

METROPOLITAN EXPOSITION-RECREATION COMMISSION

RESOLUTION 98-14

Authorizing a Supplemental Budget amendment to FY 1997-98 Adopted Budgets for the following funds:

Convention Center Project Capital Fund
OCC Operating Fund
Spectator Facilities Fund
Coliseum Operating Fund
MERC Operating Fund

The Metropolitan Exposition-Recreation Commission finds:

1. The estimated Ending Fund Balances at June 30, 1997 used to establish the Transfer of Resources from the FY 1996-97 Operating Funds to the MERC Operating Fund in FY 1997-98 were understated leaving balances in the former funds which need to be transferred.
2. The Convention Center Project Capital Fund's Beginning Fund Balance in FY 1997-98 was understated which prevents fully expending the fund in FY 1997-98.
3. The PCPA's Reimbursed Labor Revenue and Personal Services were under budgeted due to contract negotiations that were not concluded until July 1997 and revisions in costs to implement a program to clean their facilities with an in-house labor versus Temporary Labor.

Be It Therefore Resolved that the Metropolitan Exposition-Recreation Commission hereby approves and submits to the Metro Council under the Metro code provisions applicable to FY 1997-98 the following supplemental budget amendments:

Convention Center Project Capital Fund-

	Adopted Budget	Amendment	Revised Budget
Total Resources	\$ 123,300	\$ 27,481	\$ 150,481
Total Material & Services	\$ 123,300	\$ (3,487)	\$ 119,813
Total Capital Outlay	\$ -0-	\$ 30,968	\$ 30,968
Total Requirements	\$ 123,300	\$ 27,481	\$ 150,781

OCC Operating Fund

	Adopted Budget	Amendment	Revised Budget
Total Resources	\$ 4,347,212	\$ 1,307,559	\$ 5,654,771
Total Requirements	\$ 4,347,212	\$ 1,307,559	\$ 5,654,771

Spectator Facilities Operating Fund-

	Adopted Budget	Amendment	Revised Budget
Civic Stadium - Resources	\$ 1,226,628	\$ (33,679)	\$ 1,192,949
PCPA - Resources	\$ 2,541,654	\$ 92,165	\$ 2,633,819
Total Resources	\$ 3,768,282	\$ 58,486	\$ 3,826,768
Civic Stadium - Requirements	\$ 1,226,628	\$ (33,679)	\$ 1,192,949
PCPA - Requirements	\$ 2,541,654	\$ 92,165	\$ 2,633,819
Total Requirements	\$ 3,768,282	\$ 58,486	\$ 3,826,768

Coliseum Operating Fund-

	Adopted Budget	Amendment	Revised Budget
Total Resources	\$ 45,000	\$ 15	\$ 45,015
Total Requirements	\$ 45,000	\$ 15	\$ 45,015

MERC Operating Fund-

	Adopted Budget	Amendment	Revised Budget
Total Resources	\$ 35,083,593	\$ 1,641,060	\$ 36,724,653
Total Personal Services	\$ 10,231,631	\$ 467,165	\$ 10,698,796
Total Material & Services	\$ 13,968,752	\$ -0-	\$ 13,968,752
Total Debt Service	\$ 719,058	\$ -0-	\$ 719,058
Total Capital Outlay	\$ 2,207,596	\$ -0-	\$ 2,207,596
Total Contingency	\$ 1,121,263	\$ (100,000)	\$ 1,021,263
Total Unappropriated Balance	\$ 6,835,293	\$ 1,273,895	\$ 8,109,188
Total Requirements	\$ 35,083,593	\$ 1,641,060	\$ 36,724,653

Passed by the Commission on March 11, 1998.


Chair

Secretary-Treasurer

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

By:

