

BEFORE THE METRO COUNCIL

AN ORDINANCE AMENDING THE FY 1993-)
94 BUDGET AND APPROPRIATIONS)
SCHEDULE FOR THE PURPOSE OF)
FUNDING SALARY AND FRINGE FOR THE)
OFFICE OF GOVERNMENT RELATIONS;)
AND DECLARING AN EMERGENCY)
)

ORDINANCE NO. 94-548

Introduced by Rena Cusma,
Executive Officer

WHEREAS, The Metro Council has reviewed and considered the need to transfer appropriations within the FY 1993-94 Budget; and

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

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

THE METRO COUNCIL HEREBY ORDAINS:

1. That the FY 1993-94 Budget, and Exhibit C, Schedule of Appropriations, are hereby amended as shown in the column titled "Revision" of Exhibits A and B to this Ordinance for the purpose of transferring \$2,441 from the General Fund Contingency to Personal Services in the Office of Government Relations budget to fund increases in salary and fringe.


2. This Ordinance being necessary for the immediate preservation of the public health, safety and welfare, 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 23rd day of June, 1994.



Judy Wyers, Presiding Officer

ATTEST:



Clerk of the Council

**Exhibit A
Ordinance No. 94-548**

FISCAL YEAR 1993-94		CURRENT BUDGET		REVISION		PROPOSED BUDGET	
ACCT #	DESCRIPTION	FTE	AMOUNT	FTE	AMOUNT	FTE	AMOUNT
Office of Government Relations							
	<u>Personal Services</u>						
511121	SALARIES-REGULAR EMPLOYEES (full time)						
	Senior Administrative Services Analyst	1.00	49,298	0.00	1,420	1.00	50,718
512000	FRINGE		18,240		1,021		19,261
<u>Total Personal Services</u>		1.00	67,538	0.00	2,441	1.00	69,979
<u>Total Materials & Services</u>			74,450				74,450
TOTAL EXPENDITURES		1.00	141,988	0.00	2,441	1.00	144,429

General Expenses

<u>Total Interfund Transfers</u>			3,273,270		0		3,273,270
<u>Contingency and Unappropriated Balance</u>							
599999	Contingency		427,500		(2,441)		425,059
599990	Unappropriated Fund Balance		267,665				267,665
<u>Total Contingency and Unappropriated Balance</u>			695,165		(2,441)		692,724
TOTAL EXPENDITURES		1.00	5,915,414	0.00	0	1.00	5,915,414

Exhibit B
FY 1993-94 Schedule of Appropriations
Ordinance No. 94-548

GENERAL FUND	CURRENT APPROPRIATIONS	REVISION	PROPOSED APPROPRIATIONS
Council			
Personal Services	987,165	0	987,165
Materials & Services	141,046	0	141,046
Capital Outlay	4,000	0	4,000
Subtotal	1,132,211	0	1,132,211
Executive Management			
Personal Services	343,248	0	343,248
Materials & Services	79,532	0	79,532
Capital Outlay	0	0	0
Subtotal	422,780	0	422,780
Office of Government Relations			
Personal Services	67,538	2,441	69,979
Materials & Services	74,450	0	74,450
Capital Outlay	0	0	0
Subtotal	141,988	2,441	144,429
Special Appropriations			
Materials & Services	250,000	0	250,000
Subtotal	250,000	0	250,000
General Expenses			
Interfund Transfers	3,273,270	0	3,273,270
Contingency	427,500	(2,441)	425,059
Subtotal	3,700,770	(2,441)	3,698,329
Unappropriated Balance	267,665	0	267,665
Total Fund Requirements	5,915,414	0	5,915,414

All Other Appropriation Levels Remain As Previously Adopted.

STAFF REPORT

CONSIDERATION OF ORDINANCE NO. 94-548 AMENDING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE FOR THE PURPOSE OF FUNDING SALARY AND FRINGE FOR THE OFFICE OF GOVERNMENT RELATIONS; AND DECLARING AN EMERGENCY

Date: May 3, 1994

Presented by: Richard D. Engstrom
Kathy Rutkowski

BACKGROUND AND ANALYSIS

This action requests adjustments to the Office of Government Relations for the following purposes.

1. Transfer \$1,960 from Contingency to Personal Services to properly reflect the salary and benefits of the current employee, and;
2. Transfer \$481 from Contingency to Personal Services to fund unanticipated PERS costs.

Each action will be addressed separately.

Personal Service Adjustment

At the time the FY 93-94 budget was approved by Council, the Council also approved an employee classification and pay plan study for non-represented employees. The study provided for a 4% increase in non-represented salaries in lieu of a COLA. Adjustments were made to the FY 93-94 budget to reflect the new classification titles and salary amounts for all non-represented employees.

