

ORIGINAL

RESOLUTION NO. 348

A RESOLUTION OF THE CITY OF SHORELINE, WASHINGTON, AUTHORIZING AN INTERFUND LOAN TO THE GENERAL CAPITAL FUND FOR THE BRUGGER'S BOG MAINTENANCE FACILITY ACQUISITION AND IMPROVEMENTS PROJECT FROM THE GENERAL FUND IN AN AMOUNT NOT TO EXCEED \$3,348,000 WITH INTEREST CHARGES THROUGH NOVEMBER 30, 2013.

WHEREAS, the City Council approved Ordinance No. 650 on November 26, 2012 adopting the 2013 Budget; and

WHEREAS, the 2013 Budget included an appropriation for the Brugger's Bog Maintenance Facility Acquisition and Improvements Project; and

WHEREAS, the General Capital Fund was established to account for activities related to land and building capital projects; and

WHEREAS, the total funding for the project will be funded through the issuance of bonded indebtedness; and

WHEREAS, the property acquisition will occur before the bonds can be issued; and

WHEREAS, an interfund loan is needed from the General Fund in order to temporarily finance the approximate lag of 30 to 150 days between when payments for acquisition and improvements are made and bond proceeds are received from investors; and

WHEREAS, the cash and investment balance in the General Fund at the end of 2012 was over \$9,600,000 and the General Fund has the capacity to make the interfund loan; now therefore

THE CITY COUNCIL OF THE CITY OF SHORELINE, WASHINGTON, HEREBY RESOLVES:

Section 1. The General Fund is authorized to loan to the General Capital Fund an amount up to \$3,348,000.

Section 2. The loan amount will be assessed an interest rate of 0.15% beginning on the date of property acquisition closing, which is equal to the current rate of return that the City would receive for a one-year investment on that date. Interest charges will be assessed monthly based on the loan balance and are expected not to exceed \$2,100.

ADOPTED BY THE CITY COUNCIL ON JULY 8, 2013.


Keith A. McGlashan, Mayor

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ATTEST:



Scott Passey, City Clerk