

City of Cheney, Washington  
609 2<sup>nd</sup> Street  
Cheney, WA 99004

**City of Cheney, Washington**

**ORDINANCE. X-61**

**AN ORDINANCE AUTHORIZING AN INTERFUND LOAN FOR THE PURPOSE OF FINANCING THE UNFUNDED PORTION OF THE WELL #3 REDRILL AND IMPROVEMENT PROJECT AND PROVIDING FOR THE EFFECTIVE DATE HEREOF.**

THE CITY COUNCIL OF THE CITY OF CHENEY, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. The City Council hereby authorizes a loan from the Sewer Fund reserves and the Light Department reserves to the Water Fund to finance the remaining unfunded portion of the Well #3 Redrill and Improvement Project. The loan will be split into equal 50% portions between the light and sewer funds. A total loan not to exceed Nine Hundred Thousand Dollars (\$900,000) is hereby authorized to fund this improvement.

Section 2. The rate of interest to be paid on the loan approved shall be 3.52% per annum. (Rate of interest earned at the State Investment Pool plus 1%) Repayment of loan and interest approved shall be paid annually on or before December 31st beginning in 2020 and ending in 2029.

Section 3. This ordinance shall be in full force and effect five days after passage, approval and publication.


Introduced this 23<sup>th</sup> Day of April, 2019.

Passed by the City Council this 23 day of April 2019.

Approved by the Mayor this 23 day of April 2019.

  
\_\_\_\_\_  
Chris Grover, Mayor

ATTEST:

  
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Cynthia Niemeier, City Clerk

APPROVED AS TO FORM:

  
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Stanley Schwartz, City Attorney

CITY OF CHENEY, WASHINGTON

Repayment Schedule for Well #3 Redrill and Improvement

Total Loan Amount: \$ 900,000.00 Not to exceed

Interest Rate: 3.52%

Date of Issue: 05/07/19

Date of Final Maturity: 12/31/28

Loaning fund Light and Sewer - Equally distributed

YEAR	PRINCIPAL BALANCE 1st Draw \$ 300,000	PRINCIPAL PAYMENT 1st Draw	INTEREST PAYMENT 1st Draw	PRINCIPAL BALANCE 2nd Draw \$ -	PRINCIPAL PAYMENT 2nd Draw	INTEREST PAYMENT 2nd Draw	TOTAL PRINCIPAL PAYMENT	TOTAL INTEREST PAYMENT	TOTAL YEARLY PAYMENT
2019	300,000.00	-	6,310.42	-	-	-	-	6,310.42	6,310.42
2020	300,000.00	30,000.00	10,500.00	-	-	-	30,000.00	10,500.00	40,500.00
2021	270,000.00	30,000.00	9,450.00	-	-	-	30,000.00	9,450.00	39,450.00
2022	240,000.00	30,000.00	8,400.00	-	-	-	30,000.00	8,400.00	38,400.00
2023	210,000.00	30,000.00	7,350.00	-	-	-	30,000.00	7,350.00	37,350.00
2024	180,000.00	30,000.00	6,300.00	-	-	-	30,000.00	6,300.00	36,300.00
2025	150,000.00	30,000.00	5,250.00	-	-	-	30,000.00	5,250.00	35,250.00
2026	120,000.00	30,000.00	4,200.00	-	-	-	30,000.00	4,200.00	34,200.00
2027	90,000.00	30,000.00	3,150.00	-	-	-	30,000.00	3,150.00	33,150.00
2028	60,000.00	30,000.00	2,100.00	-	-	-	30,000.00	2,100.00	32,100.00
2029	30,000.00	30,000.00	1,050.00	-	-	-	30,000.00	1,050.00	31,050.00
<b>TOTALS</b>		<b>\$ 300,000.00</b>	<b>\$ 64,060.42</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000.00</b>	<b>\$ 64,060.41</b>	<b>\$ 364,060.42</b>