In the Office of Government Relations, the calculations for the new salary were based on the salary of the former incumbent, who was on leave, but expected to return before the end of that fiscal year. When that employee chose not to return from leave in late June, the current incumbent was appointed at a slightly higher rate of pay. The implementation of the non-represented pay and class study on July 1, 1993, increased this amount by 4%. The total increase in salary over the amount budgeted is \$1,420 plus \$540 in benefits. Since there is only one employee in this department, it is impossible for the department to absorb the additional cost within the current appropriation level.

PERS rate calculations for FY 1993-94 fringe benefit rates

During this fiscal year, Metro also became aware of the cumulative application of PERS contribution rates. The PERS contribution is composed of the employee contribution (known as the employer pick-up) and the employer contribution. Fringe rate estimates for FY 1993-94 assumed that the total contribution rate was the simple sum of the two rates. These rates, however, are applied cumulatively, with the dollar amount of the employee contribution added to the employee's wages before applying the employer contribution rate. The result of the cumulative application of the rates increases the percentage contribution by 0.7 per cent.

Also, Metro's employer contribution rate increased on July 1, 1993. Since Metro's payroll and benefit payments for the last payroll period in FY 1992-93 were not paid until July 6, 1993, PERS required Metro to pay the increased employer contribution rate on that payroll. The incremental increase in the PERS amount for the June 30, 1993 payroll as a result of the PERS rate increase on July 1, 1993, was not settled in sufficient time to charge it to FY 1992-93. This amount was ultimately charged to FY 1993-94.

In each of the two preceding years, Metro had anticipated and budgeted an increase in its PERS contribution rate. This rate increase did not materialize until July 1994, which left unused appropriation in the fringe benefit line item in prior years. As a result, departments were able to absorb the error in the calculation of the fringe rates within their existing budgets. In late October, 1993, the error in the calculation of the fringe rates for FY 1993-94 was identified, and the additional charge for the June 30, 1993 payroll required additional adjustment. The Council Finance Committee was informed at its first meeting in November 1993 that budget actions could be necessary. The impact on the Office of Government Relations for the PERS calculation is \$481.

This budget amendment is to accommodate the salary and fringe adjustments for the Office of Government Relations. It requests the transfer of \$2,441 from contingency to Personal Services.

EXECUTIVE OFFICER'S RECOMMENDATION

The Executive Officer recommends approval of Ordinance No. 94-548.

FINANCE COMMITTEE REPORT

ORDINANCE NO. 94-548 AMENDING THE FY 1993-94 BUDGET AND APPROPRIATIONS SCHEDULE TO FUND SALARY AND FRINGE COSTS FOR THE OFFICE OF GOVERNMENT RELATIONS

Date: June 14, 1994

Presented By: Councilor Gardner

COMMITTEE RECOMMENDATION: At its June 8, 1994 meeting the Committee voted unanimously to recommend Council adoption of Ordinance No. 94-548. Committee members present and voting were Councilors Gardner, Kvistad, Monroe and Van Bergen. Councilors Buchanan, Devlin and McLain were absent.

COMMITTEE DISCUSSION/ISSUES: Ms. Merrie Waylett, Government Relations Officer, presented the Staff Report. She pointed out the request has two parts: 1) an additional appropriation of \$1960 in the Personal Services category is needed to pay for increased personal service costs resulting from the hiring of the current incumbent at a higher rate of pay. Since there is only one employee in the Office, it is not possible to absorb the additional cost with the current appropriation level; and 2) an additional \$481 is needed to pay for unanticipated PERS costs. Ms. Waylett stated the entire \$2,441 in additional personal services costs is to be paid through a transfer from the General Fund Contingency.

Councilor Gardner expressed concern that this matter is brought to the Council well after the actual event occurs. Council Staff indicated it would send a memo to the Deputy Executive Officer and Finance Director indicating either an ordinance requesting the additional funds should be introduced in a more timely manner or the Council should be immediately notified of the potential need for additional funds and describe a plan to cover the additional expense.



METRO

DATE: June 24, 1994
TO: Rena Cusma, Executive Officer
FROM: Paulette Allen, Clerk of the Council
RE: TRANSMITTAL OF ORDINANCE NOS. 94-547, 94-548, 94-550, 94-522B,
94-552 and 94-558

Attached for your consideration are true copies of the ordinances referenced above adopted by the Council on June 23, 1994.

If you wish to veto any of the ordinances referenced above, I must receive a signed and dated written veto message from you no later than 5:00 p.m., Thursday, June 30, 1994. The veto message, if submitted, will become part of the permanent record. If no veto message is received by the time and date stated above, these ordinances will be considered finally adopted.

Please note that Ordinance No. 94-522B is not signed and is pending Presiding Officer Wyers' signature, but that the document provided is the true copy of what the Council adopted. Thank you.

I, Unette Worley, received this memo and true copies of Ordinance Nos. 94-547, 94-548, 94-550, 94-522B, 94-552 and 94-558 from the Clerk of the Council on June 24, 1994.