

**METROPOLITAN EXPOSITION RECREATION COMMISSION
Resolution Number 21-03**

For the purpose of approving the Metropolitan Exposition Recreation Commission ("MERC") 2021-22 Proposed Budget and 2021-22 through 2025-26 Capital Improvement Plan.

WHEREAS, pursuant to Section 6.01.50 of the Metro Code, MERC must prepare and approve a budget by resolution and;

WHEREAS, the MERC has met in a public meeting for the purpose of reviewing the FY 2021-22 through FY 2025-26 five-year budget forecast.

BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission:
Approves the MERC Fiscal Year 2021-22 Budget and 2021-22 through 2025-26 Capital Improvement Plan attached as Exhibit A and transmits it to the Metro Chief Operating Officer for submission to the Metro Council for inclusion in the Metro budget for the Fiscal Year 2021-22.

Passed by the Commission on March 3, 2021.

Approved as to Form:
Carrie MacLaren, Metro Attorney

By: Nathan Sykes
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Nathan A. S. Sykes, Deputy Metro Attorney

Karis Stoudemire - Phillips
Chair
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Deidra Kryz-Rusoff
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Secretary/Treasurer

Metropolitan Exposition-Recreation Commission
Convention Center Operating Fund

	FY 2018 Actual	FY 2019 Actual	FY 2020 Actual	FY 2021 Budget	FY 2022 Proposed Budget	FY19-FY22 Var \$	FY19-FY22 Var %
OPERATIONS							
Charges for Services	13,760,945	14,363,218	9,902,483	5,498,000	6,567,391	(7,795,827)	-54%
Food and Beverage Revenue	14,552,832	17,811,358	10,288,538	-	7,595,020	(10,216,338)	-57%
Local Government Shared Revenues	15,468,405	13,998,845	14,903,532	3,338,000	10,604,995	(3,393,850)	-24%
Contributions from Private Sources	300,000	-	-	-	-	-	0%
Grants	88,861	-	248,713	735,000	-	-	0%
Interest Earnings	421,589	45,996	323,139	162,322	160,000	114,004	248%
Miscellaneous Revenue	185,138	680,098	58,020	-	9,331	(670,767)	-99%
Transfers-R	-	64,323	123,052	3,296,669	-	(64,323)	-100%
Total Revenues	44,777,770	46,963,837	35,847,477	13,029,991	24,936,737	(22,027,100)	-47%
Personnel Services	10,996,179	11,258,448	11,017,758	4,340,153	9,266,312	(1,992,136)	-18%
Materials and Services	11,834,275	11,304,527	9,629,245	10,998,500	8,335,847	(2,968,680)	-26%
Food & Beverage Services	11,598,444	13,200,339	9,021,860	-	6,076,016	(7,124,323)	-54%
Management Fee	1,975,380	1,877,840	1,314,456	-	-	(1,877,840)	-100%
Transfers-E	3,739,662	4,157,565	3,583,402	4,377,113	4,822,188	664,623	16%
Total Expenditures	40,143,940	41,798,720	34,566,721	19,715,766	28,500,363	(13,298,357)	-32%
Net Operations	4,633,830	5,165,117	1,280,756	(6,685,775)	(3,563,626)	(8,728,743)	-169%
Food & Beverage Margin \$	2,954,388	4,611,019	1,266,678	-	1,519,004	(3,092,015)	-67%
Food & Beverage Margin %	20%	26%	12%	-	20%	-	-
CAPITAL							
Contributions from Private Sources	535,284	499,091	-	-	2,250,000	1,750,909	351%
Grants	1,600	3,375	46,379	-	-	(3,375)	-100%
Miscellaneous Revenue	2,290	-	18,624	-	-	-	0%
Lodging Tax Pooled Capital	5,065,352	7,489,795	2,520,693	-	-	(7,489,795)	-100%
Transfers-R	10,331,054	-	3,000,000	-	-	-	0%
Total Revenues	15,935,580	7,992,261	5,585,696	-	2,250,000	(5,742,261)	-72%
Personnel Services	-	383,754	324,099	-	-	(383,754)	-100%
Materials and Services	1,678,518	28,439,223	9,680,522	-	410,000	(28,029,223)	-99%
Capital Outlay	4,050,772	3,773,512	4,705,372	-	-	(3,773,512)	-100%
Transfers-E	-	-	84,376	-	403,728	403,728	100%
Total Expenditures	5,729,290	32,596,490	14,794,369	-	813,728	(31,782,762)	-98%
Net Capital	10,206,290	(24,604,229)	(9,208,673)	-	1,436,272	26,040,501	-106%
Grand Total Operations / Capital	14,840,120	(19,439,111)	(7,927,917)	(6,685,775)	(2,127,354)	17,311,757	-89%
Beginning Fund Balance	25,024,238	39,864,358	20,425,247	12,497,330	8,721,708	-	-
Ending Fund Balance - Operating	8,932,845	9,449,356	12,497,330	5,811,555	4,644,354	-	-
Ending Fund Balance - Capital	30,931,512	10,975,888	-	-	1,950,000	-	-
Contingency / Ending Fund Balance	39,864,358	20,425,247	12,497,330	5,811,555	6,594,354	-	-

