

**RESOLUTION 2026-04**

**MARCOLA WATER DISTRICT  
RESOLUTION AUTHORIZING THE RENEWAL OF THE LOAN RESERVE FUND**

**WHEREAS**, Marcola Water District (District) is a domestic water supply district organized under Oregon Revised Statutes (ORS) Chapter 264, and ORS 263.410 provides that “the power and authority given to districts is vested in and shall be exercised by a board of five commissioners, each of whom shall be an elector of the district”, and the Marcola Water District Board of Commissioners also serves as the Local Contract Review Board, and

**WHEREAS**, the District Board of Commissioners, on May 7, 2000 by Resolution 00-04, did authorize the establishment of a Loan Reserve Fund to accumulate the final year’s loan payments in accordance with USDA RUS Loan requirements, and

**WHEREAS**, in accordance with ORS 294.346 the need for and purpose of any reserve fund will be reviewed at least every ten years to determine if the reserve fund should continue or be abolished, and the District Board of Commissioners finds a need still exists for a loan reserve fund but the purpose must be amended to reflect that the USDA RUS Loan was refinanced and paid off when a new loan was obtained from CoBank, so the restated purpose of the **Loan Reserve Fund** is to provide the required debt service reserve account associated with the CoBank Promissory Note No. 00105825T01, and

**WHEREAS**, money transferred into the Loan Reserve Fund will be budgeted as a reserve fund and physically stored as part of the Local Government Investment Pool or other investment account as authorized by the District Board of Commissioners, and

**NOW THEREFORE**, be it resolved, the Board of Commissioners authorizes the renewal of the Loan Reserve Fund, with transfers to or from this account to be determined during the annual budget process or by separate Board action.

**ADOPTED** this 13<sup>th</sup> day of April 2026 by a vote of \_\_\_\_\_ Yes and \_\_\_\_\_ No votes.

Attest:

\_\_\_\_\_

Tim Sanders, President  
Board of Commissioners and  
Local Contract Review Board

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Dawn Cole, Secretary  
Board of Commissioners and  
Local Contract Review Board