



MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Heather Meacham, Finance Director

SUBJECT: Budget Amendment for Installment Financing

DATE: August 22, 2016

Background: During the FY 2016-2017 budget process the Board approved using debt service for financing capital purchases identified for the General Fund and the Enterprise Fund. Financing was secured with First Citizens and we executed the financing agreement on August 3, 2016 for \$370,000 at 1.86% for 42 months with annual payments. An escrow account was established for the loan proceeds.

The attached budget amendment would appropriate the funds received from the proceeds of the debt financing for the capital purchases.

Action Requested: That the Board of Commissioners adopt the attached budget ordinance amending the FY 16/17 operating budget to appropriate funds recognizing revenue received and the associated expenditures.

ORDINANCE AMENDING THE
TOWN OF PITTSBORO
2016-2017 OPERATING BUDGET

Be It Ordained by the Board of Commissioners of the Town of Pittsboro in regular session assembled on the 22nd day of August, 2016.

Section 1. That the following **GENERAL FUND REVENUE ITEM** be increased by the amounts indicated:

10-3800-000	LOAN PROCEEDS	\$294,400.00
TOTAL		\$294,400.00

Section 2. That the following **GENERAL FUND EXPENDITURE ITEMS** be increased by the amount indicated:

10-4200-740	CAPITAL OUTLAY – EQUIPMENT	\$42,600.00
10-5100-740	CAPITAL OUTLAY – EQUIPMENT	\$180,000.00
10-5400-740	CAPITAL OUTLAY – EQUIPMENT	\$71,800.00
TOTAL		\$294,400.00

Section 3. That the following **ENTERPRISE FUND REVENUE ITEM** be increased by the amount indicated:

30-3800-000	LOAN PROCEEDS	\$75,600.00
TOTAL		\$75,600.00

Section 4. That the following **ENTERPRISE FUND EXPENDITURE ITEMS** be increased by the amount indicated:

30-8100-740	CAPITAL OUTLAY – EQUIPMENT	\$47,000.00
30-8300-740	CAPITAL OUTLAY – EQUIPMENT	\$28,600.00
TOTAL		\$75,600.00

Adopted this 22nd day of August, 2016.

Cindy S. Perry, Mayor

ATTEST:

Alice F. Lloyd, CMC, NCCMC, Town Clerk