

BEFORE THE METRO COUNCIL

AN ORDINANCE FOR THE PURPOSE OF)
AMENDING THE FY 2001-02 BUDGET AND)
APPROPRIATIONS SCHEDULE BY TRANSFERRING)
APPROPRIATIONS FROM CAPITAL OUTLAY AND)
CONTINGENCY IN THE MERC OPERATING FUND)
TO INTERFUND TRANSFERS AND TRANSFERRING)
THOSE RESOURCES TO THE MERC POOLED)
CAPITAL FUND; AND DECLARING AN)
EMERGENCY)

ORDINANCE NO. 02-948

Introduced by Mike Burton,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 2001-02 Budget; and

WHEREAS, The need for the transfer of appropriation has been justified; and

WHEREAS, Adequate funds exist for other identified needs; now, therefore,


THE METRO COUNCIL ORDAINS AS FOLLOWS:

1. That the FY 2001-02 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibit A and B to this Ordinance for the purpose of transferring \$344,000 from Capital Outlay to Interfund Transfers in the MERC Operating Fund and transferring that \$344,000 to the MERC Pooled Capital Fund, Unappropriated Balance to reflect the change in accounting for capital expenditures.

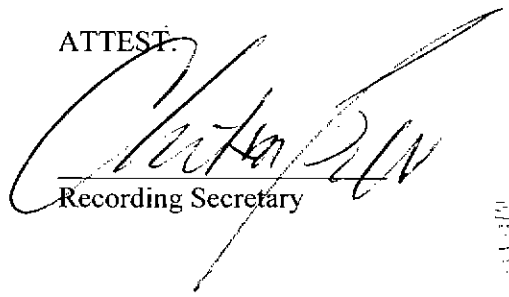
2. That the FY 2001-02 Budget and Schedule of Appropriations are hereby amended as shown in the column entitled "Revision" of Exhibit A and B to this Ordinance for the purpose of transferring \$200,000 from Contingency to Interfund Transfers in the MERC Operating Fund and transferring that \$200,000 to the MERC Pooled Capital Fund, Unappropriated Balance to provide funding for an unforeseen repair.

3. This Ordinance being necessary for the immediate preservation of the public health, safety or welfare of the Metro area in order to meet obligations and comply with Oregon Budget Law, an emergency is declared to exist, and this Ordinance takes effect upon passage.

ADOPTED by the Metro Council this 13th day of June, 2002.

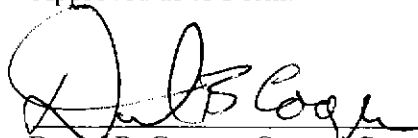


Carl Hosticka, Presiding Officer

ATTEST.


Recording Secretary



Approved as to Form:


Daniel B. Cooper, General Counsel

Exhibit A
Ordinance No.02-948

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
MERC Operating Fund							
Total MERC Operating Fund							
<i>Resources</i>							
TOTAL RESOURCES			\$44,536,508		\$0		\$44,536,508
<i>Personal Services</i>							
Total Personal Services		146.70	\$11,905,992	0.00	\$0	146.70	\$11,905,992
<i>Materials & Services</i>							
Total Materials & Services			\$14,272,546		\$0		\$14,272,546
<i>Debt Service</i>							
Total Debt Service			\$17,700		\$0		\$17,700
<i>Capital Outlay</i>							
<i>CAPNON Capital Outlay (Non-CIP Projects)</i>							
5720	Buildings & Related (non-CIP)		90,500		(90,500)		0
5740	Equipment & Vehicles (non-CIP)		253,500		(253,500)		0
<i>CAPCIP Capital Outlay (CIP Projects)</i>							
Total Capital Outlay			\$344,000		(\$344,000)		\$0
TOTAL REQUIREMENTS		146.70	\$26,540,238	0.00	(\$344,000)	146.70	\$26,196,238
<i>Interfund Transfers</i>							
<i>INTCHG Internal Service Transfers</i>							
5800	Transfer for Indirect Costs				0		
	* to Support Services Fund		1,499,848		0		1,499,848
	* to Risk Management Fund - Liability		136,822		0		136,822
	* to Risk Management Fund - Workers Comp.		66,937		0		66,937
<i>EQTCHG Fund Equity Transfers</i>							
5810	Transfer of Resources				0		
	* to MERC Pooled Capital		800,000		544,000		1,344,000
	* to Revenue Bond Fund		908,625		0		908,625
Total Interfund Transfers			\$3,412,232		\$544,000		\$3,956,232
<i>Contingency and Ending Balance</i>							
<i>CONT Contingency</i>							
5999	Contingency		913,020		(200,000)		713,020
<i>UNAPP Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance		13,671,018		0		13,671,018
Total Contingency and Ending Balance			\$14,584,038		(\$200,000)		\$14,384,038
TOTAL REQUIREMENTS		146.70	\$44,536,508	0.00	\$0	146.70	\$44,536,508

