ORDINANCE NO. 4243

AN ORDINANCE of the City Council of the City of Kent, Washington, repealing and replacing Chapter 3.41 of the Kent City Code to add a VNET petty fund, flash fund, and an investigative fund, increase the dollar amount of the Police Department investigative buy fund, and to make administrative changes.

RECITALS

A. The Valley Narcotics Enforcement Team (VNET) is a multi-jurisdictional team established through an Internal Local Agreement (ILA) to effectively investigate and enforce the criminal laws relating to controlled substances. VNET is comprised of the cities of Auburn, Federal Way, Kent, Renton, Seattle, Tukwila, and the Port of Seattle.

B. Pursuant to the ILA, the lead agency is responsible for recording VNET financial activities in its accounting system, and adhering to related statutory requirements. The City of Kent became the lead agency in July 2015.

C. VNET activities include the operation of a petty fund, a flash fund, and an investigative buy fund. The Petty cash fund is used to reimburse VNET employees or other authorized persons for small purchases of goods or services not paid directly through usage of a purchasing card or through VNET’s accounting system. The Flash money fund and the investigative buy fund are used by VNET for investigative...
purposes during covert operations including, but not limited to, the purchase of controlled substances, firearms and other contraband. These funds can also be used for investigative purposes to make payments to confidential sources, display flash funds and purchase incidental items necessary for establishing and maintaining the cover of the investigative officer or confidential source.

D. Pursuant to requirements established by the State Auditor’s Office as authorized by RCW 43.09.200, the establishment of change funds, petty cash funds, and investigative funds and other revolving funds must be authorized in advance by the City Council.

E. This ordinance repeals and replaces Chapter 3.41 of the Kent City Code in order to make changes to terminology, to consolidate various types of investigative funds, add replenishment requirements, and to make other administrative changes. This ordinance also increases the dollar limit of the Police Department Investigative Buy Fund from $10,000 to $20,000 to meet current operational needs. This ordinance also creates the VNET petty cash fund, flash fund, and an investigative buy fund.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF KENT, WASHINGTON, DOES HEREBY ORDAIN AS FOLLOWS:

ORDINANCE

SECTION 1. - Repeal and Replace. Chapter 3.41 of the Kent City Code entitled “General Accounts,” is repealed and replaced with the following:

Chapter 3.41
Revolving (Imprest) Funds and Bank Account
**Sec. 3.41.010. Personal cash advances prohibited.** In no event shall any fund or account be used for personal cash advances secured by check or other I.O.U.

**Sec. 3.41.020. Change fund.**

A. *Created.* There is hereby established in the office of the finance director a special fund to be known as the change fund. The change fund is used in receipting operations when the amount tendered by the customer exceeds the amount due from the customer.

B. *Amount and authorization.* The amount of the change fund shall not exceed ten thousand dollars ($10,000). The finance director or their designee is hereby authorized to establish and administer the fund.

**Sec. 3.41.030. Petty cash funds.**

A. *Created.* There is hereby established in the office of the finance director two special funds to be known as: (1) the petty cash fund, and (2) the emergency petty cash fund. The petty cash fund is used to reimburse city employees or other authorized persons for small purchases of goods or services not paid directly through usage of a city purchasing card or through the city’s accounting system. The emergency petty cash fund shall be used for emergency purposes as determined and approved by the mayor or their designee.

B. *Amount and authorization.* The amount of the petty cash fund shall not exceed three thousand three hundred dollars ($3,300), and the amount of the emergency petty cash fund shall not exceed ten thousand dollars ($10,000). The finance director or their designee is hereby authorized to establish and administer these funds.

*Replace KCC 3.41 - Re: Revolving Funds and Accounts*
C. **Replenishment.** The finance director or their designee is authorized to issue checks by way of replenishment to the petty cash funds whenever necessary to keep the funds solvent. A replenishment voucher shall accompany each payment to the fund with receipts substantiating the expenditures attached thereto.

**Sec. 3.41.040. Police Department investigation funds.**

A. **Created.** There is hereby established in the office of the finance director the following police department investigation funds: (1) Investigative buy fund, (2) Gambling buy fund, (3) Controlled substance buy fund, and (4) Flash money fund. These funds are to be used by the police department for investigative purposes during covert operations including, but not limited to, the purchase of controlled substances, firearms and other contraband. These funds can also be used for investigative purposes to make payments to confidential sources, display flash funds, participate in gambling, and purchase incidental items necessary for establishing and maintaining the cover of the investigating officer or confidential source.

B. **Amount and authorization.** The amount of each of these police department investigation funds shall not exceed limits established as follows: (1) Investigative buy fund – twenty thousand dollars ($20,000), (2) Gambling buy fund – two thousand dollars ($2,000), (3) Controlled substance buy fund – twenty thousand dollars ($20,000), and (4) Flash money fund – one hundred thousand dollars ($100,000).

