



RESOLUTION NO. 2014-17

A RESOLUTION OF THE CITY OF LYNNWOOD, SNOHOMISH COUNTY, WASHINGTON AUTHORIZING AN INTERFUND LOAN FROM THE GENERAL FUND TO THE GOLF COURSE FUND.

WHEREAS, the economy has had a significant impact on the City's revenues and cash reserves, and

WHEREAS, in order to maintain sufficient cash flow in the Golf Course Fund, the City has determined that it is necessary for the City to borrow funds from the General Fund; and

WHEREAS, Chapter 3.90 LMC and the Washington State Auditor's Office, through the Budgeting, Accounting and Reporting System (BARS) manual, require approval of interfund loans by resolution; and

WHEREAS, LMC 3.90.030 (Repayment Schedule and Interest Rate) provides that each interfund loan shall be documented with a financial plan reflecting the repayment schedule and interest rate to be charged and signed by the department head requesting the loan and by the Finance Director approving a reasonable interest rate; now therefore

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF LYNNWOOD RESOLVES AS FOLLOWS:

Section 1. The City Council approves an interfund loan from the General Fund to the Golf Course Fund in accordance with and subject to the terms and conditions set forth in **Exhibit A** attached hereto and incorporated herein by this reference.

This Resolution shall be in full force and effect from and after its adoption and approval.

PASSED BY THE CITY COUNCIL, the 11th day of August, 2014.

APPROVED:



Nicola Smith, Mayor

ATTEST/AUTHENTICATED:



Lorenzo Hines Jr., Finance Director

FILED WITH ADMINISTRATIVE SERVICES: 08/13/2014
PASSED BY THE CITY COUNCIL: 08/11/2014
RESOLUTION NUMBER: 2014-17

Exhibit A

		Interfund Loan 5 years	5 yrs Interest	Total Annual Pymt
Loan From:	Fund 011 (General Fund)			
Loan To:	Fund 460 (Golf Course Fund)			
Rate of Interest:	Monthly Current LGIP Rate	0.087%*		
Amount of Loan:	Not to exceed \$1,300,000.00			
Date of Loan Transfer:				
Repayment Terms:	yr 1 Principal & Interest	\$ 100,000.00	\$ 1,131.00	\$ 101,131.00
	yr 2 Principal & Interest	150,000.00	1,044.00	151,044.00
	yr 3 Principal & Interest	300,000.00	913.50	300,913.50
	yr 4 Principal & Interest	350,000.00	652.50	350,652.50
	yr 5 Principal & Interest	400,000.00	348.00	400,348.00
		<u>\$ 1,300,000.00</u>	<u>\$ 4,089.00</u>	<u>\$ 1,304,089.00</u>

*LGIP rate at 6/30/14

Interest is calculated at the rate of 0.087% annually but will vary with the monthly LGIP rates