

CITY OF HIGH POINT

AGENDA ITEM



Title: Budget Amendment for Catalyst Project

From: Eric Olmedo, Budget Director

Meeting Date: November 5, 2018

Public Hearing: N/A

Advertising Date: N/A

Advertised By: N/A

Attachments: Budget ordinance

PURPOSE:

A Budget Amendment is needed to properly account for the flow of funds for the reimbursement of the Catalyst Project loan that was approved by City Council on April 3, 2017.

BACKGROUND:

On April 3, 2017, the City Council of the City of High Point approved a budget amendment for \$15 million for land purchases and site design of the multi-purpose stadium associated with the Downtown Catalyst project. Of the \$15 million, \$8 million was borrowed from the Landfill Reserve (\$5 million), the Electric Fund (\$2 million), and the Central Services Fund (\$1 million). Payback of this loan began in FY 2019, and will be paid back in installments of \$443,323 for a term of 20 years.

The FY 2019 Adopted Budget included \$443,323 to be paid from the General Fund to the Central Services Fund. However, the proper flow of funds should have budgeted the funds to transfer from the General Fund to the General Capital Funds, and then transfer from the General Capital Projects Fund to the Central Services Fund. A budget ordinance is needed to account for the funds in the General Capital Projects Fund. The ordinance will properly account for the flow of funds for FY 2019, and future budgets will be proposed with the proper flow of funds.

BUDGET IMPACT:

There is no budget impact. This was budgeted in FY 2019.

RECOMMENDATION / ACTION REQUESTED: The Budget Department recommends and asks the Council to approve the budget amendment.

"AN ORDINANCE AMENDING THE 2018-2019 BUDGET ORDINANCE
OF THE CITY OF HIGH POINT, NORTH CAROLINA
TO PROPERLY ACCOUNT FOR THE REIMBURSEMENT OF FUNDS
FOR THE CATALYST PROJECT INTERNAL LOAN

Be it ordained by the City Council of the City of High Point, North Carolina, as follows:

Section 1. The City of High Point needs to properly account for the flow of funds for repayment of the Catalyst Project internal loan.

Section 2. The 2018-2019 Budget Ordinance of the City of High Point, should be amended as follows:

(A) That the General Capital Projects Fund of the City of High Point, is hereby amended as follows:

Transfer from General Fund	\$ 443,323
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(B) That the General Capital Projects Fund expenditures be amended as follows:

Transfer to Central Services Fund	\$ 443,323
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Section 3. That all ordinances, or parts of ordinances in conflict with this ordinance are hereby repealed to the extent of such conflict.

Section 4. That this ordinance shall be effective from and after its passage."

Adopted November 5, 2018