



SEATTLE CITY COUNCIL

Legislative Summary

CB 118451

Record No.: CB 118451

Type: Ordinance (Ord)

Status: Passed

Version: 1

124823

In Control: City Clerk

File Created: 06/15/2015

Final Action: 08/07/2015

Title: AN ORDINANCE relating to the Summit Re-Implementation project in the Department of Finance and Administrative Services; amending Ordinance 124648, which adopted the 2015 Budget; establishing the 2016 Multipurpose LTGO Bond Fund; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, in the amount of \$22,000,000, to the 2016 and 2017 Multipurpose LTGO Bond Funds for bridge financing of the Summit Re-Implementation project; establishing a budget control level in the 2016 Multipurpose LTGO Bond Fund; increasing appropriations in the 2016 Multipurpose LTGO Bond Fund; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

Date

Notes:

Filed with City Clerk:

Sponsors: Licata

Mayor's Signature:

Vetoed by Mayor:

Veto Overridden:

Veto Sustained:

Attachments:

Drafter: kristi.beattie@seattle.gov

Filing Requirements/Dept Action:

History of Legislative File

Legal Notice Published:

Yes

No

Version:	Acting Body:	Date:	Action:	Sent To:	Due Date:	Return Date:	Result:
1	Mayor	06/23/2015	Mayor's leg transmitted to Council	City Clerk			
	Action Text:		The Council Bill (CB) was Mayor's leg transmitted to Council. to the City Clerk				
	Notes:						
1	City Clerk	06/23/2015	sent for review	Council President's Office			
	Action Text:		The Council Bill (CB) was sent for review. to the Council President's Office				

Notes:

- 1 Council President's Office 06/25/2015 sent for review Finance and Culture Committee
Action Text: The Council Bill (CB) was sent for review. to the Finance and Culture Committee
Notes:
- 1 Finance and Culture Committee 07/29/2015 pass Pass
Action Text: The Committee recommends that Full Council pass the Council Bill (CB).
Notes:
In Favor: 3 Chair Licata, Vice Chair Godden, Member Burgess
Opposed: 0
- 1 Full Council 08/03/2015 passed Pass
Action Text: The Council Bill (CB) was passed by the following vote and the President signed the Bill:
Notes:
In Favor: 8 Councilmember Bagshaw, Council President Burgess, Councilmember Godden, Councilmember Harrell, Councilmember Licata, Councilmember O'Brien, Councilmember Okamoto, Councilmember Sawant
Opposed: 0
- 1 City Clerk 08/04/2015 submitted for Mayor's signature Mayor
Action Text: The Council Bill (CB) was submitted for Mayor's signature. to the Mayor
Notes:
- 1 Mayor 08/07/2015 Signed
Action Text: The Council Bill (CB) was Signed.
Notes:
- 1 Mayor 08/07/2015 returned City Clerk
Action Text: The Council Bill (CB) was returned. to the City Clerk
Notes:
- 1 City Clerk 08/07/2015 attested by City Clerk
Action Text: The Ordinance (Ord) was attested by City Clerk.
Notes:
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CITY OF SEATTLE
ORDINANCE 124823
COUNCIL BILL 118451

AN ORDINANCE relating to the Summit Re-Implementation project in the Department of Finance and Administrative Services; amending Ordinance 124648, which adopted the 2015 Budget; establishing the 2016 Multipurpose LTGO Bond Fund; authorizing the loan of funds from the City's Consolidated (Residual) Cash Pool, or its participating funds, in the amount of \$22,000,000, to the 2016 and 2017 Multipurpose LTGO Bond Funds for bridge financing of the Summit Re-Implementation project; establishing a budget control level in the 2016 Multipurpose LTGO Bond Fund; increasing appropriations in the 2016 Multipurpose LTGO Bond Fund; and ratifying and confirming certain prior acts; all by a 3/4 vote of the City Council.

WHEREAS, the City's Financial Management and Accountability Program (FinMAP) was initiated in 2011 through City Council Resolution 31332 to strengthen financial management policies and procedures and includes the Summit Re-Implementation (SRI) project; and

WHEREAS, Summit is the City's financial management information technology system, built with Oracle's PeopleSoft product line, and vendor support has expired for the City's PeopleSoft version 8.8, leaving Summit at significant risk for potential system failure since it is incompatible with new versions of certain supporting software; and

WHEREAS, the Executive has endorsed a scope for implementation of the SRI project that will: make progress on standardizing departments' use of Summit, optimize the City's chart of accounts; transition to a project-centric accounting model; re-engineer City business processes and department systems to take advantage of PeopleSoft functionality; and implement the Procure to Pay module for certain departments; and

1 WHEREAS, the Council provided authorization for debt financing through limited tax general
2 obligation (LTGO) bonds in 2013 and 2014 for the SRI development phase; and

3 WHEREAS, the Executive intends to seek Council approval to issue additional LTGO bonds in
4 2016 and 2017 to fund the SRI implementation phase; and

5 WHEREAS, the Department of Finance and Administrative Services requires bridge financing
6 for the SRI implementation phase in advance of the 2016 LTGO bond issuance, and may
7 need additional bridge financing in advance of the 2017 LTGO bond issuance; and

8 WHEREAS, Seattle Municipal Code Section 5.06.030.C requires City Council approval by
9 ordinance of any interfund loan for a duration of more than 90 days; and

10 WHEREAS, in the normal course of business the City may temporarily lend cash between funds
11 to maintain required balances; and

12 WHEREAS, there is sufficient cash in the City's Consolidated (Residual) Cash Pool or its
13 participating funds to support a revolving loan of up to \$22,000,000 through the end of
14 2017; and

15 WHEREAS, funds loaned by the City's Consolidated (Residual) Cash Pool to the 2016 and 2017
16 Multipurpose LTGO Bond Funds for the purpose of bridge financing of the SRI project is
17 anticipated to be repaid from the proceeds of the sale of LTGO bonds in 2016 and 2017;

18 NOW, THEREFORE,

19 **BE IT ORDAINED BY THE CITY OF SEATTLE AS FOLLOWS:**

20 Section 1. The Director of Finance is authorized to create in the City Treasury the 2016
21 Multipurpose LTGO Bond Fund, into which the principal proceeds and any premium received
22 from the sale and delivery of limited tax general obligation (LTGO) bonds in 2016 shall be
23 deposited for the purpose of paying all or part of the costs of various elements of the City's

1 capital improvement program and other City purposes approved by ordinance. The Fund shall
2 receive earnings on its positive balances and pay interest on its negative balances. The Director
3 of Finance is authorized to create other Subfunds, Accounts, or Subaccounts as may be needed.

4 Section 2. The Director of Finance is authorized to make a revolving loan of up to
5 \$22,000,000 principal and interest outstanding at any one time from the City's Consolidated
6 (Residual) Cash Pool or its participating funds to the 2016 and 2017 Multipurpose LTGO Bond
7 Funds, to provide bridge financing for the implementation phase of the SRI project being
8 undertaken by the Department of Finance and Administrative Services (FAS). The loan is to be
9 repaid no later than December 31, 2017 with interest on the loan at the rate of return of the City's
10 Consolidated (Residual) Cash Pool. The entire principal and interest amount of the loan drawn in
11 advance of the LTGO bond issuances in 2016 and 2017, respectively, shall be repaid with
12 proceeds from the sale of 2016 and 2017 LTGO bonds, respectively, subject to future
13 authorization by ordinance of the 2016 and 2017 LTGO bonds.

14 Section 3. The Director of Finance may effectuate the loan authorized in Section 2 by
15 transferring cash from one or more funds participating in the City's Consolidated (Residual) Cash
16 Pool to the 2016 Multipurpose LTGO Bond Fund, or the 2017 Multipurpose LTGO Bond Fund,
17 subject to it being established by future ordinance, or by carrying the 2016 or 2017 Multipurpose
18 LTGO Bond Funds in a negative cash position in an amount not to exceed \$22,000,000 until no
19 later than December 31, 2017. The Director of Finance is further authorized to establish, and
20 modify if necessary from time to time, a repayment plan and schedule.

21 Section 4. In order to pay for necessary capital costs and expenses incurred or to be
22 incurred the appropriation for the following item in the 2015 Adopted Budget is increased from
23 the fund shown, as follows:

Fund	Department	Budget Control Level	Amount
2016 Multipurpose LTGO Bond Fund	FAS	Information Technology (A1IT)	\$11,000,000

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Section 5. The 2015 Adopted Budget is amended with the creation of the following new

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budget control level added to Attachment A of Ordinance 124648 as follows:

Item	Fund	Dept	BCL Code	BCL Name	BCL Purpose
5.1	2016 Multipurpose LTGO Bond Fund	FAS	36300-A1IT	Information Technology (36300-CIP)	The purpose of the Information Technology Budget Control Level (BCL) is to replace, upgrade or maintain FAS information technology systems to meet the evolving enterprise activities of the City. The BCL is funded by the 2016 LTGO Bond Fund (36300).

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Section 6. Any act consistent with the authority of this ordinance taken after its passage


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and prior to its effective date is ratified and confirmed.


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1 Section 7. This ordinance shall take effect and be in force 30 days after its approval by
2 the Mayor, but if not approved and returned by the Mayor within ten days after presentation, it
3 shall take effect as provided by Seattle Municipal Code Section 1.04.020.


4 Passed by a 3/4 vote of all the members of the City Council the 3rd day of
5 AUGUST, 2015, and signed by me in open session in authentication of its
6 passage this 3rd day of AUGUST, 2015.

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8 
9 President _____ of the City Council

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11 Approved by me this 7th day of AUGUST, 2015.

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13 
14 Edward B. Murray, Mayor

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16 Filed by me this 7th day of AUGUST, 2015.

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18 
19 Monica Martinez Simmons, City Clerk

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21
22 (Seal)