

ITEM 10.J.

MOORPARK CITY COUNCIL AGENDA REPORT

TO: Honorable City Council

FROM: Ron Ahlers, Finance Director 

DATE: August 26, 2013 (City Council Meeting of September 4, 2013)

SUBJECT: Consider Resolution Amending the Fiscal Year 2012-13 Budget to Transfer Expenses for the North Hills Parkway Project to Traffic Congestion Relief Fund and to Transfer Expenses for the Slurry Seal Project to the City-Wide Traffic Mitigation Fund

SUMMARY

The State Controller's Office of the State of California (SCO) recently conducted an audit of the Gas Tax Fund and the Traffic Congestion Relief Fund (TCRF) of the City. The TCRF has been eliminated by the State and is "winding down" since the State swapped the sales tax on gasoline with an excise tax, highway users tax 2103 (HUT 2103). State law requires the TCRF monies be spent within two fiscal years of receipt. The last fiscal year to spend the TCRF money was 2011-12. The SCO auditor noticed that the City did not meet this requirement. The auditor suggested that the City transfer the expenses related to the North Hills Parkway project from the City-Wide Traffic Mitigation Fund to the TCRF for fiscal year 2011-12. Attached is a letter from the City to the SCO explaining this correction.

DISCUSSION

In order to correct the expenditures in the TRCR, the City needs to transfer the 2011-12 expenses of the North Hills Parkway project from the City-Wide Traffic Mitigation Fund to the TCRF. Conversely, the TCRF paid for the 2012-13 Slurry Seal project which will be transferred to the City-Wide Traffic Mitigation Fund.

The attached resolution will appropriate the North Hills Parkway project into the TCRF in the amount of \$400,211. It will also transfer the FY 2012-13 Slurry Seal project from the TCRF to the City-Wide Traffic Mitigation Fund in the amount of \$339,975.

The City will close the TCRF effective June 30, 2013 and transfer any remaining cash and receivable along with any expenditure projects to the HUT 2013 fund.

FISCAL IMPACT

None. The resolution transfers expenses from one fund to another. No additional expenditures are required.

STAFF RECOMMENDATION (Roll Call Vote)

Adopt Resolution No. 2013-_____ amending the fiscal year 2012/2013 budget.

Attachments:

1. Resolution No. 2013 - _____
2. Letter to SCO audits bureau from the City

RESOLUTION NO. 2013 - _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MOORPARK, CALIFORNIA, AMENDING THE FISCAL YEAR 2012/13 BUDGET TO ALLOCATE \$400,211 FROM THE TRAFFIC CONGESTION RELIEF FUND TO THE NORTH HILLS PARKWAY PROJECT (8061) AND TO ALLOCATE \$339,975 FROM THE CITY-WIDE TRAFFIC MITIGATION FUND TO THE SLURRY SEAL PROJECT (8002)

WHEREAS, on June 20, 2012, the City Council adopted the Operating and Capital Improvement Budget for Fiscal Year 2012/13; and

WHEREAS, a staff report has been presented to City Council discussing the transfer of expenses to the Traffic Congestion Relief Fund; and

WHEREAS, an appropriation of \$400,211 is requested from the Traffic Congestion Relief Fund (2610) and an appropriation of \$339,975 from the City-Wide Traffic Mitigation Fund (2002); and

WHEREAS, Exhibit "A" hereof describes said budget amendment and its resultant impact to the budget line items.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF MOORPARK DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. A budget amendment allocating \$400,211 from the Traffic Congestion Relief Fund (2610) and \$339,975 from the City-Wide Traffic Mitigation Fund (2002), as more particularly described in Exhibit "A" attached hereto is hereby approved.

SECTION 2. The City Clerk shall certify to the adoption of this resolution and shall cause a certified resolution to be filed in the book of original resolutions.

PASSED AND ADOPTED this 4th day of September, 2013.

