



Legislation Text

File #: 1856-2011, **Version:** 1

1. BACKGROUND

The Department of Public Service administers capital improvement projects and grants that are funded from many different funding sources. The proper and consistent accounting of these projects and grants is of paramount importance.

Accounting adjustments are needed within the Morse Road Phase 2 and Williams Road grants which are administered by the Department of Public Service. It is necessary to transfer funds between the State Issue II Street Projects Fund, The Federal-State Highway Engineering Fund and The Street and Highway Improvement Fund in order to eliminate deficits in these grants.

In a reimbursement grant it is necessary to estimate the local share according to the grant agreement. The local share and the grant amount are then appropriated and the expenditure authorized. As the reimbursements occur the cash balance in the grant will increase and ideally be zero at the end of the project. This is not always the case. Items thought to be reimbursable at the beginning of the grant may not be allowed as the reimbursement requests occur and result in a negative balance at the end of the project. Thus, it is necessary to transfer City Match Funds from available cash to zero out the grant.

The Morse Road Phase II project utilized multiple grants, one located in the State Issue II Fund, and one in the Fed-State Highway Engineering Fund. The Fed-State Highway Engineering Fund Grant has a surplus of City Match Funds remaining which are available to be utilized to eliminate the deficit in the State Issue II grant. The necessary funds will be transferred from the Fed-State Highway Engineering Fund grant to the Street and Highway Improvement Fund and then transferred to the State Issue II Fund grant to eliminate the current deficit.

To eliminate the deficit in the Williams Road grant, in order to close the grant it is necessary to transfer funds from available cash in the Street and Highway Improvement Fund.

Additionally, a partial cancellation of a Right-of-way encumbrance occurred in the Parsons/Livingston grant in the Fed-State Highway Engineering Fund. This encumbrance was established using City Funds only and can be utilized for other projects. It is therefore necessary to transfer these funds to the Street and Highway Improvement Fund to be utilized for other Capital Improvement projects.

2. FISCAL IMPACT

This ordinance will transfer monies between the The Fed-State Highway Engineering Fund, The State Issue II Street projects Fund and the Street and Highway Improvement Fund to eliminate deficits in the Morse Road Phase II and Williams Road Grants and to utilize canceled Right of Way Funds from the Parsons/Livingston grant for other Capital Improvement projects.

3. EMERGENCY DESIGNATION

Emergency action is requested to effect these accounting adjustments in order to maintain proper accounting practices.

To authorize the City Auditor to transfer monies within and between the Fed-State Highway Engineering Fund, The Street and Highway Improvement Fund and The State Issue II Street Projects Fund to eliminate deficits in the Morse Road Phase II and Williams Road Grants and to utilize funds from the Parsons/Livingston grant for other Capital Improvement projects; to amend the 2011 C.I.B; and to declare an emergency. (\$276,664.74)

WHEREAS, the Department of Public Service administers capital improvement projects and grants that are funded from

different funding sources; and

WHEREAS, the proper and consistent accounting of these projects and grants is of paramount importance; and

WHEREAS, for reimbursement grants the local match is estimated based on the terms of the grant agreement, and then the entire amount of funds needed are appropriated with the idea that the City will be reimbursed by the grant funds and at the end of the project the grant balance would be \$0.00.

WHEREAS, during the course of the project requests for reimbursement may be disallowed because of differing opinions on the terms of the grant; and

WHEREAS, for this and other reasons at the end of the project the grant balance may end up in a deficit or surplus balance which requires the transfer of funding to make the grant whole; and

WHEREAS, the Morse Road Phase II grant in the Federal-State Highway Engineering Fund currently has a surplus of Local Match funds; and

WHEREAS, the Morse Road Phase II grant in the State Issue II Street Projects Fund currently has a deficit in the unencumbered cash balance; and

WHEREAS, the Williams Road Underpass Grant in the State Issue II Street Projects Fund currently has a deficit in the unencumbered cash balance; and

WHEREAS, it is necessary transfer monies between these funds and the Street and Highway Improvement Fund to eliminate these existing deficits so the grants may be closed; and

WHEREAS, a partial cancellation of a right-of-way encumbrance was executed for the Parsons/Livingston project; and

WHEREAS, the funding utilized for the encumbrance consisted of City cash but was transferred to the Fed-State Highway Engineering Fund to track costs associated with the project; and

WHEREAS, it is necessary to transfer these funds to the Street and Highway Improvement Fund in order to utilize the monies for other Capital Improvement projects; and

WHEREAS, this ordinance authorizes the City Auditor to transfer monies between these funds; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Public Service, in that it is immediately necessary to effect these accounting adjustments as soon as possible, thereby preserving the public health, peace, property, safety and welfare; now, therefore,

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

SECTION 1. That the sum of \$243,272.93 be and hereby is appropriated from the unappropriated balance of the Federal -State Highway Engineering Fund, Fund 765, 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, 2011, to Department No. 59 -12, Division of Design and Construction as follows:

Fund / Grant # / Grant / O.L. 01/O.L. 03 Codes / OCA Code / Amount
765 / 596009-100000 / Morse Road Phase II / 06-6600 / 591293 / \$243,272.93

SECTION 2. That the transfer of cash and appropriation within the Federal-State Highway Engineering Fund, Fund 765,

be authorized as follows:

Transfer From:

Fund / Grant # / Grant / O.L. 01/O.L. 03 Codes / OCA Code / Amount

765 / 596009-100000 / Morse Road Phase II / 06-6600 / 591293 / \$243,272.93

765 / 598091-200000 / ARRA-Parsons/Livingston / 06-6600 / 598091 / \$517,359.77

Transfer To:

