

Title 3

REVENUE AND FINANCE

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Chapter 3.04**GENERAL TAXES**

(Repealed by Ord. 1004)

Chapter 3.08**SALES AND USE TAX**

Sections:

- 3.08.010 Imposed.
- 3.08.020 Rate.
- 3.08.030 Administration and collection.
- 3.08.040 Records inspection.
- 3.08.050 Contract authorized.
- 3.08.060 Penalty for violation.

3.08.010 Imposed.

There is imposed a sales, or use, tax upon every taxable event, as defined in RCW 82.14.020, occurring within the city. The tax shall be imposed upon and collected from those persons from whom the state sales or use tax is collected pursuant to Chapters 82.08 and 82.12 RCW. (Ord. 484 § 1, 1972)

3.08.020 Rate.

The rate of the tax imposed by NMC 3.08.010 shall not exceed one-half of one percent of the selling price or value of the article used; provided, however, that during such period as there is in effect a sales or use tax imposed by the county, the rate of tax imposed by this chapter shall not exceed four hundred twenty-five one-thousandths of one percent. (Ord. 484 § 2, 1972)

3.08.030 Administration and collection.

The administration and collection of the tax imposed by this chapter shall be in accordance with the provisions of RCW 82.14.050. (Ord. 484 § 3, 1972)

3.08.040 Records inspection.

The city consents to the inspection of such records as are necessary to qualify the city for inspection of records of the Department of Revenue, pursuant to RCW 82.32.330. (Ord. 484 § 4, 1972)

3.08.050 Contract authorized.

The mayor is authorized to sign and the clerk/treasurer to attest a contract with the Department of Revenue for the administration of the tax. (Ord. 484 § 5, 1972)

3.08.060 Penalty for violation.

Any seller who fails or refuses to collect the tax as required with the intent to violate the provisions of this chapter or to gain some advantage or benefit, either direct or indirect, and any buyer who refuses to pay any tax due under this chapter shall be guilty of a misdemeanor and shall be fined in an amount not less than \$100.00. (Ord. 484 § 6, 1972)

Chapter 3.10

ADDITIONAL SALES AND USE TAX

Sections:

- 3.10.010 Imposed.
- 3.10.020 Rate.
- 3.10.030 Administration and collection.
- 3.10.040 Consent to inspection of records.
- 3.10.050 Authorization of execution of contract for administration.
- 3.10.060 Referendum petition to repeal procedure.
- 3.10.070 Method of budgeting tax revenues.
- 3.10.090 Penalty for violation.

3.10.010 Imposed.

There is imposed an additional sales or use tax, as the case may be, as authorized by RCW 82.14.030(2), upon every taxable event, as defined in RCW 82.14.020, occurring within the city. The tax shall be imposed upon and collected from those persons from whom the state sales or use tax is collected pursuant to Chapters 82.08 and 82.12 RCW. (Ord. 706 § 1, 1987)

3.10.020 Rate.

The rate of the additional tax imposed by NMC 3.10.010 shall not exceed five-tenths of one percent of the sell price (in case of a sales tax) or value of the article used (in case of a use tax); provided, however, that in the event that Pend Oreille County imposes a sales and use tax as authorized by the Laws of 1982, First Extraordinary Session, Chapter 49, Section 17(2), at a rate equal to or greater than the rate imposed by this section, the county shall receive 15 percent of the city tax imposed by NMC 3.10.010; provided further, that in the event that Pend Oreille County imposes a sales and use tax as authorized by the Laws of 1982, First Extraordinary Session, Chapter 49, Section 17(2), at a rate which is less than the rate imposed by this section, the county shall receive from the tax imposed by NMC 3.10.010 that amount of the revenues equal to 15 percent of the rate of tax imposed by the county as authorized by the Laws of 1982, First

Extraordinary Session, Chapter 49, Section 17(2). (Ord. 706 § 2, 1987)

3.10.030 Administration and collection.

The administration and collection of the tax imposed by this chapter shall be in accordance with the provisions of RCW 82.14.050. (Ord. 706 § 3, 1987)

3.10.040 Consent to inspection of records.

The city consents to the inspection of such records as are necessary to qualify the city for inspection of records of the Department of Revenue, pursuant to RCW 82.32.330. (Ord. 706 § 4, 1987)

3.10.050 Authorization of execution of contract for administration.

The mayor and clerk are authorized to enter into a contract with the Department of Revenue for the administration of the sales and use tax imposed by NMC 3.10.010, pursuant to RCW 82.14.050. (Ord. 706 § 5, 1987)

3.10.060 Referendum petition to repeal procedure.

This chapter shall be subject to approval or rejection by the registered voters of the city, under the referendum procedures provided in RCW 82.14.036. Any referendum petition to repeal the tax, or alter the tax rate imposed by this chapter shall be filed with the city clerk within seven days of the passage of the ordinance codified in this chapter. Within 10 days, the city clerk shall confer with the petitioner concerning form and style of the petition, issue an identification number for the petition and write a ballot title for the measure. The ballot title shall be posed as a question so that an affirmative answer to the question and an affirmative vote on the measure results in the tax or tax rate increase being imposed and a negative vote on the measure results in the tax or tax rate increase not being imposed. The petitioner shall be notified of the identification number and ballot title within this 10-day period. After this notification, the petitioner shall have 30 days in which to secure on petition forms the signatures of not less than 15 percent of the registered voters within the city on the day of

the last preceding city general election and to file the signed petitions with the city clerk. Each petition form shall contain the ballot title and the full text of the measure to be referred. The city clerk shall verify the sufficiency of the signatures on the petitions. If sufficient valid signatures are properly submitted, the city clerk shall submit the referendum measure to the city voters at a general or special election held on one of the dates provided in RCW 29.13.010 as determined by the city council, which election shall not take place later than 120 days after the signed petition has been filed with the city clerk. (Ord. 706 § 6, 1987)

3.10.070 Method of budgeting tax revenues.

During the first city council meeting in October of each year, the city council will determine whether the revenue from this second half-cent sales tax will be needed by the city for the following year. If the council determines that the revenue from the second half-cent sales tax will be needed, the council shall specify how the revenue will be distributed in the following year. For the purpose of this section, revenue shall mean all funds, including equalization payments if any, received by the city as a result of imposing this second half-cent sales tax. (Ord. 706 § 7, 1987)

3.10.090 Penalty for violation.

Any seller who fails or refuses to collect the tax as required with the intent to violate the provisions of this chapter or to gain some advantage or benefit, either direct or indirect, and any buyer who refuses to pay any tax due under this chapter shall be guilty of a misdemeanor. (Ord. 706 § 9, 1987)

Chapter 3.11

REAL ESTATE EXCISE TAX

Sections:

- 3.11.010 Imposition of real estate tax.
- 3.11.020 Consistency with state tax.
- 3.11.030 Creation of fund and identifying fund number.
- 3.11.040 Taxable events.
- 3.11.050 Distribution of tax proceeds and limited uses.
- 3.11.060 Seller's obligation.
- 3.11.070 Lien provisions.
- 3.11.080 Notation of payment.
- 3.11.090 Date payable.
- 3.11.100 Excessive and improper payments.

3.11.010 Imposition of real estate tax.

There is hereby imposed a tax of one-quarter of one percent of the selling price on each sale of real property within the corporate limits of the city of Newport, Washington, as provided for under RCW 82.46.010(2).

Further, there is hereby imposed an additional tax of one-quarter of one percent of the selling price on each sale of real property within the corporate limits of the city of Newport, Washington, as provided for under RCW 82.46.010(3). (Ord. 961 § 1, 2002; Ord. 697 § 1, 1989)

3.11.020 Consistency with state tax.

The taxes imposed in this chapter shall comply with all applicable rules, regulations, law and court decisions regarding real estate excise taxes as imposed by the state under Chapters 82.45 and 82.46 RCW and Chapter 458-61 WAC. The provision of those chapters to the extent they are not inconsistent with this chapter, shall apply as though fully set forth in this section. (Ord. 697 § 3, 1989)

3.11.030 Creation of fund and identifying fund number.

There is created a fund of the city, fund No. 303, entitled municipal capital improvement fund. (Ord. 697 § 4, 1989)

3.11.040 Taxable events.

Taxes imposed in this chapter shall be collected from persons who are taxable by the state under Chapter 82.45 RCW and Chapter 458-61 WAC, upon the occurrence of any taxable event within the corporate limits of the city. (Ord. 697 § 2, 1989)

3.11.050 Distribution of tax proceeds and limited uses.

The county treasurer shall place one percent of the proceeds of the taxes imposed in this chapter in the county current expense fund to defray costs of collection. The remaining proceeds from city taxes imposed in this chapter shall be distributed to the city monthly and those taxes imposed under NMC 3.11.010 shall be placed by the city clerk/treasurer into the municipal capital improvement fund No. 303. These capital improvement funds shall be expended by the city for local improvements, including those listed in RCW 35.43.040. This section shall not limit the existing authority of this city to impose special assessments on properties benefited thereby in the manner prescribed by law. (Ord. 697 § 5, 1989)

3.11.060 Seller's obligation.

The taxes imposed in this chapter are the obligation of the seller and may be enforced through the action of debt against the seller or in the manner prescribed for the foreclosure of mortgages. (Ord. 697 § 6, 1989)

3.11.070 Lien provisions.

The taxes imposed in this chapter and any interest or penalties thereon are the specific lien upon each piece of real property sold from the time of sale or until the tax is paid, which lien may be enforced in the manner prescribed for the foreclosure of mortgages. Resort to one course of enforcement is not an election not to pursue the other. (Ord. 697 § 7, 1989)

