

**CITY OF JOHN DAY
JOHN DAY, OREGON**

RESOLUTION NO. 18-794-18

**A RESOLUTION AUTHORIZING AN INTERFUND LOAN FROM THE WATER FUND TO
THE GENERAL FUND IN FISCAL YEAR 2017-2018**

WHEREAS, the John Day city council adopted Resolution 18-785-09, A Resolution Authorizing Refinancing of an Existing Borrowing and Financing for the Fire Station, on April 10, 2018; and

WHEREAS, in 2008 the City entered into a note (the "Note") to Stella E. Lang to purchase the land for the fire station;

WHEREAS, funding received through the Washington Federal loan consolidation approved by Resolution 18-785-09 allowed the City to receive \$60,994.59 in the Water Fund to pay the Note; and

WHEREAS, the City will improve its financial position through an interfund loan from the Water Fund to the General Fund for payment of the Note due to its lower interest rate; and

WHEREAS, Oregon Budget Law allows a governing body to loan money from one fund to another for the purpose of financing the design, acquisition, construction, installation, or improvement of real or personal property;

The City of John Day resolves as follows:

- (1) To loan \$60,994.59 from the Water Fund to the General Fund in FY2017-2018
- (2) To repay the loan over a period of ten years, beginning in FY2018-2019, at a fixed annual interest rate of 3.34%

Approved and adopted at a regular meeting of the city council held this 26th of day of June, 2018.

Ron Lundbom, Mayor

Attest:

City Manager