

**CITY OF GRANITE FALLS
RESOLUTION NO. 2010-01**

**A RESOLUTION OF THE CITY OF GRANITE FALLS, WASHINGTON,
AUTHORIZING THE CITY TREASURER TO TEMPORARILY LOAN \$350,000
FROM THE WATER UTILITY FUND TO THE CURRENT EXPENSE FUND.**

WHEREAS, the City of Granite Falls is allowed to make temporary interfund loans of those municipal monies which are otherwise legally available for investment purposes; and

WHEREAS, in order to be able to make a temporary interfund loan, the City Council is required to adopt a resolution allowing for the same, including the planned schedule of repayment of the loan principal as well as setting a reasonable rate of interest to be paid to the lending fund;


NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GRANITE FALLS, WASHINGTON DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. The City Council hereby authorizes the City Treasurer to make a temporary interfund loan of those municipal monies in the Water Utility Fund (No. 401) in the amount of \$350,000 that are otherwise legally available for investment purposes subject to the following requirements:

- A) This interfund loan shall be made to the Current Expense Fund (No. 001).
- B) The term of this interfund loan may continue for a period of not more than two (2) years in length.
- C) The loaning Fund (Water Utility Fund No. 401) shall charge the borrowing fund (Current Expense Fund No. 001) interest at the City's investment rate of return from the State Local Government Investment Pool (LGIP), which is presently .24%.
- D) The loan shall be repaid on a yearly basis consisting of two annual payments each of \$175,000 plus interest, provided that the loan shall be repaid no later than December 31, 2011.

SECTION 2. This Resolution shall become effective immediately upon its passage.

PASSED BY THE CITY COUNCIL OF THE CITY OF GRANITE FALLS THIS 20th DAY OF JANUARY 2010; AND SIGNED IN AUTHENTICATION OF ITS PASSAGE THIS 21st DAY OF JANUARY 2010.



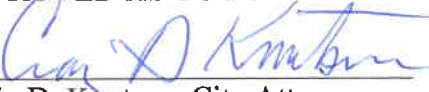
Sheikh Haroon Saleem, Mayor

ATTEST:



Darla Reese, City Clerk

APPROVED AS TO FORM:



Craig D. Knutson, City Attorney