

METROPOLITAN EXPOSITION RECREATION COMMISSION
Resolution Number 17-07

For the purpose of approving the Metropolitan Exposition Recreation Commission ("MERC") 2017-18 Proposed Budget and 2017-18 Capital Plan.

WHEREAS, pursuant to Section 6.01.50 of the Metro Code, MERC must prepare and approve a budget by resolution and;

WHEREAS, the MERC Budget Committee has met in public meetings for the purpose of creating the MERC 2017-18 Budget and recommends approval of the budget and annual capital plan attached as Exhibit A to this Resolution.

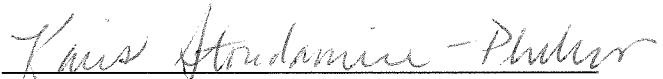
BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission:
Approves the MERC Fiscal Year 2017-18 Budget and 2017-18 Capital Plan attached as Exhibit A and transmits it to the Metro Chief Operating Officer for submission to the Metro Council for inclusion in the Metro budget for the Fiscal Year 2017-18.

Passed by the Commission on March 1, 2017.


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



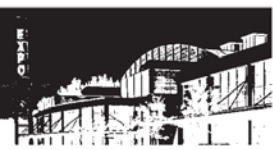
Nathan A. S. Sykes, Deputy Metro Attorney



Chair



Secretary/Treasurer



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

www.oregonmetro.gov

Metro | *Exposition Recreation Commission*

Date: March 1, 2017
To: MERC Commission
From: Deidra Kryss-Rusoff, Chair of the MERC Budget Committee
Scott Cruickshank, Interim General Manager, Visitor Venues
Re: Transmittal of the Fiscal Year 2017-18 MERC Budget

The Budget Committee recommends for the Commission's approval, the Fiscal Year 2017-18 Proposed Budget which is summarized in MERC Resolution 17-04 Exhibits A & B. After the MERC Budget Retreat on November 2, 2016, the Budget Committee met twice gathering information from venue directors regarding the challenges and opportunities each faces in the coming year and beyond. This contextual information was essential to the committee's understanding of the revenue forecasts and operational and capital expenditure requests of each venue. The Proposed Budget represents a realistic and achievable budget, reflective of each venue's current event bookings and strategic goals with measured capacity to accommodate unexpected event booking revenue.

Five themes emerged from the venue's budget proposal, namely: 1) venue security, 2) strategic business management, 3) stewardship of public assets, 4) a focus on diversity, equity and inclusion, and 5) cost containment & increased efficiency. Each of these themes is manifested in unique ways in the venues' budgets. The Budget Committee was impressed with the creativity in which each director strategically balanced short and long-term goals and priorities through their budget proposal. In addition to preparing the budget recommendation, the Committee:

Capital

- reviewed and approved the MERC five-year capital plan of \$15,201,310;
- reviewed and recommends a request for \$600,000 in General Fund MTOCA funds to support ongoing efforts to develop both the Oregon Convention Center (\$320,000 – Capital); and the Portland Expo Center (\$280,000 - Operations);
- reviewed and recommends the MERC staff proposal to reserve \$5 million in the pooled capital account and allocate the remaining current TLT Pooled Capital fund balance and future annual receipts 85% to OCC and 15% to Expo;
- requested monthly capital project progress reports to the commission;

Operating

- reviewed and recommends the request from Portland's Centers for the Arts (Portland's) for an increase of 4.00 Full-Time Equivalent (FTE) positions; a full-time day-time Security Agent, a full-time Assistant Marketing Director, a full-time Administrative Assistant, and a full-time Administrative Technician;
- reviewed and recommends the request from MERC Administration to eliminate the Policy Coordinator position and add a Senior Construction Project Coordinator position dedicated to OCC capital construction projects;
- reviewed and recommends the request from Portland Expo Center (Expo) to reclassify an Administrative Assistant position to a Sales Associate position;

The Committee's recommended budget will be presented to MERC Commissioners on Wednesday, March 1, 2017 for consideration and approval. It will then be forwarded to the Metro Budget Officer, Martha Bennett, Chief Operating Officer, for review by the Metro Council beginning mid-April. If the Chief Operating Officer proposes amendments to the budget, those changes will be brought back to the Commission for consideration in April or May.

Key Budget Objectives

In preparing the FY 2017-18 Budget, MERC Administration and the venues composed key objectives. Included in Exhibit A of Resolution 17-04 is a list of FY 2017-18 Key Budget Objectives for MERC Administration and each venue. These key objectives appropriately address both the Budget Committee and MERC Commission requests of staff during the budget process and throughout the year.

Forecasted economic environment for Fiscal Year 2017-18

Financial performance in FY 2017-18 is forecasted to be more in line with historical averages prior to FY 2015-16 rather than the record performances the venues experienced in FY 2014-15 and 2015-16. Expo's event related revenues are budgeted in FY 2017-18 at an 8% growth over FY 2015-16 actuals. Expo has been planning and preparing for the completion of several capital projects which will facilitate revenue growth, namely the Halls D & E Connector food and beverage area; networking the lower parking lot area for dynamic parking pricing; a new electrical box on the North end of the campus for Cirque events, concerts and other large clients; and HVAC for Hall C. Expo's capital plan and budget request reflect implementation of recommendations made through both the Hunden report and the Expo Project. Expo's proposed FY 2017-18 budget does not include the scheduled Cirque du Soleil event in the Fall of 2017. When the contract with Cirque du Soleil is signed, Expo will propose a budget amendment specifically for this event. Portland's has 10 weeks of Broadway shows booked in FY 2017-18, including 3 weeks of *Hamilton*-verses 11.5 that was actually booked in FY 17. Both the Ballet and Orchestra companies implemented seasonal booking changes and Portland's has leveraged this opportunity to book several high-margin 2,000 – 3,000 attendee events in the current year and expects this trend to continue in the coming year. OCC forecasts hosting an average of 47 national conventions three less than its record 50 in FY 2015-16. As usual, the Oregon Convention Center (OCC) expects a few additional large event bookings as the year progresses. OCC is embarking on a multi-year, multi-million dollar renovation of its plaza, entries, and interiors in preparation of the hotel coming on line in mid 2019. The Center's capital plan and budget requests reflect this preparation. The hotel project and Convention Center Renovation may be perfect pilot projects for Metro's new Construction Careers Pathways Project.

Transient Lodging Tax

Transient Lodging Tax (TLT) revenue is forecasted to perform equal to or slightly higher than 2015-16 and 2016-17 in FY 2017-18. Portland truly is happening now! There are over 2,000 hotel rooms either planned or currently under construction in Portland. This is in addition to the new TLT receipts generated from the Airbnb agreement implemented mid-way through FY 2015. Because of the record receipts and OCC's and Portland's maximum allocation growth year over year, the TLT Pooled Capital Account balance will continue to grow over the next several years. MERC staff proposes to reserve \$5 million in the TLT Pooled Capital account and allocate the remaining fund balance and future annual receipts 85% to OCC and 15% to Expo. The 15% allocation to Expo is estimated to be approximately \$1 million each year, allowing the Expo Center to execute its capital program and maintain fund balance through completion of its debt service in FY 2025-26.

Forecasted expenditure dynamics for Fiscal Year 2017-18

On the expense side, Expo's budget continues to be pressured by taxes and utility rate increases including Multnomah County Drainage District fees. Portland's resident company schedules remain flat and its aging buildings continue to require major capital improvements. The assumption of a 2.0% CPI & Cost of Living Allowance (COLA) was used in the development of the FY 2017-18 Budget. The Bureau of Labor Statistics (BLS) reported in January 2017 the calendar year Portland-Salem Area Consumer Price Index for All Urban Consumers (CPI-U) increased 2.14% and the second half (July-December) 2.57%. Both the AFSCME and LIUNA agreements have a minimum 1.5% COLA. All three venues have absorbed increased security, utility, food and personnel costs into their budget. Through good operational efficiency management, the venue directors continue to minimize expenditure growth while keeping revenues on pace with inflation.

Significant expense impacts

- Metro's budgeted Public Employee Retirement System (PERS) rates increased 3.8% from 8.8% of base salaries in FY 2016-17 to 12.6% of base salaries in 2017-18, or approximately \$475,000. An equivalent rate increase of 3.8% (\$500,000) is expected in the second year of the state's biennium (FY 2018-19). PERS and health & welfare rate increases are the most significant cost increases impacting the venues in both the short and long terms.
- Assumed cost impacts for the Affordable Care Act, sick leave and minimum wage laws are included in the FY 2017-18 Proposed Budget. Because the ACA and sick leave cost impacts can be managed to some degree, and the new minimum wage laws only affect service contract expenses these items do not impose a significant impact to the venues outside of our food & beverage, security, and parking services contracts.
- The budgeted employer cost for health and welfare benefits per employee remained essentially flat over the prior year budget.
- The Oregon Convention Center budgeted \$193,487 for the sixth of ten loan payments to the General Fund. OCC borrowed \$2.2 million from the General Fund for OCC's Portland Streetcar Local Improvement District (LID) tax assessment in 2012.

Policy Considerations

First Opportunity Target Area (FOTA) Hiring

Diversity Equity & Inclusion (DEI) Program Goals

Certification Office for Business Inclusion and Diversity (COBID) Contracting

- Minority Business Enterprise Program (MBE)
- Women Business Enterprise Program (WBE)
- Emerging Small Business Program (ESB)

The committee is impressed with the various methods each venue's budget process facilitated initiatives related to DEI program goals including new positions, outreach programs, training budgets, and hiring initiatives. All three venues are committed to FOTA, DEI, and COBID goals and policies. The Human Resources department and Aramark share the responsibility for FOTA hiring program updates and reporting. The procurement division of Metro Finance and Regulatory Services will continue to report COBID contracting statistics quarterly. The Convention Center Hotel project is not a Metro construction project. However, the Metro project team is committed to assisting in achieving the COBID contracting and workforce equity goals required throughout the construction phase of the project. One of the

budget objectives added in FY 2016-17 will continue: to maintain oversight and provide regular reporting to stakeholders of the required minority contracting and workforce equity goals throughout the construction of the OCC Hotel project.

Five-year capital plans, operations and reserves

The Budget Committee reviewed each venue's five-year capital plan and the forecasted impact on their respective fund reserves. All three venues are confronted with the challenges of aging facilities and growing operating expenditures in a competitive marketplace. These dynamics frame a unique financial forecast narrative for each venue. The Budget Committee encourages the Commission to keep the following distinct narratives surrounding each venue's capital needs and five-year forecast at the forefront of its priorities.

Portland Expo Center

At the November Budget Retreat, staff presented to the Commission progress on the Expo project. In November of 2015, Expo was on course to completely deplete its fund reserves in December of 2018. The Budget Committee reviewed and approved the continuation of three budget measures originally implemented in the FY 2016-17 Budget to extend Expo's reserves:

- Request a \$280,000 Metropolitan Tourism and Opportunity and Competitiveness Account (MTOCA) allocation from the General Fund for marketing support and facility enhancements
- A 100% (\$130,000) subsidy of MERC Administration charges funded from MERC Admin reserves
- A 15% allocation of current TLT Pooled Capital reserves and future annual receipts

In addition to the above, Expo's debt service was refinanced in 2016, saving over \$160,000 each year in payments. These three measures will need to continue until FY 2025-26 for Expo's reserves to last until its debt service expires in 2025. This forecast includes Expo growing its event related revenue by 3% each year.

The scope of the Expo Project includes: exploring the proposed hybrid option, finding alternative funding sources for capital improvement needs and campus investment, and maintaining reserves. Continued work on the Expo project is funded from the MERC Admin budget in FY 2017-18. Expo's five-year capital plan includes recommendations from its recently completed Facility Condition Assessment (FCA), the Hunden report, and Expo project. Several of these measures have the potential to facilitate increased revenue generation.

Oregon Convention Center

OCC's five-year capital plan reflects the master planning and Facility Condition Assessment (FCA) work completed by staff over the past two years. Funding OCC's capital program requires strategic spending from both its own fund balance and the TLT Pooled Capital. Because the Convention Center Hotel is expected to open in 2019 and due to the health of TLT as well as its event schedule, OCC is forecasted to fully fund its five-year capital plan, complete the \$35 million renovation project and also maintain healthy reserves of approximately \$10 million or 25% of its annual operating expenditures.

Convention Center Hotel Project

The bond sale for the Hotel Project is expected to take place in late spring of 2017 and groundbreaking ceremonies are expected to be held by the end of summer 2017. The OCC Plaza, Entries, and Interiors

Renovation Project is now a single project with an approved Construction Management General Contractor (CMGC) format. Metro Council approved this proposal at its session on February 9, 2017. Once the bond sale and design review by the City of Portland are complete and ground is broken on hotel construction, the renovation project can begin in earnest. The goal of this \$35 million project is to complete the renovations in parallel with the Hotel opening.

Portland's Centers for the Arts

Notwithstanding Portland's excellent financial performance over the past few years, the Center's expenditure growth is forecasted to outpace its revenue growth over the next five years. The majority of Portland's five-year capital program includes only necessary replacement and refurbishment projects. Because of the costly nature of these projects Portland's is forecasted to draw down its fund balance from over \$14 million to under \$4 million over the next five years.

The Portland's Project scope includes exploring the dynamics of growing net operations, the heavy subsidies provided to the resident companies, appropriately managing the stewardship of the City of Portland facilities, maintaining reserves, and identifying funding sources for major capital projects. The City of Portland recently completed a partial Facility Condition Assessment (FCA) of Portland's buildings and American with Disabilities Act survey. Work is under way on a seismic study. Analysis of the FCA information will quantify the gap of information necessary to facilitate a more complete picture of long-term capital needs and funding gaps. This foundational information and analysis will frame future conversations with Portland's stakeholders.

Conclusion

We would like to especially thank Ben Rowe, MERC Finance Manager, for his tireless work with the venues to compose a balanced budget. Thanks also to the Metro finance team for their work with Ben and the venue directors to ensure that all of our assumptions are accurate. A big thank you also goes to the venue directors and their staff who worked many hours on projections and balancing the budget. This group of professionals has done the tough work and produced budgets that we can all stand behind and be proud of. The proposed budget provides the venues with the financial resources needed to achieve excellence in customer service and maintain the venues in a manner that delivers on our promise to the region to operate world-class facilities.

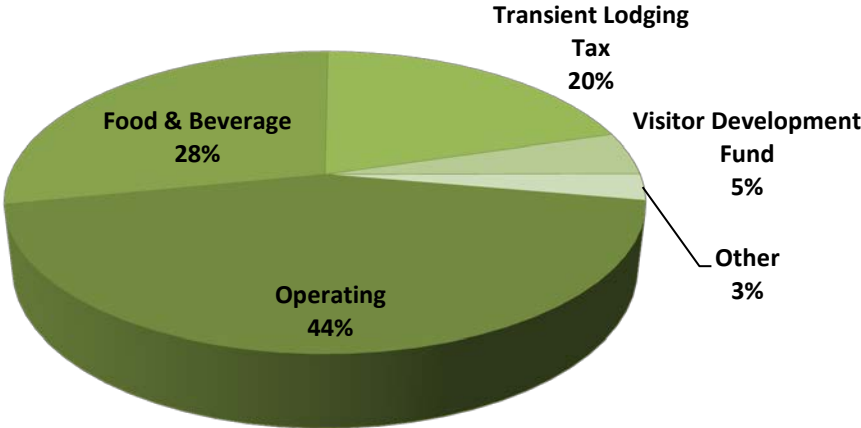
And, finally, we would like to thank the MERC Budget Committee members including Commissioners Karis Stoudamire-Phillips, Judie Hammerstad, and Deidra Krys-Rusoff for their leadership, probing questions, and enthusiastic participation on the Budget Committee.

