

RESOLUTION NO. 3071

A RESOLUTION AUTHORIZING A CAPITAL LOAN OF \$1,000,000 FROM THE INSURANCE PROGRAM OF THE INTERNAL SERVICE FUND: CITY WIDE ADMINISTRATION TO THE AIRPORT FUND.

Findings

- A. On June 7, 2017 the City Council authorized a settlement that includes the acquisition of infrastructure on the east side of the Bend Municipal Airport.
- B. The Airport Fund does not currently have sufficient resources to pay for the capital expenditures referenced above.
- C. The Insurance and Risk Management Division of the Internal Service Fund has funds available to provide financing for the acquisition of infrastructure.
- D. Interfund loans are allowed under the provisions of Oregon Revised Statutes 294.468.
- E. Execution of the interfund loan is contingent upon final negotiation of the Airport settlement agreement.

Based on these findings,

THE CITY COUNCIL OF THE CITY OF BEND RESOLVES AS FOLLOWS:

- 1. That \$1,000,000 be loaned from the Insurance and Risk Management Division of the Internal Service Fund to the Airport Fund to provide the necessary financing of capital expenditures.
- 2. The loan will be repaid by June 30, 2027 from airport operating revenues including but not limited to building rental, ground and hangar lease, and tie down revenues.
- 3. The loan is to carry an interest rate of 1.3% per annum, with payments due annually by June 30th.
- 4. The scheduled loan amortization is as follows:

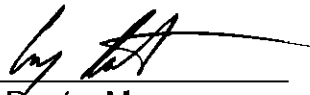
Year	Fiscal Year	Annual Payment	Interest Portion	Principal Portion	Balance
					\$ 1,000,000
1	2017-18	13,000	13,000	-	1,000,000
2	2018-19	13,000	13,000	-	1,000,000
3	2019-20	113,000	13,000	100,000	900,000
4	2020-21	111,700	11,700	100,000	800,000
5	2021-22	135,400	10,400	125,000	675,000
6	2022-23	133,775	8,775	125,000	550,000
7	2023-24	137,150	7,150	130,000	420,000
8	2024-25	135,460	5,460	130,000	290,000
9	2025-26	148,770	3,770	145,000	145,000
10	2026-27	146,885	1,885	145,000	-
Total Payments		\$ 1,088,140	\$ 88,140	\$ 1,000,000	

5. The loan can be paid in full at any time without penalty.

Adopted by a roll call vote of the Bend City Council on June 21, 2017.

Yes: Casey Roats, Mayor
 Sally Russell
 Bill Moseley
 Bruce Abernethy
 Nathan Boddie
 Justin Livingston
 Barb Campbell

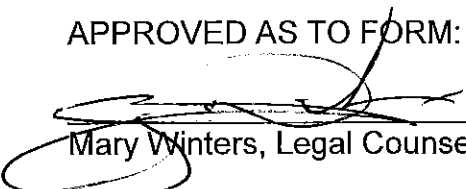
No: NONE


 Casey Roats, Mayor

ATTESTS:


 Robyn Christie, City Recorder

APPROVED AS TO FORM:


 Mary Winters, Legal Counsel