3.11.080 Notation of payment.

The taxes imposed in this chapter shall be paid to and collected by the treasurer of the county within which is located the real property which is sold. The county treasurer shall act as agent for the city within the county

imposing the tax. The county treasurer shall cause a stamp evidencing satisfaction of the lien to be affixed to the instrument of sale or conveyance prior to its recording or to the real estate excise tax affidavit in the case of used mobile home sales. A receipt issued by the county treasurer for the payment of the tax imposed in NMC 3.11.070 shall be evidence of the satisfaction of the lien imposed in NMC 3.11.070 and may be recorded in the manner prescribed for recording satisfactions of mortgages. No instrument of sale or conveyance evidencing a sale subject to the tax may be accepted by the county auditor for filing or recording until the tax is paid and the stamp affixed thereto; in case the tax is not due on the transfer, the instrument shall not be accepted until suitable notation of this fact is made on the instrument by the county treasurer. (Ord. 697 § 8, 1989)

3.11.090 Date payable.

The tax imposed under this chapter shall become due and payable immediately at the time of sale and, if not paid within 30 days thereafter, shall bear interest at the rate of one percent per month from the time of sale until the date of payment. (Ord. 697 § 9, 1989)

3.11.100 Excessive and improper payments.

If, upon written application by a taxpayer to the county treasurer for a refund, it appears a tax has been paid in excess of the amount actually due or a sale or other transfer declared to be exempt, such excess amount or improper payment shall be refunded by the county treasurer to the taxpayer; provided, that no refund shall be made unless the state has first authorized the refund of an excessive amount or an improper amount paid, unless such improper amount was paid as a result of a miscalculation. Any refund made shall be withheld from the next monthly distribution to the city. (Ord. 697 § 10, 1989)

Chapter 3.12

UTILITY BUSINESS AND OCCUPATION TAX

Sections:

- 3.12.010 Authority.
- 3.12.020 License required.
- 3.12.030 Levied.
- 3.12.040 Payment dates.
- 3.12.050 Deductions.
- 3.12.060 Recordkeeping.
- 3.12.070 Delinquency penalty.
- 3.12.080 Overpayments.
- 3.12.090 Annexed territory.
- 3.12.100 Rules and regulations adoption.

3.12.010 Authority.

The provisions of this chapter shall be deemed to be an exercise of the power of the city to license for revenue. (Ord. 616 § 1, 1981)

3.12.020 License required.

After January 1, 1982, no person, firm or corporation shall engage in or carry on any business, occupation, act or privilege for which a tax is imposed by NMC 3.12.030 without first having obtained, and being the holder of, a license so to do, to be known as an occupation license. Each such person, firm or corporation shall promptly apply to the city clerk/treasurer for such license upon such forms as the clerk/treasurer shall prescribe, giving such information as the clerk/treasurer shall deem reasonably necessary to enable the clerk/treasurer's office to administer and enforce this chapter; and, upon acceptance of the application by the clerk/treasurer, the clerk/treasurer shall thereupon issue the license to the applicant. The occupational license shall be personal and nontransferable and shall be valid as long as the licensee continues in the business and complies with this chapter. (Ord. 616 § 2, 1981)

3.12.030 Levied.

The tax rates established as of February 1, 2005, for most utility services remain in effect; however, tax increases for water, sewer and

3.12.030

garbage collection are increased effective January 1, 2009, as set forth herein. There is hereby levied upon, and there shall be collected from, every person, firm or corporation engaged in carrying on the following business for hire or for sale of a commodity or a service within or partly within the corporate limits of the city of Newport a tax, to be known as a "utility tax" for the privilege of so doing business as herein defined, to wit:

A. Upon any telephone business there shall be levied a tax equal to six percent of the total gross operating revenues, including revenues from intrastate toll, derived from the operation of such business with the city of Newport. Gross operating revenues for this purpose shall not include charges which are passed on to the subscribers by a telephone company pursuant to tariffs required by regulatory order to compensate for the cost to the business of the tax imposed by this section nor shall gross operating revenues include that portion of network telephone service which represents charges to another telecommunications company, as defined in RCW 80.04.010 for connecting fees, switching charges, or carrier access charges relating to intrastate toll telephone services, or for access to, or charges for, interstate services, or charges for network telephone service that is purchased for the purpose of resale, or charges for mobile telecommunications services provided to customers whose place of primary use is not within the city.

1. "Telephone business" as used in this chapter means the business of providing access to a local telephone network, local telephone network switching service, toll service, or coin telephone service, or providing telephone video, data, or similar communication or transmission for hire, via a local telephone network, toll line or channel, or similar communication or transmission system. It includes cooperative or farmer-line telephone companies or associations operating an exchange. "Telephone business" does not include the providing of competitive telephone service as defined below.

2. "Competitive telephone service" as used in this chapter means the providing by any person, firm or corporation of telephone

equipment, apparatus, or service, other than toll service, which is of a type which can be provided by persons, firms or corporations that are not subject to regulation as telephone companies under RCW Title 80 and for which a separate charge is made.

B. There is hereby levied a tax on the sale, delivery or distribution of electricity and electrical energy and for the privilege of carrying on said business, such tax to be equal to six percent of the total gross operating revenues derived from sales of such electricity to ultimate users within the city of Newport; provided, however, that there shall not be any tax levied for the installation charges of electrical units.

C. There is hereby levied a tax on the sale of natural, manufactured or mixed gas for residential, commercial or industrial consumption and for the privilege of carrying on said business, such tax to be equal to six percent of the gross operating revenues from such sales of natural, manufactured or mixed gas within the limits of the city of Newport.

