



**FORSYTH COUNTY, NORTH CAROLINA  
AMENDMENT TO  
2019-2020 BUDGET ORDINANCE**

**FROM: BUDGET & MANAGEMENT**

**MEETING DATE:** June 27, 2019

**EXPLANATION:**

During the Fiscal Year 2019-2020 budget adoption process, an Alternate Service Level was presented to the Board of Commissioners to establish a Debt Service Fund to account for revenue and expenditures associated with debt issuances by the County. The recommendation of staff is to adopt a Debt Service Fund.

This amendment would reduce Intergovernmental Revenue consisting of Lottery Proceeds, Build America Bonds Credits, and Qualified School Construction Bonds Credits by \$6,103,748 and Appropriated Fund Balance by \$6,492,388, for a total reduction of revenue in the General Fund of \$12,596,136. This would reduce the Fiscal Year 2019-2020 Budget to \$446,098,588.

This amendment would also eliminate the Debt Service line in the Budget Ordinance (a reduction of \$80,509,352) and add a Transfer to Debt Service Fund line (an increase of \$67,913,216). Eliminating the Debt Service line and adding the Transfer to Debt Service Fund line will reduce the Fiscal Year 2019-2020 General Fund Expenditure Budget to \$446,098,588.

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF FORSYTH COUNTY THAT THE FISCAL YEAR 2019-2020 BUDGET ORDINANCE IS HEREBY AMENDED AS FOLLOWS:

The Appropriations Section (Section 2) is amended to add the following paragraph: *In order to more clearly present debt service activities the County hereby removes same from the General Fund and establishes a Debt Service Fund. The Chief Financial Officer is hereby directed to transfer all cash, investments, reserves and any other related assets from the General Fund to the Debt Service Fund effective July 1, 2019, and to report same to the Board of Commissioners concurrent with the presentation of the Comprehensive Annual Financial Report.*

DECREASE:	<u>SECTION 1. REVENUE</u> GENERAL FUND INTERGOVERNMENTAL FUND BALANCE	\$ 6,103,748 <u>\$ 6,492,388</u> <u>\$12,596,136</u>
DECREASE:	<u>SECTION 2. APPROPRIATIONS.</u> GENERAL FUND DEBT SERVICE	<u>\$80,509,352</u>
INCREASE:	<u>SECTION 2. APPROPRIATIONS.</u> GENERAL FUND TRANSFER TO DEBT SERVICE FUND	<u>\$67,913,216</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: Establish Debt Service Fund	

## Debt Service Fund

Be It Ordained by the Board of County Commissioners of Forsyth County:

### Section 1. Revenue.

The following revenues are hereby made available.

Intergovernmental Revenue	\$ 6,103,748
Transfer from the General Fund	<u>\$67,913,216</u>
	<u>\$74,016,964</u>

### Section 2. Authorization for Appropriation of Funds.

Be It Ordained that the following amounts are appropriated for debt service expenditures and reserves for future debt service expenditures, subject to review by the County Manager and the Board of County Commissioners; and the County Manager and Chief Financial Officer are hereby authorized to execute the necessary documents to carry out these purposes, subject to the limitations herein, a pre-audit certificate thereon by the County Chief Financial Officer, if applicable, and approval as to form and legality by the County Attorney.

Debt Service	\$71,608,305
Budget Reserve	<u>\$ 2,408,659</u>
Total	<u>\$74,016,964</u>

### Section 3. Effective Date.

This ordinance shall become effective upon adoption.

Adopted this 27<sup>th</sup> day of June, 2019.