



Legislation Text

File #: 18-1060, Version: 1

Item:

Budget Ordinance Amendment No. 19BCC000017 - Budget Changes Related to Board of County Commissioner Policy on Capital Finance Program Dedicated Revenues, Transferring \$795,205 of General Fund fund Balance to the Capital Financing Fund

Date Of BOCC Meeting: November 13, 2018

Request For Board Action:

The Board is requested to approve Budget Ordinance Amendment No. 19BCC000017 appropriating \$795,205 of FY 2017-18 General Fund revenue, now residing in FY 2018-19 General Fund fund balance, and transferring it to the Capital Financing Fund to comply with the County's capital and debt financing policy.

As part of the Durham County Policy on financing capital projects, all collected Article 40 and 42 sales taxes are directed for support of capital projects and their related debt service. In Fiscal Year (FY) 2017-18, \$795,205 from these revenue sources was realized over what was budgeted to be collected in the General Fund (Fund 101), and per capital financing policy, needs to be transferred to the Capital Financing Fund (Fund 125) where they can be applied to debt service. Per Generally Accepted Accounting Principles (GAAP) the revenues are recorded in the fiscal year that they apply, FY 2017-18. However, it is too late to amend the prior year budget to transfer the over realized funds in the prior fiscal year, therefore these monies have fallen to fund balance within the General Fund for the prior fiscal year (FY 2017-18). A budget amendment transferring these dollar amounts should be approved for the current fiscal year (FY 2018-19) and these monies transferred in the current fiscal year. Thus, the Board is requested to approve Budget Ordinance Amendment No. 19BCC000017 increasing the amount of FY 2018-19 General Fund (Fund 101) fund balance appropriated by \$795,205 and transferring those funds to the Capital Financing Fund (Fund 125).

Revenues per source collected over budgeted amounts:

Article 40: \$176,185

Article 42: \$619,020

Total: \$795,205

Moving these funds from the General Fund to the Capital Financing Fund will not affect the overall fund balance percentage for the General Funds, as both of these funds are accounted for in the overall fund balance percentage.

Alignment With Strategic Plan: This request relates to the following elements of the Durham County Strategic Plan: the effort aligns with Goal 5: Accountable, Efficient, and Visionary Government.

Resource Persons: Keith Lane, Director - Budget and Management

County Manager's Recommendation: The Manager recommends the Board of County Commissioner approve Budget Ordinance Amendment No. 19BCC000017 appropriating \$795,205 of FY 2017-18 General Fund revenue, now residing in FY 2018-19 General Fund fund balance, and transferring it to the Capital

Financing Fund to comply with the County's capital and debt financing policy.

County Manager: _____