

FORSYTH COUNTY

BOARD OF COMMISSIONERS

MEETING DATE: SEPTEMBER 28, 2017

AGENDA ITEM NUMBER: 3 A&B

- SUBJECT:**
- A. AMENDMENT TO THE 2016 PAY-GO CAPITAL PROJECTS ORDINANCE TO TRANSFER FUNDS INTO THE 2011 LIBRARY BOND CAPITAL PROJECTS ORDINANCE FOR THE CLEMMONS BRANCH LIBRARY PROJECT**
 - B. AMENDMENT TO THE 2011 LIBRARY BOND CAPITAL PROJECTS ORDINANCE TO APPROPRIATE THE FUNDS TRANSFERRED FROM THE 2016 PAY-GO CAPITAL PROJECTS ORDINANCE AND APPROPRIATE BOND PREMIUM**

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS: Recommend Approval

SUMMARY OF INFORMATION:

On September 12, 2011, the Forsyth County Board of Commissioners adopted the 2011 Library Bond Capital Projects Ordinance which was funded with \$40 million of voter-approved General Obligation bonds for the Central Library, the Kernersville Branch Library, and the Clemmons Branch Library. A decision was made to issue \$34 million of the voter-approved bonds with the goal of funding the remaining \$6 million with bond premium and potential Pay-Go funding, part of which could be realized through savings with the Central Library shutting down for two years.

On December 12, 2015, the Board approved an amendment to the 2011 Library Bond Capital Projects Ordinance to transfer \$1,611,451 from the General Fund as part of the year-end results from Fiscal Year 2015, which was half of the amount needed to fund the full \$40 million 2011 Library Bond Capital Projects Ordinance.

On June 26, 2017, the Board adopted an amendment to the 2016 Pay-Go Capital Projects Ordinance to appropriate \$1.4 million that had been reserved for the Employee Health Benefits Internal Service Fund. These funds were not necessary due to better than anticipated health insurance results. When the 2016 Pay-Go Capital Projects Ordinance was originally established, \$2,520,876 was set aside in a budget reserve. With the additional \$1.4 million from the Employee Health Benefits Internal Service Fund, \$3,920,876 was made available for appropriation.

During the Fiscal Year 2018 budget process, the Board decided to fund various one-time Alternate Service Level requests with this reserve; therefore, the Board authorized funding \$200,000 for Arts Council, \$175,000 for Creative Corridors, \$75,000 for Reynolda House, and \$120,000 for Industries for the Blind. This leaves a balance of \$3,350,876 that is in a Budget Reserve.

This agenda item transfers \$1,611,451 from the Budget Reserve to the 2011 Library Bond Capital Projects Ordinance as well as appropriates the bond premium of \$2,777,098 that has not been used for debt service the County received upon issuance of the bonds which will insure that the \$40 million originally approved for library projects is funded while only issuing \$34 million in General Obligation bonds, thus realizing the \$6 million debt avoidance target.

ATTACHMENTS: yes no

SIGNATURE: _____

J. Dudley Watson Jr.
COUNTY MANAGER

DATE: September 27, 2017

**FORSYTH COUNTY, NORTH CAROLINA
AMENDMENT TO
2016 PAY-GO CAPITAL PROJECTS ORDINANCE**

FROM: BUDGET & MANAGEMENT

MEETING DATE: September 28, 2017

EXPLANATION:

On September 12, 2011, the Forsyth County Board of Commissioners adopted the 2011 Library Bond Capital Projects Ordinance which was funded with \$40 million of voter-approved General Obligation bonds for the Central Library, the Kernersville Branch Library, and the Clemmons Branch Library. A decision was made to issue \$34 million of the voter-approved bonds with the goal of funding the remaining \$6 million with bond premium and potential Pay-Go funding, part of which could be realized through savings with the Central Library shutting down for two years.

On December 12, 2015, the Board approved an amendment to the 2011 Library Bond Capital Projects Ordinance to transfer \$1,611,451 from the General Fund as part of the year-end results from Fiscal Year 2015, which was half of the amount needed to fund the full \$40 million 2011 Library Bond Capital Projects Ordinance.