D. Upon the sale, delivery, distribution or furnishing of water for domestic, business or industrial consumption, effective January 1, 2011, a tax equal to 12 percent of the total gross income from such sales, of which four percent is for fire protection costs; provided, that there shall not be a tax levied upon installation charges for individual consumer water service lines and meters.

E. Upon the furnishing of sanitary sewerage collection and disposal services for discharge by domestic, business or industrial customers, effective January 1, 2009, a tax equal to eight percent of the total gross income from such business; provided, that there shall not be any tax levied upon installation charges for individual customer sewer laterals and connections.

F. Upon every person, firm or corporation engaged in or carrying on the business of solid waste collection, hauling and disposal, effective January 1, 2009, a tax equal to eight percent of the total gross income from such business in the city. (Ord. 1065 § 1, 2010; Ord. 1050 § 1, 2008; Ord. 1023 § 2, 2005; Ord. 964 § 1, 2002; Ord. 616 § 3, 1981)

3.12.040 Payment dates.

A. The tax imposed by this chapter shall be due and payable in quarterly installments and remittance shall be made on or before the last day of the month next succeeding the end of the quarterly period in which the tax accrued. The quarterly periods are fixed as follows:

1. First quarter, January, February and March;
2. Second quarter, April, May and June;
3. Third quarter, July, August and September; and
4. Fourth quarter, October, November and December.

B. The first payment due under this chapter shall be made by April 30, 1982, for the three-month period ending March 31, 1982. On or before the due date the taxpayer shall file with the city clerk/treasurer a written return, upon such form and setting forth such information as the clerk/treasurer shall reasonably require, together with the payment of the amount of the tax. (Ord. 616 § 4, 1981)

3.12.050 Deductions.

In computing the tax there shall be deducted from the gross operating revenues the following items:

- A. The amount of credit losses and uncollectibles actually sustained by the taxpayer;
- B. Amounts derived from transactions in interstate or foreign commerce or from any business which the city is prohibited from taxing under the Constitutions of the United States or the state of Washington; and
- C. Amounts derived by the taxpayer from the city. (Ord. 616 § 5, 1981)

3.12.060 Recordkeeping.

Each taxpayer shall keep records reflecting the amount of his or its gross operating revenues, and such records shall be open at all reasonable times to the inspection of the city

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clerk/treasurer, or his or her duly authorized subordinates, for verification of the tax returns or for the fixing of the tax of a taxpayer who fails to make such returns. (Ord. 616 § 6, 1981)

3.12.070 Delinquency penalty.

If any person, firm or corporation subject to this chapter fails to pay any tax required by this chapter within the time prescribed as the due date thereof, there shall be added to the tax a penalty of 10 percent of the amount of the tax, and any tax due under the terms of this chapter and unpaid, and all penalties thereon, shall constitute a debt due the city and may be collected by court proceedings, which remedy shall be in addition to all other remedies. (Ord. 616 § 7, 1981)

3.12.080 Overpayments.

Any money paid to the city through error or otherwise not in payment of the tax imposed by this chapter or in excess of the tax shall, upon request of the taxpayer, be credited against any tax due or to become due from the taxpayer under this chapter or, upon the taxpayer's ceasing to do business in the city, be refunded to the taxpayer. (Ord. 616 § 8, 1981)

3.12.090 Annexed territory.

Whenever the boundaries of the city are extended by annexation, all persons, firms and corporations subject to this chapter will be provided copies of all annexation ordinances by the city. (Ord. 616 § 9, 1981)

3.12.100 Rules and regulations adoption.

The city clerk/treasurer is authorized to adopt, publish and enforce, from time to time, such rules and regulations for the proper administration of this chapter as shall be necessary, and it shall be a violation of this chapter to violate or to fail to comply with any such rule or regulation lawfully promulgated under this chapter. (Ord. 616 § 11, 1981)

Chapter 3.14

LODGING TAX

Sections:

- 3.14.010 Levied.
- 3.14.020 Definitions.
- 3.14.030 Tax additional to other taxes.
- 3.14.040 Fund created.
- 3.14.050 Administration and collection.
- 3.14.060 Violation – Penalty.

3.14.010 Levied.

There is levied a special excise tax of four percent on the sale of or charge made for the furnishing of lodging that is subject to tax under Chapter 82.08 RCW. The tax imposed under Chapter 82.08 RCW applies to the sale of or charge made for the furnishing of lodging by a hotel, roominghouse, tourist court, motel, or trailer camp, and the granting of any similar license to use real property, as distinguished from the renting or leasing of real property. It shall be presumed that the occupancy of real property for a continuous period of one month or more constitutes a rental or lease of real property and not mere license to use or enjoy the same. (Ord. 899 § 1, 1997)

3.14.020 Definitions.

The definitions of “seller,” “buyer,” “consumer,” and all other definitions as are now contained in RCW 82.08.010, and subsequent amendments thereto, are adopted as the definitions for the tax levied in this chapter. (Ord. 899 § 2, 1997)

