Resolution No. 14-09**

For the purpose of approving and transmitting to the Metro Council a budget amendment to the Metropolitan Exposition Recreation Commission (MERC) Fund for current fiscal year 2013-14.

**WHEREAS**, Metro Code 6.01.050 provides that the MERC shall annually prepare and approve an annual budget which shall, to the maximum extent permitted by law, consist of one commission-wide series of appropriations; and

**WHEREAS**, Metro Code 6.01.050(d) further provides that once MERC's budget has been adopted by the Metro Council, any changes in the adopted appropriations must be ratified in advance by the Metro Council; and

**WHEREAS**, the MERC previously approved and transmitted to the Metro Council the fiscal year 2013-14 budgets for the MERC Fund; and

**WHEREAS**, MERC staff request amendments to the current budget for the reasons described in the attached Staff Report.

**BE IT THEREFORE RESOLVED**, that the Metropolitan Exposition Recreation Commission approves a budget amendment to the MERC Fund as described in the attached Staff Report for the fiscal year beginning July 1, 2013 and ending June 30, 2014 for inclusion as part of the total Metro budget for this period and requests that the Metro COO present this to the Metro Council for ratification.

Passed by the Commission on June 4, 2014.

Approved as to Form:  
Alison R. Kean , Metro Attorney

By: \_\_\_\_\_  
Nathan A. S. Sykes, Deputy Metro Attorney

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Chair  
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Secretary/Treasurer

## MERC Staff Report

### **Agenda Item/Issue:**

For the purpose of approving and transmitting to the Metro Council a budget amendment to the MERC Fund for fiscal year 2013-14

**Resolution No:** 14-09

**Presented By:** Ben Rowe

**Date:** June 4, 2014

### **Background and Analysis:**

#### **1. Oregon Convention Center (OCC) Food & Beverage**

Several OCC events have experienced stronger than expected food & beverage sales and OCC booked several additional conventions after the adoption of the budget. Forecasted food & beverage sales are greater than the original FY 2013-14 Budget. The increase in revenue has an offsetting increase in expenditures. This budget amendment will reallocate budget (\$1.0 million) from Contingency to Materials and Services to provide adequate Budget expenditure appropriation authority for the increase in food and beverage expense. Additional food & beverage revenue (approximately \$170,000) will fall to the ending fund balance. Oregon budget law does not allow budget appropriation recognition of this additional revenue without a supplemental budget.

OCC food and beverage end of year revenue forecast is \$9.3 million, an increase of \$1.0 million over the adopted budget of \$8.3 million. The food and beverage expenditure forecast is \$7.8 million, an increase of \$800,000 over the Adopted Budget of \$7.0 million. The projected margin is 15.2%, the original budget estimate was 15.0%.

#### **Fiscal Impact:**

Forecasted budget net increase to fund balance: approximately \$170,000

#### **2. Oregon Convention Center (OCC) Original Roof Replacement Project Phase II**

The OCC Original Roof Replacement project is budgeted in FY 2014-15 in the amount of \$2.85 million. The purpose of this proposed transfer of appropriation (\$500,000) from Contingency to the OCC Roof Project is to begin the project early in May 2014 to take full advantage of good weather. We expect to spend approximately \$500,000 in May and June 2014. The balance of the Project is budgeted and fully funded in the FY 2014-15 Budget.

**Fiscal Impact:** There is zero fiscal impact with this amendment. The project is budgeted and fully funded. This amendment merely borrows from Contingency in the current year in order to begin the project early.

#### **Recommendation:**

Staff recommends that the Metropolitan Exposition Recreation Commission adopt Resolution 14-09.