Janice S. Parvin, Mayor

ATTEST:

Maureen Benson, City Clerk

Attachment: Exhibit A – Budget Amendment

ATTACHMENT 1

**EXHIBIT A
BUDGET AMENDMENT FOR THE GENERAL FUND
FOR ROADWAY AND PARKING LOT STRIPING
AT ARROYO VISTA COMMUNITY PARK**

FY 2012/13

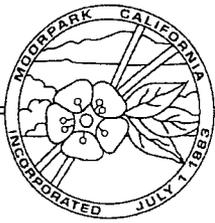
FUND ALLOCATION FROM:

| FUND TITLE | FUND ACCOUNT NUMBER | AMOUNT |
|-----------------------------------|----------------------------|---------------|
| Traffic Congestion Relief Fund | 2610-5500 | \$400,211 |
| City-Wide Traffic Mitigation Fund | 2002-5500 | \$339,975 |
| Total | | \$740,186 |

DISTRIBUTION OF APPROPRIATION TO EXPENSE ACCOUNTS:

| BUDGET NUMBER | CURRENT BUDGET | REVISION | ADJUSTED BUDGET |
|----------------------|-----------------------|-----------------|------------------------|
| 2610-8310-8061-9601 | \$0 | \$158,102 | \$158,102 |
| 2610-8310-8061-9610 | \$0 | \$242,109 | \$242,109 |
| 2002-8310-8002-9640 | \$0 | \$339,975 | \$339,975 |
| Total | \$0 | \$740,186 | \$740,186 |

Finance approval: 



CITY OF MOORPARK

FINANCE DEPARTMENT | 799 Moorpark Avenue, Moorpark, California 93021
Main City Phone Number (805) 517-6200 | Fax (805) 532-2545 | moorpark@ci.moorpark.ca.us

July 29, 2013

Steve Mar, Chief
Local Government Audits Bureau
California State Controller's Office
PO Box 942850
Sacramento, CA 94250

Dear Mr. Mar:

During the recent audit by your office, Mr. Sai Yeung, Auditor, brought to our attention the fact that the City did not correctly charge fund 2610, Traffic Congestion Relief Fund (TCRF), for the North Hills Parkway project (8061). This project was inadvertently charged to fund 2002, City-Wide Traffic Mitigation Fund. This was an oversight on the City's part. The City has processed a journal voucher to correctly account for this project in the TCRF. Attached, please find the journal entry.

We apologize for this error and want to express our gratitude to Mr. Yeung for bringing this matter to our attention. He is a professional and was very helpful during the course of the audit.

If you have any questions regarding this matter, please contact Ron Ahlers, Finance Director at 805.517.6249.

Sincerely,

RON AHLERS,
FINANCE DIRECTOR

Cc: Steven Kueny, City Manager

ATTACHMENT 2

07/29/13
ACCOUNTING PERIOD: 13/12

CITY OF MOORPARK, CA
BATCH JOURNAL ENTRY EDIT LIST

PAGE 1

| CONTROL NUMBER RECORD | J E NUMBER FUND | DESCRIPTION BUDGET UNIT | PERIOD/YR ACCOUNT | HOLD PROGRAM | ITEM DESCRIPTION | DEBIT AMOUNT | CREDIT AMOUNT |
|--------------------------|--------------------|----------------------------|----------------------|-----------------|---|--------------|---------------|
| 2610CORR | 7607 | CORR 10/11PROJ COSTS | 13/12 | Y | | | |
| 135165 | 2002 | 200283108061 | 9601 | | CORR10/11PROJ COST T | | 158,102.42 |
| 135166 | 2002 | 200283108061 | 9610 | | CORR10/11PROJ COST T | | 242,108.58 |
| 135167 | 2002 | 2002 | 1101 | | CORR10/11PROJ COST T | 400,211.00 | |
| 135168 | 2610 | 261083108061 | 9601 | | CORR10/11PROJ COST T | 158,102.42 | |
| | | | | | EXCEEDS BUDGET BALANCE - CURRENT BALANCE IS | 0.00 | |
| 135169 | 2610 | 261083108061 | 9610 | | CORR10/11PROJ COST T | 242,108.58 | |
| | | | | | EXCEEDS BUDGET BALANCE - CURRENT BALANCE IS | 0.00 | |
| 135170 | 2610 | 2610 | 1101 | | CORR10/11PROJ COST T | | 400,211.00 |
| | | | | | EXCEEDS CASH BALANCE - CURRENT BALANCE IS | 59173.85 | |
| TOTAL JOURNAL ENTRY | | | | | | 800,422.00 | 800,422.00 |
| TOTAL BATCH | | | | | | 800,422.00 | 800,422.00 |

