



**CITY COUNCIL MEETING  
STAFF REPORT**

<b>Meeting Date:</b> June 17, 2024		<b>Subject: Resolution No. 3157</b> A Resolution Of The City Of Wilsonville Authorizing A Three Year Capital Interfund Loan From The Road Operating Fund To The Street Capital Projects Fund  <b>Staff Member:</b> Keith Katko, Finance Director  <b>Department:</b> Finance	
<b>Action Required</b>		<b>Advisory Board/Commission Recommendation</b>	
<input checked="" type="checkbox"/> Motion <input type="checkbox"/> Public Hearing Date: <input type="checkbox"/> Ordinance 1 <sup>st</sup> Reading Date: <input type="checkbox"/> Ordinance 2 <sup>nd</sup> Reading Date: <input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Information or Direction <input type="checkbox"/> Information Only <input type="checkbox"/> Council Direction <input checked="" type="checkbox"/> Consent Agenda		<input type="checkbox"/> Approval <input type="checkbox"/> Denial <input type="checkbox"/> None Forwarded <input checked="" type="checkbox"/> Not Applicable  <b>Comments:</b> Action provides resources to fund Capital Improvement Plan (CIP) #4212 Boeckman Dip Bridge as budgeted for FY 24-25; with payback from collection of Clackamas County vehicle registration fees remitted to the City.	
<b>Staff Recommendation:</b> Staff recommends Council adopt the Consent Agenda.			
<b>Recommended Language for Motion:</b> I move to adopt the Consent Agenda.			
<b>Project / Issue Relates To:</b>			
<input type="checkbox"/> Council Goals/Priorities:	<input type="checkbox"/> Adopted Master Plan(s):	<input checked="" type="checkbox"/> Not Applicable	

**ISSUE BEFORE COUNCIL:**

Council action is needed to approve an Interfund Loan Agreement between the Road Operating Fund to provide a \$1,250,000 loan to the Roads CIP Fund as part of the funding strategy for the Boeckman Road Corridor Project (BRCP).

**EXECUTIVE SUMMARY:**

This is one of two interfund loans needed for the fiscal year (FY) 2024-2025 funding of the Boeckman Road Corridor Project (BRCB). ORS 294.468 allows one fund to loan money to another fund over multiple years for capital purposes.

This loan will have a three-and-a-half-year term, at a 5% interest rate (tied to US Treasury yield). The proceeds to pay off the loan will come from Clackamas County vehicle registrations fees (VRF) remitted to the City. The City collects approximately \$39,000 a month (\$470,000 a year) in VRFs, which are directly deposited in the City’s Roads Capital Improvement Fund. The loan is anticipated to be paid off in FY 2027-2028 but may be paid off early upon sufficient collection of VRFs.

**EXPECTED RESULTS:**

Authorize the interfund loan by the respective resolution, authorizing the Road Operating Fund to provide cash resources of \$1,250,000 to pay for the costs associated with the BRCB. The total amount plus interest will be paid for by county vehicle registration fees collected in the City’s Roads Capital Improvement Fund.

**TIMELINE:**

Borrowing will occur in July 2024 and be paid off in full in July 2026.

**CURRENT YEAR BUDGET IMPACTS:**

This loan was included in the adopted FY 2024-2025 City Budget.

**COMMUNITY INVOLVEMENT PROCESS:**

There has been no specific community outreach or involvement pertaining to this borrowing.

**POTENTIAL IMPACTS OR BENEFIT TO THE COMMUNITY:**

The borrowing will not directly impact local businesses or neighborhoods; however, the completion of the Boeckman Road Corridor Project (BRCP) will have a significant positive impact on both.

**ALTERNATIVES:**

The City could engage in borrowing from a financial institution. Using this process would take more time and cost the City significantly more money.

**CITY MANAGER COMMENT:**

N/A

**ATTACHMENTS:**

1. Resolution No. 3157
  - A. Loan Amortization Schedule