

ORDINANCE No. 120980

COUNCIL BILL No. 114353

AN ORDINANCE related to charging a debt management fee for expenses related to the Debt Management Policy Advisory Committee, repealing Section 3.76.030 of the Seattle Municipal Code.

The City of Seattle--Legislative Department

REPORT OF COMMITTEE

Honorable President:

Your Committee on _____

to which was referred the within Council Bill No. _____
report that we have considered the same and respectfully recommend that the same

11-18-02 Budget Committee Pass 9-0

11-18-02 Passed 9-0

COMPTROLLER FILE No. _____

Introduced: <u>10-14-02</u>	By: <u>Drago</u>
Referred: <u>10-14-02</u>	To: <u>Budget</u>
Referred:	To:
Referred:	To:
Reported: <u>11-18-02</u>	Second Reading:
Third Reading: <u>11-18-02</u>	Signed: <u>11-18-02</u>
Presented to Mayor: <u>11-19-02</u>	Approved: <u>NOV 26 2002</u>
Returned to City Clerk: <u>NOV 26 2002</u>	Published: <u>FULL 1P</u>
Vetoed by Mayor:	Veto Published:
Passed over Veto:	Veto Sustained:

(LSD)

Law Department

Committee Chair

Diane Caviezel Clausen/DCC
DOF DMPAC Rev Expend ORD
August 19, 2002
version 1

ORDINANCE 120980

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AN ORDINANCE related to charging a debt management fee for expenses related to the Debt Management Policy Advisory Committee, repealing Section 3.76.030 of the Seattle Municipal Code.

WHEREAS, in December 1982, the Council passed Ordinance 110908, creating a new section 3.76.030 of the Seattle Municipal Code, authorizing the Debt Management Policy Advisory Committee (DMPAC) to charge a debt management fee for its various services; and

WHEREAS, the Executive and Council now wish to bring the revenue collection for DMPAC expenditures in line with the City's general cost allocation methodology for the City's central services; and

WHEREAS, the companion Resolution to this Ordinance adopts a new policy for funding DMPAC expenditures consistent with the City's general cost allocation methodology; NOW, THEREFORE,

BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:

Section 1. Effective January 1, 2003, Section 3.76.030 of the Seattle Municipal Code is hereby repealed.

Section 2. This ordinance shall take effect and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided by Municipal Code Section 1.04.020.

Passed by the City Council the 10th day of November 2002, and signed by me in open session in authentication of its passage this 10th day of November, 2002.

Peter Stambund
President of the City Council

Approved by me this 25 day of November, 2002

Gregory J. Nickels
Gregory J. Nickels, Mayor

Filed by me this 27th day of November, 2002.

[Signature]
City Clerk

(Seal)



NOTICE: IF THE DOCUMENT IN THIS FRAME IS LESS CLEAR THAN THIS NOTICE IT IS DUE TO THE QUALITY OF THE DOCUMENT.



City of Seattle

Gregory J. Nickels, Mayor

Office of the Mayor

September 23, 2002

Honorable Peter Steinbrueck
President
Seattle City Council
Municipal Building, 11th Floor

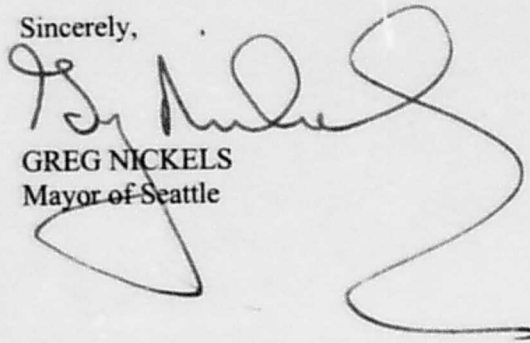
Dear Council President Steinbrueck:

The attached ordinance allows for the establishment of a new cost recovery methodology for fees collected by the City's Debt Management Policy Advisory Committee (DMPAC), by repealing a conflicting section of the Seattle Municipal Code.

In December 1982, the Council passed Ordinance 110908, creating a new section 3.76.030 of the Seattle Municipal Code authorizing DMPAC to charge a debt management fee for its various services. In order to bring the revenue collection for DMPAC expenditures in line with the City's general cost allocation methodology for the City's central services, the attached ordinance repeals this section of the Municipal Code. A companion resolution to this ordinance updates the City's debt management policies to reflect this new revenue recovery methodology.

Thank you for your consideration of this legislation. Should you have questions please contact Diane Clausen at 684-8151.

Sincerely,



GREG NICKELS
Mayor of Seattle

Fiscal Note

Each piece of legislation that is financial in nature requires a fiscal note. The fiscal note should be drafted by department staff and should identify operating, capital, revenue, and FTE impacts of the legislation. After preparation by departmental staff, the Department of Finance (DOF) will review and make necessary revisions before transmittal to Council.

Department: Finance	Contact Person/Phone: Diane Clausen 4-8151	DOF Analyst/Phone: Sherri Crawford 4-8-75
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Legislation Title: AN ORDINANCE related to charging a debt management fee for expenses related to the Debt Management Policy Advisory Committee, repealing Section 3.76.030 of the Seattle Municipal Code.

