

## Town of Windsor

### Memorandum

October 13, 2009

**TO:** The Honorable Mayor and Town Council

**FROM:** John L. Rowe, Jr., Interim Town Manager *JLR L. Rowe*

**SUBJECT:** Rural Development Loan – Appropriation of Local Match

This matter relates to the \$1,331,000 loan from Rural Development of the United States Department of Agriculture to the Town of Windsor for financing a capital project consisting of certain improvements to the Town's water system. As you may recall, one of Rural Development's conditions is that the Town provide a cash contribution of \$50,000 for this project. As a condition of closing on the loan, we must give Rural Development evidence that we made this local match available for this project. We cannot close on the loan without providing Rural Development such evidence. In this regard, I am enclosing a resolution for Council's consideration that appropriates the sum of \$50,000 from the Unappropriated Fund Balance of the Water Fund for the Town's federally required contribution to this capital project. This is a one-time expenditure for a capital project and not a recurring cost; therefore, this appropriation will not have any impact on the Town's water rate.

I recommend that you have the Town Clerk read the title of this resolution, and I recommend that you adopt this resolution with the adoption of the following motion.

#### **Recommended Motion**

Move that Council adopt the resolution entitled:

*A Resolution Appropriating The Sum Of \$50,000 From The Unappropriated Fund Balance Of The Water Fund For The Federally Required Local Contribution To The 2009 Rural Development Capital Project Funded Via The Loan Proceeds Of A \$1,331,000 Loan From The Rural Development Agency Of The United States Department Of Agriculture*

**Resolution**

A Resolution Appropriating The Sum Of \$50,000 From The Unappropriated Fund Balance Of The Water Fund For The Federally Required Local Contribution To The 2009 Rural Development Capital Project Funded Via The Loan Proceeds Of A \$1,331,000 Loan From The Rural Development Agency Of The United States Department Of Agriculture

**WHEREAS**, the Town of Windsor is working with the Rural Development agency of the United States Department of Agriculture to close on a loan from Rural Development in amount not to exceed \$1,331,000 for the funding of certain water system improvements within the Town; and

**WHEREAS**, Rural Development requires the Town to provide a contribution of \$50,000 as local cash funding for this capital project, and the Town desires to satisfy this requirement through this appropriation.

**NOW, THEREFORE BE IT RESOLVED** by the Council of the Town of Windsor, Virginia as follows:

Section 1. That the sum of \$50,000 from the Unappropriated Fund Balance of the Water Fund, be, and the same hereby is, appropriated to the following capital project account in the Water Fund as the Town's local cash contribution for this capital project:

Account Number 4-200-42000-8040, the 2009 Rural Development Capital Project

Section 3. This resolution shall be in effect on and after its adoption.

Adopted: \_\_\_\_\_

TESTE:

\_\_\_\_\_  
Town Clerk