

Date: September 28, 2022

To: Board of Directors

From: Sam Desue, Jr.

Subject: **RESOLUTION NO. 22-09-52 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE TRANSFER OF APPROPRIATED FUNDS WITHIN THE FY2022-2023 BUDGET**

1. Purpose of Item

This Resolution requests that the TriMet Board of Directors (Board) authorize the General Manager or his designee to transfer appropriated funds for two purposes: first, transfer \$741,719 from TriMet’s Public Affairs Division appropriation and \$980,000 from TriMet’s Contingency appropriation to the Office of the General Manager Division; and second, transfer \$650,000 from the Transportation Division appropriation to the Chief Operating Officer Division.

2. Type of Agenda Item

- Initial Contract
- Contract Modification
- Other: Transfer of Appropriated Funds Within the Adopted Budget

3. Reason for Board Action

Oregon Budget Law requires the Board to approve a transfer resolution if expenditures in any appropriation category are higher than shown in the annual adopted budget.

4. Type of Action

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

5. Background

On May 25, 2022, the Board approved Resolution 22-05-31, adopting the FY2022-2023 annual budget and appropriating funds. The budget was based on the best available information at the time, because actual revenues and expenses are not known when the budget is developed. Therefore, during the fiscal year, TriMet anticipates the need to internally transfer appropriated funds as necessary to match revised expenditure requirements of various Divisions.

Pursuant to ORS 294.463, which regulates the transfer of appropriations within or between funds, such transfers require Board approval. This Resolution will approve the transfer of funds from TriMet’s Public Affairs Division and Contingency appropriations to the General Manager Division appropriation, and also will approve the transfer of funds from TriMet’s Transportation Division appropriation to the Chief Operating Officer Division appropriation, within TriMet’s FY2022-2023 budget.

The budget transfer to the General Manager Division is required to facilitate the move of some staff, materials and services from our Transit Equity, Inclusion & Community Affairs Department (TEI) in the Public Affairs Division into the General Manager Division. There, these TEI Department resources will be reorganized and expanded as the Office of Inclusion, Diversity, Equity and Accessibility (IDEA). This action is based on Board direction to have higher visibility and greater responsibility for the IDEA Office, requiring reorganization and additional funding for staff, materials and services.

As required by the Oregon Budget Law, this Resolution authorizes the internal transfer of \$741,719 from the Public Affairs appropriation to the General Manager Division appropriation, to cover the cost of the reorganization and move of these TEI Department resources into the General Manager Division. This transfer is required to ensure that the costs of additional materials and staff for the IDEA Office do not exceed the legal appropriation level for the General Manager Division.

In addition, a separate transfer of \$980,000 from the Contingency appropriation to the General Manager Division appropriation is needed to ensure that the costs of additional materials and staff for the IDEA Office do not exceed the legal appropriation for the Division. This transfer also is necessary to provide additional funding in the Office of the General Manager for expenses related to Board meetings and Board member travel.

The second budget transfer is required to facilitate the Chief Operating Officer's hiring of additional training supervisors and lead training supervisors, who are needed to train operators at the same pace of hire. This transfer of \$650,000 from the Transportation Division to the Chief Operating Officer Division will ensure that the costs of additional staff for operator training does not exceed the Chief Operating Officer legal appropriation level.

These internal budget transfers are allowed by the Oregon Budget Law so long as they do not change TriMet's total appropriation as reported in the adopted budget for FY2022-2023.

6. Procurement Process

N/A

7. Financial/Budget Impact

These transfers are internal reallocations of budgeted funds and will have no impact on TriMet's FY2022-2023 budget.

8. Impact if Not Approved

If the Board chooses not to approve this Resolution, the District will not be able to proceed with the reorganization and expansion of the IDEA Office, will not be able to cover unanticipated Board costs and will not be able to cover additional operator training costs.

RESOLUTION NO. 22-09-52

RESOLUTION NO. 22-09-52 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE TRANSFER OF APPROPRIATED FUNDS WITHIN THE FY2022-2023 BUDGET

WHEREAS, on May 25, 2022, the TriMet budget for FY2022-2023 was adopted and funds were appropriated by the Board of Directors (Board); and

WHEREAS, TriMet wishes to internally transfer appropriated funds to and from various TriMet Divisions; and

WHEREAS, pursuant to ORS 294.463, a Resolution approving such transfers must be adopted by the Board;

NOW, THEREFORE, BE IT RESOLVED:

1. That the budget transfers shall conform with applicable law.
2. That the FY2022-2023 appropriated budget amounts shall be revised as follows:

FY2022-2023 Adopted Budget

Operating Program:	Existing Appropriation	Transfer In (Out)	Revised Appropriation
Contingency	\$35,687,909	(\$980,000)	\$34,707,909
Public Affairs Division	\$16,885,885	(\$741,719)	\$16,144,166
General Manager Division	\$1,295,137	\$1,721,719	\$3,016,856
Transportation Division	\$285,690,455	(\$650,000)	\$285,040,455
Chief Operating Officer Division	\$13,097,357	\$650,000	\$13,747,357
Total Appropriation:	\$352,656,743		\$352,656,743

3. That the General Manager or his designee is authorized to implement these budget transfers.

Dated: September 28, 2022


Presiding Officer

Attest:


Recording Secretary

Approved as to Legal Sufficiency:

Gregory E. Skillman
Legal Department