

AN ORDINANCE OF THE CITY OF OLYMPIA, WASHINGTON, AMENDING OLYMPIA MUNICIPAL CODE SECTION 3.04.600 TO ADD AN INTERNAL SERVICE FUND TO BE KNOWN AS THE FACILITIES FUND

WHEREAS, the City Manager's preliminary 2023 operating budget for City Council consideration included resources and expenditures for a new Facilities Internal Service Fund; and

WHEREAS, the accounting change to a Facilities Internal Service Fund was discussed with the City Council during their budget deliberations; and

WHEREAS, new funds must be established by a majority vote of the City Council; and

WHEREAS, the Olympia City Council approved the 2023 Operating Budget signaling their intent to approve the creation of the new Facilities fund;

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

Section 1. Amendment of OMC 3.04.600. Olympia Municipal Code Section 3.04.0600 is hereby amended to read as follows:

3.04.600 Internal Service Funds.

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. Monies 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 chapter.

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 monies 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 monies 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.

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 passage and publication, as provided by law.

C. Selby
MAYOR

ATTEST:

Sean Krier
CITY CLERK

APPROVED AS TO FORM:

Mark Barber
CITY ATTORNEY

PASSED: January 10, 2023

APPROVED: January 10, 2023

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