

# FORSYTH COUNTY

## BOARD OF COMMISSIONERS

MEETING DATE: DECEMBER 21, 2015 AGENDA ITEM NUMBER: 6

- SUBJECT:**
- A. AMENDMENT TO THE 2012 PAY-GO CAPITAL PROJECTS ORDINANCE
  - B. AMENDMENT TO THE 2013 PAY-GO CAPITAL PROJECTS ORDINANCE
  - C. AMENDMENT TO THE 2015-2016 BUDGET ORDINANCE
  - D. AMENDMENT TO THE 2011 LIBRARY BOND CAPITAL PROJECTS ORDINANCE
  - E. ADOPTION OF THE 2015 PAY-GO CAPITAL PROJECTS ORDINANCE

**COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:**      Recommend Approval

**SUMMARY OF INFORMATION:**

The purpose of this agenda item is to close-out the 2012 and 2013 Pay-Go Capital Projects Ordinances and transfer any outstanding projects and residual funds from completed projects resulting in savings once bid therein to establish the 2015 Pay-Go Capital Projects Ordinance. In addition, the 2015-2016 Budget Ordinance will be amended to appropriate fund balance into the General Fund for additional projects to be authorized by the Board of Commissioners. Lastly, the 2011 Library Bonds Capital Projects Ordinance is amended to accept a transfer of General Fund fund balance for the purpose of avoiding the issuance of the remaining bonds.

The year-end Financial Audit results as well as the fund balance policy change from 16% to 14% resulted in \$16,070,954 available for debt avoidance, positive return on investment, and capital projects. The Board has already approved using \$7,080,500 of this funding for economic development projects as well as the establishment of the Library Debt Leveling Plan. This reduces the amount of Pay-Go funding to \$8,990,454.

The 2012 and 2013 Pay-Go CPOs will be closed out and two incomplete projects will move forward, along with the project savings and other revenue, to the 2015 Pay-Go CPO. The projects being moved from the 2012 and 2013 Pay-Go Capital Project Ordinances have been approved by the Board and are either in-progress or are being reviewed.

In order to fund the projects in this agenda item, it is recommended to use \$868,745 from the repayment of the CenterPoint loan and \$29,877.76 of Capital Maintenance reserve funding to fund projects listed below.

The FY 2015-2016 Budget Ordinance, Section 12, outlined several projects for possible Pay-Go funding. Because of new priorities, some of those projects will not be funded with this round of Pay-Go dollars. Each project, unless already authorized to proceed, will be brought back before the Board prior to moving forward.

Closeout of 2012 & 2013 Pay-Go Capital Projects Ordinances:

**2012 Pay-Go**

Phillips Building Upfit - Level 4	In progress	\$1,936,338.38
Project savings & unallocated interest earnings	Complete	\$241,220.59
<i>Total Transfer to 2015 Pay-Go CPO</i>		<i>\$2,177,558.97</i>

**2013 Pay-Go**

Financial System Upgrade	Not started	\$200,000.00
Hall of Justice Renovations	On hold	\$469,276.00
Project savings & unallocated interest earnings	Complete	\$62,077.65
<i>Total Transfer to 2015 Pay-Go CPO</i>		<i>\$731,153.65</i>

Amendment to 2015-2016 Budget Ordinance

The following projects are recommended to be reserved in the General Fund using the year-end funding available for Pay-Go.

- Whitaker Park \$ 1,650,000
- Bailey Power Plant \$ 3,000,000
- Union Cross Business Park (Building) \$ 2,500,000
- \$ 7,150,000

In order to fund these projects, it is recommended to use \$868,745 from the repayment of the CenterPoint loan and \$29,877.76 of Capital Maintenance reserve funding to fund projects listed below.

The 2015-2016 Budget Ordinance included \$8,000,000 for Economic Development Reserves, however, Board approved projects for Economic Development total \$11,500,000, \$3.5 million more than allowed for in the ordinance.

