

RESOLUTION NO. 23-09

A RESOLUTION AUTHORIZING A TEMPORARY INTERFUND LOAN FROM THE LANDFILL ENTERPRISE FUND TO THE SEWER ENTERPRISE FUND IN THE AMOUNT OF THREE HUNDRED THOUSAND DOLLARS (\$300,000), AND OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS, the Sewer Enterprise Fund has limited cash resources for capital and infrastructure improvement projects; and

WHEREAS, the Sewer Enterprise Fund is seeking a temporary interfund loan in the total amount of Three Hundred Thousand Dollars (\$300,000.00) from the Landfill Enterprise Fund ("the Loan"); and

WHEREAS, the temporary interfund loan is, by its terms, to be repaid in full within a year; and

WHEREAS, the Sewer Enterprise Fund recently increased its utility rates in April 2023; and

WHEREAS, the increased utility rates would allow for more resources for the loan repayment.

NOW, THEREFORE, BE IT FOUND AND DETERMINED by the City Council of the City of Fallon that:

1. A properly noticed public hearing was held on June 29, 2023 in order to consider the Loan;
2. A sufficient amount of money is available in the Landfill Enterprise Fund for the Loan and the money is not restricted as to its use;
3. The Loan will not compromise the economic viability of the Landfill Enterprise Fund;
4. The money for the Loan will not be obtained from the proceeds from the sale of a bond; and
5. The Loan is not made from a debt service fund or from a fund established or maintained as a fund dedicated to the payment of bonded debt and interest.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Fallon that, based upon the findings and determinations set forth herein, a loan from the Landfill Enterprise Fund to the Sewer Enterprise Fund in the total amount of Three Hundred Thousand Dollars (\$300,000.00) is hereby authorized on the following terms and conditions:

1. The Loan will be repaid in full within one (1) year after the date on which the Loan is made;

2. The Loan will be repaid by the Water Enterprise Fund in payments of such amount and at such times as deemed appropriate, so long as the entire Loan is repaid in full within one (1) year as set forth above; and
3. No interest will be charged for the Loan.

BE IT FURTHER RESOLVED that the City Clerk/Treasurer shall file a copy of this Resolution with the Nevada Department of Taxation.

BE IT FURTHER RESOLVED that the City Council agrees to notify the Nevada Department of Taxation when the Loan has been repaid in full.

BE IT FURTHER RESOLVED that this Resolution shall be effective immediately upon approval and adoption.

APPROVED AND ADOPTED by the City Council of the City of Fallon, Nevada this 29th day of June, 2023.

Those voting aye:
Those voting nay:
Those absent:
Those abstaining:

KEN TEDFORD
Mayor

ATTEST: _____
SEAN RICHARDSON
City Clerk/Treasurer