**Exhibit A
Ordinance No.02-948**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
MERC Operating Fund							
Expo Center (For Information Only)							
<i>Resources</i>							
TOTAL RESOURCES			\$8,006,883		\$0		\$8,006,883
<i>Personal Services</i>							
Total Personal Services		14.10	\$1,209,548	0.00	\$0	14.10	\$1,209,548
<i>Materials & Services</i>							
Total Materials & Services			\$3,033,770		\$0		\$3,033,770
<i>Capital Outlay</i>							
<i>CAPNON Capital Outlay (Non-CIP Projects)</i>							
5720	Buildings & Related (non-CIP)		38,500		(38,500)		0
5740	Equipment & Vehicles (non-CIP)		81,000		(81,000)		0
Total Capital Outlay			\$119,500		(\$119,500)		\$0
TOTAL REQUIREMENTS		14.10	\$4,362,818	0.00	(\$119,500)	14.10	\$4,243,318
<i>Interfund Transfers</i>							
<i>INTCHG Internal Service Transfers</i>							
5800	Transfer for Indirect Costs						
	* to Support Services Fund		199,576		0		199,576
	* to Risk Management Fund - Liability		18,206		0		18,206
	* to Risk Management Fund - Workers Comp.		8,907		0		8,907
5820	Transfer for Direct Costs		0		0		0
<i>EQTCHG Fund Equity Transfers</i>							
5810	Transfer of Resources						
	* to MERC Pooled Capital		0		119,500		119,500
	* to Convention Center Project Capital Fund		0		0		0
	* to Revenue Bond Fund		908,625		0		908,625
Total Interfund Transfers		\$0	\$1,135,314	\$0	\$119,500	\$0	\$1,254,814
<i>Contingency and Ending Balance</i>							
<i>CONT Contingency</i>							
5999	Contingency		149,873		0		149,873
<i>UNAPP Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance		2,358,878		0		2,358,878
Total Contingency and Ending Balance			\$2,508,751		\$0		\$2,508,751
TOTAL REQUIREMENTS		14.10	\$8,006,883	0.00	\$0	14.10	\$8,006,883

