

CITY OF GRANITE FALLS

RESOLUTION NO. 2010-12

A RESOLUTION OF THE CITY OF GRANITE FALLS, WASHINGTON, AMENDING RESOLUTION NO. 2010-08 AND 2010-01 TO CHANGE THE TERM OF PAYMENT OF THE \$350,000 INTERFUND LOAN 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; and

WHEREAS, the City Council did adopt Resolution No. 2010-08 on July 21, 2010, authorizing the budgeted principal and interest payments on a yearly basis provided that the loan shall be repaid no later than December 31, 2012; and

WHEREAS, the City Council did adopt Resolution No. 2010-01 on January 20, 2010 authorizing a temporary \$350,000 loan from the Water Utility Fund to the Current Expense Fund and designating an interest rate of .24%; and

WHEREAS, the City Council plans repayment of this loan in the amount of \$75,000 in 2010, \$10,000 in 2011, \$85,000 in 2012, \$90,000 in 2013 and \$90,000 in 2014; and


WHEREAS, the City Council has determined that economic conditions and projected future revenues necessitate extension of the original two-year term of the loan to a five year term;

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 budgeted principal and interest payments on a yearly basis provided that the loan shall be repaid no later than December 31, 2014.

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

PASSED BY THE CITY COUNCIL OF THE CITY OF GRANITE FALLS THIS 1st DAY OF DECEMBER, 2010; AND SIGNED IN AUTHENTICATION OF ITS PASSAGE THIS 2nd DAY OF DECEMBER 2010.



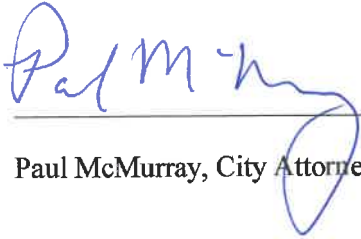
Sheikh Haroon Saleem, Mayor

ATTEST:



Darla Reese, City Clerk

APPROVED AS TO FORM:



Paul McMurray, City Attorney