

**RESOLUTION NO. 1128**

**A RESOLUTION AUTHORIZING AN INTERFUND LOAN OF \$500,000 FROM THE SEWER FUND TO THE TRANSIT FUND.**

**WHEREAS**, since its inception the majority of tax and grant revenues for the Transit Fund are received in the third and fourth quarters of the fiscal year, and

**WHEREAS**, the Transit Department has operated with inadequate capital for the first three quarters of each fiscal year, since its inception, and

**WHEREAS**, the City wishes to authorize an interfund loan to establish adequate operating funds for the Transit Department, and

**WHEREAS**, the Transit Fund has the capacity in its annual budget to repay this interfund loan, and

**WHEREAS**, the resources are available in the Sewer Fund and ORS 394.460 permits short-term interfund loans.

**NOW THEREFORE, IT IS HEREBY RESOLVED** by the City of Canby as follows:

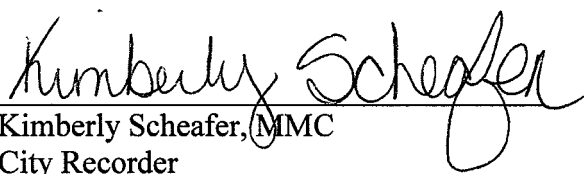
The Canby City Council authorizes a loan from the Sewer Fund to the Transit Fund in the amount of \$500,000. The loan shall bear interest at the rate of .5 %. The term of the loan shall not exceed five (5) years. The portion of the loan and interest paid shall be budgeted as a source of funds in the Sewer Fund and a use of funds in the Transit Fund.

This resolution will take effect on May 2, 2012.

ADOPTED this 2<sup>nd</sup> day of May 2012 by the City of Canby City Council.

  
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Randy Carson  
Mayor

ATTEST:

  
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Kimberly Scheafer, MMC  
City Recorder