Fund / Grant # / Grant / O.L. 01/O.L. 03 Codes / OCA Code / Amount

765 / 596009-100000 / Morse Road Phase II / 10-5501 / 591293 / \$243,272.93

765 / 598091-200000 / ARRA-Parsons/Livingston / 10-5501 / 598091 / \$517,359.77

SECTION 3. That the City Auditor be and hereby is authorized to transfer \$760,632.70 between the Fed-State Highway Engineering Fund, Fund 765, and the Street and Highway Improvement Fund, Fund 766, as follows for the Division of Design and Construction, Dept.-Div 59-12:

TRANSFER FROM:

Fund / Grant # / Grant / O.L. 01/O.L. 03 Codes / OCA Code / Amount

765 / 596009-100000 / Morse Road Phase II / 10-5501 / 591293 / \$243,272.93

765 / 598091-200000 / ARRA-Parsons/Livingston / 10-5501 / 598091 / \$517,359.77

Total transfer from: \$760,632.70

TRANSFER TO:

Fund / Project # / Project / O.L. 01/O.L. 03 Codes / OCA Code / Amount

766 / 766999-100000 / Unallocated Balance / 80-0886 / 766999 / \$760,632.70

Total transfer to: \$760,632.70

SECTION 4. That the sum of \$760,632.70 be and hereby is appropriated from the unappropriated balance of the Street and Highway Improvement Fund, Fund 766, 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, 2011, to Department No. 59-12, Division of Design and Construction:

Fund / Project # / Project / O.L. 01/O.L. 03 Codes / OCA Code / Amount

766 / 766999-100000 / Unallocated Balance / 06-6600 / 766999 / \$760,632.70

SECTION 5. That the 2011 Capital Improvement Budget authorized by ordinance 0266-2011 be amended as follows due to transfer of funds from the Fed-State Match Fund and incoming receipts as follows:

Fund / Project / Project Name / Current C.I.B. Amount / Amendment / Amended C.I.B.

766 / 766999-100000 / Unallocated Balance (Street & Highway Carryover) / \$734,615.00 / \$827,130.00 / \$1,561,745.00

SECTION 6. That the Transfer of cash and appropriation within the Street and Highway Improvement Fund be authorized as follows to establish funding in the following projects:

Transfer from:

Fund / Project # / Project / O.L. 01/O.L. 03 Codes / OCA Code / Amount

766 / 766999-100000 / Unallocated Balance / 06-6600 / 766999 / \$276,937.67

Transfer To:

Fund / Project # / Project / O.L. 01/O.L. 03 Codes / OCA Code / Amount

766 / 530161-100017 / Roadway Improvements - Williams Road / 10-5501 / 766117 / \$33,664.74
766 / 530052-100004 / Morse Road Area Investments - Morse Road Phase 2 / 10-5501 / 765204 / \$243,272.93

SECTION 7. That the 2011 Capital Improvement Budget authorized by ordinance 0266-2011 be amended as follows to provide sufficient authority for these accounting transactions as follows:

Fund / Project / Project Name / Current C.I.B. Amount / Amendment / Amended C.I.B.
766 / 766999-100000 / Unallocated Balance (Street & Highway Carryover) / \$1,561,745.00 / (\$276,938.00) / \$1,284,807.00
766 / 530161-100017 / Roadway Improvements - Williams Road (Street & Highway Carryover) / \$0.00 / \$33,665.00 / \$33,665.00
766 / 530052-100004 / Morse Road Area Investments - Morse Road Phase 2 (Street & Highway Carryover) / \$0.00 / \$243,273.00 / \$243,273.00

SECTION 8. That the City Auditor be and hereby is authorized to transfer \$276,937.67 between the Street and Highway Improvement Fund, Fund 766, and the State Issue II Street Projects Fund, Fund 764, as follows for the Division of Design and Construction, Dept.-Div 59-12:

TRANSFER FROM:

Fund / Project # / Project / O.L. 01/O.L. 03 Codes / OCA Code / Amount
766 / 530161-100017 / Roadway Improvements - Williams Road / 10-5501 / 766117 / \$33,664.74
766 / 530052-100004 / Morse Road Area Investments - Morse Road Phase 2 / 10-5501 / 765204 / \$243,272.93

Total transfer from: \$276,937.67

TRANSFER TO:

Fund / Grant # / Grant / O.L. 01/O.L. 03 Codes / OCA Code / Amount
764 / 598080-100000 / Williams Road Underpass / 80-0886 / 598180 / \$33,664.74
764 / 597009-100000 / Morse Road Phase II / 80-0886 / 591280 / \$243,272.93

Total transfer to: \$276,937.67

SECTION 9. That the sum of \$276,937.67 be and hereby is appropriated from the unappropriated balance of the State Issue II Street Projects Fund, Fund 764, 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, 2011, to Department No. 59-12, Division of Design and Construction as follows:

Fund / Grant # / Grant / O.L. 01/O.L. 03 Codes / OCA Code / Amount
764 / 598080-100000 / Williams Road Underpass / 80-0886 / 598180 / \$33,664.74
764 / 597009-100000 / Morse Road Phase II / 80-0886 / 591280 / \$243,272.93

SECTION 10. That the City Auditor be and hereby is authorized to make any/all other accounting changes for the transactions discussed within this ordinance that are construed by the City Auditor to be reasonably consistent with the intent of this ordinance.

SECTION 11. That for the reasons 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.