

RESOLUTION NO. CLXX

A RESOLUTION AUTHORIZING THE BORROWING OF FUNDS BY THE CITY FROM THE CEMETERY SINKING FUND FOR THE PURPOSE OF PAYING THE CITY'S GENERAL OBLIGATION WATER BOND INDEBTEDNESS DUE FEBRUARY 1, 1974.

WHEREAS, the City's \$440,000 general obligation water bond issue dated February 1, 1971, requires a principal payment of \$15,000 on February 1, 1974, and the interest payment on coupons maturing on that date in the amount of \$10,622.50 for a total required payment of \$25,622.50; and

WHEREAS, the Canby Utility Board has been unable to save any money for the "CANBY WATER BOND FUND" which was required by the terms of said bonds and the City's Resolution No. CVI authorizing the issuance of water bonds which was adopted by the Canby City Council on December 21, 1970; and

WHEREAS, the City's needs for tax revenue for the payment of the bond obligations due February 1, 1974, were not anticipated during the preparation of the City's budget for the current fiscal tax year; and although a tax levy for such purposes was previously authorized by the legal voters of the City of Canby, it was not included in the current budget, and the tax rolls have been completed and extended and turned over to the Clackamas County Sheriff and Tax Collector for collection; and

WHEREAS, it is necessary that the City make arrangements immediately for the necessary funds with which to make the bond payment obligations due February 1, 1974, and budget the required amount for the ensuing fiscal year and for the purpose of refunding an inter-governmental loan of funds for the required bond payments; and

WHEREAS, the City's "CEMETERY SINKING FUND" created by Section 8 of City Ordinance No. 416 enacted July 7, 1958, has sufficient funds on hand for a short-term loan at current deposit rates and to meet the emergency . NOW, THEREFORE,

BE IT RESOLVED that:

1. The City Treasurer and City Recorder shall transfer immediately from the "CEMETERY SINKING FUND" the sum of \$25,622.50 to the "CANBY WATER BOND FUND" for the purpose of paying the City's water bonds dated February 1, 1971, which are to mature February 1, 1974, together with the interest due on the coupons attached thereto, and that the payment of those obligations be made promptly when due.

2. The funds required for the bond payment obligations due February 1, 1974, shall be included in the 1974-75 City Budget and certified to the Clackamas County Tax Assessor for levy outside of the 6% Constitutional limitation which was authorized by the voters of the City of Canby in their approval of a Charter change authorizing the issuance of \$440,000 of general obligation water bonds for the City; and that upon receipt of the tax money in the ensuing fiscal tax year, the City return and redeposit to the "CEMETERY SINKING FUND" the sum of \$25,622.50 together with interest thereon at the rate of 5% per annum from February 1, 1974, until repaid.

Adopted by the Canby City Council at a regular meeting thereof on Monday, January 21, 1974.

ATTEST:

  
J. R. RICHARDSON - City Recorder

  
PAUL N. ROTH - Mayor