

Ordinance No. _____

**AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING
OLYMPIA MUNICIPAL CODE CHAPTER 3.04 RELATED TO FUNDS**

WHEREAS, authorized funds of the City of Olympia are codified under Olympia Municipal Code (OMC) Chapter 3.04; and

WHEREAS, OMC Chapter 3.04 in its current form was adopted in 1982, with several ordinances amending portions of OMC Chapter 3.04 since that time; and

WHEREAS, staff has identified that OMC Chapter 3.04 should be restructured to properly account for the receipt of opioid settlements funds, properly account for new ordinances related to water and sewer infrastructure grants, create the fire fleet fund to properly account for its activities as an internal service fund, and remove the Municipal Court Trust and Law Enforcement Records Management Funds, as they are no longer accounted for by the City as custodial funds, and to make it easier for staff and the public to use; and

WHEREAS, the City Council hereby determines that OMC Chapter 3.04 should be amended as recommended by staff;

NOW, THEREFORE, THE OLYMPIA CITY COUNCIL ORDAINS AS FOLLOWS:

Section 1. Amendment of OMC 3.04. Olympia Municipal Code Chapter 3.04 is hereby amended to read as follows:

Chapter 3.04

FUNDS

3.04.000 Chapter Contents

Sections:

3.04.100 Governmental Funds.
3.04.200 Special Revenue Funds.
3.04.300 Debt Service Funds.
3.04.400 Capital Improvement Funds.
3.04.500 Proprietary or Business-Type Funds.
3.04.600 Internal Service Funds.
3.04.700 Fiduciary Funds.

3.04.100 Governmental Funds. There is hereby created the following group of funds to be known as Governmental Funds:

A. General Fund – Current Operations

1. Created. There is hereby created a fund to be known as the General Fund. All general revenues of the City not otherwise accounted for shall be placed in the General Fund.
2. Uses. Any general government expenditure not otherwise provided for shall be paid out of the General Fund.

B. Special Account Control Fund

1. Created. There is hereby created a general sub-fund to be known as the Special Account Control Fund.
2. Uses. The Special Account Control Fund shall be used as deemed necessary by the Finance Director for the purpose of accounting for special programs. Moneys for the fund shall come from sources provided by the various special accounts within the fund or other sources deemed necessary by the City Council. The Finance Director is authorized to transfer funds from the General Fund or other funds which may have special accounts or funds to the Special Account Control Fund as deemed necessary. Any special account or fund which may be designated as part of the General Fund or other funds may be accounted for within the Special Account Control Fund.

C. Development Fee Revenue Fund

1. Created. There is hereby created a general sub-fund to be known as the Development Fee Revenue Fund.
2. Sources.
 - a. There shall be deposited into the Development Fee Revenue Fund all fees collected for Building Code Review (OMC Chapter 4.36) and Land Use Application Review Fees (OMC Chapter 4.40).
 - b. Fees deposited into the Development Fee Revenue Fund shall be monies collected for management of development.
3. Uses. Funds within the Development Fee Revenue Fund shall be used to record revenue resources and expenditure costs related to management of development, including but not limited to: personnel, equipment, consulting services, direct and indirect support and overhead, and other costs attributable to management of development.
4. Processes. The City Manager or designee shall establish processes to identify costs to be supported by the Development Fee Revenue Fund.
5. Transfer. If the City Council closes or discontinues the Development Fee Revenue Fund, any remaining funds in the Development Fee Revenue Fund shall be transferred to the General Fund of the City.

D. Parking Fund

1. Created. There is hereby created a general sub-fund to be known as the Parking Fund.
2. Sources. There shall be deposited into the Parking Fund revenues received from parking fines, revenue for parking on City streets and other City property, parking permits, parking meter tokens, electric vehicle charging, other parking which may be managed by the City, grants, debt proceeds related to capital or operation of the Parking Fund, and other monies which the City Council may direct to be deposited in the Parking Fund.
3. Uses. Funds within the Parking Fund shall be used for the operations and management of the Parking Program, capital improvements to the parking systems, programs and improvements to support economic development areas where the City collects parking revenue, debt service on debt issued to support or enhance the parking system, direct and indirect overhead which supports parking operations and management, and other items at the direction of the City Council.

4. Transfer. If the City Council closes or discontinues the Parking Fund, any remaining funds in the Parking Fund shall be transferred to the General Fund of the City.

E. LEOFF 1 OPEB Trust Fund

1. Created. There is hereby created a general sub-fund to be known as the LEOFF 1 OPEB Trust Fund.
2. Sources. There shall be deposited into the LEOFF 1 OPEB Trust Fund such funds as may be designated by the City Council.
3. Uses. The LEOFF 1 OPEB Trust Fund shall be used exclusively to pay benefits to City of Olympia retirees of the Law Enforcement Officers' and Firefighters' Retirement System, Plan 1, pursuant to RCW 41.26, other than pension, until such time as there are no retirees legally eligible to receive benefits from the LEOFF 1 OPEB trust fund. In addition to the benefit payments, costs directly related to actuarial analysis and administrative functions of the LEOFF 1 OPEB Trust should be charged to the LEOFF 1 OPEB Trust Fund.
4. Transfer. At the time there are no retirees legally eligible to receive benefits from the LEOFF 1 OPEB Trust Fund, any remaining funds shall be transferred to the General Fund of the City.

F. The Washington Center for the Performing Arts Reserve Fund

1. There is hereby established a general sub-fund to be known as The Washington Center for the Performing Arts Reserve Fund. There shall be deposited in the fund all proceeds from the sale of real property previously owned by the City of Olympia, located at the southwest corner of Black Lake Boulevard and Cooper Point Road in Olympia. More specifically, these proceeds shall include all moneys received for the property by Olympia on the closing date for the sale, December 18, 1984, and all payments hereafter received under the promissory note from Thompson Properties Four Limited Partnership, received as consideration in the sale and dated December 18, 1984, including principal and interest.
2. Any outside contributions to the City for The Washington Center for the Performing Arts shall likewise be placed in the Reserve Fund, unless otherwise designated by the donor.
3. Any interest or dividends accruing from monies in the Reserve Fund shall be retained in the fund.
4. All moneys within The Washington Center for the Performing Arts Endowment Fund shall be used to broaden the use of the city center to all citizens and groups within Olympia, including the remediation of the property located at the southwest corner of Black Lake Boulevard and Cooper Point Road in Olympia and the facilitation of the sale of that property. To that end, the Reserve Fund shall be used only for the maintenance, operation, repair, upkeep or improvement of The Washington Center for the Performing Arts, or the remediation and sale of the property located at the southwest corner of Black Lake Boulevard and Cooper Point Road in Olympia. Disbursement from the Reserve Fund shall be made by appropriation of the City Council directly for Washington Center purposes as set forth herein or pursuant to an agreement with the board of directors for The Washington Center for the Performing Arts.

G. The Washington Center for the Performing Arts Maintenance Fund

1. Created. There is hereby created a general sub-fund to be known as The Washington Center for the Performing Arts Maintenance Fund.

2. Sources. There shall be deposited into The Washington Center Maintenance Fund, moneys appropriated within the Lodging Tax Fund and The Washington Center Reserve Fund for the purpose of supporting the operations and maintenance of The Washington Center for the Performing Arts, interest earnings of the fund, donations received by the City to support The Washington Center for the Performing Arts, and other funds as determined by the City Council.

3. Uses. The Washington Center Maintenance Fund shall be used for the operations, maintenance, and improvement of The Washington Center for the Performing Arts.

H. Municipal Arts Fund

1. Created. There is hereby created a general sub-fund according to OMC 2.100.180

2. Sources. See OMC 2.100.170.

3. Uses. See OMC 2.100.180. (Ord. 7300 §1, 2021).

3.04.200 There is hereby created the following group of funds to be known as Special Revenue Funds:

A. HUD Fund

1. Created. There is hereby created a fund to be known as the HUD Fund.

2. Sources. There shall be deposited into the HUD Fund such monies as received from the U.S. Department of Housing and Urban Development, loan repayments and interest for loans made from the HUD fund, monies accumulated in the HUD fund, and other monies as may be deemed appropriate or designated by the City Council, and such funds shall be used exclusively for approved projects.

3. Uses. The HUD Fund may be used for any legal purpose as authorized by the City Council, subject to limitations or restrictions as may be prescribed by the U.S Department of Housing and Urban Development or its successor.

4. Transfer. The Finance Director shall transfer and adjust revenue estimates and appropriations as may be required for the administration of the HUD Fund.

B. Impact Fees Fund

1. Created. See OMC 15.04.100.B

2. Sources. See OMC 15.04.040 through 15.04.090, and 15.04.120.

3. Uses. See OMC 15.04.130

4. The following are impact fee accounts:

a. Parks and Transportation Impact Fee Accounts (See OMC 15.04.100)

b. School Impact Fee Account (See OMC 15.04.110)

(See also OMC Title 15 – Impact Fees)

C. SEPA Mitigation Fund

1. Created. There is hereby created a fund to be known as the SEPA Mitigation Fund.

2. Sources. Monies received under the State Environmental Policy Act (SEPA) authorization and mitigation fees, other than utility mitigation fees, shall be deposited in the SEPA Mitigation Fund. (See also OMC 14.04.190)

3. Uses. Mitigation fees deposited in the SEPA Mitigation Fund shall be used only for the purposes for which the fees were collected, plus administrative fees as approved by the City Council. Funds may be transferred out of the SEPA Mitigation Fund to finance projects, purchases, and improvements which meet the purpose for which the fees were collected.

(See also OMC 14.04 Environmental Policy)

D. Lodging Tax Fund

1. Created. There is hereby created a fund to be known as the Lodging Tax Fund.

2. Uses. All taxes collected under OMC 3.40 shall be placed in the Lodging Tax fund to be used solely for the purpose of OMC 3.40.

(See also OMC 3.40 – Lodging Tax)

E. Parks and Recreational Sidewalk Utility Tax Fund

1. Created. There is hereby created a fund to be known as the Parks and Recreational Sidewalks Utility Tax Fund.

2. Sources. There shall be deposited into the Parks and Recreational Sidewalks Utility Tax Fund the increase of three percent (3%) utility tax authorized by Ordinance No. 6314 and approved by a majority of electors voting in the September 2004 primary election, and other monies as may be deemed appropriate by the City Council.3. Uses. Funds in the Parks and Recreational Sidewalks Utility Tax Fund may be used as follows:

a. Utility tax monies collected under Ordinance No. 6314 may be used for purposes as set forth and as allocated in Ordinance No. 6314 and as amended; and

b. Other monies deposited in the Parks and Recreational Sidewalks Utility Tax Fund under Section A above may be used for any purpose set forth in or consistent with Ordinance No. 6314 and as amended.

(See also OMC 5.84 Utility Services Tax)

F. Parking Business Improvement Area Fund

1. Created. There is hereby created a fund to be known as the Parking Business Improvement Area Fund.

2. Uses. All monies collected under OMC 3.62 shall be placed in Parking Business Improvement Area Fund to be used solely for the purpose of the OMC 3.62.

(See also OMC 3.62 Parking and Business Improvement Area)

G. Farmers Market Major Repair and Replacement Fund

1. Created. There is hereby created a fund to be known as the Farmers Market Major Repair and Replacement Fund.

2. Sources. There shall be deposited into the Farmers Market Major Repair and Replacement Fund monies received from the Olympia Farmers Market for major repair and maintenance of the farmers

market facilities, capital donations to the City for the farmers market and/or the facilities, and other funds as may be determined by the City Council.

3. Uses. The Farmers Market Repair and Replacement Fund may be used for major repair and maintenance of the farmers market facilities owned by the City of Olympia.

H. Hands On Children's Museum Fund

1. Created. There is hereby created a fund to be known as the Hands On Children's Museum Fund.

2. Sources. There shall be deposited into Hands On Children's Museum Fund shall receive funds from the Capital Area Regional Public Facilities District or other persons for the purposes related to the Hands On Children's Museum.

3. Uses. The Hands On Children's Museum Fund may be used for purposes related to the Hands On Children's Museum, including but not limited to, pre-development, pre-acquisition, planning, design, acquisition, construction, improvements, operations, maintenance, debt service, and/or other costs associated directly or indirectly with the Hands On Children's Museum.

I. Transportation Benefit District Fund

1. Created. There is hereby created a fund to be known as the Transportation Benefit District fund.

2. Sources. Pursuant to Chapter 36.73 RCW, there shall be deposited in the Transportation Benefit District Fund:

a. Proceeds from a vehicle tax of up to Forty and no/100 Dollars (\$40) per vehicle as provided for by RCW 82.80.140

b. When authorized by the voters pursuant to the requirements of Chapter 36.73 RCW, other taxes, fees, charges and tolls or increases in these revenue sources.

3. Uses. Funds in the Transportation Benefit District Fund shall be used for the preservation, maintenance, capacity, safety and operation of City streets in accordance with the provisions of a state or regional plan. See also OMC 12.14.040.

(See also OMC 12.14 Transportation Benefit District)

J. Grants Control Fund

1. Created. There is hereby created a fund to be known as the Grants Control Fund.

2. Uses. The fund shall be used as deemed necessary by the Finance Director for the purpose of accounting for grant revenue and activities.

K. Real Estate Excise Tax Fund

1. Created. There is hereby created a fund to be known as the Real Estate Excise Tax (REET) Fund. The REET Fund shall be used for the purpose of receipting REET funds authorized by RCW 82.46.

2. Uses. The REET Fund shall be used for purposes as authorized by law for the use of REET funds, as directed by the City Council.

(See also OMC 3.52 Real Estate Excise Tax)

L. Olympia Metropolitan Park District Fund

1. Created. There is hereby created a fund to be known as the Olympia Metropolitan Park District Fund.
2. Sources. Pursuant to Chapter 35.61 RCW, there shall be deposited in the Olympia Metropolitan Park District Fund proceeds from an annual property tax of up to a maximum of \$0.75 per thousand dollars of assessed value as approved by a majority of the voters on November 3, 2015.
3. Uses. Funds from the Olympia Metropolitan Park District Fund shall be used to acquire, construct, maintain, operate, and improve parks and recreational facilities and to supplement, not replace, existing City of Olympia parks and recreation funding.

M. Home Fund

1. Created. There is hereby created a fund to be known as the Home Fund.
2. Sources. There shall be deposited in the Home Fund, sales and use tax authorized by RCW 82.14.530 and interest thereon, and other funds as determined by the City Council to support the purposes of the Home Fund.
3. Uses. A maximum of forty (40) percent of the monies collected under RCW 82.14.530 shall be used for the operation, delivery, or evaluation of mental and behavioral health treatment. Other funds deposited in the Home Fund shall be used for purposes similar in nature to the above, as determined by the City Council.

