

METROPOLITAN EXPOSITION RECREATION COMMISSION
Resolution 97-31

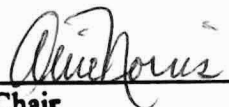
Authorizing a budget amendment to the FY 1996-97 Amended Budget for the Expo Center (Regional Parks and Expo) Fund related to anticipated over-expenditure of Capital Outlay expenditures.

The Metropolitan Exposition Recreation Commission finds that the following budget amendment is necessary:

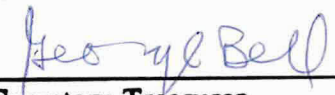
	<u>Amended Budget</u>	<u>Amendment</u>	<u>Revised Budget</u>
Material & Services	2,197,101	(80,000)	2,117,101
Capital Outlay	12,584,907	80,000	12,664,907

BE IT THEREFORE RESOLVED that the Metropolitan Exposition-Recreation Commission hereby approves the above budget amendment and submits it to the Metro Council under the Metro Code.

Passed by the Commission on June 11, 1997.



Chair



Secretary-Treasurer

Approved as to Form:
Daniel B. Cooper, General Counsel

By: 

Kathleen Pool, Senior Assistant Counsel

MERC STAFF REPORT

Agenda Item/Issue: Approval of amendment to the FY 1996-97 budget for the Expo Center

Resolution No. 97-31

Date: May 25, 1997

Presented by: Norman Kraft

Background and Analysis: This \$80,000 budget amendment is anticipated to be necessary to prevent an over-expenditure of Capital Outlay appropriations by year-end. The over-expenditure is due to the following reasons:

- The FF&E needs and requirements of the new building project never were part of the project costs. The original estimated costs were estimated to be approximately \$221,000. Actual costs appear to now be about \$224,000. This amount was to be provided for out of a combination of the Capital equipment budget, project savings and Contingency funds.
- \$285,806 of Contingency funds (Res. 97-06) were transferred to Capital Outlay previously which significantly reduced funding availability. \$73,190 was due to FY 95-96 project costs being lower than budgeted and \$212,616 was due to an accounting and audit issue related to the Fine Host investment. The last item was not made known until November 1996 which affects Capital Outlay expenditures in FY 96-97.
- There still remain one to two months to complete the project and true and final costs are not known nor can they be projected with complete accuracy. In addition, we were not able to delay spending for all of the expected operating equipment needs.

Based on the above factors it is necessary to move \$80,000 from Material & Services to Capital Outlay to prevent an over-expenditure. The specific line-item to be decreased in Material & Services is the Concession's appropriations, as the primary need and cause for the problem arises from Concessions equipment needs.

Fiscal Impact: The movement of \$80,000 of Materials & Services to Capital Outlay has no impact on the total appropriations. It is necessary to move this appropriation to avoid potential over-expenditure of budget, which is a violation of Oregon Budget Law.

<u>Expenditures</u>	<u>Amended Budget</u>	<u>Amendment</u>	<u>Revised Budget</u>
Materials & Services	2,197,101	(80,000)	2,117,101
Capital Outlay	12,584,907	80,000	12,664,907

Recommendation: Staff recommends that the Commission approve the revised and amended FY 1996-1997 Budget for the Expo Center.