



**FINANCE & ECONOMIC DEVELOPMENT COMMITTEE**  
**TUESDAY, DECEMBER 22, 2020**  
**9:00 A.M.**  
**REMOTE ATTENDANCE**

To comply with Governor Inslee's [Proclamation 20-28](#), the Finance Committee Meeting will be conducted remotely, not in person. However, you may view the meeting by watching live through Zoom.

Link: <https://us02web.zoom.us/j/82993642741>

The public may also listen to the meeting via telephone by dialing toll-free:

**(888) 788-0099** or **(877) 853-5247** – when prompted, enter Webinar ID: **829 9364 2741**  
press # (participant ID not required)

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**ORDINANCE RELATING TO IMPREST PETTY CASH FUNDS**

*TROY WOO, DIRECTOR OF FINANCE*  
*(STAFF REPORT)*



**FINANCE & ECONOMIC  
DEVELOPMENT COMMITTEE**  
December 22, 2020

**SUBJECT:** Proposed Imprest (Petty) Cash Fund Changes

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**RECOMMENDATION:** Upon review and concurrence, recommend full City Council adoption of the proposed ordinance.

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**STAFF CONTACT:** Scott Spence, City Manager *SS*  
Robert Almada, Interim Chief of Police *RA*  
Troy Woo, Finance Director *TW*

**ORIGINATED BY:** Troy Woo, Finance Department

**ATTACHMENTS:** 1. [Proposed Ordinance](#)  
2. [Summary for the Proposed Ordinance](#)

**FISCAL NOTE:** As outlined in staff report.

**PRIOR REVIEW:**

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**BACKGROUND:**

There are three cash fund changes being proposed. The City Council authorizes all city cash funds within Title 3 Revenue and Finance of the Lacey Municipal Code (LMC). The proposed changes include the following:

1. Repeal two cash funds related to the operations of the Interlocal Drug Enforcement Fund (LMC 3.32.050 and 3.32.060).
2. Increase the Law Enforcement Investigative Fund to \$5,000 (LMC 3.36.030).
3. Add a new section authorizing a \$5,000 Social Service Fund (LMC 3.36.050).

### Interlocal Drug Enforcement Funds

At the end of 2018, the accounting administration of the Thurston County Narcotics Task Force was transferred from the City of Lacey to Thurston County. Two funds are currently authorized, the Imprest Petty Cash Fund (\$150) and the Drug Enforcement Investigative Fund (\$25,000). The funds were transferred to Thurston County, so the authorization is no longer necessary. The proposed ordinance rescinds the sections relating to the two imprest funds.

### Law Enforcement Investigative Fund

\$2,500 is current authorized amount for the Law Enforcement Investigative Fund. The Police Department reviewed its operations and determined an increase to \$5,000 would enhance its investigation activities. The proposed ordinance increases the authorized Law Enforcement Investigative Fund maximum amount to \$5,000.

### Social Service Fund

Currently, the Lacey Police Department's Community Resource Unit cannot immediately access funds while conducting outreach services. When an emergent need arises, Lacey Police staff attempt to utilize outreach services from community organizations or utilize personal funds and apply for reimbursement with the Community Action Council (CAC). Funds coordinated through the CAC have a 48-72 hour turnaround for approvals.

Due to the Police Department and City of Lacey's active outreach efforts, there is a frequent need for officers and/or the outreach coordinator to have immediate access to funds for quality of life purchases. These purchases assist with overcoming barriers for those in need of social services, those experiencing homelessness, and those on the cusp of experiencing homelessness. The timely purchase of a critical item can often prevent someone from becoming homeless.

The proposed Social Service Cash Fund will be used to assist the most vulnerable with minor purchases (often under \$20) such as replacement state identifications, license renewals, DD 214's for veterans, and other documents needed to obtain social assistance. The fund may also be used to obtain necessities such as trash bags, water, food, and immediate crisis housing to provide for immediate needs and to enhance trust in our commitment to assist the client in need.

The custody and administrative oversight will comply with regulations established by the City and Washington State Auditor's Office. Like the Law Enforcement Investigative Fund, the Social Service Fund will be maintained at the City's bank as a checking account. The Police Department will be issued multiple bank cards for withdrawals. This will allow for 24-hour access to fund and adds a third-party bank reconciliation for addition internal controls. As an added level of controls, purchases over \$100 will require the approval of a Police Commander or Chief of Police.

The proposed ordinance authorizes \$5,000 for the Social Services Fund.

Staff requests that the Finance and Economic Development Committee review the proposed changes to the imprest (petty) cash funds and upon concurrence recommend full City Council adoption of the proposed budget amendment ordinance.

