

**Metropolitan Exposition Recreation Commission
Record of MERC Commission – Budget Committee Meeting**

January 29, 2014
Oregon Zoo Sunset Room

Present:	Chris Erickson, Cynthia Haruyama
Absent:	Terry Goldman (excused)
	A meeting of the Metropolitan Exposition Recreation Commission Budget Committee was opened by Chair Haruyama at the Oregon Zoo at 3:05 pm
	Teri Dresler provided opening remarks including mention of the fact that the MTOCA discussion will occur at the next Budget Committee Meeting on Feb. 10, 2014. She also noted that the numbers for the approved adds from each venue will be included in the packets at the Feb. 10 th meeting.
	<p>MERC Finance Manager, Ben Rowe, presented an overview of the 2015 Budget.</p> <ul style="list-style-type: none"> • Commissioner Erickson inquired if the change in reporting on Part Time as FTE hours was due to benefit purposes. • Collier responded that it was done to make sure the HR position control matches the budget system.
	<p>Robyn Williams presented the 2015 base budget, including Capital, for the Portland's Centers for the Arts.</p> <ul style="list-style-type: none"> • Commissioner Haruyama noted that she would like to see a bottom line report on the impact of the sustainability upgrades if possible. • Williams replied that she can run some numbers. • Commissioner Haruyama inquired if the budget reflected turning the Foundation into a revenue producer. • Williams responded that her plan is to start with small fund-raisers since the Board has not raised any significant funds for years. She added that the Foundation is too small at this point to take on larger fund raising capacity and that this budget does not reflect any contribution from the Foundation. • Commissioner Erickson asked if there was a minimum amount that the Board was required to release annually. • Williams replied that there was not – that the Board continues to hold onto funds from the naming rights monies. • Commissioner Haruyama noted that it is necessary to begin doing donor stewardship in order to ramp up for a Capital Campaign - that "ramp up" phase would take 3 to 5 years. • Dresler suggested that the Budget Committee request that the MERC Liaisons to Portland's meet with the Foundation to discuss reactivating their efforts as request of the MERC Commission and noted that it might be necessary to hire someone to work with the Foundation to begin a large fund-raising campaign. The discussion will continue later.
	<p>Scott Cruickshank presented the 2015 base budget, including Capital, for the Oregon Convention Center.</p> <ul style="list-style-type: none"> • Commissioner Erickson inquired whether anything was planned for the Inn at the Convention Center. • Cruickshank replied that Red Lion, owner, has done minimal work to maintain the facility. • Dresler added that once the Convention Center Hotel is on a more certain path, the Portland Development Center is looking at using the site for something complementary to the hotel.
	<p>Matthew P. Rotchford presented the 2015 base budget, including Capital, for the Expo Center</p> <ul style="list-style-type: none"> • Commissioner Erickson asked if Rotchford could name any competition for Expo. • Rotchford replied that the largest competitor for business currently is the Convention Center and that once the Headquarters Hotel is completed some of that business could be absorbed by Expo.

	<ul style="list-style-type: none"> • Commissioner Erickson commented that the Jantzen Beach area is growing and that it could be used as part of the Expo Center's story. • Commissioner Erickson inquired if Rotchford had run a forecast on what a full house – maximum occupancy – at Expo would look like. • Rotchford replied that to support that type of occupancy, Expo staff would need to increase. • Dresler noted that David Fortney, the Policy Project Coordinator, would do a presentation for the Commission and Council that would include a market study for Expo. Fortney added that the presentation should occur in March or April.
	<p>Ben Rowe presented the proposal for the reserve policy changes.</p> <ul style="list-style-type: none"> • Cruickshank asked for clarification that the numbers are based on net revenue – net of excise tax. • Rowe responded affirmatively. • Commissioner Haruyama inquired how the venue directors felt about the change. • Cruickshank responded that he would like to see the change applied to a prior completed year in order to have a better feel for the outcome. • Dresler noted that “net of excise tax” should be added to item #1 of the policy. It should state “Annual operating contingencies shall be budgeted at 5% of operating budget net of excise tax. She also requested that Cruickshank’s suggestion be incorporated in the agenda for the February 10th Budget Committee meeting.
	Ben Rowe presented the agenda for the February 10 th meeting.
	Meeting adjourned at 5:10 p.m.