

Salt Lake County
Decision Package Summary
 by Form ID

Form ID:	20966	Current Stage	Type	Council Approved	Council Approved Date	Linked Form ID
Name:	EDRLF- Loan Write Off for Two Loans	3608 - Council	Technical Adjustment	No		20966

Request Description: The Economic Development Revolving Loan Fund currently has two outstanding loans in default in December 2019 and principal payment was made to participating banks from the Loan Loss Reserve in December 2020. It was initially thought that only principal was due to participating institutions, but further review of relevant agreements revealed that interest payout should also be included. Interest payments on one of the defaulted loans amount to a total of \$46,954.39, payment of which will be divided between 7 participation shares. Interest payments have not been paid to participants at this point because they require a budget adjustment.

Another loan is over 12 months behind on payments, which necessitates payout to the participating banks, per the Master Participation Agreement. The outstanding principal balance which will be charged to the Loan Loss Reserve is \$128,946.74 (payment of which will be divided between 7 participation shares). Recent payments from this loan have paid off all accumulated interest, so there is no interest portion to pay out on this loan.

Together, a budget adjustment totaling \$175,901.13 is required to charge off the two outstanding loans and pay out the participating banks for their shares.

	Revenues	Expenses	Transfer In and OFS	Transfer Out and OFU	Balance Sheet	Net Change to Fund Balance	FTE
125 - ECON DEV AND COMMUNITY RESOURCES FUND							
10270000 - REVOLVING LOAN PROGRAMS							
1027000100 - WAYNE BROWN LOAN FUND							
499998 - Fund Bal Restrict/Commit/Assign	175,902	0	0	0	0	175,902	0.00
667075 - Revolving Loan Bad Debt	0	175,902	0	0	0	(175,902)	0.00
Total REVOLVING LOAN PROGRAMS	175,902	175,902	0	0	0	0	0.00
Total ECON DEV AND COMMUNITY RESOURCES FUND	175,902	175,902	0	0	0	0	0.00

Future Year Adjustments	Revenues	Expenses	Transfer In and OFS	Transfer Out and OFU	Balance Sheet	Net Change to Fund Balance	FTE
125 - ECON DEV AND COMMUNITY RESOURCES FUND							
10270000 - REVOLVING LOAN PROGRAMS							
1027000100 - WAYNE BROWN LOAN FUND							
0 - Not Assigned							
499998 - Fund Bal Restrict/Commit/Assign	(175,902)	0	0	0	0	(175,902)	0.00
667075 - Revolving Loan Bad Debt	0	(175,902)	0	0	0	175,902	0.00
Total REVOLVING LOAN PROGRAMS	(175,902)	(175,902)	0	0	0	0	0.00
Total ECON DEV AND COMMUNITY RESOURCES FUND	(175,902)	(175,902)	0	0	0	0	0.00

Attachments

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FORM_ID 20966-1.12.01PJ_-_Decision_Package_Summary_-_Pre-June EDRLF Loan Loss Resv_20210309T125120.pdf

Budget Year - Grand Total	175,902	175,902	0	0	0	0	0.00
Future Year Adjustments - Grand Total	(175,902)	(175,902)	0	0	0	0	0.00