### FORSYTH COUNTY



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#### **BOARD OF COMMISSIONERS**

MEETING DAT	E. February 20, 2019		AGE	NDATIEM NUMBER: _	
SUBJECT:	AMENDMENT TO APPROPRIATE B				
COUNTY MANAGER'S RECOMMENDATION OR COMMENTS:					
SUMMARY	OF INFORMATION	:			
Projects Ordinand the Childrand sale of severa	2016, the Forsyth Counance to assist with the ren's Museum of Win al county assets as wordinget of \$17,340,000.	e construction of a ne ston-Salem.  The Ca	ew family museur pital Projects Or	m facilitated by the m dinance was to be fu	nerger of SciWorks unded through the
Carolina Cultu	t two years, revenue ural Resources Muse ding), the sale of the	um, the sale of Cour	nty-owned proper	rty located at 537 No	
change of sco forward imme sale of County a sale of Cour	al budget for the Kale ope has increased th diately, without furthe y-owned property prio nty-owned property af n limited obligation bo	e cost of the project r sales of surplus pro r to the sale of bonds ter the sale of bonds	t to \$30,316,000 operty, is to issue s, the amount to l	. One solution to me limited obligation be be issued could be re	noving this project onds. If there is a educed. If there is
The estimated the bonds are	d debt service for a \$2 issued.	25,000,000 bond sale	is .656 cents for	<sup>-</sup> Fiscal Year 2021 de	epending on when
account for the received. The being inserted Construction	item would amend the \$25,000,000 in bonese adjustments would to define when the Manager at Risk to her received or pledge	d proceeds and adju ld bring the total pro County would execu begin construction	sting other rever bject budget to \$ te a Guaranteed	nue line-items to refle 30,500,000. Additio I Maximum Price Am	ect actual revenue mally, language is nendment with the
ATTACHMENT	S: X YES	NO			
SIGNATURE:	,	COUNTY MANAGER		DATE:	

# FORSYTH COUNTY, NORTH CAROLINA AMENDMENT TO 2016 KALEIDEUM CAPITAL PROJECTS ORDINANCE

FROM: BUDGET & MANAGEMENT MEETING DATE: February 28, 2019

#### **EXPLANATION:**

On June 27, 2016, the Forsyth County Board of Commissioners adopted the 2016 New Family Museum Capital Projects Ordinance to assist with the construction of a new family museum facilitated by the merger of SciWorks and the Children's Museum of Winston-Salem. The Capital Projects Ordinance was to be funded through the sale of several county assets as well as fund previously set aside for a building in Union Cross Business Park with a total budget of \$17,340,000.

Over the past two years, revenue has been realized for this CPO through a \$1,000,000 grant from the North Carolina Cultural Resources Museum, the sale of County-owned property located at 537 North Spruce Street (Old EAP Building), the sale of the Springwood Convalescent beds, and Interest Earnings.

While the initial budget for the Kaleideum project was estimated at \$17,340,000, the cost of construction and change of scope has increased the cost of the project to \$30,316,000. One solution to moving this project forward immediately, without further sales of surplus property, is to issue limited obligation bonds. If there is a sale of County-owned property prior to the sale of bonds, the amount to be issued could be reduced. If there is a sale of County-owned property after the sale of bonds, the amount could be used to offset the debt service of the Kaleideum limited obligation bonds.

The estimated debt service for a \$25,000,000 bond sale is .656 cents for Fiscal Year 2021 depending on when the bonds are issued.

This agenda item would amend the 2016 Kaleideum Capital Projects Ordinance by adjusting the revenue to account for the \$25,000,000 in bond proceeds and adjusting other revenue line-items to reflect actual revenue received. These adjustments would bring the total project budget to \$30,500,000.

## BE IT ORDAINED BY THE FORSYTH COUNTY BOARD OF COMMISSIONERS THAT THE 2016 KALEIDEUM CAPITAL PROJECTS ORDINANCE IS HEREBY AMENDED AS FOLLOWS:

INCREASE: SECTION 1. REVENUE.

 Bond Proceeds
 \$25,000,000

 Sale of Real Property
 \$ 1,700,000

 Interest Earnings
 \$ 100,000

 \$25,000,000
 \$ 26,800,000

DECREASE: <u>SECTION 1. REVENUE</u>

 Sale of Surplus Property
 \$12,800,000

 Other Sales
 \$ 1,000,000

 Special Gifts
 \$ 340,000

 \$14,140,000

Section 2. Authorization for Project and Appropriation of Funds.

Be It Ordained that the following project is hereby authorized in concept and the following amounts are hereby appropriated for Kaleideum, 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 portion of the project as required by law of the Budget Ordinance; Forsyth County will not execute the Guaranteed Maximum Price Amendment with the Construction Manager at Risk to begin construction of the new museum building until Kaleideum has raised \$8,000,000 in verifiable donations, either received or pledged; and the County Manager, Clerk to the Board and County 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.

**INCREASE:** 

SECTION 2. AUTHORIZATION FOR PROJECT

AND APPROPRIATION OF FUNDS

Capital Outlay - B/O

\$12,660,000

NATURE OF TRANSACTION:
APPROVED BY BOARD OF COUNTY
COMMISSIONERS AND ENTERED ON
MINUTES DATED
Same fund
AGENDA ITEM NUMBER

Other: Appropriate Bond Proceeds and Adjust Other Revenue Sources