N. Cultural Access Program Fund

1. Created. There is hereby created a fund to be known as the Cultural Access Program Fund.
2. Sources. There shall be deposited in the Cultural Access Program Fund, sales and use tax authorized by RCW [82.14.525](#) and interest thereon, and other funds as determined by the City Council to support the purposes of the Cultural Access Program Fund.
3. Uses. The monies collected under RCW [82.14.525](#) shall only be used for the purposes authorized as set forth in RCW [36.160.110](#). Other funds deposited in the Cultural Access Program Fund shall also be used as authorized by RCW [36.160.110](#), as determined by the City Council. (Ord. 7385 §1, 2023; Ord. 7324 §1, 2022; Ord. 7300 §1, 2021).

O. Opioid Settlement Fund

1. Created. There is hereby created a fund to be known as the Opioid Settlement Fund.
2. Sources. There shall be deposited in the Opioid Settlement Fund, settlement monies from the collective 2023 National Opioid Settlements and allocated as set forth in by the One Washington Memorandum of Understanding Between Washington Municipalities ("One WA MOU") governing the allocation of funds paid by certain settling opioid manufacturers, distributors, and pharmacies, and other settling opioid defendants.
3. Uses. The monies collected shall only be used for opioid remediation and abatement efforts as prescribed in the One WA MOU, the Regional Agreement of the Cascade Pacific Action Alliance and any independent subcommittee Opioid Abatement Council ("OAC") of which the City of Olympia may be a party.

P. Water Infrastructure Improvement Grants Fund

1. Created. There is hereby created a fund to be known as the Water Infrastructure Improvement Grants Fund.
2. Sources. There shall be deposited in the Water Infrastructure Improvement Grants Fund, a portion of rates paid by the Drinking Water Utility Fund and interest thereon, and other funds as determined by the City Council to support the purposes of the Water Infrastructure Improvement Grants Fund.
3. Uses. The monies collected shall be used to reduce permit and development fees paid by developers for off-site infrastructure improvements necessitated by affordable housing projects that meet the eligibility criteria as defined by the City Council in Ordinance No. 7414 or as thereafter may be amended.

Q. Sewer Infrastructure Improvement Grants Fund

1. Created. There is hereby created a fund to be known as the Sewer Infrastructure Improvement Grants Fund.
2. Sources. There shall be deposited in the Sewer Infrastructure Improvement Grants Fund, a portion of rates paid by the Wastewater Utility Fund and interest thereon, and other funds as determined by the City Council to support the purposes of the Sewer Infrastructure Improvement Grants Fund.
3. Uses. The monies collected shall be used to reduce permit and development fees paid by developers for off-site infrastructure improvements necessitated by affordable housing projects that meet the eligibility criteria defined by City Council.

3.04.300 Debt Service Funds. There is hereby created the following group of funds to be known as Debt Service Funds:

A. Non-Voted General Obligation Debt Service Fund

1. Created. There is hereby created a fund for the purpose of paying the principal, interest and administrative expense related to the non-voted general obligation (GO) debts of the city.
2. Sources. Resources shall be added to the Non-Voted GO Debt Service Fund via appropriations made by the City Council.
3. Uses. Funds from the Non-Voted GO Debt Service Fund shall be used in accordance with the authorized budget.

B. Voted General Obligation Debt Service Fund

1. Created. There is hereby created a fund for the purpose of paying the principal, interest and administrative expense related to the voted general obligation (GO) debts of the city.
2. Sources. The amounts the City shall levy and collect as deemed necessary to meet the voter approved debt service obligation. There shall also be paid into the fund the interest received from bank deposits of the fund, as well as any surplus remaining in fund after the payment of all outstanding bonds or warrants payable.

3. Uses. Out of the fund shall be paid such warrants, installment notes, bonds, bond anticipation notes, or other short-term obligations, interest thereon, and the cost of improvements to be borne by the voter approved obligation.

C. Miscellaneous Governmental Debt Service Fund

1. Created. There is hereby created a fund for the purpose of paying the principal, interest and administrative expense related to the Miscellaneous Governmental debts of the city.
2. Sources. Resources shall be added to the Miscellaneous Governmental Debt Service Fund via appropriations made by the City Council.
3. Uses. Funds from the Miscellaneous Governmental Debt Service Fund shall be used in accordance with the authorized budget.

3.04.400 Capital Improvement Funds. There is hereby created the following group of funds to be known as Capital Improvement Funds:

A. Capital Improvement Fund

1. Created. There is hereby created a fund to be known as the Capital Improvement Fund. This fund is created for the purpose of accounting for capital projects related to general operations assets of the City.
2. Sources. Resources shall be added to the Capital Improvement Fund via appropriations made by the City Council.
3. Uses. Funds from the Capital Improvement Fund shall be used in accordance with the authorized budget.

B. Home Fund Capital Fund

1. Created. There is hereby created a fund to be known as the Home Fund Capital Fund.
2. Sources. There shall be deposited in the Home Fund Capital Fund sales and use tax authorized by RCW 82.14.530 and interest thereon, and other funds as determined by the City Council to support the purposes of the Home Fund Capital Fund.
3. Uses. A minimum of sixty (60) percent of the monies collected under RCW 82.14.530 shall be used for housing and housing-related purposes as defined in RCW 82.14.530(2)(a)(i), (ii), and (iii). Other funds deposited in the Home Fund Capital Fund shall be used for purposes similar in nature to the above, as determined by the City Council.

C. Fire Equipment Capital Fund

1. Created. There is hereby created a fund to be known as the Fire Capital Equipment and Replacement Fund.
2. Uses. Funds from the Fire Capital Equipment and Replacement Fund shall be used for the purchase of capital assets by the Fire Department, including but not limited to, vehicles, accessories thereto, and other purposes as may be deemed appropriate by the City Council.

D. Transportation Capital Improvement Fund

1. Created. There is hereby created a fund to be known as the Transportation Capital Improvement Fund. This fund is created for the purpose of accounting for capital projects related to transportation in the City of Olympia.
2. Sources. Resources shall be added to the Transportation Capital Improvement Fund via appropriations made by the City Council
3. Uses. Funds from the Transportation Capital Improvement Fund shall be used in accordance with the authorized budget.

E. General Facilities Capital Improvement Fund

1. Created. There is hereby created a fund to be known as the General Facilities Capital Improvement Fund. This fund is created for the purpose of accounting for capital projects related to General Facility assets of the City of Olympia.
2. Sources. Resources shall be added to the General Facilities Capital Improvement Fund via appropriations made by the City Council.
3. Uses. Funds from the General Facilities Capital Improvement Fund shall be used in accordance with the authorized budget.

F. Parks Improvement Fund

1. Created. There is hereby created a fund to be known as the Parks Capital Improvement Fund. This fund is created for the purpose of accounting for capital projects related parks of the City of Olympia.
2. Sources. Resources shall be added to the Parks Capital Improvement fund via appropriations made by the City Council.
3. Uses. Funds from the Park Capital Improvement Fund shall be used in accordance with the authorized budget. (Ord. 7300 §1, 2021).

3.04.500 There is hereby created the following group of funds to be known as Proprietary or Business-type funds:

A. Drinking Water Utility Funds

1. Created. There is hereby created a fund group known to be known as the Drinking Water Utility Funds.
2. Sources. Moneys for the Drinking Water Utility Funds shall come from sources authorized by local, state, or federal law.
3. Uses.
 - a. Funds from the Drinking Water Utility Funds shall be used as deemed necessary by the Finance Director for the purpose of accounting for the Water Utility Accounts (Funds) as required by local, state, or federal law.
 - b. The Finance Director is authorized to expend funds from the Drinking Water Utility Funds as deemed necessary by the local, state, or federal law.

(See also OMC 13.04 Water; OMC 13.08 Sewers; OMC 13.20 Wastewater System; and OMC 13.24 Reclaimed Water)

4. The Drinking Water Utility Fund has the following sub-funds:

a. Water Utility Operating Fund

- i. Created. There is hereby created a fund to be known as the Water Utility Operating Fund.
- ii. Uses. The Finance Director is authorized to expend funds from the Water Utility Operating Fund as deemed necessary by the ordinances of the City of Olympia and/or Washington State law.

b. Water Debt Service Fund

- i. Created. There is hereby created a fund to be known as the Water Debt Service Fund.
- ii. Uses. The Water Debt Service Fund shall be drawn upon for the sole purpose of paying the principal, interest, and any associated administration costs on the revenue bonds and loans of the utility. The monies in the Water Debt Service Fund shall be kept separate and apart from all other funds and accounts of the City.

c. Water Utility Capital Improvement Fund

- i. Created. There is hereby created a fund to be known as the Water Capital Improvement Fund.
- ii. Sources. The water general facility charges collected pursuant to OMC 13.04.375 of this code shall be deposited into the Water Capital Improvement Fund. The City Council may make any other funds available to the Water Capital Improvement Fund for the purposes set forth herein.
- iii. Uses.
 - 1. Monies within the Water Capital Improvement Fund shall only be used for the purpose of acquiring, equipping, and/or making capital improvements to water facilities and extensions, additions, expansion, and betterments to the Olympia water system owned by the City and shall not be used for maintenance or operations relative to those facilities. In the event that bonds or similar debt instruments are issued for advance provision of capital facilities for which water facility charges may be expended, charges may be used to pay debt service on such bonds or similar debt instruments to the extent that the facilities provided are of the type described above.
 - 2. Moneys from the Water Capital Improvement Fund may be used to grant rebates to developers for costs incurred in providing water capital facilities in excess of the capacity required for an individual development. Any rebates must be made pursuant to a refunding agreement between the developer and the City after the effective date of the ordinance codified in this section. Prior refunding agreements may be renegotiated in order to bring such agreements in accord with the provisions of this section.

B Wastewater Utility Funds

- 1. Created. There is hereby created a fund group to be known as the Wastewater Utility Funds.
- 2. Sources. Monies for the Wastewater Utility Funds shall come from sources authorized by local, state, or federal law.
- 3. Uses.

- a. Funds from the Wastewater Utility Funds shall be used as deemed necessary by the Finance Director for the purpose of accounting for the Wastewater Utility Accounts (Funds) as required by local, state, or federal law.
 - b. The Finance Director is authorized to expend funds from the Wastewater Utility Funds as deemed necessary by local, state, or federal law.
- 4. The Wastewater Utility Fund has the following sub-funds:
 - a. Wastewater (Sewer) Utility Operating Fund
 - i. Created. There is hereby created a fund to be known as Sewer Utility Operating Fund. This fund shall be for the purpose of accounting for the operations and maintenance of the sewer collection system.
 - ii. Uses. The Finance Director is authorized to expend funds from the Sewer Utility Operating Fund as deemed necessary by the ordinances of the City of Olympia.
 - b. Sewer Debt Service Fund
 - i. Created. There is hereby created a fund to known as the Sewer Debt Service Fund.
 - ii. Uses. The Sewer Debt Service Fund shall be drawn upon for the sole purpose of paying the principal, interest, and any association administration costs on the revenue debt of the utility. The money in the Sewer Debt Service Fund shall be kept separate and apart from all other funds and accounts of the City.
 - c. Sewer Capital Improvement Fund
 - i. Created. There is hereby established within the budget of the City a Sewer Capital Improvement Fund.
 - ii. Sources. The sewer general facility charges collected pursuant to OMC Section 13.08.205 of this code shall be deposited into the Sewer Capital Improvement Fund. The City Council may make any other funds available to the Sewer Capital Improvement Fund for the purposes set forth herein.
 - iii. Uses.
 - (a). Monies within the Sewer Capital Improvement Fund shall only be used for the purpose of acquiring, equipping, and/or making capital improvements to sewer facilities, extensions, and betterments of the Olympia sewer system owned by the City and shall not be used for maintenance or operations relative to those facilities or for LOTT joint facilities. In the event that bonds or similar debt instruments are issued for advance provision of capital facilities for which sewer facility charges may be expended, charges may be used to pay debt service on such bonds or similar debt instruments to the extent that the facilities provided are of the type described above.
 - (b). Monies from the Sewer Capital Improvement Fund may be used to grant rebates to developers for costs incurred in providing sewer capital facilities in excess of the capacity required for an individual development. Any rebates must be made pursuant to a refunding agreement between the developer and the City after the effective date of the ordinance codified in this section. Prior refunding agreements may be renegotiated in order to bring such agreements in accord with the provisions of this section.

C. Waste Resources Utility Fund

1. Created. There is hereby created a fund to be known as the Waste Resources Utility Fund.
2. Sources. Monies for the Waste Resources Utility Fund shall come from sources authorized by local, state, or federal law.
3. Uses. The Finance Director is authorized to expend funds from the Waste Resources Utility Fund as deemed necessary by local, state, or federal law.
4. The following are the Waste Resources Utility Sub-Funds:
 - a. Solid Waste Operating Fund
 - i. Created. There is hereby created a fund to be known as the Solid Waste Operating Fund.
 - ii. Uses. The Finance Director is authorized to expend funds from the Solid Waste operating Fund as deemed necessary by the ordinances of the City of Olympia and/or Washington State law.
 - b. Solid Waste Debt Service Fund
 - i. Created. There is hereby created a fund to be known as the Solid Waste Debt Service Fund.
 - ii. Uses. The Solid Waste Debt Service Fund shall be drawn upon for the sole purpose of paying the principal, interest and any associated administration costs on the revenue debt of the utility. The money in the Solid Waste Debt Service Fund shall be kept separate and apart from all other funds and accounts of the City.
 - c. Solid Waste Capital Fund
 - i. Created. There is hereby created a fund to be known as the Waste Resources Capital Fund.
 - ii. Sources. There shall be deposited in the Waste Resources Capital Fund, on an annual basis via transfer, monies from any rate increase directly attributed to capital needs, and other funds as determined by the Public Works Director to support the purposes set forth herein.
 - iii. Uses. Monies within the Waste Resources Capital Fund shall be used only for the purposes of acquiring, equipping and/or making capital improvements to the Waste Resources Center and capital projects related to Waste Resources, and shall not be used for maintenance or operations relative to those facilities or projects. Should the City Manager determine that those capital projects will not be completed, or if there are monies remaining in the Fund once the capital projects are completed, those monies accumulated in the Waste Resources Capital Fund may be transferred to the Waste Resources Operating Fund.

D. Storm Drainage Utility Fund

1. Created. There is hereby created a fund group known to be the Storm Drainage Utility Funds. These funds shall be used as deemed necessary by the Finance Director for the purpose of accounting for the Storm Drainage Utility accounts (funds) as required by ordinances and/or law.

2. Sources. Moneys for the Storm Drainage Utility Funds shall come from sources authorized by local, state or federal law.
3. Uses. The Finance Director is authorized to expend funds from the storm drainage utility funds as deemed necessary by local, state or federal law.
4. The following are the Storm Drainage Utility Funds:
 - a. Storm Water/Surface Water Operating Fund
 - i. Created. There is hereby created a fund which shall be known as the Storm and Surface Water Operating Fund.
 - ii. Sources. All revenues, assessments, and other charges collected by the utility pursuant to OMC 3.22, or otherwise received for drainage purposes or attributable to the operation and maintenance of the utility, and all loans to or grants or funds received for its construction, improvement and operation, shall be deposited in the utility fund. The City Council may make any other funds available to the Storm and Surface Water Operating Fund for the purposes set forth herein.
 - iii. Uses. All disbursements for costs of data collection, planning, designing, constructing, acquiring, maintaining, operating and improving the drainage utility facilities, whether such facilities are natural, constructed or both, and administering the utility shall be made from the Storm and Surface Water Operating Fund.
 - b. Storm Water/Surface Water Mitigation Fund
 - i. Created. There is hereby created a fund which shall be known as the Storm Drainage Mitigation Fund.
 - ii. Sources. Monies received from storm drainage mitigation fees shall be deposited in the Storm Drainage Mitigation Fund.
 - iii. Uses. Mitigation fees deposited in this Fund shall be used only for the purposes for which the fees were collected, plus administrative fees as approved by the City Council. Funds may be transferred out of this Fund to finance projects, purchases and improvements which meet the purpose for which the fees were collected.
 - c. Storm and Surface Water Debt Service Fund
 - i. Created. There is hereby created a fund known as the storm and Surface Water Debt Service.
 - ii. Sources. Monies designated by Council shall be deposited in the Storm and Surface Water Debt Service Fund.
 - iii. Uses. The Storm and Surface Water Debt Service Fund shall be drawn upon for the sole purpose of paying the principal, interest and any associated administrative costs on debt issued by the Storm Drainage Utility. The money in the Storm and Surface Water Debt Service Fund shall be kept separate and apart from all other funds and accounts of the City.
 - d. Storm Water/Surface Water Capital Improvement Fund
 - i. Created. There is hereby created a fund to be known as the Storm and Surface Water Utility Capital Improvement Fund.

ii. Sources. Monies designated by Council shall be deposited in the Storm and Surface Water Utility Capital Improvement Fund.

iii. Uses. Monies within the Storm and Surface Water Utility Capital Improvement Fund shall only be used for the purpose of acquiring, equipping and/or making capital improvements to storm and surface water facilities and extensions, additions, expansion and betterments to the Olympia storm and surface water system. (Ord. 7300 §1, 2021).

3.04.600 There is hereby created the following group of funds to be known as Internal Service Funds:

A. Equipment Rental Fund

1. Created. There is hereby created a fund group to be known as the Equipment Rental and Replacement Funds. These Funds shall be used as deemed necessary by the Finance Director for the purpose of accounting for the Equipment and Rental and Replacement Accounts (Funds) as required by ordinances and/or law. Moneys for these Funds shall come from sources authorized by these ordinances and/or law.

2. Uses. The Finance Director is authorized to expend funds from the Equipment Rental and Replacement Funds as deemed necessary by the ordinances and/or law mentioned above.

3. The following are the Equipment Rental and Replacement Funds:

a. Equipment Rental Operating Fund (501)

i. Created. There is hereby created a fund to be known as the Equipment Rental Fund to be used as a revolving fund to be expended for salaries, wages, and operations required for the repair, replacement, purchase, and operation of motor vehicle equipment, and for the purchase of all equipment materials and supplies to be used in the administration and operation of said fund.

ii. Sources. Monies designated by Council and a portion of the charges made to various divisions and departments of the City of Olympia shall be deposited in the Equipment Rental Operating Fund.

iii. Uses. Monies within the Equipment Rental Operating Fund shall be used for salaries, wages, materials, overhead, or other costs necessary to operate and maintain all motor vehicle equipment of the City of Olympia.

iv. Transfers. All monies deposited in said Equipment Rental Operating Fund and not expended for any purpose other than those listed above shall remain in the fund from year to year and shall not be transferred to any other fund or expended for any other purpose unless authorized by the City Council.

b. Cumulative Reserve Equipment Rental Fund (502)

i. Created. There is hereby created, pursuant to RCW 35.21.070, a reserve fund to be known as the Cumulative Reserve Equipment Rental Fund.

ii. Sources. Monies designated by Council and a portion of the charges made to various divisions and departments of the City of Olympia shall be deposited in the Cumulative Reserve Equipment Rental Fund.

iii. Uses. This fund is hereby created for the following purposes as authorized by law:

a) Purchase of all forms of equipment and supplies used by the Equipment Rental Department of the City of Olympia, including but not limited to vehicles, excavating equipment and supplies accessory thereto.

b) Major replacement and/or repair of all forms of equipment handled by the Equipment Rental Department of the City of Olympia

iv. Restrictions. Any monies in the Cumulative Reserve Equipment Rental Fund shall never be expended for any purpose other than those listed above without an approving vote by majority of the electors of the City of Olympia at a general or special election held for such purpose. Any monies in said fund at the end of the fiscal year shall not lapse nor shall the same be surplus available or which may be used for any purpose or purposes than those specified by this Ordinance.

B. Unemployment Compensation Fund

1. Created. There is hereby created a fund to be known as the Unemployment Compensation Fund.

2. Sources. To provide funds for deposit into the Unemployment Compensation Fund, each department and operating fund of the City shall, in its budget, provide for payments into the fund an amount not more than three percent (3%) of the amount paid for wages and salaries.

3. Uses. Monies in the Unemployment Compensation Fund will be used for reimbursements to the Washington State Department of Employment Security and other costs connected with administering unemployment insurance claims.

C. Insurance Trust Fund

1. Created. There is hereby created a fund to be known as the Self-Insurance Trust Fund.

2. Sources. Monies budgeted for insurance shall be deposited into the Self-Insurance Trust Fund. The City Council may authorize transfer of monies to the Fund and shall designate moneys to be placed in the Fund for the coming budget year.

3. Uses. Monies in this fund will be used for payments for insurance related to risk management plans of the City; to pay claims against the City for which the City must pay a deductible or is self-insured; to pay for repairs or replacement to City property which is damaged or destroyed and not covered by insurance; to pay for corrections, repairs, or replacement of City property when immediate action is necessary to prevent injury to persons or property, and moneys are not available for such purpose from other budget sources; and to pay for studies of other areas of self-insurance.

D. Workers Compensation Fund

1. Created. There is hereby created a fund to be known as the Workers Compensation Fund.

2. Sources. There shall be deposited in the Workers Compensation Fund funds from any available source. Additionally, any employee deduction may be deposited which may be required by the State for workers compensation until such time as it is required to be remitted to the state.

3. Uses. The Workers Compensation Fund shall be used to pay any worker's compensation claims, to pay obligations due to the state for workers compensation, to pay premiums for insurance or surety bonds as may be required, and to pay any other costs related to the City's workers compensation program, including but not limited to third party administration costs, actuarial studies, safety programs, accident prevention programs and administration of the workers compensation program.

E. Facilities Fund

1. Created. There is hereby created a fund to be known as the Facilities Fund.
2. Sources. To provide funds for deposit into the Facilities Fund, each department and operating fund of the City shall, in its budget, provide for payments into the fund an amount calculated from an allocation process and/or an amount agreed upon for particular service delivery.
3. Uses. The Facilities Fund shall be used to pay for activities related to the acquisition, maintenance, improvements, and lifecycle renovations of buildings and grounds. (Ord. 7353 §1, 2023; Ord. 7300 §1, 2021).

D. Fire Fleet Fund

1. Created. There is hereby created a fund to be known as the Fire Fleet Fund.
2. Sources. Monies designated by City Council and a portion of the charges made to the Olympia Fire Department. There shall be deposits into the Fire Fleet Fund all fees collected for contractual materials and services provided by the Fire Vehicle Repair Facility to varying regional fire departments and districts.
3. Uses. Monies within the Fire Fleet Fund shall be used for salaries, wages, materials, overhead, or other costs necessary to operate and maintain all motor vehicle equipment of the Olympia Fire Department and the contractual materials and services provided to the varying regional fire departments and districts.
4. Transfers. All monies deposited in said Fire Fleet Fund and not expended for any purpose other than those listed above shall remain in the fund from year to year and shall not be transferred to any other fund or expended for any other purpose unless authorized by the City Council

3.04.700 There is hereby created the following group of funds to be known as Fiduciary Funds:

A. Firefighter's Pension Fund

1. Created. There is hereby created a fund to be known as the Firefighter's Pension Fund.
2. Sources. Resources shall be added to the Firefighter's Pension Fund via appropriations made by the City Council.
3. Uses. The Finance Director is authorized to expend funds from the Fiduciary and Custodial Funds as deemed necessary by the legal agreements or law authorizing the fund.

~~B. Municipal Court Trust Fund~~

- ~~1. Created. There is hereby created a fund to be known as the Municipal Court Trust Fund.~~
- ~~2. Sources. There shall be deposited into this fund monies held by the Municipal Court as an agent for private individuals or other governments.~~
- ~~3. Uses. The Court Administrative Officer is authorized to expend funds from the Municipal Court Trust Fund as deemed necessary by the legal agreement or law authorizing the fund.~~

CB. Custodial Fund

1. Created. There is hereby created a fund to be known as the Custodial Fund.

2. Sources. There shall be deposited into this fund monies held by the City as an agent for private individuals or other governments.
3. Uses. The Finance Director is authorized to expend funds from the Custodial Fund as deemed necessary by the legal agreements or law authorizing the fund.

~~D. Law Enforcement Records Management Fund~~

- ~~1. Created. There is hereby created a fund to be known as the Law Enforcement Records Management Fund.~~
- ~~2. Sources. There shall be deposited into this fund monies collected from the consortium of local government agencies as designated by interlocal agreement.~~
- ~~3. Uses. The fund shall be used for all approved operating costs of the Records Management System as stated within the Law Enforcement Records Management System Service Agreement.~~

Section 2. Corrections. The City Clerk and codifiers of this Ordinance are authorized to make necessary corrections to this Ordinance, including the correction of scrivener/clerical errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 3. Severability. If any provision of this Ordinance or its application to any person or circumstance is held invalid, the remainder of the Ordinance or application of the provisions to other persons or circumstances shall remain unaffected.

Section 4. Ratification. Any act consistent with the authority and prior to the effective date of this Ordinance is hereby ratified and affirmed.

Section 5. Effective Date. This Ordinance shall take effect thirty (30) days after passage and publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:

Mark Barber
CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED: