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**CITY OF FIRCREST  
ORDINANCE NO. 1664**

**AN ORDINANCE OF THE CITY OF FIRCREST,  
WASHINGTON, ESTABLISHING AN INTERFUND  
LOAN FROM CUMULATIVE RESERVE FUND-  
GENERAL TO PARK BOND CAPITAL FUND FOR  
PURPOSES OF CASH FLOW.**

**WHEREAS**, the Fircrest City Council has established a Cumulative Reserve Fund and has accumulated funds over the years to the amount of \$3,250,000; and,

**WHEREAS**, the Fircrest City Council has established a Park Bond Capital Fund to account for the capital expenditures associated with the fulfillment of the bond projects; and,

**WHEREAS**, adequate cash flow is needed to fund the capital expenditures associated with the fulfillment of the bond projects; and,

**WHEREAS**, the Cumulative Reserve Fund-General is an appropriate source to provide a temporary cash-flow loan to be used for capital expenditures associated with the fulfillment of the bond projects; and

**WHEREAS**, donation pledges for the park project have been made to the Greater Tacoma Community Foundation to be received in 2022 and 2023 in the amount of \$2,500,000; and

**WHEREAS**, such donations will be used to meet the required payments of the loan; and,

**WHEREAS**, The City of Fircrest Financial Policies allow for interfund loans, Now, Therefore,

**THE CITY COUNCIL OF THE CITY OF FIRCREST DO ORDAIN AS FOLLOWS:**

**Section 1**

The City Manager is hereby authorized to make an interfund loan from the Cumulative Reserve Fund-General to the Park Bond Capital Fund for cash flow purposes. The loan amount shall not exceed \$2,300,000 and shall be for a term not exceeding three years. Annual payments of principal and interest are due one year from the date of first borrowing the funds. Early payments are allowed. One-half percent simple interest shall be charged on the outstanding loan

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amount. All interest revenue on the loan shall be credited to the General Fund as per Ordinance #956.

**Section 2**

**Effective Date:** This ordinance shall become effective five (5) days after passage, approval, and publication as provided by law.

**PASSED BY THE CITY COUNCIL OF THE CITY OF FIRCREST, WASHINGTON,** at a regular meeting thereof this 24th day of November 2020.

APPROVED:

  
\_\_\_\_\_  
Hunter George, Mayor

ATTEST:

  
\_\_\_\_\_  
Jayne Westman, City Clerk

APPROVED AS TO FORM:

  
\_\_\_\_\_  
Michael B. Smith, City Attorney

Publication Date:

Effective Date: