
MERC Budget Committee Meeting

January 21, 2015
10:30 am

Portland's Centers for the Arts
111 SW Broadway
Madison Room



600 NE Grand Ave.
 Portland, OR 97232
 503-797-1780

www.oregonmetro.gov

 Metro | *Exposition Recreation Commission*

Meeting: MERC Budget Committee
 Date: January 21, 2015
 Time: 10:30 a.m. to 12:00 p.m.
 Place: Portland's Madison Room – 5th Floor
 Purpose: Fiscal Year 2015-2016 Proposed MERC Budget

10:30 a.m.	Opening Remarks	Scott Robinson
10:40 a.m.	MERC Budget Overview <ul style="list-style-type: none"> • FTEs 	Ben Rowe
11:00 a.m.	Venue Budget Overview, Price Lists, Additional Requests, Reserves <ul style="list-style-type: none"> • Oregon Convention Center Budget Overview • Portland's Budget Overview • Portland Expo Center Budget Overview 	Ben Rowe/ Scott Cruickshank Ben Rowe/ Robyn Williams Ben Rowe/ Matthew Rotchford
11:55 a.m.	Review agenda for scheduled Friday February 20 th Budget Committee Meeting 1:30-3:00 p.m. Oregon Zoo, Sunset Room	
12:00 p.m.	Adjourn	

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
All Departments
2016

Line	Operations	2012-13	2013-14	2014-15	2015-16	Change in Annual Budget	
		Actual	Actual	Budget	Budget	\$	%
1	Charges for Services	20,818,578	20,873,669	21,098,321	24,711,900	3,613,579	17.13%
2	Contributions from Governments	798,035	814,794	831,905	853,950	22,045	2.65%
3	Enhanced Marketing VDF	441,358	450,000	463,702	472,781	9,079	1.96%
4	Food and Beverage Revenue	15,784,720	14,052,840	15,202,929	16,325,143	1,122,214	7.38%
5	Grants	12,073	32,422	-	-	-	0.00%
6	Interest Earnings	99,479	173,347	57,750	91,000	33,250	57.58%
7	Interfund Loans	-	1,919,916	-	-	-	0.00%
8	Lodging Tax	10,243,940	10,904,188	11,131,163	11,443,458	312,295	2.81%
9	Miscellaneous Revenue	114,815	106,187	84,542	95,477	10,935	12.93%
10	Transfers-R	568,633	418,633	1,137,263	743,132	(394,131)	-34.66%
11	Visitor Development Fund Alloc	2,712,406	2,471,052	1,931,633	1,980,901	49,268	2.55%
12	Total Revenues	51,594,036	52,217,048	51,939,208	56,717,742	4,778,534	9.20%
13							
14	Capital Outlay	298,992	12,796	25,000	-	(25,000)	-100.00%
15	Food & Beverage Services	12,774,024	12,298,206	12,871,802	13,679,997	808,195	6.28%
16	Materials and Services	11,782,522	14,255,752	13,425,476	14,530,126	1,104,650	8.23%
17	Personnel Services	16,558,158	16,296,492	18,432,052	19,845,517	1,413,465	7.67%
18	Transfers-E	4,548,947	5,088,997	5,680,018	8,849,127	3,169,109	55.79%
19	Visitor Development Marketing	441,358	450,000	463,702	472,781	9,079	1.96%
20	Total Expenditures	46,404,001	48,402,241	50,898,050	57,377,548	6,479,498	12.73%
21	Net Operations	5,190,035	3,814,807	1,041,158	(659,806)		
22							
23	Capital						
24	Contributions from Private Sources	75,000	85,000	-	387,501	387,501	0.00%
25	Grants	410,072	422,333	70,000	-	(70,000)	-100.00%
26	Lodging Tax	1,066,283	1,923,700	-	-	-	0.00%
27	Miscellaneous Revenue	10,986	-	-	-	-	0.00%
28	Other Financing Sources	-	5,190	-	-	-	0.00%
29	Transfers-R	-	-	-	320,000	320,000	0.00%
30	Total Revenues	1,562,340	2,436,223	70,000	707,501	637,501	910.72%
31							
32	Capital Outlay	2,499,727	4,605,435	7,219,300	6,665,000	(554,300)	-7.68%
33	Total Expenditures	2,499,727	4,605,435	7,219,300	6,665,000	(554,300)	-7.68%
34	Net Capital	(937,387)	(2,169,212)	(7,149,300)	(5,957,499)		
35	Fund Balance	4,252,649	1,645,594	(6,108,142)	(6,617,305)		
36							
37	Food & Beverage Margin \$	3,010,696	1,754,635	2,331,127	2,645,146		
38	Food & Beverage Margin %	19.07%	12.49%	15.33%	16.20%		
39							
40	Full-Time Equivalent (FTE) Positions	181.50	175.50	182.35	185.85	3.50	1.92%
41							

MERC Statement of Activity with Annual Budget
 Metropolitan Exposition-Recreation Commission
 All Departments
 2016

42	Fund Balance				
43	Beginning Fund Balance (Budgeted)			33,076,809	30,353,460
44	Fund Balance Inc. (Dec.)			(6,108,142)	(6,617,305)
45	Ending Fund Balance	30,405,365	32,059,960	26,968,667	23,736,155
46					
47	Operating Contingency			2,045,000	2,515,000
48	Renewal & Replacement			17,450,636	11,897,918
49	New Capital / Business Strategy			6,152,143	5,858,649
50	TLT Pooled Capital			1,320,888	3,464,588
51	Total Reserves			26,968,667	23,736,155
52					
53	Beginning Fund Balance (Actual)			32,059,960	
54	Fund Balance Inc. (Dec.) (Projected)			(1,706,500)	
55	Ending Fund Balance (Projected)			30,353,460	
56					
57				85,086,017	87,778,703
58	Total Resources			85,086,017	87,778,703
59	Total Requirements			-	-

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Convention Center Operating Fund

