

RESOLUTION NO. 816

**A RESOLUTION OF THE CITY OF LYNDEN
ESTABLISHING AN INTERFUND LOAN FROM WATER FCI FUND (#304)
TO CURRENT EXPENSE FUND (#001)**

WHEREAS, the accumulation of existing economic conditions have had an affect on general government cash flow, namely Current Expense Fund; and

WHEREAS, this fund is increasingly dependent on real estate property tax revenue that is received during specific times of the year; and

WHEREAS, there is a need for interim financing for this fund until real property tax receipts are received the end of April and October each thereby increasing cash flow; and

WHEREAS, there are sufficient funds in the Water FCI Fund (#304) to make these payments to the Current Expense Fund and a loan of such funds to this named fund is in order;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lynden as follows:

Section 1: That an amount not to exceed the sum of \$500,000.00 is hereby available to be transferred as needed from the Water FCI Fund (#304) to the Current Expense Fund (#001) as a revolving working capital interfund tax anticipation loan, on a when needed basis.

Section 2: The above named fund shall repay said monies to the lending fund, Water FCI Fund (#304) together with five percent (5.0%) simple interest upon receipt of sufficient real estate property tax payments. The intention is to repay the loan as soon as tax receipts are received. Payments will first be applied to outstanding interest and then principal.

Section 3: **BE IT FURTHER RESOLVED** that any resolutions or parts of resolutions in conflict herewith are hereby repealed insofar as they conflict with the provisions of this resolution.

Section 4: If any section, subsection, sentence, clause or phrase of this Resolution is for any reason held to be invalid or unconstitutional, such decision shall not affect the validity of the remaining portions of this Resolution. The Council hereby declares that it would have passed this code and each section, subsection, sentence, clause and phrase thereof, irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases has been declared invalid or unconstitutional.

Section 5: This Resolution shall be in full force and effect on April 5, 2010.

PASSED BY THE CITY COUNCIL OF THE CITY OF LYNDEN, WHATCOM COUNTY, WASHINGTON, BY AND AFFIRMATIVE OF VOTE 5 AND 0 AGAINST, ON THIS 5 DAY OF April, 2010 AND SIGNED AND APPROVED BY THE MAYOR ON THE SAME DATE.



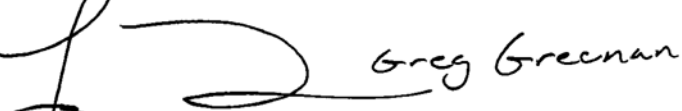
MAYOR SCOTT KORTHUIS

ATTEST:



CITY CLERK WILLIAM VERWOLF

APPROVED AS TO FORM:



CITY ATTORNEY ROBERT CARMICHAEL

Gov