



CITY COUNCIL

AGENDA BILL # AB22-0026

City of Algona
200 Washington Blvd.
Algona, WA 98001

ITEM INFORMATION			
SUBJECT: Rainy Day Fund Ordinance No. 1203-22	Agenda Date: June 13th, 2022		
	Department/Committee/Individual	Created	Reviewed
	Mayor		
	City Administrator		X
	City Attorney		X
	City Clerk		X
	Finance Dept		X
	PW/Utilities		
	Planning Dept		
	Community Services		
Cost Impact:	Police Dept		
Fund Source:	Finance Committee		X
Timeline:	Planning Commission		
	Civil Service Committee		
Staff Contact: Jessica Griess, City Clerk Treasurer; Tara Dunford, CPA			
Attachments: Ordinance No. 1203-22			
<p>SUMMARY STATEMENT:</p> <p>Tara Dunford will be presenting the Rainy Day Fund ordinance in this first review.</p> <p>The City established a fund titled the "Contingency Fund" in 1970. The amount of funds which can be accumulated in this fund, and the use of the fund is restricted per RCW 35A. Re-defining the fund as a "Rainy Day" Fund will allow the City more flexibility in the amount of funds which may be accumulated, and will allow Council more flexibility in the use of funds. Per the 2022 adopted budget the Rainy Day fund shall have a target balance equivalent to 10% of budgeted General Fund Expenditures. Use of the Rainy Day fund will require approval by Council via ordinance. The Rainy Day fund may be utilized by City Council for emergencies, economic downfall or other temporary and unanticipated situations.</p>			
COMMITTEE REVIEW AND RECOMMENDATION:			
RECOMMENDED ACTION:			
RECORD OF COUNCIL ACTION			
Meeting Date:	Action:	Vote:	

CITY OF ALGONA, WASHINGTON

ORDINANCE NO. 1203-22

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF ALGONA, WASHINGTON, AMENDING THE ALGONA MUNICIPAL CODE IN ORDER TO ESTABLISH A RAINY DAY FUND; PROVIDING FOR SEVERABILITY, AN EFFECTIVE DATE, AND FOR SUMMARY PUBLICATION.

WHEREAS, pursuant to RCW 35A.33.145 et seq., the City of Algona has funds set aside in a Contingency Fund, which was established by the City Council through the adoption of Ordinance No. 200 in 1970; and

WHEREAS, RCW 35A.33.145 restricts the maximum allowable balance in the contingency fund; and

WHEREAS, pursuant to Ordinance No. 200, the use of the Contingency Fund is limited to emergencies unforeseen during budget adoption; and

WHEREAS, repurposing the Contingency Fund as a Rainy Day Fund as set forth in this ordinance will allow the City of Algona to set aside an appropriate amount of funds for future use in the event of an emergency, economic downfall or other temporary, unanticipated situations; and

NOW, THEREFORE, THE CITY COUNCIL OF ALGONA DO ORDAIN AS FOLLOWS:

Section 1. Ordinance No. 1970-200 is hereby repealed in its entirety.

Section 2. There is hereby created a fund, entitled "Rainy Day Fund" for the purpose of providing moneys with which to meet any municipal expense, including without limitation for emergencies and other temporary, one-time or otherwise unanticipated expenditures. No money shall be withdrawn from the fund except by transfer to the appropriate operating fund authorized by ordinance of the city council, adopted by a vote of the majority of the entire council. Any request for transfer shall clearly state the facts constituting the reason for the withdrawal or the emergency, as the case may be, and specify the fund to which the withdrawn money shall be transferred. The target balance of the Rainy Day Fund shall be 10% of the budgeted operating expenditures of the General Fund. If the council approves use of the Rainy Day Fund which causes the balance to fall below the target the balance shall be increased by at least 1% per year until the target balance is met. The Rainy Day Fund shall be maintained and administered in compliance with applicable state law requirements, including without limitation all applicable rules of the Washington State Auditor.

Section 3. The balance in the fund currently titled “Contingency Fund” shall be transferred to the new “Rainy Day Fund” established by Section 2 this ordinance.

Section 4. Should any section, paragraph, sentence, clause or phrase of this ordinance, or its application to any person or circumstance, be declared unconstitutional or otherwise invalid for any reason, or should any portion of this ordinance be pre-empted by state or federal law or regulation, such decision and pre-emption shall not affect the validity of the remaining portions of this Ordinance or its application to other persons or circumstances.

Section 6. This ordinance shall be published in the official newspaper of the City, and shall take effect and be in full force five (5) days after publication.

Passed by the City Council this xx day of xx 2022.

CITY OF ALGONA, WASHINGTON:

David E. Hill, Mayor

ATTEST/AUTHENTICATED:

Jessica Griess
City Clerk

APPROVED AS TO FORM:
OFFICE OF THE CITY ATTORNEY:

BY _____
Zach Lell
Ogden, Murphy Wallace PLLC
City Attorney

Filed with the City Clerk:
Passed by the City Council:
Ordinance No.: 1203-22
Date of Publication: