

**KITTITAS COUNTY
BOARD OF COUNTY COMMISSIONERS**

RESOLUTION NO. _____

Resolution authorizing a loan from Solid Waste to General Fund in the amount not to exceed \$150,000 for the purchase of property and authorizing the transfer of \$200,000 from the Stadium (Hotel Motel) Fund

WHEREAS; the Board of County Commissioners held a public hearing on March 20, 2012, to purchase property at 913 East 8th Ave, Ellensburg WA 98926, and

WHEREAS: this property is part of the long range plan for the County Fairgrounds, and

WHEREAS, the current offer to purchase the property is \$189,000, and

WHEREAS, the current buildings on the property will be demolished and the costs of the demolition has not been determined, and

WHEREAS; According to the Budgeting, Accounting and Reporting Systems Manual, Chapter 4, Section A, 2 (c), states *The minimum acceptable procedures for making and accounting for interfund loans are as follows: The legislative body of a municipality must, by ordinance or resolution, approve all interfund loans, and provide in the authorization a planned schedule of repayment of the loan principal as well as setting a reasonable rate of interest (based on the external rate available to the municipality) to be paid to the lending fund. Interest should be charged in all cases and the borrowing funds must anticipate sufficient revenues to be able over the period of the loan make the specified principle and interest payments. The term of the loan may continue over a period of more than one year, but must be "temporary" in the sense that no permanent diversion of the lending fund results from the failure to repay by the borrowing fund. A loan that continues longer than three years will be scrutinized for a permanent diversion of moneys. (Note: these restrictions and limitations do not apply to those funds which are legally permitted to support one another through appropriations, transfers, advances, etc.)*

WHEREAS: the Kittitas County Lodging Tax Committee has recommended the Stadium Fund (Hotel Motel Fund) to pay the General Fund \$50,000 per year for four years to fund this property purchase starting in 2012, and

NOW, THEREFORE BE IT RESOLVED the Board of County Commissioners authorizes the transfer of \$50,000 from the Stadium (Hotel Motel) funds for 4 years starting in 2012 to pay for this property purchase and demolition costs up to a total of \$200,000.

NOW, THEREFORE BE IT FURTHER RESOLVED; that the Board of County Commissioners, after due consideration, does hereby authorize and direct the County

Treasurer to loan the General Fund up to \$150,000 at 1.00% percent interest per annum, from the Solid Waste Fund, with payments to be made on or before April 1st in the amount of \$50,000 principal and applicable interest each year for 3 years. This loan can be paid off early without any penalty.

APPROVED the 2nd day of April 2012.

**BOARD OF COUNTY COMMISSIONERS
KITITAS COUNTY, WASHINGTON**

Alan Crankovich, Chairman

Obie O'Brien, Vice Chairman

Paul Jewell, Commissioner

ATTEST

Clerk of the Board