

**METROPOLITAN EXPOSITION RECREATION COMMISSION**

**Resolution No. 06-12**

**For the purpose of approving and transmitting a budget amendment to the MERC Operating Fund for fiscal year 2006-07.**

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; and


WHEREAS, the Commission previously approved and transmitted to the Metro Council the fiscal year 2006-07 budgets for the MERC Operating Fund and the MERC Pooled Capital Fund; and

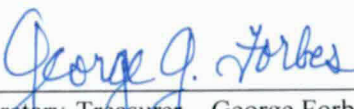
**BE IT THEREFORE RESOLVED** that the Metropolitan Exposition Recreation Commission approves and transmits to the Metro Council the following budget amendments attached as Exhibit A for the fiscal year beginning July 1, 2006 and ending June 30, 2007 for inclusion as part of the total Metro budget for this period: (1) MERC Operating Fund

Passed by the Commission on June 28, 2006.

  
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Chair – Sheryl Manning

Approved as to Form:  
Daniel B. Cooper, Metro Attorney

By:   
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Daniel B. Cooper  
Metro Attorney

  
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Secretary-Treasurer – George Forbes

## MERC Staff Report

**Agenda Item/Issue:** For the purpose of approving and transmitting a budget amendment to the MERC Operating Fund for fiscal year 2006-07.

**Resolution No.:** 06-12

**Presented By:** Kathy Taylor,  
Deputy General Manager

**Date:** June 28, 2006

**Background and Analysis:** Resolution 06-12 would approve the attached budget amendments for submission to the Metro Council by a duly adopted resolution at a regular public meeting of the Commission. Exhibit A includes the Amendment to reduce \$200,000 Food and Beverage Revenue and increase Hotel/Motel Revenue by \$200,000. Both changes results from revised estimates for the year.

**Fiscal Impact:** The proposed amendments contemplate zero change to ending fund balance, but it does decrease the food and beverage margin from 25% to 23% at the Oregon Convention Center.

**Recommendation:** Staff recommends that the Metropolitan Exposition-Recreation Commission adopt Resolution 06-12, For the purpose of approving and transmitting budget amendments to the MERC Operating Fund and the MERC Pooled Capital Fund for fiscal year 2006-07.

Department	#
MERC	5

## AMENDMENT TO FY 2006-07 BUDGET

**SPONSOR:** Jeff Miller, General Manager/Kathy Taylor, Deputy General Manager

**DRAFTER:** Cynthia Hill, Budget Analyst

**DATE:** June 1, 2006

**PROPOSED AMENDMENT:** (provide a brief summary of the requested action along with the specific line items affected)

This action makes two changes to MERC Operating Revenues, specifically for OCC as follows and a resulting impact on General Fund Excise Tax revenue.

- Decrease food and beverage revenue by \$200,000 due to an expected drop in food and beverage revenues, reducing margins from 25% to 23%.
- Increase Hotel Motel Revenue by \$200,000. A re-examination of current Hotel/Motel activity indicates this figure is too conservative.
- Reduces General Fund Excise Tax earned on food and beverage revenue.

<u>Department(s)</u>	<u>Fund(s)</u>	<u>Line items</u>		
		<i>Acct #</i>	<i>Account Title</i>	<i>Amount</i>
<b><i>Requirements:</i></b>	MERC Operating Fund	4550	Food Service Revenue	(200,000)
	MERC Operating Fund	4130	Hotel Motel Tax	200,000
	General Fund	4050	Excise Tax	(15,000)
	General Fund	5999	General Contingency	(15,000)

**PROGRAM/STAFFING IMPACTS** None