

### **Motion 2007IC01 Apply for \$1 Million Line of Credit**

The Investment Committee moves to apply for a \$1 million priority line of credit with Wells Fargo Advisors.

Rationale:

1. The line of credit will be used to fund Round 3 of the Covid-19 Relief Grants, Olympic Trials travel support and general operating expenses. The collateral for the line of credit is the investment account.
2. The investment committee recommends this course of action to maintain the interest and dividend earning principle. Historically Pacific's investment portfolio earns 7-8% per year. The interest rate for the line of credit is tied to the Prime which is currently 3.25%. The account earnings should be able to pay the interest on the line of credit.
3. A security backed line of credit is an untapped resource.
4. The main risks are market decline and interest rate increase

Mary Ruddell (Investment Committee)