2016

Line	Operations	2012-13	2013-14	2014-15	2015-16	Change in Annual Budget	
		Actual	Actual	Budget	Budget	\$	%
1	Charges for Services	9,549,810	8,674,381	9,446,977	10,236,686	789,709	8.36%
2	Enhanced Marketing VDF	441,358	450,000	463,702	472,781	9,079	1.96%
3	Food and Beverage Revenue	11,727,208	9,972,528	11,002,827	11,750,000	747,173	6.79%
4	Grants	-	20,739	-	-	-	0.00%
5	Interest Earnings	31,130	64,792	14,500	30,000	15,500	106.90%
6	Interfund Loans	-	1,919,916	-	-	-	0.00%
7	Lodging Tax	8,981,106	9,609,783	9,803,384	10,097,485	294,101	3.00%
8	Miscellaneous Revenue	23,422	19,724	11,000	16,000	5,000	45.45%
9	Transfers-R	(223,367)	(223,432)	93,756	(272,542)	(366,298)	-390.69%
10	General Fund - Hotel Support	-	-	321,000	210,000	(111,000)	-34.58%
11	General Fund - MTOCA	546,633	418,633	320,000	-	(320,000)	-100.00%
12	Bond Reimbursement	-	-	-	145,000	145,000	0.00%
13	General Fund - Support Services	-	-	160,597	80,299	(80,298)	-50.00%
14	MERC Admin Support	(770,000)	(642,065)	(707,841)	(707,841)	-	0.00%
15	Visitor Development Fund Alloc	2,081,895	1,826,052	1,281,250	1,313,281	32,031	2.50%
16	Total Revenues	32,612,563	32,334,483	32,117,396	33,643,691	1,526,295	4.75%
17							
18	Capital Outlay	276,685	12,796	-	-	-	-
19	Food & Beverage Services	9,386,663	8,855,561	9,363,294	9,815,867	452,573	4.83%
20	Materials and Services	7,752,806	9,589,298	8,527,570	8,318,855	(208,715)	-2.45%
21	Personnel Services	8,531,668	8,549,439	9,969,814	10,737,796	767,982	7.70%
22	Transfers-E	1,934,976	2,427,981	2,698,655	5,953,937	3,255,282	120.63%
23	Hotel Development	-	-	-	3,400,000	3,400,000	0.00%
24	General Fund - Hotel PM	127,450	142,347	135,954	69,100	(66,854)	-49.17%
25	General Fund - Support Services	1,807,526	1,843,570	2,086,901	2,295,400	208,499	9.99%
26	General Fund - Ptdl Streetcar Loan	-	442,064	228,800	189,437	(39,363)	-17.20%
27	General Fund - PERS Reserve	-	-	247,000	-	(247,000)	-100.00%
28	Visitor Development Marketing	441,358	450,000	463,702	472,781	9,079	1.96%
29	Total Expenditures	28,324,156	29,885,075	31,023,035	35,299,236	4,276,201	13.78%
30	Net Operations	4,288,406	2,449,408	1,094,361	(1,655,545)		
31							
32	Capital						
33	Contributions from Private (ARA)	-	-	-	242,188	242,188	0.00%
34	Grants	406,640	1,800	60,000	-	(60,000)	-100.00%
35	Miscellaneous Revenue	10,986	-	-	-	-	0.00%
36	Transfers-R	90,000	615,000	360,000	650,000	290,000	80.56%
37	MTOCA	-	-	-	320,000	320,000	0.00%
38	TLT Pooled Capital	90,000	615,000	360,000	330,000	(30,000)	-8.33%
39	Total Revenues	507,626	616,800	420,000	892,188	472,188	212.43%
40							
41	Capital Outlay	1,473,754	2,712,266	4,258,000	3,050,000	(1,208,000)	-28.37%
42	Total Expenditures	1,473,754	2,712,266	4,258,000	3,050,000	(1,208,000)	-28.37%
43	Net Capital	(966,129)	(2,095,466)	(3,838,000)	(2,157,812)	1,680,188	
44	Fund Balance	3,322,277	353,943	(2,743,639)	(3,813,357)	(1,069,718)	
45							
46	Food & Beverage Margin \$	2,340,545	1,116,968	1,639,533	1,934,133		
47	Food & Beverage Margin %	19.96%	11.20%	14.90%	16.46%		
48							
49	Full-Time Equivalent (FTE) Positions	110.30	112.30	114.65	114.65	-	0.00%

MERC Statement of Activity with Annual Budget
 Metropolitan Exposition-Recreation Commission
 Convention Center Operating Fund

2016

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Fund Balance				
Beginning Fund Balance (Budgeted)			16,415,732	14,174,771
Fund Balance Inc. (Dec.)			(2,743,639)	(3,813,357)
Ending Fund Balance	14,415,732	14,734,771	13,672,093	10,361,414
Operating Contingency			1,030,000	1,500,000
Renewal & Replacement			10,943,015	7,061,414
New Capital / Business Strategy			1,699,078	1,800,000
Total Reserves			13,672,093	10,361,414
Beginning Fund Balance (Actual)			14,734,771	
Fund Balance Inc. (Dec.) (Projected)			(560,000)	
Ending Fund Balance (Projected)			14,174,771	
			48,953,128	48,710,650
Total Resources			48,953,128	48,710,650
Total Requirements			-	-

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Portland'5 Centers for the Arts Fund

2016

Line	Operations	2012-13	2013-14	2014-15	2015-16	Change in Annual Budget	
		Actual	Actual	Budget	Budget	\$	%
1	Charges for Services	7,405,258	8,142,899	7,454,065	10,091,678	2,637,613	35.38%
2	Contributions from Governments	798,035	814,794	831,905	853,950	22,045	2.65%
3	Food and Beverage Revenue	2,154,102	2,093,848	2,225,102	2,663,978	438,876	19.72%
4	Grants	12,073	-	-	-	-	0.00%
5	Interest Earnings	48,489	76,255	31,000	31,000	-	0.00%
6	Lodging Tax	1,262,834	1,294,405	1,327,779	1,345,973	18,194	1.37%
7	Miscellaneous Revenue	72,049	68,133	51,302	56,227	4,925	9.60%
8	Transfers-R	(463,750)	(388,603)	(428,413)	(428,413)	-	0.00%
9	MERC Admin Support	(463,750)	(388,603)	(428,413)	(428,413)	-	0.00%
10	Visitor Development Fund Alloc	630,511	645,000	650,383	667,620	17,237	2.65%
11	Total Revenues	11,919,601	12,746,731	12,143,123	15,282,013	3,138,890	25.85%
12							
13	Food & Beverage Services	1,727,447	1,731,559	1,857,227	2,243,543	386,316	20.80%
14	Materials and Services	2,644,325	3,031,888	2,948,738	4,368,968	1,420,230	48.16%
15	Personnel Services	5,437,387	5,497,004	5,996,451	6,465,293	468,842	7.82%
16	Transfers-E	1,119,634	1,145,041	1,318,646	1,173,331	(145,315)	-11.02%
17	General Fund - Support Services	1,119,634	1,145,041	1,176,646	1,173,331	(3,315)	-0.28%
18	General Fund - PERS Reserve			142,000	-	(142,000)	-100.00%
19	Total Expenditures	10,928,793	11,405,493	12,121,062	14,251,135	2,130,073	17.57%
20	Net Operations	990,808	1,341,238	22,061	1,030,878	1,008,817	
21							
22	Capital						
23	Contributions from Private (ARA)	75,000	85,000	-	58,125	58,125	0.00%
24	Grants	3,432	35,000	-	-	-	0.00%
25	Total Revenues	78,432	120,000	-	58,125	58,125	0.00%
26							
27	Capital Outlay	493,423	643,700	1,938,000	2,583,000	645,000	33.28%
28	Total Expenditures	493,423	643,700	1,938,000	2,583,000	645,000	33.28%
29	Net Capital	(414,991)	(523,700)	(1,938,000)	(2,524,875)		
30	Fund Balance	575,817	817,538	(1,915,939)	(1,493,997)		
31							
32	Food & Beverage Margin \$	426,655	362,289	367,875	420,435		
33	Food & Beverage Margin %	19.81%	17.30%	16.53%	15.78%		
34							
35	Full-Time Equivalent (FTE) Positions	46.40	44.40	46.90	48.90	2.00	4.26%
36							
37	Fund Balance						
38	Beginning Fund Balance (Budgeted)			9,820,156	8,789,652	-	
43	Fund Balance Inc. (Dec.)			(1,915,939)	(1,493,997)		
44	Ending Fund Balance	9,020,156	9,838,652	7,904,217	7,295,655		
45							
46	Operating Contingency			600,000	600,000		
47	Renewal & Replacement			5,447,168	4,665,655		
48	New Capital / Business Strategy			1,857,049	2,030,000		
49	Total Reserves			7,904,217	7,295,655		
50							
51	Beginning Fund Balance (Actual)			9,838,652			
52	Fund Balance Inc. (Dec.) (Projected)			(1,049,000)			
53	Ending Fund Balance (Projected)			8,789,652			
54							
55	Total Resources			21,963,279	24,129,790		
56	Total Requirements			21,963,279	24,129,790		
57				-	-		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Expo Fund

2016

Line	Operations	2012-13	2013-14	2014-15	2015-16	Change in Annual Budget	
		Actual	Actual	Budget	Budget	\$	%
1	Charges for Services	3,863,510	4,056,364	4,197,279	4,383,536	186,257	4.44%
2	Food and Beverage Revenue	1,903,409	1,986,464	1,975,000	1,911,165	(63,835)	-3.23%
3	Grants	-	11,683	-	-	-	0.00%
4	Interest Earnings	12,484	20,690	8,500	18,000	9,500	111.76%
5	Miscellaneous Revenue	19,344	18,175	22,240	23,250	1,010	4.54%
6	Transfers-R	(119,249)	(111,875)	212,330	184,497	(27,833)	-13.11%
7	General Fund - MTOCA			280,000	280,000	-	0.00%
8	General Fund - Support Services			55,666	27,833	(27,833)	-50.00%
9	MERC Admin Support	(119,249)	(111,875)	(123,336)	(123,336)	-	0.00%
10	Total Revenues	5,679,498	5,981,501	6,415,349	6,520,448	105,099	1.64%
11							
12	Capital Outlay	22,306	-	25,000	-	(25,000)	-100.00%
13	Food & Beverage Services	1,659,914	1,711,086	1,651,281	1,620,587	(30,694)	-1.86%
14	Materials and Services	1,156,463	1,405,290	1,459,762	1,362,718	(97,044)	-6.65%
15	Personnel Services	1,484,027	1,510,480	1,721,145	1,811,467	90,322	5.25%
16	Transfers-E	307,205	327,324	451,666	535,683	84,017	18.60%
17	General Fund - Support Services	307,205	327,324	411,666	535,683	124,017	30.13%
18	General Fund - PERS Reserve			40,000	-	(40,000)	-100.00%
19	Total Expenditures	4,629,916	4,954,179	5,308,854	5,330,455	21,601	0.41%
20	Net Operations	1,049,583	1,027,321	1,106,495	1,189,993		
21							
22	Debt Service	1,187,132	1,188,651	1,188,051	1,186,176	(1,875)	-0.16%
23	Operations net of Debt	(137,549)	(161,330)	(81,556)	3,817		
24							
25	Capital						
26	Grants	-	385,533	10,000	-	-	0.00%
27	Contributions from Private (ARA)				87,188	87,188	0.00%
28	Other Financing Sources	-	5,190	-	-	-	0.00%
29	Transfers-R						0.00%
30	TLT Pooled Capital	270,000	165,000	360,000	280,000	(80,000)	-22.22%
31	Total Revenues	270,000	555,723	370,000	367,188	(2,812)	-0.76%
32							
33	Capital Outlay	472,332	962,510	930,500	1,032,000	101,500	10.91%
34	Total Expenditures	472,332	962,510	930,500	1,032,000	101,500	10.91%
35	Net Capital	(202,332)	(406,787)	(560,500)	(664,812)		
36	Fund Balance	(339,881)	(568,117)	(642,056)	(660,995)		
37							
38							
39	Food & Beverage Margin \$	243,496	275,378	298,719	290,578		
40	Food & Beverage Margin %	12.79%	13.86%	15.13%	15.20%		
41							
42	Full-Time Equivalent (FTE) Positions	13.30	12.30	14.80	15.80	1.00	6.76%
43							

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Expo Fund

2016

44	Fund Balance				
45	Beginning Fund Balance (Budgeted)			3,797,797	3,039,644
46	<i>New Business Strategy</i>				2,297,958
47	<i>Renewal & Replacement</i>				11,515
48	<i>Fund Balance Unassigned</i>				710,171
49	<i>Ararmark Capital Contribution</i>				20,000
50	Fund Balance Inc. (Dec.)			(642,056)	(660,995)
51	Ending Fund Balance	3,935,353	3,402,144	3,155,741	2,378,649
52					
53	Operating Contingency			350,000	350,000
54	Renewal & Replacement			209,725	-
55	New Capital / Business Strategy			2,596,016	2,028,649
56	Total Reserves			3,155,741	2,378,649
57					
58	Beginning Fund Balance (Actual)			3,402,144	
59	Fund Balance Inc. (Dec.) (Projected)			(362,500)	
60	Ending Fund Balance (Projected)			3,039,644	
61					
62	Total Resources			10,583,146	9,927,280
63	Total Requirements			10,583,146	9,927,280
64				-	-

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
MERC Admin Sub Fund
2016

Line	Operations	2012-13	2013-14	2014-15	2015-16	Change in Annual Budget	
		Actual	Actual	Budget	Budget	\$	%
1	Charges for Services	(0)	25	-	-	-	0.00%
2	Interest Earnings	7,376	11,611	3,750	12,000	8,250	220.00%
3	Miscellaneous Revenue	-	155	-	-	-	0.00%
4	Transfers-R	1,374,999	1,142,543	1,259,590	1,259,590	-	0.00%
5	MERC Admin Support From OCC	770,000	642,065	707,841	707,841	-	0.00%
6	MERC Admin Support From P5	463,750	388,603	428,413	428,413	-	0.00%
7	MERC Admin Support From Expo	119,249	111,875	123,336	123,336	-	0.00%
8	Total Revenues	1,382,375	1,154,334	1,263,340	1,271,590	8,250	0.65%
9							
10	Materials and Services	228,927	229,275	489,406	479,585	(9,821)	-2.01%
11	Personnel Services	1,105,077	739,568	744,642	830,961	86,319	11.59%
12	Transfers-E	-	-	23,000	-	(23,000)	-100.00%
13	Total Expenditures	1,334,004	968,844	1,257,048	1,310,546	53,498	4.26%
14	Net Operations	48,371	185,490	6,292	(38,956)	(45,248)	-719.14%
15	Capital						
16	Lodging Tax	1,066,283	1,923,700	-	-		
17	Transfers-R	(360,000)	(780,000)	(720,000)	610,000	1,330,000	-184.72%
18	TLT Pooled Capital to OCC	90,000	615,000	360,000	330,000	(30,000)	-8.33%
19	TLT Pooled Capital to Expo	270,000	165,000	360,000	280,000	(80,000)	-22.22%
20	Total Revenues	706,283	1,143,700	(720,000)	(610,000)	110,000	-15.28%
21							
22	Capital Outlay	60,218	286,959	92,800	-	(92,800)	-100.00%
23	Total Expenditures	60,218	286,959	92,800	-	(92,800)	-100.00%
24	Net Capital	646,065	856,740	(812,800)	(610,000)		
25	Fund Balance	694,436	1,042,231	(806,508)	(648,956)		
26							
27	Full-Time Equivalent (FTE) Positions	11.50	6.50	6.00	6.50	0.50	8.33%
28							
29	Fund Balance						
30	Beginning Fund Balance (Budgeted)			3,043,124	4,349,393		
34	Fund Balance Inc. (Dec.)			(806,508)	(648,956)		
35	Ending Fund Balance	3,034,124	4,084,393	2,236,616	3,700,437		
36							
37	Operating Contingency			65,000	65,000		
38	Renewal & Replacement			850,728	170,849		
39	TLT Pooled Capital			1,320,888	3,464,588		
40				2,236,616	3,700,437		
41				-	-		
42	Beginning Fund Balance (Actual)			4,084,393			
43	Fund Balance Inc. (Dec.) (Projected)			265,000			
44	Ending Fund Balance (Projected)			4,349,393			
45							
46							
47	Total Resources			3,586,464	5,010,983		
48	Total Requirements			3,586,464	5,010,983		
49				-	-		

**Materials following this page are
attachments to the public record.**



Metropolitan Exposition and Recreation Commission



PORTLAND'S
CENTERS FOR THE ARTS

Budget Committee Meeting



January 21, 2015



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Agenda

Opening Remarks

Scott Robinson

MERC Budget Overview

Ben Rowe

Venue Budgets

Oregon Convention Center

Ben Rowe / Scott Cruickshank

Portland Expo Center

Ben Rowe / Matthew Rotchford

Portland's 5 Centers for the Arts

Ben Rowe / Robyn Williams

Review Agenda for February 20th Meeting

Adjourn



MERC Budget Summary

Resources	2013 Actual	2014 Actual	2015 Budget	2016 Budget	\$	%
Charges for Services	20,818,578	20,873,669	21,098,321	24,711,900	3,613,579	17.1%
Food & Beverage	15,784,720	14,052,840	15,202,929	16,325,143	1,122,214	7.4%
Lodging Tax	10,243,940	10,904,188	11,131,163	11,443,458	312,295	2.8%
Visitor Development	3,153,764	2,921,052	2,395,335	2,453,682	58,347	2.4%
Other Revenue	1,593,035	3,465,299	2,111,460	1,783,559	(327,901)	-15.5%
Total Resources	51,594,036	52,217,048	51,939,208	56,717,742	4,778,534	9.2%
Requirements						
Personnel	16,558,158	16,296,492	18,432,052	19,845,517	1,413,465	7.7%
Food & Beverage	12,774,024	12,298,206	12,871,802	13,679,997	808,195	6.3%
Materials & Services	11,782,522	14,255,752	13,425,476	14,530,126	1,104,650	8.2%
Other	5,289,297	5,551,793	6,168,720	5,921,908	(246,812)	-4.0%
Hotel Development	-	-	-	3,400,000	3,400,000	-
Total Requirements	46,404,001	48,402,241	50,898,050	57,377,548	6,479,498	12.7%
Net Operations	5,190,035	3,814,807	1,041,158	(659,806)		
Food & Beverage Margin	19.07%	12.49%	15.33%	16.20%		

**Net operations
would be \$2.7
million w/o Hotel
Development**



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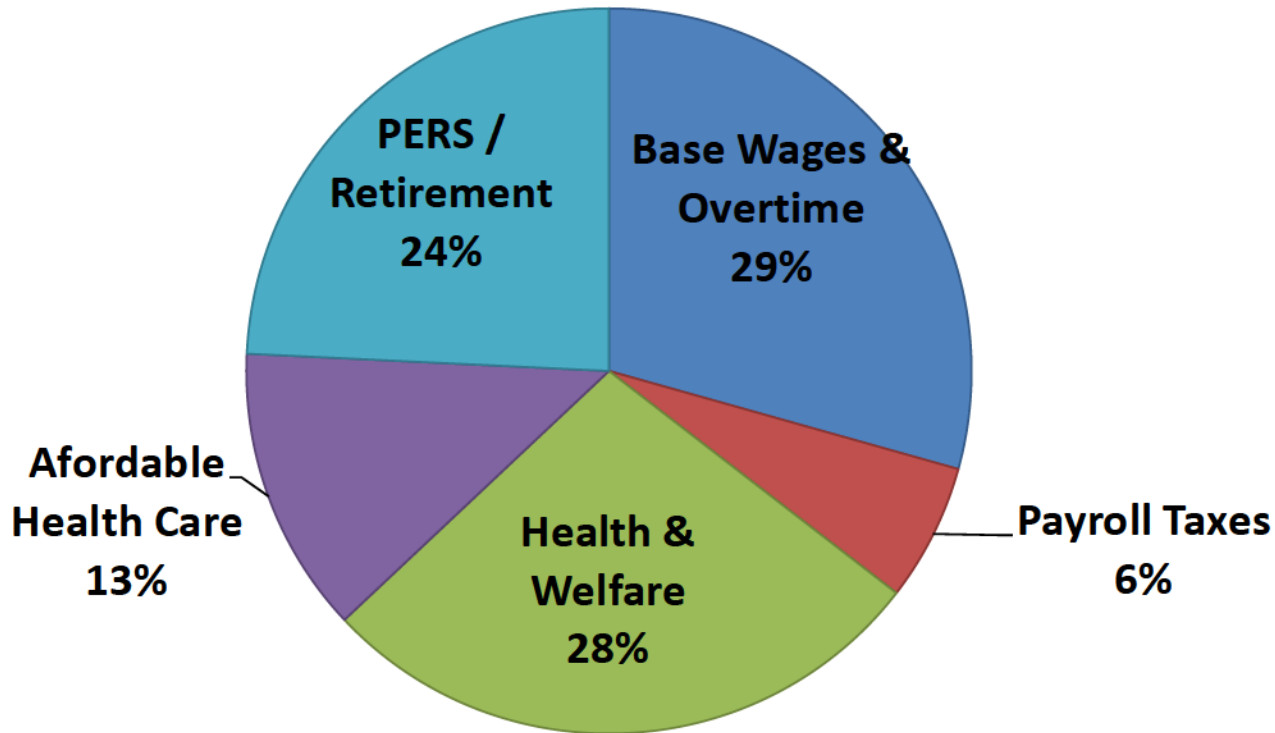
MERC Budget Overview

- Each Venue is forecasting a robust event schedule Fiscal Year 2016
 - **OCC** - 45 National Conventions, 5 more than average
 - **Portland'5** - 12 weeks of Broadway, 2.5 more than FY15
 - **Expo** - Cirque 2016 (Proposed Budget does not include Cirque budget amounts)
- Forecasted event schedules effect event related revenue and expense in Food & Beverage and Materials & Services
- All three Venues and MERC Administration have budgeted decreases in non-event related Materials & Services:
 - **OCC** (- 2.45%)
 - **P5** (- 0.6%)
 - **Expo** (- 6.1%)
 - **Admin** (-2.0%)
- \$3.4 million transfer (expenditure) to OCC Hotel Development budgeted in FY 2016



MERC Budget Overview – Personnel

- Personnel Services – Increase of 7.7%, \$1.4 million over FY15



MERC Budget Overview – Personnel – FTE

	2013 Actual	2014 Actual	2015 Budget	2016 Budget	Difference	Additional Request	2016 Total
OCC	110.30	112.30	114.65	114.65	0.00	0.00	114.65
Portland'5	46.40	44.40	46.90	46.90	0.00	2.00	48.90
Expo	13.30	12.30	14.80	14.80	0.00	1.00	15.80
Admin	11.50	6.50	6.00	6.50	0.50	0.00	6.50
	181.50	175.50	182.35	182.85	0.50	3.00	185.85

- 0.50 FTE increase in MERC Administration from FY15 to FY16 is due to a change in the Policy Advisor position allocation from 50% to the Zoo to 100% to MERC Administration.
- Additional requests will be itemized in the Venue specific budgets.



MERC Budget Overview – Support Services

MERC Support Services Charges	2014	2015	2016	\$	%
Support Services (General Fund)	2,699,953	3,391,666	3,653,594	261,928	7.72%
Building Management	67,509	19,501	10,970	(8,531)	-43.75%
Risk	548,469	264,046	339,850	75,804	28.71%
Total Indirect/Direct Charges	3,315,931	3,675,213	4,004,414	329,201	8.96%

- Base Support Services Charges (Human Resources, Information Technology, Finance, Communications) costs increased only 3.3% over the prior year
- The actual to budget expenditure savings (credit) applied to FY15 was much greater than the credit applied to FY16, resulting in an effective increase of 7.72%
- Risk charges are based on actual number of incidences and actual cost of claims expenditures
- MERC Administrative Support transfers from Venues to MERC Admin did not increase over FY 2015



MERC Budget Overview – Capital

MERC Capital Funding Fiscal Year 2016

	MERC Funds			External Funding		Total
	Renewal Replacement	Business Strategy	TLT Pooled	Aramark Capital	MTOCA (General Fund)	
OCC	1,300,000	150,000	330,000	950,000	320,000	3,050,000
Portland 5	2,170,000	65,000	-	348,000	-	2,583,000
Expo	467,500	-	280,000	285,000	-	1,032,500
MERC Total	3,937,500	215,000	610,000	1,583,000	320,000	6,665,500

Items changed since December 12th MERC Budget Committee Meeting:

- Decreased MTOCA transfer to OCC by \$100,000
- Increased MTOCA transfer to Expo Operations by \$100,000
- Increased OCC FY16 TLT Pooled Capital Request by \$100,000

Note: Aramark capital contributions to the Venues are distributed on a 5-year schedule. Venues may plan to spend more than their accrued Aramark contribution amounts for project timing purposes and be paid back by the scheduled payments.





OREGON CONVENTION CENTER



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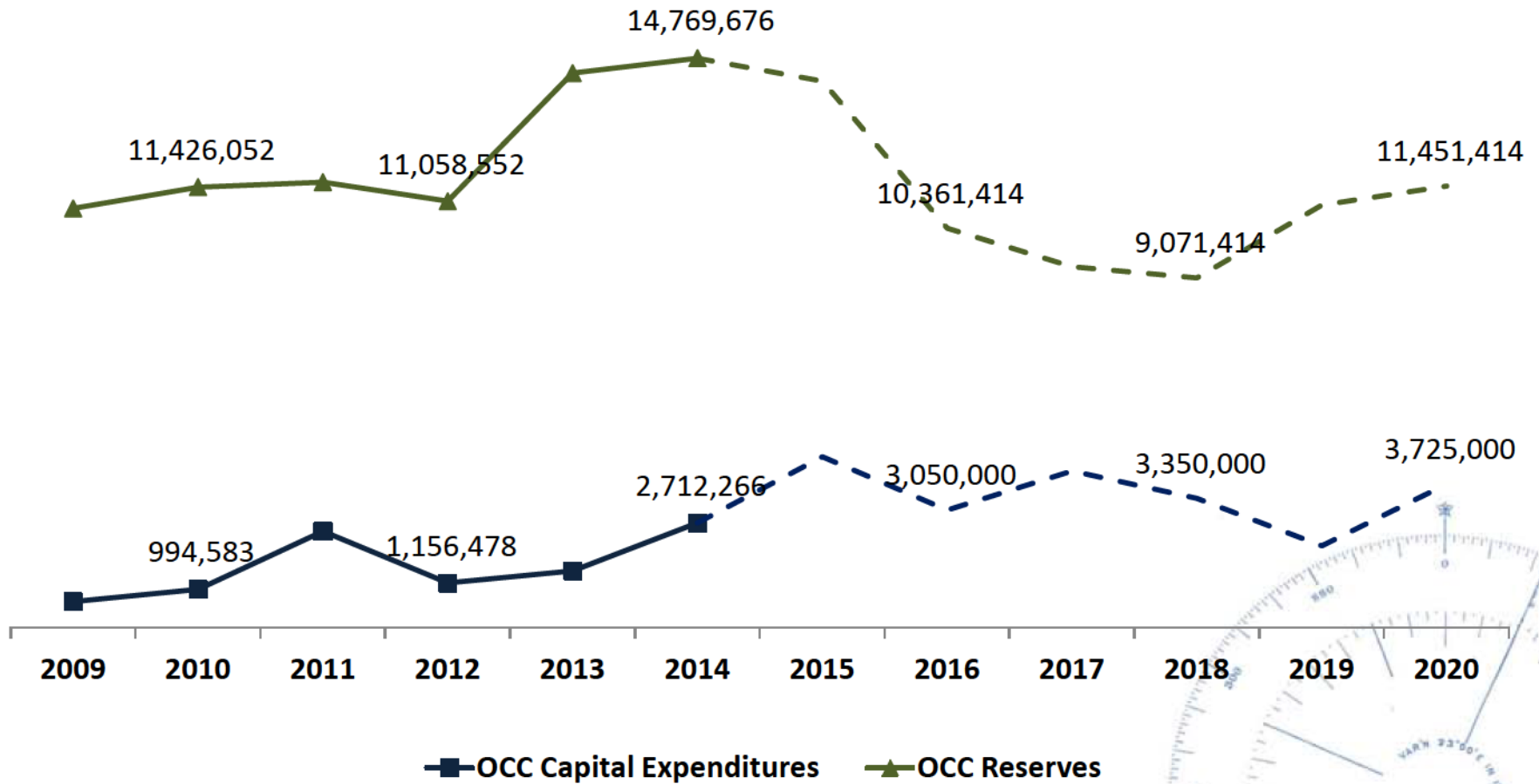
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OCC Additional Requests

Additional Request	FTE	\$
General Fund support for Hotel Project and legal costs	0.00	210,000
Annual MTOCA allocation from General Fund to be used for Plaza Landscape Renovation & Surface Water Management	0.00	320,000
General Fund Subtotal		530,000
TLT Pooled Capital allocation to be used for Plaza Landscape Renovation & Surface Water Management	0.00	180,000
TLT Pooled Capital Allocation to be used for OCC Facility Master Plan Study	0.00	150,000
TLT Pooled Capital Subtotal		330,000
Total	0.00	960,000



OCC Capital Expenditures & Reserves Forecast



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PORTLAND'5

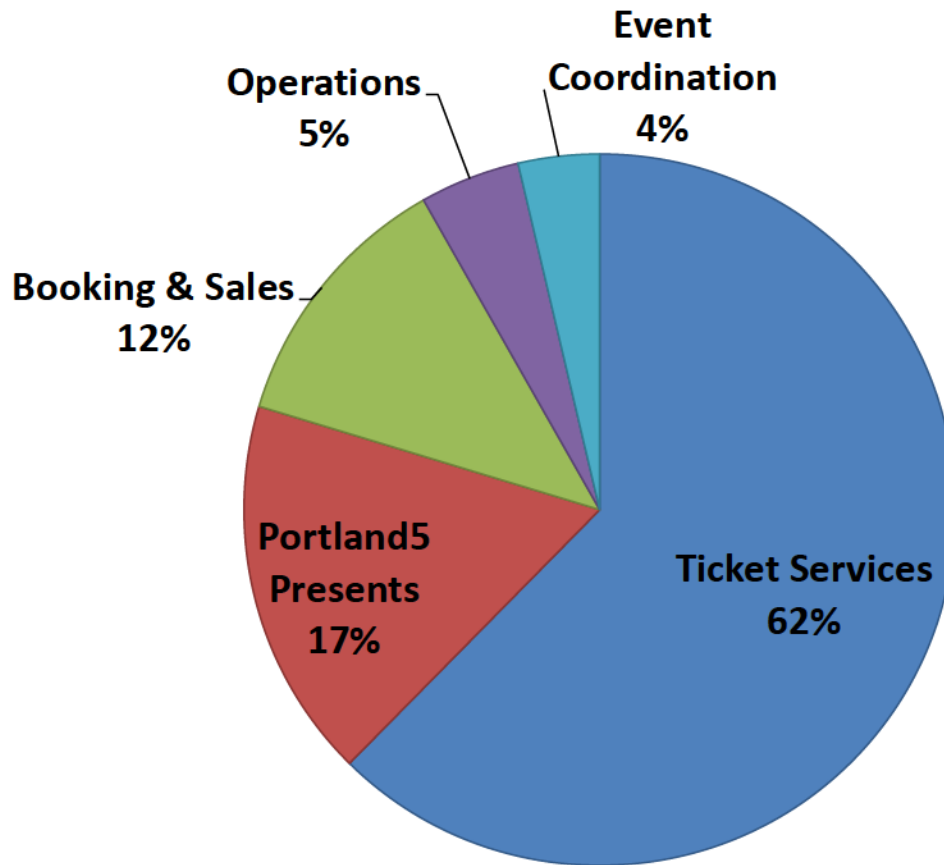
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Portland's Charges for Services

