

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution No. 03-10

For the purpose of approving and transmitting Revised Budgets for the Fiscal Year 2003-04 MERC Pooled Capital Fund and Convention Center Project Capital Fund to Metro Council.

WHEREAS, Metro Code 6.01.050 provides that the Commission shall annually prepare and approve an annual budget which shall, to the maximum extent permitted by law, consist of one commission-wide series of appropriations in those categories which are required by local budget law, applicable to all buildings, facilities, and programs managed by the Commission; and


WHEREAS, in November 2002, in Resolution 02-33, the Commission approved and transmitted to the Metro Council the Fiscal Year 2003-04 budgets for the MERC Operating Fund, the MERC Pooled Capital Fund and the Convention Center Capital Project Fund,

WHEREAS, in February 2003, in Resolution 03-05, the Commission approved and transmitted to the Metro Council the Fiscal Year 2003-04 revised budgets for the MERC Operating Fund and the MERC Pooled Capital Fund,

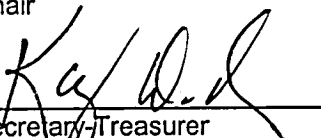
WHEREAS, in the intervening period, the budgets and timing of new and existing projects have been revised requiring changes to be made to the Fiscal Year 2003-04 MERC Pooled Capital Fund budget and Convention Center Project Capital Fund budgets in order to ensure sufficient appropriation,

BE IT THEREFORE RESOLVED that the Metropolitan Exposition-Recreation Commission approves and transmits to the Metro Council the revised MERC Pooled Capital Fund and the Convention Center Project Capital Fund budgets attached as Exhibit A and Exhibit B for Fiscal Year 2003-04 for inclusion as part of the total Metro budget for this period.

Passed by the Commission on March 26, 2003.



Chair



Secretary-Treasurer

Approved As To Form:
Daniel B. Cooper, General Counsel

By: _____

MERC STAFF REPORT

Agenda Item: Approving and Transmitting Revised Budgets for the Fiscal Year 2003-04 MERC Pooled Capital Fund and Convention Center Project Capital Fund to Metro Council.

Resolution No. 03-10

Date: March 26, 2003

Presented by: Bryant Enge

Description of Resolution: Resolution 03-10 would approve the attached revised proposed budgets for submission to the Metro Council by a duly adopted resolution at a regular public meeting of the Commission.

Background: In November 2002, the Commission approved and transmitted to the Metro Council the Fiscal Year 2003-04 budgets for the MERC Operating Fund, the MERC Pooled Capital Fund and the Convention Center Capital Project Fund. In February 2003, the Commission approved and transmitted to the Metro Council the Fiscal Year 2003-04 revised budgets for the MERC Operating Fund and the MERC Pooled Capital Fund. Subsequently, the budgets and timing of new and existing projects have been revised and financial updates are needed. This staff report and its attachments detail and describe such changes.

Discussion and Analysis: There is better information as to the timing and budget of new and existing projects. This budget revision consist of two components: 1) it will budget resources and requirements related to an intergovernmental agreement between Metro and Tri-Met; and 2) it will re-budget—'carryover'—appropriation associated with the FY 2002-03 budget. This intergovernmental agreement calls for Expo receiving money as compensation for land acquisition and/or easements and reimbursements for certain construction cost. The agreement is expected to be entered into prior to the end of FY 2002-03 and closing in FY 2003-04. In addition, this revision will re-budget resources and requirements that were expected to be received and expended in FY 2002-03, but due to project timing may not be expended in FY 2002-03. This revision would carryover unused appropriation in the MERC Pooled Capital Fund and the Convention Center Project Capital Fund.

While this proposal will increase total appropriation in the MERC Pooled Capital Fund by \$4,282,636, only \$1,595,712 is for additional authority to spend. This request for additional spending authority is supported by \$900,712 in resources that were previously appropriated in FY 2002-03 (carryover), \$55,000 in reallocation of existing appropriation, and the balance, \$640,000, from the money that Expo will receive pursuant to the IGA between Metro and Tri-Met. As such, this increase in appropriation will not require a transfer from the MERC Operating Fund. The balance of the money received from the IGA will become part of MERC Pooled Capital ending balance, which segregated into Contingency and Fund Balance. Of this \$2,915,949 ending balance, \$750,000 will be specifically allocated Contingency, which is available for unforeseen maintenance and/or capital needs. In addition, this proposal will provide appropriation in the Convention Center Project Capital Fund of \$1,500,000. This proposal is supported by resources of \$1,500,000 that were previously appropriated in FY 2002-03 (carryover).

Based on more current financial information staff developed the proposed Revised MERC Pooled Capital Fund and the Convention Center Project Capital Fund budgets attached as Exhibit A and Exhibit B. With those adjustments, the proposed budgets are forwarded to the full Commission for consideration, comment and passage.

Financial Impact: The changes proposed for the Fiscal Year 2003-04 budget will require an increase of \$4,282,636 in the MERC Pooled Capital Fund appropriation and \$1,500,000 in the Convention Center Project Capital Fund to avoid an over-expenditure budget, which is a violation of Oregon Budget Law. This increase in appropriation is expected to be offset by unused FY 2002-03 resources that were previously appropriated. In addition, the increase in MERC Pooled Capital Fund appropriation will be offset by resources from Government Contributions. This increase in appropriation will not require a transfer from the MERC Operating Fund.

For complete details with respect to the MERC Pooled Capital Fund see Exhibit A. For complete details with respect to the Convention Center Project Capital Fund see Exhibit B.

Recommendation: Passage of the Revised Fiscal Year 2003-04 ` and Convention Center Project Capital Fund Proposed Budgets for Fiscal Year 2003-04.

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution No. 03-10

For the purpose of approving and transmitting Revised Budgets for the Fiscal Year 2003-04 MERC Pooled Capital Fund and Convention Center Project Capital Fund to Metro Council.

WHEREAS, Metro Code 6.01.050 provides that the Commission shall annually prepare and approve an annual budget which shall, to the maximum extent permitted by law, consist of one commission-wide series of appropriations in those categories which are required by local budget law, applicable to all buildings, facilities, and programs managed by the Commission; and

WHEREAS, in November 2002, in Resolution 02-33, the Commission approved and transmitted to the Metro Council the Fiscal Year 2003-04 budgets for the MERC Operating Fund, the MERC Pooled Capital Fund and the Convention Center Capital Project Fund,

WHEREAS, in February 2003, in Resolution 03-05, the Commission approved and transmitted to the Metro Council the Fiscal Year 2003-04 revised budgets for the MERC Operating Fund and the MERC Pooled Capital Fund,

WHEREAS, in the intervening period, the budgets and timing of new and existing projects have been revised requiring changes to be made to the Fiscal Year 2003-04 MERC Pooled Capital Fund budget and Convention Center Project Capital Fund budgets in order to ensure sufficient appropriation,

BE IT THEREFORE RESOLVED that the Metropolitan Exposition-Recreation Commission approves and transmits to the Metro Council the revised MERC Pooled Capital Fund and the Convention Center Project Capital Fund budgets attached as Exhibit A and Exhibit B for Fiscal Year 2003-04 for inclusion as part of the total Metro budget for this period.

Passed by the Commission on March 26, 2003.

Chair

Secretary-Treasurer

Approved As To Form:
Daniel B. Cooper, General Counsel

By: _____

Exhibit A
Resolution No. 03-10
FY 2003-04 PROPOSED SCHEDULE OF APPROPRIATIONS

	<u>Current</u> <u>Appropriation</u>	<u>Revision</u>	<u>Amended</u> <u>Appropriation</u>
MERC Pooled Capital Fund..			
Resources			
Beginning Fund Balance	\$184,661	\$1,388,885	\$1,573,546
Government Contributions	315,180	2,893,751	3,208,931
Donations and Bequests	527,520	0	527,520
Transfers	253,580	0	253,580
Unappropriated Balance	0	0	0
Total Fund Requirements	\$1,280,941	\$4,282,636	\$5,563,577
Requirements			
Total Operating Requirements	\$1,051,916	\$1,595,712	\$2,647,628
Interfund Transfers	\$55,000	(55,000)	\$0
Contingency and Ending Balance	174,025	2,741,924	2,915,949
Total Fund Resources	\$1,280,941	\$4,282,636	\$5,563,577

Exhibit B
Resolution No. 03-10
FY 2003-04 PROPOSED SCHEDULE OF APPROPRIATIONS

	<u>Current</u> <u>Appropriation</u>	<u>Revision</u>	<u>Amended</u> <u>Appropriation</u>
Convention Center Project Capital Fund			
Resources			
Beginning Fund Balance	\$64,870	\$1,500,000	\$1,564,870
Interest	130	0	130
Transfers	260,000	0	260,000
Unappropriated Balance	0	0	0
Total Fund Requirements	\$325,000	\$1,500,000	\$1,825,000
Requirements			
Total Capital Requirements	\$325,000	\$1,500,000	\$1,825,000
Contingency and Ending Balance	0	0	0
Total Fund Resources	\$325,000	\$1,500,000	\$1,825,000