**Metropolitan Exposition Recreation Commission
Proposed Budget
Fiscal Year 2017-18**

MERC Budget Summary**(Thousands)**

	2015 Actual	2016 Actual	2017 Budget	2018 Budget	Difference \$	Difference %
Operating Revenues						
Charges for Services	25,335	30,214	25,284	28,378	3,094	10.2%
Food & Beverage	17,383	20,258	17,248	18,268	1,019	5.0%
Lodging Tax	10,831	11,527	11,964	13,052	1,088	9.4%
Visitor Development	2,808	3,107	6,954	2,980	-3,975	-127.9%
Other Revenue	2,360	2,439	1,493	1,841	348	14.3%
Operating Revenues	58,717	67,544	62,944	64,996	1,574	2.3%
Operating Expenses						
Personnel	17,696	19,192	20,311	21,961	1,650	8.6%
Food & Beverage	13,946	15,835	13,985	15,061	1,076	6.8%
Materials & Services	14,240	16,880	17,300	18,179	879	5.2%
Other	5,877	6,068	6,283	6,316	33	0.5%
Hotel Development		3,400	4,000	0	-4,000	-100.0%
Operating Expenditures	51,759	61,376	61,880	61,880	-363	0.1%
Net Operations (B)	6,957	6,169	1,064	3,003	1,937	
Food & Beverage Margin \$	3,437	4,423	3,263	3,206	-1,160	-26%
Food & Beverage Margin %	20%	22%	19%	18%		
Capital Revenues						
Aramark Contributions	200	545	638	763	125	20%
MTOCA - General Fund	0	110	320	320	-	-
Grants	243	31	-	-	6,741	-
Lodging Tax	5,242	6,741	-	6,741	-	-
Miscellaneous	18	138	-	-	-	0%
Total Capital Revenues	5,703	7,565	958	7,824	6,866	717%
Total Capital Expenses	4,354	2,136	14,465	15,201	737	5%
Net Capital (C')	1,349	5,429	-13,507	-7,377	6,130	0%
Change in Fund Balance B+C=(D)	8,306	11,597	-12,443	-4,374		
Beginning Fund Balance (A)	31,934	34,134	39,902	59,544		
Change in Fund Balance (D)	8,306	11,597	-12,443	-4,374		
Ending Fund Balance A+D=(E)	40,240	32,012	27,459	55,168		

MERC Fund Summary of Resources (\$Thousands)



Revenues	OCC	P'5	Expo	Admin	MERC
Charges for Services	11,789	12,170	4,419		28,378
Food & Beverage	13,050	3,176	2,042	-	18,268
Lodging Tax	11,662	1,391	-	-	13,052
Visitor Development	2,276	704	-	-	2,981
Other	(730)	748	349	1,474	1,841
Total	\$38,046	\$18,188	\$6,810	\$1,474	\$64,519
Capital Revenues	16,797	114	3,022	(12,109)	7,824
Beginning Fund Balance	24,966	13,293	2,527	18,758	59,544
Total Resources	\$79,809	\$31,596	\$12,358	\$8,123	\$131,886

Operating Revenue

The MERC Fund total charges for services of \$28.4 million is 10% greater than the FY 2016-17 Budget. Charges for services revenue include: facility & equipment rentals, parking, and services provided to clients and attendees.

Oregon Convention Center

- OCC's \$11.8 million charges for services revenue is 10% greater than the FY 2016-17 Budget. The event space revenue budget is based on contracted, tentative repeat clients, and historical pickup event bookings. Currently OCC has 45 conventions on the books, the same as last year at this time. The FY 2018 budget assumes an expectation of 47 total national convention bookings compared to the historical average of 42.

Portland's Centers for the Arts

- Portland's \$12.2 million charges for services revenue is 18% greater than the FY 2016-17 Budget. While the number of scheduled weeks of Broadway shows is contracting from a record 12 in FY 2015-16 to 10 weeks, Portland's Presented shows is expanding its program.

Portland Expo Center

- Expo's \$4.4 million charges for services revenue is 6% greater than the FY 2016-17 Budget however reflects a 5% compound annual growth rate from FY 2014-15 actual revenues.
- The MERC Budget Committee reviewed and approved Expo's request of \$280,000 in MTOCA funding for marketing & sales activities, and related facility improvement projects.

Food & Beverage Margins (\$ Thousands)

MERC's food & beverage budget aligns more closely to FY 2014-15 actuals and the 2016-17 Budget due to the phenomenal year the venues' food and beverage operations hosted in FY 2015-16. Food & beverage revenue is budgeted at \$18.3 million 6% more than FY 2016-17.

		2015 Actual	2016 Actual	2017 Budget	2018 Budget	Difference \$	Difference %
OCC	Revenue	12,485	14,939	12,000	13,050	1,050	9%
	Expense	10,058	11,649	9,763	10,841	1,078	11%
	Margin \$	2,427	3,291	2,237	2,209	-28	-1%
	Margin %	19%	22.0%	18.6%	16.9%		
P'5	Revenue	2,989	3,322	3,252	3,176	-76	-2%
	Expense	2,197	2,494	2,521	2,504	-17	-1%
	Margin \$	792	827	731	672	-59	-8%
	Margin %	27%	24.9%	22.5%	21.2%		
Expo	Revenue	1,909	1,997	1,996	2,042	45	2%
	Expense	1,691	1,692	1,702	1,717	15	1%
	Margin \$	218	305	295	325	30	10%
	Margin %	11%	15.3%	14.8%	15.9%		
MERC	Revenue	17,383	20,258	17,248	18,268	1,019	6%
	Expense	13,946	15,835	13,985	15,061	1,076	8%
	Margin \$	3,437	4,423	3,263	3,206	-57	-2%
	Margin %	20%	22%	18.9%	17.6%		

Oregon Convention Center

- OCC food & beverage revenue is forecasted at \$12 million, 2% greater compared to FY 2015-16 budget with a 19% margin.

Portland's Centers for the Arts

- P'5 food & beverage revenue is forecasted at \$3.3 million. This represents a 22% increase over FY 2015-16 due to underestimating food and beverage performance in 2015-16.

Portland Expo Center

- EXPO food & beverage revenue is forecasted at \$2.0 million, 4% more than FY 2015-16 budget.
 - Note: FY 2014 actuals reflect hosting the Cirque du Soleil event.

Transient Lodging Tax (TLT) (\$ Thousands)

The total Transient Lodging Tax (TLT) revenue budget for FY 2017-18 of \$19 million, includes OCC and Portland's maximum increases over the prior year. Because of the uncertainty of economic conditions, TLT Pooled capital revenue was not budgeted for prior to FY 2017-18.

	2013 Actual	2014 Actual	2015 Actual	2016 Actual	2017 Budget	2018 Budget
OCC	8,981	9,610	9,519	10,186	10,593	11,662
P5	1,263	1,294	1,311	1,341	1,371	1,391
Capital	1,067	1,920	5,242	6,741	-	6,741
Total:	11,311	12,824	16,072	18,268	11,964	19,794

Portland's Centers for the Arts

- According to the Visitor Development Fund (VDF) Intergovernmental Agreement (IGA), Portland's is allocated a maximum increase over the prior year receipts, of the Portland-Salem, second-half Calendar Year, Consumer Price Index (CPI), two years prior. For FY 2017-18 this is a 2.57% increase over FY 2017 actual receipts.

Oregon Convention Center

- OCC is allocated the greater of the Portland-Salem CPI as defined above or 7% over the prior year receipts. OCC is expected to receive the full 7% maximum increase over FY 2016-17 actual receipts in FY 2017-18.

Portland Expo Center

- The Portland Expo Center does not receive a direct TLT allocation into its operation like OCC and Portland's, however does receive TLT Pooled Capital.

TLT Pooled Capital

- All TLT receipts over these maximums are deposited into the MERC Fund TLT Pooled Capital account. Because of the record receipts and OCC's and Portland's maximum allocation growth year over year, the TLT Pooled Capital Account balance will continue to grow over the next several years.
- MERC staff proposes to reserve \$5 million in the TLT Pooled Capital account and allocate the remaining fund balance and future annual receipts 85% to OCC and 15% to Expo. The 15% allocation to Expo is estimated to be approximately \$1 million each year, allowing the Expo Center to execute its capital program and maintain fund balance through completion of its debt service in FY 2025-26.

Non-Operating Revenues

Visitor Development Fund (VDF Buckets) includes operational support for OCC and Portland's.

- | | |
|---|-------------|
| Bucket 5 – OCC allocation for operational support - | \$1,363,148 |
| Bucket 7 – OCC allocation for enhanced marketing (pass-through) - | 490,734 |
| Bucket 8 – OCC patron TriMet passes (pass-through) - | 421,306 |
| Bucket 10 – P'5 allocation for operational support - | 703,941 |

Portland's Centers for the Arts

- The City of Portland contribution of \$889,441 to P'5 increases by CPI annually.

- There is no annual contribution from the Portland’5 Foundation for capital renewal and replacement budgeted in FY 2017-18.

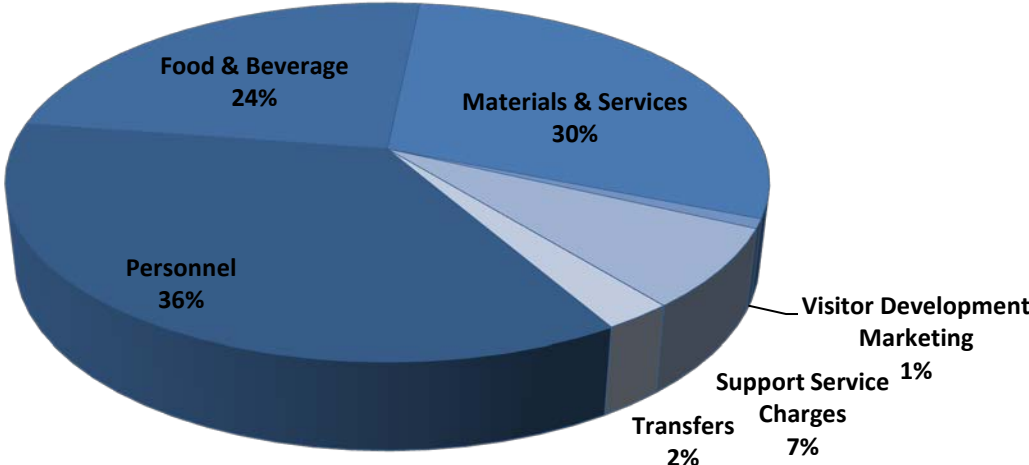
Oregon Convention Center

- OCC Transfer Revenue from other funds:
 - If approved, the TLT Pooled Capital allocation proposal will result in a \$16.0 million transfer from the MERC TLT Pooled Capital Account to OCC in FY 2017-18.

Portland Expo Center

- Expo Transfer Revenue from other funds:
 - The MERC Commission and Metro Council approved a change in the General Fund Metropolitan Tourism and Competitiveness Account (MTOCA) policy language to include Expo as a recipient of funding beginning in FY 2014-15.
 - A FY 2017-18 proposal was made and accepted by the MERC Budget Committee for Expo to be allocated \$280,000 in MTOCA funding for marketing & sales activities, and related facility improvement projects.
 - If approved, the TLT Pooled Capital allocation proposal will result in a \$2.85 million transfer from the MERC TLT Pooled Capital Account to Expo in FY 2017-18.

MERC Fund Summary of Requirements (\$ Thousands)



Expenses	OCC	P'5	Expo	Admin	MERC
Personnel	11,281	7,847	1,939	894	21,961
Food & Beverage	10,841	2,504	1,717	-	15,061
Materials & Services	9,843	6,324	1,475	538	18,179
VDF	491	-	-	-	491
Support Services	2,637	1,322	648	-	4,607
Transfers	193	-	1,022	-	1,216
Total	\$35,286	\$17,996	\$6,801	\$1,432	\$61,517
Capital Expenses	9,556	2,329	3,067	250	15,201
Reserves	34,969	11,271	2,490	6,439	55,168
Total Requirements	\$79,810	\$31,596	\$12,358	\$8,121	\$131,886

Personnel Services
Full Time Equivalent (FTE) Positions

	2015 Actual	2016 Actual	2017 Budget	2018 Budget	Difference 17/18	Additional Request	2018 Total
Convention Center	114.65	114.65	115.65	115.65	0.00	0.00	115.65
Portland'5	46.90	49.40	52.40	53.40	0.00	4.00	56.40
Portland Expo	14.80	15.80	15.30	15.80	0.50	0.00	15.80
Administration	6.00	6.50	6.60	6.65	0.05	0.00	6.65
Total FTE	182.35	186.35	189.95	191.50	0.55	4.00	194.50

The MERC Fund includes a proposed 194.5 full time equivalent (FTE) positions for the FY 2017-18 Budget and approximately 300 part-time employees. This represents a total proposed increase of 4.55 FTE over the prior year. The 1.55 FTE changes from the prior year budget are as follows:

MERC Administration

- (-1.00 FTE) Eliminated Limited Duration Policy Analyst
- (+1.00 FTE) Added a dedicated Senior Construction Project Manager in the CPMO. All CPMO positions are allocated to MERC Admin and paid for by the venues. OCC will pay 100% of this position through its MERC Admin charges/transfers.
- (+0.05 FTE) the CPMO Manager position was allocated 0.25 FTE to MERC Admin in FY 2016-17. This was increased to 0.30 FTE in FY 2017-18.

Portland Expo Center

- Expo budget for two part-time Administrative Assistants in FY 2016-17, one was budgeted as an FTE and one was not. Mid-year, Expo had some staff changes and desired to combine both part-time positions into a single full-time position.

The requested additional 4.00 FTE positions were reviewed and approved by the MERC Budget Committee and are summarized below.

Portland'5 Centers for the Arts

- Full-time day-time Security Agent (1.00 FTE addition) - P'5 is seeking to add this position to provide weekday daytime security coverage for the AHH & ASCH venues. This includes all interior and exterior areas of the building during times that events are not taking place. This position provides daytime facility security and customer service to our staff, clients, and patrons using the AHH public areas and box office, administrative offices, and building perimeter. In the past few years, the number of weekday/daytime security related incidents in the surrounding areas and at Portland'5 facilities has grown exponentially. A number of other Operations staff have stepped in to address issues with loitering and camping outside the facilities, drug dealing & consumption, harassment and verbal abuse, car break-ins, and a number of other quality of life issues. Portland'5 staff have gone above and beyond their specific duties to deal with these issues on a one-off basis usually in response to emergent situations. Adding this position allows Portland'5 to address these issues on a proactive and focused basis. Portland'5 staff, patrons

and the surrounding neighborhood will all benefit from this consistent presence focused on resolving and preventing security issues before they occur.

