

**Date:** April 28, 2021

**To:** Board of Directors

**From:** Sam Desue, Jr.

**Subject: RESOLUTION NO. 21-04-16 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING THE TRANSFER OF APPROPRIATED FUNDS WITHIN THE FY2021 BUDGET**

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**1. Purpose of Item**

This Resolution requests that the TriMet Board of Directors (Board) authorize the Interim General Manager or his designee to transfer \$3,875,000 from TriMet’s Contingency Appropriation account in order to fund three expenses that were not known when the FY2021 Budget was adopted.

**2. Type of Agenda Item**

- Initial Contract
- Contract Modification
- Other – Authorizing Resolution

**3. Reason for Board Action**

Oregon Local Budget Law requires the Board to approve a transfer Resolution if expenditures in any appropriation category are higher than shown in the FY2021 Budget originally adopted by Board.

**4. Type of Action**

- Resolution
- Ordinance 1<sup>st</sup> Reading
- Ordinance 2<sup>nd</sup> Reading
- Other \_\_\_\_\_

**5. Background**

On June 24, 2020, the Board approved Resolution 20-06-26, adopting the FY2021 Budget and appropriating funds. The FY2021 Budget was based on the best available information at the time, and actual revenues and expenses were not known when the Budget was developed. Historically, TriMet transfers appropriations during each fiscal year to match revised expenditure requirements, in accordance with Oregon Local Budget Law, ORS 294.463.

This Resolution allows for the transfer of \$3,875,000 from the FY2021 Budget Contingency Appropriation account to three budgetary categories: 1) Special Payments, in the amount of \$1,900,000; 2) the Information Technology Division, in the amount of \$1,475,000; and 3) Other Post-Employment Benefits, in the amount of \$500,000.

First, \$1,900,000 must be transferred to Special Payments because TriMet Financial Services has determined that an additional appropriation is necessary to pay for a February 26, 2021 Memorandum of Understanding (MOU) between TriMet and the City of Portland Bureau of Transportation (PBOT) to provide CARES Act funding for certain Streetcar operations (CARES Act MOU).

Under the regular Streetcar IGA, renewed annually, TriMet provides TriMet employees to operate and maintain the Portland Streetcar, then invoices the City of Portland for their services. During the COVID-19 pandemic, TriMet received federal CARES Act funds to pay for certain operating and other expenses, allowing TriMet to allocate \$1,900,000 of CARES Act funds to Streetcar operating and other expenses. In accordance with the February 2021 CARES Act MOU, TriMet will provide \$1,900,000 as a credit to PBOT against invoices TriMet submits to PBOT for costs associated with the Streetcar operations and maintenance under the Streetcar IGA. The \$1,900,000 must be transferred from Contingency to Special Payments to fund the CARES Act MOU.

Second, \$1,475,000 must be transferred from Contingency to the Information Technology Division for the payment of fees resulting from a multi-year comprehensive Oracle Review.

Third, \$500,000 must be transferred from Contingency to the Other Post-Employment Benefits line item. This transfer is necessary to make sure that professional services costs for actuarial valuations for TriMet's defined benefit pension plans and the other post-employment benefit plans do not exceed the professional services costs provided for in the current Budget.

**6. Financial/Budget Impact**

This transfer is a requirement of Oregon Local Budget Law and will not increase the overall amount of the FY2021 Budget.

**7. Impact if Not Approved**

If the Board chooses not to approve this resolution, the District will not be in compliance with Oregon Local Budget Law for FY2021, and will not be able to fulfill the terms of the CARES Act MOU with the City.

**RESOLUTION NO. 21-04-16**

**RESOLUTION NO. 21-04-16 OF THE TRI-COUNTY METROPOLITAN  
TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING  
THE TRANSFER OF APPROPRIATED FUNDS WITHIN THE FY2021  
BUDGET**

**WHEREAS**, on June 24, 2020, the TriMet budget for FY2021 was adopted and funds were appropriated by the Board of Directors; and

**WHEREAS**, this Resolution is required pursuant to ORS 294.463;

**NOW, THEREFORE, BE IT RESOLVED:**

1. That the budget transfers shall conform with applicable law.
2. That certain exiting appropriations in the FY2021 Adopted Budget be revised in the total amount of \$3,875,000, as shown below:

**FY2021 Adopted Budget**

<b>Operating Program:</b>	<b>Existing Appropriation</b>	<b>Transfer In (Out)</b>	<b>Revised Appropriation</b>
Contingency	\$39,583,905	(\$3,875,000)	\$35,708,905
Other Non-Operating Requirements (includes Special Payments)	\$18,675,481	\$1,900,000	\$20,575,481
IT Division – SW Licensing Fees	\$29,052,394	\$1,475,000	\$30,527,394
Other Post-Employment Benefits	53,158,366	\$500,000	\$53,658,366
<b>Total Appropriation</b>	<b>\$140,470,146</b>		<b>\$140,470,146</b>

Dated: April 28, 2021

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Presiding Officer

Attest:

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Recording Secretary

Approved as to Legal Sufficiency:

**Gregory E. Skillman**  
Legal Department