

**A RESOLUTION TO ESTABLISH AND MAINTAIN
A CAPITAL RESERVE FUND FOR THE TOWN OF WEAVERVILLE**

WHEREAS, under North Carolina General Statute 159-18 the Town is authorized to establish and maintain a capital reserve fund for any purposes for which the Town may issue bonds; and

WHEREAS, the Council members deem it is in the best interest of the Town of Weaverville and its citizens to establish a capital reserve to fund anticipated capital improvements; and

WHEREAS, the capital reserve fund will be used in conjunction with a multi-year capital improvement program to be reviewed annually during the Town's budget process;

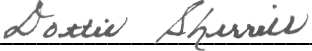
THEREFORE, BE IT RESOLVED BY THE TOWN OF WEAVERVILLE, NORTH CAROLINA, ACTING THROUGH ITS COUNCIL MEMBERS, THAT:

1. A Capital Reserve Fund is hereby created as allowed under N.C. Gen. Stat. § 159-18. The Capital Reserve Fund shall remain open and accumulate funds for a period not to exceed five years unless renewed by Town Council.
2. The Capital Reserve Fund is established to provide funds for anticipated capital improvements as identified in a five-year capital improvement program and may include the following:
 - (a) providing facilities for fire fighting and prevention;
 - (b) providing facilities for law enforcement;
 - (c) providing parking facilities;
 - (d) providing parks and recreational facilities;
 - (e) providing public buildings;
 - (f) providing public vehicles;
 - (g) providing solid waste disposal systems;
 - (h) providing storm sewers and flood control facilities;
 - (i) providing water systems;
 - (j) providing industrial parks; and/or
 - (k) providing streets and sidewalks.
3. The Town shall develop a five-year capital improvement program and review it annually during the budget process to determine capital needs.
4. No funds shall be expended from the Capital Reserve Fund without approval by the Town Council.
5. Town Council has appropriated the amount of \$50,000.00 from its 2015/2016 Fiscal Year Budget for deposit into the Capital Reserve Fund and that amount shall be transferred to the Capital Reserve Fund on July 1, 2016.
6. The objective of the Town is to maintain a General Fund available balance of forty percent (40%) of total General Fund revenues for any given fiscal year. Any

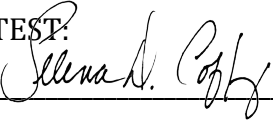
funds in the General Fund exceeding 40% as determined by using the audited June 30 financial statements shall be transferred to the Capital Reserve Fund. Town Council may appropriate and transfer additional funds to the Capital Reserve Fund from time to time and in its discretion. Transfers to the Capital Reserve Fund should be accomplished by amendments to the Capital Reserve Fund Resolution.

7. This resolution shall become effective immediately upon its adoption.

ADOPTED this 20th day of June, 2016.



Dottie Sherrill, Mayor

ATTEST:


Selena D. Coffey

Town Manager/Deputy Town Clerk