



MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Nancy Emslie, Finance Director

SUBJECT: Budget Amendment for Installment Financing

DATE: September 23, 2015

Background: During the FY 2015-2016 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 BB&T and we executed the financing agreement on September 16, 2015 for \$210,000.00 at 1.88% for four (4) years with semi-annual payments. An escrow account was established for the loan proceeds. The utility trucks, backhoe and filter backwash pump have been ordered and we will need to draw down the funds.

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 15/16 operating budget to appropriate funds recognizing the revenue received and the associated expenditures.

ORDINANCE AMENDING THE
TOWN OF PITTSBORO
2015-2016 OPERATING BUDGET

Be it ordained by the Board of Commissioners of the Town of Pittsboro in regular session assembled on the 27th day of April, 2015.

Increase of Public Works Budget

Section 1. That the following **GENERAL FUND SPECIAL REVENUES** be increased by the amount indicated:

10-3800-000	Loan Proceeds	\$107,000.00
TOTAL		\$107,000.00

Section 2. That the following **PUBLIC WORKS DEPARTMENT EXPENDITURES** be increased by the amount indicated:

10-5400-740	Capital Outlay – Equipment	\$107,000.00
TOTAL		\$107,000.00

Increase of Water Treatment Plant & Public Utilities Budget

Section 1. That the following **ENTERPRISE FUNDS SPECIAL REVENUES** be increased by the amount indicated:

30-3800-000	Loan Proceeds	\$103,000.00
TOTAL		\$103,000.00

Section 2. That the following **WATER TREATMENT PLANT DEPARTMENT & PUBLIC UTILITIES DEPARTMENT EXPENDITURES** be increased by the amount indicated:

30-8100-740	Capital Outlay – Equipment	\$55,000.00
30-8300-740	Capital Outlay – Equipment	\$48,000.00
TOTAL		\$103,000.00

Adopted this 28th day of September, 2015.

William G. Terry, Mayor

ATTEST:

Alice F. Lloyd, CMC, NCCMC, Town Clerk