

**Agenda Item 19-b
Meeting of 8/15/18****RESOLUTION 2018-14191**

A RESOLUTION APPROVING AMENDMENTS TO THE INTERFUND LOAN ESTABLISHED BY RESOLUTION 2017-13935 BY REDUCING THE OUTSTANDING BALANCE, AMENDING THE INTEREST RATE AND RESETTING THE ANNUAL DEBT PAYMENT, AND AMENDING THE FISCAL YEAR 2017-18 BUDGET ADOPTED BY RESOLUTION 2017-14027 APPROPRIATING FUNDS TO REDUCE THE INTERFUND LOAN, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Resolution 2017-13935 established a \$6,500,000 interfund loan from the City of Naples Cash Clearing account to the Naples City Dock Fund; and

WHEREAS, with design and engineering cost of \$496,020, and construction and supplies of \$5,878,177, the new dock cost \$6,374,197; and

WHEREAS, the City Dock has the fiscal capacity to refund \$400,000 of the interfund loan in FY 2017-18 while allowing for the remaining \$601-million to be amortized over the original 20 years, resulting in an annual principal payment of \$305,000, which is lower than the original estimate of \$325,000. This will bring the total principal refund and payment for FY 2017-18 to \$705,000 while retaining a responsible fund balance; and

WHEREAS, in accordance with the initial resolution, the interest rate was to be evaluated for FY 2018-19 and increased to 0.25 percent above the prior 12-month average rate of return not to exceed 2.5 percent; and

WHEREAS, the City of Naples adopted a budget on September 20, 2017 via Resolution 2017-14027; and

WHEREAS, staff recommends the budget be amended by an appropriation of \$380,000 to refund the unused portion of this loan; and

WHEREAS, the unrestricted net assets of the City Dock Fund will exceed \$600,000 and working capital will exceed \$850,000 at year end, thus ensuring sufficient cash position for operations;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NAPLES, FLORIDA:

Section 1. That the FY 2017-18 City Dock fund budget is amended by increasing the interfund loan principal payment of \$325,000 by \$380,000 to \$705,000 and appropriating fund balance in the same amount.

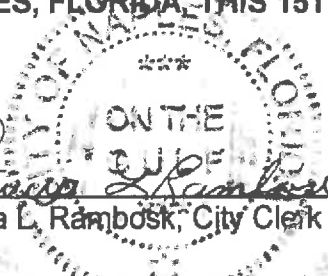
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- Section 2.** That the interfund loan established by Resolution 2017-13935 which loaned funds from the Pooled Cash Account to the Naples City Dock Fund is hereby updated by the FY 2017-18 payment of \$705,000 as shown in Attachment A.
- Section 3.** That the interfund interest rate established by Resolution 2017-13935 has been increased to 1.5 percent, representing 0.25 basis points over the prior 12-month average rate of return which was approximately 1.4 percent.
- Section 4.** Attachment A, attached hereto and incorporated herein, is the updated loan schedule reflecting the noted changes.
- Section 5.** This resolution shall become effective immediately upon adoption.

PASSED IN OPEN AND REGULAR SESSION OF THE CITY COUNCIL OF THE CITY OF NAPLES, FLORIDA, THIS 15TH DAY OF AUGUST, 2018.

Attest:


Patricia L. Rambosk
Patricia L. Rambosk, City Clerk

Bill Barnett
Bill Barnett, Mayor

Approved as to form and legality:

Robert D. Pritt
Robert D. Pritt, City Attorney

Date filed with City Clerk: 8-21-18

City Dock Fund

Outstanding Loan Amortization

Interest Rate: Variable up to 2.5%
 Term: 20 years
 Original Loan: \$ 6,500,000

Pymt#	Year	Rate	Total Pymt	Int	Prin	\$ 6,500,000
1	2018	0.50%	\$ 737,500	\$ 32,500	\$ 705,000	\$ 5,795,000
2	2019	1.65%	\$ 400,618	\$ 95,618	\$ 305,000	\$ 5,490,000
3	2020	1.65%	\$ 395,585	\$ 90,585	\$ 305,000	\$ 5,185,000
4	2021	1.65%	\$ 390,553	\$ 85,553	\$ 305,000	\$ 4,880,000
5	2022	1.65%	\$ 385,520	\$ 80,520	\$ 305,000	\$ 4,575,000
6	2023	1.65%	\$ 380,488	\$ 75,488	\$ 305,000	\$ 4,270,000
7	2024	1.65%	\$ 375,455	\$ 70,455	\$ 305,000	\$ 3,965,000
8	2025	1.65%	\$ 370,423	\$ 65,423	\$ 305,000	\$ 3,660,000
9	2026	1.65%	\$ 365,390	\$ 60,390	\$ 305,000	\$ 3,355,000
10	2027	1.65%	\$ 360,358	\$ 55,358	\$ 305,000	\$ 3,050,000
11	2028	1.65%	\$ 355,325	\$ 50,325	\$ 305,000	\$ 2,745,000
12	2029	1.65%	\$ 350,293	\$ 45,293	\$ 305,000	\$ 2,440,000
13	2030	1.65%	\$ 345,260	\$ 40,260	\$ 305,000	\$ 2,135,000
14	2031	1.65%	\$ 340,228	\$ 35,228	\$ 305,000	\$ 1,830,000
15	2032	1.65%	\$ 335,195	\$ 30,195	\$ 305,000	\$ 1,525,000
16	2033	1.65%	\$ 330,163	\$ 25,163	\$ 305,000	\$ 1,220,000
17	2034	1.65%	\$ 325,130	\$ 20,130	\$ 305,000	\$ 915,000
18	2035	1.65%	\$ 320,098	\$ 15,098	\$ 305,000	\$ 610,000
19	2036	1.65%	\$ 315,065	\$ 10,065	\$ 305,000	\$ 305,000
20	2037	1.65%	\$ 310,033	\$ 5,033	\$ 305,000	\$ -
			\$ 7,488,675	\$ 988,675	\$ 6,500,000	

Actual Interest rate will vary.

Rate set at .25% higher than interest rate earned on City investments, see Resolution 17-13935