RESOLUTION R1314-17

A RESOLUTION AUTHORIZING AN INTERFUND LOAN BETWEEN THE HWY 101 SEWER DEBT FUND AND THE SEWER RESERVE, BUILDING RESERVE, AND WATER RESERVE FUNDS AND REPEALING RESOLUTION R1213-14 AND ANY OTHER RESOLUTIONS THAT MAY BE IN CONFLICT

WHEREAS, the City obtained a Clean Water State Revolving Fund loan in 2005 from the Oregon Department of Environmental Quality to make improvements to the main sewer line under Hwy 101; and

WHEREAS, the original loan amount was $1,531,000, at 3.19%, with a 0.50% annual fee for 20 years; and

WHEREAS, current interest rates on savings reserves are less than 0.25%; and

WHEREAS, the Council has determined that it is fiscally responsible to pay off the remainder of the loan debt to DEQ with reserve monies and reimburse the reserve funds at 3%; and

WHEREAS, ORS 294.468 permits interfund loans contingent upon adopting a ordinance or resolution to authorize the loan; and

WHEREAS, the Sewer Reserve, Water Reserve, and Building Reserve Funds have sufficient liquid assets to loan to the Hwy 101 Sewer Debt Fund to pay off the DEQ loan; and

WHEREAS, Resolution R1213-14 authorized the interfund loan but did not comport with the adopted budget document.

NOW, THEREFORE, BE IT RESOLVED that the City of Gold Beach City Council hereby authorizes an interfund loan of $770, 000 between the Hwy 101 Sewer Debt Fund and Sewer Reserve ($462,000), Water Reserve ($154,000) and Building Reserve ($154,000) Funds to be paid back in ten (10) annual installments with an interest rate of 3%. The first payment will be due in FY 2014-2015 and payable August 1, 2014. Loan amortization schedules are attached as EXHIBIT A.

PASSED BY THE CITY COUNCIL OF THE CITY OF GOLD BEACH, COUNTY OF CURRY, STATE OF OREGON, and EFFECTIVE THIS 27TH DAY OF MAY, 2014.

APPROVED BY:

Karl Popoff, Mayor

ATTEST:

Candy Cronberger, City Recorder

Loan Amortization Schedule

EXHIBIT A RESOLUTION R1314-17

Loan from Building Reserve Fund to Hwy 101 Sewer Debt Fund

	Enter values
Loan amount	$ 154,000.00
Annual interest rate	3.00 %
Loan period in years	10
Number of payments per year	1
Start date of loan	7/1/2014
Optional extra payments	$ -

	Loan summary
Scheduled payment	$ 18,053.50
Scheduled number of payments	10
Actual number of payments	10
Total early payments	$ -
Total interest	$ 26,534.98

Lender name: Building Reserve Fund

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	8/1/2014	$ 154,000.00	$ 18,053.50	$ -	$ 18,053.50	$ 13,433.50	$ 4,620.00	$ 140,566.50	$ 4,620.00
2	8/1/2015	140,566.50	18,053.50	-	18,053.50	13,836.50	4,217.00	126,730.00	8,837.00
3	8/1/2016	126,730.00	18,053.50	-	18,053.50	14,251.60	3,801.90	112,478.40	12,638.90
4	8/1/2017	112,478.40	18,053.50	-	18,053.50	14,679.15	3,374.35	97,799.25	16,013.25
5	8/1/2018	97,799.25	18,053.50	-	18,053.50	15,119.52	2,933.98	82,679.73	18,947.22
6	8/1/2019	82,679.73	18,053.50	-	18,053.50	15,573.11	2,480.39	67,106.63	21,427.62
7	8/1/2020	67,106.63	18,053.50	-	18,053.50	16,040.30	2,013.20	51,066.33	23,440.82
8	8/1/2021	51,066.33	18,053.50	-	18,053.50	16,521.51	1,531.99	34,544.82	24,972.81
9	8/1/2022	34,544.82	18,053.50	-	18,053.50	17,017.15	1,036.34	17,527.67	26,009.15
10	8/1/2023	17,527.67	18,053.50	-	17,527.67	17,001.84	525.83	0.00	26,534.98