Summary of the Legislation: This legislation repeals the following language in the Seattle Municipal Code:

“The [Debt Management Policy Advisory] Committee is authorized to charge a debt management fee for its various services to each bond issue or other debt financing action in accordance with a schedule and at levels authorized in the Annual Budget. Such fees shall be deposited in the appropriate expenditure account in the General Fund.”

Background (Include justification for the legislation and funding history, if applicable):
Current policy requires the Department of Finance (DOF) to assess a Debt Management Policy Advisory (DMPAC) fee on all revenue and general obligation debt issued by the City or guaranteed by the City. These fee proceeds are used for meeting the costs of issuance, management, and administration of debt. One problem with this method of generating revenue is that the amount of revenue generated has no necessary correlation to DMPAC expenditures. This has resulted in periodic swings in fund balances dedicated to this project.

In order to more closely tie revenue collections to DMPAC expenditure needs, and to bring this fee collection in line with the City's general cost allocation methodology for its various central services, the Mayor's Proposed Budget for 2003-04 collects for the expenditures of the DMPAC via a six fund allocation based on the number of revenue and general obligation bond sales over the preceding five years. This ordinance, and its companion resolution, change debt policies to conform to this new revenue collection methodology.

Public Private Partnership Review Status:

Is the project referenced in the legislation subject to P4 review? **No.** If yes, identify P4 review to date.

Is the legislation subject to public hearing requirements? **No.** If yes, what public hearings have been held to date?



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Fiscal Sustainability Issues (related to grant awards):

Estimated Expenditure Impacts:

FUND (List # and/or Account)	2002	2003	2004
	0	0	0
TOTAL	0	0	0

One-time \$ _____ On-going \$ _____

Estimated Revenue Impacts:

FUND (List # and/or Account)	2002	2003	2004
	0	0	0
TOTAL	0	0	0

One-time \$ _____ On-going \$ _____

Estimated FTE Impacts:

FUND (List # and/or Account)	2002	2003	2004
	0	0	0
TOTAL	0	0	0

Full Time _____ # Part Time _____ # TES _____

Do positions sunset in the future? If yes, identify sunset date?

Other Issues (including long-term implications of the legislation):

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STATE OF WASHINGTON - KING COUNTY

--SS.

152194
City of Seattle, Clerk's Office

No. ORDINANCE IN FULL

Affidavit of Publication

The undersigned, on oath states that he is an authorized representative of The Daily Journal of Commerce, a daily newspaper, which newspaper is a legal newspaper of general circulation and it is now and has been for more than six months prior to the date of publication hereinafter referred to, published in the English language continuously as a daily newspaper in Seattle, King County, Washington, and it is now and during all of said time was printed in an office maintained at the aforesaid place of publication of this newspaper. The Daily Journal of Commerce was on the 12th day of June, 1941, approved as a legal newspaper by the Superior Court of King County.

The notice in the exact form annexed, was published in regular issues of The Daily Journal of Commerce, which was regularly distributed to its subscribers during the below stated period. The annexed notice, a

CT:ORDINANCE 120980

was published on

11/29/2002

J. Stedman

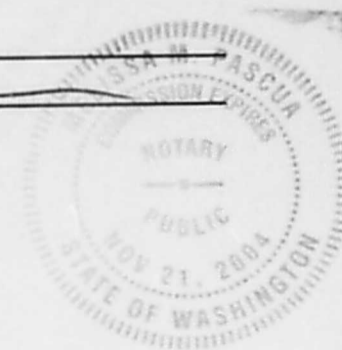
Subscribed and sworn to before me on

12/2/2002

Mel Fisher

Notary public for the State of Washington,
residing in Seattle

Affidavit of Publication



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State of Washington, King County

City of Seattle

ORDINANCE 120880

AN ORDINANCE related to charging a debt management fee for expenses related to the Debt Management Policy Advisory Committee, repealing Section 3.76.030 of the Seattle Municipal Code.

WHEREAS, in December 1982, the Council passed Ordinance 110908, creating a new section 3.76.030 of the Seattle Municipal Code, authorizing the Debt Management Policy Advisory Committee (DMPAC) to charge a debt management fee for its various services; and

WHEREAS, the Executive and Council now wish to bring the revenue collection for DMPAC expenditures in line with the City's general cost allocation methodology for the City's central services; and

WHEREAS, the companion Resolution to this Ordinance adopts a new policy for funding DMPAC expenditures consistent with the City's general cost allocation methodology; NOW THEREFORE,

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Section 2. This ordinance shall take effective and be in force thirty (30) days from and after its approval by the Mayor, but if not approved and returned by the Mayor within ten (10) days after presentation, it shall take effect as provided in Municipal Code Section 1.04.020.

Passed by the City Council the 18th day of November, 2002, and signed by me in open session in authentication of its passage this 18th day November, 2002.

PETER STEINBRUECK,

President of the City Council.

Approved by me this 25th day of November, 2002.

GREGORY J. NICKELS,

Mayor.

Filed by me this 27th day of November, 2002.

(Seal) SCOTT CLINE,

City Clerk.

Publication ordered by Judith Pippin, City Clerk.

Date of publication in the Seattle Daily Journal of Commerce, November 29, 2002.

11/29/162194

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