

City of Cottonwood Shores

RESOLUTION 672

**A RESOLUTION OF THE CITY OF COTTONWOOD SHORES, TEXAS
ESTABLISHING A LINE OF CREDIT WITH SECURITY STATE BANK AND TRUST.**

WHEREAS, the City Council has determined it would be in the best interest of the City to establish a Rotating Line of Credit in the amount of \$50,000.00.

WHEREAS, security funds in the amount of \$50,000.00 will be moved from the Utility Deposit Account to a Certificate of Deposit as collateral for the Line of Credit.

WHEREAS, the term of the CD will be for 12 months at an interest rate of .2%.

WHEREAS, the interest rate of any loan made against this Line of Credit will be 2.0% above the CD interest rate.

WHEREAS, the Line of Credit is renewable at the maturity of the Certificate of Deposit.

**THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF
CO'ITONWOOD SHORES THAT:**

The City will enter into an agreement with Security State Bank and Trust and establish a Line of Credit in the amount of \$50,000.00.

A vote of the City Council is required to authorize initiation of each use of the Line of Credit. Multiple payments may be approved with one vote.

Each disbursement of funds will require two signatures to authorize withdraws from the Line of Credit. Authorized signatories will be: Mayor Donald Orr, Mayor Pro-Tem Stephen Sherry, City Councilmember Marley Porter, City Councilmember Roger Wayson, City Councilmember Cheryl Trinidad and City Councilmember Anthony Satske.

**PASSED THIS THE 19TH DAY OF JUNE, 2014, AT A MEETING OF THE CITY
COUNCIL OF THE CITY OF COTTONWOOD SHORES, TEXAS, THERE BEING A
QUORUM PRESENT, BY 3 YEAS, 0 NAYS AND 0 ABSTAINS.**


Donald Orr, Mayor




Sheila C. Moore
City Administrator/City Secretary