Loan Amortization Schedule

EXHIBIT A RESOLUTION R1314-17

Loan from Sewer Reserve Fund to Hwy 101 Sewer Debt Fund

	Enter values
Loan amount	$ 462,000.00
Annual interest rate	3.00 %
Loan period in years	10
Number of payments per year	1
Start date of loan	7/1/2014
Optional extra payments	$ -

	Loan summary
Scheduled payment	$ 54,160.49
Scheduled number of payments	10
Actual number of payments	10
Total early payments	$ -
Total interest	$ 79,604.94

Lender name: Sewer Reserve Fund

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	8/1/2014	$ 462,000.00	$ 54,160.49	$ -	$ 54,160.49	$ 40,300.49	$ 13,860.00	$ 421,699.51	$ 13,860.00
2	8/1/2015	421,699.51	54,160.49	-	54,160.49	41,509.51	12,650.99	380,190.00	26,510.99
3	8/1/2016	380,190.00	54,160.49	-	54,160.49	42,754.79	11,405.70	337,435.20	37,916.69
4	8/1/2017	337,435.20	54,160.49	-	54,160.49	44,037.44	10,123.06	293,397.76	48,039.74
5	8/1/2018	293,397.76	54,160.49	-	54,160.49	45,358.56	8,801.93	248,039.20	56,841.67
6	8/1/2019	248,039.20	54,160.49	-	54,160.49	46,719.32	7,441.18	201,319.89	64,282.85
7	8/1/2020	201,319.89	54,160.49	-	54,160.49	48,120.90	6,039.60	153,198.99	70,322.45
8	8/1/2021	153,198.99	54,160.49	-	54,160.49	49,564.52	4,595.97	103,634.46	74,918.42
9	8/1/2022	103,634.46	54,160.49	-	54,160.49	51,051.46	3,109.03	52,583.00	78,027.45
10	8/1/2023	52,583.00	54,160.49	-	52,583.00	51,005.51	1,577.49	0.00	79,604.94

Loan Amortization Schedule

EXHIBIT A RESOLUTION R1314-17

Loan from Water Reserve Fund to Hwy 101 Sewer Debt Fund

	Enter values
Loan amount	$ 154,000.00
Annual interest rate	3.00 %
Loan period in years	10
Number of payments per year	1
Start date of loan	7/1/2014
Optional extra payments	$ -

	Loan summary
Scheduled payment	$ 18,053.50
Scheduled number of payments	10
Actual number of payments	10
Total early payments	$ -
Total interest	$ 26,534.98

Lender name: Water Reserve Fund

Pmt No.	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	8/1/2014	$ 154,000.00	$ 18,053.50	$ -	$ 18,053.50	$ 13,433.50	$ 4,620.00	$ 140,566.50	$ 4,620.00
2	8/1/2015	140,566.50	18,053.50	-	18,053.50	13,836.50	4,217.00	126,730.00	8,837.00
3	8/1/2016	126,730.00	18,053.50	-	18,053.50	14,251.60	3,801.90	112,478.40	12,638.90
4	8/1/2017	112,478.40	18,053.50	-	18,053.50	14,679.15	3,374.35	97,799.25	16,013.25
5	8/1/2018	97,799.25	18,053.50	-	18,053.50	15,119.52	2,933.98	82,679.73	18,947.22
6	8/1/2019	82,679.73	18,053.50	-	18,053.50	15,573.11	2,480.39	67,106.63	21,427.62
7	8/1/2020	67,106.63	18,053.50	-	18,053.50	16,040.30	2,013.20	51,066.33	23,440.82
8	8/1/2021	51,066.33	18,053.50	-	18,053.50	16,521.51	1,531.99	34,544.82	24,972.81
9	8/1/2022	34,544.82	18,053.50	-	18,053.50	17,017.15	1,036.34	17,527.67	26,009.15
10	8/1/2023	17,527.67	18,053.50	-	17,527.67	17,001.84	525.83	0.00	26,534.98