

**CITY OF GRANITE FALLS
RESOLUTION NUMBER 2012-03**

**A RESOLUTION OF THE CITY OF GRANITE FALLS, WASHINGTON,
AUTHORIZING THE CITY TREASURER TO TEMPORARILY LOAN \$50,000
FROM THE CAPITAL IMPROVEMENT 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 term for the loan principal as well as setting a reasonable rate of interest to be paid to the lending fund; and

WHEREAS, the City Council has determined that economic conditions and projected future revenues necessitate authorization of an interfund loan in the amount of \$50,000 to the City's Current Expense Fund; and

WHEREAS, the City Council has further determined that the cash balances of the Capital Improvement Fund are sufficient to meet all of the needs of that fund and the proposed interfund loan subject of this Resolution and that it is appropriate to make such temporary interfund loan from the Capital Improvement Fund; and

WHEREAS, the Capital Improvement Fund will be benefitted by the proposed interest rate of the interfund loan;

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

SECTION 1. The City Treasurer of the City of Granite Falls or the person officially acting in the capacity of said position is hereby authorized to make a temporary interfund loan of those municipal monies in the Capital Improvement Fund (No. 305) in the amount of \$50,000 that are otherwise legally available for investment purposes subject to the following criteria:

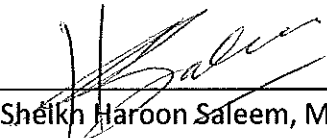
- A) This interfund loan shall be made to the Current Expense Fund (No. 001).
- B) The term of this interfund loan may continue for a period of not more than one (1) year in length.

C) The loaning Fund (Capital Improvement No. 305) shall charge the borrowing fund (Current Expense No. 001) at the City's investment rate of return from the State Local Government Investment Pool (LGIP), which is presently .1563%.

D) The loan shall be repaid by way of two payments including accrued interest on June 15, 2012, and December 15, 2012.

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

PASSED BY THE CITY COUNCIL OF THE CITY OF GRANITE FALLS THIS 7th DAY OF MARCH 2012; AND SIGNED IN AUTHENTICATION OF ITS PASSAGE THIS 9th DAY OF MARCH 2012.



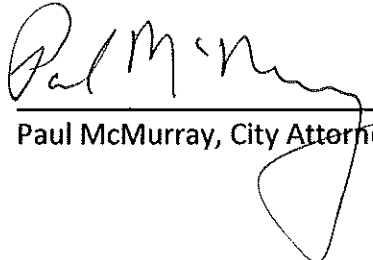
Sheikh Haroon Saleem, Mayor

ATTEST:



Darla Reese, City Clerk

APPROVED AS TO FORM:



Paul McMurray, City Attorney