

**Spokane Regional Emergency Communications  
Resolution No. 2019-7**

**A Resolution of the Governing Board of the Spokane Regional Emergency Communications authorizing the execution of a promissory note to Spokane County in connection with a loan from the Spokane County Investment Pool to pay operating expenses.**

WHEREAS, Spokane Regional Emergency Communications ("SREC") is a municipal corporation operating and existing under and pursuant to the Constitution and the laws of the state of Washington, pursuant to RCW 35.21.730 through RCW 35.21.759 and under the direction of its Governing Board (the "Board"); and

WHEREAS, in order to pay its initial anticipated operating expenses, it is necessary for SREC to obtain a short-term loan from the Spokane County Investment Pool ("SCIP") in the amount of Two Million Five Hundred Thousand Dollars (\$2,500,000) (the "Loan"). Such Loan to be repaid in semi-annual payments bearing an interest rate of 3.49% on any unpaid principal amount and having a maturity date of January 19, 2021; and

WHEREAS, the Board believes it to be in the best interests of SREC to authorize the execution of a promissory note to Spokane County (the "Note") as security for the Loan, a copy of which is attached hereto as Exhibit "A" and by this reference incorporated herein.

THEREFORE, BE IT RESOLVED by the Board as follows:

1. Steve Reinke, Executive Director of SREC, is hereby authorized and directed to execute the Note on behalf of SREC in the form and under the terms as attached hereto as Exhibit "A."
2. The Spokane County Treasurer is hereby authorized to withdraw, on each payment date, the principal and interest payable from SREC Fund #D01 pursuant to the Note.
3. In the event SREC does not have available funds to make any payment and Spokane County makes such payment(s) on behalf of SREC, the Spokane County Chief Budget Officer is hereby authorized to initiate a transfer or transfers from SREC Fund #D01 to reimburse Spokane County at any time SREC Fund #D01 shall have funds available for such Loan payments made on behalf of SREC plus interest thereon as provided in the Note; provided, the Chief Budget Officer shall orally notify SREC's Executive Director prior to such transfer.
4. In the event the Spokane County Treasurer finds it necessary to transfer payment of both principle and interest on any or all amounts owing from Spokane County General Fund #010 as set forth in the Note, SREC authorizes the Chief Budget Office to transfer the same amount of money from SREC Fund #D01 plus interest thereon as provided in the Note when SREC Fund #D01 has sufficient funds available, without any other action of the Board; provided, the Chief Budget Officer shall orally notify SREC's Executive Director prior to making the necessary transfer.
5. The Executive Director is hereby authorized and directed to take such further action as may be appropriate in order to effect the purposes of this Resolution and the Note.

Adopted by the Governing Board of Spokane Regional Emergency Communications at a regular meeting held on the 18<sup>th</sup> day of July 2019.

  
Bryan Collins, Chair

BEFORE THE BOARD OF COUNTY COMMISSIONERS  
OF SPOKANE COUNTY, WASHINGTON

IN THE MATTER OF AUTHORIZING THE )  
EXECUTION OF A DOCUMENT )  
GUARANTEEING THE LOAN FROM THE )  
SPOKANE COUNTY INVESTMENT POOL TO )  
SPOKANE REGIONAL EMERGENCY )  
COMMUNICATIONS )

**RESOLUTION**

**WHEREAS**, pursuant to the provisions of RCW 36.32.120(6), the Board of County Commissioners of Spokane County, Washington, (the "Board") has the care of county property and the management of county funds and business; and

**WHEREAS**, pursuant to the provisions of RCW 35.21.730 through RCW 35.21.759, the Board created the Spokane Regional Emergency Communications ("SREC"), a municipal corporation operating and existing under and pursuant to the Constitution and Laws of the State of Washington; and

**WHEREAS**, pursuant to Spokane County Resolution No. 2018-0254, SREC has the legal ability to incur indebtedness and issue bonds and other instruments evidencing indebtedness with prior approval of the County. Additionally, funding for SREC operations and activities comes from the Board's approval and designated revenues from the County generated Enhanced 911 sales, use and excise taxes as allowed under RCW 82.14B.030 and the 1/10<sup>th</sup> of 1% Communication Tax as approved by the voters under RCW 82.14.420 as well as other revenue generated from service fees; and

