

APPROPRIATION ORDINANCE NO. A-_____

AN ORDINANCE appropriating monies into certain accounts for the 2020 Budgets of various funds and departments of the City of Fort Wayne, reducing the unappropriated and unobligated balance of the particular fund involved as required to meet obligations for the remainder of 2020.

WHEREAS, the budget adjustment policy of the City of Fort Wayne stipulates that all Departments operating on a tax supported and/or City Council approved budget shall submit requests to the Controller for appropriation of additional monies to the 2020 budgets to provide sufficient operating funds for the remainder of 2020;

WHEREAS, adequate funds exist in the unappropriated and unobligated balance of the funds specified and in the appropriations of certain departments as specified;

WHEREAS, such appropriations have been recommended by the City Controller.

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA:

SECTION 1. That there is hereby appropriated to the 2020 budget accounts of the various departments listed below, the following amounts, respectively, to-wit:

<u>FUND:</u>	<u>TO:</u>	<u>LINE:</u>	<u>AMOUNT:</u> <u>Increase</u>
<u>MVH Restricted</u>	5431	Construction Services	<u>\$2,729,268</u>
		TOTAL MVH Restricted	<u>\$2,729,268</u>
<u>LR&S</u>	5431	Construction Services	<u>\$1,100,000</u>
		TOTAL LR&S	<u>\$1,100,000</u>

<u>FUND:</u>	<u>TO:</u>	<u>LINE:</u>	<u>AMOUNT:</u> <u>Increase</u>
<u>LIT-ED</u>	539A	Transfer Out	<u>\$ 1,200,000</u>
		Total LIT-ED	<u>\$ 1,200,000</u>
		TOTAL APPROPRIATIONS	<u>\$ 5,029,268</u>

SECTION 2. That this Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

Council Member

APPROVED AS TO FORM AND LEGALITY

Carol Helton, City Attorney

Memo

To: Members of City Council
From: Valerie Ahr, Deputy Controller
Date: 10/8/2020
Re: Additional Appropriations

Attached you will find an ordinance appropriating the following:

\$1,100,000 in the Local Road & Street Fund (LR&S) (offset by a disappropriation of MVH)

Since the gasoline taxes being distributed from the State MVH Account have decreased in 2020 due to the COVID pandemic, the amount budgeted in City's MVH restricted fund also needs to be reduced. Per the State Examiner Directive 2018-2, at least 50% of the State's MVH Account distribution must be spent for construction, reconstruction and preservation. We expect to receive approximately \$9m in gasoline tax in MVH; therefore, we are estimating approximately \$4.5m in projects. We budgeted \$5.6m; therefore, instead of delaying the projects, we have identified LR&S as the funding source for these projects.

\$2,729,268 in the Motor Vehicle Highway Restricted Fund (MVH-Restricted) (offset by a disappropriation of MVH)

State Board of Accounts Directive 2018-02 states the restricted portion (at least 50% of the distribution from the State MVH Account) should be deposited into a sub-fund within the MVH fund to properly manage and account for the usage restrictions per HEA 1002-2017 and HEA 1290-2018. The remaining restricted portion of the gasoline tax as of September 1, 2020 was calculated and is being disappropriated from the main MVH fund and appropriated to the newly created MVH-Restricted fund.

\$1,200,000 in the LIT-Economic Development Fund (previously known as CEDIT)

The City of Fort Wayne was given a repeat audit finding referencing a negative fund balance in the Public Safety Academy Fund by the State Board of Accounts in 2019. This negative fund balance is the result of the anticipated property sales not occurring when the project began in 2006. The City has refunded the original bond, which resulted in approx. \$2m in savings. However, the TIF revenues for this district also have not been at the anticipated level. State Board of Accounts has not only requested the corrective action plan but also a written policy/procedure supporting our corrective action plan. Therefore, we have budgeted dollars in the LIT plan for years 20-22 to correct this finding.