

RESOLUTION NO. 2017-012

**A RESOLUTION OF THE CITY OF BINGEN
AUTHORIZING INTERFUND LOAN TO THE WATER CAPITAL RESERVE FUND
FROM THE SEWER CAPITAL RESERVE FUND IN THE AMOUNT OF \$71,000 AND
SETTING REPAYMENT AND INTEREST CALCULATIONS**

WHEREAS, the City of Bingen is undertaking the replacement of the Underwood Fruit vault and meter; and

WHEREAS, the City of Bingen has entered into contracts with Gray & Osborne and Artistic Excavation; and

WHEREAS, the City of Bingen has determined that additional funds are necessary to meet the obligations to Artistic Excavation and Gray & Osborne; and

WHEREAS, the City has determined that an interfund loan from the Sewer Capital Reserve Fund up to the amount of \$71,000 is the most appropriate method for supplying the Water Capital Reserve Fund short term funding for two years; and

**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BINGEN,
WASHINGTON DO RESOLVE AS FOLLOWS:**

Section 1. Amount of Interfund Loans

The Sewer Capital Reserve Fund will loan the Water Capital Reserve Fund up to \$71,000 dollars depending on the need of the Water Capital Reserve Fund.

Section 2. Repayment and interest calculations.

A. The Water Capital Reserve Fund will repay the principal of the interfund loan plus interest by December 31, 2019.

B. The Water Fund will pay 0.9863% interest, based on the State of Washington Local Government Investment Pool Anticipated Gross Earnings Rate as of June 30, 2017 to the lending fund.

C. The maximum repayment schedule shall be as follows:

Year	Principal Balance	Principal Payment	Interest Payment	Total Payment
2018	\$71,000.00	\$35,500.00	\$700.27	\$36,200.27
2019	\$35,500.00	\$35,500.00	\$350.14	\$35,850.14
Total		\$71,000.00	\$1,050.41	\$72,050.41

ADOPTED by the City Council of the City of Bingen, Washington, and APPROVED by its Mayor, at a regularly scheduled open public meeting thereof this 5th day of July, 2017.



Mayor

Attest:



City Clerk – Treasurer

Approved as to Form:



Attorney