



**RESOLUTION NO. 2016 - 14**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LYNNWOOD, WASHINGTON, RELATING TO AND AMENDING AN APPROVED INTERFUND LOAN FROM THE GENERAL FUND TO THE GOLF COURSE FUND.**

WHEREAS, on August 11, 2014, by approval of Resolution 2014-17, the City Council authorized an interfund loan from the General Fund to the Golf Course Fund; and

WHEREAS, Resolution 2014-17 contains a financial plan reflecting a five-year repayment schedule and a variable interest rate for the interfund loan; and

WHEREAS, the interfund loan authorized by Resolution 2014-17 is consistent with the provisions of Chapter 3.90 LMC and the requirements set forth by the Washington State Auditor's Office; and

WHEREAS, the City Council finds that the operation and performance of the Lynnwood Golf Course is curtailed by a deficiency in the number of off-street parking spaces available to golf course patrons, and that it is in the public's interest to revise the terms of the interfund loan to provide for the construction of approximately 46 additional off-street parking spaces; and

WHEREAS, in order to expand the number of off-street parking spaces available for use by golf course patrons, the City Council finds that it is in the public's interest to increase the amount of the interfund loan from \$1,300,000 to \$1,850,000 to cover the estimated cost of \$550,000 for the parking lot improvements, and to extend the term of the interfund loan from five to fifteen years; now, therefore

THE CITY COUNCIL OF THE CITY OF LYNNWOOD, WASHINGTON, RESOLVES AS FOLLOWS:

Section 1. The City Council amends Section 1 of Resolution 2014-17 to: a) increase the amount of the interfund loan from \$1,300,000 to \$1,850,000; b) extend the term of the interfund loan from five (2019) to 15 years (2029); and c) authorize amended terms and conditions as set forth in Exhibit A attached hereto and incorporated herein by this reference.

Section 2. The City Council repeals Resolution 2014-17.

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 July, 2016.

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PASSED BY THE CITY COUNCIL the 11th day of July, 2016.

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Nicola Smith, Mayor

ATTEST/AUTHENTICATE:

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Sonja Springer, Finance Director

*Duplicate of Resolution 2016-12 passed by Council July 11, 2016*

**Exhibit A – Interfund Loan from General Fund to Golf Course Fund**

	<u>Original Loan (Res. 2014-17)</u>	Interfund Loan	5 years	Total
		5 Years	Interest	Annual Payment
Loan From:	Fund 011 (General Fund)			
Loan To:	Fund 460 (Golf Course Fund)			
Rate of Interest:	Monthly Current LGIP Rate	.087%*		
<b>Amount of Loan</b>	<b>\$ 1,300,000.00</b>			
Repayment	Year 1 - 2015	\$ 100,000.00	\$ 1,131.00	\$ 1,231.00
	Year 2 - 2016	150,000.00	1,044.00	151,044.00
	Year 3 - 2017	300,000.00	913.50	300,913.50
	Year 4 - 2018	350,000.00	652.50	350,652.50
	Year 5 - 2019	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>

**Revised Loan - July 2016 - Add \$550,000 for Parking Lot Improvements**

	<u>Amount of Loan</u>	<u>Interfund Loan</u>	<u>12 years</u>	<u>Total</u>
	<u>\$</u>	<u>5 Years</u>	<u>Interest</u>	<u>Annual Payment</u>
	<b>1,850,000.00</b>			
Repayment	Year 1 - 2015	\$ 100,000.00	\$ 2,059.33	\$ 2,159.33
	Year 2 - 2016	100,000.00	5,353.28	105,353.28
	Year 3 - 2017	133,000.00	6,281.51	139,281.51
	Year 4 - 2018	133,000.00	7,207.81	140,207.81
	Year 5 - 2019	133,000.00	6,551.92	139,551.92
	Year 6 - 2020	133,000.00	5,896.03	138,896.03
	Year 7 - 2021	133,000.00	5,240.14	138,240.14
	Year 8 - 2022	133,000.00	4,584.25	137,584.25
	Year 9 - 2023	133,000.00	3,928.36	136,928.36
	Year 10 - 2024	133,000.00	3,272.47	136,272.47
	Year 11 - 2025	125,000.00	2,633.01	127,633.01
	Year 12 - 2026	125,000.00	2,016.58	127,016.58
	Year 12 - 2027	120,000.00	1,410.41	121,410.41
	Year 12 - 2028	110,000.00	839.18	110,839.18
	Year 12 - 2029	106,000.00	479.18	106,479.18
		<u>\$ 1,850,000.00</u>	<u>\$ 57,753.46</u>	<u>\$ 1,907,753.46</u>

\* LGIP rate at 6/30/14 = .087%; LGIP rate at 5/31/16 = 0.4241%

Interest is calculated at the rate of .5% annually but will vary with the monthly LGIP rates