

Date: February 28, 2018

To: Board of Directors

From: Shelley Devine, Interim General Manager 

Subject: **RESOLUTION 18-02-18 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE TRANSFER OF APPROPRIATED FUNDS WITHIN THE FY2017-2018 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 totaling \$1,343,653 from the Operations Division to the Safety & Security Division. This transfer is due to costs associated with Peace Officers now handled in a different division. Second, a transfer of \$19,000 from F&A Division to HR Division for Bargaining Power Software. Finally, transfer of \$3,500,000 from Contingency to Debt Service to pay interest and issuance costs related to 2017 and 2018 bond issues.

2. Type of Agenda Item

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

3. Reason for Board Action

The hiring of Peace Officers was anticipated to occur as part of the Field Operations materials & services budget in the Operations Division, but the Peace Officer function has now been deemed a function of the Safety & Security Division. As part of the supplemental FY2018 budget, the purchase of Bargaining Power Software was authorized. These transfers match the spending of funds to the Division incurring the expenditure. Additional resources from Contingency to cover FY2018 debt service for bond issuances after the adoption of the FY2018 budget specially related to the 2017 capital grant bonds, 2018 capital grant bonds and the 2018 senior lien payroll bonds.

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 Operations Division to the Safety and Security Division and from the Finance and Administration Division to the Human Resources Division within TriMet’s FY2017-2018 General Fund budget.

4. Type of Action

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

5. Background

On May 24, 2017, the Board approved Resolution 17-05-42, adopting the FY2017-2018 annual 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 Local 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 the function of hiring Peace Officers transferring to a different Division, the purchase of bargaining software and debt service payments.

As detailed below there is \$4,862,653:

- \$1,343,653 associated with hiring Peace Officers,
- \$19,000 associated with the Bargaining Power Software.
- \$3,500,000 associated with bond payments and related issuance costs

6. Procurement Process

N/A

7. Financial/Budget Impact

This transfer is a requirement of Oregon Local Budget Law.

8. 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 FY2017-2018.

RESOLUTION 18-02-18

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE TRANSFER OF APPROPRIATED FUNDS WITHIN THE FY2017-2018 GENERAL FUND BUDGET

WHEREAS, on May 24, 2017, the TriMet budget for FY2017-2018 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 FY2017-2018 General Fund appropriations be revised as follows:

FY2017-2018 Adopted Budget

Operating Program:	Existing Appropriation	Transfer In (Out)	Revised Appropriation
Safety & Security Division	\$46,284,671	\$1,343,653	\$47,628,324
Operations Division	\$446,545,774	(\$1,343,653)	\$445,202,121
Labor Relations & Human Resources Division	\$4,926,654	\$19,000	\$4,945,654
Finance & Administration Division	\$35,928,172	(\$19,000)	\$35,909,172
Debt Service	\$139,587,854	\$3,500,000	\$143,087,854
Contingency	\$8,841,796	(\$3,500,000)	\$5,341,796
Total Appropriation	\$682,114,921		\$682,114,921

Dated: February 28, 2018

Presiding Officer

Attest:

Recording Secretary

Approved as to Legal Sufficiency



Legal Department