



REQUEST FOR COUNCIL ACTION

AGENDA DATE: January 24, 2022

AGENDA ITEM: Consider adopting a resolution approving a loan to the Capital Equipment Fund in the amount of \$386,595.

PREPARED BY: Barb Baird

BACKGROUND:

Part of the 2021 Capital Equipment Plan was to fund three Police Department vehicles, a Public Works Pick-up with Plow, a Ballfield Groomer, Mower, a Sidewalk/Trail Machine, and a Multi-Terrain Loader/Skidsteer for the Cemetery with an internal loan from the General Fund to the Capital Equipment Replacement Fund. We are requesting Council approval of an internal loan from the General Fund to the Capital Equipment Replacement Fund in the amount of \$445,300 less \$58,705 for sale of City assets, for a total of \$386,595. The outstanding balance on the internal loan amount, if approved will be \$1,330,781.12.

REQUESTED COUNCIL ACTION:

Make a motion adopting a resolution approving a loan to the Capital Equipment Replacement Fund in the amount of \$386,595 for a term of six years with an interest rate for 2022 of .50% and adjusting the annual interest rate by adding .25% to the City's previous interest rate on investments as of December 31, 2021.