

METROPOLITAN EXPOSITION RECREATION COMMISSION
Resolution 97-19

Authorizing a budget amendment to the FY 1996-97 Amended Budget for the MERC Administration Fund related to anticipated over-expenditure of Materials & Services 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>
Personal Services	495,569	(10,000)	485,596
Materials & Services	156,591	10,000	166,591

BE IT THEREFORE RESOLVED that the Metropolitan Exposition-Recreation Commission here-by approves the above budget amendment and submits it to the Metro Council under the Metro Code applicable to FY 1996-97.

Passed by the Commission on April 9, 1997.



Chair



Secretary-Treasurer

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

By: 

Kathleen Pool, Assistant Counsel

MERC STAFF REPORT

Agenda Item/Issue: Approval of amendment to the FY 1996-97 budget for the MERC Administration Fund

Resolution No. 97-19

Date: April 3, 1997

Presented by: Norman Kraft

Background and Analysis: This \$10,000 budget amendment is anticipated to be necessary to prevent an over-expenditure of Materials & Services appropriations by year-end. MERC Administration has not exceeded their appropriations yet, however there are several items that will occur later which may create an over-expenditure. However time is against us and we will not have the opportunity to correct over-expenditures later in the fiscal year. The detail of the items which could create the over-expenditure follow:

- The Secretary/Receptionist position has not been filled and actual hiring is now projected to be late April or May. These duties include phone coverage for the office, back-up to the Executive Secretary, assistance to the Purchasing Manager for data collection and processing, data assembly and processing for the Accounting Staff and other duties as required to keep the office running smoothly. The necessary work and duties of this position has been provided through the usage of Temporary Labor personnel. Due to the delay in hiring, expenditures will exceed this line-item by approximately \$10,000.
- The Compensation Study is nearing its completion. However it is anticipated that further services of the contractor will be utilized to implement some or all of the corrections and changes that the Commission approves out of the report. The estimated costs for this additional work by contract could be up to \$11,000.
- A Memorandum of Understanding with Metro's Administrative Services Department has been issued regarding FY 1997-98 Support Service charges. This agreement will continue MERC's participation in Metro's accounting system which is in the process of implementing a new system. Our understanding is that this new system will require changes in our procedures and process in several areas plus the required training in this system will not begin until June. This implementation may create costs and changes in our services that we can not predict which are in addition to several other changes that MERC Administration will be incurring in the same time frame.

MERC Administration has sufficient budgetary reserves in Materials & Services to accommodate one unanticipated expense of \$10,000 but not \$20,000. An explanation of the specific appropriation transfer of \$10,000 from Personal Services to Temporary Labor is contained in the above issues.

Fiscal Impact: The movement of \$10,000 of Personal Services appropriations to Materials & Services 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.

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	<u>Balance Prior to Change</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance Adjusted</u>
<u>Expenditures</u>				
Personal Services:	495,569	0	(10,000)	485,569
Wages-Reg. Full-Time	25,786	0	(10,000)	15,786
Materials & Services:	156,591	10,000	0	166,591
Temporary Labor	8,500	10,000	0	18,500

Recommendation: Staff recommends that the Commission approve the revised and amended FY 1996-1997 Budget for the MERC Administration Fund