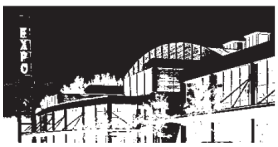
MERC Commission Meeting

May 7, 2013
3:00 pm

Metro Regional Center
600 NE Grand Ave.
Room 301



600 NE Grand Ave.
Portland, OR 97232
503-797-1780

www.oregon**metro.gov**

Metro | *Exposition Recreation Commission*

Agenda

Meeting: Metro Exposition Recreation Commission Meeting
Date: Tuesday, May 7, 2013
Time: 3:00-4:30 p.m.
Place: Metro Regional Center, Room 301

CALL TO ORDER

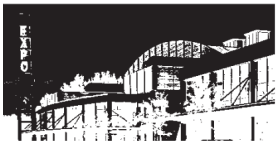
3:00	**1.**	**QUORUM CONFIRMED**	
3:05	**2.**	**COMMISSIONER, COUNCIL LIAISON COMMUNICATIONS**	
	2.1	National Travel and Tourism Week Proclamation	
3:15	**3.**	**OPPORTUNITY FOR PUBLIC COMMENT ON NON-AGENDA ITEMS**	
3:20	**4.**	**GENERAL MANAGER COMMUNICATIONS**	**Teri Dresler**
	4.1	Financial Report	
3:30	**5.**	**MERC VENUES' BUSINESS REPORTS**	**Scott Cruickshank** **Robyn Williams** **Matthew P. Rotchford**
3:45	**6.**	**TRAVEL PORTLAND QUARTERLY REPORT**	**Jeff Miller**
4:00	**7.**	**CONSENT AGENDA**	
	7.1	**April 3, 2013 MERC Regular Meeting Record of Actions**	
	7.2	**Ethics Form for Travel Portland CAB, FAM Tours**	
4:10	**8.**	**ACTION AGENDA**	**Cynthia Hill**
	8.1	**Resolution 13-08** for the purpose of approving and transmitting to the Metro Council a budget amendment to the MERC Fund for current fiscal year 2012-13.	

ADJOURN

MERC Commission Meeting

May 7, 2013
3:00 pm

2.1 National Travel and Tourism Week Proclamation



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Metro | *Exposition Recreation Commission*

2013 PROCLAMATION
May 4-12, 2013 National Travel and Tourism Week

Whereas travel matters to the nation's economic prosperity and its image abroad, to business wealth and to individual travelers;

Whereas travel to and within the United States provides significant economic benefits for the nation, generating $2.0 trillion in economic output in 2012, with $855.4 billion spent directly by travelers that spurred an additional $1.1 trillion in other industries;

Whereas travel is among the largest private-sector employers in the United States, supporting 14.6 million jobs in 2012, including 7.7 million directly in the travel industry and 6.9 million in other industries;

Whereas travelers' spending directly generated tax revenues of $129 billion for federal, state and local governments, funds used to support essential services and programs;

Whereas international travel to the United States is the nation's largest single export industry – greater than the export of business services, machinery, computer and electronic products, motor vehicles and agriculture. In 2012, travel generated $168.1 billion in exports, creating $5 billion in balance of travel trade surplus for the U.S.;

Whereas meetings, events and incentive travel are core business functions that help companies strengthen business performance – averaging a return on investment of $12.50 in profits and $3.80 in revenue for every dollar spent on corporate travel – align and educate employees and customers, and reward business accomplishments;

Whereas leisure travel, which accounts for more than three-quarters of all trips taken in the United States, spurs countless benefits to travelers' creativity, cultural awareness, education, happiness, productivity, relationships and wellness;

Whereas travel is a catalyst that moves the national economy forward;

Whereas the Portland region accounts for $4.016 billion in travel-generated spending, tax receipts, employment and payroll and 30,100 jobs in the industry;

Whereas building a convention center hotel is a Metro Council and MERC Commission priority because it stands to boost the state's tourism economy by attracting 5 to 10 additional conventions each year, translating into hundreds of millions of dollars of new spending in local businesses and creating nearly 3,000 jobs;

Now, therefore, the Metropolitan Exposition Recreation Commission proclaims May 4-12, 2013 as Travel and Tourism Week in Portland, Oregon, and, recognizing the impact of our local Travel and Tourism Industry on the venues under our management, urges the citizens of Portland to join in this special observance with appropriate events and commemorations.

MERC Commission Meeting

May 7, 2013
3:00 pm

4.1 Financial Report

MARCH 2013

FINANCIAL INFORMATION

For Management Purposes only

PORTLAND CENTER FOR THE PERFORMING ARTS

A SERVICE OF METRO

METROPOLITAN EXPOSITION RECREATION COMMISSION

A SERVICE OF METRO

Date: April 30, 2013

To:

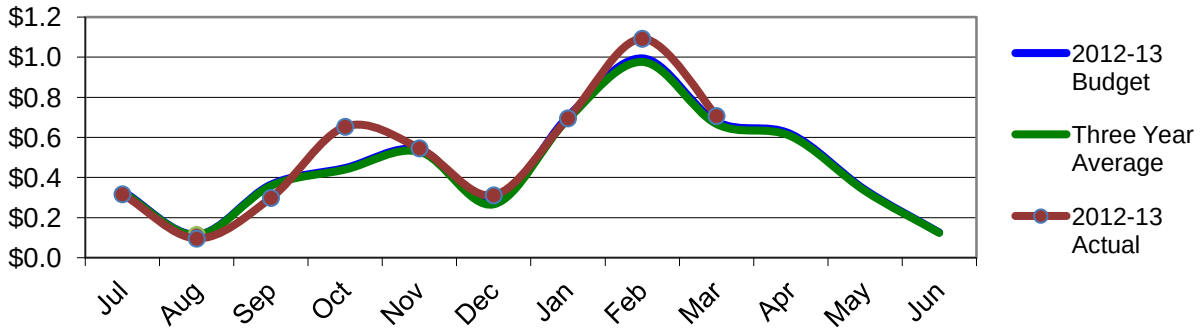
Commissioner Chris Erickson, Chair
Commissioner Judie Hammerstad, Vice Chair
Commissioner Terry Goldman, Secretary/Treasurer
Commissioner Ray Leary
Commissioner Cynthia Haruyama
Commissioner Elisa Dozono
Commissioner Karis Stoudamire-Phillips

From: Cynthia Hill – Finance Manager

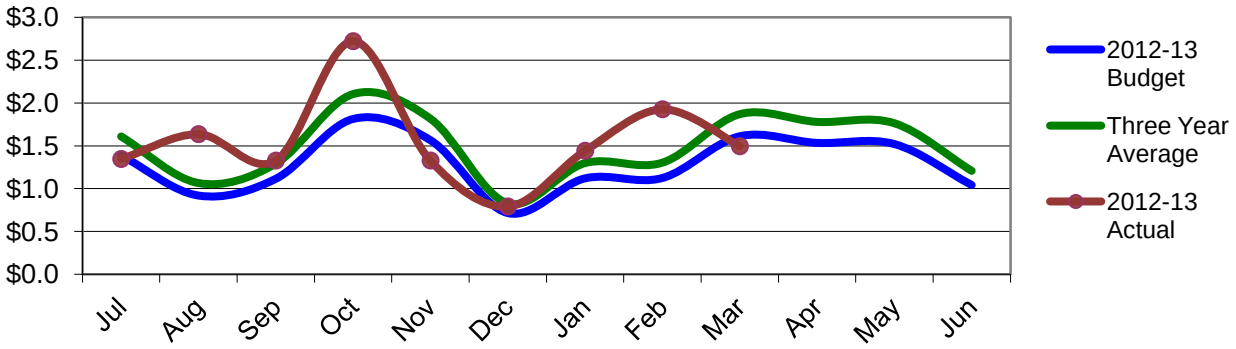
Re: MERC Financial Information March 2013

Enclosed please find the monthly financial report for the Metropolitan Exposition Recreation Commission reflecting revenues and expenditures as of March 2013.

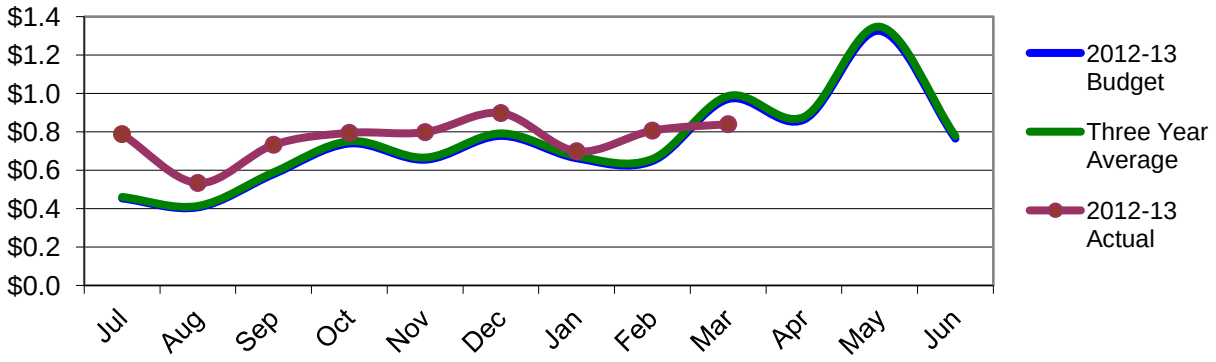
Expo- Operating Revenues by Month
shown in millions



OCC- Operating Revenues by Month
shown in millions



PCPA Operating Revenues by Month
shown in millions



MERC operating revenues are $25.6 million year to date compared to $25.2 million in the prior year, an increase of $420 thousand. Operating revenue at all three venues is greater than prior year to date.

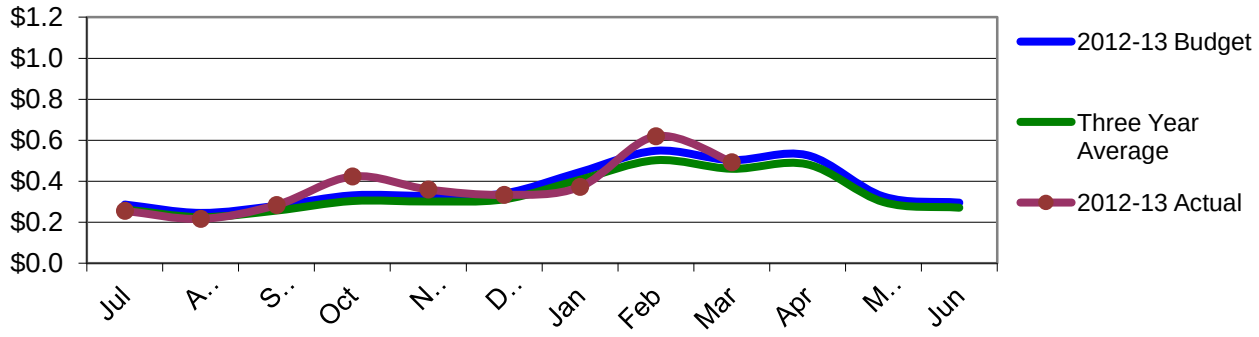
Expo Center's top grossing events in the month of March were the 57th Annual Portland Roadster Show ($193 thousand); the Portland Metro RV Dealers Spring RV Show ($163 thousand) and Americas Largest Antique Show ($137 thousand). The Roadster Show revenues were up with good advertising and the popularity of the show. It was paired with the Rose City Gun & Knife Show and both shows turn quickly hence more parking.

The top grossing events at OCC included the Oregon Governors Safety & Health Conference ($226 thousand); the Northwest Facilities Expo ($110 thousand); the Classic Wine Auction ($108 thousand). The 4th quarter is expected to be better than budget with three new shows added since budget adoption. The new events are the Rails Conference, DrupalCon and LeakyCon. LeakyCon is a Harry Potter fan event which is expected to sellout. Food & beverage revenues are projected to exceed the original budget forecast by $1.6 million by year end.

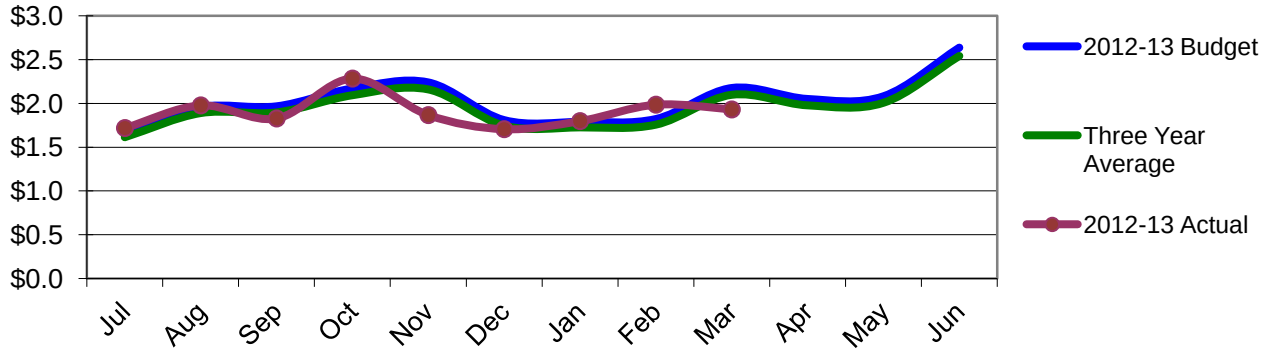
Top grossing events at PCPA included War Horse ($170 thousand); Bill O Rielly and Dennis Miller ($50 thousand); Rinaldo ($50thousand). Wicked was scheduled during March of last year with gross revenue of $727 thousand. PCPA is anticipating food & beverage sales to $284 thousand greater than budget and ticketing commissions will be $661 greater than budget. PCPA collects the full service charge then pays the ticketing company their ticket agency fee and pays the credit card expense. Under the old system, the former ticketing company took their fee out prior to sending ticket commissions to us.

The Attendance Events and Performances Report compares March 2012 to March 2013. Expo attendance was 12,466 less than 2012 with five less events; OCC attendance was 4,494 greater than 2012 with the same number of events; PCPA attendance was 44,542 less than 2012 with seven less performances.

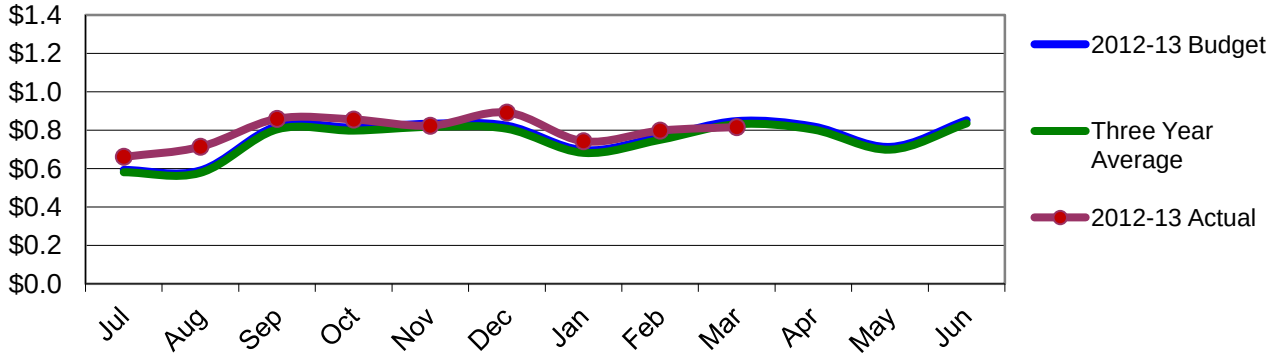
Expo - Operating Expenditures by Month
shown in millions



OCC - Operating Expenditures by Month
shown in millions



PCPA - Operating Expenditures by Month
shown in millions



MERC operating expenditures year to date are $28.8 million, compared to $29.0 million in the prior year, a difference of less than $222 thousand. Operating expenditures relate directly to the event schedule at each venue.

Food and beverage sales are expected to be $1.9 million greater than the original budget forecast. With increased sales comes a greater cost of goods and services sold which is forecasted to be an additional $1.7 million. The new costs at PCPA for the ticket agency fee and credit card expense as mentioned in the revenues section are currently estimated to be $642 thousand compared to the annual budget. The increased expenditure budget to provide for the new ticketing contract and the increased food & beverage sales is proposed in Resolution 13-08. The Oregon Convention Center continues to generate savings with a several positions remaining vacant including the Director of Events, the Assistant Executive Director and the Operations Manager – Technical Services.

Non Operating

Transient Lodging Tax (TLT) receipts provide fundamental operating and marketing financial support for OCC and PCPA. Year to date transfers received from Multnomah County total $6.8 million compared $6.2 million in the prior year, a 9.4percent increase. Year to date as of March room nights sold in the market are up 3.6 percent, occupancy rates (room nights per hotel) are up 3.6 percent and the average daily room rate (ADR) is up 3.7 percent.

Budget

Two amendments were posted since the February Financial Report:

1) PCPA Capital Resolution 13-03 increasing capital at PCPA for the Antoinette Hatfield Hall cooling tower.
2) Metro Ordinance 12-1295 reducing the health & welfare budget to reflect actual cost for FY2012-13. The offsetting amount was adjusted in the operating Contingency.

a.	Expo cost increase	$2,993
b.	OCC cost decrease	($99,154)
c.	PCPA cost decrease	($59,731)
d.	Administration	($7,564)
	Total adjustment	$163,456

MERC Visitor Venues
Events-Performances-Attendance
March FY 12-13

	Mar-2012		Mar-2013		Net Change from Prior Year	
OCC	**Events**	**Attendance**	**Events**	**Attendance**	**Events**	**Attendance**
Tradeshows/Conventions	9	26,383	11	14,381	2	(12,002)
Consumer Public Shows	4	10,972	8	26,675	4	15,703
Miscellaneous	3	16,800	3	18,620	-	1,820
Miscellaneous -In-House	10	162	16	263	6	101
Meetings	19	2,437	8	1,670	(11)	(767)
Catering	6	3,366	5	3,005	(1)	(361)
Totals	**51**	**60,120**	**51**	**64,614**	**-**	**4,494**

	Mar-2012		Mar-2013		Net Change from Prior Year	
Expo Center	**Events**	**Attendance**	**Events**	**Attendance**	**Events**	**Attendance**
Consumer Public Shows	9	66,401	7	57,227	(2)	(9,174)
Miscellaneous	3	3,290	1	43	(2)	(3,247)
Meetings	1	45	-	-	(1)	(45)
Catering	-	-	-	-	-	-
Tradeshows/Conventions	-	-	-	-	-	-
Totals	**13**	**69,736**	**8**	**57,270**	**(5)**	**(12,466)**

	Mar-2012		Mar-2013		Net Change from Prior Year	
PCPA	**Performances**	**Attendance**	**Performances**	**Attendance**	**Performances**	**Attendance**
Commercial (Non-Broadway)	6	4,575	4	7,396	(2)	2,821
Broadway	22	54,583	5	11,488	(17)	(43,095)
Resident Company	24	28,419	28	22,424	4	(5,995)
Student	22	12,378	26	10,841	4	(1,537)
Non-Profit	20	10,301	23	13,376	3	3,075
Miscellaneous	1	171	2	360	1	189
Totals	**95**	**110,427**	**88**	**65,885**	**(7)**	**(44,542)**

