

**CITY OF SULTAN
WASHINGTON
RESOLUTION NO. 22-10**

**A RESOLUTION OF THE CITY OF SULTAN, WASHINGTON,
PROVIDING FOR AN INTERNAL MUNICIPAL LOAN FROM THE
GENERAL FUND TO THE STORMWATER IMPROVEMENT FUND.**

WHEREAS, the City of Sultan has determined that it is necessary to do an interfund loan from the General Fund to the Stormwater Debt Service Fund in the amount of \$135,657.36 plus accrued interest; and

WHEREAS, the intent of the loan issued under this Resolution is to cover the cost of a new Vactor truck approved for purchase at the October 13, 2022 Council Meeting; and

WHEREAS, the Stormwater Fund doesn't have enough funds to cover its portion of the purchase of the Vactor truck; and

WHEREAS, the General Fund has a sufficient ending fund balance which may be loaned to the Stormwater Improvement Fund; and

WHEREAS, it has been determined that it would be in the best interest of the City to provide financing through an internal loan to reduce financing costs and interest rates;

WHEREAS, the Stormwater Utility Fund will repay the General fund and track payments using a Stormwater Debt Service Managerial Fund

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF SULTAN, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:


Section 1. That a loan in the amount \$135,657.36 plus interest is hereby made from the General Fund Ending Balance (lending fund) to the Stormwater Improvement Fund (borrowing fund).

Section 2. Such loan shall bear interest at the rate of 2.57% and shall be repaid in accordance with the Promissory Note signed this date and made part of this resolution as Exhibit A hereto attached.

Section 3. For the ease of tracking purposes of this loan, the Finance Director is authorized to create a new managerial fund titled "Stormwater Debt Service".


PASSED BY THE CITY COUNCIL AT A REGULAR MEETING THEREOF ON THE 27th DAY OF OCTOBER 2022.

CITY OF SULTAN

DocuSigned by:


Russell Wiita, Mayor

ATTEST/AUTHENTICATED:

DocuSigned by:


Tami Pevey, City Clerk

EXHIBIT A

**CITY OF SULTAN
PROMISSORY NOTE**

For value received, the City of Sultan Stormwater Fund promises to pay to the order of the City of Sultan General Fund, in the full payment for internal loan, the sum of \$135,657.36 to be paid as follows:

Principal and interest to be paid in yearly installments of \$15,556.16 not to exceed ten years starting December 1, 2023.

Loan Amortization Schedule

Enter Values

Loan amount	\$135,657.36
Annual interest rate	2.57%
Loan period in years	10
Number of payments per year	1
Start date of loan	12/1/2023

Optional extra payments

\$0.00

Loan Summary

Scheduled payment	\$15,556.16
Scheduled number of payments	10
Actual number of payments	1
Total early payments	\$0.00
Total interest	\$19,904.24

Payment Number	Payment Date	Beginning Balance	Scheduled Payment	Extra Payment	Total Payment	Principal	Interest	Ending Balance	Cumulative Interest
1	12/1/2023	\$135,657.36	\$15,556.16	\$0.00	\$15,556.16	\$12,069.77	\$3,486.39	\$123,587.59	\$3,486.39
2	12/1/2024	\$123,587.59	\$15,556.16	\$0.00	\$15,556.16	\$12,379.96	\$3,176.20	\$111,207.64	\$6,662.60
3	12/1/2025	\$111,207.64	\$15,556.16	\$0.00	\$15,556.16	\$12,698.12	\$2,858.04	\$98,509.51	\$9,520.63
4	12/1/2026	\$98,509.51	\$15,556.16	\$0.00	\$15,556.16	\$13,024.47	\$2,531.69	\$85,485.05	\$12,052.33
5	12/1/2027	\$85,485.05	\$15,556.16	\$0.00	\$15,556.16	\$13,359.19	\$2,196.97	\$72,125.85	\$14,249.29
6	12/1/2028	\$72,125.85	\$15,556.16	\$0.00	\$15,556.16	\$13,702.53	\$1,853.63	\$58,423.33	\$16,102.93
7	12/1/2029	\$58,423.33	\$15,556.16	\$0.00	\$15,556.16	\$14,054.68	\$1,501.48	\$44,368.64	\$17,604.41
8	12/1/2030	\$44,368.64	\$15,556.16	\$0.00	\$15,556.16	\$14,415.89	\$1,140.27	\$29,952.76	\$18,744.68
9	12/1/2031	\$29,952.76	\$15,556.16	\$0.00	\$15,556.16	\$14,786.37	\$769.79	\$15,166.38	\$19,514.47
10	12/1/2032	\$15,166.38	\$15,556.16	\$0.00	\$15,166.38	\$14,776.61	\$389.78	\$0.00	\$19,904.24

Date this 27th day of October 2023.

CITY OF SULTAN

DocuSigned by:



Russell Wiita, Mayor

ATTEST/AUTHENTICATED:

DocuSigned by:



Tami Pevey, City Clerk