

POULSBO DISTRIBUTION SCHEDULE

RESOLUTION NO. 2014-13

SUBJECT: Authorizing Interfund Loan

CONFORM AS TO DATES & SIGNATURES

- Filed with the City Clerk: 09/10/2014
- Passed by the City Council: 09/17/2014
- Signature of Mayor
- Signature of City Clerk
- Publication: N/A
- Effective: 09/17/2014

DISTRIBUTED COPIES AS FOLLOWS:

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- Police
- Public Works
- Posted to Library Drive and Website

Kylie Purves
City Clerk

September 22, 2014
Date

RESOLUTION NO. 2014-13

A RESOLUTION OF THE CITY OF POULSBO, WASHINGTON, AUTHORIZING AN INTERFUND LOAN TO BE ADMINISTERED BY THE FINANCE DIRECTOR TO SUPPORT THE CASH FLOW FOR LARGE CONSTRUCTION PROJECTS IN THE STREET RESERVES FUND FROM THE SEWER FUND IN AN AMOUNT NOT TO EXCEED \$1,000,000 IN ANTICIPATION OF GRANT REVENUES BEING RECEIVED AFTER INVOICES HAVE BEEN PAID.

WHEREAS, grant proceeds for large construction projects are received after expenditures have been incurred and paid; and

WHEREAS, the needs of the City are such that funds are necessary to pay invoices prior to reimbursement; and

WHEREAS, interfund loans are within the statutory authority of the City Council to approve, and

WHEREAS, the City Council wishes to provide an orderly process for an interfund loan from the Sewer Fund to the Street Reserves Fund by authorizing the Finance Director, an individual bonded and insured, to manage the loan in order to minimize interest expense and to carefully tailor the loans and repayment based on the revenue needs and expense obligations of the City; and

WHEREAS, the City Council deems it appropriate to authorize the Finance Director to administer the interfund loan, subject to regular reporting to the City Council, on an "as needed" basis to keep the different funds of the City solvent; now, therefore,

THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, HEREBY RESOLVES

AS FOLLOWS:

Section 1. An interfund loan from the Sewer Fund to the Street Reserves Fund is hereby authorized in order to allow the Street Reserves Fund to meet its expenditure obligations pending receipt of grant funds. The amount of the loan will be determined by the Finance Director based on the anticipated cash flow needs of the Street Reserves Fund, but shall not exceed \$1,000,000.00. The Finance Director shall report to the Council on a regular basis concerning the status of the loan and the repayment.

Section 2. The Street Reserves Fund will make principal and interest payment(s) to the Sewer Fund when the grant proceeds have been received.

Section 2. The Street Reserves Fund will pay interest to the Sewer Fund based on the average rate received by the City on monies invested in the Washington State Investment Pool during the period of the loan.

Section 3. The Interfund Loan shall be paid in full prior to 12/31/2014 unless Council approval allows an extension.

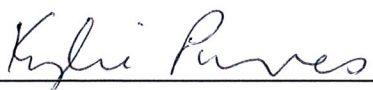
Section 4. This resolution shall become effective upon the date of passage,
RESOLVED this 17th day of September, 2014 .

APPROVED:



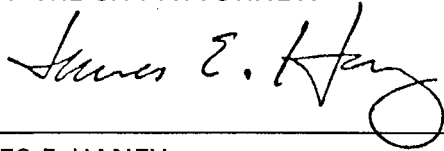
MAYOR, REBECCA ERICKSON

ATTEST/AUTHENTICATED



CITY CLERK, KYLIE PURVES

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

A handwritten signature in black ink, appearing to read "James E. Haney", written over a horizontal line.

BY

JAMES E. HANEY

FILED WITH THE CITY CLERK: 09/10/2014
PASSED BY THE CITY COUNCIL: 09/17/2014
EFFECTIVE DATE: 09/17/2014
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