



**RESOLUTION OF THE TOWN OF NAGS HEAD  
DECLARING THE INTENTION TO PAY OFF INTERFUND BALANCE  
USING FIRE FACILITY FEE REVENUES**

**WHEREAS,** The Town of Nags Head carries an interfund balance representing a reimbursement of funds collected in the Capital Reserve Fund originally intended to offset the cost of the municipal complex. Instead, these funds were used to pay off the higher interest rate Fire Station debt. This amount is to be paid back from the General Fund to the Capital Reserve Fund with fire facility fee revenues.

**WHEREAS,** The amounts and timing of the repayments will be determined by availability of collected fees and decided by the Board of Commissioners.

**WHEREAS,** The use of appropriations established for Capital Reserve may be accomplished only with the approval of the Board of Commissioners.

**WHEREAS,** Interfund transfers, not established in the budget document, may be accomplished only with prior authorization from the Board.

**WHEREAS,** July 2019 Budget Amendment 1 recorded a transfer of \$16,000 to bring the interfund balance down to \$69,029.

**WHEREAS,** Upon consultation with the Town auditor, it is recommended to continue to bring this balance to zero in the most efficient and transparent way through a resolution approved by the Board declaring the intention to pay off the interfund debt.

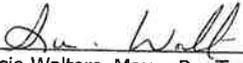
**BE IT HEREBY RESOLVED** by the Board of Commissioners of the Town of Nags Head, North Carolina as follows:

**Section 1.** Any accumulated fire facility fees will be used to repay the interfund balance until paid in full.

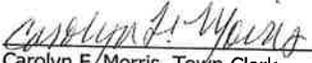
**Section 2.** Once the interfund balance is zero, this resolution will expire, and fire facility fees will accumulate for the purposes for which they are collected in accordance with the Capital Reserve Fund Ordinance and Chapter 10 Article VII of Town Code.

**Section 4.** This Resolution shall become effective immediately upon the date of its adoption.

This the 2<sup>nd</sup> day of October 2019.

  
Susie Walters, Mayor Pro Tem  
Town of Nags Head

ATTEST:

  
Carolyn F. Morris, Town Clerk

