

ORDINANCE NO. 419

AN ORDINANCE OF THE CITY OF SHORELINE, WASHINGTON, UPDATING THE CITY'S FUND STRUCTURE BY ELIMINATING THE ARTERIAL STREET FUND, SPECIAL CAPITAL IMPROVEMENT FUND, AND DEVELOPMENT SERVICES FUND; RETITLING THE ASSET DEPRECIATION FUND, SURFACE WATER MANAGEMENT FUND, AND CAPITAL PROJECTS FUND; AND AMENDING CHAPTER 3.35 OF THE SHORELINE MUNICIPAL CODE

WHEREAS, pursuant to RCW 35.37.010, the City has the authority to establish special purpose funds for the segregation, budgeting, expenditure and accounting for moneys received for special purposes; and

WHEREAS, Substitute Senate Bill 5969, Chapter 89, Laws of 2005, removed the requirement that cities with a population of 15,000 or more use 31.86 percent of their gas tax funds for capital purposes and deposit said funds in an arterial street fund; and

WHEREAS, the Governmental Accounting Standards Board Statement No. 34 states that an Enterprise Fund must be used to account for an activity if the fees or charges of the activity are designed to recover the activities costs, including capital costs; and

WHEREAS, the Governmental Accounting Standards Board Statement No. 34 states than an Enterprise Fund must be used to account for an activity if the activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity; and

WHEREAS, the City operates a surface water utility that relies on a surface water utility fee to provide the on-going surface water operations and capital costs of such utility and the City of Shoreline has pledged surface water utility net revenues to repay Public Works Trust Fund Loans;

WHEREAS, Chapter 3.35 of the Shoreline Municipal Code should be amended to accurately reflect adopted and repealed funds; now, therefore

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

Section 1. Repeal. SMC 3.35.020 *Special capital improvement fund* is hereby repealed.

Section 2. Repeal. SMC 3.35.050 *Arterial Street fund* is hereby repealed. This fund was created to account for gas tax funds that were required to be segregated for capital purposes. These funds may now be deposited into the City Street Fund or Roads Capital Fund and used for maintenance and capital purposes of maintaining the City's streets.

Section 3. Amendment. SMC 3.35.060 is amended to read as follows:

~~.060 Asset depreciation~~ *Equipment replacement fund.*

There is created a fund to be known as the "Equipment Replacement Fund" to account for the depreciation of all equipment for future replacement.

Section 4. Amendment. SMC 3.35.080 is amended to read as follows:

.080 Surface water utility enterprise fund.

There is created a fund to be known as the "Surface Water Utility Enterprise Fund" to be used to account for the proceeds of the surface water utility fee and associated revenue sources that need to be tracked separately and are restricted to expenditure for a surface water utility

Section 5. Repeal. SMC 3.35.100 *Development service fund* is hereby repealed.

Section 6. Repeal. SMC 3.35.040 *Street fund* is hereby repealed.

Section 7. Amendment. SMC 3.35.130 *Capital projects fund* is amended to read as follows:

.130 Capital projects funds.

A. General Capital Fund:

There is created a fund to be known as the "General Capital Fund" to account for resources which are designated for general capital purposes to be used for the acquisition or construction of general facilities, parks, recreational facilities, or open space capital projects.

B. Roads Capital Fund:

There is created a fund to be known as the "Roads Capital Fund" to account for resources which are designated for roads capital purposes to be used for pedestrian/non-motorized projects, transportation system preservation projects, safety/operation projects, and other roads and transportation related capital projects.

Section 8. New Section. A new section SMC 3.35.170 is adopted to read as follows:

.160 General reserve fund.

There is created a fund to be known as the "General Reserve Fund" to account for unanticipated expenditures or temporary revenue shortfalls of a non-recurring nature.

Section 9. New Section. A new section SMC 3.35.180 is adopted to read as follows:


.170 Code abatement fund.

There is created a fund to be known as the "Code Abatement Fund" to account for expenditures for abatement of public nuisances defined in SMC 20.30.750. Costs associated with abatement shall be charged to the owner or other responsible party and recovered monies shall be deposited in the fund for future abatement efforts.

Section 10. Effective date. A summary of this ordinance consisting of its title shall be published in the official newspaper of the City and the ordinance shall take effect and be in full force five (5) days after the date of publication.

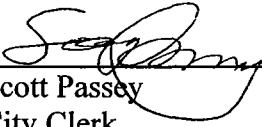
PASSED BY THE CITY COUNCIL ON APRIL 10, 2006.

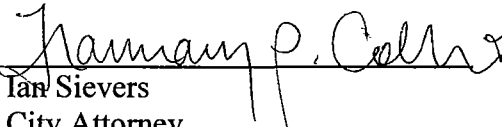
ORIGINAL


Robert Ransom, Mayor

ATTEST:

APPROVED AS TO FORM:


Scott Passey
City Clerk


for Ian Sievers
City Attorney

Date of Publication: April 13, 2006
Effective Date: April 18, 2006