

Mayor and Council Communication

DATE: 04/07/20

M&C FILE NUMBER: M&C 20-0236

LOG NAME: 20SWCAPITALCLEANUPAPPROP

SUBJECT

Adopt Ordinance Reallocating Appropriations in the Stormwater Capital Project 2007 Fund to Facilitate the Clean-Up and Close-Out of the Fund (59653) (ALL COUNCIL DISTRICTS)

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance adjusting appropriations in the Stormwater Capital Project 2007 Fund by decreasing receipts and appropriations in the unspecified (UNSPEC) project by \$1,417,531.82, and increasing receipts and appropriations in the Bellaire Park Court Drainage project (City Project C01081) by the same amount, to facilitate clean up and close out of the project and the Fund.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to facilitate the clean-up and close-out of the Stormwater Capital Project 2007 Fund by adjusting appropriations and correcting General Ledger Journal entries previously completed.

As the City has enhanced budgetary and expenditure controls, this requested item seeks approval for transparency and control purposes.

On September 2015, there were \$1,417,531.82 in unspent bond proceeds in the Stormwater Capital Project 2007 Fund (59653). The Storm Water Division of the Transportation & Public Works Department (TPW) had a project - the Bellaire Park Court Drainage project - that was funded from both the Stormwater Capital Project Bonds Fund and the Stormwater Capital Project 2007 Fund (59653).

The Chief Financial Officer requested that TPW move expenditures from the 2011 Stormwater Capital Project Bonds Fund in the amount of \$1,417,531.82 to the Stormwater Capital Project 2007 Fund in order to close the Stormwater Capital Project 2007 Fund. Two general ledger journal entries were done in 2015 moving expenditures in the total amount of \$1,417,531.82 from the Bellaire Park Court Drainage project in the 2011 Stormwater Capital Project Bonds Fund to the UNSPEC project of the Stormwater Capital Project Bond 2007 Fund.

The Bellaire Park Court Drainage Project is now ready to be closed; however, the total does not reflect the true cost of the project as \$1,417,531.82 of its expenditures are in the UNSPEC project instead of in the Bellaire project. Staff recommends, adopting the attached ordinance to move appropriations and expenditures out of the UNSPEC project in the Stormwater Capital Project 2007 Fund to the Bellaire Park Court Drainage Project in the same fund in order to correct the journals that were made in 2015. Balancing this project will facilitate the project's closure, which will in turn allow for the eventual close-out of the overall Fund once all remaining projects have been balanced and closed.

This M&C is to allow the correct close out procedure for a project. This will not update the FY20-24 CIP.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of these recommendations will have no material effect on City funds.

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