2011 Library Bonds Capital Projects Ordinance

In 2010, voters approved a \$40 million bond issuance for the renovation or replacement of the Central Library, Kernersville Branch Library, and Clemmons Branch Library. To date, \$34 million of General Obligation bonds have been issued and in an effort to reduce the amount of debt issuance for the libraries, the Board has followed a strategy of using bond premium and potential Pay-Go funding to make up the difference of \$6 million. The \$1,611,451 is half of what is necessary to make up the final portion. The remaining \$1,611,451 would be a priority in terms of potential Pay-Go projects in FY 2017.

2015 Pay-Go Capital Projects Ordinance

The 2015 Pay-Go CPO will include old projects being rolled forward plus several projects from the 2015-2016 Budget Ordinance and new projects that take precedence over some of the projects outlined in Section 12 of the Budget Ordinance.

Overages in the estimated cost of the Probation & Parole project require funds initially set aside for projects to be shifted. Therefore, eliminations and/or reductions to projects outlined in Section 12 of the Budget Ordinance were necessary.

The following projects are recommended for the 2015 Pay-Go Capital Project Ordinance:

	<u>Original Source</u>	<u>Roll Forward or Appropriate</u>	<u>Available Pay-Go \$</u>	<u>2015 Pay-Go</u>
Financial System Upgrade	2013 Pay-Go	\$200,000	\$0.00	\$200,000.00
Phillips Building Project	2012 Pay-Go	\$1,936,338.38	\$1,500,000.00	\$3,436,338.38
Arts Council Downtown Support		\$0	\$400,000	\$400,000.00
				\$4,036,338.38

Projects listed in the Budget Ordinance that are not funded through this action include:

- Elections Equipment Replacements \$1,000,000
- Final Portion - Library Funds \$1,611,451
- Forsyth Technical Community College - Capital Projects \$1,200,000
- WSFC Schools - Capital Maintenance Funds \$2,800,000
- Interagency Communications - Lighting/UPS Equipment \$ 125,000
- Juvenile Video Arraignment Equipment \$ 60,000
- MIS Network Equipment Replacements \$ 400,000
- \$7,196,451

ATTACHMENTS:  Yes  No

SIGNATURE: J. Kendrick Watts, Jr. /s/ COUNTY MANAGER DATE: December 16, 2015

**FORSYTH COUNTY, NORTH CAROLINA  
AMENDMENT TO  
2012 PAY-GO CAPITAL PROJECTS ORDINANCE**

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FROM: BUDGET & MANAGEMENT

MEETING DATE: December 21, 2015

**EXPLANATION:**

The purpose of this agenda item is to close-out the 2012 Pay-Go Capital Projects Ordinance and transfer any outstanding projects and residual funds from completed projects resulting in savings once bid therein to establish the 2015 Pay-Go Capital Projects Ordinance.

The FY 2015-2016 Budget Ordinance, Section 12, outlined several projects for possible Pay-Go funding. Each project, unless already authorized to proceed, will be brought back before the Board prior to moving forward. In addition, projects moved from the 2012 Pay-Go Capital Project Ordinance have been approved by the Board and are either in-progress or are being reviewed.

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BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF FORSYTH COUNTY THAT THE 2012 PAY-GO CAPITAL PROJECTS ORDINANCE IS HEREBY AMENDED AS FOLLOWS:

INCREASE:	<u>REVENUES</u>	
	EARNINGS ON INVESTMENTS	\$ 19,840.02
	OTHER REVENUES	<u>\$ 47,358.68</u>
		<u>\$ 67,198.70</u>

DECREASE:	<u>SECTION 2. AUTHORIZATION FOR PROJECTS AND APPROPRIATION OF FUNDS.</u>	
	GOVERNMENT CENTER LEVEL 5 UPFIT	\$ 10,951.29
	PHILLIPS BUILDING LEVEL 4 UPFIT	\$1,936,338.38
	GOVERNMENT CENTER UPFIT	\$ 163,070.60
		<u>\$2,110,360.27</u>

INCREASE:	<u>SECTION 2. AUTHORIZATION FOR PROJECTS AND APPROPRIATION OF FUNDS.</u>	
	Transfer to the 2015 Pay-Go CPO	<u>\$2,177,558.97</u>

