

RESOLUTION 2020-24

**A RESOLUTION TRANSFERRING BUDGETED AND APPROPRIATED MONEYS IN THE
GENERAL FUND AND APPROPRIATING A PORTION OF THE GENERAL FUND
OPERATING RESERVE FUND BALANCE FOR TRANSFER FROM THE GENERAL FUND
TO THE ECONOMIC DEVELOPMENT FUND TO ESTABLISH THE FRUITA SMALL
BUSINESS EMERGENCY ASSISTANCE LOAN FUND**

WHEREAS, the Fruita City Council declared a local disaster emergency in the City of Fruita on March 26, 2020 resulting from the COVID-19 pandemic which is having major impacts on both the health and economic/financial condition of residents and businesses in the City of Fruita, and

WHEREAS, the Fruita City Council finds it necessary to transfer budgeted funds designated for Economic Development purposes from the General Fund to the newly established Economic Development Fund for the purpose of creating the Fruita Small Business Emergency Assistance Loan Fund, and

WHEREAS, the eligible voters of the City of Fruita approved a 3% increase in the Lodger’s Tax to be used for the purpose of Economic Development and a Parks, Trails, Open Space and Public Places at the April 7, 2020 election with said tax increase to be effective on January 1, 2021, and

WHEREAS, the Fruita City Council approved Resolution 2020-24 authorizing the issuance of a short term interfund loan from the General Fund to the Economic Development Fund to provide additional funding for the Fruita Small Business Emergency Assistance Loan Fund with the General Fund to be repaid upon receipt of Lodger’s Tax Revenue in 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE FRUITA CITY COUNCIL TO TRANSFER AND APPROPRIATE FUNDS AS FOLLOWS:

Section 1: The sum of \$35,700 is hereby transferred from the General Fund Economic Development Contingency line item (\$28,700) and the City Manager’s Economic Development Line Item (\$7,000) to the Economic Development Fund for the establishment of the COVID19 Response Loan Fund.

Section 2: The sum of \$33,900 is hereby transferred from the General Fund – Operating Reserve portion of the Fund Balance to the Economic Development Fund.

Section 3: The 2020 appropriation for the Economic Development Fund is hereby increased by \$69,600 from \$0 to \$69,600 from the following sources and for the following uses:

Source of Funds

Transfer from the General Fund\$ 69,600

Use of Funds

COVID19 Response Loan Fund \$ 60,000

Loan Fund Administrative Fees.....9,600

\$69,600

**PASSED AND ADOPTED BY THE FRUITA CITY COUNCIL THIS 23rd DAY OF
APRIL, 2020**

ATTEST:

CITY OF FRUITA

Margaret Sell, City Clerk

Joel Kincaid, Mayor