

RESOLUTION NO. 4352

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOLEDAD
AUTHORIZING THE WATER ENTERPRISE FUND TO LOAN \$900,000 TO THE
GARBAGE SERVICE FUND AT 2% SIMPLE INTEREST RATE ON A SEVEN-YEAR
LOAN**

WHEREAS, the City Council of the City of Soledad has received the fiscal year 2008-2009 mid-year budget report on February 26, 2009; and

WHEREAS, franchise fee revenue is a General Fund income and the garbage franchise fees and landfill franchise fees were receipted under the respective Enterprise Funds instead of the General Fund as of Fiscal Year 1997-98 through Fiscal Year 2007-08; and

WHEREAS, the City Council authorized the transfer \$1,208,138 from the Garbage Service Fund and \$890,221 from the JPA Landfill Fund for a total of \$2,098, 359 at their February 26, 2009 City Council meeting; and

WHEREAS, there is no adequate operating cash available in the Garbage Service Fund to support the transfer and that the General Fund needs the funds for its operation.

NOW THEREFORE, BE IT HEREBY RESOLVED, that the City Council of the City of Soledad hereby authorizes a seven-year loan of \$900,000 from Water Enterprise Fund to the Garbage Service Fund at 2% simple interest rate with interest only being paid in the first two years. The remaining \$308,138 will be owed to General Fund from the Garbage Service Fund to be paid off using future collection service fees.

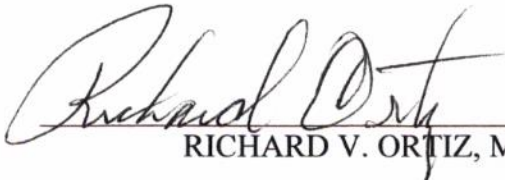
PASSED AND ADOPTED at a regular meeting duly held on the 1st day of April 2009, by the following vote:

AYES, and in favor thereof, Councilmembers: Richard J. Perez, Juan Saavedra, Mayor Pro Tem Martha Camacho, Mayor Richard Ortiz

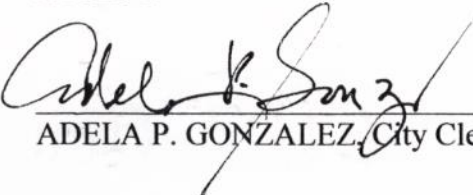
NOES, Councilmembers: None

ABSTAIN, Councilmembers: None

ABSENT, Councilmembers: Patricia Stephens


RICHARD V. ORTIZ, Mayor

ATTEST:


ADELA P. GONZALEZ, City Clerk