

RESOLUTION 1292

A RESOLUTION OF THE CITY OF GIG HARBOR, WASHINGTON, AUTHORIZING 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 THE GENERAL GOVERNMENT SHARE OF PUBLIC WORKS OPERATIONS CENTER CONSTRUCTION

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 the Public Works Operations Center; and

WHEREAS, the Public Works Operations Center will support park, street, water and storm sewer operations; and

WHEREAS, funding in the 2023-2024 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 has funds in excess of current needs and which are legally available for investment;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Gig Harbor:

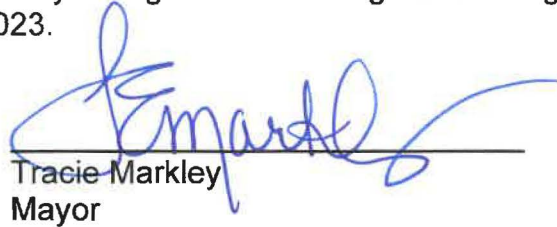
Section 1. The city council hereby approves a temporary interfund loan from the wastewater capital fund to the street capital and park development funds. The terms of this loan are as follows:

1. The loan amount shall be \$2,100,000.
2. The term shall be 120 months with 10 equal payments of principal commencing on December 31, 2024. The date of final payment is December 31, 2033.
3. The loan will be a variable rate loan with the initial interest rate being set to 4.87%. For the remainder of the loan the interest rate shall be one percent (1.0%) greater than the average net earnings rate of the Washington State Treasurer's Local Government Investment Pool for the prior pool fiscal year.

Section 2. 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.

ADOPTED by the City Council of the City of Gig Harbor at a regular meeting thereof, held this 11th day of September, 2023.



Tracie Markley
Mayor

Attest:



Joshua Stecker, CMC
City Clerk