- Assistant Marketing Director (1.00 FTE addition) - P'5 is seeking to add this position to manage marketing, public relations, and promotions strategies to build and increase audiences, ticket sales, organizational awareness in the community, rental clients and donors for Portland'5 Centers for the Arts. As Portland'5 expands its programming to including self-presenting, education and community events, and other opportunities for organizational awareness, the demands placed on our marketing team have grown significantly. The Assistant Director of Marketing will be responsible for guiding the day-to-day actions of the marketing department so that we are able to sell more tickets to events and raise our organizational brand in the community. The result of this will be higher ticket grosses, more user fees and service fees collected for self-presented events (Portland'5 Presents) and a more favorable brand awareness in our community. The potential will also exist for us to assist our clients sell more tickets to their events. This role is currently being performed by the Director of Booking, Sales and Marketing. Having the Assistant Director of Marketing position filled would enable the Director of Booking, Sales and Marketing to spend valuable time booking more events for Portland'5 Presents, leading the Education and Community Engagement program, and other activities that will further develop long term business opportunities and organizational awareness for the organization.
- Administrative Technician (1.00 FTE addition) - P'5 is seeking to add this to further organize the Operations department administrative functions by the appropriate skill set and pay grade within the department. This includes contracting and procurement coordination and recordkeeping functions, production and event related functions including weekly parking/gate/10 day calendar publishing and distribution, backup to production staff for settlement processes, generation and update of USI/EBMS service orders and templates, and other related administrative functions of the department. As part of this reorganization effort, the facilities and production teams will have more time to focus on facility maintenance, capital projects, event-related production responsibilities and more consistent direct staff supervision. These critical functions have suffered due to increased facility maintenance and capital project needs in aging buildings, and an increase in the volume of "one-off" events that have required significantly more time and effort to plan than recent booking history. Portland'5 Presents also has booked about 50 events a year and production requirements for these events have driven significant increases in time commitment for onsite production responsibilities.
- Administrative Technician (1.00 FTE addition) – P'5 is seeking to add this position to the Booking and Sales departments, including Booking, Marketing, and Education departments. The position will perform general clerical and receptionist functions in support of accomplishing goals and objectives of the department. As the Booking and Sales department continues to grow (addition of education, engagement, and larger marketing staff), we are in need of a full-time Administrative Assistant position to help the team process artist contracts and procurement documents, mail and track payments for Portland'5 Presents events, create requisitions and purchase orders, process invoices and wire transfers, assist with end of month reconciliation of purchase cards, assist with digital and hard copy document management, process monthly and quarterly reports, respond to general inquiry calls and questions, and other various office tasks. This position would also assist the Development Manager position with grant applications, scheduling meetings, taking meeting notes, and communications with key stakeholders. The

position would free up time for other vital members of the staff so that they would be able to help generate more business for Portland's Centers for the Arts. I believe this position will free up staff time so that they will be able to pursue new business opportunities.

Food & Beverage

- While food & beverage revenues are budgeted to increase by 6% over the prior year, food & beverage expenses of \$15 million are budgeted to increase 8% over the prior year due to minimum wage laws and food cost increases. This dynamic results in a \$3.2 million, 17.6% margin, \$57,000 or 1.3% less than FY 2016-17 budget.

Materials & Services

- MERC Administration budgeted a zero increase in Materials and Services (M&S) over the prior year. Expo budgeted only a \$6,000 increase or less than one-half of 1%. OCC's reduction of M&S of 3% (\$319,000) is due to the ramping down of the Hotel Project expenses. Portland's increases in M&S of \$1.2 million (23%) are driven by ticketed event sales, ramping up the Portland's Presents program and one-time expenses.
- Total Materials & Services budget increase over FY 2016-17 is only \$879,000 or 5%. This increase is due to event related increases and one-time expenses.
- Utility rates across the venues are forecasted to increase. However, each of the venues have completed and or in the process of completing several lighting, water, and heating and cooling cost saving projects to contain utility expense growth.

Oregon Convention Center

- The national marketing contract with Travel Portland is \$3,848,000 or 41% of its total Materials & Services budget.
- VDF Bucket 7 for enhanced marketing is budgeted at \$483,797 and passed through to Travel Portland.
- VDF Bucket 8 for OCC patron TriMet passes is budgeted at \$415,350 and passed through to TriMet.

Portland's Centers for the Arts

- Portland's Materials & Services increase of \$1,197,408 or 23% is due to the continued expansion of the *Portland's Presents* program, increased ticket service fees of \$460,000 which is a percentage of gross ticket sales, and over \$200,000 in one-time items for operational support and maintenance.

Portland Expo Center

- Expo implemented several cuts in Materials & Services to achieve an only 0.4% (\$6,000) increase over the FY 2016-17 budget after absorbing over \$85,000 in increases in security and parking lot contract expense increases due to minimum wage and ACA requirements.

Metro Support Services Charges

Total Metro direct and indirect support service charges for FY 2017-18 increased 6% over the FY 2016-17 Budget.

FY 2016-17 Support Services Charges

	OCC	P'5	Expo	MERC
Indirect Charges				
Support Services	2,271,064	1,093,808	518,306	3,883,178
Building Management	12,668	5,623	1,607	19,898
Subtotal Indirect Charges	\$2,283,732	\$1,099,431	\$519,913	\$3,903,076
% of Operating Budget	7.2%	6.6%	10.1%	7.1%
Direct Charges				
Risk Management Claims	288,825	95,879	121,551	506,255
Workers Compensation Claims	64,444	126,799	6,351	197,594
Subtotal Direct Charges	353,269	222,678	127,902	703,849
Grand Total:	\$2,637,001	\$1,322,109	\$647,815	\$4,606,925

Historical Support Service charges

	2014	2015	2016	2017	2018
Oregon Convention Center	1,843,572	2,086,901	2,381,661	2,527,482	2,637,001
Portland'5	1,145,036	1,176,646	1,219,558	1,256,191	1,322,109
Portland Expo Center	327,323	411,666	555,157	551,780	647,815
Total MERC	3,315,931	3,675,213	4,156,376	4,335,453	4,606,925
Increase \$	81,566	359,282	481,163	179,077	271,472
Increase %	3%	11%	13%	4%	6%

Support services indirect charges are calculated amounts for Information Technology, Finance and Accounting, Procurement, Human Resources, Communications, and Legal Services costs. These formulaic charges are based upon actual FTE count, transaction counts (i.e. number of purchasing orders issued), computer server usage, and number of staff hours spent on venue specific items. These charges to operating departments increase when expenses in support departments increase due to items like additional FTE, and PERS and Health & Welfare increases, etc.

Direct charges are actual expenses incurred for identified items, two-years prior. These costs are charged directly to the venue. Metro uses a self insured model of payment for both risk and worker's compensation claims.

Transfers

- Expo transfer to Revenue Bond Fund for Hall D debt payment \$1,022,275
- OCC transfer to Metro General Fund for Streetcar assessment loan repayment 193,487

Capital Summary

Capital project proposals and descriptions are included in the next section by venue.

	2017-18	2018-19	2019-20	2020-21	2021-22	Total
OCC	9,555,500	33,735,000	2,115,000	2,580,000	810,000	48,795,500
Portland'5	2,329,120	6,755,000	1,895,000	1,160,000	1,330,000	13,469,120
Expo	3,066,690	2,355,000	1,195,000	1,130,000	1,790,000	9,536,690
MERC Total:	14,951,310	42,845,000	5,205,000	4,870,000	3,930,000	71,801,310

MERC Administration will distribute \$18,850,000 of TLT Pooled Capital funds, via an intra-fund transfer, to OCC (\$16,000,000) and Expo (\$2,850,000) for qualifying capital projects at each venue.

Reserve Balances**Summary of Reserve Balances FY 2017-18**

	OCC	P'5	Expo	Admin	MERC
Beginning Fund Balance (Bud.)	24,966,039	13,293,035	2,527,012	18,757,584	59,543,670
Fund Balance Inc. / (Dec.)	10,001,384	(2,022,121)	(36,742)	(12,318,429)	(4,375,909)
Ending Fund Balance	34,967,423	11,270,914	2,490,270	6,439,155	55,167,761
Operating Contingency	1,500,000	600,000	350,000	65,000	2,515,000
Renewal & Replacement	31,375,122	8,407,603	-	1,224,059	41,309,909
New Business Strategy	2,092,301	2,263,311	2,140,270	-	5,670,192
TLT Pooled Capital				5,150,096	5,150,096
Total Reserves	34,967,423	11,270,914	2,490,270	6,439,155	55,167,761

**Oregon Convention Center
Capital Request
Fiscal Year 2017-18**

OCC Capital Projects Funding Summary

Project Type / Project Description	2017-18
Major Renovation	
Master Plan Renovation Phase I Design	6,000,000
HVAC	
Cooling System Design Consulting	80,000
Equipment Purchase	
AV Equipment Purchase	150,000
480V Show Equipment	90,000
Tug Tow Tractor	28,000
Building Refurbishment	
Employee Break room Renovation	285,000
Movable Partition Refurbishment	180,000
Building Envelope Assessment/planning	150,000
Setup Supervisors Office Renovation	95,000
Lighting & Electrical	
Access Control Additions	300,000
Exhibit Hall Controls	200,000
Lighting Control System Design	75,000
Information Technology	
OCC VOIP Implementation (Wiring & Hardware)	352,500
Point of Sale System (POS) Replacement	230,000
Safety & Security	
CCTV Camera Conversion (Phase II)	450,000
EST-3 Fire Alarm Notification Upgrades	375,000
Telecom MDF Fire Suppression Upgrade	55,000
Fire Sprinkler System Improvement Design	50,000
Building Improvement	
Loading Dock Improvements (Dock Locks, Enclosures, Levelers)	360,000
Holladay Suites Improvements	50,000
Grand Total:	9,555,500

Telecommunications/VoIP - \$352,500

Funding Source: R & R Reserves

Project Management: OCC/Metro IT

- Replaces existing Meridian Nortel PBX with Cisco VoIP.
- Upgrades phone systems and handsets throughout facility.
- Project is coordinated with Metro IS.

CCTV Digital Camera Upgrade - \$450,000

Funding Source: R & R Reserve

Project Management: cPMO

- Phase II replacement of CCTV cameras, a continuation of the project started in 2015-16.
- Replacement of remaining analog cameras with digital cameras throughout the facility.
- Uses established contracts to complete design and installation.

Integrated Door Access Controls Installation - \$300,000

Funding Source: TLT Pooled Capital

Project Management: cPMO

- Provides electronic controlled access capabilities on identified doors.
- Integrates with the current S2 security system.
- Allows staff control mechanism to prevent guests from accessing prohibited areas.

EST-3 Fire Alarm Notification Upgrades - \$375,000

Funding Source: TLT Pooled Capital

Project Management: cPMO

- Upgrades existing fire alarm system to current code.
- Upgrades fire alarm infrastructure to allow emergency notification integration.
- Emergency Notification System will have the ability to initiate messaging onsite or remotely to desktop, text, public displays, strobe and audible messaging throughout the facility

Telecom MDF Fire Suppression Upgrade - \$55,000

Funding Source: R & R Reserve

Project Management: OCC

- Replace existing water-based fire suppression system with a dry chemical based system.
- Designed to prevent damage to sensitive electronic equipment.

Point of Sale System (POS) Replacement - \$230,000

Funding Source: Aramark Reserves

Project Management: cPMO/Metro IT

- Replaces outdated and end-of-life system.
- Solves current functionality issues, meets PCI compliance, allows mobile transactions, improves inventory controls and allows implementation of different pricing structures.

Loading Dock Infrastructure Improvements - \$360,000

Funding Source: R & R Reserves

Project Management: cPMO

- *Replaces 22 dock-locking devices and enclosures, many of which are damaged and need of extensive repair.*
- *Upgrades safety components with four universal wheel-locks not currently available*
- *Provides visual indicators when truck wheels are locked, providing additional safety for staff and dock users*

Employee Breakroom Renovations - \$285,000

Funding Source: R & R Reserve

Project Management: cPMO

- *Provides first significant changes to employee breakroom in 15 years*
- *Space is currently unable to accommodate the number of employees that use the space.*
- *Renovation includes necessary refrigerators, microwaves, dishwasher, a functional eating area, new flooring, lighting, seating and designated areas for team huddles.*
- *Aims to improve both morale and functionality issues.*

Setup Supervisor Office Renovations - \$95,000

Funding Source: R & R Reserve

Project Management: cPMO

- *Capitalizes on relocation of Lead Engineer and Electrician offices*
- *Redesigns the offices above the employee break room into a cohesive work area for the supervisors with designated separate storage*
- *Addresses underserved power and network capabilities*

Operable Partition Renovation - \$180,000

Funding Source: R & R Reserve

Project Management: OCC

- *Inspects, adjusts and repairs the operable partitions (air walls) on the expansion side of the building.*
- *The daily use over the previous 14 years has caused degradation of tracks, switches, trolleys and overall reliability of the partition.*

Building Envelop Assessment Consulting - \$150,000

Funding Source: R & R Reserve

Project Management: cPMO

- *The glass towers, exterior precast walls and loading dock surfaces create water intrusion issues.*
- *Intrusions impact clients and attendees.*
- *Issues and RFP for consultant to assess, design and propose solutions to water intrusions throughout the facility.*

Lighting Control System Design - \$75,000

Funding Source: R & R Reserve

Project Management: cPMO

- *Redesign of lighting controls for all of OCC*
- *Current system is end-of-life*
- *Redesign integration will work in conjunction with other established projects*

Exhibit Hall Lighting Control System Replacement - \$200,000

Funding Source: R & R Reserve

Project Management: cPMO

- *Replaces lighting controls for all Exhibit Halls in OCC*
- *Current system is end-of-life*

Cooling System Design Consulting - \$80,000

Funding Source: R & R Reserve

Project Management: cPMO

- *A contracted firm will assess, make recommendations for and design a proposal to address the cooling system maintenance and replacement.*
- *The current system is original to the building; over 25 years old*
- *Actual construction scheduled for winter 2019.*

Fire Sprinkler System Design Consulting - \$50,000

Funding Source: R & R Reserves

Project Management: OCC

- *A contracted firm will assess, make recommendations for and design a proposal to address the fire sprinkler design.*
- *Current design does not meet code specifications.*

Facility Master Plan Phase I Design - \$6,000,000

Funding Source: R & R Reserves

Project Management: cPMO

- *Creates a comprehensive plan to update, improve, and modernize the facility and exterior.*

Audio Visual Equipment Purchase - \$150,000

Funding Source: R & R Reserves

Project Management: OCC

- *Updates HD projectors, screens and additional inventory.*
- *Reduces internal staff labor.*
- *Decrease sub-rental costs.*

Holladay Suites Improvements - \$50,000

Funding Source: R & R Reserves

Project Management: OCC

- *Supplies furniture and accessories to newly renovated space*
- *Use of interior designer will help maximize rental appeal*

Tug Tow Tractor Purchase – \$28,000

Funding Source: R & R Reserve

Project Management: OCC

- *A high-capacity tow tractor to move equipment to assist staff in moving heavy equipment around the facility.*

480V Show Equipment Purchase - \$90,000

Funding Source: R & R Reserves

Project Management: OCC

- Updates OCC temporary 480V high power cabling, connectors and disconnects.

