

MASON COUNTY

TO: BOARD OF MASON COUNTY COMMISSIONERS	Reviewed:
FROM: Charlie Butros	Ext.
DEPARTMENT: Public Works	Action Agenda
DATE: September 7, 2010	No.

ITEM: Authorization to transfer the Road Fund's interest in Mason County Building 8 to the Current Expense Fund and approval of the reimbursement schedule.

Background:

The Mason County Road Fund purchased the lower floor of Mason County Building 8 from the Current Expense Fund in 2003. The Road Fund did extensive remodeling and repairs to the building and offices and occupied the lower floor until December of 2008. The Road Fund, after being advised by the State Auditor's Office that it should not be engaged in the leasing business, wishes to recover a portion of Road Fund cash and assets invested in Building 8. These expenses have been adjusted for depreciation, a reduction in assessed land value and further reduced to reflect the 2009 down payment from the Current Expense Fund of \$55,066.00.

Recommended Action: I move the Board of County Commissioners approve the Resolution authorizing the reimbursement and transfer of Road Fund interest in Mason County Building 8 to the Current Expense Fund

Attachments: Resolution and Attachment "A"

RESOLUTION NO. _____
CURRENT EXPENSE PURCHASE OF THE ROAD FUND'S
INTEREST IN THE PROPERTY KNOWN AS MASON COUNTY BUILDING 8
PARCEL NUMBER 32019-51-04001

WHEREAS, RCW 36.32.120 states “ the board of county commissioners... have the care of the county property and the management of the county funds and business”; and,

WHEREAS, the Mason County Public Works has vacated all office space located on the first floor of Mason County Building 8, tax parcel #32019-51-04001 as acquired by Mason County Resolution #07-04; and,

WHEREAS, the Mason County Board of Commissioners wishes to transfer said Road Fund interest in said office space back to the Current Expense Fund and to reimburse the Road Fund #105-000-000 the sum of \$664,263.30, of which \$55,066.00 has been paid as a down payment;

NOW THEREFORE BE IT RESOLVED, that the Mason County Board of County Commissioners does hereby agree to pay the balance of the purchase price of \$609,197.30 from the Capital Improvement REET 1 Fund #350-000-000 as follows and as shown on Attachment “A” of this document, reserving the right to pay off the purchase price earlier with no penalty should Capital Improvement REET 1 funds become available to do so.

TERMS	
Balance	\$609,197.30
Interest Rate	2.27% (State Pool + 2%)
Annual Payment Date	June 1st
Duration	20 Years, beginning June 2011

APPROVED this 7th day of September 2010.

BOARD OF COUNTY COMMISSIONERS
MASON COUNTY, WASHINGTON

Ross Gallagher, Chair

Lynda Ring Erickson, Commissioner

Tim Sheldon, Commissioner

ATTEST:

Shannon Goudy, Clerk of the Board

APPROVED AS TO FORM:

Monty Cobb, Chief Civil Deputy Prosecutor
C: Accounting, Treasurer, County Road Fund

ATTACHMENT "A"

General Fund Purchase of Lower Floor of Building #8 - Amortization Program

Principal	\$ 609,197.30	** From the County Road Fund
APR	2.27%	
Years	20	
Payment	\$38,234.29	

Year No.	Beg Bal	Month Int	Acc Int	Principal	Acc Prin	End Bal
1	\$609,197.30	\$13,576.50	\$13,576.50	\$24,347.47	\$24,347.47	\$584,849.83
2	\$584,849.83	\$13,018.03	\$26,594.53	\$24,905.94	\$49,253.41	\$559,943.89
3	\$559,943.89	\$12,446.74	\$39,041.27	\$25,477.22	\$74,730.63	\$534,466.67
4	\$534,466.67	\$11,862.35	\$50,903.62	\$26,061.61	\$100,792.24	\$508,405.06
5	\$508,405.06	\$11,264.56	\$62,168.18	\$26,659.41	\$127,451.65	\$481,745.65
6	\$481,745.65	\$10,653.06	\$72,821.24	\$27,270.90	\$154,722.55	\$454,474.75
7	\$454,474.75	\$10,027.53	\$82,848.77	\$27,896.45	\$182,619.00	\$426,578.30
8	\$426,578.30	\$9,387.65	\$92,236.42	\$28,536.31	\$211,155.31	\$398,041.99
9	\$398,041.99	\$8,733.09	\$100,969.51	\$29,190.88	\$240,346.19	\$368,851.11
10	\$368,851.11	\$8,063.52	\$109,033.03	\$29,860.45	\$270,206.64	\$338,990.66
11	\$338,990.66	\$7,378.59	\$116,411.62	\$30,545.37	\$300,752.01	\$308,445.29
12	\$308,445.29	\$6,677.95	\$123,089.57	\$31,246.02	\$331,998.03	\$277,199.27
13	\$277,199.27	\$5,961.24	\$129,050.81	\$31,962.73	\$363,960.76	\$245,236.54
14	\$245,236.54	\$5,228.09	\$134,278.90	\$32,695.87	\$396,656.63	\$212,540.67
15	\$212,540.67	\$4,478.12	\$138,757.02	\$33,445.85	\$430,102.48	\$179,094.82
16	\$179,094.82	\$3,710.95	\$142,467.97	\$34,213.01	\$464,315.49	\$144,881.81
17	\$144,881.81	\$2,926.19	\$145,394.16	\$34,997.78	\$499,313.27	\$109,884.03
18	\$109,884.03	\$2,123.42	\$147,517.58	\$35,800.55	\$535,113.82	\$74,083.48
19	\$74,083.48	\$1,302.24	\$148,819.82	\$36,621.73	\$571,735.55	\$37,461.75
20	\$37,461.75	\$462.22	\$149,282.04	\$37,461.75	\$609,197.30	\$0.00

Totals		\$149,282.04		\$609,197.30		\$758,479.34
		Total Interest		Total Principal		Total Loan Payments