

CITY OF FRANKLIN, INDIANA

BUDGETARY RESOLUTION No.: 19-01

A COMMON COUNCIL BUDGETARY RESOLUTION AUTHORIZING A TRANSFER

WHEREAS, The Indiana State Board of Accounts has issued State Examiner Directive 2018-2, a copy of which is attached as "Exhibit A", requiring the transfer of MVH Restricted funds from fund 201, MVH, to new sub-fund, 203, MVH Restricted, and

THEREFORE, be it ordained by the Common Council of the City of Franklin, Johnson County, Indiana, that the following sum of money is hereby transferred into the account named and for the purpose specified, subject to the laws governing same.

	AMOUNT
FROM: <u>MVH Fund 201</u>	<u>\$ 79,636.70</u>
TO: <u>MVH Restricted Fund 203</u>	<u>\$ 79,636.70</u>

Introduced and Filed on the 7th day of January, 2019.

DULY PASSED on this 7 day of January, 2019, by the Common Council of the City of Franklin, Johnson County, Indiana, having been passed by a vote of 6 in Favor and 0 Opposed.

City of Franklin, Indiana, By its Common Council:

Voting Affirmative:

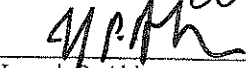
Voting Opposed:


Kenneth Austin, Council President

Kenneth Austin, Council President


Andrew Eggers, Vice-President

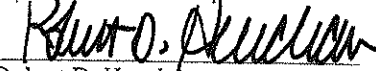
Andrew Eggers, Vice-President


Joseph P. Abban

Joseph P. Abban


Daniel J. Blankenship

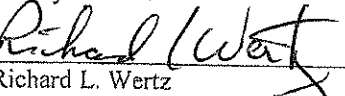
Daniel J. Blankenship


Robert D. Heuchan

Robert D. Heuchan

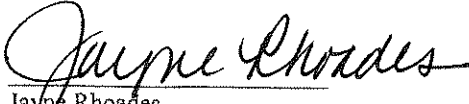
Absent.
Danny Richards

Danny Richards

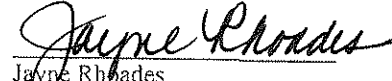

Richard L. Wertz

Richard L. Wertz


Attest:


Jayne Rhoades
City Clerk-Treasurer

Presented by me to the Mayor of the City of Franklin for his approval or veto pursuant to Indiana Code § 36-4-6-15, 16, this 7 day of January, 2019 at 6:15 o'clock a.m./p.m. (p.m.)


Jayne Rhoades,
City Clerk-Treasurer

This ordinance having been passed by the legislative body and presented to me [Approved by me and duly adopted, pursuant to Indiana Code § 36-4-6-16(a)(1)] [Vetoed, pursuant to Indiana Code § 36-4-6-16(a)(2)], this 7 day of January, 2019 at 6:15 o'clock a.m./p.m. (p.m.)


Steve Barnett
Mayor

Attest:


Jayne Rhoades,
City Clerk-Treasurer

Prepared by: srb



STATE OF INDIANA
AN EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF ACCOUNTS
302 WEST WASHINGTON STREET
ROOM E418
INDIANAPOLIS, INDIANA 46204-2769

Telephone: (317) 232-2513
Fax: (317) 232-4711
Web Site: www.in.gov/sboa

STATE EXAMINER DIRECTIVE 2018-2

Date: December 20, 2018

Subject: Motor Vehicle Highway Account

Authority: IC 5-11-1-2, -9, -10, -21, -24; IC 8-17-4.1-2, -3, -4, -6

Application: This Directive applies to all local governmental units that receive distributions from the Motor Vehicle Highway Account

From: Paul D. Joyce, CPA, State Examiner

The purpose of this Directive is to authorize and require counties, cities, and towns that receive distributions from the State Motor Vehicle Highway Account to **create a new sub-fund within the MVH Fund** to properly manage and account for the usage restrictions that were included in House Enrolled Act 1002-2017 and House Enrolled Act 1290-2018.

The sub-fund will be referred to throughout this Directive as "MVH Restricted" and will be used to account for MVH monies which have been statutorily restricted for construction, reconstruction, and preservation purposes.

On the chart of accounts, the MVH Fund and MVH Restricted sub-fund shall be shown as follows:

Counties

Fund 1176	MVH
Fund 1173	MVH Restricted

Cities and Towns

Fund 201	MVH
Fund 203	MVH Restricted

Together, MVH and MVH Restricted shall constitute the total MVH Fund. MVH and MVH Restricted will be shown separately on the Annual Financial Report and Annual Operational Report.

Starting on January 1, 2019, the political subdivision must post at the time of receipt of the distribution from the State Motor Vehicle Highway Account fifty percent (50%) of the distribution to MVH Restricted.

The political subdivision, by ordinance or resolution, may elect to allocate more than fifty percent (50%) of the distributions to MVH Restricted. During the same fiscal year, the political subdivision may transfer, by ordinance or resolution, the amount allocated in excess of the 50% requirement from MVH Restricted to

MVH. In no event can any transfers from MVH Restricted to MVH reduce the fiscal year distributions from the State Motor Vehicle Highway Account below the 50% requirement for MVH Restricted.

Any amounts allocated in excess of the required 50% of distributions which remain in MVH Restricted at the end of the fiscal year must remain in MVH Restricted until expended for construction, reconstruction, or preservation.

Qualified expenditures will then be entered accordingly to MVH and MVH Restricted:

MVH: Permissible uses of the State Motor Vehicle Highway (MVH) Account distributions are outlined in Indiana Code 8-14-1-4 for counties and in Indiana Code 8-14-1-5 for cities and towns.

MVH Restricted: Effective July 1, 2018, Indiana Code 8-14-1-4(b) and Indiana Code 8-14-1-5(c) requires at least 50% of the MVH distributions to be used for construction, reconstruction and preservation of the unit's highways. (Maintenance expenditures no longer count toward the 50% requirement.)

Accounting for distributions from the State Motor Vehicle Highway Account in MVH and MVH Restricted will promote the transparency and accountability of public funds. This will also assist counties and municipalities with more than 15,000 residents in completing and filing the Annual Operational Report required under Indiana Code 8-17-4.1.

This Directive may be amended from time to time and may be rescinded at any time in writing by the State Examiner or a Deputy State Examiner.

Paul D. Joyce
Paul D. Joyce, CPA
State Examiner