Note: Certain prior year amounts have been adjusted to be conform to current year presentation. This includes:

- Revenues previously subject to excise tax have been adjusted to reflect gross revenue, not net of excise tax. A comparable Management Fee has been included in Materials and Services.

- Transfers for MERC Admin support costs are now shown in Transfers-E (expense) rather than Transfers-R (revenue).

CIP Summary Fiscal Year 2022

Department: OCC						
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
CONVENTION CENTER OPERATING FUND						
Food & Beverage Programming: Planning & Design	300,000	-	-	-	-	300,000
OCC - Chiller Unit Replacement (four) (R&R)	110,000	-	-	-	-	110,000
Tower/Crown Glazing	-	1,430,000	-	-	-	1,430,000
ADA Assessment and Improvements	-	130,000	-	-	-	130,000
Prefunction A and C Restroom Renovations	-	50,000	2,600,000	-	-	2,650,000
OCC - Integrated Door Access Controls	-	10,000	700,000	-	-	710,000
Waterproofing: Loading Dock	-	-	650,000	-	-	650,000
Vertical Transportation: Elevator Modernizations	-	-	350,000	350,000	350,000	1,050,000
OCC - AV Audio System Upgrade	-	-	350,000	-	-	350,000
OCC - Website Design/Facility Rebranding	-	-	175,000	-	-	175,000
Articulating Boom Replacement	-	-	150,000	-	-	150,000
OCC Cooling System phase II	-	-	40,000	4,000,000	-	4,040,000
Waterproofing: Rain Garden	-	-	40,000	830,000	-	870,000
Staff Support Area Programming: Guest Services	-	-	-	230,000	1,100,000	1,330,000
VIP B Renovation	-	-	-	120,000	1,200,000	1,320,000
Vertical Transportation: Escalator Modernizations	-	-	-	-	100,000	100,000
TOTAL OCC - CONVENTION CENTER OPERATING FUND	\$410,000	\$1,620,000	\$5,055,000	\$5,530,000	\$2,750,000	\$15,365,000