6:00 PM 4/26/2013

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

All Departments

March 2013

2013-09

	Current Month Actual	Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	March-13	March-13	March-12		March-13	75%
Operating						
Revenue	1,992,257	15,046,282	14,756,397	102%	18,067,732	83%
Revenue - Food and Beverage	1,049,358	10,575,054	10,444,440	101%	11,804,821	90%
Total Operating Revenue	**3,041,615**	**25,621,336**	**25,200,837**	**102%**	**29,872,553**	**86%**
Costs - Food and Beverage	1,063,062	8,989,222	8,786,442	102%	9,862,144	91%
Personal Services	1,362,329	12,384,356	13,002,933	95%	17,403,962	71%
Goods & Services	702,885	5,374,592	5,226,340	103%	8,414,736	64%
Marketing Travel Portland	225,004	2,025,036	1,981,890	102%	4,014,278	50%
Total Operating Expenses	**3,353,280**	**28,773,206**	**28,997,604**	**99%**	**39,695,120**	**72%**
Net Operating Results Inc (Dec)	**(311,665)**	**(3,151,870)**	**(3,796,767)**	**83%**	**(9,822,567)**	**32%**
Non Operating	-	-	-		-	
Transient, Lodging Tax	1,481,173	6,830,889	6,247,441	109%	9,985,127	68%
Visitor Development Fund (VDF)	-	-	-	-	3,147,506	0%
Government Support City of Portland	798,035	798,035	-	-	793,408	101%
Non-Operating Revenue	12,477	81,963	143,838	57%	156,412	52%
Non-Operating Expense	-	-	-	-	2,200,000	0%
	2,291,686	**7,710,887**	**6,391,279**	**121%**	**11,882,453**	**65%**
Support and Risk Management						
MERC Administration	0	-	-	-	-	-
Metro Support Services	207,527	1,874,509	1,623,636	115%	2,498,424	75%
Metro Risk Management	-	607,752	618,139	98%	729,301	83%
	207,527	**2,482,261**	**2,241,775**	**111%**	**3,227,725**	**77%**
Net Increase (Decrease)	**1,772,494**	**2,076,756**	**352,736**	**589%**	**(1,167,839)**	**-178%**
Transfers						
Transfers to (Expense)	13,421	120,789	58,410	207%	392,056	31%
Transfers from (Revenue)	4,167	37,503	114,822	33%	2,768,633	1%
Debt Service (Expense)	-	937,816	925,816	101%	1,187,132	79%
Net Transfers	**(9,254)**	**(1,021,102)**	**(869,404)**	**117%**	**1,189,445**	**-86%**
Net Operations	**1,763,240**	**1,055,654**	**(516,668)**	**-204%**	**21,606**	**4886%**
	-	(0)	0		-	
Capital						
Capital Outlay	549,692	1,506,725	1,272,559	118%	3,299,077	46%
Non-Operating Revenue	-	-	134,316	0%	295,000	0%
Intrafund Transfers (Exp/Rev)	-	-	-	-	-	-
	-	-	-	-	-	-
Net Capital	**(549,692)**	**(1,506,725)**	**(1,138,243)**	**132%**	**(3,004,077)**	**50%**
Fund Balance Inc (Dec)	**1,213,547**	**(451,070)**	**(1,654,911)**	**27%**	**(2,982,471)**	**15%**
	-	(0)	-		-	
Food and Beverage Gross Margin	**(13,703)**	**1,585,832**	**1,657,998**		**1,942,677**	**82%**
Food and Beverage Gross Margin	**-1.3%**	**15.0%**	**15.9%**		**16.5%**	
Full Time Employees			**-**		**190.0**	
Excise Tax	**(164,717)**	**292,242**	**1,362,168**			
Transient, Lodging Taxes as percent of revenue	**33%**	**21%**	**20%**		**25%**	
Fund Balance						
Beginning Fund Balance		26,161,717	26,357,848		26,161,717	
Fund Balance Inc (Dec)		(451,070)	(1,654,911)		(2,982,471)	
Ending Fund Balance		**25,710,647**	**24,702,937**		**23,179,246**	
Unrestricted Fund Balance					2,384,950	
Operating Contingency					2,357,791	
Stabilization Reserve					620,500	
Designated for Renewal & Replacement					12,277,072	
New Capital/Business Strategy Reserve					5,196,719	
Restricted by Agreement - TLT					142,214	
Ending Fund Balance					**23,179,246**	
					-	

6:00 PM 4/26/2013

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

Portland Exposition Center

March 2013

2013-09

	Current Month Actual	Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	March-13	March-13	March-12		March-13	75%
Operating						
Revenue	507,400	3,173,376	3,257,744	97%	3,838,186	83%
Revenue - Food and Beverage	199,536	1,543,866	1,414,273	109%	1,864,849	83%
Total Operating Revenue	**706,936**	**4,717,242**	**4,672,017**	**101%**	**5,703,035**	**83%**
Costs - Food and Beverage	242,183	1,374,655	1,183,824	116%	1,505,243	91%
Personal Services	134,366	1,148,710	1,121,940	102%	1,608,478	71%
Goods & Services	115,681	830,724	860,788	97%	1,392,728	60%
Total Operating Expenses	**492,229**	**3,354,088**	**3,166,553**	**106%**	**4,506,449**	**74%**
Net Operating Results Inc (Dec)	**214,707**	**1,363,153**	**1,505,465**	**91%**	**1,196,586**	**114%**
Non Operating						
Non-Operating Revenue	1,181	8,700	19,347	45%	21,290	41%
Non-Operating Expense	-	-	-	-	-	-
	1,181	**8,700**	**19,347**	**45%**	**21,290**	**41%**
Support and Risk Management						
MERC Administration	12,829	115,458	140,503	82%	153,944	75%
Metro Support Services	18,678	168,711	146,124	115%	224,858	75%
Metro Risk Management	-	67,490	71,622	94%	80,988	83%
	31,507	**351,659**	**358,249**	**98%**	**459,790**	**76%**
Net Increase (Decrease)	**184,381**	**1,020,195**	**1,166,564**	**87%**	**758,086**	**135%**
Transfers						
Transfers to	113	1,017	-	-	1,359	-25%
Transfers from	375	3,375	7,980	42%	4,500	75%
Debt Service	-	937,816	925,816	101%	1,187,132	79%
Net Transfers	**262**	**(935,458)**	**(917,836)**	**102%**	**(1,183,991)**	**79%**
Net Operations	**184,643**	**84,737**	**248,728**	**34%**	**(425,905)**	**-20%**
Capital						
Capital Outlay Expense	2,251	379,720	56,314	674%	524,500	72%
Non-Operating Revenue	-	-	4,987	0%	-	-
Intrafund Transfers	-	-	-	-	270,000	-100%
Net Capital	**(2,251)**	**(379,720)**	**(51,327)**	**740%**	**(254,500)**	**149%**
Fund Balance Inc (Dec)	**182,392**	**(294,983)**	**197,401**	**-149%**	**(680,405)**	**43%**
Food and Beverage Gross Margin	**(42,646)**	**169,211**	**230,449**		**359,606**	**47%**
Food and Beverage Gross Margin %	**-21.4%**	**11.0%**	**16.3%**		**19.3%**	
Full Time Employees					**13.3**	
Excise Tax	**(53,047)**	**(22,219)**	**345,006**		**-**	
Fund Balance						
Beginning Fund Balance		4,310,142	4,732,826		4,310,142	
Fund Balance Inc (Dec)		(294,983)	197,401		(680,405)	
Ending Fund Balance		**4,015,159**	**4,930,227**		**3,629,737**	
Unrestricted Fund Balance					182,705	
Operating Contingency					361,007	
Stabilization Reserve					186,000	
Designated for Renewal & Replacement					775,000	
New Capital/Business Strategy Reserve					2,125,025	
Ending Fund Balance					**3,629,737**	
		-	-		-	

6:00 PM 4/26/2013

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

Oregon Convention Center

March 2013

2013-09

	Current Month Actual March-13	Excluding EMP Current Year to Date Actual March-13	Prior Year to Date Actual March-12	% of Prior Year	Annual Budget March-13	% of Annual Budget 75%
Operating						
Revenue	767,952	6,546,333	6,316,120	104%	7,798,834	84%
Revenue - Food and Beverage	726,764	7,465,537	7,347,428	102%	8,224,999	91%
Total Operating Revenue	**1,494,716**	**14,011,870**	**13,663,549**	**103%**	**16,023,833**	**87%**
Costs - Food and Beverage	672,965	6,314,628	6,308,046	100%	6,880,666	92%
Personal Services	707,397	6,372,246	6,806,716	94%	9,125,317	70%
Goods & Services	327,023	2,395,086	2,674,569	90%	3,884,221	62%
Marketing Travel Portland	225,004	2,025,036	1,981,890	102%	4,014,278	50%
Total Operating Expenses	**1,932,389**	**17,106,995**	**17,771,222**	**96%**	**23,904,482**	**72%**
Net Operating Results Inc (Dec)	**(437,673)**	**(3,095,125)**	**(4,107,673)**	**75%**	**(7,880,649)**	**39%**
Non Operating						
Transient, Lodging Tax	1,291,283	5,955,151	5,418,542	110%	8,729,303	68%
Visitor Development Fund (VDF)	-	-	-	-	2,520,676	0%
Non-Operating Revenue	3,309	26,054	50,549	52%	46,678	56%
Non-Operating Expense	-	-	-	-	2,200,000	0%
	1,294,592	**5,981,205**	**5,469,091**	**109%**	**9,096,657**	**66%**
Support and Risk Management						
MERC Administration	79,823	718,409	874,238	82%	957,878	75%
Metro Support Services	116,215	1,049,724	909,243	115%	1,399,118	75%
Metro Risk Management	-	340,340	331,140	103%	408,408	83%
	196,038	**2,108,473**	**2,114,621**	**100%**	**2,765,404**	**76%**
Net Increase (Decrease)	**660,881**	**777,607**	**(753,203)**	**-103%**	**(1,549,396)**	**-50%**
Transfers						
Transfers to (Expense)	704	6,336	-	-	239,450	3%
Transfers from (Revenue)	2,334	21,006	66,180	32%	2,228,000	1%
Net Transfers	**1,630**	**14,670**	**66,180**	**22%**	**1,988,550**	1%
Net Operations	**662,511**	**792,277**	**(687,023)**	**-215%**	**439,154**	**180%**
Capital						
Capital Outlay Expense	546,480	995,382	830,123	120%	2,052,577	48%
Non-Operating Revenue	-	-	1,404	0%	220,000	0%
Intrafund Transfers (Exp/Rev)	-	-	-	-	90,000	0%
Net Capital	**(546,480)**	**(995,382)**	**(828,719)**	**120%**	**(1,742,577)**	**57%**
Fund Balance Inc (Dec)	**116,031**	**(203,105)**	**(1,515,742)**	**13%**	**(1,303,423)**	**16%**
Food and Beverage Gross Margin	**53,799**	**1,150,910**	**1,039,382**		**1,344,333**	**86%**
Food and Beverage Gross Margin %	**7.4%**	**15.4%**	**14.1%**		**16.3%**	
Full Time Employees					**110.3**	
Excise Tax	**(111,671)**	**314,461**	**1,016,911**		**-**	
Transient, Lodging Taxes as percent of revenue	**46%**	**30%**	**28%**		**35%**	
Fund Balance						
Beginning Fund Balance		11,058,549	11,552,031		11,058,549	
Fund Balance Inc (Dec)		(203,105)	(1,515,742)		(1,303,423)	
Fund Balance Inc (Dec) for HQH		(277,310)	-		(100,000)	
Ending Fund Balance		**10,578,134**	**10,036,289**		**9,655,126**	
Unrestricted Fund Balance					725,337	
Operating Contingency					1,639,154	
Stabilization Reserve					260,000	
Designated for Renewal & Replacement					5,685,779	
New Capital/Business Strategy Reserve					1,334,856	
Restricted by Agreement - TLT					10,000	
Ending Fund Balance					**9,655,126**	

