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ORDINANCE NO. 3431

AN ORDINANCE OF THE CITY OF EDMONDS, WASHINGTON, AMENDING THE PROVISIONS OF TITLE 3 REVENUE AND FINANCE TO ADOPT A NEW CHAPTER 3.22 INTERFUND LOANS, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

WHEREAS, the City's revenues, particularly from property taxes, do not provide a steady income stream to the City, but rather fluctuate throughout the budget year, and

WHEREAS, the needs of the City are such that present operating expenses may require loans from various funds of the City, and

WHEREAS, such loans are within the statutory authority of the City Council to approve, and

WHEREAS, the City Council wishes to provide an orderly process for such loans by authorizing the Administrative Services Director, an individual bonded and insured, to manage such loan processes on a daily basis, without regard to the City Council's meeting schedule in order to minimize interest expense and to carefully tailor such loans and repayment to the revenue needs and expense obligations of the City, and

WHEREAS, the City Council deems it appropriate to authorize the Administrative Services Director to administer an interfund loan program, subject to monthly reporting to the City Council, NOW, THEREFORE,

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

Section 1. Title 3 Revenue and Finance of the Edmonds City Code is hereby amended by the adoption of a new Chapter 3.22.Interfund Loan Program.

3.22.010 Interfund loans authorized.

The Finance Director is hereby authorized to administer an interfund loan program. When the timing of receipt of budgeted revenues of the City is such that an adequate general fund balance may not be available to meet the budgeted expenditures of the City, either presently or within the immediately foreseeable future, the Administrative Services Director is hereby authorized to provide loans to the general fund from the other funds of the City. Loans may also be made to other funds of the City such as the multi-modal fund. Transfers made in order to anticipate the receipt of grant monies may only be made in order to anticipate grant funds for which a binding contractual right to receive monies from the State or federal government has been established. Any such loans shall be first taken from the Emergency Financial Reserve Fund No. 006 and then from any other funds with available fund balances, such as the utility funds, changing such rate of interest as may be required pursuant to state law.

3.22.020 Report to the City Council.

The Administrative Services Director shall include a report of any such loans and subsequent repayments to the City Council in conjunction with the Administrative Services Director's monthly reports to the City Council regarding the ending fund cash balance of the City. 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.

3.22.030 Repayment directed.

The Administrative Services Director is directed and authorized to repay such loans, in whole or in part, when budgeted general fund revenues are received sufficient to cover the projected foreseeable needs of the City for the ensuing month of the budget year. In the event of doubt regarding the foreseeable needs of the City, the Finance Director is encouraged to consult with the Mayor and Council President and to bring questions regarding borrowing or repayment to the City Council for its advice.

Section 2. 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:	12/13/2002
PASSED BY THE CITY COUNCIL:	12/17/2002
PUBLISHED:	12/25/2002
EFFECTIVE DATE:	12/30/2002
ORDINANCE NO. <u>3431</u>	

SUMMARY OF ORDINANCE NO. 3431

of the City of Edmonds, Washington

On the 17th day of December, 2002, the City Council of the City of Edmonds, passed Ordinance No. 3431. 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 TITLE 3 REVENUE AND FINANCE TO ADOPT A NEW CHAPTER 3.22 INTERFUND LOANS, AND FIXING A TIME WHEN THE SAME SHALL BECOME EFFECTIVE.

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

DATED this 18th day of December, 2002.

CITY CLERK, SANDRA S. CHASE