

Date: May 24, 2017
To: Board of Directors
From: Neil McFarlane *Neil McFarlane*
Subject: **RESOLUTION 17-05-37 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE TRANSFER OF APPROPRIATED FUNDS WITHIN THE FY2016-2017 GENERAL FUND BUDGET**

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors (Board) adopt a Resolution authorizing a transfer of funds from Contingency to the Labor Relations & Human Resources Division within TriMet's FY2016-2017 General Fund budget.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other: Transfer of Appropriated Budget

3. Reason for Board Action

Certain expenditures related to legal services have been or will be made in FY2016-2017 that were not anticipated, or could not be accurately estimated when the annual budget was adopted in May 2016. A similar, but smaller, issue has been identified with Sick & Vacation/Holiday Payout to employees. ORS 294.463 authorizes the governing body of a local government to transfer funds between appropriations by resolution. This Resolution allows for the transfer of funds from the Contingency account to the Legal and Sick & Vacation/Holiday Payout accounts (Labor Relations & Human Resources Division) within TriMet's FY2016-2017 General Fund budget.

4. Type of Action:

- Resolution
- Ordinance 1st Reading
- Ordinance 2nd Reading
- Other _____

5. Background

On May 25, 2016, the Board approved Resolution 16-05-32, adopting the FY2016-2017 budget and appropriating funds. The budget was based on the best available information at the time, as actual revenues and expenses are not known when the budget is developed. Historically, as the end of the fiscal year approaches, TriMet transfers appropriations to match revised expenditure requirements. Oregon budget law requires a transfer resolution if

expenditures in any appropriation category are higher than shown in the original budget. In this instance, revision to the General Fund Operating appropriations is necessitated due to needs supporting the current union labor negotiations. The Legal activity supports the Executive Director, Labor Relations & Human Resources during the current labor negotiations. As negotiations have consumed more time than originally estimated, \$230,000 in additional funds are needed to increase the Legal expense line in the budget. The Sick & Vacation/Holiday Payout occurs once a year and the expenditure in the Labor Relations & Human Resources Division was higher than the budget assumed in May 2016. As a result, \$20,000 in added funds need to be transferred to cover this expense.

6. Financial/Budget Impact

This transfer is a requirement of Oregon Local Budget Law.

7. Impact if Not Approved

If the Board chooses not to approve this resolution, the District will be in violation of Oregon Local Budget Law for FY2016-2017.

RESOLUTION 17-05-37

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE TRANSFER OF APPROPRIATED FUNDS WITHIN THE FY2016-2017 GENERAL FUND BUDGET

WHEREAS, on May 25, 2016, the TriMet budget for FY2016-2017 was adopted and funds were appropriated by the Board of Directors; and

WHEREAS, this Resolution is prepared pursuant to ORS 294.463;

NOW, THEREFORE, BE IT RESOLVED:

That the FY2016-2017 General Fund appropriations be revised as follows:

FY2016-2017 Adopted Budget

Operating Program:	Existing Appropriation	Transfer In (Out)	Revised Appropriation
Sick & Vacation/Holiday Payout (Labor Relations & Human Resources Division)	\$10,023	\$20,000	\$30,023
Legal (Labor Relations & Human Resources Division)	\$102,000	\$230,000	\$332,000
Contingency	\$21,972,871	(\$250,000)	\$21,722,871
Total Appropriation	\$22,084,894		\$22,084,894

Dated: May 24, 2017

Attest:

Recording Secretary

Presiding Officer

Approved as to Legal Sufficiency:



Legal Department