6:00 PM 4/26/2013

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

Portland Center for the Performing Arts

March 2013

2013-09

	Current Month Actual	Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	March-13	March-13	March-12		March-13	75%
Operating						
Revenue	716,905	5,326,573	5,179,106	103%	6,430,712	83%
Revenue - Food and Beverage	123,058	1,565,651	1,682,738	93%	1,714,973	91%
Total Operating Revenue	**839,963**	**6,892,225**	**6,861,844**	**100%**	**8,145,685**	**85%**
Costs - Food and Beverage	147,914	1,299,940	1,294,571	100%	1,476,235	88%
Personal Services	430,757	4,028,492	4,031,232	100%	5,522,476	73%
Goods & Services	236,511	1,826,205	1,506,530	121%	2,105,811	87%
Total Operating Expenses	**815,182**	**7,154,636**	**6,832,333**	**105%**	**9,104,522**	**79%**
Net Operating Results Inc (Dec)	**24,781**	**(262,412)**	**29,511**	**-889%**	**(958,837)**	**27%**
Non Operating						
Transient, Lodging Tax	189,890	875,738	828,898	106%	1,255,824	70%
Visitor Development Fund (VDF)	-	-	-	-	626,830	0%
Government Support City of Portland	798,035	798,035	-	-	793,408	101%
Non-Operating Revenue	7,185	42,197	67,114	63%	84,376	50%
Non-Operating Expense	-	-	-	-	-	-
	995,111	**1,715,970**	**896,012**	**192%**	**2,760,438**	**62%**
Support and Risk Management						
MERC Administration	49,890	449,006	546,399	82%	598,674	75%
Metro Support Services	72,634	656,074	568,269	115%	874,448	75%
Metro Risk Management	-	199,922	215,377	93%	239,905	83%
	122,524	**1,305,002**	**1,330,045**	**98%**	**1,713,027**	**76%**
Net Increase (Decrease)	**897,368**	**148,557**	**(404,522)**	**-37%**	**88,574**	**168%**
Transfers						
Transfers to (Expense)	440	3,960	-	-	5,281	75%
Transfers from (Revenue)	1,458	13,122	28,440	46%	17,500	75%
Net Transfers	**1,018**	**9,162**	**28,440**	32%	**12,219**	**75%**
Net Operations	**898,386**	**157,719**	**(376,082)**	**-42%**	**100,793**	**156%**
Capital						
Capital Outlay Expense	961	131,623	386,123	34%	675,000	19%
Non-Operating Revenue	-	-	127,925	0%	75,000	0%
Intrafund Transfers (Exp/Rev)	-	-	15,000	0%	-	-
Net Capital	**(961)**	**(131,623)**	**(243,198)**	**54%**	**(600,000)**	**22%**
Fund Balance Inc (Dec)	**897,425**	**26,096**	**(619,280)**	**-4%**	**(499,207)**	**-5%**
Food and Beverage Gross Margin	**(24,856)**	**265,712**	**388,167**		**238,738**	**111%**
Food and Beverage Gross Margin %	**-20.2%**	**17.0%**	**23.1%**		**13.9%**	
Full Time Employees					**46.4**	
Taxes as percent of revenue	**18%**	**11%**	**11%**		**13%**	
Fund Balance						
Beginning Fund Balance		8,445,301	8,490,410		8,445,301	
Fund Balance Inc (Dec)		26,096	(619,280)		(499,207)	
Ending Fund Balance		**8,471,397**	**7,871,130**		**7,946,094**	
Operating Contingency					254,731	
Stabilization Reserve					174,500	
Designated for Renewal & Replacement					5,345,000	
New Capital/Business Strategy Reserve					1,736,838	
Ending Fund Balance					**7,946,094**	

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

Convention Center Enhanced Marketing Project

March 2013

2013-09

	Current Month Actual	Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	March-13	**March-13**	**March-12**		**March-13**	**75%**
Operating						
Goods & Services	13,163	167,834	-	-	472,667	36%
Meetings Expense	*52*	*650*	-	-	*800*	81%
Communications Consulting	*3,220*	*13,557*	-	-	*50,000*	27%
Construction Consulting	-	*24,995*	-	-	*25,000*	100%
Financial Consulting	*9,891*	*15,668*	-	-	*72,500*	22%
Legal Consulting	-	-	-	-	*10,000*	0%
Management Consulting	-	*2,000*	-	-	*191,467*	1%
Market Consulting	-	*110,965*	-	-	*122,900*	90%
Net Increase (Decrease)	**(13,163)**	**(167,834)**	**-**	-	**(472,667)**	
Transfers						
Transfers to	12,164	109,476	-	-	145,966	75%
Transfers from	-	-	-	-	518,633	0%
Debt Service	-	-	-	-	-	-
Net Transfers	**(12,164)**	**(109,476)**	**-**	-	**372,667**	-29%
Net Operations	**(25,327)**	**(277,310)**	**-**	**-**	**(100,000)**	**277%**

6:00 PM 4/26/2013

Metropolitan Exposition-Recreation Commission

MERC Statement of Activity with Annual Budget

MERC Administration

March 2013

2013-09

	Current Month Actual	Current Year to Date Actual	Prior Year to Date Actual	% of Prior Year	Annual Budget	% of Annual Budget
	March-13	March-13	March-12		March-13	75%
Operating						
Revenue	-	-	3,427	0%	-	-
Personal Services	89,809	834,909	1,043,044	80%	1,147,691	73%
Goods & Services	10,507	154,743	184,453	84%	559,309	28%
Net Operating Results Inc (Dec)	**(100,316)**	**(989,652)**	**(1,224,070)**	**81%**	**(1,707,000)**	**58%**
Non Operating						
Non-Operating Revenue	802	5,012	6,828	73%	4,068	123%
Non-Operating Expense	-	-	-	-	-	-
	802	**5,012**	**6,828**	**73%**	**4,068**	**123%**
Support and Risk Management						
MERC Administration	142,541	1,282,872	1,561,140	82%	1,710,496	75%
	142,541	**1,282,872**	**1,561,140**	**82%**	**1,710,496**	**75%**
Net Increase (Decrease)	**43,027**	**298,232**	**343,899**	**87%**	**7,564**	**3943%**
Transfers						
Transfers to (Expense)	-	-	58,410	0%	-	-
Transfers from (Revenue)	-	-	12,222	0%	-	-
Net Transfers	**-**	**-**	**(46,188)**	0%	**-**	-
Net Operations	**43,027**	**298,232**	**297,711**	**100%**	**7,564**	**3943%**
Capital						
Capital Outlay Expense	-	-	-	-	47,000	0%
Transient, Lodging Tax	-	-	-	-	-	
Non-Operating Revenue	-	-	-	-	-	-
Intrafund Transfers (Exp/Rev)	-	-	(15,000)	0%	(360,000)	0%
Net Capital	**-**	**-**	**(15,000)**	**0%**	**(407,000)**	**0%**
Fund Balance Inc (Dec)	**43,027**	**298,232**	**282,711**	**105%**	**(399,436)**	**-75%**
Full Time Employees					**20.0**	
Excise Tax	**-**	**-**	**251**		**-**	
Fund Balance						
Beginning Fund Balance		2,347,725	1,582,581		2,347,725	
Fund Balance Inc (Dec)		298,232	282,711		(399,436)	
Ending Fund Balance		**2,645,957**	**1,865,292**		**1,948,289**	
Operating Contingency					102,899	
Designated for Renewal & Replacement					471,293	
Contingency for Renewal & Replacement					200,000	
Restricted by Agreement - TLT					132,214	
Ending Fund Balance					**1,948,289**	

MERC Commission Meeting

May 7, 2013
3:00 pm

6.0 Travel Portland FY 13
Third Quarter Report

travel PORTLAND

For MERC

3rd Quarter Report 2012-13

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Jeff Miller ..... President and CEO
Brian Doran ..... Executive Vice President of Finance and Administration
Brian McCartin ..... Executive Vice President of Convention and Tourism Sales
Greg Newland ..... Executive Vice President of Marketing and Public Relations

1000 SW Broadway
Suite 2300
Portland, OR 97205
503.275.9750

EXECUTIVE SUMMARY

ACCOMPLISHMENTS

- Year to date OCC realized over $6.7 million in revenue from Travel Portland booked business with a YTD community economic impact ROI of 34.3:1.
- Fourteen new and three repeat OCC conventions were booked for future years in the quarter worth $3.3 million in OCC revenue and community economic impact of over $16 million. Total Travel Portland bookings, including single hotel will result in $32.7 million of economic impact.
- Travel Portland booked three minority meetings in the quarter with an EEI of $636,000.
- Travel Portland generated fifteen articles with a value of $57,748 for the OCC and visitor venues in the quarter.

TRENDS, SUCCESSES, OBSTACLES

- City/County Hotel/Motel Tax continues to increase. Fiscal year collections of the city's tax were up 11.2%.
- During the 3rd quarter over $1 million worth of future revenue from conventions was booked for 2013/14. This brings us to over $6.9 million of revenue for that year. 2013/14 has been a soft booking year, but this represents significant improvement.

MERC CONTRACT GOALS

GOAL #	GOAL DESCRIPTION	YEAR TO DATE ACTUAL	ANNUAL GOAL
1	OCC revenue goal	$6,701,193	$6.0 Million
2	ROI on future OCC business	3.5	2.2
3	Lead conversion	34%	35%
4	Services performance survey	3.7	3.6
5	ROI on public relations/media	27.7	20.0
6	Community economic impact	34.3	25.0

CONVENTION SALES

OREGON CONVENTION CENTER BOOKED REVENUE FROM TRAVEL PORTLAND			
Convention Year	OCC Revenue	Annuals	Total Potential Future Business
FY 12/13	$ 11,758,738	$ -	$ 11,758,738
FY 13/14	$ 6,585,262	$ 345,311	$ 6,930,573
FY 14/15	$ 5,963,105	$ 1,466,535	$ 7,429,640
FY 15/16	$ 5,263,161	$ 974,317	$ 6,237,478
FY 16/17	$ 1,591,660	$ 1,466,535	$ 3,058,195
FY 17/18	$ 222,705	$ 974,317	$ 1,197,022
FY 18/19	$ -	$ 1,466,535	$ 1,466,535
FY 19/20	$ -	$ 974,317	$ 974,317
FY 20/21	$ 1,416,589	$ 1,466,535	$ 2,883,124
FY 21/22	$ 921,265	$ 974,317	$ 1,895,582
Total	$ 33,722,485	$10,108,719	$ 43,831,204

Oregon Convention Center Projected Future Revenue			
Total Travel Portland Contract:	Quarter	YTD	Goal
New OCC Bookings	14	35	
Repeat OCC Bookings	3	6	
Total OCC Bookings	17	41	
Room Nights from OCC Bookings	32,483	82,597	
Future OCC Revenue Booked during FY 2012/13	$ 3,336,338	$ 8,920,003	
ROI OCC Bookings	$ 5.2	$ 3.5	2.2 to 1
Community Economic Impact from OCC Bookings	$16,676,371	$ 51,648,193	
Total Room Nights Booked	64,863	178,854	
Total Community Economic Impact from Bookings	$32,714,643	$ 87,259,422	
ROI on Total Community Economic Impact	$ 50.9	$ 34.3	25.0 to 1
OCC Revenue Realized During FY 2012/13	$ 1,573,262	$ 6,701,193	$6.0 Million

CONVENTION SALES

OREGON CONVENTION CENTER FUTURE GROUP BOOKINGS					
AS OF APRIL l, 2013					
	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17and beyond
Current	47	26	21	16	9
4 Year Average	Current	1 yr. out	2 yrs. out	3 yrs. out	Beyond 3 yrs.
(FY 09/10 – FY 12/13)	45	28	17	12	9

