

RESOLUTION 2014-06-384

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WHITE SALMON,
WASHINGTON, AUTHORIZING INTERFUND LOAN REPAYMENT FROM THE
WATER FUND TO THE WASTEWATER RESERVE FUND**

WHEREAS, the City of White Salmon has received a USDA Rural Development loan for the water portion of the 2014 Tohomish and Snohomish Project requiring a contribution of \$215,000; and

WHEREAS, the City feels that it is in the best interest of the city to partially fund the project through an interfund loan from the Wastewater Reserve Fund rather than draining the Water Reserve Fund; and,

WHEREAS, the City of White Salmon agrees to a repayment over five years, ending in 2019.

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF WHITE SALMON,
WASHINGTON, DOES RESOLVE AS FOLLOWS:**

Section 1. Amount of Interfund Loan

The Wastewater Reserve Fund has loaned the Water Fund \$90,000 related to the 2014 Tohomish and Snohomish Project.

Section 2. Repayment and interest calculations are as follows.

The Water Fund will pay the Wastewater Reserve Fund principal and interest through 2019. The interest is based on the interest rate calculation set in the General Government Reserve Fund. The current rate of return for the Local Government Investment Pool (LGIP) continues to be under .5%. The code states that the rate shall be 2 percentage points above the LGIP rate. Therefore the rate of 2.5% is determined to be the interest rate for the loan.

Section 3. The repayment schedule is as stated in Attachment A:

ADOPTED by the Council of the City of White Salmon, Washington. Dated this 4th day of June, 2014.

CITY OF WHITE SALMON, WASHINGTON



David Poucher, Mayor

ATTEST:



Leana Johnson, Clerk-Treasurer

APPROVED AS TO FORM:



Kenneth Woodrich, City Attorney

Resolution 2014-06-384 Attachment A

Transfer from Water Fund to Wastewater Reserve Fund-Related to 2014 Tohomish and Snohomish Project									
Interest Rate	Year	Beg. Bal.	Principal Added	Interest Earned	Interest Paid	Principal Paid	Total Payment	End. Bal.	
2.50%	2014	-	90,000.00	2,250.00	-	-	-	92,250.00	
2.50%	2015	92,250.00	-	2,306.25	2,000.00	18,000.00	20,000.00	74,556.25	
2.50%	2016	74,556.25	-	1,863.91	2,000.00	18,000.00	20,000.00	56,420.16	
2.50%	2017	56,420.16	-	1,410.50	2,000.00	18,000.00	20,000.00	37,830.66	
2.50%	2018	37,830.66	-	945.77	2,000.00	18,000.00	20,000.00	18,776.43	
2.50%	2019	18,776.43	-	469.41	1,245.84	18,000.00	19,245.84	-	
Totals			90,000.00	9,245.84	9,245.84	90,000.00	99,245.84		