 WARNING BUDGET BALANCE FOR 261083108061 9601 EXCEEDED
 CURRENT BALANCE IS 0.00
 TOTAL ENTRIES 158102.42
 PROJECTED BALANCE -158102.42

 WARNING BUDGET BALANCE FOR 261083108061 9610 EXCEEDED
 CURRENT BALANCE IS 0.00
 TOTAL ENTRIES 242108.58
 PROJECTED BALANCE -242108.58

 WARNING CASH BALANCE FOR FUND 2610 EXCEEDED
 CURRENT BALANCE IS 59173.85
 TOTAL ENTRIES 400211.00
 PROJECTED BALANCE -341037.15

TOTAL REPORT 800,422.00 800,422.00

TO CORRECT FY2010/11 NORTH HILLS PARKWAY PROJECT EXPENDITURES FROM
 CITY-WIDE TRAFFIC MITIGATION FUND (2002) TO TRAFFIC CONGESTION RELIEF (PROP 42) FUND (2610)

JL
 7/29/13
Bon Allen
 7-30-2013

PENTAMATION
 DATE: 07/29/2013
 TIME: 17:08:03

CITY OF MOORPARK, CA
 EXPENDITURE AUDIT TRAIL

PAGE NUMBER: 1
 AUDIT21

SELECTION CRITERIA: 1=1 expledgr.key_orgn like '%8061' and expledgr.account like '96%'
 ACCOUNTING PERIODS: 1/10 THRU 13/10

