

RESOLUTION NO. 58-16
INTERFUND LOAN FROM ER&R TO CURRENT EXPENSE
TO PURCHASE SHERIFF OFFICE HAND HELD RADIOS AND VEHICLES

WHEREAS, in the 2016 budget process the Board of Mason County Commissioners approved funding for the purchase of hand-held radios at a cost of \$56,181.52 and for the purchase of 16 new vehicles at a cost of \$375,000, for the Mason County Sheriff's Office; and

WHEREAS, it is determined that there is a need for an Interfund loan pursuant to Resolution 17-10, Interfund Loan Policy and Procedures to pay for a portion of the expense associated with the purchase of the hand held radios and vehicle; and

WHEREAS, the Board of Mason County Commissioners are committed to appropriating the funding necessary to repay the Interfund loan installments associated with approval of the Interfund loan in the 2017, 2018 and 2019 Current Expense budget process.

WHEREAS, on July 18, 2016 the Mason County Finance Committee reviewed the Interfund Loan for the appropriate use and funding sources necessary for Interfund loan approval; and

NOW THEREFORE BE IT RESOLVED, by the Mason County Board of Commissioners that an Interfund loan to the Mason County Current Expense Fund from be established as follows:

FROM: Mason County Equipment Rental and & Revolving Fund
#501.000000.000.000

TO: Mason County Current Expense – Non – Departmental
#001.000000.300.000

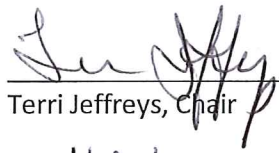
TERMS: Annual Interest Rate: 1.52%
Principal Amount: \$431,181.52
Loan Duration: Three (3) Years
Debt Repayment: April 1, 2017, April 1, 2018, April 1, 2019
(Amortization Schedule – Attachment A)

APPROVED this 4 day of October, 2016.

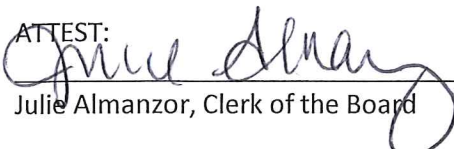
BOARD OF COUNTY COMMISSIONERS
MASON COUNTY, WASHINGTON



Lisa Frazier, Treasurer
Chair Finance Committee



Terri Jeffreys, Chair

ATTEST:


Julie Almanzor, Clerk of the Board

NAY

Tim Sheldon, Commissioner

APPROVED AS TO FORM:


Tim Whitehead, Chief DPA



Randy Neatherlin, Commissioner

INTERFUND LOAN FROM EQUIPMENT RENTAL & REVOLVING FUND TO CURRENT EXPENSE FOR SHERIFF VEHICLES & RADIOS

BEGINNING 4/1/16

Annual Interest Rate	1.52% *					
Daily Interest Rate	0.00422222%					
Daily Interest Amount	\$ 18.21					
Years	3					
Payments Per Year	1					
Loan Amount	\$ 431,181.52					
Pmt Due Date	Year Number	Payment	Principal	Interest	Balance	
4/1/2017	1	(\$148,118.45)	(\$141,564.49)	(\$6,553.96)	\$ 289,617.03	
4/1/2018	2	(\$148,118.45)	(\$143,716.27)	(\$4,402.18)	\$ 145,900.76	
4/1/2019	3	(\$148,118.45)	(\$145,900.76)	(\$2,217.69)	\$ -	
	Totals:	(\$444,355.35)	(\$431,181.52)	(\$13,173.83)		

* Interest rate based on State Treasurer rate at 9/24/15 plus 50 basis points- see link below:		
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http://www.tre.wa.gov/documents/local_equip.pdf				
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It is preferable to the county to use this rate since it is lower than the LGIP rate of 2.42% at 2/22/16, and the county would like to stay competitive with outside interest rates.				
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Per the Mason County Interfund Loan Policy & Procedures, Resolution No. 17-10, paragraph 3,	
"the Board may set a different interest rate based on the specific circumstances and conditions pertaining to the loan".	
The Treasurer's Office should be contacted to establish the current "State Pool" rate at the time the inter-fund loan is initiated. Other considerations for an acceptable interest rate that may apply must be submitted in writing and approved	
by the Mason County Finance Committee prior to initiation and approval of the Interfund Loan by the Board."	