

CITY OF ALGOMA
COUNTY OF KEWAUNEE
STATE OF WISCONSIN

COMMON COUNCIL
RESOLUTION NO 786 – 2016

**A RESOLUTION AUTHORIZING AN OPERATING CASH LOAN TO THE ALGOMA LONG
TERM CARE FACILITY AND PROVIDING FOR REPAYMENT OF FUNDS BORROWED**

WHEREAS, the Algoma Long Term Care Facility (ALTC) has required periodic advancements of cash to meet their payroll and other operating expenses; and

WHEREAS, the City of Algoma General Fund has loaned ALTC a total of \$400,000 since September, 2015, and

WHEREAS, ALTC has repaid \$332,500 of this total with the last payment made on May 4, 2016, and

WHEREAS, ALTC recently required an additional loan of \$135,000 to meet expenses, and

WHEREAS, it is the desire of the Council to set a formal repayment schedule for the "outstanding loan" amount of \$202,500, which is made up of the new \$135,000 loan and \$67,500 from unpaid prior loans, and

WHEREAS, the funds for the loans have come from the General Fund reserves which were earning 0.20% interest in the City's savings account, and

WHEREAS, to set repayment in a fair manner to ensure the General Fund does not lose any money, including interest that would have been earned,

NOW, THEREFORE, BE IT RESOLVED, that the Common Council of the City of Algoma, Wisconsin, hereby authorizes:

1. The Administrator – Clerk – Treasurer to loan \$135,000 to the Algoma Long Term Care Facility as distributed on August 5, 2016.
2. Setting the term of the renewed "outstanding loan" for a maximum 12 month period at an interest rate of 0.20% with the first repayment due October 1, 2016 as laid out in the attached Exhibit "A" - Amortization Schedule.

ADOPTED BY ORDER OF THE COMMON COUNCIL AT A REGULAR MEETING THEREOF ON THE 6TH DAY OF SEPTEMBER, 2016, BY A VOTE OF 8 FOR AND 0 OPPOSED.

Approved: Wayne R. Schmidt
Wayne R. Schmidt,
Mayor of the City of Algoma

Attest: Jeffrey L. Wiswell, Sr.
Jeffrey L. Wiswell, Sr.,
Administrator – Clerk – Treasurer of the City of Algoma