

ORDINANCE NO. 1998-02-003

AN ORDINANCE RELATING TO THE 1998 BUDGET AND APPROPRIATING \$62,000.00 IN ADDITIONAL FUNDS IN THE GOLF COURSE AND GENERAL FUNDS FOR THE PURPOSE OF PROVIDING AN INTERFUND LOAN TO THE GOLF COURSE FUND TO COVER A TEMPORARY CASH FLOW DEFICIT; FROM UNANTICIPATED REVENUE AND ENDING UNRESERVE BALANCE.

WHEREAS, due to inclement 1997 spring weather Lake Padden experienced less play than expected which reduced the cash balance that the fund ended the year with; and

WHEREAS, during the first part of each year expenses exceed revenues and will cause a negative cash balance in the fund if funding action is not taken; and

WHEREAS, the corrective action proposed at this time will be an interfund loan to be repaid later in the year when the cash balance increases;

NOW, THEREFORE, THE CITY OF BELLINGHAM DOES ORDAIN:

Section 1. The sum of \$60,000.00 is hereby appropriated in the General Fund for the purpose of providing an interfund loan to the Golf Course Fund for cash flow purposes. The source of funding will be from:

051-001	General Fund	
	5945	Repayment of Interfund Loan
		\$ 60,000.00

To be credited as follows:

700-	General Fund	
	Non-Departmental Department	
	5960	Interfund Loans Program
		Loans Issued to Other Funds
	5801	Interfund Loan Advance
		\$ 60,000.00

Section 2. The sum of \$62,000.00 is hereby appropriated in the Golf Course Fund for the purpose of receiving and repaying an interfund loan being used to cover a temporary cash flow problem. The source of funding will be from:

051-412	Golf Course Fund	
	5940	Municipal Golf Course Program
		Interfund Loans Received
		\$ 60,000.00
306-	Golf Course Division	
	0665	Ending Unreserved Balance
		<u>2,000.00</u>
		\$ 62,000.00

To be credited as follows:

306-	Golf Course Fund	
	Golf Course Division	
	3442 Municipal Golf Course Program	
	Loan Repayment Issued	
	5802 Interfund Loan - Repayment	\$ 60,000.00
	3443 Interest & Other Debt Serv Costs	
	8201 Interest - Interfund Debt	<u>2,000.00</u>
		\$ 62,000.00

Section 3. The sum of \$2,000.00 is hereby transferred in the General Fund to reflect that interest income earned will come in as interfund interest rather than regular investment interest.

051-001	General Fund	
	0425 Investment Interest	- \$ 2,000.00
	5935 Interfund Loans Program	
	Interfund Interest	2,000.00

Section 4. An interfund loan of \$60,000.00 will be authorized from the General Fund to the Golf Course Fund for the purpose of providing funding for 1998 cash flow purposes. The loan will be made immediately and will be repaid on or before December 31, 1998. The loan will carry an interest rate of 5.5% and the interest payment will include any time period for which there was a negative cash balance prior to the loan proceeds being transferred into the Golf Course Fund.

PASSED by Council this 23rd day of February, 1998.

Bob Ryan
Council President

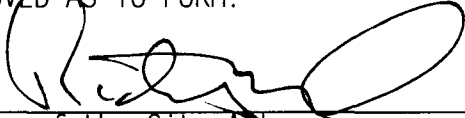
APPROVED by me this 3rd day of March, 1998.

Mark Hunt
Mayor

ATTEST:

Lynn Carpenter
Finance Director

APPROVED AS TO FORM:



Office of the City Attorney

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