

RESOLUTION NO. 2011-11-15-2

A RESOLUTION TO AUTHORIZE THE CITY TO MAKE ADDITIONAL PRINCIPAL PAYMENTS ON ITS CITY HALL BUILDING LOAN WHEN THE CITY'S CASHFLOW ALLOWS WITHOUT AFFECTING THE CITY'S ABILITY TO MEET ITS OTHER FINANCIAL OBLIGATIONS.

WHEREAS, THE CITY OF PAYNE SPRINGS PLANS TO ACCELERATE THE PAY OFF OF ITS CITY HALL BUILDING LOAN IN ORDER TO SAVE SUBSTANTIAL INTEREST PAYMENTS OVER THE LIFE OF THE LOAN, AND

THE CITY COUNCIL DIRECTS AND APPROVES THE CITY TO MAKE EXTRA PRINCIPAL PAYMENTS ON A MONTHLY BASIS IN AN AMOUNT NOT TO EXCEED ONE=SEVENTH OF THE CITY'S MONTHLY SALES TAX REVENUE DEPOSITED BY THE STATE EACH MONTH. IN NO CASE SHALL THE EXTRA MONTHLY PRINCIPAL PAYMENT BE IN EXCESS OF \$1,000. A FURTHER CONDITION OF THESE POTENTIAL EXTRA PAYMENTS IS THAT NO PAYMENT SHALL BE MADE UNLESS SAID PAYMENT DOES NOT AFFECT THE CITY'S ABILITY TO MEET ITS OTHER MONTHLY FINANCIAL OBLIGATIONS.

THEREFOR, BY APPROVING THIS RESOLUTION, THE CITY OF PAYNE SPRINGS CITY COUNCIL HEREBY AUTHORIZES THE CITY TO MAKE ADDITIONAL MONTHLY PRINCIPAL PAYMENTS ON THE CITY HALL BUILDING LOAN IN ORDER TO ACCELERATE THE PAY OFF THE OUTSTANDING LOAN, BEGINNING IN DECEMBER 2011.

PASSED AND APPROVED this 15 day of November, 2011



Rodney Renberg, Mayor

ATTEST:



Karen Juica, City Secretary

City of Payne Springs

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WHEREAS, THE CITY OF PAYNE SPRINGS PLANS TO ACCELERATE THE PAY OFF OF ITS CITY HALL BUILDING LOAN IN ORDER TO SAVE SUBSTANTIAL INTEREST PAYMENTS OVER THE LIFE OF THE LOAN, AND THE CITY COUNCIL DIRECTS AND APPROVES THE CITY TO MAKE EXTRA PRINCIPAL PAYMENTS ON A MONTHLY BASIS IN AN AMOUNT NOT TO EXCEED ONE-SEVENTH OF THE CITY'S MONTHLY SALES TAX REVENUE DEPOSITED BY THE STATE EACH MONTH. IN NO CASE SHALL THE EXTRA MONTHLY PRINCIPAL PAYMENT BE IN EXCESS OF \$1,000. A FURTHER CONDITION OF THESE POTENTIAL EXTRA PAYMENTS IS THAT NO PAYMENT SHALL BE MADE UNLESS SAID PAYMENT DOES NOT AFFECT THE CITY'S ABILITY TO MEET ITS OTHER MONTHLY FINANCIAL OBLIGATIONS.

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/s/ Rodney Renberg, Mayor

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