

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, PROVIDING FOR AN INCREASE OF THE INTERFUND LOAN FOR PARK ACQUISITION AND RENOVATION FROM \$600,000 TO \$1.5 MILLION AND EXTENSION OF THE LOAN FOR A THREE MONTH PERIOD COMMENCING JULY 1, 1990 PENDING THE RECEIPT OF THE PROCEEDS OF UNLIMITED GENERAL OBLIGATION BONDS AUTHORIZED BY VOTERS ON NOVEMBER 7, 1989

WHEREAS, voters approved Proposition #1 on November 7, 1989 authorizing the sale of \$4.87 million (\$4,870,000) for the purpose of Park Acquisition and Renovation,

WHEREAS, on February 20, 1990 the Council, in Resolution No. 827, authorized an interfund loan of \$600,000 from the Real Estate Excise Tax Fund to the Park Acquisition and Renovation Fund,

WHEREAS, the interfund loan must be renewed due to delays in completing the acquisition of park properties,

WHEREAS, the City Council deems it to be in the best interest of the City, that the City increase the loan outstanding from \$600,000 to \$1.5 million from the Real Estate Excise Tax Fund to the Park Acquisition and Renovation Fund for a period of three months commencing July 1, 1990, at an annual interest rate of 8.3% in order to provide funds with which to pay a part of the cost of carrying out the projects approved by the voters, and until such time that general obligation bonds will be issued,

WHEREAS, based upon information provided by the Finance Department, the City Council finds that the loan will not

interfere with required current and anticipated expenditures from the Real Estate Excise Tax Fund, that the interest rate will result in earnings equal to that of other available investments and that the interfund loan will reduce costs to the Park Acquisition and Renovation Fund as compared to an outside borrowing, now, therefore,

THE CITY COUNCIL OF THE CITY OF REDMOND, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:

Section 1. Approve an increase in the interfund loan from the Real Estate Excise Tax Fund to the Park Acquisition and Renovation Fund from \$600,000 to \$1.5 million for a three month period commencing July 1, 1990, at an annual interest rate of 8.3%, is hereby authorized.

Section 2. The Finance Director is instructed to make the necessary transfer of funds and to maintain appropriate accounting records required to reflect the balance of the loan payable and receivable in the affected funds.

RESOLVED this 5th day of June, 1990.

APPROVED:


MAYOR, DOREEN MARCHIONE

ATTEST/AUTHENTICATED:


CITY CLERK, DORIS A. SCHAIBLE

FILED WITH THE CITY CLERK: 5-31-90
PASSED BY THE CITY COUNCIL: 6-5-90
RESOLUTION NO.: 839

EXHIBIT I

REAL ESTATE EXCISE TAX FUND
1990 CASH FLOW STATEMENT

Cash 1/1/90	2,700,890
Estimated Revenue	800,000
Interest on Park M & O Fund Interfund Loan Repaid 6/1/90	2,283
Estimated Expenditures	<u>-1,125,740</u>
Ending Cash on Hand	2,377,433
Interim Financing - Interfund Loans Outstanding	
Park Bond Projects - Matures 10/1/90	-1,500,000
Leary Way LID - Matures 3/1/91	<u>-400,000</u>
Balance	477,433
Repayment of Loans	
Park Bond - Principal	1,500,000
Park Bond Interest @ 8.3%*	<u>47,725</u>
Cash 12/31/90	<u><u>2,025,158</u></u>

*Interest is based on the State Investment Pool rate.