



Home of the Tualatin River National Wildlife Refuge

RESOLUTION 2011-088

A RESOLUTION MODIFYING RESOLUTION 2009-017 TO ESTABLISH A REPAYMENT SCHEDULE FOR AN INTERFUND LOAN FROM THE GENERAL FUND TO THE TELECOMMUNICATIONS FUND

WHEREAS, City of Sherwood Resolution 2009-017 authorized a transfer of \$950,000 from the General Fund to the Telecom Fund; and

WHEREAS, the staff report accompanying Resolution 2009-017 stated that the Telecom Fund was to repay the General Fund from its surplus revenue; and

WHEREAS, the transfer was an interfund loan pursuant to ORS 249.460(1) and was intended to finance the costs of capital improvements to the Sherwood Broadband utility (as enumerated in Resolution 2009-017, Attachment A) and ORS 294.460(2)(b), making it a Capital Loan pursuant to ORS 294.460(5)(a); and

WHEREAS, ORS 294.460 (2) requires an Capital Interfund Loan to be repaid within ten (10) years; and

WHEREAS, Resolution 2009-017 did not include a repayment period for the Capital Interfund Loan, and

WHEREAS, the City Council now intends to amend Resolution 2009-017 to include a repayment period consistent with the requirements of ORS 294.460(2)(b); and

WHEREAS, because only a portion of the loan was used for capital improvements, the remainder is treated as an Operations Interfund Loan; and

WHEREAS, the City Council intends to approve a supplemental budget for FY12 to provide for repayment of the Operations Interfund Loan; and

WHEREAS, repayment of both the Capital Interfund Loan and the Operations Interfund Loan are a high priority objective of the Telecom Fund.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. Resolution 2009-017 created an interfund loan of \$950,000 from the General Fund to the Telecom Fund (attached as Attachment A).

Section 2. Resolution 2009-017 is amended to provide that:

- a. The Transfer of \$950,000 is an interfund loan to the Telecom Fund. The loan shall consist of two parts: \$341,177 as an Operations Loan, and \$608,823 as a Capital Loan.
- b. The Capital Loan will be paid back at the LGIP interest rate equal to the rate in effect at the end of each fiscal year and according to the following schedule.

Principle borrowed: \$608,823
Interest rate: Variable Based on End of FY LGIP Rate
Term: 7 years
Annual payment: \$150,000 + Lump Sum at Term (about \$178,500)

Payment #	Date	Beginning balance	Interest Rate	Interest	Cash Payment	Ending balance
	3-6-09	608,823	1.14%	2,207.13	0	611,030
	6-1-10	611,030	0.55%	3,360.67	0	614,391
	6-1-11	614,391	0.50%	3,071.95	0	617,463
	6-1-12	617,463	0.5%	3,087.31	0	620,550
1	6-1-13	620,550	0.5%	3,102.75	150,000	473,653
2	6-1-14	473,653	0.5%	2,368.26	150,000	326,021
3	6-1-15	326,021	0.5%	1,630.11	150,000	177,651
4	6-1-16	177,651	0.5%	888.26	178,539	0

Interest rate for FY12 and beyond is an estimate.

- c. The Operations Loan shall be repaid on a schedule to be approved by the City Council in a Supplemental Budget.

Section 3. This Resolution shall be effective upon its approval and adoption.

Duly passed by the Sherwood City Council this 18th day of October 2011.


Keith S. Mays, Mayor

Attest:


Sylvia Murphy, CMC, City Recorder



RESOLUTION 2009-017

A RESOLUTION ADOPTING THE SUPPLEMENTAL BUDGET AND MAKING APPROPRIATIONS

WHEREAS, supplemental budgets are required:

- when a government receives revenue it did not plan for in its budget and wishes to spend the extra revenue
- occurrences or conditions which were not known at the time the budget was prepared require changes in financial planning

WHEREAS, the following events have occurred:

- the sale of property at 15824 and 15804 SW 1st Street to the URA allowed the City to make the final payment to Bob Jones Inc. for the Cannery property
- Oregon Department of Revenue requires that all negative fund balances be handled by either procuring a loan or transferring money from another fund.

NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:

Section 1. Appropriations for the 2008-09 fiscal year are increased/(decreased) in the following amounts:

General Fund - Sources		General Fund - Uses	
Sale of Fixed Assets	264,000	Capital Outlay	264,000
		Transfers Out	133,187
		Transfers Out	950,000
		Transfers Out	370,000
		Contingency	(1,453,187)
Total Adjustment	264,000	Total Adjustment	264,000

Section 2. This Resolution shall be effective upon its approval and adoption.

Duly passed by the City of Sherwood Council this 3rd day of March 2009.


Keith S. Mays, Mayor

ATTEST:


Sylvia Murphy, City Recorder