CITY OF HIGH POINT AGENDA ITEM



Title: Budget Amendment for General Fund Financial Plan

From: Eric Olmedo, Managing Director

Public Hearing: N/A

Attachments: Budget Ordinance

Meeting Date:March 4, 2019Advertising Date:N/AAdvertised By:N/A

PURPOSE:

A Budget Amendment is needed to transfer funds from the General Debt Service Fund and the Water Sewer Fund for outside legal services, and a recommendation to defer a transfer of funds from the General Fund to the General Debt Service Fund for completion of the General Fund financial plan.

BACKGROUND:

A total of \$400,000 is recommended to be transferred from the General Debt Service Fund (\$200,000) and the Water-Sewer Fund (\$200,000) for outside legal services that were charged to the General Fund that should have been charged to these two funds over the previous 18 months. A \$200,000 budget amendment appropriation for the Water Sewer Fund is included. The \$200,000 from the General Debt Service Fund will be transferred from the General Fund transfer to General Debt Service Fund to the legal services budget.

The City of High Point maintains a General Debt Service Fund necessary to fund all current and planned debt service. An analysis of the fund determined that the fund balance reserve was in excess of the fund balance policy recommendation. A recommendation is being made to defer the budgeted \$4.0 million of the budgeted \$4,743,550 transfer from the General Fund to the debt service fund.

BUDGET IMPACT:

There is no operating budget impact. Water-Sewer funds are being appropriated from available fund balance and transferred to the General Fund.

RECOMMENDATION / ACTION REQUESTED:

The Budget Department recommends and asks the Council to approve the budget amendment and authorize the appropriate city officials to approve the appropriation and transfer of funds.

"AN ORDINANCE AMENDING THE 2018-2019 BUDGET ORDINANCE OF THE CITY OF HIGH POINT, NORTH CAROLINA TO APPROPRIATE FUND BALANCE FROM THE WATER SEWER FUND TO THE GENERAL FUND

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

| Section 1. | | The City of High Point has legal expenses charged to the General Fund that are for Water-Sewer Fund purposes, and a fund balance appropriation and transfer is needed to pay for these services. | |
|---|---|--|------------|
| Section 2. | | The 2018-2019 Budget Ordinance of the City of High Point, should be amended as follows: | |
| (A) | That V | hat Water Sewer Fund revenues be amended as follows: | |
| | | Appropriated Fund Balance | \$ 200,000 |
| (B) That Water Sewer Fund expenditures be amended as follows: | | | llows: |
| | | Transfer to General Fund | \$ 200,000 |
| (C) | That C | General Fund revenues be amended as follows: | |
| | | Transfer from Water Sewer Fund | \$ 200,000 |
| (D) | That the General Fund expenditures be amended as follows: | | |
| | | Legal Fees | \$200,000 |
| | | | |
| Section 3 | | That all ordinances or parts of ordinances in conflict with this ordinance are hereby | |

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 March 4, 2019