

# CITY OF HIGH POINT

## AGENDA ITEM



### **Title: Budget Amendment for General Fund Financial Plan**

**From:** Eric Olmedo, Managing Director

**Meeting Date:** March 4, 2019

**Public Hearing:** N/A

**Advertising Date:** N/A

**Advertised By:** N/A

**Attachments:** Budget Ordinance

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### **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.