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NATURE OF TRANSACTION:	APPROVED BY BOARD OF COUNTY COMMISSIONERS AND ENTERED ON
<input type="checkbox"/> Additional Revenue Available	MINUTES DATED _____
<input type="checkbox"/> Transfer within Accounts of Same fund	AGENDA ITEM NUMBER _____
<input checked="" type="checkbox"/> Other: Close-out CPO & Transfer Projects & Residual Equity to 2015 Pay-Go CPO	

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**FORSYTH COUNTY, NORTH CAROLINA  
AMENDMENT TO  
2013 PAY-GO CAPITAL PROJECTS ORDINANCE**

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FROM: BUDGET & MANAGEMENT

MEETING DATE: December 21, 2015

**EXPLANATION:**

The purpose of this agenda item is to close-out the 2013 Pay-Go Capital Projects Ordinance and transfer any outstanding projects and residual funds from completed projects resulting in savings once bid therein to establish the 2015 Pay-Go Capital Projects Ordinance.

The FY 2015-2016 Budget Ordinance, Section 12, outlined several projects for possible Pay-Go funding. Each project, unless already authorized to proceed, will be brought back before the Board prior to moving forward. In addition, projects moved from the 2013 Pay-Go Capital Project Ordinance have been approved by the Board and are either in-progress or are being reviewed.

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**BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF FORSYTH COUNTY THAT THE 2013 PAY-GO CAPITAL PROJECTS ORDINANCE IS HEREBY AMENDED AS FOLLOWS:**

INCREASE:	<u>REVENUES</u>	
	EARNINGS ON INVESTMENTS	<u>\$ 5,126.10</u>

DECREASE:	<u>SECTION 2. AUTHORIZATION FOR PROJECTS AND APPROPRIATION OF FUNDS.</u>	
	Pay-Go - Not Project Related	\$ .03
	Financial System Upgrade	\$ 200,000.00
	Human Services Capital Repairs	\$ 10,635.21
	EAD Building Renovation	\$ 7,790.98
	Geo Data Explorer Intranet	\$ 5,855.15
	Hall of Justice Renovations	\$ 469,276.00
	GS Maintenance Equipment Replacements	\$ 100.00
	P&R Maintenance Equipment Replacements	\$ 10.68
	Conservation Project	\$ 32,359.50
		<u>\$726,027.55</u>

INCREASE:	<u>SECTION 2. AUTHORIZATION FOR PROJECTS AND APPROPRIATION OF FUNDS.</u>	
	Transfer to the 2015 Pay-Go CPO	<u>\$731,153.65</u>

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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: Close-out CPO & Transfer Projects & Residual Equity to 2015 Pay-Go CPO	

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**2015 Pay-Go  
Capital Projects Ordinance**

Be It Ordained by the Forsyth County Board of Commissioners:

Section 1. Revenue.

The following revenues are hereby made available by the closing of the 2012 and 2013 Pay-Go Capital Projects Ordinances and re-appropriating the unused funds and/or residual projects to the 2015 Pay-Go Capital Projects Ordinance, as well as a transfer from the General Fund.

Transfer from the 2012 Pay-Go Capital Projects Ordinance	\$2,177,558.97
Transfer from the 2013 Pay-Go Capital Projects Ordinance	\$ 731,153.65
Transfer from the General Fund	\$1,127,625.76
Total	<u>\$4,036,338.38</u>

Section 2. Authorization for Projects and Appropriation of Funds.

Be It Ordained that the following projects are hereby authorized in concept and the following amounts are hereby appropriated for capital renovations and purchase of equipment for the following projects, subject to review by the County Manager, compliance with applicable bidding laws, and final award or authorization by the Forsyth County Board of Commissioners of specific contracts for each project as required by law or the Budget Ordinance; and the County Manager, Clerk to the Board 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 the approval as to form and legality by the County Attorney.

<u>Projects</u>	<u>Cost</u>
Financial System	\$ 200,000.00
Phillips Building Upfit - Level 4 (Probation/Parole)	\$3,436,338.38
Arts Council Downtown Support	\$ 400,000.00
Total	<u>\$4,036,338.38</u>

Section 3. Effective Date.

This ordinance shall become effective upon adoption.

Adopted this 21<sup>st</sup> day of December 2015.