

RESOLUTION NO. 1037
CITY OF PRINEVILLE, OREGON

A RESOLUTION AUTHORIZING THE CITY MANAGER TO EXECUTE A LOAN AGREEMENT WITH BANK OF THE CASCADES FOR AN AMOUNT NOT TO EXCEED \$450,000 WITH INTEREST NOT TO EXCEED AN ANNUAL RATE OF 6.5% AND A REPAYMENT TERM OF NO MORE THAN TEN YEARS TO FUND WORKING CAPITAL REQUIREMENTS OF THE GOLF COURSE FUND.

WHEREAS, the CITY contracted for and received a business plan for the Meadow Lakes Golf Course, and

WHEREAS, the business plan presented a financial plan that included borrowing \$450,000 for a period not to exceed ten years to provide adequate working capital, and

WHEREAS, the City Budget Committee reviewed and approved the fiscal year 2006-07 budget, which included borrowing \$450,000 as of June 30, 2006, and

WHEREAS, the City's fiscal year 2006-07 budget includes loan payments based on a ten-year loan amortization, and

WHEREAS, the City has through a competitive process selected Bank of the Cascades as its bank for banking and lending purposes:

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF PRINEVILLE THAT:

1. Authorizes the City Manager to execute appropriate and necessary loan documents with Bank of the Cascades to secure a loan in an amount not to exceed \$450,000.
2. The loan will be repaid together with interest of no more than 6.5% annually on the outstanding loan balance by June 30, 2016.

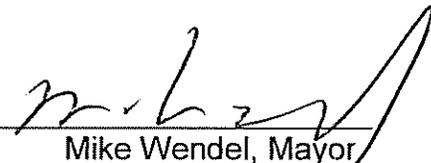
This resolution is effective upon passage.

This resolution adopted this 27th day of June 2006.

ATTEST:



Robb Corbett
City Manager/City Recorder



Mike Wendel, Mayor