3RD QUARTER - ROOM NIGHTS FROM OREGON CONVENTION CENTER BOOKINGS					
Year	Groups	Total Room Nights	Attendees	OCC Revenue	Community Economic Impact
FY 12/13	3	5,561	4,465	$ 706,934	$ 2,533,179
FY 13/14	7	14,276	41,300	$ 1,570,199	$ 8,368,840
FY 14/15	3	4,841	4,500	$ 561,920	$ 3,129,209
FY 15/16	4	7,805	3,500	$ 497,285	$ 2,645,143
Total OCC Bookings	17	32,483	53,765	$ 3,336,338	$ 16,676,371

3RD QUARTER - ROOM NIGHTS FROM SINGLE HOTEL BOOKINGS				
Year	Groups	Total Room Nights	Room Tax Generated	Community Economic Impact
FY 12/13	37	10,126	$ 160,054	$ 5,379,813
FY 13/14	29	13,320	$ 210,539	$ 8,019,333
FY 14/15	8	5,924	$ 93,636	$ 1,568,177
FY 15/16	2	3,010	$ 47,577	$ 1,070,949
Total Other Bookings	76	32,380	$ 511,806	$ 16,038,272

CONVENTION SALES

LEAD CONVERSION						
	Travel Portland Office		Chicago Office		Washington, DC Office	
	Quarter	YTD	Quarter	YTD	Quarter	YTD
OCC Leads	47	146	10	29	20	66
OCC Lost Leads due to OCC space & availability	2	10	1	3	1	6
OCC Lost Leads due to hotel package & availability	0	17	0	8	0	8
Lead Conversion Percentage	38%	34%	22%	17%	37%	29%
Annual Goal – 35%						

3RD QUARTER - OREGON CONVENTION CENTER LOST BUSINESS						
Year	Groups	Reason	Total Room Nights	Attendees	Lost OCC Revenue	Lost Community Economic Impact
Subtotal	7	Geographic	24,451	14,650	$ 1,794,731	$ 10,577,586
Subtotal	3	Conference Cancelled - Not Happening	4,945	2,850	$ 378,906	$ 2,095,291
Subtotal	2	Board Decision	4,990	5,400	$ 548,963	$ 2,993,934
Subtotal	2	Selected Another Year	4,223	3,500	$ 413,916	$ 1,963,685
Subtotal	2	Client Postponed Search	3,415	1,600	$ 192,159	$ 1,249,880
Subtotal	2	Date Availability - OCC	2,894	1,300	$ 280,471	$ 1,341,993
Subtotal	2	Weak Local Support	10,660	5,500	$ 1,031,689	$ 6,134,338
Subtotal	1	Declined business - OCC	1,310	1,700	$ 209,584	$ 1,132,157
Subtotal	1	Perceived Destination Draw	2,400	800	$ 128,050	$ 866,065
Subtotal	1	Weather/Environmental Issues	4,250	2,500	$ 198,545	$ 1,125,089
Total OCC Lost	23		63,538	39,800	$ 5,177,014	$ 29,480,018

CONVENTION SALES

3RD QUARTER - OREGON CONVENTION CENTER CANCELLATIONS							
Account Name	Groups	Reason	Total Room Nights	Attendees	Lost OCC Revenue	Lost Community Economic Impact	Lead Arrival
Total OCC Cancellations	0	N/A	0	0	$ -	$ -	N/A

3RD QUARTER INDUSTRY TRADE SHOWS AND EVENTS	
Trade Show/Event	Location
Professional Convention Management Association	Orlando, FL
Religious Conference Managers Association	Minneapolis, MN
Greater Oregon Society of Government Meeting Professionals	Newport, OR
Council of Engineering and Scientific Society Executives Mid-Year	Albuquerque, NM
DMAI Destinations Showcase D.C.	Washington, D.C.
Experient Envision	Houston, TX
ConferenceDirect	Las Vegas, NV
"Road Show"	Denver/Colorado Springs, CO

CONVENTION SALES

MINORITY PROJECTED FUTURE REVENUE		
Total Travel Portland Contract:	3rd Quarter	YTD
New Minority Bookings	3	9
Total Minority Bookings	3	9
Room Nights from Minority Bookings	2,108	9,459
Minority Leads	4	12
Minority Lost Leads	2	10
Minority Lost Leads due to hotel package & availability	0	1

For the third quarter of FY 2012/13, minority bookings created an estimated economic impact to the greater metro Portland community of approximately $646,000. Booked groups included the following:

Amerind Risk Management Corporation	$	285,200
United Methodist Women	$	109,655
Midwives Alliance of North America	$	251,494

CONVENTION SERVICES

ACTIVITY DESCRIPTION	3RD QUARTER	YTD
Distribution of promotional pieces	31,041	110,591
Meeting planning assistance - Services leads	640	1,179
Pre-convention attendance building - Site tours	15	33
Pre-convention attendance building -Promo trips, e-mails and materials	15	38
Housing-convention room nights	12,529	28,263

3RD QUARTER INDUSTRY SITE TOURS, TRADE SHOWS AND PROMO TRIPS					
Organization	Organization Location	Promotional Trip	Site Tours	OCC	Non-OCC
NeighborWorks Training Institute	Washington, DC	x		x	
Cabi	Willowbrook, IL	x		x	
TESOL	Alexandria, VA	x		x	
NeighborWorks Training Institute	Washington, DC		x	x	
Cabi	Willowbrook, IL		x	x	
OpenStack Foundation	Austin, TX		x	x	
American Society of Echocardiography	Morrisville, NC		x	x	
Nat'l Science Teachers Assoc	Arlington, VA		x	x	
Computer Vision and Pattern Recognition	Seattle, WA		x	x	
Quilts, Inc	Houston, TX		x	x	
Independent Electrical Contractors	Alexandria, VA		x	x	
Flight Services Association	Atlanta, GA		x	x	
Nat'l Science Teachers Assoc	Arlington, VA		x	x	
Natl Assn of State Retirement Administrators	Washington, DC		x		x
Buick Club	Columbus, OH		x		x
Solar Electric Power Assoc	Washington, DC		x		x
CPAmerica	Gainesville, FL		x		x
USS Silverstein	Phoenix, AZ		x		x

MARKETING

	3rd Quarter	YTD
Travelportland.com (official website for organization)		
*User Sessions	540,170	1,395,122
PortlandSpoke.com (staff blog)		
*User Sessions	4,402	22,038
*Outbound Clicks	814	3,909
Twitter (twitter.com/travelportland)		
*Followers	1,831	35,423
*Replies/mentions	539	1,143
Facebook fan page (facebook.com/travelportland)		
*Fans/likes	16,118	90,829
*Total interactions (comments, likes and wall posts)	49,211	111,926
Portland Travel Update (consumer e-newsletter)		
*Click-through rate	5.1%	5.4%
Portland Perks		
*Room nights (arrivals)	1,922	7,128

MARKETING

Online Initiatives

Development work and finalization of wireframes for a new travelportland.com, due July 2013. Refinements to our dedicated meeting planners' website, meetings.travelportland.com, in production and due for rollout mid-April. The Travel Portland app has been used by more than 25,000 visitors in its first quarter, with nearly 115,000 business lookups recorded to date.

Downtown Marketing Initiative

Downtown Marketing Initiative: Development and execution of Valentine's Day/Date Night advertising; execution of pay-per-click campaign for arts groups ("Lights, Camera, Downtown"); development and launch of new monthly e-mail targeting local media; launch of new spring fashion campaign ("Spring into Color"), involving retailers and restaurants; development of ---and stakeholder outreach for---Dining Month Portland campaign (June 2013).

Convention Sales Marketing Support

Completed layout and video production and promotion for first five (out of six) e-blasts sent to targeted clients; planning and pre-production underway for new 10'x20' and 20'x20' tradeshow booths; finalized planning and shooting pre-promotional video for SGMP, to be customized for other Portland-bound conventions; continuation of two months of re-targeting campaign for meetings.travelportland.com, with more than 1.5 million advertising impressions delivered in February.

Consumer Marketing

Completion of partnership with Expedia Winter Sale (mid-December through February), which generated 36,566 room nights at Tourism Improvement District (TID) hotels, a 47.3 percent increase vs. the same dates last year. Execution of the inaugural TID-funded winter campaign (January – March) that targeted consumers in Seattle and Vancouver, BC with TV spots, online advertising (banners, pre-roll video and pay-per-click), public relations, promotional elements (Portland Passport) and social videos (more than 30,000 views), driving increased traffic to travelportland.com (429,160 visits from Jan. 1 – March 15, a 48.4 percent vs. last year) and contributing to strong increases in demand at TID hotels: +4.6% in January, and +9.0% in February.

COMMUNICATIONS & PUBLIC RELATIONS

	3rd Quarter	YTD
MERC		
Value	$ 57,748	$ 330,230
Number of Placements	15	$ 51
OCC		
Value	$ 34,377	$ 191,196
Number of Placements	6	$ 18
Chicago/DC PR effort (counted separately from MERC)		
Value	$ -	$ 1,416,929
Number of Placements	0	$ 4
Total Value = MERC + Chicago/DC	$ 57,748	$ 1,747,159
Total Number of Placements = MERC + Chicago/DC	15	$ 55
Total Value = City/Regional PR (Non-MERC/OCC/Chicago/DC)	$ 3,700,051	$ 13,715,939
Total Number of Placements = City/Regional PR (Non-MERC/OCC/Chicago/DC)	91	324
Travel Portland Grand Total - Print and Online Value	$ 3,757,799	$ 15,463,098
Travel Portland Grand Total - Print and Online Circulation	74,089,040	355,125,902
Travel Portland Grand Total - Number of Placements	106	379
	3rd Quarter	YTD
Total Value = MERC + Chicago/DC	$ 57,748	$ 1,747,159
Direct Costs	$ 14,004	$ 63,011
ROI	4.1	27.7
Annual Goal - 20.0 to 1		

- No multipliers are used to calculate media values.
- MERC Value - Counts all media placements that mention any MERC facility: Oregon Convention Center, Portland Center for the Performing Arts, Portland Metropolitan Exposition Center and Oregon Zoo
- OCC Value - Counts only those media placements that feature the Oregon Convention Center.

PARTNER SERVICES, TOURISM AND VISITOR INFORMATION SERVICES

PARTNER SERVICES		
	3rd Quarter	YTD
Revenue	$84,073	$317,103
Active Partners		
New	29	83
Cancellations	29	64
Current Active Partners	795	795

TOURISM SALES		
	3rd Quarter	YTD Total
Client Contacts		
Trade Shows, Events, Inquiries and Sales Calls	1,549	2,761
Leads/Referrals Sent	268	712
FAMS/Research & Site Visits		
# of Fams	3	41
# of Companies	3	105
# of Attendees	18	164
Published Itineraries	98	219
Number of Room Nights by County		
Clackamas County	939	3,831
Columbia County	0	0
Multnomah County	13,275	20,876
Washington County	254	1,647
Mt. Hood/Gorge	72	197

VISITOR INFORMATION SERVICES			
	3rd Quarter	YTD	
Visitor Information Total Visitors	108,133	108,133	*
Volunteer Hours	2,179	7,115	
Retail Sales	$ 2,979	$ 11,927	

*New visitor counter installed after the remodel at the Visitor Information Center.