Portland's Charges for Services Increase \$2,637,613, 35%

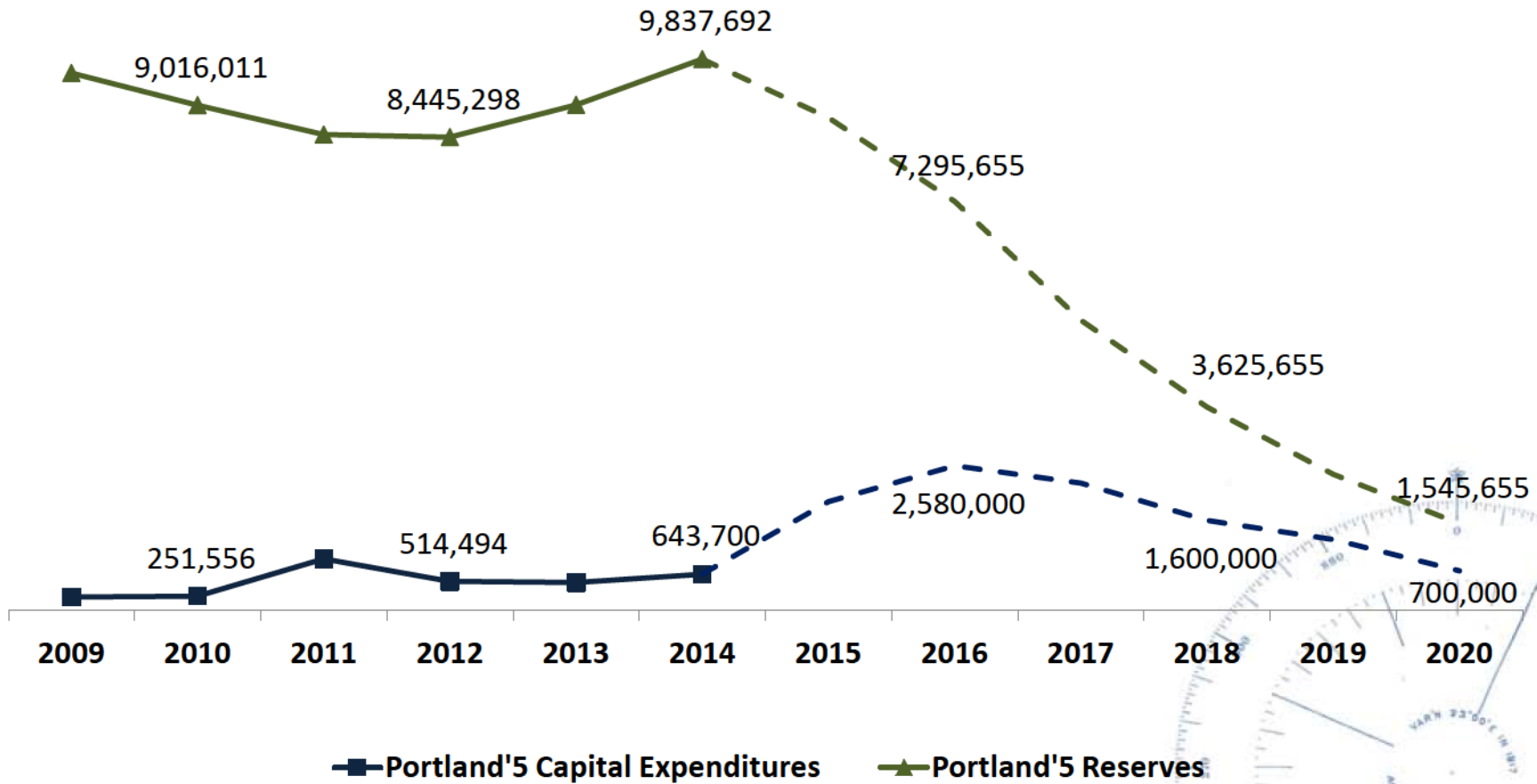


Portland's 5 Additional Requests

Additional Request	FTE	\$
Savings from vacant position(s)	0.00	(129,420)
Reclassify part-time Marketing & Promotions Coordinator I to 1.0 FTE (\$30,000 of new revenue expected)	0.50	21,455
Reclassify part-time Ticket Supervisor to 1.0 FTE Ticket Coordinator	0.50	41,935
Add 1.0 FTE Operating Engineer II, eliminate 2,000 part- time Op. Eng. II hours	1.00	9,450
Total	2.00	(56,580)