**Portland's Centers for the Arts
Capital Request
Fiscal Year 2017-18**

Portland's Centers for the Arts Capital Projects Funding Summary

Project Type / Project Description	2017-18
Building Refurbishment	
Chiller/Cooling Tower & Associated Piping	350,000
Access Control/CCTV replacement	200,000
Shell Rigging Overhaul	125,000
Main Street Rotunda Storefront Doors Replacement	75,000
Elevators	
Backstage Dressing Tower Elevator Overhaul	300,000
Equipment Purchases	
Main Curtain/Organ Loft Curtains/Legs & Borders	100,000
Balcony level & Front Fill speakers	50,000
Aerial Work Platform	20,000
Banquet Chairs replacement	20,000
Electrical & Lighting	
Lighting System Overhaul FOH/Controls/Dimming	300,000
Brunish Theatre Electrical Improvements	50,000
Audience Chamber Lighting Update to LED	25,000
Roofing	
Hatfield Hall Roofing Study and Replacement	50,000
Food & Beverage	
ArtBar Renovation	200,000
Food Service POS system replacement	130,000
Information Technology	
IP Phone System & Infrastructure improvements	214,120
ADA Improvements	
ADA signage (Braille, pictogram, etc.)	50,000
Building Improvements	
Assisted Listening System	70,000
Grand Total:	2,329,120

**Portland Expo Center
Capital Request
Fiscal Year 2016-17**

Portland Expo Center Capital Projects Funding Summary

Project Type / Description	2017-18
Roofing	
Hall D/ Hall E Roof Restoration	1,898,750
Roof Repair - Halls ABC Roof Maintenance and Repairs	80,000
Building Refurbishment	
Parking Lot Asphalt Maintenance / Replacement	135,000
Water Efficiency Upgrades (Phase 2 of 2)	80,000
Interior Paint Concession Stands / FRP	50,000
Building Enhancement	
Connector Glass Door/Plaza Expansion	120,000
HVAC	
Facility Wide HVAC Control replacement	60,000
Hall C HVAC Study and Installation	35,000
Information Technology	
Food & Beverage Point of Sale System	160,000
Entry Trenching, Cabling, and Wi-Fi Upgrade	80,000
Voice Over IP (VOIP) System	107,940
Lighting & Electrical	
Hall A Elec. transformer/LP1 Shore Power /Cirque	150,000
Parking Lot Lighting Replace/Restrooms	70,000
Exhibit Hall Control Lighting review and install - Halls ABCDE	20,000
Equipment Purchase	
Radio Replacements	20,000
Grand Total:	3,066,690

Hall D/ Hall E Roof Restoration (not replacement - Phase 1 of 2) - \$ 1,898,750

Funding Source – TLT Pooled Capital

Project Management: cPMO

This project extends the life of Hall D and Hall E roof through a restoration approach. cPMO recommends combining both the Hall D and E projects for one bid.

▪ **Estimate Full Project:**

Hall D - \$960,000 + \$50,000 architecture oversight (Both roofs) + 15% contingency = \$1,161,500

Hall E - \$1,440,000 + 15% contingency = \$1,656,000

Timing / Cost:

Hall D – Summer 2017 – (July-Sept) arch. oversight, material and application - \$1,161,500,

Hall E – Summer 2018 – (June) – material only - \$737,250

Hall E – Summer 2018 – (July-Sept) material and application - \$918,750 (FY19 - Phase 2 of 2)

- *ROI:* This extends the life of the roofs for an additional 30 years and under warranty – Selecting the 30 year roof will save money in the long run. cPMO has analyzed this option in great length.
- *Safety Features:* The addition of toe clips on the roof will breakup ice buildup and prevent damages to vehicles and property.
- *Environmental Impacts:* A complete tear off of the roof will end up in the landfill – by restoring the roof, we will prevent this from happening. A roof condition assessment will be performed to validate the time frame for restoring the roof and make sure it meets the budget timeframes. This approach allows for future 1.5 gigawatt solar addition without disruption to our warranty.

Halls ABC Roof Maintenance and Repairs - \$80,000

Funding Source – TLT Pooled Capital – M&S

Project Management: cPMO/Expo

- Following review, follow Halls A/B recommended roof maintenance to extend existing roof life.
- Truss and column repair maintenance and upkeep
- *Cardno Report* determined some minor column repair work required for Hall C - \$35,000
- *ROI:* Review and reports have determined that roof restoration will not meet ROI, general maintenance is recommended to promote prolonged useful life. Potential add / alternate with Halls D/E project.

Hall A Electrical transformer/LP1 Shore Power/Cirque - \$150,000

Funding Source – TLT Pooled Capital

Project Management: Expo/HL/Cirque

- Work completion conjunction with efforts by PGE, Hollywood Lights and Cirque du Soleil
- Transformer allows for shore power in Lower Lot 1 for multiple outdoor events
- *Sustainability:* Eliminates use/need for generators for three month period (Cirque)
- *ROI:* Transformer capability and partnership with PGE allows for Hall A/B power option. Partnering with Cirque encourages continued investment in the Expo Center location.

Hall C HVAC Study and Installation - \$35,000

Funding Source – TLT Pooled Capital – M&S

Project Management: cPMO/Expo

- During the Expo Project, this project was noted as adding sales potential to expand availability of Hall C exhibit hall space by cooling and temperature control, representing close to half a year of positive impact.
- Expo Project listed Hall C as the most feasible for current investments. Study (Phase 1 of 2) to analyze and verify feasibility and functionality for a building of this age, size and design.
- Provides campus continuity and comfort control for 2/3 of the campus allowing for expansion into additional 60,000 square feet during April – September high heat months in the NW.
- *ROI:* Sales is the driver here. Adding cooling alone will not provide the ROI. Expanded use in an otherwise quiet timeline for the Hall C space will drive the return and sales revenues.

Connector Glass Door/Plaza Expansion- \$120,000

Funding Source – TLT Pooled Capital

Project Management: cPMO

- Approval of this capital item will complete design to construction drawings, and the initiation and completion of this plaza expansion project (sample drawings available)
- Expansion of the plaza area will increase food and beverage revenue opportunities.
- *Sustainability:* The project will help integrate our storm water green wall and take an otherwise unused space into a revenue generating feature that showcases our mission.
- *ROI:* Proof of concept for this project was completed in FY16 and has been reviewed and supported by the F&B / Aramark team. FY19 will integrate plans for matching food carts

Facility Wide HVAC Control Replacement (Study and Installation) - \$60,000

Funding Source – TLT Pooled Capital

Project Management: cPMO

- Current HVAC control dates back to 1996. New technologies available.
- Facility Wide HVAC Control replacement to include a study in early FY18 and initial equipment purchase followed by final installation late FY18.
- *Sustainability:* Control units help us maintain consistent heating and cooling throughout the facility.
- *ROI:* Improved controls allow us to optimize use and lower expenses.

Entry Trenching, Cabling and Wi-Fi Upgrade - \$80,000

Funding Source – TLT Pooled Capital – M&S

Project Management: Expo/IS

- Expanding telecommunications to the main entry of the Expo Center for a variety of projects: security cameras, electronic signage, parking access controls, POS.
- Trenching from Hall E east to the main entrance. Installation of fiber optic cables to support phones, internet, access controls and signage in the SE corner.
- *ROI:* Expansion of technology on campus allows for revenue opportunities.
- *Safety:* This supports the expansion of our security camera system.

Asphalt Repair, Maintenance and Study - \$135,000

Funding Source – TLT Pooled Capital – M&S / Private contribution – Cirque

Project Management: cPMO/Cirque

- Continuation of parking lot repairs, removal and standard maintenance. Removal and replacement of failing asphalt, to include seal coating of all areas Operations staff will continue to re-stripe the parking lots, walkways, ADA designation areas and safety notices internally. Focus area: Lower Parking Lot 1 or Expo Road - \$60,000.
- Parking lot repairs will always be a part of basic R&R for the 53 acre Expo facility site.
- Regrade and restoration of LP1 to include removable light poles - \$75,000 match with Cirque.
- *ROI:* Partnering with Cirque encourages continued investment in the Expo Center location.

Parking Lot Lighting Replace/Restrooms - \$70,000

Funding Source – TLT Pooled Capital – M&S / Sustainability Grant

Project Management: Expo

- Replacement of light fixtures for the campus parking lots and restrooms through Energy Trust of Oregon Support Grant.
- Parking lot lighting includes estimated 60 parking lot lights and an estimated 75 restroom lights.
- *ROI:* High efficiency lighting and control reduces expense over three year period.
- *Sustainability:* Project supports Metro’s sustainability goals. Energy Trust numbers depend on evaluation and project award.

Water Efficiency - Flush Valve/Ice Machine replacement– \$80,000

Funding Source - TLT Pooled Capital – M&S /Sustainability Grant

Project Management: Expo

- Based on detailed report from the City of Portland Water Bureau, iniici group study and related Energy Trust support – key items were noted to save water and reduce energy costs.
- Focus area: Flush Valves/Ice Machine replacement
- *ROI:* Reduced water use decreases expense
- *Sustainability:* Reduced water use supports Metro’s mission. Energy Trust / City of Portland numbers depend on evaluation and project award.

Exhibit Hall Control Lighting Review and Install (Phase 1 of 2) - \$ 20,000

Funding Source – TLT Pooled Capital

Project Management: Expo

- Successful installation of recent exhibit hall lighting upgrade requires enhanced control system.
- Current lighting will remain, control system and interface will be upgradable. Phase 1 to include review and analysis of system for best product available.
- *Sustainability:* Improve lighting controls will make us more energy efficient.
- *ROI:* Increased control system allows for greater efficiency and reduced expense.

Radio Replacement - \$20,000

Funding Source – TLT Pooled Capital – M&S

Project Management: Expo

- Phase 2 of 3 - Full replacement of analog radios for Admin, Parking and F&B teams.
- Expo is phasing this in as radios are in need of replacement to meet FCC Standards.
- *ROI:* Modern radios have required less repair and service.
- Request of a repeater for radios to advance the technology range at the Expo Center.

Voice Over IP (VoIP) / Phone System –\$70,740

Funding Source – TLT Pooled Capital – M&S

Project Management: IS

- Full replacement of phone system and technology first installed in 1996.
- Current system is outdated and not supported.
- Voice OverIP is an initiative that is Metro-wide. Phase one will review hardware and connections relevant to Expo Center campus as well as initial purchases. Review of current and future needs as well as spin-off projects that are also related to this backbone infrastructure.

Food & Beverage Point of Sale System - \$160,000

Funding Source – Aramark Capital Contribution – M&S

Project Management: Expo/Aramark/IS

- Visitor venue initiative: Food and Beverage POS system to increase sales and reporting efficiencies.
- Ability to utilize tablets or pads for sales, integration with Expo’s current electronic signage system.

Interior Paint Concession Stands / FRP - \$50,000

Funding Source – Aramark Capital Contribution – M&S

Project Management: Expo/Aramark

- Repaint ceiling surfaces, and install FRP (Fiberglass Reinforced Plywood) board on the wall surfaces.
- ROI: Renew and refresh interior of concession stands to match the exterior – a consistent look will present a finished look to the concession stands in hopes to increase customer traffic.
- Food Safety: Installed RFP on wall surfaces for cleanliness and easy cleanup.

**MERC Venues Budget Objectives
FY 2016-17 Budget Objectives Status Report
FY 2017-18 Proposed Budget Objectives**

**MERC Administration
FY 2016-17 Budget Objectives Progress Report**

Objectives for FY 2016-17:

- **Execute the FOTA improvement implementation plan.**
- **Develop and implement phase III of the Expo Project.**
- **Provide a semi-annual Portland's Project Progress Report to the MERC Commission.**
- **Maintain oversight, facilitation, and regular and timely reporting to stakeholders of the required minority contracting and workforce equity goals throughout the construction of the OCC Hotel project.**

Execute the FOTA improvement implementation plan.

Status: COMPLETE

On October 5th 2016, the Commission and the FOTA Task Force received a joint briefing on the implementation of the improvements made to FOTA program to date. Aramark and Metro Human Resources teams have implemented FOTA program changes and are seeing the desired results. Both Metro and Aramark HR reported the expansion of the geographic boundaries to 15 zip codes has increased the number of applicants. Additionally, internal process improvements have been implemented to mitigate bias. Both HR teams have implemented enhanced outreach and hired four full-time positions in 2016 with an additional six full-time position recruitments in process. Both teams have improved tracking, reporting and process assessment/feedback.

Develop and implement phase III of the Expo Project.

Status: IN PROGRESS

MERC received the Market and Financial Feasibility Study conducted by Hunden Strategic Partners in 2014. The project manager and Finance Manager conducted an in-depth financial scenario review with the Expo Internal Advisory Committee in 2015. The Advisory Committee proposed to utilize internal financial levers like TLT Pooled Capital to extend Expo's fund reserves until 2025 and also explore hybrid campus business model options. The Expo Project Internal Advisory Committee met in July 2016 to discuss specific potential investments in Hall C (60,000 square feet) that could maximize its usability and year-round revenue generation. The Committee identified 12 items; the top 3 of which are below that would facilitate this objective listed in order of priority:

1. Improving the insulation, heating and air conditioning of the space
2. Building a lobby / transitional space for ticketing and secure building entry.
3. Cosmetic upgrades including but not limited to, sandblast/expose natural wood, paint walls, window treatments, carpet and sound upgrades.

The Construction Management team (cPMO) also discovered that an investment of \$175,000 or more requiring a building permit into the structure of Hall C may trigger an American Society of Civil Engineers (ASCE) 31 seismic evaluation. However, HVAC upgrades (only requiring a

mechanical permit) would not trigger this evaluation. Expo has incorporate these recommendations into their Capital Improvement Plan.

Expo completed a Facility Condition Assessment (FCA) in October 2016. The Expo project currently has no resources to manage it because of David Fortney's transition to the Diversity, Equity, and Inclusion Program. Once the General Manager of Visitor Venues and the Communication and Policy Development Program Manager positions are filled and work is continued, the project team will have more information to provide to the Commission and Metro Council on next steps.

Provide a semi-annual Portland'5 Project Progress Report to the MERC Commission.

Status: IN PROGRESS

The City of Portland commissioned a facility condition assessment of all of its spectator venues including Portland'5 during the summer of 2016. Portland'5 staff have reviewed the report and submitted their feedback to the City of Portland. The Portland'5 project currently has no resources assigned to manage it because of David Fortney's transition to the Diversity, Equity, and Inclusion Program. Once the General Manager of Visitor Venues and the Communication and Policy Development Program Manager positions are filled and work is continued, the project team will have more information to provide to the Commission and Metro Council on next steps.

Maintain oversight, facilitation, and regular and timely reporting to stakeholders of the required minority contracting and workforce equity goals throughout the construction of the OCC Hotel project.

Status: IN PROGRESS

On October 5th, 2016, the Commission and the FOTA Task Force received a joint briefing on the goals and strategies of the minority and workforce equity goals for the OCC Hotel project. The project goals include:

- Exceed 20% of all hard construction costs contracted to COBID firms
- Exceed 20% of apprentice-able trade labor hours to be worked by apprentices
- Exceed 15% of Project labor hours worked by women
- Exceed 30% of Project labor hours worked by people of color
- Engage and encourage participation by VOSB

The Metro project team is committed to both supporting and holding Mortenson accountable for its business and workforce equity goals through:

- Diligent planning
- Active support
- Regular oversight
- Consistent reporting to the community

Planning for community outreach and engagement and reporting and updates is currently being developed in conjunction with the Mortenson team. It is estimated that the MERC Commission will receive quarterly reports on progress. The project team will present progress reports to the Metro Council semi-annually.

MERC Administration

Proposed Budget Objectives for FY 2017-18:

- Develop and implement phase III of the Expo Project.
- Provide a semi-annual Portland'5 Project Progress Report to the MERC Commission.
- Maintain oversight, facilitation, and regular and timely reporting to stakeholders of the required minority contracting and workforce equity goals throughout the construction of the OCC Hotel project.
- Provide quarterly OCC Hotel construction budget to actual reporting to the MERC Commission.
- Design and implement management training regarding the importance and value of hiring a diverse team.
- Provide monthly Capital Project Progress reports to the Commission.
- Study the long-term economics of rising labor costs and their impacts on financially sustainable venue operations.

