City of
## Sherwood
Oregon

*Home of the Tualatin River National Wildlife Refuge*

## RESOLUTION 2024-078

## AUTHORIZING AN INTERFUND LOAN FROM THE COMMUNITY INVESTMENT FUND TO THE BROADBAND FUND

**WHEREAS,** the City of Sherwood is permitted under ORS 294.468 to loan money from one fund to another, provided the loan is authorized by an official resolution; and

**WHEREAS,** the resolution must state the fund from which the loan is made and the fund to which the loan is made, the purpose of the loan, the principal amount of the loan, interest rate and repayment schedule; and

**WHEREAS,** this loan is considered a capital loan and must be repaid in full within 10 years; and

**WHEREAS,** the Community Investment Fund consists of unrestricted funds; and

**WHEREAS,** inter-fund loans are less expensive to the City as a whole than external borrowings.

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

**Section 1.**  **Approval of the Interfund Loan**.  The Community Investment Fund shall pay to the Broadband Fund $2,400,000 to assist with the continue buildout of the city's fiber infrastructure. Such loan shall bear interest at 5%, which is the rate earned on the City's deposit in the State Local Government Investment Pool for the effective date nearest the date of this resolution; and be paid in equal installments over ten years, with the first annual payment due December 3, 2025. The loan may be prepaid without penalty.
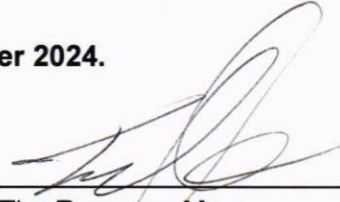
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## Section 2. Loan Repayment Schedule.

| Fiscal Year | Interest | Principal | Ending Balance |
|---|---|---|---|
| 23-24 | | | 2,400,000.00 |
| 24-25 | 115,690.09 | 189,778.60 | 2,210,221.40 |
| 25-26 | 105,980.65 | 199,488.03 | 2,010,733.37 |
| 26-27 | 95,774.47 | 209,694.22 | 1,801,039.15 |
| 27-28 | 85,046.11 | 220,422.57 | 1,580,616.58 |
| 28-29 | 73,768.88 | 231,699.81 | 1,348,916.77 |
| 29-30 | 61,914.67 | 243,554.01 | 1,105,362.76 |
| 30-31 | 49,453.99 | 256,014.70 | 849,348.06 |
| 31-32 | 36,355.79 | 269,112.89 | 580,235.17 |
| 32-33 | 22,587.46 | 282,881.22 | 297,353.95 |
| 33-34 | 8,114.72 | 297,353.95 | - |

## Section 3. Effective Date. This Resolution shall become effective upon its approval and adoption.

**Duly passed by the City Council this 3ʳᵈ day of December 2024.**

Tim Rosener, Mayor

Attest:

Sylvia Murphy, MMC, City Recorder