Metropolitan Exposition-Recreation Commission
Portland'5 Centers for the Arts

	FY 2018	FY 2019	FY 2020	FY 2021	FY 2022	FY19-FY22	FY19-FY22
	Actual	Actuals	Actuals	Budget	Proposed Budget	Var \$	Var %
OPERATIONS							
Charges for Services	13,810,194	14,174,846	9,959,244	2,852,779	9,739,575	(4,435,271)	-31%
Food and Beverage Revenue	893,240	930,228	627,653	-	553,071	(377,157)	-41%
Local Government Shared Revenues	2,094,123	2,104,010	2,187,092	402,000	1,522,846	(581,164)	-28%
Contributions from Governments	888,823	923,843	957,379	2,581,313	1,006,827	82,984	9%
Contributions from Private Sources	-	-	-	-	139,350	139,350	100%
Grants	-	-	168,724	735,000	-	-	0%
Interest Earnings	294,137	381,489	384,744	78,623	71,000	(310,489)	-81%
Miscellaneous Revenue	122,187	52,788	160,715	40,756	21,523	(31,265)	-59%
Transfers-R	-	-	276,570	1,636,310	-	-	0%
Total Revenues	18,102,704	18,567,205	14,722,121	8,326,781	13,054,192	(5,513,013)	-30%
Personnel Services	7,490,317	7,953,118	7,864,318	2,349,913	7,465,137	(487,981)	-6%
Materials and Services	6,836,778	7,206,819	5,709,387	4,989,000	4,998,533	(2,208,286)	-31%
Food & Beverage Services	-	-	-	-	-	-	0%
Transfers-E	1,808,335	1,647,114	1,852,945	1,981,820	2,132,540	485,426	29%
Total Expenditures	16,135,430	16,807,051	15,426,650	9,320,733	14,596,210	(2,210,841)	-13%
Net Operations	1,967,274	1,760,153	(704,529)	(993,952)	(1,542,018)	(3,302,171)	
CAPITAL							
Local Government Shared Revenues	-	2,500,000	-	-	-	(2,500,000)	-100%
Contributions from Governments	-	-	1,500,000	1,500,000	-	-	0%
Contributions from Private Sources	102,580	142,795	1,000,000	2,875,000	650,000	507,205	355%
Grants	-	-	-	-	-	-	0%
Miscellaneous Revenue	-	-	-	-	-	-	0%
Transfers-R	-	-	-	15,353	-	-	0%
Total Revenues	102,580	2,642,795	2,500,000	4,390,353	650,000	(1,992,795)	-75%
Personnel Services	-	161,087	153,513	159,952	-	(161,087)	-100%
Materials and Services	522,032	1,505,059	5,845,345	-	-	(1,505,059)	-100%
Capital Outlay	2,326,972	1,810,001	2,805,081	8,355,000	800,000	(1,010,001)	-56%
Transfers-E	-	-	48,215	51,175	3,221	3,221	100%
Total Expenditures	2,849,004	3,476,147	8,852,154	8,566,127	803,221	(2,672,926)	-77%
Net Capital	(2,746,424)	(833,352)	(6,352,154)	(4,175,774)	(153,221)	680,131	
Grand Total Operations / Capital	(779,150)	926,801	(7,056,683)	(5,169,726)	(1,695,239)	(2,622,040)	
Beginning Fund Balance	12,883,995	12,104,845	13,031,646	5,974,275	2,901,901		
Ending Fund Balance - Operating	4,395,664	3,110,402	1,927,117	804,549	706,662		
Ending Fund Balance - Capital	7,709,180	9,921,244	4,047,845	-	500,000		
Contingency / Ending Fund Balance	12,104,845	13,031,646	5,974,963	804,549	1,206,662		

Note: Certain prior year amounts have been adjusted to be conform to current year presentation. This includes:

- F&B revenues are shown net of expense to align with anticipated commission arrangement.
- Transfers for MERC Admin support costs are now shown in Transfers-E (expense) rather than Transfers-R (revenue).

CIP Summary Fiscal Year 2022

Department: PCPA						
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
PORTLAND'S CENTERS FOR THE ARTS FUND						
ASCH Sewer Line Replacement	350,000	-	-	-	-	350,000
Schnitzer Acoustical Enhancements	300,000	-	-	-	-	300,000
P5 - F&B Renewal and Replacement	150,000	400,000	100,000	-	-	650,000
Newmark Replace Stage Floor	-	125,000	-	-	-	125,000
Wireless Communications Upgrade	-	110,000	110,000	-	-	220,000
Keller Fall Arrest	-	105,000	-	-	-	105,000
P5 ASCH Roof Drains	-	50,000	400,000	450,000	1,500,000	2,400,000
P5 Fly System Replacement	-	50,000	100,000	200,000	-	350,000
P5 Security Cameras, phase III	-	-	125,000	125,000	-	250,000
ASCH - Cooling System Replacement	-	-	50,000	400,000	800,000	1,250,000
AHH Exterior Cladding	-	-	50,000	200,000	200,000	450,000
TOTAL PCPA - PORTLAND'S CENTERS FOR THE ARTS FUND	\$800,000	\$840,000	\$935,000	\$1,375,000	\$2,500,000	\$6,450,000

Metropolitan Exposition-Recreation Commission
Expo Fund

	FY 2018*	FY 2019	FY 2020	FY 2021	FY 2022*	FY19-FY22	FY19-FY22
	Actual	Actual	Actual	Budget	Proposed Budget	Var \$	Var %
OPERATIONS							
Charges for Services	4,896,643	4,790,623	3,429,121	1,878,572	3,152,728	(1,637,895)	-34%
Food and Beverage Revenue	465,443	239,270	112,247	-	322,829	83,559	35%
Local Government Shared Revenues	-	-	575,000	115,000	431,250	431,250	100%
Grants	-	-	55,071	145,000	-	-	0%
Interest Earnings	36,918	57,286	71,186	28,500	10,000	(47,286)	-83%
Miscellaneous Revenue	52,926	42,543	38,325	-	24,946	(17,597)	-41%
Transfers-R	400,000	400,000	424,030	483,068	650,000	250,000	63%
Total Revenues	5,851,931	5,529,722	4,704,980	2,650,140	4,591,753	(937,969)	-17%
Personnel Services	1,866,136	1,803,458	1,784,400	517,357	1,689,657	(113,801)	-6%
Materials and Services	1,581,294	1,545,325	1,629,755	2,840,000	1,655,756	110,431	7%
Food & Beverage Services	-	-	-	-	-	-	0%
Debt Service	1,022,275	1,022,025	1,019,775	1,016,475	1,021,400	(625)	0%
Management Fee	522,858	463,270	37,948	-	-	(463,270)	-100%
Transfers-E	647,815	693,773	696,346	779,178	815,217	121,444	18%
Total Expenditures	5,640,378	5,527,851	5,168,224	5,153,010	5,182,030	(345,821)	-6%
Net Operations	211,553	1,871	(463,244)	(2,502,870)	(590,277)	(592,148)	
CAPITAL							
Contributions from Private Sources	180,636	123,614	40,000	-	540,000	416,387	337%
Grants	-	-	-	-	-	-	0%
Lodging Tax Pooled Capital	893,886	1,321,729	444,828	-	-	(1,321,729)	-100%
Transfers-R	1,842,980	-	-	-	-	-	0%
Total Revenues	2,917,502	1,445,342	484,828	0	540,000	(905,342)	-63%
Personnel Services	-	137,411	122,758	11,000	-	(137,411)	-100%
Materials and Services	1,425,898	425,199	125,900	-	-	(425,199)	-100%
Capital Outlay	405,911	804,943	(30,789)	-	350,000	(454,943)	-57%
Transfers-E	-	-	18,080	-	-	-	0%
Total Expenditures	1,831,809	1,367,553	235,949	11,000	350,000	(1,017,553)	-74%
Net Capital	1,085,693	77,789	248,879	(11,000)	190,000	112,211	
Grand Total Operations / Capital	1,297,246	79,660	(214,365)	(2,513,870)	(400,277)	(479,937)	
Beginning Fund Balance	1,941,947	3,239,193	3,318,853	3,104,488	1,067,561		
Ending Fund Balance - Operating	2,235,378	2,237,249	1,774,005	590,616	197,284		
Ending Fund Balance - Capital	1,003,813	1,081,602	1,330,481	-	470,000		
Contingency / Ending Fund Balance	3,239,193	3,318,853	3,104,488	590,618	667,284		

* Includes Cirque du Soleil.

Note: Certain prior year amounts have been adjusted to be conform to current year presentation. This includes:

- F&B revenues are shown net of expense to align with anticipated commission arrangement.
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CIP Summary

Fiscal Year 2022

Department: EXPO						
	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	Total
EXPO FUND						
Expo - Exhibit Hall Lighting	200,000	-	-	-	-	200,000
Expo - F&B Facility Renewal and Replacement	150,000	400,000	100,000	-	-	650,000
Expo - UP2 North Walkway Cover	-	200,000	300,000	-	-	500,000
Expo - Lighting Control review and install - Halls ABCDE	-	195,000	-	-	-	195,000
A/B/C Electrical Review	-	180,000	-	-	-	180,000
Expo - Hall D&E HVAC	-	150,000	150,000	160,000	160,000	620,000
Expo - Lower Parking Lot: Lighting	-	-	475,000	-	-	475,000
Expo - Lower Parking Lot: Grading	-	-	150,000	300,000	400,000	850,000
Expo - Hall C Roof Recoat	-	-	150,000	-	-	150,000
Expo - Facility Wide Overhead Door improvements	-	-	125,000	100,000	-	225,000
Reseal Hall D/E Flooring	-	-	-	400,000	400,000	800,000
Expo - Halls D&E Interior Improvements	-	-	-	250,000	-	250,000
Electrical Generator Enhancement	-	-	-	250,000	-	250,000
Expo Hall E Flat Roof	-	-	-	150,000	-	150,000
TOTAL EXPO - EXPO FUND	\$350,000	\$1,125,000	\$1,450,000	\$1,610,000	\$960,000	\$5,495,000