

# REQUEST FOR BOARD ACTION

## HENDERSON COUNTY BOARD OF COMMISSIONERS

**MEETING DATE:** May 17, 2017

**SUBJECT:** Budget Amendments – Debt Service Fund

**PRESENTER:** Amy Brantley, Assistant County Manager

**ATTACHMENTS:** Yes

1. Budget Amendment – Capital Reserve Fund/Debt Service Fund
2. Budget Amendment – Debt Service/Debt Service Fund

### SUMMARY OF REQUEST:

In the FY15 Budget, the Board allocated \$923,463 in funding rolling off debt service, into the Capital Reserve Fund for future capital projects. The Board has continued this practice in subsequent years, but established a Debt Service Fund in FY16 for this purpose. To account for these funds in a central location, Staff requests the Board approve a budget amendment moving the \$923,463 from the Capital Reserve Fund, to the Debt Service Fund.

In FY17, debt service was budgeted for the Innovative High School and GF Linamar purchase. Due to the timing of the financing, full year payments are not due in FY17, leaving \$1,490,131 that staff recommends transferring to the Debt Service Fund to cover these expenditures when they do come due in the coming years.

### BOARD ACTION REQUESTED:

The Board is requested to approve the budget amendments as presented.

#### **Suggested Motion:**

*I move the Board approve a budget amendment transferring \$923,463 from the Capital Reserve Fund into the Debt Service Fund.*

*I further move the Board approve a budget amendment transferring \$1,490,131 from General Fund Debt Service into the Debt Service Fund.*

**LINE-ITEM TRANSFER REQUEST  
HENDERSON COUNTY**



**Department:** Capital Reserve Fund/Debt Service Fund

*Please make the following line-item transfers:*

**What expense line-item is to be increased?**

<b>Account</b>	<b>Line-Item Description</b>	<b>Amount</b>
<u>215400 - 598050</u>	<u>Transfer to Debt Service Fund</u>	<u>\$923,463</u>
<u>505980 - 571000</u>	<u>Debt Service Principal &amp; Interest</u>	<u>\$923,463</u>
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**What expense line-item is to be decreased? Or what additional revenue is now expected?**

<b>Account</b>	<b>Line-Item Description</b>	<b>Amount</b>
<u>214400 - 401000</u>	<u>Fund Balance Appropriated</u>	<u>\$923,463</u>
<u>504980 - 402100</u>	<u>Transfer from Capital Reserve Fund</u>	<u>\$923,463</u>
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**Justification:** *Please provide a brief justification for this line-item transfer request.*  
 Transfers funds from the Capital Reserve Fund into the Debt Service Fund, for use for future debt service.  
 Approved by the Board of Commissioners January 17, 2017.

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 Authorized by Department Head

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 Date

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 Authorized by Budget Office

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 Date

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 Authorized by County Manager

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 Date

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**LINE-ITEM TRANSFER REQUEST  
HENDERSON COUNTY**



**Department:** Debt Service/Debt Service Fund

Please make the following line-item transfers:

**What expense line-item is to be increased?**

Account	Line-Item Description	Amount
<u>505980 - 571000</u>	<u>Debt Service Principal &amp; Interest</u>	<u>\$1,490,131</u>
<u>115980 - 598050</u>	<u>Transfer to Debt Service Fund</u>	<u>\$1,490,131</u>
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**What expense line-item is to be decreased? Or what additional revenue is now expected?**

Account	Line-Item Description	Amount
<u>504980 - 403500</u>	<u>Transfer from General Fund</u>	<u>\$1,490,131</u>
<u>115913 - 571005</u>	<u>2016 Series LOBS - Principal</u>	<u>\$1,180,000</u>
<u>115913 - 572005</u>	<u>2016 Series LOBS - Interest</u>	<u>\$12,205</u>
<u>115911 - 574001</u>	<u>Innovative High School - Interest</u>	<u>\$297,564</u>
<u>115911 - 538100</u>	<u>Professional Services</u>	<u>\$362</u>
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**Justification:** *Please provide a brief justification for this line-item transfer request.*  
 Transfers funds from the General Fund into the Debt Service Fund, for use for future debt service.  
 Approved by the Board of Commissioners January 17, 2017.

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