




**Office of the City Manager**  
5200 Emerald Parkway • Dublin, OH 43017-1090  
Phone: 614-410-4400 • Fax: 614-410-4490

# Memo

**To:** Members of Dublin City Council  
**From:** Dana L. McDaniel, City Manager   
**Date:** March 5, 2019  
**Initiated By:** Angel L. Mumma, Director of Finance  
Matthew L. Stiffler, Deputy Director of Finance  
Melody Kennedy, Budget Manager  
**Re:** **Ordinance No. 06-19 – Amending the Annual Appropriations for Fiscal Year Ending December 31, 2019**

## Background

Ordinance No. 06-19 amends the annual appropriations for the fiscal year ending December 31, 2019 in the General Fund and in various other funds to provide sufficient funding in certain budget accounts. A description of the appropriations contained within each section of the Ordinance are as follows:

Section 1 requests a total of \$1,958,834 in funding authorization in the General Fund. Of that amount, \$458,834 in funding is requested for reforestation expenditures. Annually, the reforestation account is reviewed, and funds not spent from the previous year's collections are rolled forward and appropriated. These funds are generated from the City's ordinance requiring payments in lieu of tree replacement from developers, and will be used to re-plant trees on City-owned properties. The reforestation account balances, receipts and expenditures for the last five years are listed below.

<b>Year</b>	<b>Beginning Balance</b>	<b>Receipts</b>	<b>Expenditures</b>	<b>Ending Balance</b>
<b>2014</b>	\$57,167	58,125	2,493	\$112,799
<b>2015</b>	\$112,799	17,850	0	\$130,649
<b>2016</b>	\$130,649	47,200	0	\$177,849
<b>2017</b>	\$177,849	104,300	0	\$282,149
<b>2018</b>	\$282,149	198,950	22,265	\$458,834

Also in the General Fund are requests for advances from the General Fund to the Riviera TIF Fund, and the Bridge Street TIF Fund in the total amount of \$1,500,000. During our first quarter financial analysis, it was determined that resources in these two Funds were not sufficient to cover the costs appropriated for expenditures (including carryovers from the prior year) and that additional appropriations for advances from the General Fund were necessary.

- \$100,000 advance to the Riviera TIF Fund is needed to cover expenditures necessary for the Hyland-Croy/ Riviera Connector Project. The advance will be repaid to the General Fund through future TIF service payments.

- \$1,400,000 advance to the Bridge Street Fund is needed to fund the annual payments for the Bridge Street Compensation Agreements to the Dublin City School District (\$1,500,000 – Ordinance 20-14), and the Tolles Career and Technical Center (\$36,965 – Ordinance 45-14). Advances for these amounts we inadvertently overlooked when the 2019 budget was prepared.

It is important to note that in both of these instances, the advance amounts may not be necessary depending on other revenues that might be available or a reduction in anticipated expenses.

*Initiating Department: Department of Parks & Recreation – Parks Operations, and the Department of Finance (Section 1)*

Section 2 requests a total of \$850,000 in funding authorization for the Permissive Tax Fund. The City will be repaving Muirfield Drive between Brand Road and Glick Road during 2019. Per the Division of Engineering, the work consists of removing and replacing three inches of asphalt, replacement of concrete curb in the median, and restriping for the two lanes (in both directions) and the bike lanes. The cost estimate for the work with Franklin County (work does go into Delaware County near Glick Road) is approximately \$847,000. The City Engineer will be soliciting bids and anticipates requesting City Council approval for the construction contract in early April 2019. This work was originally planned as part of the 2019 Street Maintenance Program with funding coming from the Capital Improvements Tax Fund. However, upon determining the locations of the 2019 paving program, it was determined that this portion is eligible to use the City's permissive tax fund, therefore, saving costs within the Capital Improvements Tax Fund. Currently, an un-appropriation from the Capital Improvements Tax Fund is not being sought given the severity of the winter, as additional funds may be needed to further the repair to other roadways not originally anticipated.

*Initiating Department: Department of Public Works – Division of Engineering (Section 2)*

Section 3 requests a total of \$367,000 in funding authorization in the Upper Metro Place TIF for expenditures associated with the I270/US33 Interchange project. As Council is aware, the City entered into a State Infrastructure Bank (SIB) Loan through ODOT in 2015. There is a portion of the loan for which the City is responsible for repaying the principal and interest, and a portion for which Mid-Ohio Regional Planning Commission (MORPC) is responsible for repaying the principal. The City will pay MORPC's portion of the interest. ODOT is distributing the loan proceeds for both portions directly to the contractor to pay for the project. Even though the City is not receiving or distributing cash, it is required to record the on-behalf payments submitted by ODOT on its books. The amounts paid to the contractor represent proceeds of the SIB loan and capital outlay expenditures. The net effect on the fund balance will be zero, but the on-behalf payments must be recorded in revenues and expenditures. Also, the proceeds of the loan should be reflected in the amended certificate as estimated revenue. The expenditures should be appropriated and reflected in the budget of the Fund. This treatment follows accounting guidance issued by the Auditor of State. To-date, the City has posted \$27,080,000 in expenditures for this project.

As more information is forwarded to the City from ODOT, additional supplemental appropriations will be needed during calendar year 2019.

*Initiating Department: Department of Finance, and Department of Public Works - Engineering (Section 3)*

Section 4 requests a total of \$147,000 in funding authorization for the Capital Improvements Construction Fund. Of that amount, \$12,000 is to be allocated for bank and investment fees on the City's bond proceeds, and \$135,000 is to be allocated for change order #1 for the Historic Dublin Columbus Metropolitan Library Street project. The additional costs associated with change order #1 and the street improvements are largely due to unforeseen conditions that were encountered during construction. Per Megan O'Callaghan, Director of Public Works, examples of unforeseen conditions on this project included installation of an 8" water valve on Darby Street that wasn't originally accounted for, a water line which had to be relocated due to a field conflict with AEP poles, AEP power services from the AEP poles, added storm structure on Darby Street for drainage, additional asphalt at the school due to existing pavement conditions, adjustments in elevations at High and North Street (east side), unsuitable subgrade areas which needed additional work, re-establishing an existing water service to a building fronting High Street from North Street, and extremely wet summer conditions.

Funding for these expenses is available from bond proceeds that are accounted for in the Fund balance. Supplemental appropriations such as this are necessary throughout the year since the entire Fund balance is not automatically carried forward and appropriated in the following year.

*Initiating Department: Department of Public Works – Division of Engineering (Section 4)*

Section 5 requests \$33,500 in funding authorization to repay advances made to the Historic Dublin Parking TIF Fund from the Capital Improvements Tax Fund. Those advances were made over the course of calendar years 2001 through 2012 and were to be repaid via service payments generated in the TIF Fund. Advances were made to cover the costs of the Indian Run Parking lot project and a portion of the Historic Dublin pedestrian enhancements. The total balance of the remaining advance repayments is \$83,500. Fund 436 currently has an advance appropriated for \$50,000 from the original 2019 budget to be used to repay the Capital Improvements Tax Fund. As service payments are received into the Historic Dublin Parking TIF Fund this year, the cash balance will allow the final advance amount of \$83,500 to be repaid to the Capital Improvements Tax Fund.

Section 6 requests \$500,000 in funding authorization to repay advances made to the Tartan West TIF Fund from the Water Fund. Those advances were made over the course of calendar years 2004 through 2006 and were to be repaid via service payments generated in the TIF Fund. Advances were made from the Water Fund to cover the project costs of the Tartan West water tower and booster station which improved the declining water pressure (happening at that time) in the northwest area. Approximately \$1,464,750 is remaining in advances to be repaid to the Water Fund. The Tartan West TIF Fund currently has appropriated an advance in the amount of \$500,000 to be used to repay the Water Fund from the original 2019 budget. The current cash balance in the Tartan West TIF Fund will allow \$1,000,000 in advances to be repaid to the Water Fund during 2019.

Section 7 requests an un-appropriation of funding in the COIC (Central Ohio Innovation Center, aka the West Innovation District) Improvements Fund of \$50. The Fund, established in 2005, has limited revenue sources and planned expenditures for the Fund need to be equal or less than the current cash balance of \$115,487 in the COIC Improvements Fund. \$115,500 was appropriated in the 2019 budget for possible studies or work associated with the US33 /SR 161/Post Road interchange. A \$50 reduction in the appropriation is being requested in order for the appropriations to stay within the Fund balance.

*Initiating Department: Department of Finance (Sections 5, 6, and 7)*

Section 8 requests funding authorization in the Riviera TIF Fund in the amount of \$26,100 to cover the costs associated with change order #1 for the Hyland-Croy/Riviera Connector project (Resolution 49-18, Strawser Paving Company). As City Council may remember, this project provides a new roadway connecting the Riviera neighborhood site with Hyland-Croy Road via the extension of Cachhio Lane constructed with Riviera, section 3. Change order #1 provides for the cost increase due to the determination that Cacchio Lane sub-grade conditions warranted chemical stabilization for the entire length of roadway. Although weak soil conditions were expected, plan quantities did not account for stabilization of the entire length of the roadway. Additionally, soil tests determined that Portland Cement was the proper chemical treatment in place of the project-specified Lime Kiln Dust, which added to the unit cost of the project.

*Initiating Department: Department of Public Works – Division of Engineering (Section 8)*

### **Recommendation**

Staff recommends City Council approval of Ordinance 06-19, amending the Annual Appropriations for the Fiscal Year Ending December 31, 2019, at the second reading and public hearing of the Ordinance on March 18.

# RECORD OF ORDINANCES

Ordinance No. 06-19

Passed \_\_\_\_\_, \_\_\_\_\_

## AN ORDINANCE AMENDING THE ANNUAL APPROPRIATIONS FOR THE FISCAL YEAR ENDING DECEMBER 31, 2019

**WHEREAS**, the Ohio Revised Code requires, when necessary, amendments to the annual appropriations ordinance be made in order that appropriations are not over expended; and

**WHEREAS**, it is necessary to amend the annual appropriations ordinance to provide funding in certain budget accounts; and

**WHEREAS**, at the beginning of each year, it is necessary to appropriate unencumbered balances in various funds to authorize those funds for debt payments, project-related expenditures and other miscellaneous expenses; and

**WHEREAS**, if any funding is appropriated herein to provide for transfers or advances for debt service, the debt transfer is also authorized as a part of this ordinance.

**NOW, THEREFORE, BE IT ORDAINED** by the Council of the City of Dublin, State of Ohio, \_\_\_\_\_ of the elected members concurring, that:

**Section 1.** There be appropriated from the unappropriated balance in the General Fund the amount of \$1,958,834 as follows:

<u>Parks Operations</u>		
10140430-722001	Reforestation	\$ 458,834
<u>Advance</u>		
10197290-742465	Advance to Riviera	\$ 100,000
10197290-742457	Advance to Bridge Street	\$ 1,400,000

**Section 2.** There be appropriated from the unappropriated balance in the Permissive Tax Fund the amount of \$850,000 to account 23180320-735006 for the Muirfield Drive repaving project (AT191).

**Section 3.** There be appropriated from the unappropriated balance in the Capital Improvements Construction Fund the total amount of \$147,000. Of that amount, \$12,000 is to be appropriated to account 40410290-713005 for bank fees on the City's general obligation debt, and \$135,000 is to be appropriated to account 40480320-735004 for costs associated with the Historic Dublin Columbus Metropolitan Library Street project (ET16A) (change order #1).

**Section 4.** There be appropriated from the unappropriated balance in the Upper Metro Place TIF Fund the amount of \$367,000 to account 43280320-735004 for the expenditure related to the construction of the I270/US33 interchange project (ET141).

**Section 5.** There be appropriated from the unappropriated balance in the Historic Dublin Parking TIF Fund the amount of \$33,500 to account 43697290-742000 to repay the balance of advances from the Capital Improvement Tax Fund.

**Section 6.** There be appropriated from the unappropriated balance in the Tartan West TIF Fund the amount of \$500,000 to account 44397290-742000 to repay advances from the Water Fund.

**Section 7.** There be **unappropriated** from the appropriated balance in the COIC Improvement Fund the amount of \$50 from account 44880320-735006.



# RECORD OF ORDINANCES

Ordinance No. 06-19

Page 2 of 2  
*Passed*

**Section 8.** There be appropriated from the unappropriated balance in the Riviera TIF Fund the amount of \$26,100 to account 46580320-713004 for change order #1 for the Hyland-Croy/Riviera Connector (Resolution 49-18) (ET165).

**Section 9.** This ordinance shall take effect and be in force in accordance with Section 4.04(a) of the Dublin Revised Charter.

Passed this \_\_\_\_\_ day of \_\_\_\_\_, 2019.

\_\_\_\_\_

Mayor – Presiding Officer

ATTEST:

\_\_\_\_\_

Clerk of Council