**Exhibit A
Ordinance No.02-948**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
MERC Operating Fund							
Oregon Convention Center (For Information Only)							
<i>Resources</i>							
						0	
TOTAL RESOURCES			\$25,255,658			\$0	\$25,255,658
<i>Personal Services</i>							
Total Personal Services		96.05	\$5,893,673	0.00		\$0	96.05 \$5,893,673
Total Materials & Services			\$8,646,127			\$0	\$8,646,127
<i>Debt Service</i>							
Total Debt Service			\$3,600			\$0	\$3,600
<i>Capital Outlay</i>							
<i>CAPNON Capital Outlay (Non-CIP Projects)</i>							
5720	Buildings & Related (non-CIP)		52,000		(52,000)		0
5740	Equipment & Vehicles (non-CIP)		172,500		(172,500)		0
Total Capital Outlay			\$224,500		(\$224,500)		\$0
TOTAL REQUIREMENTS		96.05	\$14,767,900	0.00		(\$224,500)	96.05 \$14,543,400
<i>Interfund Transfers</i>							
<i>INTCHG Internal Service Transfers</i>							
5800	Transfer for Indirect Costs						
	* to Support Services Fund		786,211			0	786,211
	* to Risk Management Fund - Liability		71,721			0	71,721
	* to Risk Management Fund - Workers Comp.		35,088			0	35,088
5820	Transfer for Direct Costs		0			0	0
<i>EQTCHG Fund Equity Transfers</i>							
5810	Transfer of Resources						
	* to MERC Pooled Capital		0		224,500		224,500
Total Interfund Transfers		\$0	\$893,020	\$0	\$224,500	\$0	\$1,117,520
<i>Contingency and Ending Balance</i>							
<i>CONT Contingency</i>							
5999	Contingency		563,147			0	563,147
<i>UNAPP Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance		9,031,591			0	9,031,591
Total Contingency and Ending Balance			\$9,594,738			\$0	\$9,594,738
TOTAL REQUIREMENTS		96.05	\$25,255,658	0.00		\$0	96.05 \$25,255,658

**Exhibit A
Ordinance No.02-948**

ACCT	DESCRIPTION	Current Budget		Revision		Amended Budget	
		FTE	Amount	FTE	Amount	FTE	Amount
MERC Operating Fund							
Portland Center for the Performing Arts (For Information Only)							
<i>Resources</i>							
						0	
TOTAL RESOURCES			\$9,296,912		\$0		\$9,296,912
<i>Personal Services</i>							
Total Personal Services		26.55	\$4,008,517	0.00	\$0	26.55	\$4,008,517
<i>Materials & Services</i>							
Total Materials & Services			\$2,209,848		\$0		\$2,209,848
<i>Debt Service</i>							
Total Debt Service			\$14,100		\$0		\$14,100
TOTAL REQUIREMENTS		26.55	\$6,232,465	0.00	\$0	26.55	\$6,232,465
<i>Interfund Transfers</i>							
<i>INTCHG Internal Service Transfers</i>							
5800	Transfer for Indirect Costs						
	* to Support Services Fund		514,061		0		514,061
	* to Risk Management Fund - Liability		46,895		0		46,895
	* to Risk Management Fund - Workers Comp.		22,942		0		22,942
<i>EQTCHG Fund Equity Transfers</i>							
5810	Transfer of Resources						
	* to MERC Pooled Capital		0		200,000		200,000
Total Interfund Transfers		\$0	\$583,898	\$0	\$200,000	\$0	\$783,898
<i>Contingency and Ending Balance</i>							
<i>CONT Contingency</i>							
5999	Contingency		200,000		(200,000)		0
<i>UNAPP Unappropriated Fund Balance</i>							
5990	Unappropriated Fund Balance		2,280,549		0		2,280,549
Total Contingency and Ending Balance			\$2,480,549		(\$200,000)		\$2,280,549
TOTAL REQUIREMENTS		26.55	\$9,296,912	0.00	\$0	26.55	\$9,296,912

**Exhibit A
Ordinance No.02-948**

ACCT DESCRIPTION	Current Budget		Revision		Amended Budget	
	FTE	Amount	FTE	Amount	FTE	Amount
MERC Pooled Capital Fund						
Pooled Capital						
<u>Resources</u>						
<i>BEGBA</i> Beginning Fund Balance						
* Prior year ending balance		5,384,174		0		5,384,174
<i>GVCNT</i> Contributions from Governments						
4145 Government Contributions		300,000		0		300,000
<i>INTRST</i> Interest Earnings						
4700 Interest on Investments		225,000		0		225,000
<i>EQTRE</i> Fund Equity Transfers						
4970 Transfer of Resources						
* from OCC		0		224,500		224,500
* from Civic Stadium		800,000		0		800,000
* from PCPA		0		200,000		200,000
* from Expo Center		0		119,500		119,500
TOTAL RESOURCES		\$6,709,174		\$544,000		\$7,253,174
<u>Personal Services</u>						
<i>SALWG</i> Salaries & Wages						
5010 Reg Employees-Full Time-Exempt						
Capital Projects Assistant	0.35	12,500	0.00	0	0.35	12,500
Construction/Capital Projects M	0.20	12,500	0.00	0	0.20	12,500
5089 Merit/Bonus Pay		1,750		0		1,750
<i>FRINGE</i> Fringe Benefits						
5100 Fringe Benefits		6,821		0		6,821
Total Personal Services	0.55	\$33,571	0.00	\$0	0.55	\$33,571
<u>Materials and Services</u>						
<i>GOODS</i> Goods						
5205 Operating Supplies		25,000		0		25,000
<i>SVCS</i> Services						
5260 Maintenance & Repair Services		620,000		0		620,000
Total Materials and Services		\$645,000		\$0		\$645,000
<u>Capital Outlay</u>						
<i>CAPCIP</i> Capital Outlay (CIP Projects)						
5725 Buildings & Related (CIP)		2,410,000		0		2,410,000
Total Capital Outlay		\$2,410,000		\$0		\$2,410,000
<u>Contingency and Ending Balance</u>						
<i>CONT</i> Contingency						
5999 Contingency		928,400		0		928,400
<i>UNAPP</i> Unappropriated Fund Balance						
5990 Unappropriated Fund Balance		2,692,203		544,000		3,236,203
Total Contingency and Ending Balance		\$3,620,603		\$544,000		\$4,164,603
TOTAL REQUIREMENTS	0.55	\$6,709,174	0.00	\$544,000	0.55	\$7,253,174

Exhibit B

Ordinance No. 02-948

FY 2001-02 SCHEDULE OF APPROPRIATIONS

				Current		Amended
				<u>Appropriation</u>	<u>Revision</u>	<u>Appropriation</u>
MERC OPERATING FUND						
	Operating Expenses (PS & M&S)			\$26,178,538	\$0	\$26,178,538
	Debt Service			17,700	0	17,700
	Capital Outlay			344,000	(344,000)	0
	Interfund Transfers			3,412,232	544,000	3,956,232
	Contingency			913,020	(200,000)	713,020
	Unappropriated Balance			13,671,018	0	13,671,018
Total Fund Requirements				\$44,536,508	\$0	\$44,536,508
MERC POOLED CAPITAL FUND						
	Operating Expenses (PS & M&S)			\$678,571	\$0	\$678,571
	Capital Outlay			2,410,000	0	2,410,000
	Interfund Transfers			0	\$0	0
	Contingency			928,400	0	928,400
	Unappropriated Balance			2,692,203	544,000	3,236,203
Total Fund Requirements				\$6,709,174	\$544,000	\$7,253,174
ALL OTHER APPROPRIATIONS REMAIN AS PREVIOUSLY ADOPTED						

BUDGET AND FINANCE COMMITTEE REPORT

CONSIDERATION OF ORDINANCE NO. 02-948, FOR THE PURPOSE OF AMENDING THE FY 01-02 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING APPROPRIATIONS FROM CAPITAL OUTLAY AND CONTINGENCY IN THE MERC OPERATING FUND TO INTERFUND TRANSFERS AND TRANSFERRING THOSE RESOURCES TO THE MERC POOLIED CAPITAL FUND, AND DECLARING AN EMERGENCY

Date: June 12, 2002

Presented by: Councilor Bragdon

Committee Recommendation: At its June 12 meeting, the committee considered Ordinance 02-949 and voted unanimously to send the resolution to the Council for adoption. Voting in favor: Councilors Atherton, Bragdon, McLain and Chair Burkholder. Councilor Monroe was absent.

Background: State law permits the transfer of appropriations from one budgetary fund to another, provided that the transfer is authorized by a resolution or ordinance adopted by the governing body of the jurisdiction.

Committee Discussion: Bryant Enge, MERC Director of Administration presented the staff report. He noted that earlier in FY 01-02, MERC established a budget and accounting policy under which all expenditures, including personnel, related to capital projects would be funded from the MERC Pooled Capital Fund. Previously, some of these expenditures, particularly those related to MERC personnel had been funded from the MERC Operating Fund. Though this policy change occurred after the adoption of the FY 01-02 budget, throughout the current fiscal year MERC has been charging capital project-related expenditures solely to the Pooled Capital Fund. As a result, there is a need to transfer funds from the MERC Operating Fund to the Pooled Capital Fund to cover these expenditures. The proposed ordinance would authorize this transfer of funds. Council action on the proposed ordinance must be completed prior to the end of the fiscal year.

The ordinance also would transfer an additional \$200,000 from the MERC Operating Fund contingency to the MERC Pooled Capital Fund to fund the cost of an unexpected repair of the lift hydraulics system at the Keller Auditorium.

Councilors McLain and Atherton engaged in a dialogue with Mr. Enge concerning how MERC budgets for its future renewal and replacement needs and how it intends to comply with the new capital asset management policies recently adopted by the Council. Councilor McLain urged that compliance with the policies occur in the near future, while Councilor Atherton noted the need to clearly identify how funds were being set aside to meet future needs.

Enge noted that it is clearly MERC's intent to comply with the asset management policies and offered to work with Council and Financial Planning staff to insure that they are in compliance. Karen Feher, Metro CIP Coordinator, explained that during the Council discussion related to the adoption of the policies, staff noted that compliance with the policies would be sought through the development of the next capital improvement plan and the FY 03-04 budget process.

STAFF REPORT

CONSIDERATION OF ORDINANCE 02-948 FOR THE PURPOSE OF AMENDING THE FY 2001-02 BUDGET AND APPROPRIATIONS SCHEDULE BY TRANSFERRING APPROPRIATIONS FROM CAPITAL OUTLAY AND CONTINGENCY IN THE MERC OPERATING FUND TO INTERFUND TRANSFERS AND TRANSFERRING THOSE RESOURCES TO THE MERC POOLED CAPITAL FUND, AND DECLARING AN EMERGENCY.

Date: May 13, 2002

Presented by: Bryant Enge

DESCRIPTION

The proposed amendment calls for transferring appropriations between MERC Operating Fund Capital Outlay and Contingency to Interfund Transfers. These funds will be transferred to the MERC Pooled Capital Funds Unappropriated Balance. This action is to reflect a change in accounting and provide for an unforeseen capital expenditure at Keller Auditorium.

EXISTING LAW

ORS 294.450 provides for transfers of appropriations between funds if official resolution or ordinance of the governing body for the local jurisdiction authorizes such transfers. MERC has a need for such transfers in the MERC Operating Fund and MERC Pooled Capital Fund.

BACKGROUND

In FY 2001-02 MERC changed its budgeting for Capital Outlay from being expended out of the MERC Operating Fund to the MERC Pooled Capital Fund. The purpose of this change was to have the operating fund better demonstrate facility operations and the capital fund to account for capital purchases and capital maintenance. These funds were not moved when that policy was first put into effect generating the need for this amendment. A total of \$344,000 needs to be moved in order to comply with the change in accounting.

During FY 2001-02 Keller Auditorium's stage lift hydraulics started to leak and needed repairs. As the needed repairs were unexpected, it creates a need to move the funds from MERC Operating Contingency to MERC Pooled Capital Fund in the amount of \$200,000. This action also amends the Fiscal 2001-02 adopted CIP.

BUDGET IMPACT

The proposed amendment moves current appropriations from Capital Outlay and Contingency in the MERC Operating Fund to Unappropriated Balance in the MERC Pooled Capital Fund. Sufficient appropriation exists in the Pooled Capital Fund to pay for the unexpected repairs to Keller Auditorium, so no additional appropriation is needed in that fund. All other appropriations remain as adopted.

OUTSTANDING QUESTIONS

Through this amendment all questions are resolved regarding this fund.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends adoption of Ordinance No. 02-948