

## RESOLUTION NO. 3264

A RESOLUTION MODIFYING AN INTERFUND LOAN FROM THE INSURANCE AND RISK MANAGEMENT DIVISION 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 included the acquisition of infrastructure on the east side of the Bend Municipal Airport.
- B. The Airport Fund did not have sufficient resources to pay for the capital expenditures referenced above. The Insurance and Risk Management Division of the Internal Service Fund had funds available to provide financing for the acquisition of infrastructure.
- C. Interfund loans are allowed under the provisions of Oregon Revised Statutes 294.468 and on June 21, 2017, the City Council adopted Resolution No. 3071 which authorized a 10 year, \$1,000,000 capital loan from the Insurance and Risk Management Division of the Internal Service Fund to the Airport Fund to pay for the acquisition of infrastructure.
- D. In accordance with Resolution No. 3071, payments have been made as scheduled through fiscal year 2020-21, which is year 4 of the 10 year payment schedule. Total payments made through June 30, 2021, equal \$250,700, which includes \$200,000 of principal and \$50,700 in interest payments.
- E. The 2022-2026 five year Capital Improvement Program (CIP) is anticipated to include the construction of an air traffic control tower at the Bend Municipal Airport. Construction of the control tower was identified in the Airport Master Plan, is expected to be required by the Federal Aviation Administration, and will necessitate additional funding beyond existing Airport revenues.
- F. As a partial funding source for construction of the air traffic control tower, the City recommends forgiveness of the outstanding principal balance of \$800,000 on the Interfund loan from the Insurance and Risk Management Division of the Internal Service Fund to the Airport Fund.

Based on these findings,

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

- 1. Per Resolution No. 3071, as of July 1, 2021, the outstanding principal balance on the Interfund loan from the Insurance and Risk Management Division of the Internal Service Fund to the Airport Fund will be \$800,000.

2. The remaining principal balance of \$800,000 is hereby forgiven, and interest charges will cease.
3. This resolution takes effect on July 1, 2021.

Adopted by a vote of the Bend City Council on June 16, 2021.

YES: Mayor Sally Russell	NO: none
Mayor Pro Tem Gena Goodman Campbell	
Councilor Barb Campbell	
Councilor Melanie Kebler	
Councilor Anthony Broadman	
Councilor Megan Perkins	
Councilor Rita Schenkelberg	

\_\_\_\_\_  
Sally Russell, Mayor

ATTESTS:

\_\_\_\_\_  
Robyn Christie, City Recorder

APPROVED AS TO FORM:

\_\_\_\_\_  
Mary Winters, Legal Counsel

## **RESOLUTION NO. 3264**

A RESOLUTION MODIFYING AN INTERFUND LOAN FROM THE INSURANCE AND RISK MANAGEMENT DIVISION 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 included the acquisition of infrastructure on the east side of the Bend Municipal Airport.
- B. The Airport Fund did not have sufficient resources to pay for the capital expenditures referenced above. The Insurance and Risk Management Division of the Internal Service Fund had funds available to provide financing for the acquisition of infrastructure.
- C. Interfund loans are allowed under the provisions of Oregon Revised Statutes 294.468 and on June 21, 2017, the City Council adopted Resolution No. 3071 which authorized a 10 year, \$1,000,000 capital loan from the Insurance and Risk Management Division of the Internal Service Fund to the Airport Fund to pay for the acquisition of infrastructure.
- D. In accordance with Resolution No. 3071, payments have been made as scheduled through fiscal year 2020-21, which is year 4 of the 10 year payment schedule. Total payments made through June 30, 2021, equal \$250,700, which includes \$200,000 of principal and \$50,700 in interest payments.
- E. The 2022-2026 five year Capital Improvement Program (CIP) is anticipated to include the construction of an air traffic control tower at the Bend Municipal Airport. Construction of the control tower was identified in the Airport Master Plan, is expected to be required by the Federal Aviation Administration, and will necessitate additional funding beyond existing Airport revenues.
- F. As a partial funding source for construction of the air traffic control tower, the City recommends forgiveness of the outstanding principal balance of \$800,000 on the Interfund loan from the Insurance and Risk Management Division of the Internal Service Fund to the Airport Fund.

Based on these findings,

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

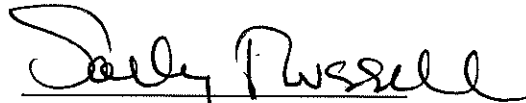
- 1. Per Resolution No. 3071, as of July 1, 2021, the outstanding principal balance on the Interfund loan from the Insurance and Risk Management Division of the Internal Service Fund to the Airport Fund will be \$800,000.

2. The remaining principal balance of \$800,000 is hereby forgiven, and interest charges will cease.
3. This resolution takes effect on July 1, 2021.

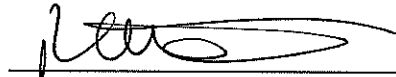
Adopted by a vote of the Bend City Council on June 16, 2021.

YES: Mayor Sally Russell  
Mayor Pro Tem Gena Goodman Campbell  
Councilor Barb Campbell  
Councilor Melanie Kebler  
Councilor Anthony Broadman  
Councilor Megan Perkins  
Councilor Rita Schenkelberg


NO: none

  
Sally Russell, Mayor

ATTESTS:

  
Robyn Christie, City Recorder

APPROVED AS TO FORM:

  
Mary Winters, Legal Counsel