

CITY OF LYNDEN

EXECUTIVE SUMMARY - FINANCE



Meeting Date:	July 17, 2023	
Name of Agenda Item:	Ord-23-1670 Line of Credit Renewal	
Section of Agenda:	Consent	
Department:	Finance	
Council Committee Review:	<input type="checkbox"/> Community Development <input checked="" type="checkbox"/> Finance <input type="checkbox"/> Parks	<input type="checkbox"/> Public Safety <input type="checkbox"/> Public Works <input type="checkbox"/> Other: _____
Legal Review:	<input checked="" type="checkbox"/> Yes - Reviewed <input type="checkbox"/> No - Not Reviewed <input type="checkbox"/> Review Not Required	
Attachments:		
Ord-23-1670 Line of Credit Renewal Notes A & B		
Summary Statement:		
<p>Ordinance No. 1231 was approved by council on May 2, 2005. It allowed the city to have a revolving line of credit. The notes have provided interim financing for capital projects such as the Water Reservoir project (for DWSRF reimbursement), Arterial Street capital improvements, Police Station Acquisition/Remodel (prior to issuance of permanent financing), and East Lynden Sewer Sub-Basin improvement projects. Presently, outstanding balances on the line of credit consist of several funds awaiting reimbursement money. The line of credit is available to provide interim financing for Street Capital Construction projects. These projects are secured by grant and/or other intergovernmental funding on a reimbursement basis. Since 2005, Ordinance No. 1231 has been amended by Ordinance No. 1261, 1295, 1319, 1355, 1376, 1400, 1420, 1444, 1467, 1485, 1510, 1534, 1558, 1588, 1629 and 1648 each authorizing an extension of the maturity date of the notes. The City received an offer from Banner Bank to extend the maturity date of the notes from July 31, 2023 to July 31, 2024 at a rate of 5.78%, which is a 2.68% increase from the previous rate. The closing date is anticipated to be July 28, 2023.</p> <p>The City's Bond Counsel and Finance Director have reviewed this proposal prior to its review by the Finance Committee on July 17, 2023.</p> <p>The Finance Committee approved the renewal in their June 17th, 2023 meeting and has forwarded the Ordinance to the full Council.</p>		
Recommended Action:		
That the Council approve Ord-23-1670 as presented and authorize the Mayor's signature.		