3.14.030 Tax additional to other taxes.

The tax levied in this chapter shall be in addition to any license fee or any other tax imposed or levied under any law or any other ordinance of the city; provided, the first two percent of the tax shall be deducted from the amount of tax the seller would otherwise be required to collect and pay to the Department of Revenue under Chapter 82.08 RCW. (Ord. 899 § 3, 1997)

3.14.040

3.14.040 Fund created.

There is created a special fund in the treasury of the city and all taxes collected under this chapter shall be placed in this special fund to be used solely for the purpose of paying all or any part of the cost of tourist promotion, acquisition of tourism-related facilities, or operation of tourism-related facilities or to pay for any other uses as authorized in Chapter 67.28 RCW, as now or hereafter amended. (Ord. 899 § 4, 1997)

3.14.050 Administration and collection.

For the purposes of the tax levied in this chapter:

A. The Department of Revenue is designated as the agent of the city for the purposes of collection and administration of the tax.

B. The administrative provisions contained in RCW 82.08.050 through 82.08.070 and in Chapter 82.32 RCW shall apply to administration and collection of the tax by the Department of Revenue.

C. All rules and regulations adopted by the Department of Revenue for the administration of Chapter 82.08 RCW are adopted by reference.

D. The Department of Revenue is authorized to prescribe and utilize such forms and reporting procedures as the Department may deem necessary and appropriate. (Ord. 899 § 5, 1997)

3.14.060 Violation – Penalty.

It is unlawful for any person, firm, or corporation to violate or fail to comply with any of the provisions of this chapter. Every person convicted of a violation of any provision of this chapter shall be punished by a fine in a sum not to exceed \$500.00. Each day of violation shall be considered a separate offense. (Ord. 899 § 6, 1997)

Chapter 3.15

LEASEHOLD EXCISE TAX

Sections:

- 3.15.010 Tax imposed.
- 3.15.020 Rate of tax.
- 3.15.030 Exemptions.
- 3.15.040 Administration and collection.
- 3.15.050 Inspection of records.
- 3.15.060 Contract with the Department of Revenue.

3.15.010 Tax imposed.

There is levied and shall be collected a leasehold excise tax on or after July 1, 1992, upon the act or privilege of occupying or using publicly owned real or personal property within the city of Newport through a “leasehold interest” as the same is defined by RCW 82.29A. (Ord. 809 § 1, 1992)

3.15.020 Rate of tax.

The rate of tax imposed by NMC 3.15.010 shall be four percent of the taxable rent, as the same is defined by RCW 82.29A.040. (Ord. 809 § 2, 1992)

3.15.030 Exemptions.

Leasehold interests exempted by RCW 82.29A.130 as it now exists or may hereafter be amended, shall be exempt from the tax imposed pursuant to NMC 3.15.010. (Ord. 809 § 3, 1992)

3.15.040 Administration and collection.

The administration and collection of the tax imposed by this chapter shall be remitted to the Department of Revenue of the state of Washington in accordance with the provisions of RCW 82.29A.050. (Ord. 809 § 4, 1992)

3.15.050 Inspection of records.

The city reserves the right to request an audit of any leasehold excise tax returns that are subject to the provisions of this chapter, and in accordance with the provisions of RCW 82.32.330, all findings of fact and determinations of the amount of taxable rent made pursuant to this chapter shall be open to public

inspection at all reasonable times. (Ord. 809 § 5, 1992)

3.15.060 Contract with the Department of Revenue.

Prior to the effective date of the ordinance codified in this chapter, the mayor is authorized to execute a contract with the Department of Revenue of the state of Washington for the administration and collection of the tax imposed by this chapter. (Ord. 809 § 6, 1992)

Chapter 3.16

STREET FUNDS

Sections:

3.16.010 Street fund created.

3.16.020 Street reserve fund created.

3.16.010 Street fund created.

There is hereby created and established a fund in the city of Newport to be known as the street fund, which shall be designated as Fund No. 101. This fund shall be used exclusively for street related expenses and shall be managed in accordance with state law. (Ord. 985 § 2, 2003)

3.16.020 Street reserve fund created.

There is hereby created and established a fund in the city of Newport to be known as the street reserve fund, which shall be designated as Fund No. 110, and shall be a cumulative reserve fund. Moneys hereafter deposited to the credit of the street reserve fund shall be allowed to accumulate from year to year until the city council authorizes disbursement for street purposes. (Ord. 985 § 2, 2003)

3.24.010

Chapter 3.20

FIRE DEPARTMENT RESERVE FUND

(Repealed by Ord. 1054)

Chapter 3.24

CLAIMS FUND

Sections:

3.24.010 Created.

3.24.010 Created.

There is hereby created and established a fund in the city of Newport to be known as the claims fund, which shall be designated as Fund No. 632. This fund is established pursuant to RCW 35.21.085. Moneys may be deposited into this account from time to time, from any funds which are available and upon which warrants may be issued and paid in payment of claims against the city for any purpose. The account shall be so kept that it shows the department or departments and the respective amounts for which the warrant is issued and paid. (Ord. 987 § 1, 2003)

Chapter 3.28

Chapter 3.32

**MUNICIPAL CAPITAL
IMPROVEMENT FUND**

STATE CLEARING FUND

Sections:

- 3.28.010 Creation.
- 3.28.020 Fund to be cumulative.

Sections:

- 3.32.010 Created.

3.28.010 Creation.

There is hereby created and established a fund in the city of Newport to be known as the municipal capital improvement fund, which shall be designated as Fund No. 303. The purpose of this fund will be to provide a cumulative reserve fund for various capital purposes. (Ord. 950 § 1, 2001)

3.32.010 Created.

There is hereby created and established a fund in the city of Newport to be known as the state clearing fund, which shall be designated as Fund No. 633. State building code fees, court fees and other moneys due the state of Washington shall be deposited into this account and remitted to the State Treasury in accordance with law. (Ord. 989 § 1, 2003)

3.28.020 Fund to be cumulative.

All moneys hereafter deposited to the credit of this fund shall be allowed to accumulate from year to year until the city council authorizes the expenditure of funds for the purposes stated herein. (Ord. 950 § 2, 2001)

Chapter 3.36

CUMULATIVE RESERVE FUND NO. 4

(Repealed by Ord. 933)

Chapter 3.40

FEDERAL SHARED REVENUE FUND

(Repealed by Ord. 926)

Chapter 3.48

**LOCAL IMPROVEMENT
DISTRICT FUNDS**

Sections:

- 3.48.010 Created.
- 3.48.020 Amount.
- 3.48.030 Interest and earnings.
- 3.48.040 Warrants against fund.
- 3.48.050 Transfer of excess.
- 3.48.060 Defaulted bonds, coupons or warrants.
- 3.48.070 Protection.

3.48.010 Created.

There is hereby created and established a fund in the city of Newport to be known as the local improvement district fund, which shall be designated as Fund No. 210. This fund shall be used for local improvement district purposes. Pursuant to the authority conferred by Chapter 35.54 RCW, there is created a local improvement district guaranty fund, which shall be designated as Fund No. 211, for the purpose of guaranteeing, to the extent of the fund, and as provided by law and by this chapter, the payment of local improvement bonds and warrants, with interest thereon, issued subsequent to April 7, 1927, by the city. (Ord. 990 § 1, 2003)

3.48.020 Amount.

From time to time hereafter for the purpose of maintaining the local improvement guaranty fund the city shall at the time of making its annual budget and tax levy provide for the levy of a sum sufficient, with other resources of the fund, to meet the financial requirements of the fund; provided, that the levy in any one year shall not exceed the greater of:

A. Twelve percent of the outstanding obligations guaranteed by the fund; or

B. The total amount of delinquent assessments and interest accumulated on the delinquent assessments as of September 1st of the year preceding the year for which the tax levy is made and collected. (Ord. 617 § 2, 1981; Ord. 361 § 2, 1958)

3.48.030 Interest and earnings.

A. Interest and earnings from the local improvement guaranty fund shall be paid into the fund. If in any local improvement district fund guaranteed by the local improvement guaranty fund there is a surplus remaining after the payment of all outstanding bonds and warrants payable therefrom, the surplus shall be paid into the local improvement guaranty fund.

B. Whenever any sum is paid out of the local improvement guaranty fund on account of the principal or interest of a local improvement bond or warrant, the city, as trustee of the fund, shall be subrogated to all the rights of the holder of the bonds or interest coupon or warrant so paid and the proceeds thereof or of the underlying assessment shall become part of the guaranty fund. (Ord. 617 § 3, 1981; Ord. 361 § 3, 1958)

3.48.040 Warrants against fund.

Warrants shall be issued against the local improvement guaranty fund to meet any liability accruing against it and shall draw interest at a rate to be established by the city clerk/treasurer in the manner by which interest rates are set from time to time for registered warrants drawn on other funds of the city and not paid for want of sufficient moneys therein. The warrants so issued shall at no time exceed five percent of the outstanding obligations guaranteed by the fund. At the time of making its annual budget and tax levy the city shall provide for the levy of a sum sufficient, with other resources of the fund, to pay warrants so issued during the preceding fiscal year. (Ord. 617 § 4, 1981; Ord. 361 § 4, 1958)

3.48.050 Transfer of excess.

A. At any time that the amount in the fund exceeds 15 percent of the outstanding obligations guaranteed by the fund, the excess amount or any portion thereof may, by ordinance of the city council, be transferred to the general fund of the city, subject to the conditions required by law and set forth in this chapter; provided, that the city shall not permit the amount in the fund at any time to exceed the maximum amount permitted under Section 103(c) of the United States Internal Revenue

Code of 1954, as amended, and the applicable regulations thereunder recognizing that any such excess could cause obligations guaranteed by the fund to become arbitrage bonds.

B. Prior to transfer of any amounts pursuant to this section, there shall be on file with the city a certificate of the city clerk/treasurer that the guaranty fund has sufficient funds currently on hand to meet all valid outstanding obligations of the fund and all other obligations of the fund reasonably expected to be incurred in the near future. The net cash of the guaranty fund may be reduced by such transfer to an amount not less than 15 percent of the net outstanding obligations guaranteed by the fund.

