



Legislation Details (With Text)

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Type: Ordinance **Status:** Passed

File created: 12/14/2023 **In control:** Finance & Governance Committee

On agenda: 1/8/2024 **Final action:** 1/10/2024

Title: To appropriate and authorize the City Auditor to transfer \$6,982,425.00 from the Debt Retirement Fund, Fund 4430 Subfund 443001 to the Debt Retirement Fund, Fund 4430 Subfund 443009, for the purpose of providing secondary funding in the event that Franklin County Convention Facilities Authority cannot meet its debt obligations; and to declare an emergency (\$6,982,425.00).

Sponsors:

Indexes:

Code sections:

Attachments: 1. 0030-2024 D365 Financial (FCCFA) v2.pdf

Date	Ver.	Action By	Action	Result
1/10/2024	1	CITY CLERK	Attest	
1/9/2024	1	ACTING MAYOR	Signed	
1/8/2024	1	COUNCIL PRESIDENT	Signed	
1/8/2024	1	Columbus City Council	Approved	Pass

Background: This legislation authorizes the appropriation and transfer of \$6,982,425.00 from the Debt Retirement Fund, Fund 4430 Subfund 443001 to the Debt Retirement Fund, Fund 4430 Subfund 443009. The appropriation and transfer of \$6,982,425.00 between such subfunds provides the backing, as stipulated in the City's lease agreement with the Franklin County Convention Facilities Authority (CFA), for certain CFA debt obligations. In 2020, the CFA refunded outstanding debt obligations that reduced the City's appropriation obligations in subsequent years. The actual transfer of these funds will only occur if the CFA is unable to meet its debt obligations as outlined in its lease with the City. The City provides fifty percent of this backing, while Franklin County is responsible for the other fifty percent. Since 1990, no such payments have been needed, nor are any anticipated.

In 2019, the City entered into a Lease Agreement and Sub-Lease Agreement with the CFA and Franklin County, Ohio (Ordinance No. 2815-2019) in connection with the issuance of the hotel expansion bonds. The agreement allowed the CFA to issue the 2019B Lease Appropriation bonds. These bonds are to provide additional funding for the downtown convention center hotel expansion. The City along with Franklin County will provide the backing for these bonds. The City provides fifty percent of this backing, while Franklin County is responsible for the other fifty percent. The actual transfer of these funds will only occur if the CFA is unable to meet its debt obligations.

Emergency: This ordinance is submitted as an emergency so as to allow the financial transactions to be posted into the City's accounting system as soon as possible. Up to date financial posting promotes accurate accounting and financial management.

Fiscal Impact: Funding for the transfer and expenditure of \$6,982,425.00 for 2024 has been accounted for in the Debt Retirement Fund 4430 for the Franklin County Convention Facilities Authority.

2023 funding was \$5,707,425.00.
 2022 funding was \$3,478,825.00.
 2021 funding was \$3,968,643.50.

To appropriate and authorize the City Auditor to transfer \$6,982,425.00 from the Debt Retirement Fund, Fund 4430 Subfund 443001 to the Debt Retirement Fund, Fund 4430 Subfund 443009, for the purpose of providing secondary funding in the event that Franklin County Convention Facilities Authority cannot meet its debt obligations; and to declare an emergency (\$6,982,425.00).

WHEREAS, as stipulated in the City's lease agreement with the CFA, the City has agreed to provide a secondary revenue source to assure that funds will be available for debt service on certain CFA debt obligations, if necessary; and

WHEREAS, the actual transfer of these funds will only occur if the CFA is unable to meet its debt obligations as outlined in its lease with the City; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Finance and Management in that it is immediately necessary to both appropriate funds within the Debt Retirement Fund and transfer said funds to allow those financial transactions to be posted into the City's accounting system as soon as possible and maintain up-to-date financial posting to promote accurate accounting and financial management, for the immediate preservation of the public health, peace, property, and safety; **NOW, THEREFORE**,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS:

SECTION 1. That from the unappropriated monies in the Debt Retirement Fund, Fund 4430 Subfund 443001, and from all monies estimated to come into said fund from any and all sources and unappropriated for any other purpose during the fiscal year ending December 31, 2024, the sum of \$6,982,425.00 be and hereby is appropriated to the City Auditor per the account codes in the attachment to this ordinance.

SECTION 2. That from the unappropriated monies in the Debt Retirement Fund, Fund 4430 Subfund 443009, and from all monies estimated to come into said fund from any and all sources and unappropriated for any other purpose during the fiscal year ending December 31, 2024, the sum of \$6,982,425.00 be and hereby is appropriated at such time as deemed necessary by the City Auditor per the account codes in the attachment to this ordinance.

SECTION 3. That the City Auditor is hereby authorized to transfer said funds in Section 1 to the Debt Retirement Fund, Fund 4430 Subfund 443009, at such time as is deemed necessary by the City Auditor, and to expend said funds or so much thereof as may be necessary per the account codes in the attachment to this ordinance.

SECTION 4. That all funds necessary to carry out the purpose of this ordinance are hereby deemed appropriated, and the City Auditor shall establish such accounting codes as necessary.

SECTION 5. That the City Auditor is authorized to make any accounting changes to revise the fund source for any contract or contract modifications associated with the expenditure of the funds transferred under Section 3.

SECTION 6. That for the reason stated in the preamble hereto, which is hereby made a part hereof, this ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its passage and approval by the Mayor or ten days after passage if the Mayor neither approves nor vetoes the same.