

MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: Mandy Cartrette, Finance Officer

SUBJECT: Budget Amendment for Unemployment Charges

DATE: January 22, 2014

The attached budget amendment would appropriate additional funds to Town departments to cover unemployment expenditures that the Town must pay to the NC Employment Security Commission.

Effective with the 2013/2014 fiscal year, the Town was required by the NC General Assembly to begin maintaining a reserve that equals 1 percent of unemployment insurance taxable wages. We are required to make a quarterly payment to the NCESC to build this reserve. Please see the attached memo from the NC League of Municipalities for a complete explanation.

This expenditure was not budgeted in the FY 2013/2014 budget, so the Town needs to adopt a budget amendment to appropriate additional funds for unemployment charges.

In addition, please be aware that these charges will be budgeted in the FY 2014/2015 budget.

RECOMMENDATION

That the Board of Commissioners adopt the attached budget ordinance amending the FY 13/14 operating budget to appropriate funds for unemployment charges.

ORDINANCE AMENDING THE
TOWN OF PITTSBORO
2013-2014 OPERATING BUDGET

Be it ordained by the Board of Commissioners of the Town of Pittsboro in regular session assembled on the 27th day of January, 2014.

Appropriation of Funds for Unemployment Charges

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

103990010	Fund Balance Appropriated	\$5,600.00
TOTAL		\$5,600.00

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

104200080	Unemployment Compensation	\$1,350.00
104800080	Unemployment Compensation	300.00
104900080	Unemployment Compensation	450.00
105100080	Unemployment Compensation	2,800.00
105400080	Unemployment Compensation	700.00
TOTAL		\$5,600.00

Section 3. That the following **WATER AND SEWER FUND REVENUE** be increased by the amount indicated:

303990010	Fund Balance Appropriated	\$ 4,100.00
TOTAL		\$4,100.00

Section 4. That the following **WATER AND SEWER FUND EXPENDITURES** be increased by the amount indicated:

307200080	Unemployment Compensation	\$ 250.00
308100080	Unemployment Compensation	1,450.00
308200080	Unemployment Compensation	1,000.00
308300080	Unemployment Compensation	1,400.00
TOTAL		\$4,100.00

Adopted this 27th day of January, 2014.

William G. Terry, Mayor

ATTEST:

Alice F. Lloyd, CMC, NCCMC, Town Clerk