



## **VILLAGE OF CORRALES RESOLUTION NO. 12-046**

### **A Resolution Directing the Transfer and Investment of \$277,469 from the Investment Schedule of Fiscal 2012-13 Budget to Special Fire Protection Loan Fund 309-0000, as Recommended by the Investment Board, to Finance the Emergency Purchase of a Fire Engine**

**WHEREAS**, at its meeting September 25, 2012, the Governing Body instructed the Mayor to acquire an emergency replacement for the 1990 engine (pumper truck) which had broken down and the Fire Chief, in consultation with the State Fire Marshal, has identified an acceptable engine on the assembly line at HME Incorporated; and

**WHEREAS**, the Mayor has submitted a Commitment to Purchase a Type I Model 18 HME Ahrens-Fox Engine and is prepared to tender (upon satisfactory inspection) a down payment of \$75,000 of the \$352,469 purchase price from funds now available in Special Fund 209 of the Fiscal Year 2012-13 Budget of the Village, as permitted by the State Fire Marshal; and

**WHEREAS**, the balance of the purchase price, \$277,469, is due and payable to HME Incorporated upon delivery within 60 days of acceptance by the manufacturer of the down payment on the engine; and

**WHEREAS**, the Investment Board of the Governing Body met on September 28, 2012 to discuss alternative ways of financing the engine purchase and determined that the most expeditious and affordable would be to self-fund the balance due from the Village's investments recorded in the Investment Schedule included with the 2012-13 Budget (and showing an amount of \$1, 206,588 as of September 30, 2012), such borrowing to earn an appropriate rate of interest; and

**WHEREAS**, a loan transfer of \$277,469 from the Investment Schedule to Special Fire Protection Loan Fund 309-0000, is well within the stated Investment Policy adopted by the Governing Body on July 17, 2012,

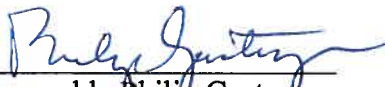
**NOW, THEREFORE, BE IT RESOLVED** by the Governing Body of the Village of Corrales, New Mexico that:

1. Upon acceptance and delivery of a Type I Model 18 HME Ahrens-Fox Engine, the Finance Officer of the Village is directed to redeem sufficient deposits and securities shown in the Investment Schedule with the 2012-13 Final Budget to complete payment in full for the fire engine purchase.
2. The Finance Officer is to transfer such investment monies to Special Fire Protection Loan Fund 309-0000, from which they may be disbursed to consummate the engine purchase.

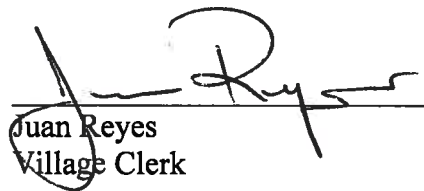
3. The funds so transferred, in the amount of \$277,469, shall bear interest and be repaid to the Investment Schedule pursuant to the amortization chart attached hereto as Attachment 1.
4. The Village Attorney shall prepare a promissory note or such other documents as may be necessary as evidence of the transfer and indebtedness.

**ADOPTED THIS 9<sup>th</sup> DAY OF OCTOBER, 2012**

VILLAGE OF CORRALES

  
\_\_\_\_\_  
The Honorable Philip Gasteyer  
Mayor, Village of Corrales

ATTEST:

  
\_\_\_\_\_  
Juan Reyes  
Village Clerk

Amendment to Attachment 1  
Payment Schedule

Truck price	352,469.00
Down payment from CFD	75,000.00
Borrowed from Village	<u>277,469.00</u>

Interest to village	9,467.36
Total pay back	286,936.36

<b>Payment minimums</b>	
Aug-13	57,387.27
Aug-14	57,387.27
Aug-15	57,387.27
Aug-16	57,387.27
Aug-17	<u>57,387.28</u>

**Total payment** 286,936.36

**Interest a rate of 1.328 %**

Payments	Yearly Total	Principal Paid	Interest Paid	Balance
August 2013	\$57,387.27	\$54,030.56	\$3,356.71	\$223,438.44
August 2014	\$57,387.27	\$54,752.47	\$2,634.80	\$168,685.97
August 2015	\$57,387.27	\$55,484.03	\$1,903.25	\$113,201.94
August 2016	\$57,387.27	\$56,225.35	\$1,161.92	\$56,976.59
August 2017	\$57,387.27	\$56,976.59	\$410.68	\$0.00
<b>Totals</b>	<b>\$286,936.36</b>	<b>\$277,469.00</b>	<b>\$9,467.36</b>	