

ORDINANCE NO. 2020-

AN ORDINANCE amending Section 3.123.010 of the City of Yakima Municipal Code Chapter 3.123 to identify the Secured Overnight Financing Rate (SOFR) as the benchmark for interest calculations on interfund loans.

BE IT ORDAINED BY THE CITY OF YAKIMA:

Section 1. Section 3.123.010 of Chapter 3.123 of the City of Yakima Municipal Code is revised to read as follows:

3.123.010 Interfund loan authorized.

The director of finance and budget is hereby authorized to administer an interfund loan program. The director of finance and budget shall make interfund loans as needed to keep the funds of the city solvent. In conjunction with interfund loans, the director of finance and budget shall prepare a planned schedule of repayment of the loan principal plus applicable interest. The monthly rate of interest will be the thirty-day Secured Overnight Financing Rate (SOFA) rate plus one percent and 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. Interfund loans for brief periods up to a calendar quarter will not be subject to interest. (Ord. 2013-011 § 1 (part), 2013).

Section 2. This ordinance shall be in full force and effect 30 days after its passage, approval, and publication as provided by law and by the City Charter.

PASSED BY THE CITY COUNCIL, signed and approved this 1st day of December, 2020.

ATTEST:

Patricia Byers, Mayor

Sonya Claar Tee, City Clerk

Publication Date: _____

Effective Date: _____