

Exhibit A
RECORD OF
2011 CITY INTERNAL LOAN (PARKS – COMO POOL PROJECT)

This Record of Internal Loan is executed by the City of Saint Paul's Director, Office of Financial Services, and the Parks and Recreation Director ("PARKS") and to memorialize an interfund loan and its payment and replacement.

WHEREAS, the City wishes to interrimly assist Parks with funds of up to \$803,780 for unstable soil conditions as part of Como Pool Project which was previously approved in CF 10 – 1026; and

Whereas, in March 2011, Parks requested a City Loan to provide lower cost of financing than can be obtained externally; and

WHEREAS, it has been agreed that the City make an internal loan as part of City Budget resolution approved on [April 6, 2011] after a public hearing. The advance, until repaid, will bear interest at the City treasury portfolio investment rate. This advance from F070 is to be repaid from 2012 Met Council CIP funds, or other PARKS fund which must be satisfactory to the OFS Director, if Loan interest expense is not a permitted repayment by Met Council CIP funds); and

NOW, THEREFORE, the Office of Financial Services and PARKS memorialize the interfund loan as follows:

1. Authority. This document was authorized by, and carries out, resolution CF 11-xxx adopted by the City Council on [April 6, 2011].
2. Advances. Fund 070 will advance \$803,780 to pay for costs described in the SECOND WHEREAS interrimly through July 1, 2012.
3. Interest. Interest will accrue on the advance at the City treasury portfolio investment rate ("Pool Rate"). Pool rate is variable and reset monthly by City Treasurer.
4. Repayment by PARKS. PARKS will reimburse the advance including accrued interest from Fund 001 (General Fund) and discharge the internal loan with in fourteen months from execution on the Loan Agreement. Parks will include 2012 Budget, will budget a minimum of the interest due in and estimated repayments and pay the interest due in that calendar year by July 1, 2012. This advance from F070 is to be repaid from the F XXX Met Council CIP Funds), or other PARKS fund which must be approved by the OFS Director.
5. Advances. Each time there is an advance from the internal loan, the Parks Accountant shall record the amount of the draw and the amount of the outstanding balance of the

internal loan. Each time there is a repayment of the internal loan, the Parks Accountant will reduce the then outstanding balance. All interest as determined by City Treasurer will be paid on July 1, 2012. Maximum Outstanding Balance amount advanced from Fund 070 is 803,780.

6. Annual Report [Omitted]

7. Illustrative Example. See Illustrative Example in Exhibit A which assumes Pool Rate is always 3.0% and uses Dated Date of May 1, 2011 and 365 day year for interest calculations through July 1, 2012.

8. Term. Loan is due July 1, 2012.

9. Purpose. The purpose of this document is to memorialize the internal loan from Fund 070 to the PARKS, and to serve as guidance in coordinating actions of the City and its Office of Financial Services and its PARKS with respect to such advances and required encumbrances to make sure the internal loan is completed repaid with interest

Signed this ____ day of _____, 2011.

Todd Hurley
Interim Director, Office of Financial Services

Parks and Recreation

Director

Exhibit A - Illustrative Example - Initial Draw Schedule and Interest Calculation

Exhibit B- 2011 City Budget Amendment from [April 6, 2011]

Exhibit A - Illustrative Example
2011 City Internal Loan (Parks - Como Pool Project)

Principal \$ 803,780
 Est. Pool Interest rate 3.00%

Date	Beginning Balance	Interest	Repayment (P)	Repayment (Int)	Outstanding Balance
1-May-11	803,780	2,048	-		805,828
1-Jun-11	805,828	1,987	-		807,815
1-Jul-11	807,815	2,058	-		809,873
1-Aug-11	809,873	2,064	-		811,937
1-Sep-11	811,937	2,002	-		813,939
1-Oct-11	813,939	2,074	-		816,013
1-Nov-11	816,013	2,012	-		818,025
1-Dec-11	818,025	2,084	-		820,109
1-Jan-12	820,109	2,090	-		822,199
1-Feb-12	822,199	1,960	-		824,158
1-Mar-12	824,158	2,100	-		826,258
1-Apr-12	826,258	2,037	-		828,296
1-May-12	828,296	2,110	-		830,406
1-Jun-12	830,406	2,048	-		832,454
1-Jul-12	832,454	-	803,780	28,674	(0)
Total interest due		28,674			

Assume: Parks draws all 803,780 on May 1, 2011 and interest is on 365 day year

The City pool rate is assumed to be a constant 3.0%. Please note pool rate is determined monthly and varies from month to month.