On June 26, 2017, the Board adopted an amendment to the 2016 Pay-Go Capital Projects Ordinance to appropriate \$1.4 million that had been reserved for the Employee Health Benefits Internal Service Fund. These funds were not necessary due to better than anticipated health insurance results. When the 2016 Pay-Go Capital Projects Ordinance was originally established, \$2,520,876 was set aside in a budget reserve. With the additional \$1.4 million from the Employee Health Benefits Internal Service Fund, \$3,920,876 was made available for appropriation.

During the Fiscal Year 2018 budget process, the Board decided to fund various one-time Alternate Service Level requests with this reserve; therefore the Board authorized funding \$200,000 for Arts Council, \$175,000 for Creative Corridors, \$75,000 for Reynolda House, and \$120,000 for Industries for the Blind. This leaves a balance of \$3,350,876 that is in a Budget Reserve.

This agenda item transfers \$1,611,451 from the Budget Reserve to the 2011 Library Bond Capital Projects Ordinance as well as appropriates the bond premium of \$2,777,098 that has not been used for debt service the County received upon issuance of the bonds which will insure that the \$40 million originally approved for library projects is funded while only issuing \$34 million in General Obligation bonds, thus realizing the \$6 million debt avoidance target.

BE IT ORDAINED BY THE FORSYTH COUNTY BOARD OF COMMISSIONERS THAT THE
2016 PAY-GO CAPITAL PROJECTS ORDINANCE IS HEREBY AMENDED AS FOLLOWS:

DECREASE:	<u>EXPENDITURES</u>	
	BUDGET RESERVE	<u>\$1,611,451</u>
INCREASE:	<u>EXPENDITURES</u>	
	TRANSFER TO 2011 LIBRARY BONDS CPO	<u>\$1,611,451</u>

NATURE OF TRANSACTION:	APPROVED BY BOARD OF COUNTY
<input type="checkbox"/> Additional Revenue Available	COMMISSIONERS AND ENTERED ON
<input type="checkbox"/> Transfer within Accounts of	MINUTES DATED _____
Same fund	AGENDA ITEM NUMBER _____
<input checked="" type="checkbox"/> Other: Transfer to 2011 Library Bonds CPO	

**FORSYTH COUNTY, NORTH CAROLINA
AMENDMENT TO
2011 LIBRARY BOND CAPITAL PROJECTS ORDINANCE**

FROM: BUDGET & MANAGEMENT

MEETING DATE: September 28, 2017

EXPLANATION:

On September 12, 2011, the Forsyth County Board of Commissioners adopted the 2011 Library Bond Capital Projects Ordinance which was funded with \$40 million of voter-approved General Obligation bonds for the Central Library, the Kernersville Branch Library, and the Clemmons Branch Library. A decision was made to issue \$34 million of the voter-approved bonds with the goal of funding the remaining \$6 million with bond premium and potential Pay-Go funding, part of which could be realized through savings with the Central Library shutting down for two years.

This agenda item transfers \$1,611,451 from the Budget Reserve in the 2016 Pay-Go Capital Projects Ordinance and the unappropriated bond premium to the 2011 Library Bond Capital Projects Ordinance which will insure that the \$40 million originally approved for library projects is funded while only issuing \$34 million in General Obligation bonds, thus realizing the \$6 million debt avoidance target.

BE IT ORDAINED BY THE FORSYTH COUNTY BOARD OF COMMISSIONERS THAT THE
2011 LIBRARY BOND CAPITAL PROJECTS ORDINANCE IS HEREBY AMENDED AS
FOLLOWS:

INCREASE:	<u>REVENUES</u>	
	TRANSFER FROM 2016 PAY-GO CPO	\$1,611,451
	OTHER FINANCING SOURCES	<u>\$2,777,098</u>
		<u>\$4,388,549</u>
INCREASE:	<u>EXPENDITURES</u>	
	CLEMMONS BRANCH LIBRARY	<u>\$4,388,549</u>

NATURE OF TRANSACTION:	APPROVED BY BOARD OF COUNTY
<input type="checkbox"/> Additional Revenue Available	COMMISSIONERS AND ENTERED ON
<input type="checkbox"/> Transfer within Accounts of	MINUTES DATED _____
Same fund	AGENDA ITEM NUMBER _____
<input checked="" type="checkbox"/> Other: Transfer from 2016 Pay-Go CPO and Appropriation of Bond Premium	