SORTED BY: FUND, DIVISION, PROJECT

TOTALED ON: FUND, DIVISION, PROJECT

PAGE BREAKS ON: FUND

FUND - 2002 - CITY-WIDE TRAFFIC MITIGAT
 BUDGET UNIT - 200283108061 - NORTH HILLS PARKWAY

| ACCOUNT DATE | T/C | PURCHASE O | REFERENCE | VENDOR | BUDGET | EXPENDITURES | ENCUMBRANCES | DESCRIPTION | CUMULATIVE BALANCE |
|---|-------|-------------|-----------|-------------------------|---------------|--------------|--------------|---------------------------|--------------------|
| 9601 | | | | | | | | DESIGN/ENGINEERING | |
| 2002-8310-8061-200283108061 - NORTH HILLS PARKWAY | | | | | | | | | |
| 9601 | | | | | | .00 | .00 | DESIGN/ENGINEERING | .00 |
| | | | | | | .00 | .00 | BEGINNING BALANCE | .00 |
| 07/06/10 | 11-1 | | | | 1,505,759.00 | | | POSTED FROM BUDGET SYSTEM | |
| 08/03/10 | 13-1 | | | | 1,376,720.28 | | | PRIOR YR ENCUM-B9000038 | |
| 08/03/10 | 17-1 | 09000038-01 | | 5990 KOA CORPORATION | | | 1,376,720.28 | ENC CARRY FRWRD-B9000038 | |
| 10/20/10 | 21-4 | | 139048 | 4442 GILBERT, KEN | | 410.00 | .00 | 9/10 N HILLS PRWY-DESGN | |
| 10/20/10 | 21-4 | 09000038-01 | 139052 | 5990 KOA CORPORATION | | 33,035.68 | -33,035.68 | 5/10 N. HILLS PARKWAY | |
| 10/20/10 | 21-4 | 09000038-01 | 139052 | 5990 KOA CORPORATION | | 52,280.42 | -52,280.42 | 6/10 N. HILLS PARKWAY | |
| 10/20/10 | 21-4 | 09000038-01 | 139052 | 5990 KOA CORPORATION | | 10,640.00 | -10,640.00 | 7/10 N. HILLS PARKWAY | |
| 10/20/10 | 21-4 | 09000038-01 | 139052 | 5990 KOA CORPORATION | | 26,941.25 | -26,941.25 | 8/10 N.HILLS PARKWAY | |
| 11/15/10 | 21-5 | 09000038-01 | 139264 | 5990 KOA CORPORATION | | 5,423.75 | -5,423.75 | 9/10 N. HILLS PRKWY | |
| 11/22/10 | 21-5 | | 139314 | 4442 GILBERT, KEN | | 123.00 | .00 | 10/10 N HILLS DESIGN | |
| 12/20/10 | 21-6 | | 139542 | 4442 GILBERT, KEN | | 246.00 | .00 | 11/10 N. HILLS DESIGN | |
| 12/27/10 | 21-6 | 09000038-01 | 139503 | 5990 KOA CORPORATION | | 9,577.50 | -9,577.50 | 10/10 NHILLS PHASE 1 | |
| 01/27/11 | 13-7 | | | | -1,313,827.38 | | | PRIOR YEAR CARRY FORWARD | |
| 01/31/11 | 21-7 | 09000038-01 | 139877 | 5990 KOA CORPORATION | | 12,305.00 | -12,305.00 | 11/10 N. HILLS STR DESGN | |
| 02/09/11 | 21-8 | | 139927 | 4442 GILBERT, KEN | | 164.00 | .00 | 1/11 N. HILLS DESIGN | |
| 02/28/11 | 21-8 | | 140090 | 5533 RBF CONSULTING | | 3,625.01 | .00 | 6/10 SR23 ALIGN STUDY | |
| 02/28/11 | 21-8 | | 140090 | 5533 RBF CONSULTING | | 17,887.23 | .00 | 7/10 SR23 ALIGN STUDY | |
| 03/16/11 | 21-9 | 09000038-01 | 140184 | 5990 KOA CORPORATION | | 5,197.00 | -5,197.00 | 12/10 N. HILLS PRKWY | |
| 03/23/11 | 21-9 | 09000038-01 | 140258 | 5990 KOA CORPORATION | | 3,807.50 | -3,807.50 | 1/11 N. HILLS PARKWAY | |
| 04/13/11 | 21-10 | 09000038-01 | 140398 | 5990 KOA CORPORATION | | 1,170.00 | -1,170.00 | 2/11 NORTH HILLS PRKWY | |
| 04/29/11 | 21-10 | 09000038-01 | 140570 | 5990 KOA CORPORATION | | 6,132.50 | -6,132.50 | 3/11 N HILLS PRKWY DESIGN | |
| 06/29/11 | 21-12 | 09000038-01 | 140962 | 5990 KOA CORPORATION | | 11,430.50 | -11,430.50 | 4/11 N.HILLS PRWY PROJ | |
| 07/13/11 | 21-13 | 09000038-01 | 141113 | 5990 KOA CORPORATION | | 3,416.50 | -3,416.50 | 5/11 N. HILLS PRKWY | |
| TOTAL | | | | DESIGN/ENGINEERING | 1,568,651.90 | 203,812.84 | 1,195,362.68 | | 169,476.38 |
| 9610 | | | | | | .00 | .00 | LAND ACQUISITION | .00 |
| | | | | | | .00 | .00 | BEGINNING BALANCE | .00 |
| 07/06/10 | 11-1 | | | | 100,000.00 | | | POSTED FROM BUDGET SYSTEM | |
| 09/22/10 | 21-3 | | 138763 | 2515 LAWYER'S TITLE C | | 7,200.00 | .00 | 1449 WALNUT DEPOS | |
| 10/13/10 | 19-4 | | 5939 | | | 234,908.58 | .00 | 1449 WALNUT CYN PURCHASE | |
| 11/16/10 | 13-4 | | | | 145,000.00 | | | 10/6/10 RESO #2010-2961 | |
| TOTAL | | | | LAND ACQUISITION | 245,000.00 | 234,908.58 | .00 | | 2,891.42 |
| 9625 | | | | | | .00 | .00 | CONSTRUCTION MANAGEMENT | .00 |
| | | | | | | .00 | .00 | BEGINNING BALANCE | .00 |
| 07/25/11 | 11-13 | | | | | | | | |
| 07/26/11 | 21-13 | | 141271 | 3481 COMPREHENSIVE HO | | 2,061.25 | .00 | 1449 WALNUT CYN | |
| TOTAL | | | | CONSTRUCTION MANAGEMENT | .00 | 2,061.25 | .00 | | -2,061.25 |

MOVE TO 2610-8310-9601

400,211.00 +
 242,108.58 -
 158,102.42

MOVE TO FUND
 2610-8310-8061

* THERE IS A NOTE ASSOCIATED WITH THIS TRANSACTION