**WHEREAS**, in order to pay initial and anticipated operating expenses before the County allocates revenues to SREC as provided in the immediately preceding recital, SREC desires to obtain a short-term loan from the Spokane County Investment Pool ("SCIP") in the amount of \$2,500,000 ("Loan"), such Loan to be repaid in semi-annual payments bearing an interest rate of 3.49% on any unpaid principal amount; and

**WHEREAS**, SCIP is willing to authorize a Loan to SREC as provided for in the immediately preceding recital, so long as Spokane County agrees that in the event SREC should default on its Loan, the Spokane County Treasurer is authorized to make the necessary transfer of payment of both principal and interest on all amounts owing from the Spokane County General Fund #010, without any action of the Board; and

**WHEREAS**, pursuant to the provisions of chapter 39.34 RCW and RCW 36.32.120(6), Spokane County has the legal ability to guarantee the Loan from SCIP to SREC as provided for in the above recitals and more particularly set forth in EXHIBIT "A".

**NOW, THEREFORE, BE IT HEREBY RESOLVED** by the Board of County Commissioners of Spokane County, Washington, pursuant to the provisions of chapter 39.34 RCW and RCW 36.32.120(6), that:

1. The Chairman of the Board of County Commissioners or majority of the Board, be and hereby authorized to execute, at other than an open meeting, that separate promissory note attached hereto as EXHIBIT "A" and incorporated herein by reference, entitled "Promissory Note for Spokane Regional Emergency Communications", wherein Spokane County Investment Pool ("SCIP") will loan to Spokane Regional Emergency

Communications ("SREC"), a short-term loan in the amount of \$2,500,000 ("Loan"), such Loan to be repaid in semi-annual payments bearing an interest rate of 3.49% on any unpaid principal amount subject to Spokane County agreeing that in the event SREC should default on its Loan, the Spokane County Treasurer is authorized to make the necessary transfer of payment of both principal and interest on all amounts owing from the Spokane County General Fund #010, without any action of the Board. Provided further, if the Spokane County Treasurer finds it necessary to transfer payment of both principal and interest on any or all amounts owing from the Spokane County General Fund #010 as set forth in EXHIBIT "A", SREC authorizes the Spokane County Chief Budget Officer to transfer the same amount of money plus interest on said amount of money in the annual interest rate set forth in the "Terms" of EXHIBIT "A" from SREC Fund #D01 when SREC Fund #D01 has sufficient funds available without any other action of the SREC Board.

2. The Spokane County Chief Budget Officer is authorized to make payment on any default of both principal and interest by SREC as set forth in EXHIBIT "A" from the Spokane County General Fund #010.
3. The Board of County Commissioners, to the extent required by Spokane County Resolution No. 2018-0254, approves SREC borrowing money from SCIP.

**PASSED AND ADOPTED** this 16<sup>th</sup> day of July, 2019.

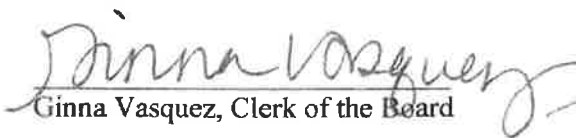
BOARD OF COUNTY COMMISSIONERS  
OF SPOKANE COUNTY, WASHINGTON



ATTEST:

