

January 30th 2014

**CITY OF NORTH BONNEVILLE
ORDINANCE NUMBER 1033**

**AN ORDINANCE OF THE CITY COUNCIL OF NORTH
BONNEVILLE, WASHINGTON CAUSING INTER-FUND LOAN TRANSFERS AND
CREATING NEW REPAYMENT SCHEDULES**

WHEREAS, The City has met the payment requirements of its several interfund loans for the past two years, showing good faith in repayment of those loans; and

WHEREAS, the City has incurred unanticipated expenses in the sewer and water funds during the course of 2013 resulting from efforts to remedy deteriorating infrastructure; and

WHEREAS, the revenues the City receives to cover its sewer and water costs have proven to be insufficient during the course of 2013; and

WHEREAS, the City must have positive ending yearly fund balances in its sewer and water funds.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of North Bonneville authorizes and directs the City Treasurer to accomplish the following inter-fund loans transfers effective as of December 31, 2013:

Section 1 Loan from General Tax Fund to the Water Fund

The City Treasurer is hereby authorized and directed to transfer revenue from the General Fund to the Water Fund through interfund transfer process in the amount of \$13,000.

The Water Fund will repay the General Fund principal and interest through December 31, 2015. The interest is based on the current Local Government Investment Pool [LGIP] gross earnings rate, which has been 0.25% or lower for the past several years. The interest paid to the General Fund will be 0.25% and adjusted upward to match the LGIP gross earnings rate if it increases above the 0.25% amount.

The repayment schedule follows:

Water Loan Amortization			
Principal	\$13,000		
	Accrued Interest	Payment Made	Balance
Jun-14	(\$32.50)	(\$3,270.34)	\$9,762.16
Dec-14	(\$24.41)	(\$3,270.34)	\$6,516.23
Jun-15	(\$16.29)	(\$3,270.34)	\$3,262.18
Dec-15	(\$8.16)	(\$3,270.34)	(\$0.00)

Section 2 Loan From General Fund Tax to Sewer Fund


The City Treasurer is hereby authorized and directed to transfer revenue from the General Fund to the Sewer Fund through interfund transfer process in the amount of \$27,000.

The Sewer Fund will repay the General Fund principal and interest through December 31, 2015. The interest is based on the current Local Government Investment Pool [LGIP] gross earnings rate, which has been 0.25% or lower for the past several years. The interest paid to the General Fund will be 0.25% and adjusted upward to match the LGIP gross earnings rate if it increases above the 0.25% amount.

The repayment schedule follows:

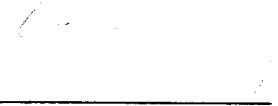
Sewer Loan Amortization			
Principal	Accrued Interest	Payment Made	Balance
	\$27,000		
Jun-14	(\$67.50)	(\$6,792.24)	\$20,275.26
Dec-14	(\$50.69)	(\$6,792.24)	\$13,533.71
Jun-15	(\$33.83)	(\$6,792.24)	\$6,775.30
Dec-15	(\$16.94)	(\$6,792.24)	\$0.00

PASSED IN REGULAR SESSION this 11TH day of February, 2014



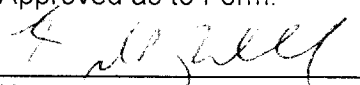
Mayor Don Stevens

Attest:



City Administrator/ Treasurer Steven Hasson

Approved as to Form:



Ken Woodrich City Attorney North Bonneville