

## **RESOLUTION NO. 2024-24**

A RESOLUTION AUTHORIZING AN INTERNAL BORROWING FROM THE CITY'S BUILDING & SAFETY FUND TO THE EMERGENCY SERVICES FUND FOR CAPITAL PURCHASES IN AN AMOUNT NOT TO EXCEED \$6,000,000 RELATED TO AMBULANCE SERVICES.

### **Section 1. Findings. The City Council of Salem, Oregon resolves as follows:**

**Whereas**, The City of Salem (City) is an Oregon municipal corporation; and

**Whereas**, the City has an identified need for capital purchases related to ambulance services; and

**Whereas**, the City's Emergency Services Fund does not currently have sufficient resources to finance the purchase of these expenses; and

**Whereas**, the City's Building & Safety Fund has sufficient cash on hand to meet the Emergency Services Fund's needs not to exceed \$6,000,000; and

**Whereas**, ORS 294.468 allows a municipal corporation to authorize a capital loan for up to ten years, from any fund to any other fund of the municipal corporation, whenever the loan is authorized by official resolution or ordinance of the government body; and

**Whereas**, the Council has determined that financing not to exceed \$6,000,000 for the purpose of the capital purchases and expenses needed related to the ambulance services through an interfund borrowing is financially feasible, and is in the City's best interests;

NOW, THEREFORE, THE CITY OF SALEM RESOLVES AS FOLLOWS:

**Section 2. Authorize Interfund Borrowing.** The City hereby authorizes an interfund capital loan in the amount not to exceed \$6,000,000, pursuant to ORS 294.468.

- (a) The loan shall be made from the Building & Safety Fund to the Emergency Services Fund, in an aggregate principal amount not to exceed \$6,000,000 for the purpose of financing of capital improvements.
- (b) The loan is a capital loan to be repaid over ten years from the City's Emergency Services Fund revenues.
- (c) Per the City's Debt Policy C-2, the loan shall bear a variable interest at a rate equal to the City's portfolio rate, plus 0.5%. The variable rate will be adjusted every fiscal year to the latest annualized portfolio rate.
- (d) The loan may be prepaid in whole or part before the maturity date of the loan, without penalty, and with interest accrued to the date of the prepayment.

(e) The debt repayment shall occur as set forth in Exhibit A “2025 Building & Safety and Emergency Services Fund Interfund Loan - Amortization Table” except as adjusted.

(f) The repayment schedule may be revised as authorized by Council, subject to limitations in ORS 294.468.

**Section 2. Effective Date.** This resolution is effective upon adoption.

ADOPTED by the City Council this 13<sup>th</sup> day of May 2024.

ATTEST:

City Recorder

Approved by City Attorney: \_\_\_\_\_

Checked by: K. Blechschmidt