C. **Replenishment.** The finance director or their designee is authorized to issue checks by way of replenishment to the investigation funds whenever necessary to keep the funds solvent. A replenishment voucher shall accompany each payment to the fund with a form approved by appropriate police department personnel substantiating the expenditures.
attached thereto. The related receipts shall be retained by the police department.

D. Application for use. The investigation funds shall be used by the police department as follows: (1) Investigative buy fund – Investigative activities not immediately known to be narcotics or gambling related, the furtherance of which requires the expenditure of funds, (2) Gambling buy fund – Gambling enforcement activities, (3) Controlled substance buy fund - Controlled substance investigation activities, and (4) Flash money fund - Covert investigation activities. Application for the use of such funds shall be approved by the chief of police or their designee and submitted to the finance director or their designee.

Sec. 3.41.050. Valley Narcotics Enforcement Team.

A. Created. There is hereby established in the office of the finance director the following Valley Narcotics Enforcement Team revolving funds: (1) Petty cash fund, (2) Flash money fund, and (3) Investigative buy fund. The petty cash fund is used to reimburse VNET employees or other authorized persons for small purchases of goods or services not paid directly through usage of a VNET purchasing card or through VNET’s accounting system. The flash money fund and the investigative buy fund are used by VNET for investigative purposes during covert operations including, but not limited to, the purchase of controlled substances, firearms and other contraband. These funds can also be used for investigative purposes to make payments to confidential sources, display flash funds and purchase incidental items necessary for establishing and maintaining the cover of the investigative officer or confidential source.

B. Amount and authorization. The amount of these Valley Narcotics Enforcement Team funds shall not exceed limits established as follows: (1) Petty cash fund – Five hundred dollars ($500), Flash money
fund – Thirty five thousand dollars ($35,000), and (3) Investigative buy fund – Forty thousand dollars ($40,000).

C. **Replenishment.** The Team Supervisor or their designee of the VNET Fiscal Agent is authorized to issue checks by way of replenishment to the petty cash fund, the flash money fund, and the investigation buy fund whenever necessary to keep the funds solvent. A replenishment voucher shall accompany each payment to these funds and, with respect to the petty cash fund only, receipts substantiating the expenditures attached thereto. Replenishment vouchers for the Flash money fund and the Investigative buy fund shall be supported by a form approved by appropriate VNET personnel substantiating the expenditures attached thereto, and the related receipts shall be retained by VNET.

D. **Application for use.** The investigative funds shall be used by VNET as follows: (1) Flash money fund – covert investigation activities, and (2) Investigative buy fund – Investigative activities not immediately known to be narcotics related, the furtherance of which requires the expenditure of funds. Application for the use of such funds shall be approved by the VNET Team Supervisor or their designee and submitted to the finance director or their designee of the VNET Fiscal Agent for reimbursement.

**Sec. 3.41.060. Worker’s compensation bank account.**

A. **Created.** There is hereby established in the office of the finance director a special account to be known as the worker’s compensation bank account with signatory authority by the chief administrative officer, finance director, and/or their designees.

B. **Amount and authorization.** The amount of the worker’s compensation bank account shall be thirty-five thousand dollars ($35,000). The finance director, or his or her designee, is hereby authorized to transfer funds from the worker’s compensation fund to the
worker's compensation bank account in amounts necessary to cover all approved payments for worker's compensation claims.

C. Application for use. The funds of the worker's compensation bank account shall be for the use of the city and/or the city's authorized agent for payment of city worker's compensation claims. Application for payment out of this account shall be approved by the employee service director, or designee, and submitted to the finance director, or designee, for payment.

SECTION 2. - Severability. If any one or more section, subsection, or sentence of this ordinance is held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portion of this ordinance and the same shall remain in full force and effect.

SECTION 3. - Savings. The existing Chapter 3.41 of the Kent City Code, which is repealed and replaced by this ordinance, shall remain in full force and effect until the effective date of this ordinance.

SECTION 4. - Corrections by City Clerk or Code Reviser. Upon approval of the city attorney, the city clerk and the code reviser are authorized to make necessary corrections to this ordinance, including the correction of clerical errors; ordinance, section, or subsection numbering; or references to other local, state, or federal laws, codes, rules, or regulations.

SECTION 5. - Effective Date. This ordinance shall take effect and be in force thirty days from and after its passage, as provided by law.

Suzette Cooke, Mayor
I hereby certify that this is a true copy of Ordinance No. 4243 passed by the City Council of the City of Kent, Washington, and approved by the Mayor of the City of Kent as hereon indicated.

KIMBERLEY M. KOMOTO, CITY CLERK