C. If, at any time within five years of any transfer of assets from the guaranty fund to the general fund of the city the net cash of the guaranty fund is reduced below the minimum amount specified in subsection B of this section, the city shall, to the extent of the amount transferred, pay valid claims against the guaranty fund as a general obligation of the city. In addition, the city shall pay all reasonable costs of collection necessarily incurred by the holders of valid claims against the guaranty fund. (Ord. 617 § 5, 1981; Ord. 361 § 5, 1958)

3.48.060 Defaulted bonds, coupons or warrants.

Defaulted bonds, interest coupons and warrants issued against local improvement district funds of the city shall be purchased out of the guaranty fund and as between the several issues of bonds, coupons or warrants no preference shall exist, but they shall be purchased in the order of their presentation. (Ord. 617 § 6, 1981; Ord. 361 § 6, 1958)

3.48.070 Protection.

A. For the purpose of protecting the fund, so much of the fund as is necessary may be used to purchase certificates of delinquency for general taxes on property subject to local improvement assessments which underlie the bonds, coupons or warrants guaranteed by the fund or to purchase such property at county tax foreclosure sales or from the county after foreclosure.

3.52.010

B. The city, as trustee of the fund, may foreclose the lien of general taxes, certificates of delinquency and purchase the property at foreclosure sale. When doing so, the court costs, costs of publication, expenses for clerical work and other expenses incidental thereto shall be charged to and paid from the local improvement guaranty fund.

C. After acquiring title to property by purchase at general tax foreclosure sale or from the county after foreclosure, the city may lease it or sell it at public or private sale at such price and on such terms as may be determined by resolution of the city council. All proceeds shall belong to and be paid into the local improvement guaranty fund. (Ord. 617 § 7, 1981; Ord. 361 § 7, 1958)

Chapter 3.52

PAYROLL FUND

Sections:

3.52.010 Created.

3.52.010 Created.

There is hereby created and established a fund in the city of Newport to be known as the payroll fund, which shall be designated as Fund No. 631. This fund shall be used exclusively for payroll related expenses. Moneys may be placed from time to time into this account as directed by the city council from any funds available and upon which warrants may be drawn and cashed for purposes of paying any moneys due city employees for salaries, wages and benefits. This account shall be so kept that it shows the department or departments and amounts to which the payment is properly chargeable. (Ord. 988 § 2, 2003)

Chapter 3.56

PSEA FUND

(Repealed by Ord. 933)

Chapter 3.58

CURRENT EXPENSE/GENERAL FUND

Sections:

3.58.010 Created.

3.58.010 Created.

There is hereby created and established a fund in the city of Newport to be known as the current expense/general fund, Fund No. 001. This fund shall be a cumulative fund and shall be used to pay current expenses as set forth in the State of Washington Budgeting Accounting Reporting Systems (BARS) Manual. There is also created a criminal justice fund, Fund No. 002. This fund shall be used to pay criminal justice expenses as set forth in the State of Washington Budgeting Accounting Reporting Systems (BARS) Manual. (Ord. 980 § 2, 2003)

Chapter 3.59

FUND #002 – CRIMINAL JUSTICE FUND

(Repealed by Ord. 926)

Chapter 3.60

**FUND #107 – EQUIPMENT
RENTAL FUND W/S**

(Repealed by Ord. 856)

Chapter 3.61

FUND #108 – PARK RESERVE FUND

(Repealed by Ord. 1054)

Chapter 3.62

COMMUNITY CENTER FUND

(Repealed by Ord. 1029)

Chapter 3.63

POLICE VEHICLE RESERVE FUND

(Repealed by Ords. 1045 and 1054)

Chapter 3.64

Chapter 3.66

**FUND #401 – WATER SYSTEM
RESERVE FUND**

**FUND #402 – WATER TANK
RESERVE FUND**

Sections:

3.64.010 Created – Number.

3.64.020 Purpose.

3.64.030 Limit.

(Repealed by Ord. 926)

3.64.010 Created – Number.

There is created a fund for the city, fund Number 401, entitled water system reserve fund. (Ord. 690 § 1, 1985)

3.64.020 Purpose.

The purpose for creating said fund is to protect the integrity of the water distribution system and equipment. (Ord. 690 § 2, 1985)

3.64.030 Limit.

This will be a cumulative reserve fund and all moneys deposited to the credit of this fund shall be allowed to accumulate from year to year until the city council authorizes the expenditure of funds for the purposes stated herein. (Ord. 976 § 2, 2003; Ord. 690 § 3, 1985)

3.68.010

Chapter 3.68

FUND #403 – WASTEWATER SYSTEM RESERVE FUND

Sections:

3.68.010 Created – Number.

3.68.020 Purpose.

3.68.030 Limit.

3.68.010 Created – Number.

There is created a fund for the city, fund Number 403, entitled wastewater system reserve fund. (Ord. 694 § 1, 1985)

3.68.020 Purpose.

The purpose of creating said fund is to protect the integrity of the wastewater treatment and collection system and equipment. (Ord. 694 § 2, 1985)

3.68.030 Limit.

This will be a cumulative reserve fund and all moneys deposited to the credit of this fund shall be allowed to accumulate from year to year until the city council authorizes the expenditure of funds for the purposes stated herein. (Ord. 975 § 2, 2003; Ord. 694 § 3, 1985)

Chapter 3.70**DRUG ENFORCEMENT FUND**

Sections:

- 3.70.010 Fund created.
- 3.70.020 Source of revenues.
- 3.70.030 Expenditures.
- 3.70.040 Unexpended funds.
- 3.70.050 Designated responsible officials.
- 3.70.060 Drug enforcement policy.

3.70.010 Fund created.

There is created and established a special purpose fund to be known as the “drug enforcement fund.” (Ord. 772 § 1, 1990)

3.70.020 Source of revenues.

The source of revenues to be deposited into the drug enforcement fund are as follows:

- A. Appropriations by council authorization;
- B. Donations from the public or other organizations;
- C. Interest;
- D. All fines, forfeitures and penalties ordered paid by court order into the fund;
- E. All moneys and proceeds from the sale of property seized during drug investigations and forfeited pursuant to RCW 69.50.505 and all other applicable state and federal laws. (Ord. 772 § 1, 1990)

3.70.030 Expenditures.

Funds expended from the drug enforcement fund shall be for such uses and purposes as provided for below, except as otherwise authorized by council resolution:

- A. Expansion or improvement of drug law enforcement services, rewards, drug buys, informant payments, and drug awareness education;
- B. Purchase, lease and maintenance of equipment and other items necessary for drug investigation. (Ord. 772 § 1, 1990)

3.70.040 Unexpended funds.

Any unexpended funds remaining in the drug enforcement fund at the end of a budget year shall not lapse, and shall be carried for-

ward from year to year until expended for the purposes set forth in NMC 3.70.030 or as otherwise directed by resolution of the city council. (Ord. 772 § 1, 1990)

3.70.050 Designated responsible officials.

The city clerk/treasurer and chief of police shall have joint responsibility for the management and administration of the drug enforcement fund. Revenue and expenditure record keeping of the fund shall be in accordance with city policy, state laws Chapters 35A.33 and 69.50 RCW and budgeting reporting and accounting system (BARS) manual procedures. (Ord. 772 § 1, 1990)

3.70.060 Drug enforcement policy.

The mayor or his/her designee shall establish a city drug enforcement policy, which shall include required accounting procedures for the revenue and expenditure of the drug enforcement fund. (Ord. 772 § 1, 1990)

3.90.010

Chapter 3.74

**TRANSPORTATION
IMPROVEMENT FUND**

(Repealed by Ord. 926)

Chapter 3.78

FUND #103 – BINGO FUND

(Repealed by Ord. 926)

Chapter 3.82

FUND #405 – YOUTH CENTER FUND

(Repealed by Ord. 926)

Chapter 3.86

**FUND #112 – WELLHEAD
PROTECTION FUND**

(Repealed by Ord. 926)

Chapter 3.88

**FUND #305 – DOWNTOWN
REVITALIZATION FUND**

(Repealed by Ord. 933)

Chapter 3.90

CURRENT EXPENSE RESERVE FUND

Sections:

3.90.010 Fund created.

3.90.010 Fund created.

There is hereby created and established a fund in the city of Newport to be known as the current expense reserve fund, which shall be designated as Fund No. 003. (Ord. 1054 § 1, 2009)

Chapter 3.92

REAL ESTATE EXCISE TAX FUND

Sections:

3.92.010 Fund created.

3.92.010 Fund created.

There is hereby created and established a fund in the city of Newport to be known as the real estate excise tax fund, which shall be designated as Fund No. 302. (Ord. 1054 § 1, 2009)

Chapter 3.96

PAYMENT OF CLAIMS

Sections:

3.96.010 Payment of claims or obligations of the city.

3.96.020 Issuance of checks before claims are approved by the city council.

3.96.010 Payment of claims or obligations of the city.

Pursuant to RCW 35A.40.020, payment of claims or obligations of the city shall be by check. The qualified public depository, whereon such checks are to be drawn, shall be Bank of America located in Newport, WA 99156, with the city mayor, mayor pro tem, clerk/treasurer, or deputy clerk/treasurer authorized to sign checks, with two of the previous four signatures required. (Ord. 1053 § 1, 2009)

3.96.020 Issuance of checks before claims are approved by the city council.

In accordance with the requirements of RCW 42.24.180, city officers are authorized to issue checks for the payment of claims before the claims have been approved by the city council. Documentation supporting the claims shall be provided to the city council for review at its next regularly scheduled public meeting within one month of issuance. If the city council disapproves a claim, the city clerk and an officer designated to sign the checks shall jointly cause the disapproved claim to be recognized as receivables of the city and they shall cause collection to be diligently pursued until amounts disapproved are collected or until the city council is satisfied and approves the claim. (Ord. 1053 § 2, 2009)

