

ATTACHMENT A

A RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN
INSTALLMENT PURCHASE CONTRACT WITH RBC CENTURA BANK TO
FINANCE THE ACQUISITION OF CERTAIN EQUIPMENT FOR USE BY THE TOWN
OF CARRBORO, NORTH CAROLINA, AUTHORIZING THE EXECUTION AND
DELIVERY OF RELATED INSTRUMENTS, AND DETERMINING OTHER
MATTERS IN CONNECTION THEREWITH

Resolution No. 119/2003-04

BE IT RESOLVED by the governing body for the Town of Carrboro, North Carolina (the "Purchaser"):

Section 1. The governing body does hereby find and determine:

- a) The Town of Carrboro proposes the acquisition of certain equipment, which may include fixtures as more fully described in the hereinafter mentioned Contract (collectively, the "Equipment");
- b) After consideration, the governing body has determined that the most advantageous manner of financing thereof is by an installment contract pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended;
- c) Pursuant to said Section 160A-20, the Town of Carrboro is authorized to finance the acquisition of personal property, including fixtures, by installment contracts that create a security interest in the property financed to secure repayment of the financing; and
- d) RBC Centura Bank ("RBC Centura") has proposed that RBC Centura finance the Equipment pursuant to an Installment Purchase Contract between the Purchaser and RBC Centura (the "Contract") and a related Escrow Agreement between the Purchaser and RBC Centura (the "Escrow Agreement").

Section 2. The governing body hereby authorizes and directs L. Bingham Roenigk to execute, acknowledge and deliver the Contract and Escrow Agreement on behalf of the Purchaser in such form and substance as the person executing and delivering such instruments on behalf of the Purchaser shall find acceptable. The Clerk is hereby authorized to affix the official seal of the Town of Carrboro to the Contract and the Escrow Agreement and attest the same.

Section 3. The proper officers of the Purchaser are authorized and directed to execute and deliver any and all papers, instruments, opinions, certificates, affidavits and other documents and to do or cause to be done any and all other acts and things necessary or proper for carrying out this Resolution and the Contract and the Escrow Agreement.

Section 4. Notwithstanding any provision of the Contract or the Escrow Agreement, no deficiency judgment may be rendered against the Purchaser in any action for breach of a contractual obligation under the Contract or the Escrow Agreement and the taxing power of the Purchaser is not and may not be pledged directly or indirectly to secure any moneys due under the Contract, the security provided under the Contract being the sole security for RBC Centura in such instance.

Section 5. The Purchaser covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code") as required so that interest on the Purchaser's obligations under the Contract will not be included in the gross income of RBC Centura.

Section 6. The Purchaser hereby represents that it reasonably expects that it, all subordinate entities thereof and all entities issuing obligations on behalf of the Purchaser will issue in the aggregate less than \$10,000,000 of tax-exempt obligations (not counting private-activity bonds except for qualified 501(c)(3) bonds as defined in the Code) during calendar year 2004. In addition, the Purchaser hereby designates the Contract and its obligations under the Contract as a "qualified tax-exempt obligation" for the purposes of the Code.

Section 7. This Resolution shall take effect immediately upon its passage.

Upon motion of _____, seconded by _____, members of the governing body, the foregoing resolution entitled "**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT PURCHASE CONTRACT WITH RBC CENTURA BANK TO FINANCE THE ACQUISITION OF CERTAIN EQUIPMENT, AUTHORIZING THE EXECUTION AND DELIVERY OF RELATED INSTRUMENTS, AND DETERMINING OTHER MATTERS IN CONNECTION THEREWITH**" was passed by the following vote:

Ayes: _____
_____.

Noes: _____
_____.

PASSED AND ADOPTED this ____ day of _____, _____.

* * * * *

I, _____, Clerk for the Town of Carrboro, North Carolina DO HEREBY CERTIFY that the foregoing has been carefully copied from the actually recorded minutes of the governing body of said Town of Carrboro at a regular meeting held on _____, _____, the record having been made in the minutes of said governing body, and is a true copy of so much of said minutes as relates in any way to the passage of a resolution providing for the authorization of the Installment Purchase Contract referred to therein.

I DO HEREBY FURTHER CERTIFY that a schedule, stating that the regular meetings of the Council are held on _____ of each month at _____ a.m./p.m., respectively, at _____, North Carolina, was on file with me for at least seven calendar days prior to said meeting, all in accordance with G.S. 143-318.12.

WITNESS my hand and corporate seal of said Town of Carrboro, this _____ day of _____, _____.

Clerk, Town of Carrboro

[SEAL]

ATTACHMENT B

AN ORDINANCE AMENDING FY'2003-04 BUDGET ORDINANCE

WHEREAS, the Town Board of the Town of Carrboro on June 24, 2003 adopted the annual budget for the fiscal year beginning July 1, 2003 and ending June 30, 2004 and

WHEREAS, it is appropriate to amend the expense accounts in the funds listed to provide for increased expenses for the reasons stated.

NOW, THEREFORE, BE IT ORDAINED, that in accordance with authority contained in G.S. 159-15, the following expense and revenue accounts are amended as shown and that the total amount for the funds are herewith appropriated for the purposes shown:

FUND	ACCOUNT TITLE	INCREASE (DECREASE)	AMOUNT	FROM	TO
General Fund					
Revenues	Other Financing Sources	DECREASE	(\$101,268)	\$804,128	\$702,860
Expenditures	Police Department	DECREASE	(\$ 11,685)	\$4,123,816	\$2,649,143
	Fire Department	DECREASE	(\$ 554)	\$1,629,327	\$1,629,881
	Public Works	DECREASE	(\$ 127,541)	\$3,530,148	\$3,657,689
	Recreation	INCREASE	\$ 3,250	\$1,271,700	\$1,274,950
	Information Technology	INCREASE	\$ 35,268	\$1,427,726	\$1,462,988

REASON: Amend budgets to reflect installment financing adjustments.

RECOMMENDED BANK:
CENTURA

VEHICLES

BID PROPOSAL CALLED FOR:	LASALLE BANK	BANK OF AMERICA	CENTURA OPTION A	CENTURA OPTION B	WACHOVIA	SUNTRUST	BB&T
INTEREST RATE	2.55%	2.63%	1.91%	2.22%	2.36%	1.97%	2.23%
LOAN TERM	3	3	3	3	3	3	3
PRINCIPAL	\$543,192.00	\$543,192.00	\$543,192.00	\$543,192.00	\$543,192.00	\$543,192.00	\$543,192.00
INTEREST	\$13,733.67	\$14,160.74	\$10,308.93	\$11,969.64	\$12,718.51	\$10,630.62	\$12,023.16
LOAN TOTAL	\$556,925.67	\$557,352.74	\$553,500.93	\$555,161.64	\$555,910.51	\$553,822.62	\$555,215.16
ADDITIONAL COST, ESTIMATED	\$ -	\$ -	\$ 350.00	\$ 350.00	\$ -	\$ 500.00	\$ -
TOTAL COST	\$556,925.67	\$557,352.74	\$553,850.93	\$555,511.64	\$555,910.51	\$554,322.62	\$555,215.16
CLOSING DATE (NO LATER THAN)	04/12/04	03/26/04	03/26/04	03/26/04	03/26/04	03/26/04	03/26/04
PREPAYMENT PENALTY	NA	NA	0.50%	0.00%	NA	NOT ADDRESSED	NA