

RESOLUTION NO. 1168

A RESOLUTION OF THE CITY OF GIG HARBOR, RELATING TO THE CITY COUNCIL'S APPROVAL OF A TEMPORARY, INTERFUND LOAN, FROM THE WASTEWATER CAPITAL FUND TO THE STREET CAPITAL AND PARK DEVELOPMENT FUNDS, ESTABLISHING THE TERMS OF SUCH TEMPORARY LOAN, FOR THE PURPOSE OF PAYING OFF THE PROMISSORY NOTE WHICH WAS ISSUED TO PROVIDE FUNDING FOR THE PUBLIC WORKS OPERATIONS CENTER SITE DEVELOPMENT, BUILDING DESIGN AND PERMITTING

WHEREAS, the Washington State Auditor's Office's Budgeting, Accounting and Reporting (BARS) Manual allows the City to make interfund loans under certain limited circumstances; and

WHEREAS, the City is constructing site civil improvements to the property where the Public Works Operations Center will be constructed; and

WHEREAS, funding in the 2020 Budget for the General Government share of the Project (Streets and Parks) was planned to be accomplished using an interfund loan from the Wastewater Capital fund; and

WHEREAS, the Wastewater Capital Fund, No. 410 has funds in excess of current needs and which are legally available for investment; Now, Therefore,

THE CITY COUNCIL OF THE CITY OF GIG HARBOR, WASHINGTON, HEREBY
RESOLVES AS FOLLOWS:

Section 1. The Gig Harbor City Council does hereby approve a temporary interfund loan from the Wastewater Capital Fund, No. 410 to the Limited Tax General Obligation Bond Fund, No. 208. The terms of this loan are as follows:

1. The loan amount shall be \$920,000.
2. The term shall be 120 months with a final payment date of December 31, 2029.
3. The loan will be a variable rate loan with the initial interest rate being set to 3.4%. For the remainder of the loan the interest rate shall be one percent (1.0%) greater than the average monthly gross earnings rate of the Washington State Treasurer's Local Government Investment Pool for the prior year. The rate shall be set each January.

Section 3. The City Council hereby directs the Finance Director to maintain appropriate accounting records to reflect the balances of loans in every fund affected by such transactions.

Effective Date. This resolution shall take effect immediately upon passage.

RESOLVED this 9th day of December, 2019.

CITY OF GIG HARBOR

Kit Kuhn

MAYOR KIT KUHN

ATTEST/AUTHENTICATED:

Molly Towslee

CITY CLERK, MOLLY M. TOWSLEE

FILED WITH THE CITY CLERK: 11/25/19
PASSED BY THE CITY COUNCIL: 12/09/19
RESOLUTION NO. 1168