

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 06-20

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.

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

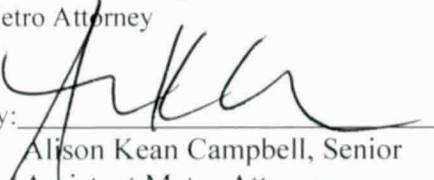
WHEREAS, Metro Code 6.01.050(d) further provides that once the Commission's budget has been adopted by the Metro Council, any changes in the adopted appropriations must be ratified in advance by the Metro Council; and


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 and B 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) amendments to the MERC Operating Fund, and (2) amendment to the MERC Pooled Capital Fund.

Passed by the Commission on October 25, 2006.

Approved as to Form:
Alison Kean Campbell, Senior Assistant
Metro Attorney

By: 
Alison Kean Campbell, Senior
Assistant Metro Attorney


Chair - George Forbes


Secretary-Treasurer - Janice Marquis

MERC Staff Report

Agenda Item/Issue: 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.

Resolution No.: 06-20

Presented By: Kathy Taylor,
Deputy General Manager

Date: October 25, 2006

Background and Analysis: Resolution 06-20 would approve proposed budget amendments for submission to the Metro Council by a duly adopted resolution at a regular public meeting of the Commission.

1) **MERC Operating Fund:**

This amendment will increase MERC Administration personal services budget for the addition of 2.00 FTE Regular Full-Time Exempt; increase Temporary Employees; increase contracted professional services to conduct an executive search for MERC General Manager; reclassify OCC Food and Beverage Services to Capital Outlay-Equipment to purchase three additional espresso machines.

Business System Analyst will serve as a key employee to facilitate understanding and maximize the use of our information systems. Develop training or educational materials for technology users. Design, analyze and implement information systems including documenting application requirements and operational procedures, solving problems, importing data, creating reports and other output from databases, and supporting software, equipment and backup requirements. MERC has made a significant investment in Event Business Management System, point of sale systems and other technologies. The next challenge is to derive benefits from that investment in the form of management information, benchmark data, trends, performance measures and eliminating stand alone side systems for efficiency and productivity.

Total annual cost, including salary and fringe benefits, of the Business System Analyst will be \$75,794, however this request is \$50,529 based on a partial year implementation.

\$50,529

Purchasing and Contracts position will coordinate the purchasing and contracting process for all MERC venues. Our goal is to consolidate processes and facilitate a professional approach for contracting construction projects and for purchasing capital items, operating goods and services. Ensures purchasing agreements and contracts are negotiated for effective and efficient results. Evaluates and implements best practice purchasing and contracting procedures. This central support will provide an improved, efficient business process for the facilities. The benefit of this central position will be an opportunity to capture economies of scale to achieve better pricing.

Total annual cost, including salary and fringe benefits, of the Purchasing and Contracts position will be \$75,794, however this request is \$37,897 based on a partial year implementation.

\$37,897

Temporary Employee

- a) To support the construction management function. Over the next few months it is critical that MERC implement several major construction and capital projects. Our professional staff can more quickly implement those projects with the assistance of a temporary employee who could perform clerical and support aspect of these projects. Staff transition due to retirement is anticipated within the next year. Collecting, notating and archiving important building information subsequent to this transition will be assisted by the temporary staff.
- b) Workloads have been especially heavy in accounting during the implementation of the accounting functions from Metro and Peoplesoft to MERC and EBMS. To provide support to accounting, an intern will be hired to perform clerical tasks.
- c) Total increased cost, including salary and fringe benefits will be \$22,641 \$22,641

General Manager Executive Search

Hire executive search consultant to assist MERC Commission with General Manager recruitment. \$50,000

Espresso Machines

Reclassify cost of good sold to purchase an additional espresso machine for each Starbuck's and one for the mobile espresso cart.

Increase Capital Outlay Equipment	\$40,000
Decrease Food and Beverage Service	(\$40,000)

Total \$161,067

Operating Fund Financial Summary

Requirements

Regular Employees Full-Time Exempt	MERC Operating Fund *	\$58,973
Temporary Employee		18,400
Fringe Benefits		33,694
Contracted Professional Services		50,000
Food and Beverage Services		(40,000)
Capital Outlay Equipment		40,000

Total Requirements \$161,067

General Contingency MERC Operating Fund (\$161,067)

* New positions are prorated based on projected start dates.

2) MERC Capital Fund:

This amendment will reclassify appropriations from Capital Outlay to Contracted Professional Services for the following carry-over projects:

- Expo Phase Three Market Assessment \$16,490
- PCPA ASCH Hall Improvements Feasibility and Design Study 60,000

Capital Fund Financial Summary

Requirements

Contracted Professional Services	MERC Pooled Capital Fund	\$76,490
Capital Outlay - Buildings and Related		(\$76,490)

Fiscal Impact: The proposed amendments contemplate:

- Operating Fund decrease to the General Contingency (\$161,067)
- Capital Fund no fiscal impact.

Recommendation: Staff recommends that the Metropolitan Exposition-Recreation Commission adopt Resolution 06-20, 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.

**Exhibit A Resolution 06-20
2006-07 FY Budget Amendment
MERC Operating Fund Summary**

	<u>Expo</u>	<u>OCC</u>	<u>PCPA</u>	<u>Admin</u>	<u>Operating</u>
<u>2006-07 Adopted Budget</u>					
Adopted Budget Net	426,248	(280,645)	154,831	122,921	423,355
Ending Fund Balance	3,528,791	5,411,604	4,423,755	253,523	13,617,673
<u>2006-07 Amendments:</u>					
Personal Services - 2.00 FTE and Temporary Employee				(111,067)	(111,067)
Search Consultant				(50,000)	(50,000)
Aramark Cost of Goods		(40,000)			(40,000)
Aramark Reserve Capital Outlay		40,000			40,000
MERC Admin Support Charges	(16,107)	(88,587)	(56,373)	161,067	-
Total Amendments	(16,107)	(88,587)	(56,373)	-	(161,067)
Budget Net, with Amendments	410,141	(369,232)	98,458	122,921	262,288
Ending Fund Balance, with Amendments	3,512,684	5,323,017	4,367,382	253,523	13,456,606

**Exhibit B Resolution 06-20
2006-07 FY Budget Amendment
MERC Pooled Capital Fund Summary**

	<u>Expo</u>	<u>OCC</u>	<u>PCPA</u>	<u>Admin</u>	<u>Pooled</u>
<u>2006-07 Adopted Budget</u>					
Adopted Budget Net	115,365	(992,233)	(545,618)	(250,800)	(1,673,286)
Ending Fund Balance	1,482,511	197,011	347,537	10,659	2,037,718
 <u>2006-07 Amendments:</u>					
<u>Requirements</u>					
Professional Services	16,490		60,000		76,490
Capital Outlay Buildings	(16,490)		(60,000)		(76,490)
Total Amendments	-	-	-	-	-
Budget Net, with Amendments	115,365	(992,233)	(545,618)	(250,800)	(1,673,286)
Ending Fund Balance, with Amendments	1,482,511	197,011	347,537	10,659	2,037,718