



METROPOLITAN EXPOSITION RECREATION COMMISSION

2009-10 FY Preliminary Budget

MERC Commission
Budget Committee Meeting

January 23, 2009

Oregon Convention Center
King Board Room
777 MLK Boulevard
Portland, Oregon

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Metropolitan Exposition Recreation Commission

BUDGET DEVELOPMENT CALENDAR

January 23, 2009

Budget Development Process		Date
MERC	Budget Committee Meeting - OCC King Board Room 11:00 AM - 1:00 PM Draft Budget Calendar & Assumptions Budget Overview	October 29
MERC	Budget Assumptions distributed to MERC Venues	October 30
Metro	Budget Preparation Materials - Metro Council Work Session	November 5
	<i>Holiday Veterans Day</i>	<i>November 11</i>
	<i>Holiday Thanksgiving</i>	<i>November 27</i>
MERC	Venues develop 2009-10 FY Budget and Five Year Capital Plan	November/December
MERC	Facility Directors and Operations Managers meet with MERC Construction Manager	November/December
PCPA	Present Proposed Capital Projects to the Friends of PCPA for approval	November/December
MERC	Venue Budgets Due (meet with Woolson, Taylor and Hill) <i>Robyn Williams</i> <i>Chris Bailey</i> <i>Jeff Blosser</i>	December 15 thru 19
MERC	Review venue budgets and develop Budget Committee materials	December 22 thru January 9
	<i>Christmas Day</i>	<i>December 25</i>
	<i>New Years Day</i>	<i>January 1</i>
MERC	Distribute Budget Committee Materials	January 14
MERC	Budget Committee Meeting - King Board Room 11:00 AM - 2:00 PM	January 23
	<i>Martin Luther King Jr. Day</i>	<i>January 19</i>
MERC	Distribute Commission Materials	January 21 or 22
MERC	Commission Meeting - Present Proposed Budget	January 28
Metro	MERC Budget due to Metro	February 20
MERC	Distribute Budget Committee Materials	February TBD (10 - 13)
MERC	Budget Committee Meeting - Approve Budget Proposal for submission to Commission MERC Board Room 11:00 AM - 1:00 PM	February 17
MERC	Distribute Commission Materials	February 18 or 19
MERC	Commission Meeting - Approve Proposed Budget for submission to Metro Council	February 25
MERC	Budget Committee Meeting - as needed Location TBD	March TBD
MERC	Distribute Commission Materials	March 19 or 20
MERC	Commission Meeting - Revise and Approve Proposed Budget	March 25
Metro	Present the Proposed Budget to Metro	April 2
MERC	Budget Committee Meeting - as needed Location TBD	April 22

Metropolitan Exposition Recreation Commission

BUDGET DEVELOPMENT CALENDAR

January 23, 2009

Budget Development Process		Date
MERC	Commission Meeting - Final Amendment to the 2009-10 Proposed Budget	April 22
Metro	Council Approves Budget for Transmittal to TSCC	April 30
Metro	Deadline to submit budget to TSCC	May 15
MERC	Commission Meeting - Final Amendments 2008-09 Current Year Budget	May 27
Metro	TSCC Public Hearing	June 4
	Council Chambers	12:30 PM - 2:00PM
Metro	Adoption of Final Amendments	June 11
Metro	Adoption of the Budget	June 18
MERC	Send MERC Budget Resolution to Multnomah County - VDF Request Attention: Bill Moravic -Mindi Harris - Harry Morton	June 25
MERC	Commission Meeting	June 17

Budget Committee Meetings
Commission Meetings
Metro Meetings and Deadlines
<i>Holidays</i>

* Council and Metro Dates are estimates and subject to change

Metropolitan Exposition Recreation Commission

Transient Lodging & Rental Car Taxes

Revised 01/21/2009

Metro/MERC Distribution

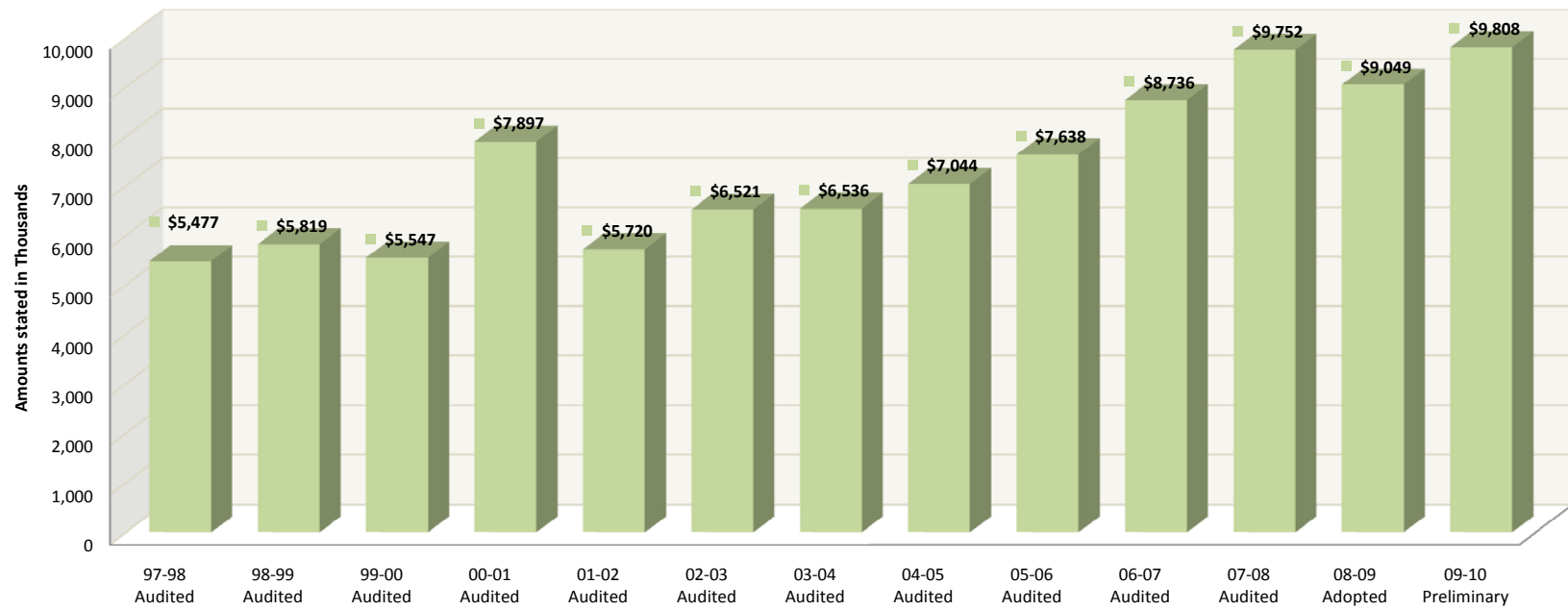
(stated in thousands)	Audited 97-98	Audited 98-99	Audited 99-00	Audited 00-01	Audited 01-02	Audited 02-03	Audited 03-04	Audited 04-05	Audited 05-06		Audited 06-07	Audited 07-08	Adopted 08-09	Preliminary 09-10
Hotel/Motel Tax for OCC	3,800	4,066	4,286	4,586	4,462	5,016	5,098	5,494	6,629	*	6,729	7,838	7,560	8,319
Hotel/Motel Tax for PCPA	1,200	1,248	1,261	1,300	1,258	1,335	1,438	1,550	927	*	1,391	1,433	1,489	1,489
For OCC Pooled Capital	477	505	-	2,011	-	170	-	-	82	*	616	481		
Total Metro/MERC	5,477	5,819	5,547	7,897	5,720	6,521	6,536	7,044	7,638	*	8,736	9,752	9,049	9,808
Percent change		106%	95%	142%	72%	114%	100%	108%	108%		114%	112%	93%	108%

Total Metro/MERC VDI

(stated in thousands)	Audited 00-01	Audited 01-02	Audited 02-03	Audited 03-04	Audited 04-05	Audited 05-06	Audited 06-07	Audited 07-08	Adopted Budget 08-09	Preliminary 09-10
VDI for OCC (2001-06)	5,740	600	950	1,000	250	300	300	400	1,060	660
VDI Enhanced Marketing (POVA)	250	350	352	357	367	376	386	398	413	413
PCPA Visitor Development Fund	250	500	504	-	24	537	554	563	563	563
Total Metro/MERC VDI	6,240	1,450	1,806	1,357	641	1,213	1,240	1,361	2,036	1,636

* FY 2005-06 includes a \$444,135 adjustment between OCC and PCPA reconciling PCPA to the annual CPI increase.

Transient Lodging Tax



Metropolitan Exposition Recreation Commission

Headquarter Hotel

January 19, 2009

	Actuals 2006/07	Actuals 2007/08	Actuals 2008/09 YTD	Forecast through 6/30/2009	Totals	Current Year Budget 2008/09
<u>Personal Services</u>						
Personal Service -Metro Project Manager	0	28,748	21,949		50,696	20,000
Total Personal Services	0	28,748	21,949	0	50,696	20,000
<u>Goods & Services</u>						
Meetings Expense	0	541	85		626	0
Developer Agreement 1	0	600,028	0	60,000	660,028	0
Services - Construction Consulting	0	0	31,357	37,285	68,643	0
Services - Communications	44,132	56,424	28,300	71,700	200,556	0
Services - Financial SNW	0	133,441	35,473	40,000	208,913	0
Services - Legal OHS	0	52,194	127,402	22,297	201,894	184,000
Services - Management/Consulting	23,265	8,836	0		32,101	22,000
Services - Market Analysis HVS.SAG.TS	42,035	78,194	2,925	20,846	144,000	0
Services - Project Management	15,834	41,999	0		57,833	0
Total Goods & Services	125,266	971,657	225,542	252,129	1,574,594	206,000
Total Expenditures	125,266	1,000,405	247,490	252,129	1,625,290	226,000
Transfers from General Fund from General Fund	0	669,720	0	0	669,720	0
Total Transfers from General Fund	0	669,720	0	0	669,720	0
Net Increase/(Decrease) to OCC Fund Balance	(125,266)	(330,685)	(247,490)	(252,129)	(955,570)	(226,000)
<u>Current Contracts</u>						Balance 1/19/2008
Metro - Seattle Northwest - Financial Services						131,087
Metro - Orrick Harrington & Sutcliffe - Legal Services						22,297
MERC - HVS - Market Analysis						20,846
Metro - Developer Agreement						60,000
MERC - Ethos - Construction Management						68,643
Metro - Metropolitan Group - Communications						71,700
Total Contract Balances Available						374,573
<u>Future Requirements</u>						
Developer Agreement Phase 2 (MERC & PDC)						5,000,000
Demolition and Site Prep (PDC)						1,000,000
Developer Agreement Phase 3 MERC & PDC)						5,000,000
Total Future Requirements						11,374,573

Travel Portland

National Sales Contract

Budget FY 2009-10	Budget 08-09	CPI	Current Year	Budget 09-10	Increase over prior year
Base Contract:					
Travel Portland (POVA) 2008-09	2,066,103	3.0%	61,983	2,128,086	61,983
Marketing	81,557	3.0%	2,447	84,003	2,447
Total Base Contract	2,147,659		64,430	2,212,089	64,430
Additional Amounts:					
2% for Fam, Sales Trip, Marketing	2,147,659	2.0%	42,953	42,953	42,953
Headquarters Hotel Efforts	250,000		-	250,000	-
OCC Sales & Marketing Contribution	20,000		5,000	25,000	5,000
Additional Amount Approve June 6, 2008	160,000		-	160,000	-
New projects developed by OCC, Travel Portland, Tri-County Lodging to market the Portland destination for conventions and single hotel business					
Total Additional Amounts	2,577,659		47,953	477,953	47,953
Total Travel Portland (POVA) Contract 2009-10 FY				2,690,042	112,383
VDI Enhanced Marketing				412,681	
Total National Sales				3,102,723	