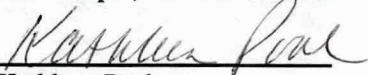

Kathleen Pool
Senior Assistant Counsel

EXHIBIT A
SUPPLEMENTAL BUDGET
FY 1997-98

Fund Description	Acct. #	Description	Adopted Budget	Amendment	Revised Budget
Convention Center Project Capital					
	BEGBAL	Beg. Fund Balance	120,000	27,481	147,481
	4700	Interest	3,300	0	3,300
		Total Resources	123,300	27,481	150,781
	5310	Taxes non-payroll	123,000	(3,487)	119,513
		Total M & S	123,000	(3,487)	119,513
	5725	Buildings & Related	0	30,968	30,968
		Total Capital Outlay	0	30,968	30,968
		Total Requirements	123,000	27,481	150,481
OCC Operating					
	BEGBAL	Beg. Fund Balance	4,347,212	1,307,559	5,654,771
		Total Resources	4,347,212	1,307,559	5,654,771
	5830	Transfer out - Equity	4,347,212	1,307,559	5,654,771
		Total Requirements	4,347,212	1,307,559	5,654,771
Coliseum Operating					
	BEGBAL	Beg. Fund Balance	45,000	15	45,015
		Total Resources	45,000	15	45,015
	5830	Transfer out - Equity	45,000	15	45,015
		Total Requirements	45,000	15	45,015
Spectator Facilities Operating					
Stadium	BEGBAL	Beg. Fund Balance	1,226,628	(33,679)	1,192,949
PCPA	BEGBAL	Beg. Fund Balance	2,541,654	92,165	2,633,819
		Total Resources	3,768,282	58,486	3,826,768
Stadium	5830	Transfer out - Equity	1,226,628	(33,679)	1,192,949
PCPA	5830	Transfer out - Equity	2,541,654	92,165	2,633,819
		Total Requirements	3,768,282	58,486	3,826,768
MERC Operating					
	4645	Reimbursed Services	1,578,699	275,000	1,853,699
	4895	Equity Transfers In	9,141,937	1,366,060	10,507,997
		All other Resources	24,362,957	0	24,362,957
		Total Resources	35,083,593	1,366,060	36,724,653
	5043	Part-Time, Non-Reimbursed	605,475	98,000	703,475
	5045	Part-Time, Reimbursed	1,496,908	369,165	1,866,073
		All Other Personal Services	8,129,248	0	8,129,248
		Total Personal Services	10,231,631	467,165	10,698,796
		Total Material & Services	13,968,752	0	13,968,752
		Total Debt Service	719,058	0	719,058
		Total Capital Outlay	2,207,596	0	2,207,596
		Contingency	1,121,263	(100,000)	1,021,263
		Unappropriated Balance	6,835,293	1,273,895	8,109,188
		Total Conting./Uappro. Bal	7,956,556	1,173,895	9,130,451
		Total Requirements	35,083,593	1,641,060	36,724,653

MERC STAFF REPORT

Agenda Item/Issue: Approval of Supplemental Budget amendment for Fiscal Year 1997-98.

Resolution No. 98-14

Date: March 14, 1998

Presented by: Norman Kraft

Background and Analysis: A supplemental budget amendment is required for the following:

- The Convention Center Project Capital Fund was expected to incur greater expenditures in FY 1996-97 than what actually occurred resulting in a larger Ending Fund Balance at June 30, 1997. The Beginning Fund Balance for FY 1997-98 did not anticipate that possibility thereby under budgeted the fund by \$27,481. In addition there is a recognized savings this fiscal year in budgeted Material & Services in the amount of \$3,487. The combined adjustment for the two amounts would generate \$30,968 that could be applied to capital improvement projects in the Convention Center.
- The creation of the new MERC Operating Fund in FY 1997-98 required the balances of the old operating funds to be transferred to the new fund in FY 1997-98. The budgeted transfer of expenditures and revenues underestimated the actual Ending Fund Balances at June 30, 1997. The supplemental budget eliminates the remaining funds of \$1,366,060 in the old operating funds in this fiscal year and allows these funds to be closed out.
- The supplemental budget includes two adjustments to Personal Services at the PCPA. The first is the result of the Stage Hand Contract which was still being negotiated when the FY 1997-98 budget was adopted and the second is due to the decision to use in-house labor for facility clean up after events. In the past outside temporary labor was used for this purpose. The adopted budget for FY 1997-98 anticipated this transition but actual costs have risen higher than the original forecast. The total impact of these two adjustments should require an additional \$617,165 but has been reduced to \$467,165. This budget amendment consists of the \$92,165 increase in Beginning Fund Balance, \$275,000 increase in Reimbursed Labor Revenue and a transfer of \$100,000 from Contingency. The additional savings of \$150,000 is the result of the cancellation of a mega Broadway show, other lower staffing requirements to date plus savings from vacancies and delayed hiring. This budget amendment has no net impact on the budgeted FY 1997-98 Ending Fund Balance.

Fiscal Impact:

MERC Operating Fund -

While the amendment assumes an increase in expenditures of \$367,165, this amount is offset by additional resources. The Supplemental Budget adjustment results in an increase in budgeted Ending Fund Balance for FY 1997-98.

OCC Project Capital Fund -

The Supplemental Budget amendment includes a net increase in budgeted expenditures of \$27,481 which is offset by an increase in Beginning Fund Balance.

The detail of the Supplemental Budget amendment is attached as Exhibit A.

Recommendation : Staff recommends that the Commission approve a supplemental budget amendment for FY 1997-98 as reflected in Resolution 98-14.