

CITY OF FERNLEY
RESOLUTION #20-008

RESOLUTION AUTHORIZING TEMPORARY INTER-FUND LOANS
FROM THE GENERAL FUND TO THE GRANTS FUND
FOR FISCAL YEAR 2020-21

WHEREAS, certain State and Federal Grantors require that expenditures are to be reimbursed after being spent rather than the City anticipating need and requesting funds in advance; and

WHEREAS, reimbursement is requested monthly and may still result in the Grants Fund having a deficit balance at various times throughout the year, which, in effect creates a loan from the General Fund; and

WHEREAS, there is a need to authorize loans, on a temporary basis, until reimbursement is received; and

WHEREAS, it has been determined that temporary loans will not have an adverse affect upon the General Fund, and City Council believes it to be sufficient to approve a maximum amount of \$500,000 in unrestricted money to be available for such loans; and

WHEREAS, notice was given of the intention to act upon the resolution to authorize temporary inter-fund loans; and

WHEREAS, in order to minimize the impact to the General Fund, repayment of the inter-fund loans shall occur periodically as the City receives reimbursement from Grantors for expenditures made pursuant to the terms of the grant agreement.

NOW THEREFORE BE IT RESOLVED that the City of Fernley City Council authorizes, throughout fiscal year 2020-21, temporary inter-fund loans from the General Fund to the Grants Fund until such time as reimbursement is received. Said loan terms shall be for less than one year and will be made with no interest charge to the Grants Fund.

PASSED, APPROVED AND ADOPTED this ____ day of June, 2020, by the following vote of the council:

AYES: ____ NAYS: ____ ABSTENTIONS: ____ ABSENT: ____

FERNLEY CITY COUNCIL

By: _____
Roy Edgington, Mayor

ATTEST:

Kim Swanson, City Clerk