  
MARY L. KUNEY, Chair

  
AL FRENCH, Vice-Chair

  
Ginna Vasquez, Clerk of the Board

  
JOSH KERNS, Commissioner

**EXHIBIT "A"**

**PROMISSORY NOTE OF SPOKANE REGIONAL EMERGENCY COMMUNICATIONS**

As **AUTHORIZED** under Spokane Regional Emergency Communications ("SREC") Resolution # 2019-7, SREC agrees to borrow from and repay to the order of the SPOKANE COUNTY TREASURER, **TWO-MILLION FIVE-HUNDRED THOUSAND dollars and no cents (\$2,500,000.00) plus accrued interest** payable from revenues of the SREC Fund #D01. The "Terms" are set forth below, with the final amount maturing January 19, 2021. If SREC defaults on any payment of principal or interest to the Spokane County Treasurer as provided under the "Terms" as set forth below, Spokane County agrees that the Spokane County Treasurer is authorized to make necessary transfer of payment of both principal and interest on all amounts owing from the **Spokane County General Fund #010** without any other action of the Board of County Commissioners. Provided, however, the Spokane County Treasurer shall orally notify both the Chief Executive Officer and Chief Budget Officer prior to making the necessary transfer. Provided further, if the Spokane County Treasurer finds it necessary to transfer payment of both principal and interest on any or all amounts owing from the Spokane County General Fund #010 as set forth above, SREC authorizes the Chief Budget Officer to transfer the same amount of money plus interest on said amount of money in the annual interest rate set forth in the "Terms" below from SREC Fund #D01 when SREC Fund #D01 has sufficient funds available without any other action of the SREC Board. Provided, further, however, the Chief Budget Officer shall orally notify the SREC Executive Director prior to making the necessary transfer.

**Terms:**

<b>Original Principal:</b>	\$2,500,000
<b>Dated Date:</b>	July 19, 2019
<b>Maturity Date:</b>	January 19, 2021
<b>Annual Interest Rate:</b>	3.49%
<b>Payments Per Year:</b>	Semi-annual on each January 19 and July 19 until paid in full
<b>Payment:</b>	\$862,584.37

Payment and Interest Schedule:

See attached.

Principal and Interest payable in full not later than January 19, 2021.

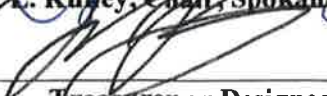
SREC reserves the right, at its option, to prepay and redeem, on any date, without penalty or premium, the principal amount outstanding on the promissory note, in whole or in part, by the payment of a redemption price equal to the principal amount prepaid and redeemed, plus interest accrued to the date fixed for prepayment or redemption.

  
\_\_\_\_\_  
Steve Reinke, SREC Executive Director

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Mary L. Kuney, Chair, Spokane County BOCC

  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Treasurer or Designee

  
\_\_\_\_\_  
Date



**SPOKANE COUNTY**

John Christina

Spokane County Investment Pool

10

07/18/2019

Spokane County

5137

**Trade Ticket**

# **63500005137**

To confirm the following transaction: **Purchase**

Account Number:

Security Description: County Medium Term Notes

Issuer: Spokane Regional Emergency Com  
Fund: 635 Pool Funds  
Ext. Fund:

Safekeeper: U. S. Bank  
Collateral: None

Cert./Acct# 2019-7  
CUSIP: 63500005137  
Trade Date of Purchase: 07/19/2019  
Settlement Date: 07/19/2019  
Issue Date: 07/19/2019  
Maturity Date: 01/19/2021

Coupon: 3.4900000  
First Pmt Date: **Call:** 01/19/2020  
Term: 550

Par Value: 2,500,000.00  
Purchase Price: 100.0000000  
Principal: 2,500,000.00  
Accrued Interest: 0.00  
Commission: 0.00  
Total: 2,500,000.00

\_\_\_\_\_  
Secondary Authorization

\_\_\_\_\_  
John Christina  
Finance Deputy



**MICHAEL BAUMGARTNER**  
THE TREASURER OF SPOKANE COUNTY

**Spokane County Investment Pool**  
**Direct District Note**  
**SREC Initial Operations & Maintenance Funding**  
**July 19, 2019**

**Loan Data**

Original Principal	\$ 2,500,000
Loan Term (Years)	1.5
Annual Interest Rate	3.49%
Payments per Year	2
Payment	\$862,584.37

Payment #	Payment	Interest	Principal	Balance	Pmt Due
0				2,500,000.00	
1	862,584.37	43,625.00	818,959.37	1,681,040.63	1/19/2020
2	862,584.37	29,334.16	833,250.21	847,790.42	7/19/2020
3	862,584.37	14,793.94	847,790.42	(0.00)	1/19/2021