

**Date:** April 25, 2018

**To:** Board of Directors

**From:** Doug Kelsey

**Subject:** RESOLUTION 18-04-33 OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET)  
AUTHORIZING THE TRANSFER OF APPROPRIATED FUNDS WITHIN  
THE FY2017-2018 GENERAL FUND BUDGET

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**1. Purpose of Item**

The purpose of this item is to request that the TriMet Board of Directors (Board) authorize a transfer of funds of \$1,542,396 from Contingency to Other Post Employment Benefits & Pension (OPEB) UAAL due to the increased costs associated with Medicare Part B and larger than anticipated enrollment in Retiree Medical/Dental benefits, \$40,000 to the Human Resources & Labor Relations Division for the General Manager's 100-day plan, and \$40,000 to the Office of the General Manager Division for the overlap of the General Manager position.

**2. Type of Agenda Item**

- Initial Contract  
 Contract Modification  
 Other: Transfer of Appropriated Budget

**3. Reason for Board Action**

ORS 294.463 authorizes the governing body of a local government to transfer funds between appropriations by resolution. This resolution transfers funds from the Contingency fund to various divisions in an amount equal to the expenditures identified.

**4. Type of Action**

- Resolution  
 Ordinance 1<sup>st</sup> Reading  
 Ordinance 2<sup>nd</sup> 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 OPEB & Pension UAAL appropriation is necessitated due to the increased costs associated with Medicare Part B and larger than anticipated enrollment in

Retiree Medical/Dental benefits. The unanticipated cost of \$1,542,396 is associated with Medicare Part B.

To implement the General Manager's 100-day plan to review recruitment, compensation, and other specific workplace practices as they relate to building a diverse management workforce once hired, it is anticipated the costs to hire one or more consultants to assist in this diversity focused effort is \$40,000. The Human Resources & Labor Relations Division will manage the contract.

As a result of the former General Manager's post-budget adoption announcement to retire and the hiring of a new General Manager there was a period of overlap of the two individuals in the same position with different contract provisions. This unbudgeted expense is anticipated to cost \$40,000.

**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 expenditures noted will not be made and/or the District will be in violation of Oregon Local Budget Law for FY2017-2018.

**RESOLUTION 18-04-33**

**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**

<b>Operating Program:</b>	<b>Existing Appropriation</b>	<b>Transfer In (Out)</b>	<b>Revised Appropriation</b>
OPEB & Pension UAAL	\$48,385,376	\$1,542,396	\$49,927,772
Human Resources & Labor Relations	\$4,898,154	\$40,000	\$4,938,154
Office of the General Manager	\$2,059,468	\$40,000	\$2,099,468
Contingency	\$5,341,796	(\$1,622,396)	\$3,719,400
<b>Total Appropriation</b>	<b>\$60,684,794</b>		<b>\$60,684,794</b>

Dated: April 25, 2018

\_\_\_\_\_  
Presiding Officer

Attest:

\_\_\_\_\_  
Recording Secretary

Approved as to Legal Sufficiency:

  
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Legal Department