OPERATIONS

AFFIRMATIVE ACTION GOALS 2012-13					
TRAVEL PORTLAND GOALS AND OBJECTIVES BY JOB CATERGORIES					
	March 31, 2013		2012-13		
Job Category	Number	Total	Actual Percentage	Goal Percentage	Objective
Females					
Officials/Managers	3	8	38%	50%	Improve
Professionals	12	16	75%	50%	Maintain
Sales	12	13	92%	50%	Maintain
Office/Clerical	16	17	94%	65%	Maintain
Total	43	54	80%	50%	Maintain
Minorities					
Officials/Managers	0	8	0%	10%	Improve
Professionals	0	16	0%	10%	Improve
Sales	2	13	15%	10%	Maintain
Office/Clerical	2	17	12%	15%	Improve
Total	4	54	7%	15%	Improve
This report is based on current full-time staff.					

OPERATIONS

FIRST OPPORTUNITY TARGET AREA REPORT (FOTA)

HIRING

Travel Portland hired one new employee in the 3rd quarter. Recruiting and special considerations are always made for applicants in the MERC FOTA. Travel Portland currently has seven employees who reside in the MERC FOTA.

PURCHASING

Travel Portland expended a total of $337,769.67 with businesses in the FOTA area for nine months ending March 31, 2013.

PARTNERSHIP

Travel Portland currently has 94 member businesses within FOTA and 53 minority and 101 women-owned businesses as its partners.

MBE/DBE/WBE PURCHASING PARTICIPATION REPORT FOR THE NINE MONTHS ENDING MARCH 31, 2013

For the last 24 years Travel Portland has implemented a voluntary MBE/DBE/WBE purchasing program that strives to ensure a high level of participation with certified minority-owned, disadvantaged or women-owned businesses when securing services and supplies that are purchased using lodging tax dollars.

For fiscal year 2012-13, Travel Portland expended $1,010,530 of lodging tax dollars in the purchasing of services and supplies where it had the discretion to purchase from outside vendors. Of this amount, $273,784 or 27% percent was spent with minority/women-owned or emerging small business enterprises.

Row Labels	QTR ending 09-30-2012	QTR ending 12-31-2012	QTR ending 03-31-2013	YTD 03-31-2013	Annual Budget	Percent
Direct Sales	**562,116**	**487,616**	**409,612**	**1,459,345**	**1,830,748**	80%
Portland Office	**229,900**	**281,308**	**204,445**	**715,653**	**963,186**	74%
Direct Expense	29,937	59,986	12,202	102,125	102,125	
Professional Services	199,963	221,323	192,243	613,528	861,061	
Chicago Office	**34,401**	**31,550**	**35,888**	**101,838**	**113,247**	90%
Client Events	0	2,464	2,311	4,775	4,775	
Direct Expense	2,306	6,140	6,212	14,658	15,782	
Professional Services	32,095	22,945	27,365	82,405	92,690	
Washington DC Office	**65,783**	**57,616**	**77,082**	**200,481**	**256,491**	78%
Client Events	1,666	3,301	0	4,967	6,000	
Direct Expense	6,453	15,640	10,862	32,955	48,261	
Professional Services	57,665	38,675	66,220	162,560	202,230	
Convention Sales	**232,032**	**117,142**	**92,198**	**441,372**	**497,824**	89%
Advisory Council	42,147	90	-6,582	35,655	35,655	
Bid/Sales Trips	355	1,938	1,948	4,241	19,075	
Fall & Spring Fam	0	0	47,090	47,090	56,275	
Local Promotion	3,333	1,894	1,189	6,415	10,600	
Research	9,600	9,800	12,300	31,700	31,700	
Road Show	5,640	2,450	12,102	20,191	44,274	
Site Visits	29,748	13,876	3,675	47,300	47,300	
Three City Alliance	7,254	33,086	6,085	46,425	50,591	
Tradeshows	133,955	54,007	14,392	202,354	202,354	
Marketing	**134,718**	**236,303**	**119,442**	**490,463**	**580,940**	84%
Public Relations	**25,765**	**95,739**	**19,397**	**140,900**	**217,235**	65%
Convention Services	**98,056**	**137,850**	**44,239**	**280,145**	**280,145**	100%
Contract Administration	**58,058**	**61,998**	**50,313**	**170,368**	**229,759**	74%
Grand Total	**878,713**	**1,019,505**	**643,003**	**2,541,221**	**3,138,827**	81%

TRAVEL PORTLAND
STATEMENT OF ACTIVITIES
For the Eight Months 2013
, and the nine months ended March 31, 2013

	July Actual	August Actual	September Actual	October Actual	November Actual	December Actual	January Actual	February Actual	March Actual	Year to Date Actual	Year to Date Budget	Last Year Actual	% Change Budget	% Change Last Year	Fiscal Year Budget Summary
REVENUES:															
CITY/CO ROOM TAX	726,363	169,148	43,943	948,420	200,524	37,432	341,827	529,008	(27,224)	2,969,441	2,793,513	2,669,795	6%	11%	3,628,152
MERC	293,511	287,801	217,191	266,420	352,591	274,188	247,623	221,569	232,515	2,393,408	2,072,023	2,234,624	16%	7%	3,155,117
TOT/CULTURAL	17,812	3,632	10,595	12,988	4,822	56,162	14,069	103,816	20,518	244,414	199,256	262,044	23%	-7%	298,884
DUES	39,101	39,596	39,651	38,950	40,679	39,230	39,537	39,707	45,038	361,489	328,317	345,395	10%	5%	454,351
FEES	15,234	68,691	33,963	26,019	51,728	17,122	17,140	19,034	23,548	272,480	263,770	247,354	3%	10%	383,280
CO-OP	14,288	62,669	24,874	20,727	18,314	19,812	77,058	65,390	28,364	331,496	238,312	302,780	39%	9%	375,725
RCMP	14,323	25,109	48,827	258,653	-	209,320	-	0	0	556,232	364,133	281,325	53%	98%	553,150
DMI	-	-	-	621,200	-	-	-	172,300	-	793,500	793,500	793,520	0%	0%	953,309
T.I.D.	-	-	-	-	-	43,637	636,539	976,042	984,023	2,640,241	1,594,171	-	66%	0%	2,687,323
INTEREST INCOME	598	-	-	-	883	380	252	-	(39)	2,074	2,667	2,236	-22%	-7%	4,000
TOTAL REVENUE	1,121,230	656,646	419,044	2,193,377	669,541	697,283	1,374,045	2,126,865	1,306,743	10,564,774	8,649,662	7,139,073	22%	48%	12,493,290
EXPENSES:															
CONVENTION SALES	193,340	253,404	158,495	195,615	265,497	245,679	176,598	180,662	235,612	1,904,901	1,657,514	1,662,780	15%	15%	2,724,716
TOURISM SALES	59,873	76,746	57,217	101,582	109,572	97,829	81,797	80,035	78,761	743,412	654,919	658,447	14%	13%	1,071,467
MARKETING & COMMUNICATIONS	164,858	147,604	143,387	185,464	223,966	537,069	333,118	867,469	225,210	2,828,145	2,702,083	1,842,611	5%	53%	4,326,119
DMI	16,286	68,728	6,701	261,604	23,080	118,521	57,434	49,132	62,191	663,676	753,936	648,153	-12%	2%	1,027,378
CONVENTION & VISITORS SERVICES	67,923	66,736	63,498	97,806	83,894	69,172	77,509	65,895	85,545	677,978	604,044	633,499	12%	7%	971,185
PARTNERSHIP SERVICES	26,604	29,021	26,424	31,738	28,263	31,269	33,902	27,526	30,931	265,678	228,268	251,936	16%	5%	348,703
EVENTS	8,720	18,129	12,678	7,311	6,305	7,520	8,386	7,130	20,997	97,176	111,590	99,432	-13%	-2%	152,353
PROGRAM SUPPORT	107,756	130,877	126,321	130,642	174,541	225,030	141,456	113,905	136,836	1,287,364	1,138,727	1,035,606	13%	24%	1,831,416
TOTAL EXPENSES	645,360	791,245	594,721	1,011,762	915,118	1,332,089	910,200	1,391,754	876,083	8,468,331	7,851,082	6,832,464	8%	24%	12,453,338
NET REVENUE OR (LOSS)	475,870	-134,599	-175,677	1,181,615	-245,577	-634,806	463,845	735,111	430,660	2,096,443	798,580	306,609	163%	584%	39,953

	July Budget	August Budget	September Budget	October Budget	November Budget	December Budget	January Budget	February Budget	March Budget	Year to Date Budget	April Budget	May Budget	June Budget	Fiscal Year Budget Summary
REVENUES:														
CITY/CO ROOM TAX	588,369	312,418	27,573	905,439	171,775	18,056	667,120	102,763	-29,660	2,763,852	452,513	376,162	35,625	3,628,152
MERC	297,482	287,261	219,551	250,730	240,635	268,156	268,268	239,940	256,129	2,328,152	265,825	263,443	297,697	3,155,117
TOT/CULTURAL	24,907	24,907	24,907	24,907	24,907	24,907	24,907	24,907	24,907	224,163	24,907	24,907	24,907	298,884
DUES	40,571	40,571	42,237	40,571	40,571	40,571	42,654	40,571	571	328,888	44,321	40,571	40,571	454,351
FEES	27,880	27,880	62,526	27,880	27,880	35,630	26,214	27,880	27,879	291,649	27,880	28,120	35,631	383,280
CO-OP	61,466	26,703	25,429	23,828	18,028	32,128	33,227	17,503	27,929	266,241	20,128	55,628	33,728	375,725
RCMP	42,054	47,804	42,254	42,254	42,255	42,254	57,254	48,004	47,254	411,387	47,254	47,254	47,255	553,150
DMI		291,200	330,000	0	0	172,300	0	0	159,809	953,309	0	0	0	953,309
T.I.D.	0	0	0	0	0	0	7,323	1,586,848	-902,150	692,021	10,000	1,130,270	855,032	2,687,323
INTEREST INCOME	333	334	333	333	334	333	333	334	333	3,000	333	333	334	4,000
TOTAL REVENUE	1,083,062	1,059,078	774,810	1,315,942	566,385	634,335	1,127,299	2,088,750	-387,000	8,262,661	893,161	1,966,688	1,370,780	12,493,290
EXPENSES:														
CONVENTION SALES	237,835	212,944	199,519	178,540	165,030	248,202	176,919	238,525	280,593	1,938,107	201,990	258,083	326,536	2,724,716
TOURISM SALES	57,180	65,277	90,256	75,476	66,580	84,954	127,420	87,776	85,983	740,902	143,818	83,203	103,544	1,071,467
MARKETING & COMMUNICATIONS	171,296	226,495	283,178	222,946	200,196	228,428	399,630	969,914	340,980	3,043,063	486,454	354,200	442,402	4,326,119
DMI	58,217	59,967	118,617	168,317	115,692	68,442	71,067	93,617	36,117	790,053	57,367	141,473	38,485	1,027,378
CONVENTION & VISITORS SERVICES	73,550	74,451	72,823	70,850	74,451	72,688	77,610	87,621	86,050	690,095	92,486	86,050	102,554	971,185
PARTNERSHIP SERVICES	27,984	27,983	28,984	31,383	27,984	27,983	27,984	27,983	27,984	256,251	27,984	27,984	36,484	348,703
EVENTS	9,764	9,763	49,946	9,764	9,763	9,764	3,062	9,764	9,763	121,353	9,764	10,049	11,187	152,353
PROGRAM SUPPORT	111,768	147,363	129,068	116,643	113,643	123,943	247,680	148,619	241,418	1,380,145	125,293	117,143	208,835	1,831,416
TOTAL EXPENSES	747,594	824,243	972,391	873,919	773,339	864,404	1,131,372	1,663,819	1,108,888	8,959,970	1,145,156	1,078,185	1,270,027	12,453,338
NET REVENUE OR (LOSS)	335,468	234,835	-197,581	442,023	-206,954	-230,069	-4,073	424,931	-1,495,888	-697,308	-251,995	888,503	100,753	39,953

TRAVEL PORTLAND
STATEMENT OF FINANCIAL POSITION
MARCH 31, 2013

	March 31, 2013	June 30, 2012
ASSETS		
Current assets:		
Petty cash	$ 175	$ 175
Cash in bank	1,586,553	1,241,013
Accounts receivable	163,973	140,269
City receivable	8,351	26,958
MERC receivable	354,973	418,035
Dues receivable	114,049	41,652
VDF receivable	16,656	96,701
RCMP receivable	-	95,033
Other receivables	-	17,322
T.I.D. receivable	984,025	71,144
Bad debt allowance	(10,000)	(10,000)
Prepaid expense	172,631	221,199
	3,391,386	2,359,501
Property and equipment:		
Furniture & equipment	88,502	99,248
Less: accum. depreciation	(54,270)	(58,685)
	34,233	40,563
Computers	219,243	138,099
Less: accum. depreciation	(50,360)	(106,850)
	168,884	31,249
Automobiles	66,667	66,667
Less: accum. depreciation	(66,667)	(66,667)
	-	-
Leasehold improvements	182,481	176,619
Less: accum. depreciation	(86,691)	(73,540)
	95,789	103,079
Other assets:		
Restricted cash and cash surrendered value of life insurance for deferred compensation	413,242	371,502
Employee advances	6,918	7,700
	420,160	379,202
TOTAL ASSETS	$ 4,110,452	$ 2,913,594
LIABILITIES & NET ASSETS		
Current liabilities:		
Accounts payable	$ 322,463	$ 883,147
Due to Foundation	10,229	1,460
Accrued payroll costs	115,025	376,549
Total current liabilities	447,717	1,261,156
Other liabilities:		
Note payable - VIC remodel	-	100,000
Rent payable	106,173	115,564
Deferred revenues	198,127	290,802
Deferred compensation	411,367	358,252
Total other liabilities	715,667	864,618
Net assets:		
Unrestricted net assets, beginning of period	700,214	1,228,486
Designated for RCMP	62,803	-
Designated for DMI	87,607	-
Increase(decrease) in net assets for the period	2,096,444	(440,666)
Total net assets	2,947,068	787,820
TOTAL LIABILITIES & NET ASSETS	$ 4,110,452	$ 2,913,594

TRAVEL PORTLAND BOARD OF DIRECTORS

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Enterprise Rent A Car

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The Heathman Hotel

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E. Allen Shelby, Langley Investment Properties, Inc.

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Lance Rohs, Portland Marriott Downtown Waterfront

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APPENDIX I – COMMUNICATIONS AND PUBLIC RELATIONS

	MERC			OCC			Chicago/DC		
Outlet / Headline	**Value**	**Circulation**	**Placements**	**Value**	**Circulation**	**Placements**	**Value**	**Circulation**	**Placements**
Smart Meetings Magazine / SmartMeetings.com									
"Barbershop Harmony in Portland"	$ 8,180.00	48,965	2	$ 8,180.00	48,965	2			
Meetings Focus West / MeetingFocus.com									
"Green Grapes and Sustainable Suds"	$ 9,225.00	31,012	2						
Smart Meetings Magazine / SmartMeetings.com									
"Where to Meet"	$ 8,180.00	48,965	2	$ 8,180.00	48,965	2			
Meetings Focus West / MeetingsFocus.com									
"Beautiful Bounty: Portland Walking Tours"	$ 4,391.25	52,282	2						
Smart Meetings Magazine / SmartMeetings.com									
"Hotel Chefs to Groups: Bring it On"	$ 4,715.00	48,965	2						
Successful Meetings Magazine / SuccessfulMeetings.com									
"What's New in the Pacific Northwest"	$ 18,016.66	12,672	2	$ 18,016.66	12,672	2			
Junglecity.com									
"Pick-up of the Week"	$ 5,040.00	2,200,000	1						
Livability.com									
"Top 10 Spring Break Destinations for Families"	$ -	0	1						
The New Zealand Herald Online									
"United States: Portland calling"	$ -	0	1						
	$ 57,747.91	**2,442,861**	**15**	**$ 34,376.66**	**110,602**	**6**	**$ -**	**0**	**0**

APPENDIX 2 – CONVENTION SERVICES

Overall impression of the following:

Answer Options	Excellent = 4	Good = 3	Average = 2	Poor = 1	Did not utilize	Rating Average	Response Count
Travel Portland sales staff	2	0	0	0	0	4.00	2
Travel Portland convention services staff	2	0	0	0	0	4.00	2
Travel Portland housing services (if utilized)	1	0	0	0	1	4.00	1
Travel Portland collateral/promotional materials	1	1	0	0	0	3.50	2
Quality and user-friendliness of the Travel Portland	1	0	0	0	0	4.00	1
Is there anything Travel Portland could have done to enhance your experience?							0
						answered question	2
						skipped question	0
Average rating for the quarter						*3.9*	
Average rating YTD						*3.7*	

MERC Commission Meeting

May 7 , 2013
3:00 pm

7.0 Consent Agenda

Metropolitan Exposition Recreation Commission
Record of MERC Commission Actions

April 3, 2013
Oregon Convention Center, A107-108
777 NE ML King Jr. Blvd. Portland OR 97232

Present:	Chris Erickson (Chair), Karis Stoudamire-Phillips , Judie Hammerstad, Cynthia Haruyama , Ray Leary , Elisa Dozono, Terry Goldman , Councilor Sam Chase
Absent:	
	A regular meeting of the Metropolitan Exposition Recreation Commission was called to order by chair Chris Erickson at the Oregon Convention Center at 12:30 p.m.
1.0	**QUORUM CONFIRMED** A quorum of Commissioners was present.
2.0	**COMMISSIONER COUNCIL LIAISON COMMUNICATIONS** • Commissioner Leary expressed his gratitude to the director of PCPA who provided tickets for middle school students to see a White Bird dance company performance and also to Joe Durr of PCPA for his attendance at a Roosevelt H.S. theater performance. • Jeff Miller reported that the Travel Portland board voted to support the headquarters hotel project. Travel Portland will present a letter to Council President Hughes and Chair Erickson with that endorsement. Support was given by the meeting planning committee as well. So far, 18 Customer Advisory Board members have endorsed the project. • Council Liaison, Sam Chase, reminded the Commission that the parks levy (Restore Our Natural Areas) is on the ballot in May.
3.0	**OPPORTUNITY FOR PUBLIC COMMENT ON NON-AGENDA ITEMS** None
4.0	**AFFORDABLE CARE ACT UPDATE** • Mary Rowe presented an overview of health care reform, the bulk of which goes into effect in January 2014. • Commissioner Leary inquired about the projected cost impacts. Mary Rowe responded that there are options and variances in the cost. Metro budgeted a cost range of from $38,000 – $200,000 for the venues for a full year. (1st year will be phased in.) There are a lot of unknowns at this point. • Chair Erickson inquired how the act affects Aramark employees who serve at the venues. Nathan Sykes responded that there is a contract in place and stated that if it affects anything, it will be the revenue share.

5.0	**GENERAL MANAGER COMMUNICATIONS**
	• Teri Dresler presented to the Commission
	  • T. Dresler announced that emails will be sent to Commissioners with invitations to various upcoming community events: Oregon League of Minority Voters dinner on June 7 and REAP annual banquet in September. On April 19, Commissioner Judie Hammerstad will be honored at the REAP Women of Legacy luncheon.
	  • Dresler updated the Commission on the Hotel project noting that outreach to external stakeholders

	begins this week. A Joint Metro/MERC work session regarding the project is anticipated for the 1st week of May. We will be in touch once dates are finalized. • June MERC Commission meeting will be held at the Zoo. Kim Smith will give an update on the Elephant Lands project which is nearing ground-breaking. • Update on Metro's equity program: 1st phase of the work is close to starting. An Advisory Committee is being formed and an application to join will be offered soon. An email will be sent to the Commission with an invitation to apply for the board as well as giving information on the process. Commissioner Leary inquired on the size of the board. Dresler said they anticipate roughly 12 advisors on the board. • Councilor Sam Chase noted that it is important that the right mix is represented. He offered his commitment to the project. • Dresler said she is setting up a meeting to re-engage conversation around our work with FOTA specifically related to Procurement/employment arena. Group includes Michel DePass (MWESB Coordinator), Bill Tolbert, Commissioners Leary, Stoudamire-Phillips, and Dozono. They will work to put together an action plan and then get back to the commission. • Leadership level training around equity and diversity and its overlaps will be offered to get everyone on the same page so we can really have some impact.
5.1	• Financial Report • Commissioner Dozono inquired about PCPA's negative percentage. Cynthia Hill responded that it is due to timing of receipt of VDF funds which usually come after June 30th. The city of Portland's contribution is historically not paid until April or May and the TLT transfer in February was much less than expected. The City's and Multnomah County's March transfer will arrive later this month and will more than make up difference. The budget was established prior to the new ticketing contract which affects the accounting for ticketing revenues. A budget amendment will be brought to a future meeting to correct that.
6.0	**MERC VENUES' BUSINESS REPORTS** • Robyn Williams, Matthew Rotchford and Scott Cruickshank provided updates to the Commission
7.0	**CONSENT AGENDA** **March 6, 2013 MERC Regular Meeting Record of Actions** • A motion was made by Commissioner Goldman and seconded by Commissioner Dozono to approve the Consent Agenda. **VOTING:** Aye: 7 (Erickson, Stoudamire-Phillips, Haruyama, Hammerstad, Leary, Dozono, Goldman) Nay: 0 Motion passed
8.0	**ACTION AGENDA**
8.1	**Resolution 13-07 For the purpose of approving facility rental rates for fiscal year 2015-16 at the Portland Expo Center (EXPO).** • Matthew Rotchford presented the resolution to the Commission. • Commissioner Dozono inquired if outreach was performed for people who are currently renting space. Matt Rotchford responded that there had been discussions with initial clients but not with the entire gamut. He encountered no negative reactions.

