



MEMORANDUM

To: Mayor and Members of the City Council

From: Richard Hicks, Interim City Manager

Date: May 20, 2022

Subj: Consideration – Approval of Budget Amendment to Close Out Raw Water Transmission Project

BACKGROUND:

The City received grant funds to make improvements to the Raw Water Transmission Line. The work has been completed and the project needs to be closed prior to June 30th, due to a negative balance. Staff is proposing to move funds from the Water and Sewer Fund to cover the shortfall. Funds were originally allocated from the Water and Sewer Fund as the City's match to the grant.

ANALYSIS:

Attached for your review and consideration is a Budget Amendment to amend the FY 21/22 budget for the Raw Water Transmission Project that has been completed. All of the final grant documents have been submitted and the City has received all of the grant funds in accordance with the project costs. The City spend \$879,514.35 of one DEQ Grant and \$166,855.55 of another DEQ grant; this leaves a balance of \$67,594.32, which would be the City's share. Staff is asking the Council to approve a budget amendment to transfer those funds and close out the project. This needs to be done prior to June 30, 2022 to avoid a negative balance at the end of the year.

STAFF RECOMMENDATION:

By motion, approve the attached Budget Amendment to transfer \$67,594.32 from the Water and Sewer Fund to the Raw Water Transmission Project Fund and to authorize the closing of the project.



BUDGET AMENDMENT

BE IT ORDAINED by the City Council of the City of Elizabeth City that the following amendment be made to the annual budget ordinance for fiscal year ending June 30, 2022:

Section 1: That the Water and Sewer Fund Public Utilities Water Treatment Transfer to Water Transmission Project Account (31-8100-9102) be increased by \$67,594.34.

That the Water and Sewer Fund Public Utilities Retained Earnings Appropriated Revenue Account (31-3990-0000) be increased by \$67,594.34.

That the Water Transmission Project Raw Water Transmission Project Account (36-9012-7300) be increased by \$67,594.34.

That the Water Transmission Project Transfer From Water and Sewer Fund Revenue Account (36-3970-0000) be increased by \$67,594.34.

Section 2: This budget transfer is to cover the final costs of the Water Transmission Project and the City Council does hereby approve the closeout of the project budget.

Section 3: The following revenues were received to complete this project:

	BUDGET	ACTUAL
NC-DEQ Grant 17-I-2960	\$903,581.00	\$879,514.35
NC-DEQ Grant 13-I-3068	166,855.55	166,855.55
Fund Balance Appropriated	56,365.25	
Transfer From Water & Sewer		67,594.32
Total	\$1,126,801.80	\$1,113,964.22

Section 4: The following expenditures were expended for the project:

	BUDGET	ACTUAL
Capital Expenditure Improvements	\$1,043,335.00	\$1,113,964.22
Contingency	84,466.80	
Total	\$1,126,801.80	\$1,113,964.22

ADOPTED, this the 23rd day of May, 2022.

Bettie J. Parker
Mayor

ATTEST:

April Onley, NCCMC
City Clerk