



Legislation Text

File #: 0521-2018, **Version:** 1

BACKGROUND: The U.S. Department of Housing and Urban Development (HUD) requires grantees and their subrecipients to maintain Community Development Block Grant (CDBG) revolving loan funds in interest bearing accounts, and to remit said interest to the federal treasury no less frequently than annually. During 2017, the city's revolving loan fund earned interest of \$23,574.69. Per 2 CFR 200, the city is permitted to retain \$500 of earned interest for administrative costs; therefore, the amount to be remitted is \$23,074.69. The amount budgeted in the revolving loan subfund for the 2018 expenditure of 2017 interest earnings to the federal treasury is \$24,000. This legislation will authorize the expenditure of monies from the revolving loan subfund to remit 2017 interest earnings to the U.S. Department of Health and Human Services (HHS) in lieu of HUD, for the U.S. Treasury.

FISCAL IMPACT: Interest earnings have been deposited into the CDBG revolving loan fund and are available for disbursement to HHS from said fund. Previous two payments were: \$18,835 for 2016 interest earned and \$16,561 for 2015 interest earned.

To authorize the Director of the Department of Finance and Management to expend \$23,074.69 from the CDBG revolving loan fund for payment of interest earnings to the U.S. Department of Health and Human Services (HHS). (\$23,074.69)

WHEREAS, federal regulations require Community Development Block Grant (CDBG) grantees and subrecipients to remit to the federal treasury investment earnings paid on CDBG revolving loan accounts; and

WHEREAS, interest earnings have been deposited into the CDBG revolving loan subfund and are available for this expenditure; and

WHEREAS, it has become necessary in the usual daily operation of the Department of Finance and Management to authorize the Director to expend such amounts as required for payment of interest earnings; **Now, Therefore**

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

SECTION 1. That the director of the Department of Finance and Management is hereby authorized to expend \$23,074.69 from Fund 2248, the Community Development Block Grant Fund in object class 05 Other Expenditures per the accounting codes in the attachment to this ordinance.

SECTION 2. That the expenditure authorized in Section 1 shall be in the form of a wire transfer to U.S. Department of Health and Human Services (HHS) as follows: \$23,074.69 to the U.S. Treasury for 2017 CDBG revolving loan fund interest earnings.

SECTION 3. That the 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 4. That this ordinance shall take effect and be in force from and after the earliest period allowed by law.

