

**CITY OF BURIEN  
AGENDA BILL**

<b>Agenda Subject:</b> Discussion on and Possible Motion to Adopt Ordinance No. 596 Authorizing an Interfund Loan to the Parks and General Government Capital Projects Fund from the General Fund		<b>Meeting Date:</b> November 18, 2013
<b>Department:</b> Finance Department	<b>Attachments:</b> 1. Ordinance No. 596	<b>Fund Source:</b> General Fund <b>Activity Cost:</b> \$2,700,000 <b>Amount Budgeted:</b> \$0 <b>Unencumbered Budget Authority:</b> \$0
<b>Contact:</b> Kim Krause, Finance Director		
<b>Telephone:</b> (206) 439-3150		
<b>PURPOSE/REQUIRED ACTION:</b>		
<p>The purpose of this agenda item is to discuss and potentially adopt Ordinance No. 596 Authorizing an interfund loan to the Parks and General Government Capital Projects Fund from the General Fund.</p>		
<b>BACKGROUND (Include prior Council action &amp; discussion):</b>		
<p>The 2013-14 Biennial Budget includes funding in the Parks and General Government Capital Projects Fund for Seahurst Park – North Shoreline Project. The Army Corps of Engineers is managing this project and they require the City to advance the full amount of constructions costs prior to beginning the project. The City advanced \$3.9 million, which left the Parks and General Government Fund with a negative cash balance of approximately \$2.65 million. The expenses will be reimbursed by grants; however, the reimbursement may occur after the end of the year and the negative cash balance would create an unauthorized interfund loan. The General Fund has sufficient cash to meet these needs. This is a temporary interfund loan for cash flow purposes only. The interfund loan will be repaid by December 31, 2014 and will carry an interest rate commensurate with the rate earned by investments in the State of Washington Local Government Investment Pool. Staff also included a request to approve the budget for this transaction in Ordinance No. 588, amending the 2013-14 Biennial Budget.</p>		
<b>OPTIONS (Including fiscal impacts):</b> N/A		
<b>Administrative Recommendation:</b> Hold discussion and place on the December 2, 2013 consent agenda for adoption.		
<b>Suggested Motion:</b> N/A		
Submitted by:		
<b>Administration</b> _____	<b>City Manager</b> _____	
<b>Today's Date:</b> November 12, 2013	<b>File Code:</b> \\File\records\CC\Agenda Bill 2013\111813ad-1 Interfund Loan Authorization.docx	



# CITY OF BURIEN, WASHINGTON

## ORDINANCE NO. 596

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### **AN ORDINANCE OF THE CITY OF BURIEN, WASHINGTON, AUTHORIZING AN INTERFUND LOAN TO THE PARKS AND GENERAL GOVERNMENT CAPITAL PROJECTS FUND FROM THE GENERAL FUND**

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WHEREAS, RCW 43.09.200 provides that the State Auditor shall formulate, prescribe, and install and system of accounting and reporting for all local governments; and

WHEREAS, such as system has been created and is known as the Budgeting, Accounting and Reporting System (BARS); and

WHEREAS, the BARS manual at Part 3, Chapter 4, Section A provides guidelines for loans between City funds; and

WHEREAS, the Army Corps of Engineers is managing the Seahurst Park – North Shoreline Project and requires advance funding to begin the project; and

WHEREAS, Fund 317, the Parks and General Government Capital Projects Fund, paid \$3.9 million to the Army Corps of Engineers for construction of the project, leaving the fund with a negative cash balance in the amount of \$2.65 million; and

WHEREAS, these funds will be reimbursed by grants; however, reimbursement may not be received prior to the end of the year; and

WHEREAS, Fund 317, the Parks and General Government Capital Projects Fund, is in need of a temporary loan solely for cash flow purposes; and

WHEREAS, the General Fund has sufficient cash to meet this need.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BURIEN, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Interfund Loan Authorized. The City Council does hereby authorize an interfund loan from the General Fund to Fund 317, the Parks and General Government Capital Projects Fund, in the amount of \$2.7 million to be repaid in full by December 31, 2014 at an interest rate commensurate with the rate earned by investments in the State of Washington Local Government Investment Pool. The interfund loan will be available 5 days after the

passage of this Ordinance.

Section 2. Severability. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision or pre-emption shall not affect the validity of the remaining portions of this ordinance or its application to other persons or circumstances.

Section 3. Effective Date. This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after the date of publication.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF BURIEN, WASHINGTON, AT  
A REGULAR MEETING THEREOF THIS \_\_\_\_ DAY OF \_\_\_\_\_, 2013.

CITY OF BURIEN  
Brian Bennett, Mayor

ATTEST/AUTHENTICATED:  
Monica Lusk, City Clerk  
Approved as to form:  
Ann Marie Soto, Acting City Attorney

Filed with the City Clerk:  
Passed by the City Council:  
Ordinance No. 596  
Date of Publication: