

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING OLYMPIA MUNICIPAL CODE CHAPTER 3.04 RELATING 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 3.04 since that time; and

WHEREAS, staff has identified that OMC Chapter 3.04 currently contains information that is outdated, obsolete, or incomplete and is difficult for staff and citizens to use; and

WHEREAS, on November 8, 2017, the City of Olympia Finance Committee reviewed and discussed a proposal from staff recommending that OMC 3.04 be amended by repealing the chapter in its current form and replacing it with an updated chapter that is complete and represents the current authorized funds of the City of Olympia; and

WHEREAS, the Finance Committee recommended that OMC 3.04 be repealed and replaced with an updated OMC 3.04; and

WHEREAS, based on the recommendation of the Finance Committee and staff, the City Council has determined that OMC 3.04 should be amended by repealing the chapter in its current form and replacing it with an updated OMC Chapter 3.04;

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 by repealing the current Chapter 3.04 in its entirety and replacing it to read as follows:

Chapter 3.04
FUNDS

3.04.000 Chapter Contents

Sections:

- 3.04.001 General Fund – Current Operations.
- 3.04.003 Special Accounts Control Fund.
- 3.04.006 Development Fee Revenue Fund.
- 3.04.007 Parking Fund.
- 3.04.014 LEOFF I OPEB Trust Fund.
- 3.04.021 The Washington Center for the Performing Arts Endowment Fund.

- 3.04.025 The Washington Center for the Performing Arts Operations and Maintenance (O&M) Fund.
- 3.04.026 Arts Fund.
- 3.04.029 Facilities Major Repairs.
- 3.04.107 HUD Fund.
- 3.04.127 Impact Fee Fund.
- 3.04.130 SEPA Mitigation Fund.
- 3.04.132 Lodging Tax Fund.
- 3.04.134 Park & Recreation Sidewalk Utility Fund.
- 3.04.135 Parking Business Improvement Area Funds.
- 3.04.136 Farmers Market Repair & Replacement Fund.
- 3.04.137 Hands On Children's Museum Fund.
- 3.04.138 Transportation Benefit District Fund.
- 3.04.139 Grants Control Fund.
- 3.04.140 Real Estate Excise Tax Fund.
- 3.04.141 Olympia Metropolitan Park District Fund.
- 3.04.200 Debt Service Funds.
- 3.04.317 Capital Improvement Fund.
- 3.04.325 City Hall Construction Fund.
- 3.04.331 Fire Equipment Fund.
- 3.04.400 Waterworks Utility Funds.
- 3.04.403 Solid Waste (Garbage) Utility Fund.
- 3.04.404 Storm Drainage Utility.
- 3.04.500 Equipment Rental.
- 3.04.503 Unemployment Compensation Fund.
- 3.04.504 Insurance Trust Fund.
- 3.04.505 Workers Compensation Fund.
- 3.04.600 Fiduciary and Custodial Funds.

3.04.001 General Fund – Current Operations.

A. 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.

B. Uses. Any general government expenditure not otherwise provided for shall be paid out of the general fund.

3.04.003 Special Account Control Fund.

A. Created. There is hereby created a fund to be known as the special account control fund.

B. Uses. The special account control fund shall be used as deemed necessary by the director of administrative services (clerk/treasurer) for the purpose of accounting for special accounts (funds). 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 director of administrative services (clerk/treasurer) 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. Following is a list of accounts within the special account control fund:

1. Shared Leave (1703)

a. Created. There is created within the revolving account control fund an account to be known as the shared leave revolving account.

b. Sources. There shall be deposited in said account moneys representing the value of vacation leave donated by city employees pursuant to a shared leave program adopted by the city manager.

c. Uses. Moneys within the shared leave revolving account shall be used to provide assistance to city employees consistent with the adopted administrative guidelines for personnel administration.

2. GHB Building (1705)

a. Created. There is hereby created within the special account control fund an account designated as the GHB Building and Heritage Park Fountain Block Acquisition, Development and Maintenance Account.

b. Sources. There shall be deposited in said account monies received from the lease or rent of the GHB Building, plus any funds the city council deems appropriate.

c. Uses. Funds within the GHB Building and Heritage Park Fountain Block Acquisition, Development, and Maintenance Account shall be used for maintenance of the GHB Building and the acquisition, development, and

maintenance of properties and ground located within the Heritage Park Fountain Block.

3. Public, Education, and Government Access Television (1707)

- a. Created. There is hereby created an account within the special accounts control fund, to be known as the public, education, and government access television account.
- b. Sources. There shall be deposited in this account that portion of franchise fees and other monies as may be designated by contract or mutual agreement with franchised television cable companies and the City of Olympia, which are required to be expended for public, education, and government access television purposes as required by contract or agreement, and other monies which the city council may direct to be deposited into this account.
- c. Uses. This account may be used for public, education, and government access television access equipment, facilities and services or other items as the direction of the city council.

(See also OMC 5.15 Cable Communications Franchises)

4. Health & Wellness Programs (1710)

- a. Created. There is hereby created within the special accounts control fund an account to be known as the employee health & wellness account.
- b. Sources. There shall be deposited into this account funds returned to the city from reserves or set-asides from employee insurance and welfare providers; grants, donations and other funds designated for the purpose of employee health and wellness; and other funds as may be appropriated or designated by the city council.
- c. Uses. This account may be used to pay for employee benefits, or to support employee health and wellness programs and activities including but not limited to: employee benefit outreach and programs, and health and wellness programs.

5. Lifecycle – PC Replacement and Information Systems Capital Projects (3501)
 - a. Created. There is hereby created within the special accounts control fund an account to be known as the information systems account.
 - b. Sources. There shall be deposited into this account monies budgeted within the various funds and departments for PC and network replacement and maintenance, monies from the sale of surplus PC and network equipment, transfers from various funds for implementation of the information technology plan, fiber optics and fiber conduit leases, and other monies which the City Council may direct to be deposited into this account.
 - b. Uses. This account may be used for the replacement, upgrade and maintenance of the PC and network systems, implementation of the information technology plan, or other items at the direction of the city council.
 - c. Transfer. The director of administrative services is authorized to transfer any remaining budget and related funding resources of the information system program within the capital improvement fund, to the information system account, within the special accounts control fund.
6. Building Demolition and Nuisance Abatement (4005)
 - a. Created. There is hereby created within the special accounts control fund an account to be known as the building demolition and nuisance abatement revolving account.
 - b. Sources. There shall be deposited in said account monies which may be appropriated by the city council from time to time, from reimbursements for building demolition and nuisance abatement performed or contracted by the city, and from fines, forfeitures, and penalties levied and collected by the courts or otherwise paid to the city for violation of the following titles of the Olympia Municipal Code: 5; 6. 8, 12, 14, 16, 17, and 18.
 - c. Uses. Monies within the building demolition and nuisance abatement revolving account may be used for all costs involved in the process of securing, removing, or abating any building or structure that is dangerous to the lives and safety of persons or property.

- d. Transfer. The city council may by resolution close this account and transfer any remaining monies to the general fund.
9. Trees (407)
 - a. Created. See OMC 16.60.045.A
 - b. Sources. See OMC 16.60.045.A
 - c. Uses. See OMC 16.60.045.B
 10. Historic Preservation (4103)
 - a. Created. There is hereby created within the special accounts control fund an account to be known as the historic preservation account.
 - b. Sources. There shall be deposited into this account funds as designated by the city council.
 - c. Uses. This account may be used for historic preservation programs as designated by the city council.
 11. Housing and Community Development Loan (4601)
 - a. Created. There is hereby created within the special accounts control fund an account to be known as the low income housing loan account.
 - b. Sources. There shall be deposited in said fund moneys remaining in the 1989 general fund budget for downtown housing which may be unspent as of December 31, 1989, funds which may be appropriated by the city council from time to time, loan repayments and interest, and other moneys received from public or private sources for the purpose set forth below.
 - c. Uses. Moneys within the low income housing loan account shall be used for making low or no interest loans for construction, remodeling or rehabilitation of residential units affordable to, or other nonresidential service facilities available to, low and moderate income persons as defined by the United States Department of Housing and Urban Development, or for other housing and economic development uses.
 12. HUD and Rental Rehabilitation (4608)
 - a. Created. There is hereby created within the special accounts control fund an account to be known as the community development rental rehabilitation revolving fund.

- b. Uses. The fund will be a revolving fund maintained by a separate checking account and shall be used for the purposes of issuance of loans for the rehabilitation of rental units, receipt of payments for the loans, and for CDBG eligible projects. The fund will be established and replenished initially from moneys from the state of Washington/ HUD grant until the two hundred thousand dollars has been used in this program. Thereafter, the fund will be replenished from repayment of loans.
 - c. Rules and Regulations. The United States Department of Housing and Urban Development have established the rules and regulations regarding this fund.
13. Seizure and Forfeiture (6102)
- a. Created. There is hereby created within the special accounts control fund an account to be known as the seizure and forfeiture account.
 - b. Sources. There shall be deposited into this account monies received by the city from seized and forfeited property which by law or council direction is restricted in use, plus any other monies deemed appropriate by the city council.
 - c. Uses. RCW 10.105.010(7)(c) describes the use of seized or forfeited monies. This account shall be used exclusively for the expansion and improvement of law enforcement activity as may be directed by the city council and/or as required by law. Monies retained under RCW 10.105.010 may not be used to supplant pre-existing funding sources. Monies in this account not restricted by law may be used for other purposes as directed by the city council.
14. Scholarship Donations (7201)
- a. Created. There is hereby created within the special accounts control fund an account to be known as the recreation scholarship account.
 - b. Sources. There shall be deposited in this account monies received from public or private donations or funds directly appropriated into the account.
 - c. Uses. Funds within the recreation scholarship account shall be used to provide leisure and recreation scholarships for low-income residents, predominantly youth, through a program to be established by the City of Olympia Parks, Recreation and Cultural Services Department. Funds available in the recreation scholarship account at the end of the fiscal year shall carry forward in the account for future use as provided herein.

15. Arts Program (7202)

- a. Created. See OMC. 2.100.180
- b. Sources. See OMC 2.100.170
- c. Uses. See OMC 2.100.180

16. Aerial Mapping (8212)

- a. Created. There is hereby created within the special accounts control fund an account designated as the aerial mapping account.
- b. Sources. There shall be transferred into the aerial mapping account funds as may be budgeted within the various departmental budgets for aerial mapping. there shall be deposited within the account other funds that may be received by the city designated for aerial mapping or other funds as may be designated by the city council.
- c. Uses. Funds within the aerial mapping account shall be used for updating the aerial mapping records of the city or for systems to access those records.

3.04.006 Development Fee Revenue Fund.

A. Created. There is hereby created a fund to be known as the development fee revenue fund.

B. Sources.

1. There shall be deposited into the development fee revenue fund fees collected for management of development, including but not limited to: building permits, electrical permits, plumbing permits, mechanical permits, engineering permits, zoning fees, subdivision fees, inspection fees, and plan check fees.

2. Fees deposited into the development fee revenue fund shall be fees collected for management of development.

C. Uses. Funds within the development fee revenue fund shall be used to reimburse costs in the general fund 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. Funds within the development fee revenue

fund may be used to pay direct expenses in the fund as authorized by the established policy for management of the development fee revenue fund.

D. Processes. The city manager shall establish processes to identify costs to be reimbursed by the development fee revenue fund and costs to be directly charged to the fund. For Fiscal Year 2015, the amount to be reimbursed by the fund shall be the budget amount of development fees.

E. Target Balance Fund. The city council shall establish a target fund balance for the development fee revenue fund. The city council shall establish policies for management of the target fund balance, which shall address at a minimum, actions to be taken when the fund balance exceeds or is less than the target fund balance.

F. 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.

3.04.007 Parking Fund.

A. Created. There is hereby created a fund to be known as the parking fund.

B. 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.

C. 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.

D. 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.

3.04.014 LEOFF 1 OPEB Trust Fund.

- A. Created. There is hereby created a trust fund to be known as the LEOFF 1 OPEB trust fund.
- B. Sources. There shall be deposited into the LOEFF1 OPEB trust fund such funds as may be designated by the City Council.
- C. 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 for 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.
- D. 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.

3.04.021 Washington Center for the Performing Arts Endowment Fund

- A. There is hereby established a fund to be known as The Washington Center for the Performing Arts endowment 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.
- B. Any outside contributions to the city for The Washington Center for the Performing Arts shall likewise be placed in the endowment fund, unless otherwise designated by the donor.

C. Any interest or dividends accruing from moneys in the endowment fund shall be retained in the fund.

D. 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 endowment 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 endowment 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.

3.04.025 The Washington Center for the Performing Arts Operations and Maintenance Fund.

A. Created. There is hereby created a fund to be known as The Washington Center for the Performing Arts operations and maintenance (O&M) fund.

B. Sources. There shall be deposited into The Washington Center O&M fund, moneys appropriated within the lodging tax fund and The Washington Center endowment fund for the purpose of supporting the operations & maintenance of The Washington Center for the Performing Arts, interest earnings of The Washington Center O&M fund, donations received by the city to support the operations & maintenance of The Washington Center for the Performing Arts, and other funds as determined by the city council.

C. Uses. The Washington Center O&M fund shall be used for the operations and maintenance of The Washington Center for the Performing Arts.

3.04.026 Arts Fund.

A. Created. See OMC 2.100.180.

B. Sources. See OMC 2.100.170.

C. Uses. See OMC 2.100.180.

3.04.029 Facilities Major Repairs Fund.

A. Created. There is hereby created a fund to be known as the equipment and facilities replacement reserve fund for the purpose of major replacement and/or repair of city equipment and facilities, excluding equipment and facilities of the city's utilities and equipment rental funds.

B. Uses. The funds deposited in the equipment and facilities replacement reserve fund shall be used only for the above purposes as may be authorized by the city council.

3.04.107 HUD Fund.

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

B. 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.

C. 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.

D. Transfer. the director of administrative services shall transfer and adjust revenue estimates and appropriations as may be required for the administration of the HUD fund.

3.04.127 Impact Fee Fund.

A. Created. See OMC 15.04.100.B

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

C. Uses. See OMC 15.04.130

D. The following are impact fee accounts:

1. Parks and transportation impact fee accounts (See OMC 15.04.100)

2. School impact fee account (See OMC 15.04.110)

(See also OMC Title 15 – Impact Fees)

3.04.130 SEPA Mitigation Fund.

- A. Created. There is hereby created a fund to be known as the SEPA mitigation fund.
- B. 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)
- C. 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)

3.04.132 Lodging Tax Fund.

- A. Created. There is hereby created a fund to be known as the lodging tax fund.
- B. 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)

3.04.134 Parks & Recreational Sidewalks Utility Tax Fund.

- A. Created. There is hereby created a fund to be known as the parks and recreational sidewalks utility tax fund.
- B. 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.

C. Uses. Funds in the parks and recreational sidewalks utility tax fund may be used as follows:

1. 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
2. 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)

3.04.135 Parking Business Improvement Area Fund.

A. Created. There is hereby created a fund to be known as the parking business improvement area fund.

B. 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)

3.04.135 Farmers Market Repair & Replacement Fund.

A. Created. There is hereby created a fund to be known as the Farmers Market major repair and replacement fund.

B. 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.

C. 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

3.04.137 Hands On Children’s Museum Fund.

A. Created. There is hereby created a fund to be known as the Hands on Children’s Museum fund.

B. 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.

C. 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.

3.04.138 Transportation Benefit District Fund.

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

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

1. Proceeds from a vehicle tax of up to Forty and no/100 Dollars (\$40) per vehicle as provided for by RCW 82.80.140
2. 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.

C. 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)

3.04.139 Grants Control Fund.

A. Created. There is hereby created a fund to be known as the grants control fund.

B. Uses. The fund shall be used as deemed necessary by the director of Administrative Services (clerk/treasurer) for the purpose of accounting for grant revenue and activities.

3.04.140 Real Estate Excise Tax Fund.

A. 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.

B. 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)

3.04.141 Olympia Metropolitan Park District Fund.

A. Created. There is hereby created a fund to be known as the Olympia Metropolitan Park District fund.

B. 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.

C. 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.

3.04.200 Debt Service Funds.

A. Created. There is hereby created a fund group to be known as the debt service funds. The debt service funds shall be used as deemed necessary by the director of administrative services (clerk/treasurer) for the purpose of accounting for city general obligation debt accounts (funds) required by debt funding ordinances, documents, and/or agreements.

B. Sources. Moneys for debt service funds shall come from sources authorized by the city council.

C. Uses. The director of administrative services (clerk/treasurer) is authorized to expend funds from the debt service funds as deemed necessary by debt funding ordinances, documents, and/or agreements.

D. Following is a list of debt service funds related to local improvement districts (L.I.D.):

1. LID Obligation Control Fund (208)

2. Created. There is hereby created a fund to be called the Local Improvement Fund, District No. 762.

a. Sources. Amounts assessed, levied, and collected upon the properties included within the LID for the purpose of defraying the cost and expense of the improvement, and into which fund shall be deposited the proceeds of the sale of warrants, installment notes, bonds, bond anticipation notes, or other short-term obligations which may be sold by the City and drawn against the fund.

b. 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 improvement to be borne by the property included in the LID.

3. LID Guaranty Fund (213)

a. Created. There is hereby created a fund for the purpose of guaranteeing to the extent of such fund, and in the manner hereinafter provided, the payment of its local improvement bonds and warrants issued to pay for any local improvements ordered by the City Council subsequent to April 7, 1926.

b. Sources. Such fund shall be designated local improvement guaranty fund. For the purpose of maintaining the fund the City shall, from time to time, levy, as other taxes are levied, such sums as may be necessary to meet the financial requirements thereof; provided that such sums so levied in any year shall not be more than sufficient to pay the outstanding warrants on the fund and to establish therein a balance which combined levy in any one year shall not exceed five percent of the outstanding obligations thereby guaranteed. The tax levies herein authorized and directed shall be in addition to, and if need be, in excess of any and all statutory or charter limitations applicable to the tax levies of the

City. There shall also be paid into each guaranty fund the interest received from bank deposits of the fund, as well as any surplus remaining in any local improvement fund after the payment of all outstanding bonds or warrants payable primarily out of such local improvement fund.

- c. Uses. Whenever there shall be paid out of a guaranty fund any sums on account of principal or interest of a local improvement bond or warrant, the City, as trustee for the fund, shall be subrogated in all the rights of the holder of the bond or interest coupon or warrant so paid, and the proceeds thereof, or of the assessment underlying the same, shall become part of the guaranty fund. Warrants drawing interest at a rate not to exceed six percent shall be issued, as other warrants are issued, by the City, against a guaranty fund to meet any liability accruing against it; and at the time of making its annual budget and tax levy the City shall provide for the levying of a sum sufficient, with the other resources of the fund, to pay warrants so issued during the preceding fiscal year; provided, that such warrants shall at no time exceed five percent of the outstanding bond obligations guaranteed by the fund. As among the several issues of bonds or warrants guaranteed by the fund no preference shall exist, but defaulted interest coupons, bonds and warrants shall be purchased out of the fund in the order of their presentation.
- d. Guaranty and Rights. So much of the money of a guaranty fund as is necessary may be used to purchase certificates of delinquency for general taxes on property subject to local improvement assessments, underlying bonds or warrants guaranteed by the fund, or to purchase property at county tax foreclosures or from the county after foreclosure, for the purpose of protecting the guaranty fund. The fund shall be subrogated to the rights of the City, and the City may foreclose the lien of general tax certificates of delinquency and purchase the property at the foreclosure sale. After so acquiring title to real property the City may lease or sell and convey the same at public or private sale for such price and on such terms as may be determined by resolution of the City Council, any provisions of law, charter or ordinance to the contrary, notwithstanding, and all proceeds resulting from such sales shall belong to, and be paid into the guaranty fund.

3.04.317 Capital Improvement Fund.

A. 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.

B. Sources. Resources shall be added to the capital improvement fund via appropriations made by the city council.

C. Uses. Funds from the capital improvement fund shall be used in accordance with the authorized budget.

3.04.325 City Hall Construction Fund.

A. Created. There is hereby created a fund to be known as the city hall construction and acquisition fund.

B. Sources. The director of administrative services (clerk/treasurer) is authorized to transfer the remaining unexpended appropriations and related resources in the capital improvements fund, city office space account, to the city hall construction and acquisition fund.

C. Uses. The city hall construction and acquisition fund shall be for the purpose of planning, property acquisition, design, construction, equipping and furnishing, and other related costs of the City Hall facility.

3.04.331 Fire Equipment Fund.

A. Created. There is hereby created a fund to be known as the fire equipment and replacement fund.

B. Uses. Funds from the fire equipment and replacement fund shall be used for the purchase of equipment by the fire department, including but not limited to, vehicles, accessories thereto and major repairs and improvements, and other purposes as may be deemed appropriate by the city council.

3.04.400 Waterworks Utility Funds.

A. Created. There is hereby created a fund group known to be the waterworks utility funds.

B. Sources. Moneys for the waterworks utility funds shall come from sources authorized by local, state, or federal law.

C. Uses.

1. Funds from the waterworks utility funds shall be used as deemed necessary by the director of administrative services (clerk/treasurer) for the purpose of accounting for the water and wastewater utility accounts (funds) as required by local, state, or federal law.

2. The director of administrative services (clerk/treasurer) is authorized to expend funds from the waterworks 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)

A. Following is a list of the waterworks utility funds:

1. Water Utility Operating Fund (401)

a. Created. There is hereby created a fund to be known as the water utility operating fund.

b. Uses. The director of administrative services (clerk/treasurer) 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.

2. Wastewater (Sewer) Utility Operating Fund (402)

a. Created. There is hereby created a fund to be known as the sewer utility operating fund. This fund shall be for the purpose of accounting for the operations and maintenance of the sewer collection system.

b. Uses. The director of administrative services (clerk/treasurer) is authorized to expend funds from the sewer utility operating fund as deemed necessary by the ordinances of the city.

4. Water/Sewer Bond Redemption Fund (417)

- a. Created. There is hereby created a fund to be known as the water and sewer revenue bond redemption fund.
- b. Uses. The water and sewer revenue bond fund shall be drawn upon for the sole purpose of paying the principal of, premium if any, and interest on the bonds and any future parity bonds. The money in the water and sewer revenue bond fund shall be kept separate and apart from all other funds and accounts of the city.

5. Water/Sewer Bond Reserve Fund (427)

- a. Created. There is hereby created a fund to be known as the water and sewer bond reserve fund. This reserve account has been created for the purpose of securing the payment of the principal of and interest on the bonds and any future parity bonds.
- b. Sources. The city hereby covenants and agrees that it will satisfy the reserve account requirement for the bonds with bond proceeds. The city further covenants and agrees that in the event it issues any future parity bonds it will provide in each ordinance authorizing the issuance of such future parity bonds for the payment into the reserve account out of gross revenue or assessments (or, at the option of the City, out of any other funds on hand and legally available therefor) approximately equal additional annual installments so that by five years from the date of issuance of such future parity bonds there will have been paid into the reserve account an amount that, together with money already on deposit therein, will be at least equal to the reserve account requirement.
- c. Uses. The water and sewer bond reserve fund shall be drawn upon for the sole purpose of paying the principal of, premium if any, and interest on the bonds and any future parity bonds whenever there is a sufficient amount in the reserve fund above the required reserve. Money in the reserve account may also be withdrawn to redeem and retire, and to pay the premium, if any, and interest

due to such date of redemption, on the outstanding parity bonds secured by such reserve account, as long as the money remaining on deposit in such reserve account is at least equal to the reserve account requirement determined with respect to the parity bonds then outstanding. in the event the bonds outstanding are ever refunded, the money set aside in the reserve account to secure the payment thereof may be used to retire bonds or may be transferred to any other reserve account that may be created to secure the payment of any bonds issued to refund the bonds.

6. Water Utility Capital Improvement Fund (461)

- a. Created. There is hereby created a fund to be known as the water capital improvement fund.
- b. 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.
- c. Uses.
 - i. Moneys 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.
 - ii. 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.

7. Wastewater Capital Improvement Fund (462)

- a. Created. There is hereby established within the budget of the City a sewer capital improvement fund.
- b. 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 water capital improvement fund for the purposes set forth herein.
- c. Uses.
 - i. Moneys 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.
 - ii. Moneys 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.

3.04.403 Solid Waste (Garbage) Utility Fund.

A. Created. There is hereby created a fund to be known as the solid waste (garbage) utility fund.

B. Sources.

1. The monies collected via charges pursuant to OMC 13.12 shall be deposited in the solid waste (garbage) utility fund. All receipts for the collection and the disposal of the garbage and refuse, and all receipts for the burning of garbage and all moneys received by the solid waste section, shall be deposited with the city clerk-treasurer and become a part of the solid waste (garbage) utility fund. All receipts from the sale of recyclables shall become a part of the solid waste (garbage) utility fund but shall be accounted separately. The City Council may make any other funds available to the solid waste (garbage) utility fund for the purposes set forth herein.

2. The City Council may also provide for additional moneys to be paid into the solid waste (garbage) utility fund from time to time from any available funds of the City, and warrants may be drawn on the solid waste (garbage) utility fund, any such additional moneys are to be repaid out of the solid waste fund as soon as there are sufficient moneys available.

C. Uses. The expenses of establishing, conducting and operating the solid waste section shall be paid from the solid waste (garbage) utility fund.

3.04.404 Storm Drainage Utility Fund.

A. 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 director of administrative services (clerk/treasurer) for the purpose of accounting for the Storm Drainage Utility accounts (funds) as required by ordinances and/or law.

B. Sources. Moneys for the storm drainage utility funds shall come from sources authorized by local, state or federal law.

C. Uses. The director of administrative services (clerk/treasurer) is authorized to expend funds from the storm drainage utility funds as deemed necessary by local, state or federal law.

D. The following are the storm drainage utility funds:

1. Storm Water/Surface Water Operating Fund (404)

- a. Created. There is hereby created a fund which shall be known as the Storm and Surface Water Operating Fund.
- b. 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.
- c. 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.

2. Storm Water/Surface Water Mitigation Fund (407)

- a. Created. There is hereby created a fund which shall be known as the Storm Drainage Mitigation Fund.
- b. Sources. Monies received from storm drainage mitigation fees shall be deposited in the Storm Drainage Mitigation Fund.
- c. 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.

3. Storm Water Debt Service Fund (418)

- a. Created. There is hereby created a fund known as the storm & surface water debt service fund.
- b. Sources. Monies designated by Council shall be deposited in the storm drainage mitigation fund.
- c. Uses. The debt service fund shall be drawn upon for the sole purpose of paying the principal of, premium if any, and interest on debt issued by the Storm Drainage Utility. The money in the Debt Fund shall be kept separate and apart from all other funds and accounts of the City.

4. Storm Water/Surface Water Capital Improvement Fund (434)

- a. Created. There is hereby created a fund to be known as the storm & surface water utility capital improvement fund.
- b. Sources. Monies designated by Council shall be deposited in the storm & surface water utility capital improvement fund.
- c. Uses. Moneys within the storm & surface water utility capital improvement fund shall only be used for the purpose of acquiring, equipping and/or making capital improvements to storm & surface water facilities and extensions, additions, expansion and betterments to the Olympia storm and surface water system.

3.04.500 Equipment Rental Fund.

A. 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 director of administrative services (clerk/treasurer) for the purpose of accounting for the equipment 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.

B. Uses. The director of administrative services (clerk/treasurer) is authorized to expend funds from the equipment rental and replacement funds as deemed necessary by the ordinances and/or law mentioned above.

C. The following are the equipment rental and replacement funds:

1. Equipment Rental Operating Fund (501)

a. 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.

b. 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.

c. 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.

d. Transfers. All monies deposited in said equipment rental 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.

2. Cumulative Reserve Equipment Rental Fund (502)

a. Created. There is hereby created, pursuant to R.C.W. 35.21.070, a reserve fund to be known as the cumulative reserve equipment rental fund.

b. 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.

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

1. 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.

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

- d. 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.

3.04.503 Unemployment Compensation Fund.

- A. Created. There is hereby created a trust fund to be known as the unemployment compensation fund.
- B. 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 of the amount paid for wages and salaries.
- C. 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.

3.04.504 Insurance Trust Fund.

- A. Created. There is hereby created a fund to be known as the self-insurance trust fund.
- B. Sources. Monies budgeted for liability insurance shall be deposited into the sel. 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.
- C. 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 with 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.

3.04.505 Workers Compensation Fund.

A. Created. There is hereby created a fund to be known as the workers compensation fund.

B. 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.

C. 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.

3.04.600 Fiduciary and Custodial Funds.

A. Created. There is hereby created a fund group to be known as the fiduciary and custodial funds. These funds shall be used as deemed necessary by the director of administrative services (clerk/treasurer) for the purpose of accounting for funds designating the City in a fiduciary or custodial capacity as required by legal agreements or law. Moneys for these funds come from sources deemed by legal agreements or law.

B. Uses. The director of administrative services (clerk/treasurer) is authorized to expend funds from the fiduciary and custodial funds as deemed necessary by the legal agreements or law authorizing the fund.

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 five (5) days after publication, as provided by law.

MAYOR

ATTEST:

CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

PASSED:

APPROVED:

PUBLISHED: