

City Council – Action Request Form

Date: June 9, 2025

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Scott Tesh, Budget and Performance Management Director

Council Action Requested:

Ordinance Amending the Fiscal Year 2024-25 Budget Ordinances for the City of Winston-Salem, North Carolina

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City's Financial Strength

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

The proposed amendment to the Fiscal Year 2024-25 budget ordinance authorizes adjustments for the following purposes.

Appropriation of Grants and Other Revenues Received

- ☐ The Police Department has received additional state-controlled substance tax receipts from the Office of the State Auditor totaling \$102,720 and investment income totaling \$16,500. These funds would be used for the purchase of equipment. Future equipment purchases could include items such as safety gear, surveillance equipment, computer software and hardware, and other IT needs.
- ☐ The proposed amendment appropriates \$60,320 in contributions from businesses and individuals received during the fiscal year to support the Recreation and Parks Department's programs and centers.

Committee Action:

Committee	Committee of the Whole	Action	Approval
	06/09/2025		

For	Unanimous	Against	

Remarks:

- The amount of program income generated from the City's Community Development Block Grant (CDBG) fund and HOME Investment Partnership (HOME) fund for program year 2024-25 exceeded budgeted estimates by \$300,000 and \$200,000 respectively. The proposed amendment appropriates the additional CDBG program income for housing rehabilitation. HOME program income would be appropriated for multifamily housing initiatives.
- In 2021, HUD's Office of Community Planning and Development (CPD) allocated \$5 billion appropriated by the American Rescue Plan Act (ARP) of 2021 to HOME Investment Partnerships Program participating jurisdictions. While conducting recent quality control efforts, the Department discovered an administrative error in the allocations of the HOME-ARP funds. This error resulted in the City inadvertently being allocated less HOME-ARP funds than it was legally entitled to receive. The proposed amendment appropriates an additional \$7,340 in HOME-ARP funds.
- On May 13, 2025, a fire occurred in a storage closet near the kitchen of Truist Ballpark. Sprinklers were able to minimize the damage from the fire, but water from the sprinklers caused additional damage. The proposed amendment appropriates \$300,000 in property insurance proceeds and \$100,000 in Ballpark Fund Balance to cover the insurance deductible.
- In February 2025, the NASCAR Clash was held at Bowman Gray Stadium which was nationally televised with an audience of over 3 million viewers. As a result of the event, the City brought in \$210,100 in revenue from concessions, parking, facility rental, and reimbursements. Expenses related to the event totaled \$164,880 resulting in net income of \$45,220. The proposed amendment appropriates the revenues received from the event to cover expenses.

Technical Adjustment for WSTA CARES Act Funds

- The City of Winston-Salem approved the appropriation of the Federal Transit Administration (FTA) Program Section 5307 CARES Act Fund in April 2020. There are funds of \$24,820 that remain unspent. This amendment is a technical adjustment reappropriating \$24,820 of FY 20 Section 5307 CARES Act grant funds to be used for capital preventative maintenance.

Technical Adjustment for Accounting Practices at the Benton Convention Center

- The City has a management agreement with Hospitality Ventures Management Group (HVMG) to manage the daily operations of the Benton Convention Center. Due to an

accounting change, the City is now required to record the gross revenues and expenses that HVMG incurs in operating the convention center. In a record-breaking year, the Benton is projected to exceed budgeted revenues and expenses for the fiscal year. The proposed amendment appropriates an additional \$1.1 million in operating revenues and expenses for the remainder of the fiscal year.