



Legislation Text

File #: 16-4218, **Version:** 1

RESOLUTION NO. 2166 AUTHORIZING INTERFUND LOANS FROM THE GENERAL FUND TO THE ARTERIAL STREET AND COMMUNITY DEVELOPMENT BLOCK GRANT ENTITLEMENT FUNDS

COUNCIL STRATEGIC INITIATIVE ADDRESSED:

Continue effective financial management

CITY ATTORNEY REVIEW: REQUIRED

SUMMARY STATEMENT:

Resolution No. 2166 has been prepared to provide for interfund loans from the General Fund to the Arterial Street and Community Development Block Grant Entitlement Funds. These interfund loans are for the purpose of providing the necessary funds to cover the respective 2015 year-end cash deficits for the Arterial Street and Community Development Block Grant Entitlement Funds.

The repayment of the \$1,435,000.000 loan to the Arterial Street Fund shall come from future motor vehicle fuel tax distributions to be provided by the State of Washington. The interfund loan in the amount of \$55,000.00 to the Community Development Block Grant Entitlement Fund shall come from grant funds to be provided by the U.S. Department of Housing and Urban Development. This Resolution authorizes the General Fund to provide interfund loans to the Arterial Street and Community Development Block Grant Entitlement Fund in the amounts as shown above.

The interfund loan from the General Fund to the Arterial Street Fund shall be repaid on or before December 31, 2018 with a minimum of \$71,750.00 to be applied toward the principal annually. The interfund loan from the General Fund to the Community Development Block Grant Entitlement Fund shall be repaid on or before December 31, 2016.

For information purposes, the Washington State Treasurer's Local Government Investment Pool interest rate as of January 2016 was 0.3870%.

RECOMMENDED ACTION:

Motion to adopt Resolution No. 2166