	• A motion was made by Commissioner Goldman and seconded by Commissioner Stoudamire-Phillips to approve Resolution 13-07 as presented. **VOTING:** Aye: 7 (Erickson, Stoudamire-Phillips, Haruyama, Hammerstad, Leary, Dozono, Goldman) Nay: 0 Motion Passed **Meeting adjourned at 1:40 pm**

METROPOLITAN EXPOSITION-RECREATION COMMISSION

Resolution No. 13-07

For The Purpose of Approving Facility Rental Rates for Fiscal Year 2015-16 at the Portland Expo Center (Expo).

WHEREAS, the Metropolitan Exposition Recreation Commission (Commission) sets the rental rates for Commission facilities; and

WHEREAS, Expo staff recommends that the Commission increase Expo's rental rates in accordance with the market and other considerations regarding discounted space.

BE IT THEREFORE RESOLVED that the Commission approves the Expo's facility rental rates for fiscal year 2015-16 as set forth in Exhibit A.

Passed by the Commission on April 3, 2013.

Chair

Secretary-Treasurer

Approved As To Form:
Alison Kean Campbell, Metro Attorney

By: _____
Nathan A. Schwartz Sykes, Senior Attorney

MERC Staff Report

Agenda Item/Issue: Approval of Portland Expo Center (Expo Center) facility rental rates for fiscal year 2016.

Resolution No. 13-07

Date: April 03, 2013 **Presented by:** Matthew Rotchford

Background: As previously described at MERC Commission meetings held on March 2, 2011 and again on January 4, 2012, the Expo Center facility rates have undergone a lengthy review and evaluation. When the Expo Center facility rates were first established effective July 1, 1997, they included discounts based upon square footage used when exhibit halls were rented in various combinations. Consequently, the greater the total of exhibit hall square footage rented, the greater the facility rental discount. Over the years, a mathematical error overlooked the original intentions of this discount policy.

During the development of the FY14 budget, and in consideration of increasing expenditures as well as significant long-term financial obligations, staff determined to review the long established discounts toward decreasing those discounts over time and increasing revenue accordingly. Staff surveyed the facility rental rates of several other venues to determine the Expo Center's competitive placement in the region. It has been determined that the Expo Center remains very competitive, while still offering a positive value for our customers.

At the MERC Commission meeting held on January 4, 2012, the Commission considered and approved facility rental rates for the Portland Expo Center for three fiscal years: FY2013, 2014 and 2015. By doing so, the Commission took steps for corrective reduction of discounts and for staff to development a multi-year rental rate recommendation. These efforts have proven very successful for qualified events that are both; 180,000 square feet or larger, and have been continuous clients with MERC facilities for 15 years or greater.

In keeping with this methodology, staff has reviewed the previously approved 2013-2015 rate detail and has provided a schedule of rental rates for fiscal year 2016 for your consideration. Overall, this allows for standard 3% increases for individual areas and modest increases in outdoor exhibition space. This is the final corrective adjustment to the combination hall discounts and completes the corrective action to the target range discount goals as listed below:

- **20%** (300,000 sq. ft and above)
- **15%** (240,000-299,999 sq. ft)
- **10%** (150,000-239,999 sq. ft)
- **5%** (84,000-149,000 sq. ft)

Fiscal Impact: This action anticipates overall increase in rental revenues through focused attention on combination hall discounting, multi-year pricing procedures and standard room rental increases of 3% in fiscal year 2016.

Recommendation: Staff recommends that the Metropolitan Exposition Recreation Commission, approve the Portland Expo Center facility rental rates, as presented, for fiscal year 2016 (July 1, 2015 - June 30, 2016).

Authorization to Represent MERC/METRO
on Trade-Promotion Mission; Fact-Finding Mission;
Economic Development Activity; or Negotiation
(Food Travel, Lodging Expenses Approved in Advance- exception (H))

In accordance with ORS 244.020(5)(b)(H), the following public officials: **all current MERC Commissioners and current Metro Councilors** are hereby authorized to represent Metro/MERC in an official capacity; and

The MERC Commission and Metro Council hereby approves in advance, the receipt of reasonable expenses for food, travel, and lodging for the above-named public officials and his/her accompanying relative, household member, or staff member, for attendance at (*check one*):

XX **trade-promotion mission;**
__ **fact-finding mission;**
XX **economic development activity; OR**
__ **negotiation;**

as follows *(describe date and type of event*:

Portland familiarization tours ("fam tours") and activities related to the Travel Portland Customer Advisory Board where meals will be paid for by Travel Portland, to familiarize potential meeting planners and association executives with Portland and with the Oregon Convention Center, and to facilitate Oregon and Portland tourism and economic development, which activity(ies) will take place in Portland on **June 6-9, 2013, July 10-12, 2013 and December 5-8, 2013.**

Being approved by the MERC Commission, at its regular meeting on May 7, 2013, the above activities are hereby officially sanctioned by MERC.

_____
MERC Commission Chair

Being approved by the Metro Council, at its regular meeting on _____, the above activity is hereby officially sanctioned by Metro.

_____
Metro Council President

MERC Commission Meeting

May 7, 2013
3:00 pm

8.0 Action Agenda

METROPOLITAN EXPOSITION RECREATION COMMISSION

Resolution No. 13-08

For the purpose of approving and transmitting to the Metro Council a budget amendment to the MERC Fund for current fiscal year 2012-13.

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 2012-13 budgets for the MERC Fund; and

WHEREAS, MERC staff request amendments to the current budget for the reasons described in the attached Staff Report.

BE IT THEREFORE RESOLVED, that the Metropolitan Exposition Recreation Commission approves a budget amendment to the MERC Fund as described in the attached Staff Report for the fiscal year beginning July 1, 2012 and ending June 30, 2013 for inclusion as part of the total Metro budget for this period and requests that the Metro COO present this to the Metro Council for ratification.

Passed by the Commission on May 7, 2013.

_____
Chair

Approved as to Form:
Alison Kean Campbell, Metro Attorney

_____
Secretary/Treasurer

By:
_____
Nathan A. Schwartz Sykes, Senior Attorney

Revised 05-01-2013

MERC Staff Report

Agenda Item/Issue:
For the purpose of approving and transmitting to the Metro Council a budget amendment to the MERC Fund for fiscal year 2012-13

Resolution No: 13-08 **Presented By:** Cynthia Hill

Date: May 7, 2013

Background and Analysis:

Food & beverage sales are greater than the original budget anticipated. The increase in revenue has an offsetting increase in expenditures. This amendment will increase expenditures by borrowing appropriation from the appropriated reserves, which are the Operating Contingency and the Business Strategy reserves. The accounting for the PCPA New Era Ticketing contract is creating a similar increase in revenue and off setting expenditures. The increased revenues will be acknowledged and the expenditure appropriation will be increased. At year end the increased revenues will replenish the appropriate reserves.

1. *Food & Beverage*

Oregon Convention Center (OCC)
OCC food and beverage revenue forecast is $9.8 million, an increase of $1.6 million over the adopted budget of $8.2 million. Food and beverage cost forecast is $8.3 million, an increase of $1.4 million over the adopted budget of $6.9 million. The projected margin is 16.1 percent with net revenue of $1.6 million. The original budget estimate was 16.34 percent. Several events have experienced stronger than expected food & beverage sales and OCC has booked five additional conventions this year.

Portland Center for Performing Arts (PCPA)
PCPA food and beverage revenue forecast is $2.0 million, an increase of $284 thousand over the adopted budget of $1.7 million. Food and beverage cost forecast is $1.7 million, an increase of $207 thousand over the adopted budget of $1.5 million. The projected margin is 15.8 percent with net revenue of $316 thousand. The original budget estimate was 13.92 percent. Increased sales are a result of a strong concert schedule and Broadway season.

Portland Exposition Center (Expo)
Expo food and beverage revenue forecast is $1.8 million, close to the adopted budget of 1.9 million. Food and beverage cost forecast is $1.6 million, an increase of $65 thousand over the adopted budget of $1.5 million. The projected margin is 13.34 percent with net revenue of $242 thousand; the original budget estimate was 19.28 percent and $360 thousand. Labor costs are greater as Expo has invested in the culinary quality of the concession foods and customer experience. Reserve expenditures have also increased as well as operating costs to meet these standards. Concession price increases took place in February 2013 to offset these increases.

Account		Amount
Resources:		
Food & Beverage Revenue (increase)		$1,855,480
	Total Resources	**$1,855,480**

Requirements:		
Food & Beverage Costs		$1,651,941
	Total Expenditure	**$1,651,941**
RESERVES & FUND BALANCE:		
Unappropriated Fund Balance		$1,855,480
Appropriated Reserves		($1,651,941)
	Net Increase	**$203,538**

2. ***PCPA Ticket Services***

PCPA operating revenues continue to trend above the budget line. This trend is partially due to the first year of the new ticketing system. PCPA collects the full service charge then pays the ticketing company their ticket agency fee and pays the credit card expense reflected in a materials and service. Under the old system, the former ticketing company took their fee out prior to sending ticket commissions to us. The FY 2012-13 budget was developed before the new contract was in place. This action will amend the budget to reflect the change in accounting for the New Era ticketing contract.

Account		Amount
REVENUE:		
Ticket Services Charge		$661,349
	Total Revenue	**$661,349**
EXPENDITURE:		
Ticket Agency Fee		$434,209
Credit Card Expense		$208,073
	Total Expenditure	**$642,282**
RESERVES & FUND BALANCE:		
Unappropriated Fund Balance		$661,349
Appropriated Reserves		($642,349)
	Net Increase	**$19,067**

Oregon budget law does not allow the recognition and direct appropriation of this additional revenue without the benefit of a supplemental budget. This action transfers from appropriated Reserves to materials and services to provide for the needed increase in food and beverage expense and ticketing expense. It also acknowledges the receipt of additional revenue but places the additional revenue in the unappropriated Fund Balance.

Fiscal Impact:

Net increase to fund balance $222,605

Recommendation:
Staff recommends that the Metropolitan Exposition Recreation Commission adopt Resolution 13-08.