

**ORDINANCE NO. 08-2019**

AN ORDINANCE OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON CREATING A NEW SECTION 3.35.100 OF THE COVINGTON MUNICIPAL CODE ESTABLISHING A CITY CUSTODIAL FUND.

WHEREAS, the Governmental Accounting Standards Board (“GASB”) has adopted Statement 84 (“GASB 84”), a new standard for governmental fund type definitions; and

WHEREAS, the City of Covington elects to implement GASB 84 requirements and to apply such requirements to its financial statements beginning with the current (January 1, 2019-December 31, 2019) fiscal year; and

WHEREAS, the city has previously established several accounting funds within Chapter 3.35 of the Covington Municipal Code (CMC) for purposes of depositing revenues and monitoring expenditures of the city; and

WHEREAS, it has been determined that a new fund should be established and named the Custodial Fund; and

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF COVINGTON, KING COUNTY, WASHINGTON, DOES ORDAIN AS FOLLOWS:

Section 1. Creation of a Custodial Fund. Section 3.35.100 is hereby added to the CMC as attached hereto and hereby incorporated by reference as if fully set forth herein.

Section 2. This ordinance shall be in full force and effect five days (5) after publication. A summary of this ordinance may be published in lieu of publishing the ordinance in its entirety.

Section 3. If any provision of this ordinance, or ordinance modified by it is determined to be invalid or unenforceable for any reason, the remaining provisions of this ordinance and ordinances and or/resolutions modified by it shall remain in force and effect.

Passed by the City Council on the 9<sup>th</sup> day of July 2019.

  
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Mayor Jeff Wagner

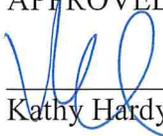
PUBLISHED: July 12, 2019

EFFECTIVE: July 17, 2019

ATTESTED:

  
\_\_\_\_\_  
Sharon Scott, City Clerk

APPROVED AS TO FORM:

  
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Kathy Hardy, City Attorney

**Chapter 3.35**  
**ACCOUNTING FUNDS**

Sections:

- 3.35.010 Creation of a General Fund.
- 3.35.020 Creation of a Street Fund.
- 3.35.030 Creation of a Capital Investment Fund.
- 3.35.040 Creation of a Surface Water Management Fund.
- 3.35.050 Creation of an Equipment Rental Fund.
- 3.35.060 Creation of a Contingency Fund.
- 3.35.070 Creation of a Parks, Recreation and Community Services Fund
- 3.35.080 Creation of a Development Services Fund.
- 3.35.090 Creation of a Cumulative Reserve Fund.
- 3.35.100 Creation of a Custodial Fund.

**3.35.010 Creation of a General Fund.**

There is created a fund to be known as the General Fund, to be used to pay current expenses and liabilities of the City. (Ord. 37-97 § 1)

**3.35.020 Creation of a Street Fund.**

There is created a fund to be known as the Street Fund, to account for maintenance and improvement of the City's street and traffic systems as outlined in Chapter 35.76 RCW. (Ord. 37-97 § 2)

**3.35.030 Creation of a Capital Investment Fund.**

There is created a fund to be known as the Capital Investment Fund, to be used to fund City capital improvement projects and other capital projects within the City. (Ord. 28-05 § 1; Ord. 33-01 § 3; Ord. 37-97 § 3)

**3.35.040 Creation of a Surface Water Management Fund.**

There is created a Surface Water Management Fund, to account for revenue and expense incurred for management control and accountability. (Ord. 37-97 § 4)

**3.35.050 Creation of an Equipment Rental Fund.**

There is created an Equipment Rental Fund to account for the purchase, repair, rental and replacement of equipment as required by RCW 35.21.088. (Ord. 37-97 § 7)

**3.35.060 Creation of a Contingency Fund.**

There is created a Contingency Fund, to account for provision of monies with which to meet any municipal expense as authorized by RCW 35A.33.145. (Ord. 37-97 § 13)

**3.35.070 Creation of the Parks, Recreation and Community Services Fund.**

*Repealed by Ord. 24-16. (Ord. 27-05 § 1)*

**3.35.080 Creation of a Development Services Fund.**

There is hereby created a fund to be known as the Development Services Fund, to be used to fund the operations of the City's Development Services Department. (Ord. 27-05 § 2)

**3.35.090 Creation of a Cumulative Reserve Fund.**

There is hereby created a fund to be known as the Cumulative Reserve Fund, to be used for the purposes of creating a revenue stabilization fund for future operations.

**3.35.100 Creation of a Custodial Fund.**

There is hereby created a fund to be known as the Custodial Fund, to be used for the purposes of accounting for assets held in a custodial capacity.