

Subtitle I General Regulations

Chapter 5.04

INVESTMENT OF CITY FUNDS

Sections:

5.04.020Property tax—Investment policy.

5.04.030Property tax—Transfer from County Comptroller.

5.04.040Property tax—Investment by County Comptroller.

Statutory Reference: For statutory provisions on investment of City funds, see RCW Ch. 35.39.

5.04.020Property tax—Investment policy.

It shall be the policy of the City to receive collections of property taxes and abatement liens as soon as practical and to invest funds not required or available for immediate expenditure for the benefit of the City as authorized by law. (Ord. 108998 § 1, 1980.)

5.04.030Property tax—Transfer from County Comptroller.

The King County Comptroller is authorized and requested to distribute to the City Finance Director for and on behalf of the City all property taxes and abatement liens collected as frequently as daily; and the City Finance Director is authorized to deliver a receipt therefor whenever funds are delivered to the City. Delivery may be in money or as a transfer of an investment authorized by RCW 36.29.020 and made by the King County Comptroller for the City. (Ord. 116368 § 120, 1992; Ord. 108998 § 2, 1980.)

5.04.040Property tax—Investment by County Comptroller.

The King County Finance Manager is authorized to invest in the investments authorized by RCW 36.29.020 any and all funds which are due to the City and retained in his or her custody pending distribution to the City with residual King County funds and property tax receipts of other jurisdictions in a pooled investment account with an automatic pro rata distribution of the earnings at month end. This includes property taxes and abatement liens collected for the City and retained pending an accounting. Participation in a pooled account is an alternative to immediate transfer of City funds before the statutory disbursement dates

under Section 5.04.030 and to making investments under specific instructions of the City Finance Director. If the King County Finance Manager invests funds for the City while in his or her custody, he or she may deduct and retain the investment service fee contemplated by RCW 46.29.020 when the interest earnings become available to the City.

(Ord. 116368 § 121, 1992; Ord. 114571 § 1, 1989; Ord. 108998 § 3, 1980.)

Chapter 5.06
CITY INVESTMENTS

Sections:

5.06.010Investment authority.

5.06.030Fund investments—Interfund loans.

5.06.040Investment policies.

5.06.050Reports—Annual; quarterly.

5.06.010Investment authority.

A. As contemplated by RCW 35.39.032, the Finance Director, under the supervision of the Mayor is authorized on behalf of the City to invest all moneys in the City Treasury which in his or her judgment are in excess of current City needs in:

1. United States bonds;
2. United States certificates of indebtedness;
3. Bonds or warrants of this state;
4. General obligation or utility revenue bonds or warrants of the City or of any other city or town in the state;
5. Bonds or warrants of a local improvement or condemnation award district of the City which is within the protection of the local improvement guaranty fund;
6. Repurchase agreements, reverse repurchase agreements, or bankers' acceptances; and
7. In other investments authorized by law; and to hold such investments for the credit of the funds for which purchased.

B. The Finance Director is further authorized to convert the securities, or any part thereof, into cash and shall report to the City Council monthly all investment transactions. (Ord. 116368 § 123, 1992; Ord. 113830 § 1, 1988; Ord. 110749 § 1(part), 1982.)

5.06.030 Fund investments—Interfund loans.

The Finance Director, after consulting with the Chair of the Finance Committee of the City Council, may in his or her discretion:

A. Determine which funds shall be invested on an individual fund basis, and which funds shall participate within one (1) or more common investment portfolio(s);

B. Apportion earnings and losses to those funds participating in a common investment portfolio. Those funds listed on Exhibit "A" to this ordinance,¹ as that exhibit may be amended from time to time by the Finance Director after consulting with the Chair of the Finance Committee of the City Council, and trust or bond funds shall receive a return in proportion to the amount of money earned by each; and the remainder shall be allocated to the general fund, as authorized by RCW 35.39.034;

C. Approve interfund loans for a duration up to ninety (90) days, and establish a rate of interest thereon when appropriate, provided, any extension or renewal of such a loan shall require approval by ordinance;

D. Establish criteria for identifying when a substantial de facto loan from one (1) fund to another occurs (e.g., an extended delay in making reimbursement without valid cause; a continuous overdrawn status) and, when appropriate, establish an interest charge to be paid to the lending fund;

E. Make loans to individual funds participating in a common investment portfolio by means of carrying funds in a negative cash position for a period of up to ninety (90) days, or for longer period upon approval by ordinance, to the extent and for as long as (i) such loans can be prudently supported by the common investment portfolio and (ii) the borrowing fund is reasonably expected to be able to repay the loan. The Director of Finance may also charge interest at the common investment portfolio's rate of return to the borrowing fund; and

F. Sell installment notes to City funds pursuant to Section 20.04.145 in connection with financing local improvement districts. (Ord. 118138 § 2, 1996; Ord. 117641 § 1, 1995; Ord. 116368 § 124, 1992; Ord. 110749 § 1(part), 1982.)

1.Exhibit A is on file with Ordinance 117641 in the office of the City Clerk.

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5.06.040 Investment policies.

A. The City's common investment portfolio(s) shall be managed to further this financial objective: to maximize income while preserving principal and maintaining liquidity to meet the City's needs for cash.

B. Investment decisions should further the City's social policies established by ordinance or policy resolutions of the City Council. A City social policy shall take precedence over furthering the City's financial objective when expressly authorized by City Council resolution, except where otherwise provided by law or trust principles.

C. The Finance Director shall be guided by investment principles contained in Resolution 26701 as amended or supplemented from time to time. (Ord. 116368 § 125, 1992; Ord. 110749 § 1(part), 1982.)

5.06.050 Reports—Annual; quarterly.

A. Annual. An annual report regarding the City's investment program for the ensuing fiscal year shall be prepared by the Finance Director for adoption by the City Council by resolution. The report, due no later than October 15th, shall present a complete investment plan, including a discussion of the current market for investments, an analysis of portfolio liquidity vis-a-vis anticipated cash needs, and a forecast of anticipated yields for the ensuing year. This annual report shall incorporate any proposed revisions to City investment policies which the Finance Director shall find advisable, including but not limited to apportionment of interest by fund, and for interfund loans. An annual evaluation report, due no later than April 1st, shall also assess the City's performance in meeting its goals and compare its performance with the results of investments by other governmental entities in Washington and an assessment of its performance in meeting the City's social goals and objectives.

B. Quarterly. After the end of each quarter, the Finance Director shall file a report with the City Council on the performance of City investments. Among other information, each quarterly report shall describe any material change in the

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City's investment portfolio and its investment practices.
(Ord. 116368 § 126, 1992; Ord. 110749 § 1(part), 1982.)

August 1996 code update file
Text provided for historic reference only.

See ordinances creating and amending sections for complete text, graphics, and tables and to confirm accuracy of this source file.

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5.06.050 REVENUE, FINANCE AND TAXATION

Seattle Municipal Code
August, 1996 code update file
Text provided for historic reference only.

See ordinances creating and amending sections for complete text, graphics, and tables and to confirm accuracy of this source file.

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**Chapter 5.08
TRANSFERS BETWEEN DEPARTMENT
BUDGETS**

Sections:

5.08.010 Budget Director's authority.

5.08.020 Transfer between program categories.

5.08.030 "Line item" budgets.

5.08.040 Requests procedure.

Statutory Reference: For statutory provisions on budgets in cities over three hundred thousand (300,000), see RCW Chapter 35.32A.

5.08.010 Budget Director's authority.

The Budget Director's authority under RCW 35.32A.050 to approve transfers between allowances within the budget of a City department shall be exercised in accordance with regulations as set out in this chapter.

(Ord. 100895 § 1(part), 1972.)

5.08.020 Transfer between program categories.

No transfer between program categories within a department's budget shall be approved where such requested transfer is in an amount exceeding ten percent (10%) of the total original budgeted allowance for the program category to which such transfer is requested.

(Ord. 100895 § 1(1), 1972.)

5.08.030 "Line item" budgets.

Where a department has a "line item" budget, no transfer between line item allowances within such budget shall be approved where such requested transfer is in an amount exceeding ten percent (10%) of the total original budgeted allowance for the line item to which such transfer is requested.

(Ord. 100895 § 1(2), 1972.)

5.08.040 Requests procedure.

Requests for transfer between allowances within the budget of any City department shall be made in writing to the Budget Director on forms provided by him or her, and if the Budget Director shall approve the same, he or she shall forward a copy of such request with his or her approval in writing thereon to the Chair of the Budget Committee of the City Council and shall notify in like manner the City Finance Director.

(Ord. 116368 § 127, 1992: Ord. 100895 § 1(3), 1972.)

5.10.030 REVENUE, FINANCE AND TAXATION

REGISTRATION OF BONDS

Sections:

5.10.010 Purpose.

5.10.020 Definitions.

5.10.030 Registration—Method—Effect.

5.10.040 Denominations of registered bonds and obligations.

5.10.050 System of registration—Contents.

5.10.060 Fiscal Agent—Designation, contract.

5.10.070 Finance Director as registrar.

5.10.080 Contracts with fiscal agency.

5.10.090 Statement of transfer restrictions.

5.10.010 Purpose.

This chapter implements RCW Chapter 39.46 (Chapter 167, Laws of Washington 1983) by providing for the registration of ownership of bonds and other interest bearing obligations of The City of Seattle. This chapter should be interpreted and applied in a manner to carry out state law and preserve the exemptions from federal income taxation of interest on City bonds and other obligations.

(Ord. 111724 § 1(part), 1984.)

5.10.020 Definitions.

As used in this chapter:

A. "Bond" and "obligation" shall have the meaning defined in RCW 39.46.020 (Section 2, Chapter 167, Laws of Washington 1983), as now or hereafter amended.

B. "Registrar" shall be the person or persons designated by The City of Seattle to register the ownership of bonds and other obligations as provided in this chapter.

C. "City" means The City of Seattle.
(Ord. 111724 § 1(part), 1984.)

5.10.030 Registration—Method—Effect.

A. All bonds and other obligations, which are

issued or entered into by the City, bear or require the City to pay interest, have a maturity more than one (1) year, and on which interest is intended by the City to be exempt from Federal income taxation, shall be registered as to both principal and interest as provided in this chapter.

B. Such registration may be carried out by:

1. A book entry system of recording the ownership of a bond or other obligation whether a physical instrument is issued or an obligation is merely entered on the books of the City or one (1) of the fiscal agencies of the State of Washington; or

2. Recording the ownership of a bond or other obligation together with a requirement that any transfer of ownership may be effected only by the surrender of the old bond or other obligation and either the reissuance of the old bond or other obligation or the issuance of a new bond or other obligation to the new owner.

C. No transfer of any such bonds or other obligations shall be effective until the name of the new owner and the new owner's mailing address, together with such other information required by the United States of America and such other additional information deemed appropriate by the registrar, shall be recorded on the books of the registrar of the City.

(Ord. 111724 § 1(part), 1984.)

5.10.040 Denominations of registered bonds and obligations.

Registered bonds or other obligations may be issued in any denomination. Registered bonds or other obligations may be issued in a denomination to represent several bonds or other obligations of smaller denominations.

(Ord. 111724 § 1(part), 1984.)

5.10.050 System of registration—Contents.

A. The City Finance Director shall establish a system of registration for City bonds and other obligations, with a maturity more than one (1) year, on which the interest is intended to be exempt from federal income taxation. The system of registration shall provide for any writing relating to a bond or other obligation that is not issued as a physical instrument; for identifying numbers or other designations; for a sufficient supply of certificates for subsequent transfers; for record and payment dates; for varying denominations; for communications to the owners of bonds or other

obligations; for accounting, cancelled certificate destruction, registration and release of securing interests; and, for such other incidental matters pertaining to the registration of bonds or other obligations as appropriate to conform with the United States Internal Revenue Code.

B. Different methods or techniques may be used for separate bond issues and for diverse types of obligations. The method or technique used with respect to a particular bond or other obligation shall conform with the authorizing ordinance. (Ord. 116368 § 128, 1992; Ord. 111724 § 1(part), 1984.)

5.10.060Fiscal agent—Designation, contract.

A. An authorizing ordinance may designate a fiscal agent to act as an authenticating trustee, transfer agent, registrar or paying agent for the City with respect to bonds or other obligations to be issued. In the absence of a designation by ordinance, the City Finance Director may designate a fiscal agent to act for the City with respect to registered bonds or other obligations which are usually subject to trading, assignment or transfer. The agent designated by the City must be a fiscal agent of the State of Washington, appointed in accordance with RCW Chapter 43.80.

B. The City Finance Director shall contract with the designated fiscal agent for carrying out a system of registration on behalf of the City. The contract may adopt the terms and conditions between the State Finance Committee of the State of Washington and the fiscal agent, which contemplates adherence by reference by Washington local governments. The City's contract with the fiscal agent shall also provide for the rights, duties, and compensations of the fiscal agent. A copy of the contract shall be filed with the City Clerk as a public record. (Ord. 111724 § 1(part), 1984.)

5.10.070Finance Director as registrar.

The City Finance Director may act as a registrar for leases, warrants, installment contracts and other obligations which provide for payment of interest that is intended to be exempt from federal income taxation and which are not usually subject to trading, assignment or transfer.

(Ord. 116368 § 130, 1992; Ord. 111724 § 1(part), 1984.)

5.10.080Contracts with fiscal agency.

The City Finance Director is authorized to enter into contracts with a fiscal agency or agencies of the State of Washington in connection with the establishment and maintenance by such fiscal agency or agencies of a central depository system for the transfer or pledge of registered bonds or other obligations and for services as authenticating trustee, transfer agent, registrar and paying agent for such bonds and other obligations. The contract shall define the rights and duties of the fiscal agency so acting and the means of compensation thereof and may adopt by reference relevant terms and conditions of a contract between the agency and the State Finance Committee of The State of Washington. (Ord. 116368 § 131, 1992; Ord. 111724 § 1(part), 1984.)

5.10.090Statement of transfer restrictions.

Any physical instrument issued or executed by the City subject to registration under the ordinance codified in this section shall state in a prominent manner on its face that it is registered. (Ord. 111724 § 1(part), 1984.)

**Chapter 5.12
ACCOUNTING PROCEDURE¹**

Sections:

5.12.010Authority of Finance Director.

5.12.020Monthly report.

5.12.030Approval of report before publication.

5.12.040Petty cash accounts—Establishment—Operation and expenditures.

5.12.050Petty cash accounts—Administrative rules and regulations.

5.12.060Billings under one dollar.

¹Cross-reference: For provisions regarding the powers of the City Comptroller, see Charter Art. VIII.

5.12.010Authority of Finance Director.

When not otherwise prescribed pursuant to state law, the bookkeeping and accounting in all departments of the municipal government shall be

5.12.050 REVENUE, FINANCE AND TAXATION

done in the manner and form prescribed by, and subject to the approval of, the City Finance Director.
(Ord. 116368 § 132, 1992; Ord. 39034 § 1, 1918.)

5.12.020 Monthly report.

Every department of the municipal government keeping financial accounts shall, on or before the tenth day of each and every month, transmit to the City Finance Director, a statement and report, in form to be prescribed by the City Finance Director, showing the financial transactions of the department during the previous month.
(Ord. 116368 § 133, 1992; Ord. 39034 § 2, 1918.)

5.12.030 Approval of report before publication.

Before any department, or officer thereof, shall give out, publish, or distribute for publication, to the public, any statement or report of financial transactions in such department, such statement or report shall first be submitted to, and approved by, the City Finance Director.
(Ord. 116368 § 135, 1992; Ord. 39034 § 3, 1918.)

Statutory Reference: For statutory provisions regarding disclosure of public records, see RCW Ch. 42.17.

5.12.040 Petty cash accounts—Establishment—Operation and expenditures.

The City Finance Director is authorized to establish petty cash accounts within the operating funds of City departments for the payment of miscellaneous items not payable by voucher and warrant. The establishment of petty cash accounts shall be requested in writing by the head of the department in the form and detail prescribed by the City Finance Director. All expenditures from such accounts shall be made from appropriations and for purposes authorized by the department annual budget. The maximum amount of such accounts shall be set by the City Finance Director in consultation with the City Auditor according to the needs of the petitioning department.
(Ord. 116368 § 135, 1992; Ord. 110413 § 1, 1982.)

5.12.050 Petty cash accounts—Administrative rules and regulations.

The City Finance Director shall promulgate rules and regulations, consistent with this chapter and the City Administrative Code,¹ establishing

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standards and procedures for the proper administration of petty cash accounts.
(Ord. 117242 § 9, 1994; Ord. 110413 § 2, 1982.)

1.Editor's Note: The Administrative Code is codified in Chapter 3.02 of this Code.

5.12.060 Billings under one dollar.

It is City policy to bill employees, citizens and businesses only when the billable amount exceeds One Dollar (\$1.00). Whenever the billable amount is less than One Dollar (\$1.00), the amount shall be added to the next billing. If no further billings are contemplated, the receivable and any related revenue shall be deemed waived.
(Ord. 113872 § 3, 1988.)

Chapter 5.14 PROCEDURES AND DOCUMENTATION—CITY MONEYS

Sections:

5.14.010 Purpose—Scope.

5.14.020 Authority in Finance Director.

5.14.030 Duties of City personnel.

5.14.040 Certification of receivers, cashiers and tellers.

5.14.050 Departmental functions.

5.14.060 Liability for loss as between department and Finance Department.

5.14.010 Purpose—Scope.

This chapter implements the City Charter, Article VIII, Sections 9 and 11.¹ When state statute directs a different procedure, state law controls. The term “City moneys” applies to cash and to checks and other negotiable instruments payable in money to the City.
(Ord. 116368 § 136, 1992; Ord. 114347 § 1(part), 1989.)

1.Editor's Note: The Charter is set out at the front of this Code.

5.14.020 Authority in Finance Director.

The City Finance Director is authorized to promulgate rules in accordance with the Seattle Administrative Code, Chapter 3.02, for establishing procedures for the receipt, handling and deposit by City officers and employees of City moneys into the City Treasury; for the method of documentation on all such transactions; for regular reporting to the City Finance Director; for certifying and decertifying by the Finance Director of all City officers and employees who are authorized to receive or handle City moneys in the regular course of their employment or departmental activities; for inspection of departmental cash records, including overages or shortages; for inspection of departmental practices and procedures in handling City moneys; and for contracting with agents to collect City moneys and their collection procedures. The City Finance Director may enforce these rules through on-site inspection; by decertifying any officer or employee who fails to comply with the Finance Director's Rules; and, in the event of noncompliance by a department or office, requiring that payments to personnel be authorized by the Finance Director, or deposited at his or her office.

(Ord. 116368 § 137, 1992; Ord. 114347 § 1(part), 1989.)

5.14.030 Duties of City personnel.

Any City officer or employee, who receives moneys belonging to the City in the scope and course of his or her duties, shall:

A. Immediately deliver the same to the City Finance Director or, when so authorized, deposit the moneys with a City depository designated by the City Finance Director to the credit of the City. The delivery or deposit must be made within twenty-four (24) hours after receipt unless otherwise authorized by the Finance Director;

B. Comply with rules promulgated by the City Finance Director for handling and processing of City moneys and for documentation and dissemination of records, and with departmental internal procedures established in conformity with the City Finance Director's rules; and

C. Notify the Seattle Police Department, the City Finance Director, and the City Auditor of any loss or theft of City money immediately upon discovery. Written notice shall be given to them no later than twenty-four (24) hours after discovery.

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(Ord. 116368 § 138, 1992; Ord. 114347 § 1(part), 1989.)

5.14.040 Certification of receivers, cashiers and tellers.

Only persons who are certified by the City Finance Director may receive and handle City moneys on a regular basis in the scope and course of their employment, except that a certification by the City Treasurer is valid until July 1, 1993, unless sooner withdrawn by the Finance Director. As a condition to certification or maintenance of a certification, the City Finance Director may require that the officer or employee complete a course of instruction or training and/or pass an examination on the secure processing of moneys, the Finance Director's rules, procedures and applicable departmental rules, and thereafter take refresher instruction or training at periodic intervals or when the need arises.

(Ord. 116368 § 139, 1992; Ord. 114347 § 1(part), 1989.)

5.14.050 Departmental functions.

The head of any City department or office who anticipates receiving City moneys on a regular basis in the course of its activities shall:

A. Contract with the City Finance Director for cash collection services or, after the Finance Director's Rules take effect, assign the receiving and handling of City moneys only to those persons who are certified by the City Finance Director for performing those functions;

B. Establish and maintain a system of procedures, documentation and reporting on receipts handling and deposit of City moneys satisfactory to the City Finance Director;

C. Notify the Seattle Police Department, the City Finance Director, and the City Auditor of any loss or theft of City money immediately upon discovery. Written notice shall be given no later than twenty-four (24) hours after discovery;

D. Allow the City Finance Director or an authorized deputy to make on-site inspections and observe the processing of City moneys, and to make inspections of departmental collection records.

(Ord. 116368 § 140, 1992; Ord. 114347 § 1(part), 1989.)

5.14.060 Liability for loss as between department and Finance Department.

A. As between a department and its officers and the City Finance Director, the department has primary responsibility for care and liability for loss of City moneys in its custody until deposited in the City Treasury or entrusted to a cashier certified by the Finance Director; and the City Finance Director thereafter. When deposit is made in an after-hours drop box of the City's public depository, or an armored car service making collection for the City, losses are assigned to the City Finance Director if the Finance Director's instructions for making deposits have been followed, and to the department otherwise.

B. Compliance with the City Finance Director's rules and procedures approved by the City Finance Director establishes a presumption that a City department or office exercised due care in its custody and care of City moneys.

(Ord. 117242 § 10, 1994; Ord. 116368 § 141, 1992; Ord. 114347 § 1(part), 1989.)

**Chapter 5.16
WARRANTS**

Sections:

5.16.010 Cancellation of warrants.

5.16.030 Finance Director authorized to establish credit for cashing City warrants.

5.16.040 Lines of credit—Payment.

5.16.050 Warrant overdrafts.

Statutory Reference: For statutory provisions on warrants, see RCW Ch. 39.56; for provisions on payment of warrants by the City Treasurer, see Charter Art. VIII § 9.

5.16.010 Cancellation of warrants.

Any warrant which is not delivered to the payee within one (1) year from the date of issuance shall be cancelled and the amounts for which said warrants are drawn shall be credited to the several funds against which they are drawn. The Finance Director shall keep a record of cancelled warrants. (Ord. 116368 § 142, 1992; Ord. 96239 § 1, 1967; Ord. 3622 § 1, 1894.)

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5.16.030 Finance Director authorized to establish credit for cashing City warrants.

As authorized by RCW 39.58.170, with the advice of the Debt Management Policy Advisory Committee, the City Finance Director is authorized to establish a line of credit for the City with any qualified public depository for cashing City warrants, to determine the amount of credit extended, to execute written agreements therefor with either a fixed rate of interest adjusted periodically or a fluctuating rate, and to pay interest and other finance or service charges. The total of all lines of credit with all qualified public depositories shall not exceed Two Million Three Hundred Thousand Dollars (\$2,300,000.00). (Ord. 116368 § 143, 1992; Ord. 110305 § 1, 1981.)

5.16.040 Lines of credit—Payment.

The line or lines of credit established by the City Finance Director pursuant to Section 5.16.030 shall be a general obligation of the City. The City hereby pledges its full faith, credit and resources to levy and collect taxes and other revenues sufficient for payment of the principal of, and interest on, the lines of credit extended, and to make prompt payment of the obligation, including interest thereon, as the same are due. (Ord. 116368 § 144, 1992; Ord. 110585 § 1, 1982.)

5.16.050 Warrant overdrafts.

Subject to the following terms and conditions, the City Finance Director is authorized to contract with the bank at which the City maintains its principal account for the bank to postpone presentment of City warrants until the City can provide for their full payment:

A. The amount of the warrants for which presentment is so delayed shall be aggregated as a warrant overdraft account;

B. The aggregate of the warrant overdrafts shall not exceed Twenty Million Dollars (\$20,000,000.00);

C. The fee charged by the bank shall not exceed seventy-five percent (75%) of the prime rate of interest published in the Wall Street Journal, Pacific Northwest edition, for the dates for which the credit is outstanding;

D. The Debt Management Policy Advisory Committee shall review the contract with the

principal bank and, from time to time, advise the City Finance Director thereon and on the aggregate of warrant overdrafts that may be outstanding;

E. Fees paid for deferment of presentment shall cease and the bank may present outstanding warrants should any other general fund warrant be presented to the City Finance Director for payment and marked as presented but not paid for lack of funds.

(Ord. 116368 § 145, 1992; Ord. 115953 § 1, 1991; Ord. 115437 § 1, 1990; Ord. 115010 § 1, 1990.)

**Chapter 5.20
BILLS BY CITY DEPARTMENTS FOR
LABOR OR MATERIALS**

Sections:

5.20.010 Issuance of bill for labor or material.

5.20.020 Correction of bill by credit voucher.

5.20.030 Recordkeeping—Notification of payment.

5.20.040 Deduction of credit voucher.

5.20.050 Payments under one dollar.

Statutory Reference: for provisions regarding the State Accounting Act, see RCW 43.09.210; for provisions regarding payment of claims against municipal corporations for contractual purposes, see RCW 42.24.080.

5.20.010 Issuance of bill for labor or material.

When any department of the City shall furnish any labor or material to any person, the department shall render a bill for the labor or material as follows:

A. Bills of each department to be issued in triplicate and to bear consecutive numbers;

B. The original of the bill to be forwarded to the person receiving the labor or material;

C. The duplicate of the bill to be forwarded, forthwith to the City Finance Director;

D. The triplicate of the bill to be retained by the department issuing the same.

(Ord. 116368 § 146, 1992; Ord. 16066 § 1, 1907.)

5.20.020 Correction of bill by credit voucher.

The head of the department issuing any of the bills described in Section 5.20.010 is authorized to correct the bills at any time prior to their payment by the issuance of credit vouchers directed to the City Finance Director.

(Ord. 116368 § 147, 1992; Ord. 16066 § 2, 1907.)

5.20.030 Recordkeeping—Notification of payment.

The City Finance Director is directed to preserve the duplicate bills and render proper accounting therefor and to notify each of the various departments as to the payment of the bills upon request of the department.

(Ord. 116368 § 148, 1992; Ord. 16066 § 3, 1907.)

5.20.040 Deduction of credit voucher.

When any credit voucher shall have been issued correcting any of the bills, the City Finance Director is directed to deduct the amount of the credit voucher from the face of the bill and accept the remaining amount thereof as full payment.

(Ord. 116368 § 149, 1992; Ord. 16066 § 4, 1907.)

5.20.050 Payments under one dollar.

It shall be a term or condition of contracting with the City that payment warrants are drawn only for sums of One Dollar (\$1.00) or more. If the sum due or owing to anyone providing services or materials to the City is less than One Dollar (\$1.00), payment shall be made from petty cash to those who present themselves in person. Payment shall be deemed waived if more than ninety (90) days passes from the time payment is due without demand in person therefor.

(Ord. 113872 § 2, 1988.)

Chapter 5.24

CLAIMS FOR INJURIES OR DAMAGES¹

Sections:

5.24.005 Claims for damages.

5.24.010 Judgment/Claims Subfund.

5.24.020 Payment of judgments.

5.24.030 Payment of claims.

5.24.035 Payment of claims under one dollar.

5.24.040 Advance payments—Grounds for payment.

5.24.050 Advance payments—Report prior to award.

5.24.060 Litigation expenses.

Statutory Reference: For Charter provisions on claims for damages see Charter Art. IV § 24; for provisions on verification of claims, see Charter Art. VIII § 14; for statutory provisions on actions against political subdivisions, see RCW Ch. 4.96; for provisions on accident claims and funds, see RCW Ch. 35.31.

1. Cross-reference: For provisions regarding claims for medical expenses for citizens injured while aiding police, see Chapter 12A.62 of this Code.

Cases: A requirement that a claimant for damages against the City must state his residences for one (1) year last past is unreasonable and therefore void. **Hase v. Seattle**, 51 Wn. 174, 98 P. 370 (1908).

It is a reasonable and valid requirement that claims against a City for personal injuries shall be in writing and filed with the City Clerk within thirty (30) days. **Cole v. Seattle**, 64 Wn. 3, 116 P.257(1911).

Only the City Council can waive the requirements for presenting claims against the City, and some affirmative cognizance of the claim, other than rejection by the Council, is necessary to establish such waiver. **Cole v. Seattle**, 64 Wn. 3, 116 P. 257 (1911).

Nonclaim statutes which require that tort claims against the state or lesser governmental entities be presented within shorter periods of time than that allowed for commencing a tort action against private parties are arbitrary, have no substantial or rational basis, and are violative of the equal protection clauses of the state and federal constitutions. Equal protection requires that such claims be presented, and action commenced if necessary, within the same period allowed for commencing such actions against private parties. **Hunter v. North Mason School District**, 85 Wn.2d 810, 53d P.2d 845 (1975).

5.24.005 Claims for damages.

A. No action shall be commenced against the City in which monetary damages are being claimed until a written Claim for Damages has been presented to and filed with the City Clerk. Such a claim must name the claimant, include the claimant's address, specify the date and location of the claimed loss, describe any alleged act or omission on the part of the City and the basis

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upon which liability is being asserted against the City, identify any known witnesses, detail the nature and extent of the injury or damage sustained and state the amount being claimed. The claim form must be signed by the claimant or an authorized representative and notarized prior to its filing.

B. All claims for damages shall be investigated and evaluated by the Law Department. Formal reports concerning any claim will be requested from all interested departments, which reports shall constitute and be treated as privileged communications to the City Attorney.

C. A lawsuit based upon the allegations of a Claim for Damages may not be instituted against the City within sixty (60) days of the filing of such claim, unless the applicable statute of limitations will expire within that period of time. The requirements of this section shall not affect in any manner the commencement and running of any applicable statute of limitations.
(Ord. 116368 § 150, 1992; Ord. 111195 § 1, 1983.)

Cases: Subsection C was upheld as valid in **Daggs v. Seattle**, 110 Wn.2d 49, 750 P.2d 626 (1988). Accord: **Lewis v. Mercer Island**, 63 Wn.App. 29, 817 P.2d 408 (1991). Failure to raise the issue in a timely manner may stop a city from raising the defense after the applicable statute of limitations has expired. **Dyson v. King County**, 61 Wn.App. 243, 809 P.2d 769 (1991).

5.24.010 Judgment/Claims Subfund.

There is established in the City Treasury, as a subfund of the General Fund, a Judgment/Claims Subfund, into which subfund shall be placed such amounts of money as shall be appropriated by the City Council and such funds as are reimbursements from proper source funds for judgments, claims payments, advance claims payments, and litigation expenses; and from which subfund shall be paid: all judgments as authorized by Section 5.24.020; all claims as authorized by Section 5.24.030; all advance payment claims as authorized by Section 5.24.040; and all litigation expenses as authorized by Section 5.24.060.
(Ord. 117977 § 2(part), 1995; Ord. 116368 § 315(part), 1992; Ord. 108657 § 1, 1979.)

5.24.020 Payment of judgments.

Upon the presentation to the City Finance Director of a certified copy of the docket entry of any judgment against the City, entered in an appropriate court, showing the entry of judgment

on the docket, and having attached thereto a certificate in writing, signed by the City Attorney, to the effect that the right of appeal from such judgment has been expressly waived, or that the time for an appeal has expired, the City Finance Director shall issue a warrant upon the Judgment/Claims Subfund for the amount of such judgment, and costs if awarded to the claimant by the court.

(Ord. 117977 § 2(part), 1995; Ord. 116368 § 151, 1992; Ord. 108657 § 2, 1979.)

Cases: The admission tax is not a prior restraint in violation of the First Amendment, does not have a discriminatory impact upon First Amendment activities, and may exempt patrons attending theaters of nonprofit, tax-exempt organizations. **Forbes v. Seattle**, 113 Wn.2d 929, 785 P.2d 431 (1990).

5.24.030 Payment of claims.

The City Attorney may authorize payment of any claim against the City in an amount of not more than Ten Thousand Dollars (\$10,000.00) and, upon presentation of proper releases, and of vouchers approved by the City Attorney, the City Finance Director is authorized to draw and to pay warrants on the Judgment/Claims Subfund for the settlement and full satisfaction of any such claim, and to make any necessary, authorized transfers of other funds in such connection.
(Ord. 117977 § 2(part), 1995; Ord. 116368 § 152, 1992; Ord. 115538 § 1, 1991; Ord. 108657 § 3, 1979.)

5.24.035 Payments of claims under one dollar.

If the payment of any claim authorized by the City Attorney is less than One Dollar (\$1.00), payment shall be made from petty cash to those who present themselves in person.
(Ord. 113872 § 4, 1988.)

5.24.040 Advance payments—Grounds for payment.

A. The City Attorney is authorized to make periodic payments to a claimant pending settlement or other disposition of his claim equivalent to not more than the claimant's pre-injury net take-home pay if the City Attorney finds the following conditions to exist:

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1. The claimant has been physically disabled as a result of an act or omission by the City or its employees and agents and for which the City is legally obligated to respond in damages, which physical disability precludes the claimant from engaging in gainful employment;

2. The claimant's loss of employment results in financial hardship and the claimant is without alternate financial resources to provide for the necessary cost of living;

3. Circumstances exist which preclude the early settlement or other disposition of claimant's claim;

4. The best interest of the City and the claimant will be served by making such interim payments.

B. As a condition to commencing such payments, the City Attorney shall secure from the claimant a written agreement that all payments made pursuant to this section shall be credited to the City against any settlement of the claim which may be arrived at, and shall be credited against any judgment which may be rendered against the City by reason of such claim in any court. The agreement may include such additional terms and conditions as the City Attorney determines are appropriate to serve the best interests of the City.

C. In addition to the payments covering wage losses, the City Attorney may, prior to settlement of the claimant's claim or prior to judgment, pay medical costs and provide necessary transportation and other expenses of treatment which the claimant may be required to pay; provided, that all such payments under this chapter shall cease at such time as the City Attorney shall determine that one (1) or more of the circumstances enumerated above have changed or that the total sum paid the claimant approximates the amount the claimant is likely to recover by reason of his injury.

(Ord. 108657 § 4, 1979.)

5.24.050 Advance payments—Report prior to award.

Ten (10) days prior to commencement of payments or modification of such payments, under Section 5.24.040, the City Attorney shall reduce his determinations to writing, shall state the estimated amount and frequency of interim financial assistance and deliver the same to the Mayor, the President of the City Council, and the head of the department concerned with the activity which

gave rise to claimant's injury. Such reports shall be for the exclusive use of City and state officers until such time as the claim is settled or otherwise concluded, whereupon such report, together with an accounting of all payments made under this chapter, shall be filed in the office of the City Clerk.

(Ord. 116368 § 153, 1992; Ord. 108657 § 5, 1979.)

5.24.060 Litigation expenses.

The City Attorney is authorized to make payment to private and/or public agencies, firms, and/or individuals who provide services to the City in support of any litigation and/or claim and/or threatened litigation or claim filed or contemplated against the City or where the City is a plaintiff or potential plaintiff in legal action.

(Ord. 108657 § 6, 1979.)

**Chapter 5.28
BONDS IN CIVIL ACTIONS**

Sections:

5.28.010 Execution by Mayor and Clerk.

5.28.010 Execution by Mayor and Clerk.

When any civil action is brought by or against the City requiring at any stage thereof its execution of a bond on the part of the City such bond shall be executed by the Mayor and Clerk in behalf of the City and sealed with its Corporate Seal of the City and the Mayor and Clerk are authorized and empowered to execute such bonds. (Ord. 1177 § 1, 1889.)

**Chapter 5.32
REVENUE CODE**

Sections:

Subchapter I General Provisions

5.32.010 Citation.

5.32.020 Exercise of power to license for revenue.

5.32.030 Definitions.

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5.32.010 REVENUE, FINANCE AND TAXATION

5.32.040 License—Application and issuance.

5.32.050 License—Not transferable or assignable—Exceptions.

5.32.060 Duration of licenses—Termination prior to expiration.

5.32.070 Proration of annual license fee.

5.32.080 Payment of fees by NSF check.

5.32.090 Administrative inspection.

5.32.100 Rules and regulations.

5.32.110 Computation of time.

5.32.120 Unlawful acts.

5.32.130 Penalties.

Subchapter II Amusement Devices

5.32.140 Definitions.

5.32.150 License required.

5.32.160 Exemptions.

5.32.170 License fees.

5.32.180 License expiration.

5.32.190 Records—Location of devices.

5.32.200 Unlawful acts.

Severability: The invalidity of any section, subsection, provision, clause, or portion of this chapter, or the invalidity of the application thereof to any person or circumstance, shall not affect the validity of the remainder of this chapter or the validity of its application to other persons or circumstances.

(Ord. 106024 § 1.900, 1976.)

Subchapter I General Provisions

5.32.010 Citation.

This chapter shall be known as the “Revenue License Code” of The City of Seattle, and may be so cited.

(Ord. 106024 § 1.010, 1976.)

5.32.020 Exercise of power to license for revenue.

This chapter is an exercise of the power of the City to license for revenue.

(Ord. 106024 § 1.020, 1976.)

5.32.030 Definitions.

A. Except as otherwise specifically provided in this chapter, the following words and terms shall have the meaning specified in this section:

1. “Administrative Code” means Ordinance 102228, as now or hereafter amended,¹ of The City of Seattle;

2. “Criminal Code” means the Seattle Criminal Code, Ordinance 102843, as now or hereafter amended;²

3. “Department” means the Finance Department of The City of Seattle;

4. “Director” means the Finance Director of The City of Seattle and shall include the Director’s authorized representatives;

5. “General provisions” means Subchapter I of this chapter, as now or hereafter amended;

6. “Person” means any individual, partnership, corporation, trust, incorporated or unincorporated association, marital community, joint venture, or other legal entity or group of persons however organized.

B. Unless the context clearly indicates otherwise, the singular includes the plural, and the plural includes the singular.

(Ord. 117169 § 13, 1994; Ord. 116368 § 154, 1992; Ord. 106024 § 1.030, 1976.)

1. Editor’s Note: The Administrative Code is codified in Chapter 3.02 of this Code.

2. Editor’s Note: The Criminal Code is codified in Subtitle I of Title 12A of this Code.

5.32.040 License—Application and issuance.

Application for any license required by this chapter shall be made to the Director and shall be in such form and content as prescribed by the Director. Upon completion of the application and payment of all required fees, the Director shall issue the license.

(Ord. 107158 § 21, 1978; Ord. 106024 § 1.100, 1976.)

5.32.050 License—Not transferable or assignable—Exceptions.

A. A license is not assignable or transferable, except that a license may be transferred:

1. To the surviving or new corporation, whenever the licensed corporation is merged or

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consolidated pursuant to RCW Chapter 23A.20, as now or hereafter amended;

2. To the surviving partner, or to a new partnership which consists exclusively of the surviving partners, whenever one (1) partner of a licensed partnership dies;

3. To the surviving spouse, whenever one (1) spouse of a licensed marital community dies;

4. To any one (1) or more former partners, whenever a licensed partnership is dissolved and one (1) or more of the former partners of the licensed partnership continue the operation of the business as an individual proprietorship or partnership without the addition of any new partner, and all of the other former partners consent in writing to the transfer of the license, which written consent shall be filed with the application for such transfer;

5. To one (1) spouse, whenever a licensed marital community is dissolved and the other spouse consents in writing to the transfer of the license, which written consent shall be filed with the application for such transfer.

B. As used in this section, the term "partnership" includes joint venture, and the term "partner" includes a coventurer. (Ord. 106024 § 1.120, 1976.)

5.32.060Duration of licenses—Termination prior to expiration.

A. Except as otherwise provided in this chapter, a license shall not be issued for any period other than the license period specified for that license.

B. Any license period specified by this chapter shall commence and expire on the calendar dates specified, whether or not such date is a Saturday, Sunday, or City legal holiday.

C. Except as otherwise provided in this chapter all licenses shall be effective as of the beginning of the calendar date of issuance and shall remain continuously in effect to the end of the calendar date of expiration, unless terminated earlier pursuant to the provisions of this chapter; provided, that whenever any license is issued prior to the calendar date of the commencement of the license period, the license shall become effective at the beginning of that calendar date. (Ord. 106024 § 1.150, 1976.)

5.32.070Proration of annual license fee.

Except as otherwise provided in this chapter, if an application for a license is made during the last six (6) months of an annual license period, the license fee shall be one-half (1/2) of the annual license fee.

(Ord. 106024 § 1.200, 1976.)

5.32.080Payment of fees by NSF check.

Whenever payment of any license fee imposed by this chapter is made by check which is returned for lack of sufficient funds or for any other reason, any license issued pursuant to payment by that check is void from the date of license issuance. Any void license shall be promptly returned to the Director and is subject to confiscation by the Director. The license may be reissued upon payment of the original amount plus an additional amount of Ten Dollars (\$10.00) by certified check, money order, or in cash.

(Ord. 106024 § 1.220, 1976.)

5.32.090Administrative inspection.

The Director shall have authority to:

A. Inspect books, records, reports and other items and materials required by the provisions of this chapter to be kept and maintained or which pertain to business organization and information required to be included in an application for a license; provided, that the Director shall be authorized during any such inspection to ascertain that books, records, reports, and other items and materials are true and accurate documents;

B. Enter and inspect premises to ascertain that a license has been obtained for each activity for which a license is required by the provisions of this chapter;

C. Enter and inspect the premises at which any licensed activity is or is about to be engaged in to ascertain that all license requirements applicable to such activity are being complied with.

(Ord. 106024 § 1.300, 1976.)

5.32.100Rules and regulations.

The Director may, in accordance with the provisions of the Administrative Code,¹ prescribe rules and regulations, not inconsistent with the provisions of this chapter, for the purpose of implementing and enforcing this chapter.

(Ord. 106024 § 1.400, 1976.)

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1.Editor's Note: The Administrative Code is codified in Chapter 3.02 of this Code.

5.32.110 Computation of time.

Except as otherwise specifically provided by the provisions of this chapter, in computing any period of days prescribed by this chapter the day of the act or event from which the designated period of time runs shall not be included. The last day of the period shall be included unless it is Saturday, Sunday, or a City legal holiday, in which event the last day of such period shall be the next succeeding day which is neither a Saturday, Sunday, or City legal holiday. (Ord. 106024 § 1.500, 1976.)

5.32.120 Unlawful acts.

It is unlawful for:

A. Any person to knowingly make or cause to be made any false statement in any application or information attached thereto;

B. Any person to make or manufacture any license required by this chapter except upon order of the Director;

C. Any person to refuse admission to the Director to inspect the premises and/or records as required by this chapter, or to otherwise interfere with the Director in the performance of duties imposed by this chapter. (Ord. 106024 § 1.700, 1976.)

5.32.130 Penalties.

A. Any person who engages in conduct made unlawful, or who violates or fails to comply with any provision of this chapter, or rule or regulation, shall be guilty of an offense subject to the provisions of Chapters 12A.02 and 12A.04 of this Code (Criminal Code). Such unlawful conduct, violation, or failure to comply is a violation unless specifically designated as a crime. Any person convicted of a violation is punishable by a civil fine not to exceed Five Hundred Dollars (\$500.00). Any person convicted of a crime is punishable by a fine of not more than Five Hundred Dollars (\$500.00) or by imprisonment for a term of not more than six (6) months, or both.

B. Each day of continued violation or non-compliance shall constitute a separate offense. (Ord. 106024 § 1.800, 1976.)

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Subchapter II Amusement Devices

5.32.140 Definitions.

As used in this subchapter, the following definitions apply:

A. "Amusement device" means any machine or device which provides recreation or entertainment for which a charge is made for use or play, and includes, but is not limited to, pool and billiard tables, shuffleboards, music machines, video games, pinball games, riding devices, panoram and peepshow devices, televisions and devices for display of pictures or views on film; provided, that it does not mean or include any machine or device used exclusively for the vending of merchandise.

B. "Owner" of an amusement device means a person who has legal title to the device, or a person who as purchaser is entitled to possession under a retained title contract, conditional sales agreement, vendor's lien agreement, or other legal purchase agreement.

(Ord. 114895 § 1, 1989; Ord. 106240 § 1, 1977; Ord. 106024 § 2.010, 1976.)

5.32.150 License required.

It is unlawful for any person to own any amusement device, which is available for use by the public, without having first obtained an amusement device license issued in accordance with the provisions of this chapter. The license shall be attached to the amusement device at all times when in use or play or available for use or play so that it is readily visible.

(Ord. 106024 § 2.050, 1976.)

5.32.160 Exemptions.

No amusement device license is required under this chapter for an amusement device if an admissions tax is collected upon its use pursuant to Ordinance 72495, as now or hereafter amended;¹ for which the minimum price for use of play is less than Five Cents (\$.05).

(Ord. 114895 § 2, 1989; Ord. 106024 § 2.070, 1976.)

1.Editor's Note: Ord. 72495 is codified in Chapter 5.40 of this Code.

5.32.170 License fees.

A. The license fee for any amusement device

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which is operated or activated by the insertion of a coin or currency shall be based upon the minimum price levied for play or use of the device.¹ The annual license fee shall be Twenty Dollars (\$20.00) for each Five Cents (\$.05) of the price for play or use of the device. The maximum license fee shall be One Hundred Dollars (\$100.00) per device per year.

B. The license fee for any amusement device which is not operated or activated by the insertion of a coin or currency shall be One Hundred Dollars (\$100.00) per year.
(Ord. 116468 § 1, 1992; Ord. 114436 § 1, 1989; Ord. 112039 § 1, 1984:

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