



WEST ORANGE – COVE CISD

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BOARD DOCUMENT

MEETING DATE: May 5, 2016

DISCUSSION/POSSIBLE ACTION ITEM: Consider Payment Schedule of FEMA Loan

West Orange-Cove CISD is requesting consideration of a repayment schedule for the district's \$5,000,000.00 loan from FEMA. As of April 18, 2016, one payment in the amount of \$1,375,000.00 has been made. This leaves a remaining balance of \$4,210,480.68 plus interest to be paid in full by April 15, 2019. To date, WOCISD has paid \$585,480.68 in interest.

Options:

I: Pay off the loan in full on the due date of April 15, 2019. This will cost the district approximately \$220,000.00 in additional interest.

II: Continue to pay \$1.4M annually for the next three years, costing the district an estimated \$157,000.00 in additional interest.

III: Pay half of the loan balance in 2016 and the remainder in 2017. This will allow for some cushion in the fund balance, but will cost the district approximately \$37,000.00 in additional interest.

IV: Pay off the loan off in 2016. The district has the funds to pay the loan off in full, but will have to watch funds closely in order to survive on the fund balance alone during November and December.

Rickie Harris
Rickie Harris
Superintendent

Robin Hataway
Robin Hataway
Accountant