

FORSYTH COUNTY

BOARD OF COMMISSIONERS

MEETING DATE: AUGUST 10, 2015 AGENDA ITEM NUMBER: 3

SUBJECT: AMENDMENT TO SECTION 5 OF THE FY 2015-2016 BUDGET ORDINANCE TO ESTABLISH THE 2015 LIBRARY DEBT LEVELING PLAN

COUNTY MANAGER'S RECOMMENDATION OR COMMENTS: Recommend Approval

SUMMARY OF INFORMATION:

See attached

ATTACHMENTS: YES NO

SIGNATURE: *J. Kendrick Watts, Jr. /cdh* DATE: August 5, 2015
COUNTY MANAGER

**FORSYTH COUNTY, NORTH CAROLINA
AMENDMENT TO SECTION 5 OF THE
FY 2015-2016 BUDGET ORDINANCE
TO ESTABLISH THE 2015 LIBRARY DEBT LEVELING PLAN**

FROM: BUDGET & MANAGEMENT

MEETING DATE: August 10, 2015

EXPLANATION:

The Forsyth County staff recommends the establishment of a Library Debt Leveling Plan that reserves ad valorem property tax revenue to pay current and future debt service requirements for bonds approved by voters in a 2010 referendum for Library construction purposes.

In the FY 2014-2015 budget, the debt service expenditures for the 2014 Library Bonds, for which the 2015 Library Debt Leveling Plan is recommended, were less than the appropriation, which created savings in the amount of \$2,730,500. The Chief Financial Officer is directed to establish this reserve at June 30, 2015.

Using the \$2,730,500 in debt service savings to fund the 2015 Library Debt Leveling Plan will reduce the impact on the ad valorem property tax rate needed to fund debt service expenditures for the life of the 2014 Library Bond Issuance through FY 2032-2033.

To adequately fund the 2015 Library Debt Leveling Plan, additional revenue from six tenths (0.6) cents of the ad valorem property tax rate should be designated to the said plan.

SECTION 5. AD VALOREM TAX LEVY. There is hereby levied for the fiscal year 2015-16 an ad valorem property tax on all property having a situs in Forsyth County as listed for taxes as of January 1, 2015, at a rate of \$0.7310 on each one hundred dollars (\$100) assessed value of such property pursuant to and in accordance with the Machinery Act of Chapter 105 of the North Carolina General Statutes and other applicable laws. Property shall be assessed at one hundred percent (100%) of its true value. The estimated revenues from the ad valorem property tax set out in Section 1 of this ordinance are based on an estimated collection rate during the 2015-2016 fiscal year of ninety-eight and forty-three hundredths percent (98.43%) of the levy. Three and three tenths (3.3) cents of the \$0.7310 is designated solely for the 2006 Education Debt Leveling Plan, one and twenty-one hundredths (1.21) cents of the \$0.7310 is designated solely for the 2008 Education Debt Leveling Plan, **six tenths (0.6) cents of the \$0.7310 tax rate is designated solely for the 2015 Library Debt Leveling Plan**, and the Chief Financial Officer is hereby directed to designate such funds in fund balance at the end of the fiscal year including any interest earned thereon.

NATURE OF TRANSACTION:

- Additional Revenue Available
 - Transfer within Accounts of Same fund
 - Other: Establishment of LIBLAP
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APPROVED BY BOARD OF COUNTY
COMMISSIONERS AND ENTERED ON
MINUTES DATED _____
AGENDA ITEM NUMBER _____