

ORDINANCE NO. 3649

AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, AMENDING THE PROVISIONS OF CHAPTER 3.22 INTERFUND LOANS TO AUTHORIZE IN GENERAL THE ADMINISTRATIVE SERVICES DIRECTOR TO MAKE INTERFUND LOANS BETWEEN FUNDS AS NEEDED, AND TO MODIFY FREQUENCY OF REPORTING, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

WHEREAS, it has been the City's experience that interfund loans are not required to cover deficit in the general fund; and

WHEREAS, it has been the City's experience that in most situations when interfund loans are needed, the emergency financial reserve fund No. 006 is administratively not a practical lender fund; and

WHEREAS, it has been the City's experience that interfund loans are more commonly made between other City funds unrelated to the general fund or the emergency financial reserve fund No. 006, and

WHEREAS, the City Council deems it appropriate to authorize the Administrative Services Director to administer the interfund loan program, subject to regular reporting to the City Council, on an "as needed" basis to keep the different funds of the City solvent, NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF EDMONDS, WASHINGTON, DO
ORDAIN AS FOLLOWS:

Section 1. ECC 3.22.010 Interfund loans authorized is hereby amended by to

read as follows:

3.22.010 Interfund loans authorized.

The Administrative Services Director is hereby authorized to administer an interfund loan program. The Administrative Services Director shall make interfund loans as needed to keep the funds of the City solvent. In conjunction with interfund loans, the Administrative Services Director shall prepare a planned schedule of repayment of the loan principal plus applicable interest. A reasonable rate of interest based on external rate available to the City shall be charged by the lending fund, unless the borrowing fund has no other source of revenue other than the lending fund, or is normally funded by the lending fund. In addition, the borrowing fund must anticipate sufficient revenues to be in a position over the period of the loan to make the specified principal and interest payments.

Section 2. ECC 3.22.020 Report to the City Council is hereby amended by to read

as follows:

3.22.020 Report to the City Council.

The Administrative Services Director shall, as needed but not less frequently than once a quarter, include a report of any such loans and subsequent repayments to the City Council in conjunction with the Administrative Services Director's quarterly budget reports to the City Council. Any City Council member may request or the Mayor direct the Administrative Services Director to make such additional reports as may be necessary to fully inform the City Council of any revenue deficit or interfund loan or similar transfer.

Section 3. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other section, sentence, clause or phrase of this ordinance.

Section 4. Effective Date. This ordinance, being an exercise of a power specifically delegated to the City legislative body, is an administrative and legislative act not subject to

referendum, and shall take effect five (5) days after passage and publication of an approved summary thereof consisting of the title.

APPROVED:

MAYOR GARY HAAKENSEN

ATTEST/AUTHENTICATED:

CITY CLERK, SANDRA S. CHASE

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _____
W. Scott Snyder

FILED WITH THE CITY CLERK:	06/15/2007
PASSED BY THE CITY COUNCIL:	06/19/2007
PUBLISHED:	06/24/2007
EFFECTIVE DATE:	06/29/2007
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SUMMARY OF ORDINANCE NO. 3649

of the City of Edmonds, Washington

On the 19th day of June, 2007, the City Council of the City of Edmonds, passed Ordinance No. 3649. A summary of the content of said ordinance, consisting of the title, provides as follows:

AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, AMENDING THE PROVISIONS OF CHAPTER 3.22 INTERFUND LOANS TO AUTHORIZE IN GENERAL THE ADMINISTRATIVE SERVICES DIRECTOR TO MAKE INTERFUND LOANS BETWEEN FUNDS AS NEEDED, AND TO MODIFY FREQUENCY OF REPORTING, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

The full text of this Ordinance will be mailed upon request.

DATED this 20th day of June, 2007.

CITY CLERK, SANDRA S. CHASE