

Item Title: FY 2018 Budget Revisions Corrections

Specific Action Requested:

That the Board of Commissioners approves budget corrections to the FY 2018 Debt Service Fund and Wake Tech Capital Fund as described below.

Item Summary:

Purpose: In compliance with the *North Carolina Local Government Budget and Fiscal Control Act* (G.S. 159, Article 3), Wake County is required to maintain a balanced budget covering the fiscal year beginning July 1 and ending June 30 for all governmental and proprietary funds except funds authorized by project ordinances.

Background: In the agenda item for the FY2018 Budget Revisions at the June 18, 2018 Board of Commissioners meeting, one of the components was a transfer between funds.

“Transfer \$1,946,150 of General Obligation Bond Series 2013B premium and interest from the debt service fund to the WTCC capital projects fund, and transfer to the debt service fund \$1,946,150 of cash funding from the WTCC capital projects fund. Per IRS regulations, after the capitalized interest period, any remaining premium must be spent on capital projects.”

The table inaccurately presented the budget action required to facilitate the redistribution of bond premium; the attached budget documents properly reflect the action required in the financial system.

Board Goal: This Board action supports routine County business.

Fiscal Impact: The fiscal impact of the requested amendments is to properly reflect the budget for the Debt Service and Wake Tech Capital funds and ensure IRS compliance regarding the use of bond premium proceeds.

Attachments:

1. Budget Memo: Debt Service Fund
2. Budget Resolution: Wake Tech Capital Fund