**Portland Expo Center
FY 2016-17 Budget Objectives Progress Report**

Objectives for FY 2016-17:

- **Develop strategies and data analysis that support a long-term funding proposal for inclusion of the Portland Expo Center within the Visitor Facility Trust Account (VFTA).**
- **Implement strategies and a staff-driven culture that supports operating revenue enhancement and continued cost containment for the long-term.**
- **Create a long-term capital project plan to a ten-year horizon to maintain an ending fund balance until debt-service payments for Hall D are completed in 2025.**
- **Expand the region's understanding of the complete history, role and economic impact of the Expo Center campus and the numerous public events we host.**
- **Expand the region's understanding of the complete history, role and economic impact of the Expo Center campus and the numerous public events we host.**
- **Develop an event production team that drives new revenue streams through event development, sponsorship/advertising, and use of key dates that create lasting community benefits for our stakeholders.**
- **Continue MTOCA funded and brand-centric improvements to the existing campus that enhance the customer experience and support a modern, welcoming and vital event campus.**

Develop strategies and data analysis that support a long-term funding proposal for inclusion of the Portland Expo Center within the Visitor Facility Trust Account (VFTA).

Status: ON GOING

The Expo Center continues to build strong community relationships, fosters the growth of new and local events as well as developing long-term community traditions. The Expo Center's FY16 economic impact report shows total spending of over \$43M; 470 jobs and total earnings beyond \$17M. These kinds of economic impacts, including tax revenue generation of \$1.5M, have been documented for many years now. The Expo is a key economic driver in our region that serves over 400,000 patrons each year for public events, corporate meetings and even arts programs and concerts. Each year, the Expo Center improves its campus, connects to our history and expands its offerings with a growing number of diverse events and community celebrations. As part of these ongoing efforts related to the Expo Project, Transit Lodging Tax (TLT) collection data from hoteliers in three surrounding zip code areas in North and Northeast Portland were gathered in early 2016. This data focuses on the hotels that are closest to the facility and the vital impact the Portland Expo Center has on their business efforts. There have been numerous informational meetings with both individual and small groups of Metro Council and MERC Commissioner leadership in relation to the ongoing Expo project. Through that work, we are framing a positive dialogue for the inclusion of the Expo Center within the Visitor Facility Trust Account (VFTA) as a deserving venue to receive such support.

Implement strategies and a staff-driven culture that supports operating revenue enhancement and continued cost containment for the long-term.

Status: ON GOING

The focus on revenue generation has been ongoing and successful. A series of meetings have been established for all managers with Ben Rowe, MERC Finance Manager. Emphasis of the meetings have been on revenue generation and continued efforts on expense mitigation and budget control. This also resulted in enhanced Sales goals for the Sales team and a record breaking Q1 for that team.

Further results of this work has been targeting for dynamic pricing in food and beverage for certain events, marketing efforts that drive attendance and per caps, continued expansion of our own drive-in movie series and strong emphasis on the expansion of advance ticket sales by all clients. The team is creating strategies to reward staff that creates revenue enhancement ideas, rentals or services.

Create a long-term capital project plan to a ten-year horizon to maintain an ending fund balance until debt-service payments for Hall D are completed in 2025.

Status: ON-GOING

In both FY16 and FY17, as part of the budget process for the upcoming fiscal year, a five *and a ten* year capital plan were created that was in coordination with, and a part of the Expo Project. This work focused on retaining our existing fund balance of over \$2M, utilized TLT Pooled Capital funding as a reimbursement source for all capital expenses and focused on reaching the horizon date of 2025 when the final bond payment for the Portland Expo Center (Hall D) sunsets. In addition to these efforts, the general obligation bond was refinanced in FY17 creating an additional savings adjustment over the life of that bond. Both the five, and for the Expo – the ten year capital planning efforts, are being revisited during each budget cycle. Finally, a facility review in FY17 by Cardno, has given us a clear path for review of a number of critical systems to protect our building assets.

Expand the region’s understanding of the complete history, role and economic impact of the Expo Center campus and the numerous public events we host.

Status: ON GOING

In May of 2016, the Portland Expo Center successfully hosted “*Honoring our History – A Reflection on the Vanport Flood and the Portland Assembly Center.*” In doing so, staff partnered with Oregon Nikkei Legacy Project, APANO, Vanport Mosaic and Portland Public Schools (Beaumont Middle School). We will once again host this event this spring as well as a special event for the Oregon Nikkei Legacy project that commemorates the 75th anniversary of the actions that led to the forced relocation of thousands Japanese Americans, as well as another series of events for Vanport Mosaic. In Q1 of FY17, Expo staff met with the non-profits leadership to discuss further ways that we expand our partnership. Lastly, with the efforts of Beriult Media and BRINK, the Expo Center is formulating an outreach plan that completed our annual report and a series of meetings with local and regional officials to build a better baseline understanding of the Expo’s economic and other positive impacts to our community.

Develop an event production team that drives new revenue streams through event development, sponsorship/advertising, and use of key dates that create lasting community benefits for our stakeholders.

Status: IN PROGRESS

As part of our FY17 budget plans, contracted services funds were allocated to provide focused assistance to the team for self-produced events, sponsorships and other related items such as marketing and vendor coordination. An RFP was issued in early FY17 that garnered interest from a number of event planners with such experience. However, ultimately no one responded in a timely way to meet the deadlines. The staff regrouped and expanded the existing scope of work for Beriult Media to execute the drive-in event which is already underway. Emphasis on the agreement is to expand community sponsorships, enhance partnership opportunities and meet targeted

revenue and attendance goals. Following the drive-in event, work will include the expansion of self-produced events within the consumer public show market.

Continue MTOCA funded and brand-centric improvements to the existing campus that enhance the customer experience and support a modern, welcoming and vital event campus.

Status: ON-GOING

In Q1 alone, marketing efforts have included development of media suites to fully advantage the use of our electronic signage installed in early Q1. Promotional opportunities are growing with each event. MTOCA funds have provided for physical improvements to the signage throughout the facility for both ADA requirements and upgrades in professionalism. ATM's were protected and enhanced by the addition of four ATM "sleeves" to protect against theft. Parking booths were wrapped in graphic wraps with new signage that provides a connection towards our new logo effort as a phase one in those improvements. For the drive-in event, lighting and other event items were either purchased or rented to enhance the patron experience. Lastly, through use of our mail database, continued outreach is sustaining increased ticket sales, food and beverage features and event attendance.

Portland Expo Center

Proposed Budget Objectives for FY 2017-18:

- Champion the need for long-term funding inclusion of the Portland Expo Center within the Visitor Facility Trust Account (VFTA) through education, data analysis and partnerships.
- Expand and develop our small team of venue professionals through continued training, positive opportunities for growth, professional development and community engagement.
- Complete our varied capital projects on time, under budget and in a manner that supports the goals of our agency while providing opportunities for COBID firms, our region and the long-term capital needs of the Portland Expo Center.
- Drive revenues through successful development of our new event production team to expand sponsorship and advertising, increased new event opportunities and a successful series of performances by the Cirque du Soleil residency in FY18.
- Develop a long-term plan for the Expo Center that supports Metro's broader diversity, equity and inclusion goals through staff development, patron outreach and welcoming customer service approaches.

**PORTLAND'S CENTERS FOR THE ARTS
FY 2016-17 Budget Objectives Progress Report**

Objectives for FY 2016-17:

- **Continue business development initiative via Portland's Presents events.**
- **Continue to develop and implement a plan to address long term funding strategy for Portland's.**
- **Continue to develop and implement revitalization plan for the Portland's Foundation.**
- **Continue development of sponsorship, advertising and marketing initiatives that generate revenue.**
- **Develop education and community engagement program.**

Continue business development initiative via Portland's Presents events.

Status: IN PROGRESS, ON GOING

Portland's Presents has 48 performances booked thus far and anticipates booking a total of 50 shows. Booking for FY18 is already in process. Approximately \$55,000 in advertising, sponsorships and grants has been received thus far. Part two of the Portland's Presents show season brochure is out with an update of shows that will conclude our fiscal year. Co-presentation collaborations continue with the Portland Jazz Festival and Chamber Music Northwest as well as a new collaboration with Portland Classic Guitar. We were also a sponsor of the 2016 Wordstock Festival with Literary Arts and are a presenting sponsor for the Oregon Symphony's Soundsights series. We are currently exploring a new collaboration with NW Film Center and expanded collaborations with the Oregon Symphony and Literary Arts.

Continue to develop and implement a plan to address long term funding strategy for Portland's.

Status: IN PROGRESS

The City funded facility condition assessments of their spectator facilities this summer and included the Keller, Schnitzer and the Hatfield. These reports were reviewed and a gap analysis completed to determine if any critical items have been omitted. These comments were forwarded to the City of Portland for review and discussion. The city also completed a Title II ADA assessment, P5 staff provided comments and a public hearing in regards to this report were held. Some of the items from this report have been included in the FY18 budget. A seismic study is soon to begin.

Continue to develop and implement revitalization plan for the Portland's Foundation.

Status: IN PROGRESS

Foundation has hired a Development Manager. She has been on the job 3 weeks and has been actively organizing Foundation records, formalizing paperwork like conflict of interest forms as well as meeting with P5 marketing and education staff to get a solid understanding of our programs so she can begin identifying potential funders.

Continue development of sponsorship, advertising and marketing initiatives that generate revenue.

Status: IN PROGRESS

Season sponsor renewed their \$20,000 advertising sponsorship and local Toyota dealers gave a \$20,000 sponsorship for student transportation expenses of our education events. Sponsor levels were raised for Music on Main and generated an additional \$5,000 in revenue over previous years. Conversations about sponsorship opportunities continue for Music on Main, our educational outreach programs and P5 season presentations.

Develop education and community engagement program.

Status: IN PROGRESS

Our P5 education and community engagement coordinator has been working to organize our 11 educational programs targeting Title I schools in Portland and expanding into the region. Two National Geographic Live events were presented to Title I elementary and Jr. high students both live in the Newmark Theatre and via live stream into the classroom. She has produced study materials for teachers to use for all of our education programs.

Portland'5 Centers for the Arts

Proposed Budget Objectives for FY 2017-18:

- Continue business development initiative via Portland'5 Presents events.
- Continue to develop and implement a plan to address long term funding strategy for Portland'5.
- Continue to develop and implement revitalization plan for the Portland'5 Foundation.
- Continue development of sponsorship, advertising and marketing initiatives that generate revenue.
- Develop education and community engagement program.

**Oregon Convention Center
FY 2016-17 Budget Objectives Progress Report**

Objectives for FY 2016-17:

- **Develop 15-20 year capital plan from Facility Master Plan and Facility Assessment work. This will help determine future fund balance requirements or need for alternative funding sources.**
- **Develop new employee recognition program to replace B the D**
- **Develop a sales and marketing plan for Hyatt Hotel Convention package.**
- **Obtain a 70% Diversion rate through the new Waste Diversion Policy.**
- **Achieve reduction in energy costs through completed lighting projects and operational solar array.**
- **Improve OCC cellular service and WiFi capabilities through a neutral host Distributed Antennae System (DAS).**
- **Improve OCC WiFi capabilities by adding additional WiFi arrays throughout facility based on network coverage survey to improve WiFi capacity and better handle high density needs for event attendees**
- **Improve OCC cellular service and WiFi capabilities by upgrading fiber backbone throughout to increase network capacity.**
- **Improve ability to connect with customers through social media.**
- **Implement a program to increase Food & Beverage sales to Exhibitors Services**
- **Complete a staffing study**

Develop 15-20 year capital plan from Facility Master Plan and Facility Assessment work. This will help determine future fund balance requirements or need for alternative funding sources.

Status: IN PROGRESS, ON-GOING

The Facility Condition Assessment report is complete. The results will be used to inform the 15-20 year capital plan, as well as address deficiencies. The Facility Master Plan is in process with a focus on preparing OCC for opening of the new convention center hotel in 2019. The plan identifies multiple phases, potential funding sources to address current and future needs of the facility and a design for exterior landscape and entry pavilion project.

Develop new employee recognition program to replace B the D

Status: COMPLETED

The OCC established a new Employee Engagement Program in May 2016. The new committee is charged with four main aspects, including a mechanism for regular and ongoing engagement activities; an anticipated result produced by engagement activities; a budget plan and allocation; and a comprehensive program management plan administered by a committee of staff members. Senior Team introduced this to staff at the August 8 All Staff Meeting. Staff held four Employee Engagement gatherings with great success and learning about each other and the department in charge of planning the event. Multiple shifts were able to participate to be as inclusive as possible.

Develop a sales and marketing plan for Hyatt Hotel Convention package.

Status: IN PROGRESS, ON-GOING

Members of OCC Leadership and Sales teams, Travel Portland representatives and Hyatt Senior Leadership met in July to establish an ongoing relationship and educate the Hyatt team on the current process for booking business. To date, Travel Portland and the hospitality community

created an incentive program to book business in need years of 2018-2019 with an eye to adding business while the hotel/OCC are under construction.

Obtain a 70% Diversion rate through the new Waste Diversion Policy.

Status: IN PROGRESS

The facility wide diversion rate for 2015-16 was 65 percent. On January 1, 2016, the OCC implemented the Waste Diversion Policy, with a goal to educate non-diversion compliant customers on sustainability and implement new practices. For fiscal year 2015-16, OCC achieved an 84% Waste Diversion Policy customer compliance rate. Staff has tested allocating funds collected from non-compliant customers' forfeited deposits to hire temporary staff to sort collected trash, diverting it from the waste stream. With minor adjustments, OCC will continue to use the temp staff resource. OCC projects that the combination of increased customer compliance with the Waste Diversion Policy, in conjunction with on-site sorting, will prove enough to meet the overall goal of 70% facility wide diversion rate.

Achieve reduction in energy costs through completed lighting projects and operational solar array.

Status: IN PROGRESS

The OCC activated the two-megawatt solar array on August 4, 2016. As of October, it has produced over 600,000 kilowatt hours of electricity. Later in August, the OCC updated the lighting in the Oregon Ballroom, Portland Ballroom and loading dock from fluorescent and incandescent to LED. The OCC Electrical department replaced 85 watt fixtures with 55 watt fixtures throughout both levels of the OCC garage completed in February 2017. These changes will earn an incentive from the Energy Trust of Oregon and using internal staff for this project will result in extensive cost savings. The OCC released the RFP for the tower and atrium lighting in September to find a competitive bidder to install in early 2017. To date, costs have decreased, but it is too soon to determine the total annual savings.

Improve OCC cellular service and WiFi capabilities through a neutral host Distributed Antennae System (DAS).

Status: IN PROGRESS

OCC selected InSite Wireless through a competitive bid process to provide the DAS inside the facility. InSite and OCC have a signed contract with the expectation that the system will be operational by the end of 2017.

Improve OCC WiFi capabilities by adding additional WiFi arrays throughout facility based on network coverage survey to improve WiFi capacity and better handle high density needs for event attendees.

Status: IN PROGRESS

OCC completed the purchase of additional Xirrus WiFi arrays and upgraded existing network switches to handle increased network density and speed. Over the next few months, staff will coordinate with the facility events schedule to install the arrays and network equipment.

Improve OCC cellular service and WiFi capabilities by upgrading fiber backbone throughout to increase network capacity.

Status: IN PROGRESS

The OCC works to finalize drawings and specifications to issue an RFB to upgrade the fiber optic infrastructure within the facility. The building currently has the original OM1 fiber. The selected contractor will replace the fiber with OM4 throughout the facility, allowing the OCC to increase network speeds up to ten times faster than currently available, or from 1Gbps to 10Gbps. The DAS project referenced above will improve cellular service.

Improve ability to connect with customers through social media.

Status: IN PROGRESS, ON-GOING

In September, the Graphic Designer of over 20 years retired. This allowed the opportunity to restructure the position to address OCC's enhanced marketing needs, with a focus on content creation for existing and new social media platforms. Content will surround events, OCC's branding message and sustainable programs. As of January 2017, the OCC has over 4,200 Twitter followers and 30,000 Facebook friends. OCC recently recruited a highly qualified candidate to fill the new Marketing Coordinator position, and the team expects this new hire to take our social media followers and interactions to a new level.

Implement a program to increase Food & Beverage sales to Exhibitors Services.

Status: ON HOLD

To reach this goal, the OCC will need a new POS system. This process is currently stalled as challenges have surfaced with PCI compliance and Metro's IS department. Until challenges are resolved, and a clear direction is developed this program remains hold.

Complete a staffing study.

Status: COMPLETE

Metro's Human Resources department, in collaboration with an outside consultant, worked to complete a MERC non-represented compensation and classification study. The results were announced February 10, 2017 with the news that MERC is at or very close to market average compensation for non-represented employees.

Oregon Convention Center

Proposed Budget Objectives for FY 2017-18:

- Complete the first phase priority projects developed through the Master Plan and Facility Assessment work in coordination with the Convention Center Hotel opening in 2019.
- Develop a sales and marketing plan for Hyatt Hotel Convention package.
- Achieve a 95% Waste Diversion Policy compliance by clients and measure and celebrate the amount of waste diverted from landfills.
- Measure and celebrate the energy usage and cost savings achieved through OCC's sustainability measures and capital projects.
- Improve OCC cellular service and WiFi capabilities and customer satisfaction of use of these systems by upgrading fiber backbone throughout.
- Develop and implement a social media marketing and promotion plan to increase Facebook and Twitter followership to over 100,000 customers.
- Implement a program to increase Food & Beverage sales to Exhibitors Services

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
All Departments
2018

Line	Operations	2013-14	2014-15	2015-16	2016-17	2017-18	Change in Annual Budget	
		Actual	Actual	Actual	Budget	Budget	\$	%
1	Charges for Services	20,873,669	25,334,609	30,213,882	25,283,884	28,378,091	3,094,207	12%
2	Contributions from Governments	814,794	837,608	856,873	871,029	889,441	18,412	2%
3	Contributions from Private (ARA)			-	13,000	75,000	62,000	477%
4	Enhanced Marketing VDF	450,000	462,694	473,139	486,118	491,122	5,004	1%
5	Food and Beverage Revenue	14,052,840	17,383,250	20,258,155	17,248,329	18,267,577	1,019,248	6%
6	Grants	32,422	12,873	25,152	55,000	38,000	(17,000)	-31%
7	Interest Earnings	173,347	211,752	443,548	171,000	445,000	274,000	160%
8	Interfund Loans	1,919,916	-	-	-	-	-	
9	Lodging Tax	10,904,188	10,830,714	11,526,677	11,964,317	13,052,470	1,088,153	9%
10	Miscellaneous Revenue	106,187	159,784	323,892	103,440	113,765	10,325	10%
11	Transfers-R	418,633	1,138,263	789,432	280,000	280,000	-	0%
12	Visitor Facilities Trust Account	2,471,052	2,345,524	2,633,638	6,468,315	2,488,395	(3,979,920)	-62%
13	Total Revenues	52,217,048	58,717,071	67,544,388	62,944,432	64,518,862	1,574,430	3%
14							-	
15	Capital Outlay	12,796	-	-	-	-	-	
16	Food & Beverage Services	12,298,206	13,946,162	15,835,228	13,985,429	15,061,480	1,076,051	8%
17	Materials and Services	14,255,752	14,240,191	16,880,110	17,300,339	18,179,347	879,008	5%
18	Personnel Services	16,296,492	17,696,176	19,192,250	20,310,932	21,960,541	1,649,609	8%
19	Transfers-E	5,088,997	5,414,178	8,994,888	9,797,330	5,824,912	(3,972,418)	-41%
20	Visitor Development Marketing	450,000	462,694	473,139	486,118	491,122	5,004	1%
21	Total Expenditures	48,402,241	51,759,941	61,375,615	61,880,148	61,517,402	(362,746)	-1%
22	Net Operations	3,814,807	6,957,131	6,168,773	1,064,284	3,001,459	1,937,175	182%
23							-	
24	Capital						0	
25	Contributions from Private Sources	85,000	200,000	544,917	637,501	762,501	125,000	20%
26	Grants	422,333	243,149	30,980			-	
27	Lodging Tax	1,923,700	5,241,751	6,741,441		6,741,441	6,741,441	
28	Miscellaneous Revenue	-	14,633	137,626			-	
29	Other Financing Sources	5,190	3,125	-			-	
30	Transfers-R	-	-	110,000	320,000	320,000	-	0%
31	Total Revenues	2,436,223	5,702,658	7,564,964	957,501	7,823,942	6,866,441	717%
32							-	
33	Capital Outlay	4,605,435	4,353,906	2,056,738	14,418,744	14,071,310	(347,434)	-2.4%
34	Materials and Services			79,632	46,000	1,130,000	1,084,000	2356.5%
35	Total Expenditures	4,605,435	4,353,906	2,136,370	14,464,744	15,201,310	736,566	5%
36	Net Capital	(2,169,212)	1,348,752	5,428,594	(13,507,243)	(7,377,368)		
37	Fund Balance	1,645,594	8,305,883	11,597,367	(12,442,959)	(4,375,909)		
38								
39	Food & Beverage Margin \$	1,754,635	3,437,088	4,422,927	3,262,900	3,206,097	(1,160,027)	-26%
40	Food & Beverage Margin %	12.49%	19.77%	21.83%	18.92%	17.55%		
41								
42	Full-Time Equivalent (FTE) Positions	175.50	182.35	186.45	189.95	191.50	1.55	0.85%
43								
44	Fund Balance							
45	Beginning Fund Balance (Budgeted)		31,934,460	34,133,771	39,901,642	59,543,670		
46	Fund Balance Inc. (Dec.)		8,305,883	(2,121,299)	(12,442,959)	(4,375,909)		
47	Ending Fund Balance	31,934,460	40,240,343	32,012,472	27,458,683	55,167,761		

MERC Statement of Activity with Annual Budget
 Metropolitan Exposition-Recreation Commission
 All Departments
 2018

						Change in Annual Budget		
		2013-14	2014-15	2015-16	2016-17	2017-18		
		Actual	Actual	Actual	Budget	Budget	\$	%
48								
49	Operating Contingency				2,515,000	2,515,000		
50	Renewal & Replacement				16,140,405	41,309,909		
51	New Capital / Business Strategy				4,877,198	5,670,192		
52	TLT Pooled Capital				3,752,642	5,672,660		
53	Total Reserves				27,285,245	55,167,761		
54								
55	Beginning Fund Balance (Actual)			40,365,842	51,963,209			
56	Fund Balance Inc. (Dec.) (Projected)			11,597,367	7,580,461			
57	Ending Fund Balance (Projected)			51,963,209	59,543,670			
58								
59								
60	Total Resources				103,803,575	131,886,474		
61	Total Requirements				103,803,575	131,886,474		
62					0	-		

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
Convention Center Operating Fund
2018

Line Operations	2013-14	2014-15	2015-16	2016-17	2017-18	Change in Annual Budget	
	Actual	Actual	Actual	Budget	Budget	\$	%
1 Charges for Services	8,674,381	11,548,219	13,573,000	10,764,464	11,789,193	1,024,729	10%
2 Food and Beverage Revenue	9,972,528	12,485,252	14,939,319	12,000,000	13,050,157	1,050,157	9%
3 Grants	20,739	6,878	8,352			-	
4 Interest Earnings	64,792	75,938	180,454	75,000	190,000	115,000	153%
5 Interfund Loans	1,919,916					-	
6 Lodging Tax	9,609,783	9,519,489	10,185,853	10,593,288	11,661,784	1,068,496	10%
7 Miscellaneous Revenue	19,724	44,722	50,854	17,000	17,700	700	4%
8 Transfers-R	(223,432)	93,756	(331,242)	(808,751)	(937,926)	(129,175)	16%
9 <i>General Fund - Hotel Support</i>	-	321,000	-	-	-	-	
10 <i>General Fund - MTOCA</i>	418,633	320,000	210,000	-	-	-	
12 <i>General Fund - Support Services Subsidy FY:</i>	-	80,298	86,300	-	-	-	
13 <i>General Fund - Support Services Subsidy FY:</i>	-	80,299	80,299	-	-	-	
14 <i>MERC Admin Support</i>	(642,065)	(707,841)	(707,841)	(808,751)	(808,751)	-	0%
15 <i>MERC Admin Support - CPMO Sr. Proj. Mngr</i>					(129,175)	(129,175)	
16 VDF Bucket #5 OCC Operation Allocation	1,439,800	1,285,262	1,314,273	1,350,329	1,363,148	12,819	1%
17 VDF Bucket #5 One-time Grant (Hotel)			235,000	4,000,000	-	(4,000,000)	-100%
18 VDF Bucket #7 - Enhanced Marketing	450,000	462,694	473,139	486,118	491,122	5,004	1%
19 VDF Bucket #8 - Transit Passes	386,252	397,067	406,200	421,217	421,306	89	0%
20 Total Revenues	32,334,483	35,919,277	41,035,202	38,898,665	38,046,484	(852,181)	-2%
21						-	
22 Capital Outlay	12,796					-	
23 Food & Beverage Services	8,855,561	10,058,470	11,648,678	9,762,922	10,840,964	1,078,042	11%
24 Materials and Services	9,203,046	7,853,423	9,420,669	9,745,969	9,421,482	(324,487)	-3%
25 Personnel Services	8,549,439	9,279,349	10,184,474	10,892,021	11,280,801	388,780	4%
26 Transfers-E	2,427,981	3,003,759	6,033,996	6,790,481	2,830,488	(3,959,993)	-58%
27 <i>Hotel Development / Grant</i>	-	472,796	3,400,000	4,000,000	-	(4,000,000)	-100%
28 <i>General Fund - Hotel PM</i>	142,347	97,604	63,654	72,212	-	(72,212)	-100%
29 <i>General Fund - Support Services</i>	1,843,570	2,080,459	2,381,661	2,527,482	2,637,001	109,519	4%
30 <i>General Fund - Ptl'd Streetcar Loan</i>	442,064	227,400	188,681	190,787	193,487	2,700	1%
31 <i>General Fund - PERS Reserve</i>		125,500		-	-	-	
32 VDF Bucket #5 One-time Grant (Hotel)						-	
33 VDF Bucket #7 - Enhanced Marketing	450,000	462,694	473,139	486,118	491,122	5,004	1%
34 VDF Bucket #8 - Transit Passes	386,252	397,067	406,200	421,217	421,306	89	0%
35 Total Expenditures	29,885,075	31,054,762	38,167,156	38,098,728	35,286,163	(2,812,565)	-7%
36 Net Operations \$	2,449,408	4,864,515	2,868,046	799,937	2,760,321	1,960,384	245%
37 Net Operations %	108.2%	115.7%	107.5%	102.1%	107.8%	0	6%
38 Capital						-	
39 Contributions from Private (ARA)	-	125,000	399,605	398,438	476,563	78,125	20%
40 Grants	1,800					-	
41 Miscellaneous Revenue	-	14,633	2,455			-	
42 Transfers-R	615,000		650,000	1,695,000	16,320,000	14,625,000	863%
43 <i>MTOCA</i>			110,000	320,000	320,000	-	0%
44 <i>TLT Pooled Capital</i>	615,000	1,123,000	540,000	1,375,000	16,000,000	14,625,000	1064%
45 Total Revenues	616,800	1,262,633	1,052,060	2,093,438	16,796,563	14,703,125	702%
46						-	
47 Capital Outlay	2,712,266	2,322,780	724,109	6,913,959	9,200,500	2,286,541	33%
48 Capital Maintenance - M&S					355,000		
49 Total Expenditures	2,712,266	2,322,780	724,109	6,913,959	9,555,500	2,641,541	38%
50 Net Capital	(2,095,466)	(1,060,147)	327,951	(4,820,521)	7,241,063	12,061,584	-250%
51 Fund Balance	353,943	3,804,368	3,195,997	(4,020,584)	10,001,384	14,021,968	-349%
52						-	
53 Food & Beverage Margin \$	1,116,968	2,426,782	3,290,641	2,237,078	2,209,193	(27,885)	-1%
54 Food & Beverage Margin %	11.20%	19.44%	22.03%	18.64%	16.93%		
55							
56 Full-Time Equivalent (FTE) Positions	112.30	114.65	114.65	115.65	115.65	-	0.00%
57							
58 Fund Balance							

MERC Statement of Activity with Annual Budget
 Metropolitan Exposition-Recreation Commission
 Convention Center Operating Fund
 2018

	2013-14	2014-15	2015-16	2016-17	2017-18	Change in Annual Budget	
	Actual	Actual	Actual	Budget	Budget	\$	%
59 Beginning Fund Balance (Budgeted)		14,644,177	18,574,045	18,513,545	24,966,039		
60 <i>New Business Strategy</i>				1,821,308	2,092,302		
61 <i>Renewal & Replacement</i>				9,499,030	15,130,192		
62 <i>Fund Balance Unassigned</i>				6,295,283	6,368,125		
63 <i>TLT Pooled Capital</i>				772,924	1,043,974		
64 <i>Ararmark Capital Contribution</i>				125,000	331,446		
65 Fund Balance Inc. (Dec.)		3,804,368	3,195,997	(4,020,584)	10,001,384		
66 Ending Fund Balance	14,644,177	18,448,545	21,770,042	14,492,961	34,967,423		
67							
68 Operating Contingency				1,500,000	1,500,000		
69 Renewal & Replacement				11,171,653	31,375,122		
70 New Capital / Business Strategy				1,821,308	2,092,301		
71 Total Reserves				14,492,961	34,967,423		99%
72							
73 Beginning Fund Balance (Actual)			18,574,045	21,770,042			
74 Fund Balance Inc. (Dec.) (Forecasted)			3,195,997	3,195,997			
75 Ending Fund Balance (Forecasted)			21,770,042	24,966,039			
76							
77 Total Resources				59,505,648	79,809,086		
78 Total Requirements				59,505,648	79,809,086		
79				-	-		

MERC Statement of Activity with Annual Budget

Metropolitan Exposition-Recreation Commission

Portland'5 Centers for the Arts Fund

2018

Line	Operations	2013-14	2014-15	2015-16	2016-17	2017-18	Change in Annual Budget	
		Actual	Actual	Actual	Budget	Budget	\$	%
1	Charges for Services	8,142,899	9,957,385	12,679,505	10,351,965	12,170,223	1,818,258	18%
2	Contributions from Governments	814,794	837,608	856,873	871,029	889,441	18,412	2%
3	Contributions from Private				13,000	75,000	62,000	477%
4	Food and Beverage Revenue	2,093,848	2,989,218	3,321,789	3,252,119	3,175,764	(76,355)	-2.3%
5	Grants	-	5,995	6,000	55,000	38,000	(17,000)	-31%
6	Interest Earnings	76,255	100,967	169,135	60,000	170,000	110,000	183%
7	Lodging Tax	1,294,405	1,311,226	1,340,824	1,371,029	1,390,686	19,657	1.4%
8	Miscellaneous Revenue	68,133	81,962	233,102	61,590	61,590	-	0%
9	Transfers-R	(388,603)	(428,413)	(382,213)	(442,226)	(486,226)	(44,000)	10%
10	General Fund - Support Services Subsidy FY16 One-tir		-	46,200	-	-	-	
11	MERC Admin Support	(388,603)	(428,413)	(428,413)	(442,226)	(486,226)	(44,000)	10%
12	Visitor Development Fund Alloc	645,000	663,195	678,165	696,769	703,941	7,172	1%
13	Total Revenues	12,746,731	15,519,143	18,903,180	16,290,275	18,188,420	1,898,145	12%
14							-	
15	Food & Beverage Services	1,731,559	2,196,910	2,494,426	2,520,826	2,503,553	(17,273)	-1%
16	Materials and Services	3,031,888	3,967,386	5,380,756	5,126,153	6,323,561	1,197,408	23%
17	Personnel Services	5,497,004	5,975,182	6,448,947	6,786,405	7,846,573	1,060,168	16%
18	Transfers-E	1,145,041	1,255,121	1,219,558	1,256,191	1,322,109	65,918	5%
19	General Fund - Support Services	1,145,041	1,176,121	1,219,558	1,256,191	1,322,109	65,918	5%
20	General Fund - PERS Reserve		79,000		-		-	
21	Total Expenditures	11,405,493	13,394,599	15,543,687	15,689,575	17,995,796	2,306,221	15%
22	Net Operations \$	1,341,238	2,124,544	3,359,493	600,700	192,624	(408,076)	-68%
23	Net Operations %	13.1%	15.8%	19.5%	5.7%	2.8%	(0)	-50%
24	Capital							
25	Contributions from Private (ARA)	85,000	45,000	87,188	95,625	114,375	18,750	20%
26	Grants	35,000	113,899	30,980			-	
27	Miscellaneous Revenue			135,171			-	
28	Total Revenues	120,000	158,899	253,339	95,625	114,375	18,750	20%
29							-	
30	Capital Outlay	643,700	1,498,685	1,056,623	5,229,405	2,004,120	(3,225,285)	-62%
31	Capital Maintenance - M&S					325,000		
32	Total Expenditures	643,700	1,498,685	1,056,623	5,229,405	2,329,120	(2,900,285)	-55%
33	Net Capital	(523,700)	(1,339,786)	(803,284)	(5,133,780)	(2,214,745)		
34	Fund Balance	817,538	784,758	2,556,209	(4,533,080)	(2,022,121)		
35								
36	Food & Beverage Margin \$	362,289	792,308	827,363	731,293	672,211	(59,082)	-8%
37	Food & Beverage Margin %	17.30%	26.51%	24.91%	22.49%	21.17%		
38								
39	Full-Time Equivalent (FTE) Positions	44.40	46.90	49.40	52.40	53.40	1.00	1.91%
40								
41	Fund Balance							
42	Beginning Fund Balance (Budgeted)		9,837,692	10,622,451	10,529,250	13,293,035		
43	New Business Strategy				2,004,255	2,263,311		
44	Renewal & Replacement				6,867,229	9,148,122		
45	Fund Balance Unassigned				1,641,143	1,663,416		
46	Ararmark Capital Contribution				16,623	218,186		
47	Fund Balance Inc. (Dec.)		784,758	2,556,209	(4,533,080)	(2,022,121)		
48	Ending Fund Balance	9,837,692	10,622,450	2,556,209	5,996,170	11,270,914		
49								
50	Operating Contingency				600,000	600,000		
51	Renewal & Replacement				3,391,915	8,407,603		
52	New Capital / Business Strategy				2,004,255	2,263,311		
53	Total Reserves				5,996,170	11,270,914		63%
54								
55	Beginning Fund Balance (Actual)			10,622,451	13,178,660			

MERC Statement of Activity with Annual Budget
 Metropolitan Exposition-Recreation Commission
 Portland's Centers for the Arts Fund
 2018

	2013-14	2014-15	2015-16	2016-17	2017-18	Change in Annual Budget	
	Actual	Actual	Actual	Budget	Budget	\$	%
56 Fund Balance Inc. (Dec.) (Forecasted)			2,556,209	114,375			
57 Ending Fund Balance (Forecasted)			13,178,660	13,293,035			
58							
59 Total Resources				26,915,150	31,595,830		
60 Total Requirements				26,915,150	31,595,830		
61				-	-		

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
Expo Fund
2018

Line Operations	2013-14	2014-15	2015-16	2016-17	2017-18	Change in Annual Budget	
	Actual	Actual	Actual	Budget	Budget	\$	%
1 Charges for Services	2,398,860	2,396,914	2,512,771	2,545,448	2,737,022	191,574	7.53%
2 Parking	1,657,504	1,414,685	1,448,605	1,622,007	1,681,653	59,646	3.68%
3 Contributions from Private Sources						-	
4 Food and Beverage Revenue	1,986,464	1,908,780	1,997,047	1,996,210	2,041,656	45,446	2.28%
5 Grants	11,683	-	10,800	-	-	-	
6 Interest Earnings	20,690	17,414	29,457	18,000	35,000	17,000	94.44%
7 Miscellaneous Revenue	18,175	33,100	39,935	24,850	34,475	9,625	38.73%
8 Transfers-R	(111,875)	213,330	203,997	280,000	280,000	-	0.00%
9 <i>General Fund - MTOCA</i>		280,000	280,000	280,000	280,000	-	0.00%
10 <i>General Fund - Support Services Subsidy FY16 One-time</i>		56,666	19,500	-	-	-	
11 <i>General Fund - Support Services Subsidy FY15 Part II</i>		-	27,833	-	-	-	
12 <i>MERC Admin Support</i>	(111,875)	(123,336)	(123,336)	-	-	-	
13 Total Revenues	5,981,501	5,984,223	6,242,612	6,486,515	6,809,806	323,291	4.98%
14							
15 Capital Outlay	-	-	-	-	-	-	
16 Food & Beverage Services	1,711,086	1,690,782	1,692,124	1,701,681	1,716,963	15,282	1%
17 Materials and Services	1,405,290	1,252,238	1,389,854	1,468,915	1,474,913	5,998	0.4%
18 Personnel Services	1,510,480	1,668,415	1,726,549	1,765,261	1,939,455	174,194	10%
19 Transfers-E	327,324	428,044	555,157	551,780	647,815	96,035	17%
20 <i>General Fund - Support Services</i>	327,324	411,666	555,157	551,780	647,815	96,035	17%
21 <i>General Fund - PERS Reserve</i>		21,500	-	-	-	-	
22 Total Expenditures	4,954,179	5,039,479	5,363,684	5,487,637	5,779,146	291,509	5%
23 Net Operations	1,027,321	944,744	878,928	998,878	1,030,660	31,782	3%
24							
25 Debt Service	1,188,651	1,188,050	1,186,176	1,182,528	1,022,275	(160,253)	-14%
26 Operations net of Debt	(161,330)	(243,306)	(307,248)	(183,650)	8,385	192,035	-105%
27	97%	96%	95%	97%	100.1%		
28 Capital							
29 Grants	385,533	129,250		-	-	-	
30 Contributions from Private (ARA)		30,000	58,125	143,438	171,563	28,125	20%
31 Other Financing Sources	5,190	3,125				-	#DIV/0!
32 Transfers-R	-	-				-	#DIV/0!
33 <i>TLT Pooled Capital</i>	165,000	360,000	280,000	1,016,740	2,850,000	1,833,260	180%
34 Total Revenues	555,723	522,375	338,125	1,160,178	3,021,563	1,861,385	160%
35							
36 Capital Outlay	962,510	478,441	304,650	2,025,380	2,616,690	591,310	29%
37 Materials and Services			50,989	46,000	450,000	404,000	878%
38 Total Expenditures	962,510	478,441	304,650	2,071,380	3,066,690	995,310	48%
39 Net Capital	(406,787)	43,934	33,475	(911,202)	(45,127)		
40 Fund Balance	(568,117)	(199,372)	(273,773)	(1,094,852)	(36,742)		
41							
42							
43 Food & Beverage Margin \$	275,378	217,998	304,923	294,529	324,693	30,164	10%
44 Food & Beverage Margin %	13.9%	11.4%	15.3%	14.8%	15.9%		
45							
46 Full-Time Equivalent (FTE) Positions	12.30	14.80	15.80	15.30	15.80	0.50	3.38%
47							
48 Fund Balance							
49 Beginning Fund Balance (Budgeted)		3,367,237	3,167,864	2,669,925	2,527,012		
50 <i>New Business Strategy</i>			2,297,958	2,169,141	2,006,195		
51 <i>Renewal & Replacement</i>			291,763	267,350	-		
52 <i>Fund Balance Unassigned</i>			344,710	-	-		
53 <i>TLT Pooled Capital</i>			203,434	203,434	289,254		
54 <i>Ararmark Capital Contribution</i>			30,000	30,000	231,563		

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
Expo Fund
2018

	2013-14	2014-15	2015-16	2016-17	2017-18	Change in Annual Budget	
	Actual	Actual	Actual	Budget	Budget	\$	%
55 Fund Balance Inc. (Dec.)		(199,372)	(324,760)	(1,094,852)	(36,742)		
56 Ending Fund Balance	3,367,237	3,167,865	2,843,105	1,575,073	2,490,270		
57							
58 Operating Contingency				350,000	350,000		
59 Renewal & Replacement				-	-		
60 New Capital / Business Strategy				1,051,635	1,314,580		
61 Aramark Capital				173,438	303,126		
62 TLT Pooled Capital				-	522,564		
63 Total Reserves				1,575,073	2,490,270		37%
64							
65 Beginning Fund Balance (Actual)			3,167,864	2,843,104			
66 Fund Balance Inc. (Dec.) (Forecasted)			(324,760)	(316,092)			
67 Ending Fund Balance (Forecasted)			2,843,104	2,527,012			
68							
69 Total Resources				10,316,618	12,358,381		
70 Total Requirements				10,316,618	12,358,381		
71				0	-		

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
MERC Admin Sub Fund
2018

Line	Operations	2013-14	2014-15	2015-16	2016-17	2017-18	Change in Annual Budget	
		Actual	Actual	Actual	Budget	Budget	\$	%
1	Charges for Services	25	17,406	-			-	
2	Interest Earnings	11,611	17,433	64,501	18,000	50,000	32,000	178%
3	Miscellaneous Revenue	155	-	-	-	-	-	
4	Transfers-R	1,142,543	1,259,590	1,298,890	1,250,977	1,424,152	173,175	14%
5	<i>General Fund Transfer for Direct Costs</i>			39,300	-	-	-	
6	<i>MERC Admin Support From OCC</i>	642,065	707,841	707,841	808,751	808,751	-	0%
7	<i>MERC Admin Support From OCC - CPMO Mngr</i>					129,175	129,175	
8	<i>MERC Admin Support From P5</i>	388,603	428,413	428,413	442,226	486,226	44,000	10%
9	<i>MERC Admin Support From Expo</i>	111,875	123,336	123,336	-	-	-	
10	Total Revenues	1,154,334	1,294,429	1,363,391	1,268,977	1,474,152	205,175	16%
11								
12	Materials and Services	229,275	297,282	282,631	538,085	538,085	-	0%
13	Personnel Services	739,568	773,769	832,280	867,245	893,712	26,467	3%
14	Transfers-E	-	12,000	-	16,350	2,225	(14,125)	-86%
15	<i>General Fund - PERS Reserve</i>		12,000	-	9,250	-	(9,250)	-100%
16	<i>General Fund - Videographer position</i>				5,000	-	(5,000)	-100%
17	<i>General Fund - MRC Master Plan</i>			-	2,100	2,225	125	6%
18	Total Expenditures	968,844	1,083,051	1,114,911	1,421,680	1,434,022	306,769	22%
19	Net Operations	185,490	211,378	248,480	(152,703)	40,130	(401,183)	263%
20	Capital							
21	Lodging Tax	1,923,700	5,241,751	6,741,441	-	6,741,441	6,741,441	
22	Transfers-R	(780,000)	(1,483,000)	(820,000)	(2,391,740)	(18,850,000)	(16,458,260)	688%
23	<i>TLT Pooled Capital to OCC</i>	(615,000)	(1,123,000)	(540,000)	(1,375,000)	(16,000,000)	(14,625,000)	1064%
24	<i>TLT Pooled Capital to Expo</i>	(165,000)	(360,000)	(280,000)	(1,016,740)	(2,850,000)	(1,833,260)	180%
25	Total Revenues	1,143,700	3,758,751	5,921,441	(2,391,740)	(12,108,559)	(9,716,819)	406%
26								
27	Capital Outlay	286,959	54,000	-	250,000	250,000	-	0%
28	Total Expenditures	286,959	54,000	-	250,000	250,000	-	0%
29	Net Capital	856,740	3,704,751	5,921,441	(2,641,740)	(12,358,559)		
30	Fund Balance	1,042,231	3,916,129	6,169,921	(2,794,443)	(12,318,429)		
31								
32	Full-Time Equivalent (FTE) Positions	6.50	6.00	6.60	6.60	6.65	0.05	0.76%
33								
34	Fund Balance							
35	Beginning Fund Balance (Budgeted)		4,085,354	8,001,483	8,188,922	18,757,584		
36	<i>Renewal & Replacement</i>			463,606	901,422	1,193,559		
37	<i>Fund Balance Unassigned</i>			421,199	284,162	289,546		
38	<i>TLT Pooled Capital</i>			3,464,588	7,003,338	17,274,479		
39	Fund Balance Inc. (Dec.)		3,916,129	6,169,921	(2,794,443)	(12,318,429)		
40	Ending Fund Balance	4,084,393	8,001,483	14,171,404	5,394,479	6,439,155		
41								
42	Operating Contingency				65,000	65,000		
43	Renewal & Replacement				1,576,837	1,224,059		
44	TLT Pooled Capital				3,752,642	5,150,096		
45					5,394,479	6,439,155		
46								
47	Beginning Fund Balance (Actual)			8,001,483	14,171,404			
48	Fund Balance Inc. (Dec.) (Forecasted)			187,439	4,586,180			
49	Ending Fund Balance (Forecasted)			8,188,922	18,757,584			
50								

MERC Statement of Activity with Annual Budget
Metropolitan Exposition-Recreation Commission
MERC Admin Sub Fund
2018

51			
52	Total Resources	7,066,159	8,123,177
53	Total Requirements	7,066,159	8,123,177
54		<u>-</u>	<u>-</u>

Portland Expo Center
5-Year Capital Plan by Project Type
FY 2018-2022

Project Type / Description	2017-18	2018-19	2019-20	2020-21	2021-22	Total	
Roofing							
Hall D/ Hall E Roof Restoration	1,898,750	975,000	-	-	-	2,873,750	
Roof Repair - Halls ABC Roof Maintenance and Repairs	80,000	135,000	10,000	10,000	10,000	245,000	
Hall C Roof - Recoat	-	125,000	-	-	-	125,000	
Roof Repair - Hall E Loading Dock and Connector(TLT Pooled)	-	-	-	375,000	330,000	705,000	
Roofing Subtotal:	1,978,750	1,235,000	10,000	385,000	340,000	3,948,750	41%
Building Refurbishment							
Parking Lot Asphalt Maintenance / Replacement	135,000	60,000	60,000	60,000	60,000	375,000	
Water Efficiency Upgrades (Phase 2 of 2)	80,000	-	-	-	-	80,000	
Interior Paint Concession Stands / FRP	50,000	-	-	-	-	50,000	
Halls ABC Interior Paint (R&R)	-	120,000	-	-	-	120,000	
Expo Website Update	-	50,000	200,000	-	-	250,000	
Halls ABC Sound System Replacement (R&R)	-	35,000	-	-	-	35,000	
Facility Wide Door review / install / security	-	35,000	250,000	-	-	285,000	
Neon Sign Tower Painting & Maintenance	-	30,000	-	-	-	30,000	
Campus GeoTech Study	-	20,000	25,000	-	-	45,000	
Facility Wide Drinking Fountain replacement	-	-	50,000	-	-	50,000	
Hall C Columns and Floor Study	-	-	30,000	-	-	30,000	
Facility Wide Overhead Door review / install	-	-	-	35,000	250,000	285,000	
Parking Entry System and Loop Replacement	-	-	-	-	700,000	700,000	
Security Cameras / Access Controls	-	-	-	-	50,000	50,000	
Building Refurbishment Subtotal:	265,000	350,000	615,000	95,000	1,060,000	2,385,000	25%
Building Enhancement							
Connector Glass Door/Plaza Expansion	120,000	45,000	-	-	-	165,000	
Sport Court / Futsal	-	175,000	-	-	-	175,000	
UP4 New Storage Building	-	50,000	250,000	-	-	300,000	
Stage Barricade & Bike Rack (New Bus/Capital)	-	10,000	10,000	-	-	20,000	
Hall D Storage Office Conversion	-	-	35,000	300,000	-	335,000	
Hall D Kitchen Office Conversion	-	-	35,000	300,000	-	335,000	
Expo Cell Phone Tower	-	-	35,000	-	-	35,000	
Fencing Marine Drive	-	-	20,000	-	-	20,000	
Hall D/E Compressed Air	-	-	-	-	50,000	50,000	
Expo Road Relocation	-	-	-	-	25,000	25,000	
Building Enhancement Subtotal:	120,000	280,000	385,000	600,000	75,000	1,460,000	15%
HVAC							
Facility Wide HVAC Control replacement (Study and Installation)	60,000	-	-	-	-	60,000	
Hall C HVAC Study and Installation	35,000	250,000	-	-	-	285,000	
Facility Wide HVAC Control Replacement	-	20,000	-	-	-	20,000	
Hall E HVAC	-	-	-	-	290,000	290,000	
HVAC Subtotal:	95,000	270,000	-	-	290,000	655,000	7%
Information Technology							
Food & Beverage Point of Sale System	160,000	-	-	-	-	160,000	
Entry Trenching, Cabling, and Wi-Fi Upgrade	80,000	-	-	50,000	-	130,000	
Voice Over IP (VOIP) System	107,940	-	-	-	-	107,940	
Information Technology Subtotal:	347,940	-	-	50,000	-	397,940	4%
Lighting & Electrical							
Hall A Elec. transformer/LP1 Shore Power /Cirque	150,000	-	-	-	-	150,000	
Parking Lot Lighting Replace/Restrooms	70,000	-	-	-	-	70,000	
Exhibit Hall Control Lighting review and install - Halls ABCDE	20,000	150,000	-	-	-	170,000	
Lighting & Electrical Subtotal:	240,000	150,000	-	-	-	390,000	4%
Equipment Purchase							
Radio Replacements	20,000	20,000	-	-	-	40,000	
Table Replacements (R&R)	-	50,000	-	-	-	50,000	
Electrical Equipment (New Bus/Capital)	-	-	150,000	-	-	150,000	
Tractor	-	-	35,000	-	-	35,000	
Plastic / Flat Stacking Chairs	-	-	-	-	25,000	25,000	
Equipment Purchase Subtotal:	20,000	70,000	185,000	-	25,000	300,000	3%
Grand Total:	3,066,690	2,355,000	1,195,000	1,130,000	1,790,000	9,536,690	100%

**Portland's Centers for the Arts
5-Year Capital Plan by Facility
FY 2018-2022**

Facility / Project Description	2017-18	2018-19	2019-20	2020-21	2021-22	Total	
Keller							-
Backstage Dressing Tower Elevator Overhaul	300,000					300,000	
Exterior Pre-Cast concrete panel repairs		3,000,000				3,000,000	
Building HVAC Controls (Ph III) & Stage HVAC Improvements		500,000				500,000	
Main Switchgear		300,000				300,000	
Electrical Panels (w/ switchgear)		300,000				300,000	
Interior Paneling repairs/reattachment		100,000				100,000	
Entry Doors Replacement		60,000				60,000	
Stage Pit Lifts Overhaul (2)			350,000			350,000	
Carpet--Front of House			150,000			150,000	
Water Well Cap & Decmmission (slurry fill)				60,000		60,000	
FOH Elevators Overhaul (2)					650,000	650,000	
Keller Subtotal:	300,000	4,260,000	500,000	60,000	650,000	5,770,000	43%
Hatfield Hall							
Lighting System Overhaul FOH/Controls/Dimming (3 prc	300,000					300,000	
ArtBar Renovation	200,000					200,000	
Food Service POS system replacement	130,000					130,000	
Main Street Rotunda Storefront Doors Replacement	75,000					75,000	
Brunish Theatre Electrical Improvements	50,000					50,000	
Hatfield Hall Roofing Study and Replacement	50,000	300,000				350,000	
Backstage Elevator Overhaul		270,000				270,000	
Rotunda/Bistro Carpet Replacement		150,000				150,000	
Park Street/Broadway Storefront Doors Replacement		80,000				80,000	
Brunish Dressing Room Build-Out		30,000				30,000	
FOH Elevators Overhaul (2)			575,000			575,000	
Demand Control Ventilation/Variable Air Volume HVAC Units			20,000	125,000		145,000	
EIFS Replacement Phase III (Rooftop parapets & Fly towers) (previous phase)				400,000		400,000	
Freight Elevator Overhaul					100,000	100,000	
Hatfiled Hall Subtotal:	805,000	830,000	595,000	525,000	100,000	2,855,000	21%
Schnitzer							-
Chiller/Cooling Tower & Associated Piping	350,000	350,000				700,000	
Shell Rigging Overhaul	125,000					125,000	
Audience Chamber Lighting Update to LED	25,000	150,000				175,000	
Broadway Marquee		175,000	200,000			375,000	
Roof Drains		100,000				100,000	
Park Street Marquee			125,000	175,000		300,000	
Seat cushion/fabric replacement (Phase I)			100,000			100,000	
FOH Elevators Overhaul (2)				300,000		300,000	
Seat cushion/fabric replacement (Phase II)				100,000		100,000	
Backstage Dressing Tower Elevator Overhaul					275,000	275,000	
Backstage Elevator Overhaul					210,000	210,000	
Schnitzer Subtotal:	500,000	775,000	425,000	575,000	485,000	2,660,000	20%
Portland's All Facilities / Equipment							-
IP Phone System & Infrastructure improvements	214,120					214,120	
Access Control/CCTV replacement	200,000					200,000	
Main Curtain/Organ Loft Curtains/Legs & Borders	100,000					100,000	
Assisted Listening System	70,000					70,000	
Balcony level & Front Fill speakers	50,000					50,000	
ADA signage (braille, pictogram, etc.)	50,000					50,000	
Aerial Work Platform	20,000	60,000				80,000	
Banquet Chairs replacement	20,000	-				20,000	
Piano Replacement		550,000				550,000	
Ticketing/Offices/Backstage/Stage Door/Renovations		200,000				200,000	
Monitors & Associated Equipment		50,000				50,000	
ADA updates, restroom hardware (bars, paper dispensers, etc)		30,000				30,000	
Main Speakers			150,000			150,000	
Storage Racking Systems - Basement & NMK Backstage			100,000			100,000	
Amplifiers			50,000			50,000	
ADA Updates, lighting and access (door hardware, etc.)			50,000			50,000	
Monitors			25,000			25,000	
ADA Updates, non-construction doors, railings, access					95,000	95,000	
All Facilities / Equipment Subtotal:	724,120	890,000	375,000	-	95,000	2,084,120	16%
Grand Total:	2,329,120	6,755,000	1,895,000	1,160,000	1,330,000	13,369,120	100%

**Portland's Centers for the Arts
5-Year Capital Plan by Project Type
FY 2018-2022**

Project Type / Project Description	2017-18	2018-19	2019-20	2020-21	2021-22	Total	
Building Refurbishment						-	
Chiller/Cooling Tower & Associated Piping	350,000	350,000				700,000	
Access Control/CCTV replacement	200,000					200,000	
Shell Rigging Overhaul	125,000					125,000	
Main Street Rotunda Storefront Doors Replacement	75,000					75,000	
Exterior Pre-Cast concrete panel repairs		3,000,000				3,000,000	
Ticketing/Offices/Backstage/Stage Door/Renovations		200,000				200,000	
Broadway Marquee		175,000	200,000			375,000	
Rotunda/Bistro Carpet Replacement		150,000				150,000	
Interior Paneling repairs/reattachment		100,000				100,000	
Park Street/Broadway Storefront Doors Replacement		80,000				80,000	
Entry Doors Replacement		60,000				60,000	
Stage Pit Lifts Overhaul (2)			350,000			350,000	
Carpet--Front of House			150,000			150,000	
Park Street Marquee			125,000	175,000		300,000	
Seat cushion/fabric replacement			100,000	100,000		200,000	
Water Well Cap & Decommission (slurry fill)				60,000		60,000	
	750,000	4,115,000	925,000	335,000	-	6,125,000	45%
Elevators						-	
Backstage Dressing Tower Elevator Overhaul	300,000					300,000	
Backstage Elevator Overhaul		270,000				270,000	
FOH Elevators Overhaul (2)			575,000			575,000	
FOH Elevators Overhaul (2)				300,000		300,000	
FOH Elevators Overhaul (2)					650,000	650,000	
Backstage Dressing Tower Elevator Overhaul					275,000	275,000	
Backstage Elevator Overhaul					210,000	210,000	
Freight Elevator Overhaul					100,000	100,000	
	300,000	270,000	575,000	300,000	1,235,000	2,680,000	20%
Equipment Purchases						-	
Main Curtain/Organ Loft Curtains/Legs & Borders	100,000					100,000	
Balcony level & Front Fill speakers	50,000					50,000	
Aerial Work Platform	20,000	60,000				80,000	
Banquet Chairs replacement	20,000					20,000	
Piano Replacement		550,000				550,000	
Monitors & Associated Equipment		50,000				50,000	
Main Speakers			150,000			150,000	
Storage Racking Systems - Basement & NMK Backstage			100,000			100,000	
Amplifiers			50,000			50,000	
Monitors			25,000			25,000	
	190,000	660,000	325,000	-	-	1,175,000	9%
Electrical & Lighting						-	
Lighting System Overhaul FOH/Controls/Dimming (3 pr	300,000					300,000	
Brunish Theatre Electrical Improvements	50,000					50,000	
Audience Chamber Lighting Update to LED	25,000	150,000				175,000	
Main Switchgear		300,000				300,000	
Electrical Panels (w/ switchgear)		300,000				300,000	
	375,000	750,000	-	-	-	1,125,000	8%
Roofing						-	
Hatfield Hall Roofing Study and Replacement	50,000	300,000				350,000	
Schnitzer Roof Drains		100,000				100,000	
EIFS Replacement Phase III (Rooftop parapets & Fly towers) (previous phase)				400,000		400,000	
	50,000	400,000	-	400,000	-	850,000	6%
HVAC						-	
Building HVAC Controls (Ph III) & Stage HVAC Improvements		500,000				500,000	
Demand Control Ventilation/Variable Air Volume HVAC Units			20,000	125,000		145,000	
	-	500,000	20,000	125,000	-	645,000	5%
Food & Beverage						-	
ArtBar Renovation	200,000					200,000	
Food Service POS system replacement	130,000					130,000	
	330,000	-	-	-	-	330,000	2%
Information Technology						-	
IP Phone System & Infrastructure improvements	214,120					214,120	2%
ADA Improvements						-	
ADA signage (Braille, pictogram, etc.)	50,000					50,000	
ADA updates, restroom hardware (bars, paper dispensers, etc)		30,000				30,000	
ADA Updates, lighting and access (door hardware, etc.)			50,000			50,000	
ADA Updates, non-construction doors, railings, access					95,000	95,000	
	50,000	30,000	50,000	-	95,000	225,000	2%
Building Improvements						-	
Assisted Listening System	70,000					70,000	
Brunish Dressing Room Build-Out		30,000				30,000	
	70,000	30,000	-	-	-	100,000	1%
Grand Total:	2,329,120	6,755,000	1,895,000	1,160,000	1,330,000	13,469,120	100%

Oregon Convention Center
5-Year Capital Plan By Project Type
FY 2018-2022

Project Type / Project Description	2017-18	2018-2019	2019-2020	2020-2021	2021-2022	Total	
Major Remodel							
Master Plan Renovation Phase I Design	6,000,000					6,000,000	
Master Plan Renovation Phase I Construction		29,000,000				29,000,000	
Major Remodel Subtotal:	6,000,000	29,000,000	-	-	-	35,000,000	72%
HVAC							
Cooling System Design Consulting	80,000					80,000	
Cooling Tower Replacement		1,200,000				1,200,000	
Chiller Replacement		1,100,000				1,100,000	
Boiler Replacement Design & Engineering			75,000			75,000	
Boiler Replacement				1,750,000		1,750,000	
HVAC Subtotal:	80,000	2,300,000	75,000	1,750,000	-	4,205,000	9%
Equipment Purchase							
AV Equipment Purchase	150,000	150,000	150,000	150,000	150,000	750,000	
Tug Tow Tractor	28,000					28,000	
Cardboard Baler & Canopy	-	215,000				215,000	
Chair Replacement - ABC Meeting Rooms & Oregon Ballrooms (5000 chairs) (1 o			600,000		660,000	1,260,000	
Table Replacement (Meeting Room/Ballroom/Ex Hall Full Replacement)			400,000			400,000	
AV Audio System Upgrade			315,000			315,000	
Public Circulation Furniture Replacement			175,000			175,000	
Equipment Purchase Subtotal:	178,000	365,000	1,640,000	150,000	810,000	3,143,000	6%
Food & Beverage							
Orbit Bakery/Front Remodel		700,000				700,000	
Sandwich Company Renovation			250,000			250,000	
Portland Roasting Coffee #1 Renovation			150,000			150,000	
Tortilla Crisp Renovation				400,000		400,000	
Portland Roasting Coffee #2 Renovation				150,000		150,000	
Food & Beverage Subtotal:	-	700,000	400,000	550,000	-	1,650,000	3%
Building Refurbishment							
Employee Break room Renovation	285,000					285,000	
Movable Partition Refurbishment	180,000					180,000	
Building Envelope Assessment/planning	150,000					150,000	
Setup Supervisors Office Renovation	95,000					95,000	
480V Show Equipment	90,000					90,000	
Major Maintenance Exterior Waterproofing/Painting		400,000				400,000	
Tower/South Atrium Glazing Maintenance		300,000				300,000	
Building Refurbishment Subtotal:	800,000	700,000	-	-	-	1,500,000	3%
Lighting & Electrical							
Access Control Additions	300,000					300,000	
Exhibit Hall Controls	200,000					200,000	
Lighting Control System Design	75,000					75,000	
Lighting project (Fluorescent Back of House, Offices)		500,000				500,000	
Lighting & Electrical Subtotal:	575,000	500,000	-	-	-	1,075,000	2%
Information Technology							
OCC VOIP Implementation (Wiring & Hardware)	352,500					352,500	
Point of Sale System (POS) Replacement	230,000					230,000	
WiFi & Show Network II Upgrade		120,000		130,000		250,000	
Information Technology Subtotal:	582,500	120,000	-	130,000	-	832,500	2%
Safety & Security							
CCTV Camera Conversion (Phase II)	450,000					450,000	
EST-3 Fire Alarm Notification Upgrades	375,000					375,000	
Telecom MDF Fire Suppression Upgrade	55,000					55,000	
Fire Sprinkler System Improvement Design	50,000					50,000	
Alerton Software Upgrade Cont (last year of this)		50,000				50,000	
Safety & Security Subtotal:	930,000	50,000	-	-	-	980,000	2%
Building Improvement							
Loading Dock Improvements (Dock Locks, Enclosure	360,000					360,000	
Holladay Suites Improvements	50,000					50,000	
Building Improvement Subtotal:	410,000	-	-	-	-	410,000	1%
Grand Total:	9,555,500	33,735,000	2,115,000	2,580,000	810,000	48,795,500	100%