

## **DEBT RETIREMENT FUNDING**

ROXBOROUGH PARK FOUNDATION, August, 2010

1. The Budget committee has recommended that the Roxborough Park Foundation maintain an interest bearing debt retirement account separate from the operating account.
2. The Debt Retirement account is to be maintained as a funding source to repay the balloon payment due on the Community Center Loan, in the amount of \$216,279.83 due in December of 2018.
3. The Budget committee recommends, in order to reach this total, that \$2,250 be placed in this separate account each month, beginning with January 2011.
4. Monies from this account may not be expended for any other purpose except repayment of the Community Center Loan.
5. The Debt Retirement Account funds may be invested upon the advice of an investment advisor, and any income from investments will accrue to the Debt Retirement Account.
6. Income to and expenditures from this account will be accounted for and reported separately from the operating account, and the Treasurer will report any transactions affecting this account at the monthly meeting of the Board as well as present an annual accounting at the annual membership meeting.
7. The Budget Committee will further explore and recommend payment alternatives, including, but not limited to:

Once the prepayment penalty period has passed,

- a. Pay an additional \$2,250 each month ( in addition to the \$3,330.21 required by the loan agreement);
- b. Pay a lump sum on a periodic basis
- c. Invest the saved monies and make final payment when due