RESOLUTION NO. 1725

INTERNAL SERVICE FUND LOAN AGREEMENT AND APPROPRIATION POLICE DEPARTMENT FINANCING

RESOLUTION ESTABLISHING LOAN AGREEMENT AND TRANSFER OF THE SUM OF $200,000 FROM THE CITY OF MINDEN INTERNAL SERVICE FUND TO THE CITY OF MINDEN POLICE TAX FUND AND APPROPRIATING $200,000 FOR THE PURCHASE OF POLICE UPGRADES INCLUDING VEHICLES, UNIFORMS AND OTHER EQUIPMENT.

WHEREAS, the City desires to purchase such equipment and borrow $200,000 for use by the Police Department Tax Fund; and

WHEREAS, pursuant to the City of Minden Code section 2-3, a special fund known as the Internal Service Fund has been established, and

WHEREAS, there is a need for funds in the sum of $200,000 to cover the aforementioned police upgrades; and

WHEREAS, the Enterprise Fund has sufficient funds to fund the Internal Service Fund to loan the sum of Two Hundred Thousand and No/100 ($200,000) to the Police Tax Fund for a period of up to four (4) years;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MINDEN, AS FOLLOWS:

1. The sum of Two Hundred Thousand and No/100 ($200,000) from the current Minden Internal Service Fund is hereby ordered transferred to the Police Tax Fund, as a loan for the above-described purpose in accordance with the following terms:

    a. Said loan shall be for a term of ten (4) years, commencing September 15, 2020 and expiring September 15, 2024;

    b. Interest rate shall be 0.70% and shall be calculated and paid annually on the outstanding balance of said loan.

    c. Principal shall be payable annually on November 15th in accordance with the attached payment schedule.

d. Notwithstanding the foregoing, said loan may be repaid without penalty at any time during the term thereof by fully paying and transferring the remaining balance of principal and interest current to date of repayment to the Internal Service Fund.

2. The aforementioned sum is transferred and appropriated for the purpose hereinabove specified for expenditure during the period, July 2020 – September 2021, and shall be in addition to all other sums appropriated for suchpurpose during such fiscal year.

Loan Amortization Schedule

Payment Number	Payment Date	Principal	Interest Rate	Interest	Total Payment
1	15-Nov-21	$49,478.30	0.70%	$1,400.00	$50,878.30
2	15-Nov-22	$49,824.65	0.70%	$1,053.65	$50,878.30
3	15-Nov-23	$50,173.42	0.70%	$704.88	$50,878.30
4	15-Nov-24	$50,523.63	0.70%	$353.67	$50,877.30
Total		**$200,000.00**		**$3,512.21**	**$203,512.21**

Note: Interest rate is %0.25 above current bank rate of 0.45%.

Passed and approved on the 1st day of November, 2021.

/s/ Ted Griess
Ted Griess, Mayor

ATTEST:

/s/ Abbey Jordan
Abbey Jordan, City Clerk