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**ADVANTAGES:**

1. Immediate access to funds to address emerging needs.
2. Provide immediate financial resources to assist vulnerable individuals from becoming homeless and/or improve their access to social services.
3. Break down barriers and build trust in the “system,” which will encourage greater engagement in services leading to permanent housing, employment, and self-sustainability.
4. Purchases will normally be limited to \$100. Any purchase exceeding \$100 will require the approval of a Commander or the Chief of Police. Purchases will be tracked through the Police Department and will be subject to an annual audit.

**DISADVANTAGES:**

1. Insignificant increases to administrative duties to properly account for the new Social Service cash fund.

**ORDINANCE NO. XXXX**

**CITY OF LACEY**

**AN ORDINANCE OF THE CITY OF LACEY RELATED TO IMPREST PETTY CASH FUNDS, REPEALING SECTIONS 3.32.050 AND 3.32.060 OF THE LACEY MUNICIPAL CODE, AMENDING SECTION 3.36.030, ADOPTING A NEW SECTION 3.36.050, AND APPROVING A SUMMARY FOR PUBLICATION.**

**WHEREAS**, as of January 1, 2019, all Thurston County Joint Drug Task Force administrative duties were transferred to Thurston County Sheriff's Department, and

**WHEREAS**, the City's Finance Director has reviewed the maximum dollar amount set by ordinance for the law enforcement investigative fund and has recommended that said amount be increased, and

**WHEREAS**, there is a need for immediate access to funds to conduct minor quality of life purchases for vulnerable citizens while performing community outreach services,

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON**, as follows:

Section 1. Section 3.32.050 of the Lacey Municipal Code is hereby repealed.

Section 2. Section 3.32.060 of the Lacey Municipal Code is hereby repealed.

Section 3. Section 3.36.030 of the Lacey Municipal Code is hereby amended to read as follows:

Law enforcement investigative fund.

There is created within the current expense fund of the city an imprest petty cash fund known as the law enforcement investigative fund. The fund will be maintained in a bank as a checking account in an amount not to exceed \$5,000 and will be administered pursuant to administrative regulations established by the city all in accordance with the requirements of the Washington State Auditor for the purpose of making expenditures for confidential law enforcement investigations.

Section 4. There is hereby added to the Lacey Municipal Code a new section 3.36.050 to read as follows:

Social service fund.

There is created within the current expense fund of the city an imprest petty cash fund known as the social service fund. The fund will be maintained in a bank as a checking

account in an amount not to exceed \$5,000 and will be administered pursuant to administrative regulations established by the city all in accordance with the requirements of the Washington State Auditor for the purpose of making minor purchases to assist vulnerable citizens while performing community outreach services.

Section 5. Corrections. The City Clerk and the codifiers of this ordinance are authorized to make necessary corrections to this ordinance including, but not limited to, the correction of scrivener's/clerkal errors, references, ordinance numbering, section/subsection numbers and any references thereto.

Section 6. The summary attached hereto is hereby approved for publication.

**PASSED BY THE CITY COUNCIL OF THE CITY OF LACEY, WASHINGTON**, at a regularly called meeting thereof, held this 7th day of January, 2021.

CITY COUNCIL

\_\_\_\_\_  
Mayor

Attest:

Approved as to form:

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
City Attorney

## SUMMARY FOR PUBLICATION

ORDINANCE NO. XXXX

CITY OF LACEY

The City Council of the City of Lacey, Washington, passed on January 7, 2021, Ordinance No. XXXX entitled **“AN ORDINANCE OF THE CITY OF LACEY RELATING TO IMPREST PETTY CASH FUNDS, REPEALING SECTIONS 3.32.050 AND 3.32.060 OF THE LACEY MUNICIPAL CODE, AMENDING SECTION 3.36.030, ADOPTING A NEW SECTION 3.36.050, AND APPROVING A SUMMARY FOR PUBLICATION.”**

The main points of the Ordinance are described as follows:

1. The Ordinance repeals sections 3.32.050 and 3.32.060 of the Lacey Municipal Code related to certain imprest petty cash funds.
2. The Ordinance amends section 3.36.030 of the Lacey Municipal Code related to an imprest petty cash fund known as the law enforcement investigative fund.
3. The Ordinance adopts a new section 3.36.050 of the Lacey Municipal Code creating a social service imprest petty cash fund.
4. The Ordinance approves this Summary for Publication.

A copy of the full text of this ordinance will be mailed without charge to any person requesting the same from the City of Lacey.

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City Clerk

Published: January 11, 2021