1 % of MERC 3% Transient Lodging Tax for Marketing	2007-08 Actual	1/3 of Total
Oregon Convention Center	8,319,253	0.33 2,770,311
Portland Center for the Performing Arts	1,433,334	0.33 477,300
Total MERC TLT Fund	9,752,587.00	3,247,611

2009-10 Preliminary Budget Overviews

Budget Committee Meeting January 23, 2009

Budget Committee Meeting Schedule

- October 29, 2008 Distribute and review budget schedule and assumptions
- January 23, 2009 Review Preliminary Budget and Five Year Capital Plan
- February 17, 2009 Review changes since January 23rd and approve a budget

Significant Issues

- The uncertainty of the economy and potential impact
 - Cancellation of events
 - Reduction of revenue - even without cancellations
 - Facility rental decrease if fewer exhibitors participate
 - Food and beverage revenue is lower due to fewer attendees
 - Parking revenue reduced due to fewer exhibitors and attendees
 - Use of other services may decline to reduce the cost of event promotion
- Transient Lodging Tax receipts are expected to be flat or decline
 - Based on 2007-08 Actuals a 1% decline equals \$97,526
 - OCC \$83,193
 - PCPA \$14,333
- VDI Buckets at risk
 - Based on the 2007-08 Actuals a 1 % decline equals \$119,043
- Headquarters Hotel
 - Contingency Resources for Headquarters Hotel Project \$5,186,398
 - PERS Reserves (excluding PCPA) \$1,486,398
 - From Oregon Convention Center fund balance \$3,700,000
- Third year contribution to Renewal & Replacement for a total accumulated of \$2,965,310
 - 2009-10 Renewal & Replacement contribution \$970,000
 - EXPO \$ 20,000 Total \$ 60,000
 - OCC \$250,000 Total \$ 725,000
 - PCPA \$700,000 Total \$1,000,000
 - 2009-10 accumulated balance in Contingency for Capital (Transient Lodging Tax) \$1,180,310
 - 2005-06 \$ 82,369
 - 2006-07 \$616,516
 - 2007-08 \$481,426
 - OCC is proposing two capital projects funded from this contingency

Operating Revenue, excluding Food & Beverage, is \$17,896,961 a 1% decrease from 2008-09

- EXPO \$3.7 million operating revenue is 3% less than current year budget
 - Includes a 3% increase in building rental rates
 - Anticipates a 10% reduction in facility rental
 - Parking includes general public, exhibitor parking and the Tri-Met parking lot lease.
- OCC \$7.7 million operating revenue is 4% greater than current year budget
 - The number of conventions increase from 34 for this year to 41
 - Two major events have cancelled (Urban Land Institute and Intel DTTC)
 - Anticipate fewer local events
 - AV equipment purchases will decrease rental expense and increase service revenue
 - Parking revenue increase due to a greater emphasis on selling exhibitor parking
- PCPA \$6.5 million operating revenue is 4% less than FY 2008-09 budget
 - Assumes 9 weeks of Broadway compared to 14.5 weeks for the current year
 - Commercial concerts budgeted at 2007-08 level
 - Resident companies' usage is flat
 - Ticket sales commission assumes an 11% increase due to \$.05 ticket fee increase, \$50,000 volume rebate and early sales for Lion King in January 2010.
 - Resident Companies' user fee will increase by \$.025.

Food & Beverage Revenues is flat at \$12.5 million same as the current budget

- Food & Beverage Margin for Consolidated MERC is 21% which equals \$2.6 million net revenue. This is slightly less than the current year budget.
 - EXPO revenues \$2.1 million with a 26.4% margin
 - 2009-10 revenue is projected to be 1% less than current year with about the same margin.
 - OCC revenue \$8.95 million with a 21.1% margin
 - Revenue is projected to be 1% increase over the current year budget with a comparable margin.
 - PCPA revenue \$1.4 million with 12.3% margin
 - Revenue is anticipated to be down 6% from the current year budget with fewer weeks of Broadway. Margin is projected to decline.

Non - Operating Revenues

- Transient Lodging Tax \$11,473,912
 - OCC is budgeted at 2007-08 actual
 - 2007-08 actual was greater than the 2008-09 budget
 - PCPA is based on current year budget
 - 2007-08 actual was less than the 2008-09 budget
- VDI Enhanced Support
 - OCC \$660,000 request from the Visitor Development Fund.
 - PCPA \$592,996 same as 2008-09 Budget
- Enhanced Marketing \$412,681 same as 2008-09 Budget
- City of Portland - PCPA
 - Contractual support is \$760,926 – a CPI increase compounded for 2008-09 and 2009-10 FY
 - 50% dedicated to the upkeep of City owned facilities.
 - 50% dedicated to operations to off-set resident companies fee schedule
- Investment Earnings estimated at 2.5%

Personal Services

- Full time employee 195 FTE
- Part time employees 317 – direct labor that varies based on event requirements
- 3.00 FTE new positions are requested in the 2009-10 budget
 - Add 2.00 FTE new positions at OCC
 - Security Agent to the Graveyard Shift
 - Public Relations Manager
 - Convert .75 FTE part time Marketing Promotions Coordinator to full time Public Relations Manager.
 - Add 1.00 FTE new position at PCPA
 - Video System Coordinator agent depends on receiving a Grant
 - Convert .75 FTE part time Marketing Promotion Coordinator to full time Video System Coordinator
- FTE changes during the 2008-09 fiscal year
 - Two .50 FTE IT positions were combined into 1.00 FTE Business System Analyst
 - Reclassify 1.00 FTE Public Relation Manager (vacant) to Director of Business and Community Development in Executive Office
- Salary and wage adjustments full-time non-represented
 - 6% pool
 - Merit Matrix pay increases
 - Target Achievement Pay (TAP)
 - Other salary adjustments
- Represented Labor Groups
 - 4% inflation factor

Materials and Services

- 3% CPI – unless better estimate available or directly based on event activity
- Utility increases expected to be greater than CPI
- Aramark food & beverage expenses \$9,895,028 for Consolidated MERC
- National Marketing Contract \$3,102,723
 - Base contract increased by 3% \$2,128,086
 - Special marketing increased by 3% \$ 84,003
 - Increase base contract an additional 2% \$ 42,953
to continue funding for FAM Trips, marketing
 - New marketing initiatives. \$ 250,000
 - Continues the \$100,000 VDI request
 - An additional \$100,000 VDI request
 - OCC \$50,000 contribution
 - OCC Sales & Marketing for advertising \$ 25,000
 - Destination marketing requested by VDI \$ 160,000
 - VDI Enhanced Marketing \$ 412,681
- MERC Support Costs increase 5%
- Metro Indirect Cost/Support Services transfer is estimated at 5% increase pending notice from Metro.
- Metro Risk Management Services are estimated at 5% increase pending notice from Metro.
 - Property Insurance based on property values
 - Liability allocated based on three year average losses
 - Workers' Compensation based on three year average losses

Transfers

- Interfund Transfers In
 - \$692,490 incoming transfer from Metro Tourism Opportunity and Competitiveness Account (MTOCA). Three proposed Capital projects included on the OCC Five Year Capital Plan are intended to be funded by this source.
- Debt Service
 - EXPO bond payment for Hall D Replacement \$1,188,631
 - OCC LID payment for the Steel Bridge \$ 17,258

Capital Projects

- Projects over \$100,000
 - OCC Moveable Air Wall Repair \$ 340,000
 - OCC Upgrade Kitchen Capacity (new F & B contract) \$1,000,000
 - OCC VAV Controllers & CO2 Sensors \$ 100,000
 - OCC Lighting Fixture Replacement & Upgrade \$ 200,000
 - OCC Add Automatic Hand Dryers to all Restrooms \$ 150,000
 - OCC Kinko's Remodel \$ 150,000
 - OCC Brew Pub Restaurant Project \$ 600,000
 - PCPA Hatfield Cultural Video Project \$ 522,188
 - PCPA Food & Beverage Capital Investment (new contract) \$ 175,000
 - EXPO Food & Beverage Capital Investment (new contract) \$ 187,500

Five Year Capital Plan

- The five year Capital plan includes all projects and capital purchased over \$10,000 requested by venues. See attached Five Year Capital Plan.

Results and Fund Balance

- Net decrease to fund balance is \$1,5999,620
- Fund Balance is proposed to be \$24,102,641 which is \$1.6 million less than the current year budget Fund Balance.
 - \$9,606,861 of the Fund Balance is designated or restricted for a specific purpose.
 - Leaving \$14,495,780 million available for strategic fund balance
- Restricted and Designated
 - PERS Reserves, current and prior
 - PERS Reserves as established by Metro are \$375,932
 - PERS Reserve \$1.49 million and OCC fund balance of \$3.7 million dedicated to the headquarters hotel project for a total of \$5,186,398
 - Prior PERS Reserves of \$709,380 for PCPA are available for future projects.
 - Restricted fund balance for Capital from excess TLT is \$1,180,310
 - Designated User Fees for Expo Phase 3 construction estimated to be \$1,339,841(includes fees collected through 6/30/10)
 - Actual as of 6-30-2008 \$944,841
 - Estimate 2008-09 \$200,000
 - Estimate 2009-10 \$195,000
 - Use of Funds
 - Columbia River Crossing/Expo Master Plan Update in FY 2008-09 & 2009-10 FY is \$150,000

Strategic Goal is \$15,168,391

- The Strategic Goal is \$15.1 million.
 - OCC 3 months operating expense
 - EXPO 6 months operating expense
Annual debt service payment for Hall D replacement
 - PCPA 6 months operating expense
 - MERC 6 months operating expense
- Fund balance available to meet the goal is \$14.5 million.
 - Available funds include unrestricted fund balance and current year contingencies (except HQH contingency)
- The gap is \$673,611.
 - The HQH contingencies contributed to creating a gap. But, if the HQH contingencies are needed, bond proceeds are intended to reimburse MERC for these expenditures.

Personnel Request

Fiscal Year 2009-10

ACTION REQUESTED:

Adding new full time Security Agent to the Graveyard shift at the Oregon Convention Center

POSITION # AND INCUMBENT:

This would be a new position

DUTIES AND RESPONSIBILITIES:

Graveyard shift's main responsibilities are to monitor the cameras throughout the building, make sure the facility is secure at night inside and outside. Monitor the fire life safety system in case of emergencies and be the point of contact for police and fire. Monitor overhead doors and let show management into the facility after hours. Make rounds outside the building and contact individuals who are not suppose to be on premises at that time and take appropriate action when needed to protect the facility and grounds of the OCC.

JUSTIFICATION:

We currently are not fully staffed on graveyard and this position is being staffed by part-time staff on occasion. For safety issues and proper security procedures and needs of the Facility this position needs to be added. Part-time labor will be reduced to staff this position and will make sure we have two people on each shift as well as provide consistent security service to our clients and building staff working graveyard as well.

BUDGET IMPACT (for FTE increases or reclasses include only the new or additional cost):

	<u>Rate</u>	<u># of hours worked</u>	<u>Amount</u>	<u>Total</u>
Salary	\$15.41	2088	\$32,176	
Fringe:				
Variable-base fringe	17.88%		\$5753	
Variable-bond recovery	3.20%		\$1030	
Fixed	\$11,238		\$11,238	
Additional Costs:				
Computer			\$ _____	
Office set-up			\$ _____	
Other (specify) Uniforms, training and license			\$1000	
TOTAL NEW COSTS				\$51,197

**Anticipated Starting Date of Position: July 1,
2009**

Funding Source(s): OCC Operating Fund

Personnel Request

Fiscal Year 2009-10

ACTION REQUESTED:

Change part-time Marketing Promotions coordinator position to full time Public Relations Manager

POSITION # AND INCUMBENT:

Current Budget includes a vacancy for a .60 part time FTE, position 794. Part time position is currently budgeted at \$25,318.

DUTIES AND RESPONSIBILITIES:

This position will assist the MERC's Director of communication and Strategic Development with public relations, communications, press activities and messaging for both MERC and OCC. Will work closely with the OCC staff on development of story lines, magazine advertising, and trade publications to help tell the OCC and convention business story both locally and to the industry. Will coordinate work through the Director's office and through the OCC Executive Director's office as well.

JUSTIFICATION:

This position is an implementation of the strategic plan goals as well as making an emphasis on telling the MERC Facilities story of our importance to the community. Emphasis will on so be on supporting the marketing and sales efforts of the OCC through placement of stories about how OCC is impacting the industry and why it is important to bring your event to the convention Center.

BUDGET IMPACT (for FTE increases or reclasses include only the new or additional cost):

	<u>Rate</u>	<u># of hours worked</u>	<u>Amount</u>	<u>Total</u>
Salary	\$11.03	2088	\$23,031	
Fringe:				
Variable-base fringe	17.88%		\$4118	
Variable-bond recovery	3.20%		\$737	
Fixed	\$11,238		\$11,238	
Additional Costs:				
Computer			\$1500	
Office set-up			\$0	
Other (specify)			\$ _____	
TOTAL NEW COSTS				\$40,624

Anticipated Starting Date of Position: July 1, 2009

Funding Source(s): OCC Operating Fund

Personnel Request

Fiscal Year 2009-10

ACTION REQUESTED:

Taking a part-time position budgeted at .75 to full time.

POSITION # AND INCUMBENT:

Position 1012 Marketing & Promotions Coordinator

DUTIES AND RESPONSIBILITIES:

.75 of duties remain unchanged. New .25 duties will be to act as a video system coordinator for new Cultural Video Project at Hatfield Hall. Duties will consist of coordination and scheduling of arts education video.

JUSTIFICATION:

Cultural Video Project requires someone to coordinate and schedule arts education video content. Increasing this existing position by .25 is more cost effective than creating another part-time position-especially as the current employee has the skill set and desirability to take on this additional work.

BUDGET IMPACT (for FTE increases or reclasses include only the new or additional cost):

	<u>Rate</u>	<u># of hours worked</u>	<u>Amount</u>	<u>Total</u>
Salary	\$17.75/hr	2088	\$ 37,062	
Fringe:				
Variable-base fringe	17.88%		\$ 7,221	
Variable-bond recovery	3.20%		\$ 1,292	
Fixed	\$ 11,238		\$ 11,238	
Additional Costs:				
Computer				
Office set-up			n/a	
Other (specify)				
TOTAL NEW COSTS				\$ 61,349

**Note: Only
\$27,812
In "new" costs**

Anticipated Starting Date of Position:

Funding Source(s): Provide explanation of funding source(s) (e.g., excise tax, new grants, existing grants, other identified sources, etc.).

\$27,812 will be funded by Cultural Video Grants in FY 10 and 11. Increase contingent upon grant funding.

Metropolitan Exposition-Recreation Commission

MERC Proposed Budget

All Departments

Three Year Trend

	2009-10 Proposed Budget June-10	2008-09 Adopted Budget June-09	2007-08 Prior Actual June-08	Proposed \$ Change	Proposed % Change
Operating					
Revenue	17,896,961	18,004,390	17,780,211	(107,429)	-1%
Revenue - Food and Beverage	12,523,799	12,579,134	12,662,562	(55,335)	0%
Total Operating Revenue	30,420,760	30,583,524	30,442,773	(162,764)	-1%
Costs - Food and Beverage	(9,895,028)	(9,789,499)	(10,072,088)	(105,529)	1%
Personal Services	(18,644,116)	(18,285,681)	(15,808,463)	(358,435)	2%
Goods & Services	(7,926,251)	(7,869,173)	(7,589,048)	(57,078)	1%
Marketing (including Enhanced VDI)	(3,102,723)	(3,032,043)	(2,621,997)	(70,680)	2%
Total Operating Expenses	(39,568,118)	(38,976,396)	(36,091,597)	(591,722)	2%
Net Operating Results	(9,147,358)	(8,392,872)	(5,648,824)	(754,486)	9%
Non Operating					
Transient, Lodging Tax	11,473,912	11,114,685	11,112,056	359,227	3%
TLT	9,808,235	9,049,008	9,752,587	759,227	8%
VDI	1,252,996	1,652,996	963,066	(400,000)	-24%
Enhanced VDI	412,681	412,681	396,403	-	0%
Government Support City of Portland	760,926	737,449	711,375	23,477	3%
Non-Operating Revenue	647,430	739,194	886,242	(91,764)	-12%
Non-Operating Expense	(2,500)	(2,500)	(2,503)	-	0%
	12,879,768	12,588,828	12,707,169	290,940	2%
Support and Risk Management					
MERC Administration	1	-	-	1	-
Metro Support Services	(1,934,942)	(1,842,802)	(1,521,312)	(92,140)	5%
Metro Risk Management	(631,899)	(582,761)	(547,706)	(49,138)	8%
	(2,566,840)	(2,425,563)	(2,069,018)	(141,277)	6%
Net Increase (Decrease)	1,165,570	1,770,393	4,989,327	(604,823)	-34%
Transfers					
Transfers from	-	11,937	669,720	(11,937)	-100%
Debt Service	(1,205,890)	(1,210,037)	(1,208,281)	4,147	0%
Net Transfers	(1,205,890)	(1,198,100)	(538,561)	(7,790)	1%
Net Operations	(40,320)	572,293	4,450,767	(612,613)	-107%
Capital					
Capital Outlay	(4,260,978)	(2,228,869)	(954,075)	(2,032,109)	91%
Goods & Services	-	(225,000)	-	225,000	-100%
Non-Operating Revenue	2,009,188	767,672	222,863	1,241,516	162%
Transfers from	692,490	746,144	-	(53,654)	-7%
Net Capital	(1,559,300)	(940,053)	(731,212)	(619,247)	66%
Fund Balance Inc (Dec)	(1,599,620)	(367,760)	3,719,555	(1,231,860)	335%
Food and Beverage Gross Margin	21.0%	22.2%	20.5%		-1.2%
Full Time Employees - per Budget	195	192	182		
Excise Tax	-	-	(1,716,189)		
Fund Balance					
Beginning Fund Balance	25,702,261	26,070,021	22,350,466		
Fund Balance Inc (Dec)	(1,599,620)	(367,760)	3,719,555		
Ending Fund Balance	24,102,641	25,702,261	26,070,021		
Unrestricted Fund Balance	11,516,583	14,177,688	20,907,202		
Contingency	2,009,197	2,064,067	-		
Contingency for Renewal & Replacement	970,000	520,000	295,000		
Designated for Renewal & Replacement	815,000	295,000	-		
Designated for Phase 3	1,339,841	1,154,728	944,840		
Contingency for HQH	3,700,000	3,700,000	-		
Contingency for HQH (PERS Rsvr - Prior)	1,486,398	1,704,212	94,306		
Designated for PERS Reserve - Current	375,932	-	-		
Designated for PERS Reserve - Prior	709,380	812,505	2,460,862		
Restricted by Contract - Aramark	-	93,750	187,500		
Restricted by Agreement - TLT	1,180,310	1,180,311	1,180,311		
Ending Fund Balance	24,102,641	25,702,261	26,070,021		
Strategic Goal	15,168,391	15,007,602	13,939,240		
Available for Strategy Goal	14,495,780	16,761,755	21,202,202		

Metropolitan Exposition-Recreation Commission
MERC Proposed Budget
Portland Exposition Center

Three Year Trend

	2009-10 Proposed Budget June-10	2008-09 Adopted Budget June-09	2007-08 Prior Actual June-08	Proposed \$ Change	Proposed % Change
Operating					
Revenue	3,705,306	3,819,977	3,985,117	(114,671)	-3%
Revenue - Food and Beverage	2,133,289	2,151,319	2,093,352	(18,030)	-1%
Total Operating Revenue	5,838,595	5,971,296	6,078,469	(132,701)	-2%
Costs - Food and Beverage	(1,570,435)	(1,515,262)	(1,552,665)	(55,173)	4%
Personal Services	(1,551,094)	(1,591,637)	(1,436,762)	40,543	-3%
Goods & Services	(1,280,421)	(1,293,518)	(1,144,938)	13,097	-1%
Total Operating Expenses	(4,401,950)	(4,400,417)	(4,134,365)	(1,533)	0%
Net Operating Results	1,436,645	1,570,879	1,944,104	(134,234)	-9%
Non Operating					
Non-Operating Revenue	148,734	161,619	167,958	(12,885)	-8%
Non-Operating Expense	-	-	-	-	-
	148,734	161,619	167,958	(12,885)	-8%
Support and Risk Management					
MERC Administration	(305,578)	(291,027)	(250,578)	(14,551)	5%
Metro Support Services	(193,494)	(184,280)	(152,131)	(9,214)	5%
Metro Risk Management	(83,348)	(79,379)	(68,624)	(3,969)	5%
	(582,420)	(554,686)	(471,333)	(27,734)	5%
Net Increase (Decrease)	1,002,959	1,177,812	1,640,729	(174,853)	-15%
Transfers					
Transfers from	-	1,194	-	(1,194)	-100%
Debt Service	(1,188,632)	(1,192,232)	(1,189,932)	3,600	0%
Net Transfers	(1,188,632)	(1,191,038)	(1,189,932)	2,406	0%
Net Operations	(185,673)	(13,226)	450,797	(172,447)	1304%
Capital					
Capital Outlay	(367,500)	(180,000)	(9,049)	(187,500)	104%
Construction Management	-	-	-	-	-
Non-Operating Revenue	187,500	73,329	46,056	114,171	156%
Net Capital	(180,000)	(106,671)	37,007	(73,329)	69%
Fund Balance Inc (Dec)	(365,673)	(119,897)	487,803	(245,776)	205%
Food and Beverage Gross Margin	26.4%	29.6%	25.8%		-3%
Full Time Employees - per Budget	13.30	13.30	13.30		
Excise Tax	-	-	(451,128)		
Fund Balance					
Beginning Fund Balance	5,949,353	6,069,250	5,581,447		
Fund Balance Inc (Dec)	(365,673)	(119,897)	487,803		
Ending Fund Balance	5,583,680	5,949,353	6,069,250		
Unrestricted Fund Balance	3,728,907	4,047,108	4,867,128		
Contingency	218,622	472,017	-		
Contingency for Renewal & Replacement	20,000	20,000	20,000		
Designated for Renewal & Replacement	40,000	20,000	-		
Designated for Phase 3	1,339,841	1,154,728	944,840		
Contingency for HQH (PERS Rsvr - Prior)	205,841	235,500			
Designated for PERS Reserve - Current	30,469				
Designated for PERS Reserve - Prior			237,282		
Ending Fund Balance	5,583,680	5,949,353	6,069,250		
Strategic Goal (6 mo, debt)	3,389,607	3,392,441	3,257,115		
Available for Strategy Goal	3,967,529	4,539,125	4,887,128		
Excess (Gap)	577,922	1,146,685	1,630,013		

Metropolitan Exposition-Recreation Commission
MERC Proposed Budget
Oregon Convention Center

Excluding HQH

Three Year Trend

	2009-10	2008-09	2007-08	Proposed \$	Proposed %
	Proposed	Adopted	Prior		
	Budget	Budget	Actual	Change	Change
	June-10	June-09	June-08		
Operating					
Revenue	7,673,117	7,369,246	7,869,606	303,871	4%
Revenue - Food and Beverage	8,950,083	8,900,001	8,992,501	50,082	1%
Total Operating Revenue	16,623,200	16,269,247	16,862,107	353,953	2%
Costs - Food and Beverage	(7,060,807)	(6,961,152)	(7,105,565)	(99,655)	1%
Personal Services	(9,228,464)	(8,741,296)	(7,764,622)	(487,168)	6%
Goods & Services	(3,825,207)	(3,504,823)	(3,114,513)	(320,384)	9%
Marketing (including Enhanced VDI)	(3,102,723)	(3,032,043)	(2,621,997)	(70,680)	2%
Total Operating Expenses	(23,217,201)	(22,239,314)	(20,606,697)	(977,887)	4%
Net Operating Results	(6,594,001)	(5,970,067)	(3,744,590)	(623,934)	10%
Non Operating					
Transient, Lodging Tax	9,391,934	9,032,707	9,115,656	359,227	4%
<i>TLT</i>	<i>8,319,253</i>	<i>7,560,026</i>	<i>8,319,253</i>	<i>759,227</i>	<i>10%</i>
<i>VDI</i>	<i>660,000</i>	<i>1,060,000</i>	<i>400,000</i>	<i>(400,000)</i>	<i>-38%</i>
<i>Enhanced VDI</i>	<i>412,681</i>	<i>412,681</i>	<i>396,403</i>	-	<i>0%</i>
Non-Operating Revenue	248,836	267,288	334,799	(18,452)	-7%
Non-Operating Expense	-	-	(3)	-	-
	9,640,770	9,299,995	9,450,452	340,775	4%
Support and Risk Management					
MERC Administration	(1,650,125)	(1,571,548)	(1,378,181)	(78,577)	5%
Metro Support Services	(1,044,870)	(995,114)	(836,721)	(49,756)	5%
Metro Risk Management	(361,608)	(325,341)	(309,680)	(36,267)	11%
	(3,056,603)	(2,892,003)	(2,524,582)	(164,600)	6%
Net Increase (Decrease)	(9,834)	437,925	3,181,280	(447,759)	-102%
Transfers					
Transfers from	-	6,446	-	(6,446)	-100%
Debt Service	(17,258)	(17,805)	(18,349)	547	-3%
Net Transfers	(17,258)	(11,359)	(18,349)	(5,899)	52%
Net Operations	(27,092)	426,566	3,162,931	(453,658)	-106%
Capital					
Capital Outlay	(2,769,990)	(1,468,157)	(585,976)	(1,301,833)	89%
Non-Operating Revenue	887,500	50,863	72,157	836,637	1645%
Transfers from	692,490	746,144	-	(53,654)	-7%
Net Capital	(1,190,000)	(671,150)	(513,818)	(518,850)	77%
Fund Balance Inc (Dec)	(1,217,092)	(244,584)	2,649,112	(972,508)	398%
Food and Beverage Gross Margin	21.1%	21.8%	21.0%		-0.7%
Full Time Employees - per Budget	112.30	110.30	107.30		
National/Regional Conventions	41	34	36		
Excise Tax	-	-	(1,263,519)		
Fund Balance					
Beginning Fund Balance	10,833,435	11,304,019	8,985,591		
Fund Balance Inc (Dec)	(1,217,092)	(244,584)	2,649,112		
Fund Balance Inc (Dec) for HQH	-	(226,000)	(330,685)		
Ending Fund Balance	9,616,343	10,833,435	11,304,019		
Unrestricted Fund Balance	1,484,108	3,112,557	8,391,088		
Contingency	1,206,167	979,337			
Contingency for Renewal & Replacement	250,000	250,000	225,000		
Designated for Renewal & Replacement	475,000	225,000			
Contingency for HQH	3,700,000	3,700,000			
Contingency for HQH (PERS Rsrv - Prior)	1,131,796	1,292,480			
Designated for PERS Reserve - Current	188,962				
Designated for PERS Reserve - Prior			1,320,120		
Restricted by Contract - Aramark		93,750	187,500		
Restricted by Agreement - TLT	1,180,310	1,180,311	1,180,311		
Ending Fund Balance	9,616,343	10,833,435	11,304,019	-	
Strategic Goal (3 mo)	5,804,300	5,559,829	5,151,674		
Available for Strategy Goal	2,940,275	4,341,894	8,616,088		
Excess (Gap)	(2,864,025)	(1,217,935)	3,464,414		

Metropolitan Exposition-Recreation Commission
MERC Proposed Budget
Portland Center for the Performing Arts

Three Year Trend

	2009-10 Proposed Budget June-10	2008-09 Adopted Budget June-09	2007-08 Prior Actual June-08	Proposed \$ Change	Proposed % Change
Operating					
Revenue	6,480,038	6,776,667	5,885,022	(296,629)	-4%
Revenue - Food and Beverage	1,440,427	1,527,814	1,576,709	(87,387)	-6%
Total Operating Revenue	7,920,465	8,304,481	7,461,731	(384,016)	-5%
Costs - Food and Beverage	(1,263,786)	(1,313,085)	(1,413,858)	49,299	-4%
Personal Services	(5,542,466)	(5,751,698)	(4,857,935)	209,232	-4%
Goods & Services	(2,207,727)	(2,171,744)	(1,914,971)	(35,983)	2%
Total Operating Expenses	(9,013,979)	(9,236,527)	(8,186,764)	222,548	-2%
Net Operating Results	(1,093,514)	(932,046)	(725,033)	(161,468)	17%
Non Operating					
Transient, Lodging Tax	2,081,978	2,081,978	1,996,400	-	0%
TLT	1,488,982	1,488,982	1,433,334	-	0%
VDI	592,996	592,996	563,066	-	0%
Government Support City of Portland	760,926	737,449	711,375	23,477	3%
Non-Operating Revenue	219,860	286,092	345,436	(66,232)	-23%
Non-Operating Expense	(2,500)	(2,500)	(2,500)	-	0%
	3,060,264	3,103,019	3,050,710	(42,755)	-1%
Support and Risk Management					
MERC Administration	(1,100,084)	(1,047,699)	(877,025)	(52,385)	5%
Metro Support Services	(696,578)	(663,408)	(532,460)	(33,170)	5%
Metro Risk Management	(186,943)	(178,041)	(169,402)	(8,902)	5%
	(1,983,605)	(1,889,148)	(1,578,887)	(94,457)	5%
Net Increase (Decrease)	(16,855)	281,825	746,790	(298,680)	-106%
Transfers					
Transfers from	-	4,297	-	(4,297)	-100%
Net Transfers	-	4,297	-	(4,297)	-100%
Net Operations	(16,855)	286,122	746,790	(302,977)	-106%
Capital					
Capital Outlay	(934,188)	(435,000)	(162,662)	(499,188)	115%
Goods & Services	-	(225,000)	-	225,000	-100%
Non-Operating Revenue	934,188	643,480	102,789	290,708	45%
Net Capital	-	(16,520)	(59,874)	16,520	-100%
Fund Balance Inc (Dec)	(16,855)	269,602	686,917	(286,457)	-106%
Food and Beverage Gross Margin	12.3%	14.1%	10.3%		-1.8%
Full Time Employees - per Budget	47.40	46.40	43.40		
Weeks of Broadway	9	14.5	9		
Fund Balance					
Beginning Fund Balance	8,055,601	7,785,999	7,099,082		
Fund Balance Inc (Dec)	(16,855)	269,602	686,917		
Ending Fund Balance	8,038,746	8,055,601	7,785,999		
Unrestricted Fund Balance	5,773,162	6,476,647	6,926,846		
Contingency	451,078	466,449			
Contingency for Renewal & Replacement	700,000	250,000	50,000		
Designated for Renewal & Replacement	300,000	50,000			
Designated for PERS Reserve - Current	105,126				
Designated for PERS Reserve - Prior	709,380	812,505	809,153		
Ending Fund Balance	8,038,746	8,055,601	7,785,999		
Strategic Goal (6 mo)	4,506,990	4,618,264	4,093,382		
Available for Strategy Goal	6,924,240	7,193,096	6,976,846		
Excess (Gap)	2,417,251	2,574,833	2,883,464		

**Metropolitan Exposition-Recreation Commission
MERC Proposed Budget
Convention Center Headquarter Hotel Project**

	Three Year Trend				
	2009-10	2008-09	2007-08		
	Proposed	Adopted	Prior	Proposed \$	Proposed %
	Budget	Budget	Actual	Change	Change
	June-10	June-09	June-08		
Operating					
Personal Services	-	(20,000)	(28,748)	20,000	-100%
Goods & Services	-	(206,000)	(971,657)	206,000	-100%
<i>Meetings Expense</i>	-	-	(541)	-	-
<i>Developer Agreement I</i>	-	-	(600,028)	-	-
<i>Developer Agreement II</i>	-	-	-	-	-
<i>Communications Consulting</i>	-	-	(56,424)	-	-
<i>Construction Consulting</i>	-	-	-	-	-
<i>Financial Consulting</i>	-	-	(133,441)	-	-
<i>Legal Consulting</i>	-	(184,000)	(52,194)	184,000	-100%
<i>Management Consulting</i>	-	(22,000)	(8,836)	22,000	-100%
<i>Market Consulting</i>	-	-	(78,194)	-	-
<i>Project Management</i>	-	-	(41,999)	-	-
Net Operations	-	(226,000)	(330,685)	226,000	-100%

Metropolitan Exposition-Recreation Commission

MERC Proposed Budget

MERC Administration

Four Year Trend

	2009-10 Proposed Budget June-10	2008-09 Adopted Budget June-09	2007-08 Prior Actual June-08	2006-07 Prior Actual June-07	Proposed \$ Change	Proposed % Change
Operating						
Revenue	38,500	38,500	40,466	39,388	-	0%
Personal Services	(2,322,092)	(2,181,050)	(1,720,397)	(1,201,049)	(141,042)	6%
Goods & Services	(612,896)	(693,088)	(442,969)	(428,342)	80,192	-12%
Net Operating Expenses	(2,896,488)	(2,835,638)	(2,122,900)	(1,590,003)	(60,850)	2%
Non Operating						
Non-Operating Revenue	30,000	24,195	38,049	(46,041)	5,805	24%
Non-Operating Expense	-	-	-	-	-	-
	30,000	24,195	38,049	(46,041)	5,805	24%
Support and Risk Management						
MERC Administration	3,055,788	2,910,274	2,505,784	2,003,797	145,514	5%
	3,055,788	2,910,274	2,505,784	2,003,797	145,514	5%
Net Increase (Decrease)	189,300	98,831	420,934	367,753	90,469	92%
Net Transfers	-	-	-	-	-	-
Net Operations	189,300	98,831	420,934	367,753	90,469	92%
Capital						
Capital Outlay	(189,300)	(145,712)	(196,388)	(82,579)	(43,588)	30%
Non-Operating Revenue	-	-	1,861	10,095	-	-
Net Capital	(189,300)	(145,712)	(194,527)	(72,485)	(43,588)	30%
Fund Balance Inc (Dec)	-	(46,881)	226,407	295,269	46,881	-100%
Full Time Employees - per Budget	22.00	22.00	18.00	16.00		
Excise Tax	0.0%	0.0%	(1,542)	(1,178)		
Fund Balance						
Beginning Fund Balance	863,872	910,753	684,346	389,077		
Fund Balance Inc (Dec)	-	(46,881)	226,407	295,269		
Ending Fund Balance	863,872	863,872	910,753	684,346		
Unrestricted Fund Balance	530,406	541,376	722,140	508,158		
Contingency	133,330	146,264				
Contingency for HQH (PERS Rsvr - Prior)	148,761	176,232	94,306			
Designated for PERS Reserve - Current	51,375					
Designated for PERS Reserve - Prior			94,307	176,188		
Ending Fund Balance	863,872	863,872	910,753	684,346		
Strategic Goal (6 mo)	1,467,494	1,437,069	1,081,683	814,695		
Available for Strategy Goal	663,736	687,640	722,140	508,158		
Excess (Gap)	(803,758)	(749,429)	(359,543)	(306,537)		

MERC Operating Statement**Consolidated MERC**

2010-01 - 2010-14

June 30, 2010

		Budget			
		Revenue	Personal Services	Expenditure	Net
Operating					
701	Rental	6,025,016	-	-	6,025,016
92.93.94	Food and Beverage	12,523,799	-	9,895,028	2,628,771
708-13	Operations	4,709,143	9,907,574	4,956,224	(10,154,655)
714	Ticket Services	2,969,597	531,921	110,141	2,327,535
715	Special Services	250,814	843,842	213,940	(806,968)
717-719	Events	1,117,121	2,341,447	213,094	(1,437,420)
721	Volunteers	12,000	104,141	25,225	(117,366)
725	Parking	2,666,305	131,883	451,617	2,082,805
732	Facility Adjustment	-	-	-	-
740	Phase 3 & CRC	-	-	50,000	(50,000)
745	Advertising	18,500	-	-	18,500
747	Retail	12,000	-	10,500	1,500
36	Event Production	-	-	-	-
753-769	Other	116,465	-	143,000	(26,535)
		30,420,760	13,860,808	16,068,769	491,183
Marketing & Administrative					
783	Sales and Marketing	-	1,142,242	3,398,233	(4,540,475)
50	Headquarter Hotel Project	-	-	-	-
800	General Administration	-	3,641,066	1,457,000	(5,098,066)
970		-	4,783,308	4,855,233	(9,638,541)
Non Operating					
960	Transient, Lodging Tax	11,473,912	-	-	11,473,912
	Other Non-Operating	1,408,356	-	2,500	1,405,856
970	Support and Risk Management	-	-	2,566,840	(2,566,840)
		12,882,268	-	2,569,340	10,312,928
Net Increase (Decrease)		43,303,028	18,644,116	23,493,342	1,165,570

Food and Beverage Gross Margin**21.0%**

MERC Operating Statement

Portland Exposition Center

2010-01 - 2010-14

June 30, 2010

Annual Budget				
	Revenue	Personal Services	Expenditure	Total
Operating				
701 Rental	1,453,948		-	1,453,948
92 Food and Beverage	2,133,289	-	1,570,435	562,854
703 <i>Banquets and Catering</i>	<i>308,710</i>		<i>75,233</i>	<i>233,477</i>
705 <i>Concession</i>	<i>1,824,579</i>		<i>1,286,364</i>	<i>538,215</i>
706 <i>Contract</i>			<i>278,454</i>	<i>(278,454)</i>
707 <i>Unspent Reserves</i>			<i>(69,616)</i>	<i>69,616</i>
709-712 Operations	218,500	678,965	800,275	(1,260,740)
709 <i>Operations and Utility Services</i>	<i>213,000</i>	-	<i>500</i>	<i>212,500</i>
711 <i>Audio Visual</i>	<i>5,500</i>	-	<i>2,000</i>	<i>3,500</i>
712 <i>Facility Management</i>		<i>678,965</i>	<i>175,975</i>	<i>(854,940)</i>
712 <i>Utility</i>			<i>621,800</i>	<i>(621,800)</i>
714 Ticket Services	328,633	136,647	19,186	172,800
715 Special Services	103,564	45,568	95,978	(37,982)
717-719 Events	75,356	329,082	22,550	(276,276)
717 <i>Admissions</i>	<i>61,123</i>	<i>75,758</i>	<i>5,720</i>	<i>(20,355)</i>
719 <i>Event Services</i>	<i>14,233</i>	<i>253,324</i>	<i>16,830</i>	<i>(255,921)</i>
725 Parking	1,475,305	51,884	143,192	1,280,229
732 Facility Adjustment	-			-
740 Phase 3 & CRC		-	50,000	(50,000)
745 Advertising	-	-	-	-
753-769 Other	50,000	-	-	50,000
755 <i>Commission</i>	<i>50,000</i>		<i>-</i>	<i>50,000</i>
	5,838,595	1,242,146	2,701,616	1,894,833
Marketing & Administrative				
784 Sales Expense		72,504	56,840	(129,344)
800 General Administration	-	236,444	92,400	(328,844)
840 <i>Information Technology</i>			<i>3,000</i>	<i>(3,000)</i>
860 <i>Administration</i>		<i>236,444</i>	<i>89,400</i>	<i>(325,844)</i>
	-	308,948	149,240	(458,188)
Non Operating				
920 Other Non-Operating	148,734	-	-	148,734
920 <i>Investments</i>	<i>148,734</i>			<i>148,734</i>
920 <i>Miscellaneous</i>	-			-
940 Support and Risk Management	-	-	582,420	(582,420)
940 <i>MERC Administration</i>			<i>305,578</i>	<i>(305,578)</i>
940 <i>Metro Support Services</i>			<i>193,494</i>	<i>(193,494)</i>
940 <i>Metro Risk Management</i>			<i>83,348</i>	<i>(83,348)</i>
	148,734	-	582,420	(433,686)
Net Increase (Decrease)	5,987,329	1,551,094	3,433,276	1,002,959

Food and Beverage Gross Margin

26.4%

MERC Operating Statement

Oregon Convention Center

2010-01 - 2010-14

June 30, 2010

Annual Budget				
	Revenue	Personal Services	Expenditure	Total
Operating				
701 Rental	3,291,068		-	3,291,068
93 Food and Beverage	8,950,083	-	7,060,807	1,889,276
703 <i>Banquets and Catering</i>	<i>6,850,696</i>		<i>5,397,295</i>	<i>1,453,401</i>
704 <i>Restaurant and Bar</i>	<i>489,242</i>		<i>146,773</i>	<i>342,469</i>
705 <i>Concession</i>	<i>1,610,145</i>		<i>363,831</i>	<i>1,246,314</i>
706 <i>Contract</i>			<i>1,152,908</i>	<i>(1,152,908)</i>
707 <i>Unspent Reserves</i>			-	-
708-13 Operations	2,749,498	5,925,321	2,644,144	(5,819,967)
708 <i>Set-up and Housekeeping</i>	<i>186,138</i>	<i>2,995,152</i>	<i>113,260</i>	<i>(2,922,274)</i>
709 <i>Operations and Utility Services</i>	<i>1,034,320</i>	<i>650,617</i>	<i>95,680</i>	<i>288,023</i>
710 <i>Telecommunications</i>	<i>264,040</i>	<i>77,011</i>	<i>114,440</i>	<i>72,589</i>
711 <i>Audio Visual</i>	<i>1,265,000</i>	<i>712,908</i>	<i>306,130</i>	<i>245,962</i>
712 <i>Facility Management</i>	-	<i>1,489,633</i>	<i>816,414</i>	<i>(2,306,047)</i>
712 <i>Utility</i>			<i>1,198,220</i>	<i>(1,198,220)</i>
713 <i>Maintenance & Repair</i>			-	-
714 Ticket Services	96,965	92,147	26,525	(21,707)
715 Special Services	73,200	690,652	52,945	(670,397)
717-721 Events	271,386	1,022,284	136,314	(887,212)
717 <i>Admissions</i>	<i>173,865</i>	<i>169,935</i>	<i>5,470</i>	<i>(1,540)</i>
719 <i>Event Services</i>	<i>85,521</i>	<i>824,104</i>	<i>121,544</i>	<i>(860,127)</i>
721 <i>Volunteers</i>	<i>12,000</i>	<i>28,245</i>	<i>9,300</i>	<i>(25,545)</i>
725 Parking	1,191,000	79,999	308,425	802,576
732 Facility Adjustment				
745 Advertising	-	-	-	-
747 Retail	-	-	-	-
36 Event Promotion	-	-	-	-
753-769 Other	-	-	-	-
	16,623,200	7,810,403	10,229,160	(1,416,363)
Marketing & Administrative				
783 Sales and Marketing		804,439	3,320,223	(4,124,662)
784 <i>Sales Expense</i>		<i>804,439</i>	<i>217,500</i>	<i>(1,021,939)</i>
785 <i>National Marketing</i>			<i>3,102,723</i>	<i>(3,102,723)</i>
800 General Administration	-	613,622	439,354	(1,052,976)
840 <i>Information Technology</i>			-	-
860 <i>Administration</i>		<i>613,622</i>	<i>439,354</i>	<i>(1,052,976)</i>
	-	1,418,061	3,759,577	(5,177,638)
Non Operating				
920 Transient, Lodging Tax	9,391,934	-	-	9,391,934
920 Other Non-Operating	248,836	-	-	248,836
940 Support and Risk Management	-	-	3,056,603	(3,056,603)
940 <i>MERC Administration</i>			<i>1,650,125</i>	<i>(1,650,125)</i>
940 <i>Metro Support Services</i>			<i>1,044,870</i>	<i>(1,044,870)</i>
940 <i>Metro Risk Management</i>			<i>361,608</i>	<i>(361,608)</i>
	9,640,770	-	3,056,603	6,584,167
Net Increase (Decrease)	26,263,970	9,228,464	17,045,340	(9,834)

Food and Beverage Gross Margin

21.1%

MERC Operating Statement

Portland Center for the Performing Arts

2010-01 - 2010-14

June 30, 2010

Annual Budget				
	Revenue	Personal Services	Expenditure	Total
Operating				
701 Rental	1,280,000		-	1,280,000
94 Food and Beverage	1,440,427	-	1,263,786	176,641
703 <i>Banquets and Catering</i>	<i>288,706</i>		<i>68,510</i>	<i>220,196</i>
704 <i>Restaurant and Bar</i>	<i>61,624</i>		<i>21,568</i>	<i>40,056</i>
705 <i>Concession</i>	<i>1,090,097</i>		<i>990,517</i>	<i>99,580</i>
706 <i>Contract</i>			<i>183,191</i>	<i>(183,191)</i>
707 <i>Unspent Reserves</i>			-	-
709-13 Operations	1,741,145	3,303,288	1,511,805	(3,073,948)
709 <i>Operations and Utility Services</i>	<i>1,741,145</i>	<i>1,394,798</i>	<i>291,800</i>	<i>54,547</i>
711 <i>Audio Visual</i>	-	-	-	-
712 <i>Facility Management</i>		<i>1,908,490</i>	<i>486,655</i>	<i>(2,395,145)</i>
712 <i>Utility</i>			<i>595,000</i>	<i>(595,000)</i>
713 <i>Maintenance and Repair</i>			<i>138,350</i>	<i>(138,350)</i>
714 Ticket Services	2,543,999	303,127	64,430	2,176,442
715 Special Services	74,050	107,622	65,017	(98,589)
717-19 Events	782,379	1,018,326	63,530	(299,477)
717 <i>Admissions</i>	<i>683,579</i>	<i>648,036</i>	<i>16,580</i>	<i>18,963</i>
719 <i>Event Services</i>	<i>98,800</i>	<i>370,290</i>	<i>46,950</i>	<i>(318,440)</i>
721 Volunteers	-	75,896	15,925	(91,821)
747 Retail	12,000	-	10,500	1,500
753-769 Other	46,465	-	143,000	(96,535)
753 <i>Lease</i>	<i>28,965</i>		<i>140,000</i>	<i>(111,035)</i>
755 <i>Commission</i>	<i>9,500</i>		-	<i>9,500</i>
757 <i>Refunds and Reimbursements</i>	<i>5,000</i>		-	<i>5,000</i>
769 <i>Other</i>	<i>3,000</i>		<i>3,000</i>	-
	7,920,465	4,808,259	3,137,993	(25,787)
Marketing & Administrative				
784 Sales Expense		265,299	21,170	(286,469)
800 General Administration	-	468,908	312,350	(781,258)
840 <i>Information Technology</i>			<i>11,000</i>	<i>(11,000)</i>
860 <i>Administration</i>		<i>468,908</i>	<i>301,350</i>	<i>(770,258)</i>
	-	734,207	333,520	(1,067,727)
Non Operating				
920 Transient, Lodging Tax	2,081,978	-	-	2,081,978
920 <i>Lodging Tax</i>	<i>1,488,982</i>			<i>1,488,982</i>
920 <i>VDI</i>	<i>592,996</i>			<i>592,996</i>
920 Other Non-Operating	980,786	-	2,500	978,286
920 <i>Grants</i>	<i>27,812</i>		-	<i>27,812</i>
920 <i>Investments</i>	<i>174,548</i>			<i>174,548</i>
920 <i>Local Government</i>	<i>760,926</i>			<i>760,926</i>
920 <i>Contributions</i>	-			-
920 <i>Miscellaneous</i>	<i>17,500</i>		<i>2,500</i>	<i>15,000</i>
940 Support and Risk Management	-	-	1,983,605	(1,983,605)
940 <i>MERC Administration</i>			<i>1,100,084</i>	<i>(1,100,084)</i>
940 <i>Metro Support Services</i>			<i>696,578</i>	<i>(696,578)</i>
940 <i>Metro Risk Management</i>			<i>186,943</i>	<i>(186,943)</i>
	3,062,764	-	1,986,105	1,076,659
Net Increase (Decrease)	10,983,229	5,542,466	5,457,618	(16,855)
Food and Beverage Gross Margin				12.3%

MERC Operating Statement**Administration**

2010-01 - 2010-14

June 30, 2010

Annual Budget				
	Revenue	Personal Services	Expenditure	Total
Operating				
745 Advertising	18,500	-	-	18,500
755-769 Other	20,000	-	-	20,000
755 <i>Commission</i>	<i>20,000</i>		<i>-</i>	<i>20,000</i>
	38,500	-	-	38,500
General Administration				
800 General Administration	-	2,322,092	612,896	(2,934,988)
810 <i>Accounting</i>		<i>484,191</i>	<i>56,500</i>	<i>(540,691)</i>
815 <i>Finance & Purchasing</i>		<i>189,754</i>	<i>4,700</i>	<i>(194,454)</i>
820 <i>Construction Management</i>		<i>268,705</i>	<i>13,300</i>	<i>(282,005)</i>
830 <i>Public Affairs & Relations</i>		<i>145,443</i>	<i>130,050</i>	<i>(275,493)</i>
840 <i>Information Technology</i>		<i>389,731</i>	<i>182,638</i>	<i>(572,369)</i>
850 <i>Human Resources</i>		<i>103,660</i>	<i>8,500</i>	<i>(112,160)</i>
855 <i>Executive Office - CEO</i>		<i>498,615</i>	<i>91,850</i>	<i>(590,465)</i>
860 <i>Business Office - COO</i>		<i>241,993</i>	<i>113,508</i>	<i>(355,501)</i>
870 <i>Board of Commissioners</i>			<i>11,850</i>	<i>(11,850)</i>
	-	2,322,092	612,896	(2,934,988)
Percent of Annual Budget				
Non Operating				
920 Other Non-Operating	30,000	-	-	30,000
920 <i>Investments</i>	<i>30,000</i>			<i>30,000</i>
940 MERC Administration			(3,055,788)	3,055,788
	30,000	-	(3,055,788)	3,085,788
Net Increase (Decrease)	68,500	2,322,092	(2,442,892)	189,300

Metropolitan Exposition Recreation Commission
Five Year Capital Plan
2009-10 through 2013-14 Fiscal Years
February 23, 2009

	<u>Funding Source</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Oregon Convention Center (OCC)						
OCC 2009-10 FY						
Moveable Air Wall Repair and Retrofit	MTOCA proposal	340,000				
Exhibit Hall Wi-Fi and Show Network Upgrade	OCC Fund Balance	85,000				
Upgrade Kitchen Capacity & Storage for Efficiency	F & B Contract Capital Investment & TLT Capital Reserve	1,000,000				
VAV Controllers and CO2 Sensors Upgrade on AHUs (LEED)	OCC Fund Balance	100,000				
Lighting Fixture Replacement and Upgrade	MTOCA proposal	200,000				
Add Automatic Hand Dryers to all Restrooms	MTOCA proposal	150,000				
MTOCA Project - to be determined Contingency	MTOCA Balance	2,490				
Retro - Commissioning (RCX) (every year for LEED)	OCC Fund Balance	65,000				
Elevators 1 & 3 Cab Retrofit	OCC Fund Balance	37,500				
Gates for Exhibit Hall Rest Rooms	OCC Fund Balance	25,000				
Garage Door at Dry Waste Compactor	OCC Fund Balance	15,000				
Replace Riding Vacuum	OCC Fund Balance	12,000				
Digital Signage Upgrade	OCC Fund Balance	50,000				
3-Wheeled Security Vehicle (T3)	OCC Fund Balance	14,000				
Renovate Pre-A & Pre-C Phone Bank	OCC Fund Balance	24,000				
Kinko's Remodel (5% Reserve Acct.)	Food & Beverage Reserve	150,000				
Brew Pub Restaurant Project	TLT Reserve for Capital	600,000				
Estimated Carry over for the Dragon Café/ Brew Pub Project	OCC Fund Balance	50,000				
OCC 2010-11 FY						
Construct Operations Office and Add Additional Conference Meeting Space	Unfunded		1,350,000			
Chiller VFD	Unfunded		100,000			
Plaza Issues	Unfunded		90,000			
Rehab/Renovate Skyview Terrace & VIP B Suite	Unfunded		250,000			
Rework Oregon Ballroom Capabilities-more breakouts	Unfunded		1,500,000			
Phone Bank Retrofit Project	Unfunded		32,000			
Pickup Truck	Unfunded		30,000			
Fork Lifts	Unfunded		60,000			
Public Circulation Furniture (Lobby Areas)	Unfunded		250,000			
Riding Sweeper/Scrubber	Unfunded		35,000			
Retro - Commissioning (RCX) (every year for LEED)	Unfunded		65,000			
Original Building Air wall Retrofit Project*	Unfunded		220,000			
VAV Controllers and CO2 sensors on AHUs (LEED)	Unfunded		105,000			
Lighting Fixture Upgrades	Unfunded		100,000			
Digital Signage Upgrade	Unfunded		33,000			

**Five Year Capital Plan
2009-10 through 2013-14 Fiscal Years**

February 23, 2009

	<u>Funding Source</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
OCC 2011-12 FY						
Replace Glass in Exterior Canopies in MLK & Holladay	Unfunded			65,000		
Replace Original Roof	Unfunded			1,800,000		
Riding Sweeper/Scrubber	Unfunded			35,000		
Automated Parking System Replacement	Unfunded			130,000		
Retro - Commissioning (RCX) (every year for LEED)	Unfunded			65,000		
Exterior Security Bollards (or Planters)	Unfunded			60,000		
Rest Room Handicap Door Operators	Unfunded			40,000		
Construction /Headquarter Hotel Connection and Signage	Unfunded			450,000		
Install Electronic Swipe Locking System for Mtg & Ballrooms	Unfunded			300,000		
Replace Tile Floor in All Restrooms in Original Bldg.	Unfunded			300,000		
OCC 2012-13 FY						
Concrete Polishing	Unfunded				375,000	
Retro - Commissioning (RCX) (every year for LEED)	Unfunded				65,000	
Carpet Replacement	Unfunded				1,700,000	
Bleacher Replacement	Unfunded				1,800,000	
Cover the plaza on MLK and Holladay with Glass	Unfunded					
Retro - Commissioning (RCX) (every year for LEED)	Unfunded					
OCC 2013-14 FY						
Cover the plaza on MLK and Holladay with Glass	Unfunded					5,000,000
Retro - Commissioning (RCX) (every year for LEED)	Unfunded					65,000

Total Oregon Convention Center

2,919,990 4,220,000 3,245,000 3,940,000 5,065,000

** The line for capital on the Budget Statement is understated by the \$150,000 for the Kinko's remodel, which is budgeted in the Food & Beverage Costs*

**Five Year Capital Plan
2009-10 through 2013-14 Fiscal Years**

February 23, 2009

	<u>Funding Source</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
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Portland Center for the Performing Arts (PCPA)

PCPA 2009-10 FY

ASCH Rigging	Friends of PCPA	52,000				
Hatfield Roof	Friends of PCPA	45,000				
Hatfield Risers	Friends of PCPA	15,000				
Keller Rigging	Friends of PCPA	65,000				
Hatfield 18" Tables	Friends of PCPA	10,000				
Smart Maintenance Upgrade (BigFoot)	Friends of PCPA	20,000				
Keller Follow Spot Lighting	Friends of PCPA	30,000				
Hatfield Cultural Video Project	Grants	522,188				
Food & Beverage Capital Investment - New Contract	F & B Contract Capital Investment	175,000				

PCPA 2010-11 FY

Arlene Schnitzer Concert Hall Boiler**	Friends of PCPA		100,000			
Hatfield Hall Dimmer System	Friends of PCPA		300,000			
Hatfield Hall Roof - Repair and Replacement	Friends of PCPA		45,000			
Keller Auditorium Boilers Replacement	Friends of PCPA		90,000			
Newmark Theater Stage Floor Replacement	Friends of PCPA		100,000			

PCPA 2011-12 FY

Hatfield Hall Trash Compactor	Friends of PCPA			50,000		
Newmark Theater Main Curtain	Friends of PCPA			20,000		
Winningstad Theater Main Curtain	Friends of PCPA			10,000		

PCPA 2012-13 FY

Hatfield Hall Chiller	Friends of PCPA				250,000	
Keller Auditorium Clear Com	Friends of PCPA				15,000	
Keller Auditorium Masking	Friends of PCPA				26,000	

PCPA 2013-14 FY

Waiting for information

Total Portland Center for the Performing Arts

934,188

635,000

80,000

291,000

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**Five Year Capital Plan
2009-10 through 2013-14 Fiscal Years**

February 23, 2009

	<u>Funding Source</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>
Portland Expo Center (EXPO)						
EXPO 2009-10 FY						
Parking Lot Asphalt maintenance and/or removal/replacement	EXPO Fund Balance	75,000				
Hall "A" - "B" Relamp	EXPO Fund Balance	15,000				
Hall C Heating System	EXPO Fund Balance	70,000				
Halls D (18 units) & E (15 units) emergency lighting battery backups	EXPO Fund Balance	20,000				
Food & Beverage Capital Investment - New Contract	F & B Contract Capital Investment	187,500				
EXPO 2011-12 thru 2014-15 FY						
Parking Lot Asphalt maintenance and/or removal/replacement	EXPO Fund Balance		50,000	50,000	50,000	50,000
UNFUNDED PROJECTS PORTLAND EXPO CENTER (Cost to be determined)						
Bleacher Upgrade for Safety Requirements (estimate \$100,000)						
Full site electronic way finding (estimate \$300,000)						
Phase III						
SW parking lot & South Access Drive realignment						
Replace/renovate Halls A, B and C						
North walkway canopy and electronic sign						
Covered/enclosed exhibit hall connector						
SE meeting rooms						
Total Portland Expo Center		367,500	50,000	50,000	50,000	50,000
MERC Administration (MERC)						
MERC 2009-10 FY						
SharePoint ExtraNET Server	MERC Support Costs	60,000				
KRONOS Advance Scheduling System	MERC Support Costs	60,000				
EBMS License Bump from 64 to 80	MERC Support Costs	39,300				
Server Virtualization		30,000				
MERC 2010-11 thru 2014-15 FY						
Information Technology	MERC Support Costs		100,000	100,000	100,000	100,000
Total MERC Administration		189,300	100,000	100,000	100,000	100,000
Total MERC		4,410,978	5,005,000	3,475,000	4,381,000	5,215,000

MERC Capital Project Detail 2009-10 Proposed Budget

<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
Oregon Convention Center					
Moveable Air Wall Repair and Retrofit	Repair all rollers, track mechanisms, bearings, foot closures and wall coverings to make sure all walls operate properly and efficiently as designed. We are targeting the original side of the facility Air Wall systems that include Exhibit Halls A and A1, Oregon Ballroom, A,B,C Meeting Rooms	The original facility is now approaching 20 years in operation and these Air Walls are in need of major maintenance to extend their life, work properly for event needs, to keep them in working order. Many of the covering are in need of repair or replacement and we utilize these divider walls everyday for events. Many of the wall foot closures do not work properly and sound bleeds through the rooms for different events and they are hard to maneuver being 18-30 feet tall.	This would be a MOTCA fund project request to keep the Facility in first class condition and meets the definition.	This is part of a two year project and can be broken into two pieces to help spread the costs as the estimated costs for this project is \$560,000 and should secure operational status for these walls for 10-12 years with proper annual maintenance as we have performed in the past.	Increased labor to move walls, sound bleeding into events separated by the walls, many of the wall coverings are not repairable and unsightly and cannot be maintained. There is a low level safety issue as well for crew who have to deal with these walls on a daily basis.
Retro - Commissioning Project	Re-commission all HVAC mechanical systems throughout the facility. Test and record operation of every system and compare results to original design specifications to ensure systems are operating properly as designed.	LEED requirement to re-commission all mechanical systems in a five year period. Increased equipment efficiency and energy cost reduction by fine tuning all mechanical systems.	Capital Budget - \$65,000 per year for the next five years. 2010-2014	Fulfilling LEED requirements and verifying equipment is running as designed and at an optimal level. This should reduce energy costs over time and result in significant energy cost savings.	Possibility of losing LEED certification by not completing the requirement and inefficiency in mechanical equipment operation which could increase energy consumption over time.
Replace Exhibit Hall WiFi and Show Network	This would replace the current WiFi antenna with a higher coverage capability/management system and provide for a Show upgrade for exhibit type events utilizing the Exhibit Halls.	This would allow for the matching of the new system installed in all of the lobby, meeting rooms and Ballrooms and provides for higher bandwidth capabilities for our customers. We charge a fee for this installation and is a significant revenue source for the OCC. We currently have a contract for sales and marketing of this system to customers through Smart City Networks affiliate CCPI which ends in 2009. This would allow us to manage the whole system ourselves as well if we decide to not renew the agreement. Current revenues are split evenly and the return on investment would be less than two years.	Funding source would be OCC operating funds for this project	We currently jointly manage the telecommunications options with CCPI and split the revenue with them for marketing and sales services. This purchase allows for the entire system to be managed by OCC if we do not extend this agreement or decide to go out and select a different vendor to provide these services in the future. This enhances our capabilities and we are looking at increasing our revenue this year by 30% and we could cover the entire cost if we self operate the system.	There is no real risk here for not doing this project

MERC Capital Project Detail 2009-10 Proposed Budget

<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
Upgrade Kitchen Capacity and Storage	This project would increase the cooking capacity in the kitchen by re-configuring the layout, adding 2 fryers, 1 convection steamer, 1 tilting skillet/braising pan, 2 convection ovens stacked, 1 charbroiler, 1 griddle and 2 heavy duty ranges. All of this equipment would fit under a new venting hood and fire suppression system. This almost doubles our capacity without increasing the footprint of the kitchen. We would purchase 2 new dishwashers as well as a soiled tray handling system for dirty dish cleaning, a new walk-in cooler and refrigeration with this increased cooking capacity, renovated lockers and dressing area for the increased staff and new storage construction for item currently stored in the kitchen. This is a significant project with more than \$500,000 in equipment purchases.	Increased building space and an additional Ballroom have increased our food only event schedule as well as the need to due multiple events with different menu selections by clients. We feel this increase in capacity will allow for better quality product, timely delivery, capability to better serve the customers menu choices and increase the capacity of our dish washing and reduce the labor necessary to provide all of the services listed. this should increase our margins on an annual basis, with payback probably around 7 years.	Funding source would be \$800,000 from the new Food and Beverage Contract capital investment monies required by the new contract as well as \$200,000 being requested from the MERC Capital Fund Account.	Impact will be having the kitchen down over a three-four month period as the event schedule permits, but should all be accomplished in a year once construction commences. Again impact is increase of capacity, flexibility of menu choices and services provided, increase in quality and a savings in labor.	The longer we delay the harder it is to keep up the service levels without spending more money on labor with the potential of reduced quality of the products we do serve with the limited kitchen capacity.
VAV Controls and CO2 Sensor Upgrade	Upgrade the pneumatic controls for the A, B, C Meeting Room VAV boxes and add CO2 sensors and motion detectors similar to the expansion side of the facility. Requirement from LEED for energy reduction and improved air quality.	The VAV boxes will allow computer control and monitoring of the room air temps and CO2 levels. The CO2 sensors allow outside air based on need. Motion sensors will shut off or reduce fan speeds depending on room activity.	Capital Budget - 2009/2010 - 2010/2011- Cost split over two years.	Monitoring and adjusting room temperatures more accurately while increasing the indoor air quality for clients through the room CO2 sensors. The motion sensors will shutdown fans during periods of inactivity reducing energy.	This is a requirement of the LEED certification. These improvements will reduce energy costs and improve efficiency of cooling and heating in the meeting rooms while increasing the indoor air quality of the rooms for our customers.
Add Automatic Hand Dryers to all Restrooms	OCC is looking to adding 70-88 electric automatic Dyson Hand Dryers to all restrooms replacing 90% of the paper hand towels currently being used in the restrooms at the facility. the \$150,000 price includes the electrical installation and labor to install of these units.	The results will be a significant savings of purchasing janitorial products, reducing the waste bill and save labor on servicing of the restrooms	This will be a MOTCA funded project request due to the sustainability aspects of the project.	This will reduce paper product/janitorial equipment purchases by 50% or about \$16,000 per year and reduce the tonnage of waste going out of the facility due to wet paper products being thrown away by patrons. This is a long term payback, but adds a great sustainability factor to OCC's everyday operations.	There are no risks to not doing this project

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<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
Lighting Fixture Replacement and Upgrade	This is a lighting fixture retrofit project to replace fixture, lamp and ballast for the Metal Halides and incandescent in the lobby areas and the Exhibit Halls with energy efficient long life fixtures. This project is being broken up into two parts due to funding constraints, but has a huge payback for the facility.	The project will is projected to save annually 1,740, 257 kWh of electricity per year is a 16.8% reduction of total usage by the Center, resulting in an annual savings of \$82, 336 per year once the project is complete. There is an estimated \$178, 285 Energy Trust of Oregon Incentive credit and potentially BETC Credits of approximately \$163, 852 to lower the cost of this project from \$682,558 to \$300,421 if all credits are realized. This project also significantly helps the LEED-EB operating issues of the center and reduces OCC Carbon Footprint offset by 661 tons of CO2.	This would be a MOTCA Funded project request of \$200,000 for this fiscal year or about 2/3 of the total project.	Impact on the operation is a significant saving of the electric bill of \$82,336 per year which does not include the labor saving of less frequent changing out of the light fixtures due to longer life of the new fixtures. Payback on this project when completed would be just under 4 years.	There is no real risk here other than not capturing annual savings associated with savings on the electric bill
Elevator 1 & 3 Retrofit	This project would resurface the interior of the 2 passenger elevators on the original side of the facility so we can update the look and match the newer passenger elevators on the expanded side of the facility. The interior finishes have substantial wear and tear and have the old bland finishes. We would like to replace with wood and stainless similar to the new passenger elevators to update the look.	This is a maintenance and upgrade project with very little return.	Sources of funds for this project would come from OCC operating monies	Should have little impact on the operation and can be easily scheduled between event needs with a cost of about \$18,750 per elevator	There is no risk or consequence related to not doing this project
Erect Lockable Gates at all Exhibit Hall Restrooms	Erect lockable gates at all 10 of the Exhibit Hall Restrooms so Bathrooms can be locked off after cleaning. There are no doors on these restrooms and they cannot be blocked off for any reason. all of the other restrooms in the building have lockable doors.	This project would give our staff the flexibility to clean restrooms and lock them down between shows so that no one can use them before shows and we have to clean them again prior to show opening. Currently we have to reclean these restrooms because folks have used them/ during move-in or between events and they become dirty and need cleaning again. This would save us a lot of labor.	Source of funds if the OCC Operating Account	There is a labor savings and helps keep the client happy with clean restrooms for their event. The price includes 10 gates, hardware and the labor to install them, about \$2500 per gate	There is no risk or consequence for not doing this project
Replacement of Overhead Door for Dry Waste Compactor	OCC is in need of replacing the Overhead Door for the Dry Waste compactor on the main loading dock	This is a maintenance/operations issue	OCC Operating Fund	This replacement is necessary to effectively secure the building around this compactor unit and really is a maintenance replacement need for a worn out piece of equipment.	The risk is minimal for this project if it is delayed

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Replace Riding Vacuum	This is to replace one of the riding vacuum cleaners we use to sweep the building carpeted areas as well as generate revenue for booth and aisle cleaning for shows.	We are replacing some of the original riding vacuum equipment that no longer can be repaired adequately to stay operational functional. This is an equipment replacement item	OCC Operating fund	Helps the cleaning crew be more efficient and effective to clean large areas of the facility with minimum amount of labor. We also utilize this equipment to clean/sweep aisle carpet that we generate around \$100,000 annually	Risk is not great if this project is delayed, but a little more serious if not purchased in terms of doing the job needed in the time frames we have to clean the facility of sweep the show.
Replace Way Digital Equipment	This request will allow for the replacement of old technology currently in use in the OCC Information Kiosk system to up grade the capabilities of information distribution and touch screen for visitors to help them be able to locate their meeting space in the center. this will also provide OCC with a better way to communicate other information about what's going on in the center, market our food options and other events as well as provide for faster communication with our guests.	Current equipment is over 6 years old and does not provide the service level or the technology needed to be able to service our show managers and attendees. We get complaints on our surveys that the way finding system is in adequate for show management needs and helping folks to locate their meeting room or event space. We would be able to provide faster information, more client information as well as information about what's going on in OCC and around the world with news and weather. This upgrade will allow for the replacement of 8 screens and maps in the facility. We would also be able to replace some of the Clarity screen system on the overhead signage for messaging as well.	OCC Operating fund	This will improve customer service with quicker access to event information and a means to find that location in the facility. We can also message/market other services and events in the facility to those attending events at OCC.	There is not a risk or consequence for not doing this project or postponing it.
3-Wheeled Security Vehicle	OCC is requesting to purchase a 3 wheeled vehicle that can be utilized inside and outside the building to have security respond quickly and make their rounds of the building much faster.	We currently spend about \$3000 annually to lease a car which has very little use for the security staff here at OCC. this vehicle would better suite our needs to make rounds in the facility, check out situations outside the facility and respond in a timely manner when needed.	OCC Operating funds would be the source for this project	This would have a return on investment of a little over 4 years.	There is no risk if this project is delayed
Renovate Pre-A and Pre-C Phone Banks	This would be the second phase of a three phase project to renovate the old phone bank areas into laptop work stations for guests attending OCC events. Pay phones are no longer feasible and are not used by most people entering the facility for events, but many people need to be able to access the internet and work on their laptops.	This takes a non productive area and sets up the ability for attendees to access our WiFi network and do work while they are here attending events at OCC. We do charge for access to our system and this would be a potential revenue item all be it somewhat small.	Funding would be through the OCC Operating fund	This is really a customer service item and makes better use of space that was originally dedicated to pay phone usage and there is small revenue attached to this project, but not enough to warrant a payback period for this project.	There is no risk for not doing this project

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<u>Project</u>	<u>Description</u>	<u>Justification</u>	<u>Source</u>	<u>Impact</u>	<u>Risk</u>
Kinko's Remodel to food Outlet	This project is in current design and would remodel the old Kinko's Business Office into a first class food outlet with seating for about 75 people, bar and food preparation and food service to OCC attendees. Located in the central part of the facility would be the meeting place for folks attending events, serve a different food option and provide for much needed seating in the public spaces of the facility OCC currently does not have. The space is currently under-utilized and this provide a huge opportunity to increase our per capita food spending as well.	Cost estimate per the schematic design is \$250,000 for all construction, remodel and FF & E for this location. We feel that the ROI for this project will be in 2.5 years and generate significant revenue on an ongoing basis for OCC. It will be managed by Food and Beverage contractor and opened on an event driven basis to achieve effectiveness	Funds will come from the OCC Food and Beverage 5% Reserve Account from this year and \$125,000 from fiscal year 2009-2010 to accomplish this project	OCC food and beverage concessions operations suffers from lack of seating in the main areas where attendees are located and this project will help to alleviate this problem as well as creating an unique space to serve out attendees a different food and beverage menu and atmosphere. We feel this will increase our concession food spending for every show.	Risk of not moving forward is the chance we do not realize additional food and beverage revenue and increase our per cap spending in the building through our concession operations.
Brew Pub Restaurant Project	This project would create a sit down type restaurant operation where the Dragon Cafe currently is, by gutting the seating area, creating a second floor and access from the MLK Lobby and allowing for a sit down service restaurant style operation. New construction for seating and look and feel for the customer and keeping the cooking capabilities already present at this location.	This project definitely increase our seating capacity for food operations at OCC with a restaurant type service operation with an Oregon Brew Pub concept and look. We would add about 80 seats with access from both the Pre-function C lobby and MLK Lobby as well as being able to see what's going on in the space from the lobby and the exhibit hall. Again our concession numbers have been pretty much stagnant due to the lack of seating throughout the facility. this would also supply a different atmosphere with a restaurant feel and service level that we currently don't have in the facility. With it's central location should be accessible to all shows whether using the halls or the meeting rooms or just coming in off the street. This is a major project with significant construction taking place by building a second floor and adding a major focal point for our food service operations.	Funding would come from MERC Capital Fund, which has approximately \$1.2 million dollars in it collected from excess hotel/motel taxes received and this project is estimated to cost \$600,000.	This is a major project and a return on investment is being developed and will be presented at the budget meeting. This will be operated by the Food and Beverage management contractor and will be scheduled with event activity to maximize the return	Another project that increases seating at the Center and provides an opportunity to increase per capita spending for OCC's concession operation. Not doing this project eliminates this opportunity to increase out food and beverage revenues.
Portland Center for Performing Arts					
ASCH Rigging	Rigging Equipment and Installation for the Arlene Schnitzer Concert Hall. Rigging consists of a fly system, which is a system of ropes, counterweights, pulleys, and other such tools within a theatre designed to allow a technical crew to quickly move set pieces, lights, and microphones on and off stage by 'flying' them in from a large opening above the stage known as a flyspace, flyloft, fly tower, or fly gallery.		Capital - fund balance	There is no monetary return on investment. Equipment must be replaced in scheduled intervals based upon wear and use. Equipment must be safe and in working order at all times.	Delay of this work will result in paying higher price and fee and could also lead to safety issues.

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AHH - Roof Renewal	Roof Renewal & Replacement project. Age and weather deterioration has caused rotunda roof to be replaced.		Capital - fund balance	There is no monetary return on investment. Building components must be replaced in scheduled intervals based upon wear. Roof must be replaced in order to secure structure, interior and walls from further damage from large leaks.	Delay of this work will result in paying higher price and fees related to work, additional building damage and deterioration and building safety issues.
AHH - Risers	Risers for Antoinette Hatfield Hall		Capital - fund balance	Necessary for seating capacity and additional hall configurations for space layout and show needs.	Higher cost of product
Keller Rigging	Rigging Equipment and Installation for the Arlene Schnitzer Concert Hall. Rigging consists of a fly system, which is a system of ropes, counterweights, pulleys, and other such tools within a theatre designed to allow a technical crew to quickly move set pieces, lights, and microphones on and off stage by 'flying' them in from a large opening above the stage known as a flyspace, flyloft, fly tower, or fly gallery.		Capital - fund balance	There is no monetary return on investment. Equipment must be replaced in scheduled intervals based upon wear and use. Equipment must be safe and in working order at all times.	Delay of this work will result in paying higher price and fee and could also lead to safety issues.
Hatfield Tables	Capital Purchase of 18" tables. Current tables need to be replaced. They are unsafe.		Capital - fund balance	There is no monetary return on investment. Equipment must be replaced in scheduled intervals based upon wear and use. Equipment must be safe and in working order at all times.	Current tables are not in useful condition and deterioration can cause safety issues / risk for patrons and staff. Delay of this work will result in paying higher price and fee.
Smart Maintenance Upgrade	Software Upgrade		Capital - fund balance	There is no monetary return on investment established at this time. However this software upgrade is necessary to upgrade our current version. Smart maintenance allows Operations staff to track all maintenance issue, service inventory, work orders, etc.	Must be done 2009.

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Keller Follow Spot Lighting	New follow spot lighting purchase. Replace existing follow spot lighting that is past its replacement period.		Capital - fund balance	There is no monetary return on investment. Equipment must be replaced in scheduled intervals based upon wear and use. Adequate lighting is to be provided for show purposes. Equipment must be safe and in working order at all times. L	Delay of this work will result in paying higher price for materials.
Cultural Video Project	Cultural Video Project.		Capital - fund balance	There is no monetary return on investment established at this time. This project will create partnerships throughout the community and all PCPA to contribute and be more involved in the cultural community.	
Portland Expo Center					
EXPO Hall "C" Heating System	Replace heating system in Hall "C". Current heating system in Hall "C" is obsolete and system parts can no longer be replaced and/or maintained. System is currently failing.		Capital Fund Balance	There has been no ROI done for this project. By replacing the current heating system, Hall "C" will have a functioning heating system and will be able to be maintained properly. The end result should also yield energy cost savings and use efficiency. There will be no negative impact on facility operations.	Complete system failure (no permanent heat source in Hall "C").
EXPO Halls D& E Emergency Lighting	Replace lighting battery back-up for Halls "D" & "E".		Capital Fund Balance	Safety - There has been no ROI done for this project. There will be no negative impact on facility operations.	Replacement MUST be done for building safety compliance and public safety.
EXPO Halls "A" - "B" Relamp	Change out lighting in Halls "A" and "B" from T-12's to T8's for energy cost and efficiency benefits.		Capital Fund Balance	There has been no ROI done for this project. The project end result will yield energy cost savings and use efficiency. There will be no negative impact on facility operations.	higher project costs and energy costs.
EXPO Parking Lot R&R	Parking lot asphalt to be removed and replaced at Halls A, B and C. General Maintenance can not be done due to the deteriorations of asphalt. (Original Request 1/16/2009)		Capital Fund Balance	There has been no ROI done for this project. There will be no negative impact on facility operations.	higher project costs and further deterioration which could lead to unsafe conditions.

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Information Technology (MERC)					
SharePoint EXTRANet	Access to the existing SharePoint product is restricted to internal users authenticated to our network. The existing SharePoint product will not allow deployment of internet facing collaboration web sites. This project purchases the SharePoint product licenses needed to deploy internet facing web site.	The ultimate objective of this project is to provide web based collaboration tools with MERC external partners, stakeholders, and citizens using a standard, scalable, and technically friendly platform that can be deployed without the expense of external consultants. Potential examples include collaboration web sites for major MERC projects like HQH, CRC, capital improvements. Automated web data collection of vendor demographics and surveys are more examples.	capital	No ROI has been calculated for this project	Continuation of funding for external consultants, and internal web masters, to custom build web based collaboration tools.
Kronos Advanced Scheduling	Implement Kronos advanced scheduling for MERC event staff employees scheduled by the PCPA events department and PCPA volunteers. PCPA schedules front of house event staff for all PCPA venues, OCC, and EXPO front of house event staff. Demonstrate applicability of scheduling functionality to other MERC/METRO departments that may benefit from automated employee scheduling; MERC security, medical technicians, operations; METRO parts, zoo, solid waste.	Elimination of manual side systems moving to agency wide standard scheduling platform. Fewer errors and more efficient for scheduler and employees.	capital	No ROI has been calculated for this project.	Continuation of manual scheduling for event staff.
EBMS License Bump	Increase EBMS concurrent license count from 64 to 80.	We have become aware from advances in the EBMS product that we are regularly exceeding the concurrent license count specified in our software license agreement with USI.	capital	No ROI has been calculated for this project.	Limit EBMS usage to 64 concurrent users on a consistent basis or litigation due to license violations.
Server Virtualization	Server virtualization allows IT to consolidate the functionality of several older servers into a single new server. Several servers in our data center are older than five years and need to be replaced.	Consolidation of several old servers into a single new server will reduce electrical expense and reduce the equipment footprint in the data center.	capital	No ROI was calculated for this project.	The older servers are obsolete and the probability of failure is higher. Our potential risk for business disruption is higher if we do not keep our data center equipment current.