



## Staff Report

Department: Administration  
Staff contact: Eric Hardy, Town Administrator  
Agenda title: Consideration of FY 2021 Budget Amendment  
Requested action: Approve Resolution

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### SUMMARY

During the July 2020 meeting of the Board of Commissioners, the board gave tacit approval to hire a Planning Director. A competitive selection process followed and subsequently resulted in a hiring decision.

This amendment to the current year's operating budget accomplishes three objectives:

1. Appropriates funds for the new hire and the existing Planner position (salary, benefits, related expenditures)
2. Establishes budgetarily a Planning and Zoning department through the segregation of these appropriations
3. Recognizes the reduction in FY 2021 debt service requirements related to the GO Bonds (previous agenda item)

Because the anticipated reduction in debt service exceeds the amount needed for the Planning and Zoning function, I propose that the difference of \$123,511 be set aside for discretionary spending as needed during the current year. NC General Statute 159-13(b)(3) outlines the requirements for a "contingency" budget:

- a maximum appropriation of 5% of all appropriations may be set aside as "contingency"
- a budget amendment approved by the board is required for any use of contingency
- authority may be delegated by the board to the budget officer (Town Administrator) to determine proper uses of contingency

Approval of this budget amendment will establish a contingency budget of \$123,511 in the current year's budget.

### STAFF RECOMMENDATION

Staff recommends approval of the budget amendment.