Portland's Capital Expenditures & Reserves Forecast



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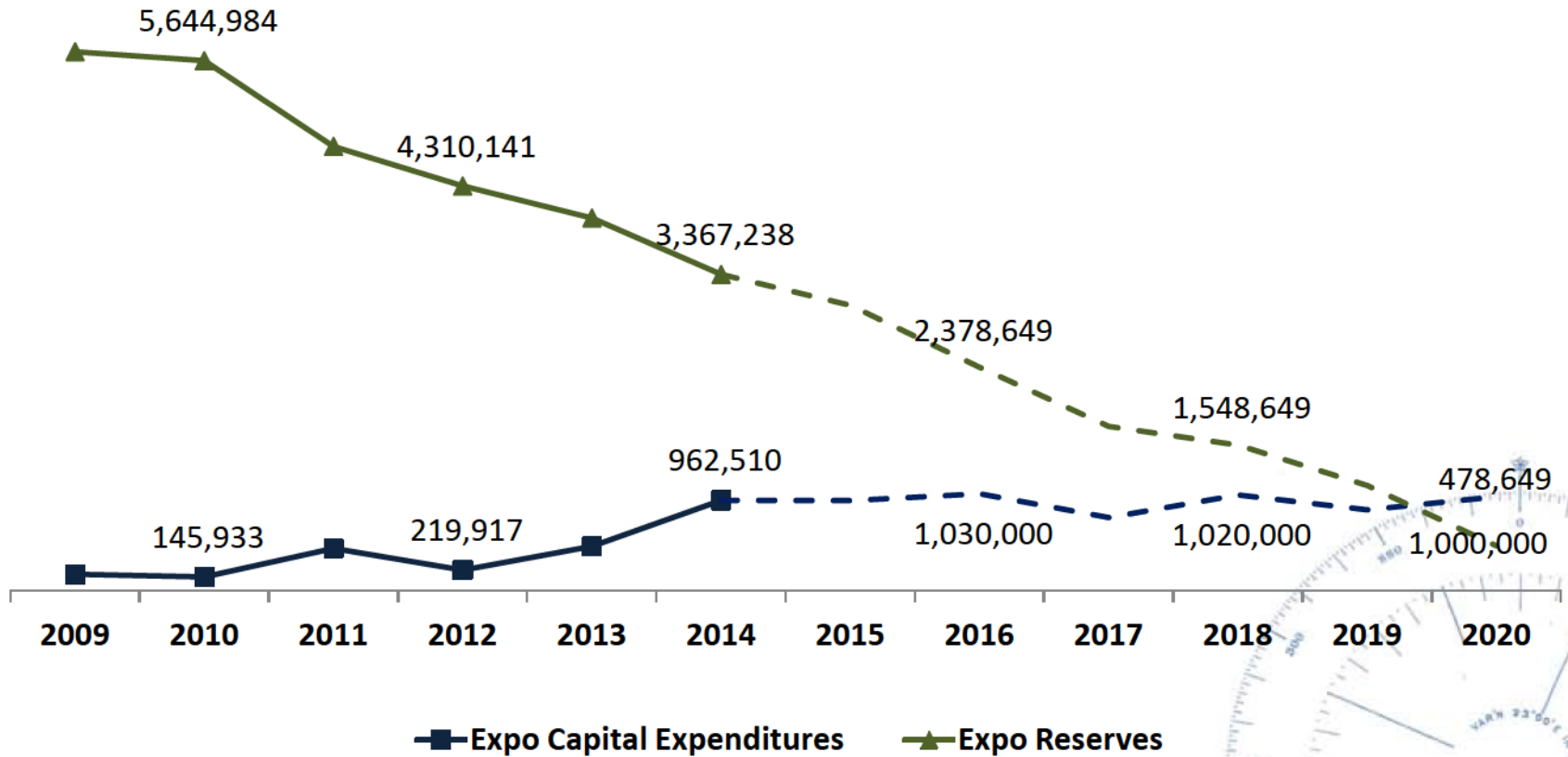


Expo Additional Requests

Additional Request	FTE	\$
Revenue		
Annual MTOCA allocation to conduct enhanced marketing and complete facility enhancements	0.00	280,000
TLT Pooled Capital for several Capital Projects including Parking Lot, HVAC, VOIP, Security Cameras, and Electronic signage	0.00	280,000
Revenue Subtotal	0.00	560,000
Expenditures		
Add 0.50 FTE part-time Administrative Assistant in the Operations Department	0.50	19,200
Add LTD 0.50 FTE part-time Marketing & Promotions Coordinator I (\$30,000 of new revenue expected)	0.50	20,920
Expenditure Subtotal	1.00	40,120



Expo Capital Expenditures & Reserves Forecast



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THANK YOU



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

January 21, 2015
Portland's Centers for the Arts Madison Room

Commissioners Present:	Cynthia Haruyama, Terry Goldman (by phone)
Absent:	Judie Hammerstad (excused)
Others Present:	Scott Robinson, Scott Cruickshank, Matthew P. Rotchford, Robyn Williams, Benjamin Rowe, Margie Helton
	The Budget Committee Meeting was called to order at 10:35 a.m.
1.0	<p>INTRODUCTION</p> <ul style="list-style-type: none"> • Metro Deputy COO and Interim Venues General Manager, Scott Robinson, provided a review of the meeting agenda and the remainder of the budget season calendar.
2.0	<p>MERC BUDGET OVERVIEW</p> <ul style="list-style-type: none"> • Ben Rowe presented a summary of the MERC Budget for FY2016 including Personnel Services, Support Services, and Capital requests. • Robinson added that the budget assumption for health and welfare reflects reasonably aggressive measures taken recently by Metro including limiting health insurance plans to regular Kaiser and Kaiser Added Choice plans in order to keep those costs as low as possible.
3.0	<p>OCC BUDGET OVERVIEW</p> <ul style="list-style-type: none"> • Scott Cruickshank presented the OCC budget for FY15-16 • Ben Rowe provided OCC additional budget requests as well as a five-year forecast for OCC
4.0	<p>PORTLAND'S BUDGET OVERVIEW</p> <ul style="list-style-type: none"> • Robyn Williams presented the P'5 budget for FY15-16 including the P'5 additional budget requests. Rowe provided the five-year forecast • Commissioner Haruyama inquired if Williams can operate well without an assistant director - a position unfilled following a retirement. • Williams responded that she is typically slow to add to her overhead and since her costs are mainly personnel costs, she prefers to be prudent by leaving the position empty for now and add positions that drive revenue in order to use other revenue to maintain the buildings. <p>(Commissioner Goldman departed from the meeting.)</p>
5.0	<p>EXPO CENTER BUDGET OVERVIEW</p> <ul style="list-style-type: none"> • Matthew P. Rotchford presented the Expo budget for FY15-16 including the Expo additional budget requests. • Haruyama inquired about sewer charges, storm water charges and costs associated with the levee study. • Robinson replied that those costs are reflected in the budget. With respect to future costs regarding the levee, work is continuing at the legislative end and discussion will continue to refine remediation costs. • Haruyama inquired about the support services amount budgeted. • Robinson replied that the largest component for Expo is the risk management charge. It is charged on an actual incidence basis. • Ben Rowe presented the five-year forecast for the Expo Center • Matthew added that, regarding the five-year forecast, the capital reserve draw downs reflect the major issues are HVAC and roof repair and replacement.

	<ul style="list-style-type: none"> • Haruyama noted that Cirque de Soleil wasn't in the budget and inquired if that is due to the fact that a contract had not yet been signed. • Rotchford replied that they have signed an overall contract but the optional extension for 2016 is as yet unsigned.
6.0	Robinson wrapped up the meeting and noted that a meeting has been scheduled for Feb. 21. That meeting will focus on the transmittal letter including follow-up of requests of staff for FY15 and the requests for FY16.
	The meeting adjourned at 11:50 a.m.