



RESOLUTION

Authorizing the Town to Reimburse Itself for Early Expenditures – NC 86 North Facility Project

WHEREAS, the town intends to undertake a project (as described below), use its own funds to pay initial project costs, and then reimburse itself from financing proceeds for these early expenditures; and

WHEREAS, the town manager and the finance officer have advised the town board to adopt this resolution to document the town's plans for reimbursement, so as to comply with federal tax rules relating to reimbursements from financing proceeds; and

NOW, THEREFORE, be it resolved by the Hillsborough Board of Commissioners as follows:

- The project is for the renovation and general improvement of the NC 86 North Fleet Maintenance Facility, as previously discussed with the town board.
- The town intends to advance funds for initial project costs and then reimburse itself from financing proceeds. The expected type of financing for the project (which is subject to change) is installment financing under Section 160A-20 of the North Carolina General Statutes. The expected maximum amount of financing expected for the project (including allowances for reserves and financing costs) is currently estimated as approximately \$4,500,000.
- Funds for the early project expenditures may come from the town's General Fund or any other appropriate town fund.
- The town intends that the adoption of this resolution is a declaration of its official intent to reimburse itself from financing proceeds for project cost expenditures.

Approved this 14th day of April of the year 2025.

Mark Bell, Mayor
Town of Hillsborough

Attestation:

Sarah Kimrey, Town Clerk