

BOARD OF ALDERMEN

ITEM NO. B(2)

AGENDA ITEM ABSTRACT MEETING DATE: November 19, 2002

TITLE: A Request to Adopt a Budget Ordinance

DEPARTMENT: Management Services	PUBLIC HEARING: YES ____ NO <u>x</u>
ATTACHMENTS: Attachment A: Budget Ordinance	FOR INFORMATION CONTACT: L. Bingham Roenigk, 918-7300

PURPOSE:

A budget amendment is required to distribute dependent health insurance and service level benefits approved in the FY02-03 budget on July 1 and to appropriate funds from reserved fund balance set aside for projects, purchase orders, and contractual commitments that remained unperformed at the end of the year in FY01-02.

INFORMATION

At year-end, the Town is required by state statute to reserve a portion of fund balance for outstanding purchase orders for which all of the goods or services have not been received or performed. Following the audit, the Town appropriates fund balance to cover the cost of these purchase orders. The annual audit report shows that \$271,451 was reserved for encumbrances.

The Board also authorized the Town Manager, on June 25, 2002, to set aside funds for uncompleted projects totaling \$11,628 for completion of renovations within the Fire Department and playgrounds at Wilson and Anderson Parks.

ADMINISTRATION'S RECOMMENDATION

Approve the budget ordinance appropriating funds for prior year encumbrances, reserves, and benefit adjustments approved in the FY02-03 budget.