

May 17, 1984

Introduced by: Bob Grieve

Proposed No.: 84-199

ORDINANCE NO. 6794

AN ORDINANCE authorizing the issuance of a revenue anticipation note in the principal amount not in excess of \$1,325,000 for the purpose of paying certain expenses of the Alcoholism Services Fund pending the receipt of grant, contract and other revenues; creating an Alcoholism Revenue Anticipation Note Fund; and providing for the sale of that note to Rainier National Bank of Seattle, Washington.

BE IT ORDAINED BY THE COUNCIL OF KING COUNTY, WASHINGTON:

SECTION 1. The county council of King County, Washington (the "county"), finds that periodic receipts in 1984 and 1985 from the State of Washington (the "state") from certain alcoholism services grants and contracts, and the receipt of certain other revenues related to the provision of alcoholism services, will not be received in a timely fashion so as to meet necessary county alcoholism program expenses as they are incurred and that it is in the best interest of the county to incur short-term debt pursuant to Chapter 216, Laws of 1982 (Chapter 39.50 RCW), to pay those expenses, such debt to be repaid from the receipt of state alcoholism grants and contract revenues and certain other revenues prior to June 30, 1985.

SECTION 2. There is created in the King County office of finance a special fund called the "Alcoholism Revenue Anticipation Note Fund, 1984" (the "Note Fund"). In anticipation of the receipt by the county of grant and contract revenues from the state for alcoholism services programs, and certain other revenues related to the provision of alcoholism services, and the deposit of all such revenues into the county's Alcoholism Services Fund, the county shall issue and sell a revenue anticipation note in the amount not in excess of \$1,325,000, the exact amount to be determined by the director of the King County

1 office of finance (the "director") consistent with the provi-
2 sions of this ordinance. The note shall be designated
3 "Alcoholism Revenue Anticipation Note, 1984" (the "Note"). The
4 Note shall be dated the date of its issuance; shall mature 13
5 months from its date of issuance but no later than June 30,
6 1985; shall be in registered form; and shall bear interest from
7 the date of issuance at the rate determined on the basis of a
8 365-day year which is 60% of Rainier National Bank's publicly
9 announced prime rate, adjusted when that prime rate is adjusted,
10 principal payable at maturity and interest payable monthly, with
11 full obligation on the part of the county to pay interest at the
12 aforesaid rate from and after maturity until the Note with
13 interest is paid in full or until sufficient money for such
14 payment in full is on deposit in the Note Fund and the Note has
15 been called for redemption, whichever occurs first. The Note
16 shall be subject to redemption prior to its maturity date as a
17 whole or in part at the option of the county at any time upon
18 giving at least ten days' written notice to the Registered Owner
19 (as hereinafter defined) of the Note. Both the principal of and
20 interest on the Note shall be payable to the Registered Owner as
21 of the Record Date (as hereinafter defined) at the King County
22 office of finance in Seattle, Washington.

23 The county council declares and finds that the fixing of
24 the interest rate or rates by reference to Rainier Bank's prime
25 rate as set forth above is in the best interests of the county.

26 SECTION 3. The Note and interest thereon shall be paid
27 solely from the Note Fund. The county irrevocably pledges to
28 pay into the Note Fund sufficient amounts received from the
29 state as grants or contract revenues for alcoholism services
30 programs, and from other revenues related to the provision of
31 alcoholism services, to pay the principal of and interest on the
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1 Note on its maturity date. The Note shall be a general
2 obligation of the county.

3 SECTION 4. The director is appointed Registrar for the
4 Note (the "Registrar"). The Registrar shall register the Note
5 as to both principal and interest on books or records maintained
6 for such purpose (the "Bond Register") which shall, at a mini-
7 mum, identify the owner of the Note (the "Registered Owner") and
8 that Registered Owner's mailing address. The Note shall be
9 issued only in registered form and shall be registered initially
10 in the name of Rainier National Bank and subsequently, if so
11 requested, in the name of its registered assignee to whom the
12 Note has been transferred in accordance with its terms and the
13 terms of this ordinance. The record date (the "Record Date")
14 for the Note shall be the 15th day of the month preceding the
15 month in which interest is paid to or other communication is
16 made with the Registered Owner. The Registrar is authorized, on
17 behalf of the county, to authenticate and deliver the Note and
18 any Note transferred or exchanged in accordance with the provi-
19 sions of the Note and this ordinance and to carry out all of the
20 Registrar's powers and duties under this ordinance. The Note
21 may be transferred only if endorsed in the manner provided
22 thereon and surrendered to the Registrar. The transfer of the
23 Note shall be by the Registrar's receiving the Note to be trans-
24 ferred, cancelling it and issuing a new Note to the transferee
25 after registering the name and address of the transferee in the
26 Bond Register. Such exchange or transfer shall be without cost
27 to the owner or transferee.

28 SECTION 5. The Note shall be printed or typed on good bond
29 paper in a form determined by the director consistent with the
30 provisions of this ordinance and shall be signed by the manual
31 signature of the director under the seal of the county. Only
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1 such Note as shall bear thereon a Certificate of Authentication
2 manually executed by the Registrar shall be valid or obligatory
3 for any purpose or entitled to the benefits of this ordinance.
4 Such Certificate of Authentication shall be conclusive evidence
5 that the Note so authenticated has been duly executed, authen-
6 ticated and delivered and is entitled to the benefits of this
7 ordinance.

8 The Note shall be a negotiable instrument to the extent
9 provided by RCW 62A.8-102 and 62A.8-105.

10 When the Note is paid in full, both principal and interest,
11 the Note shall be surrendered by the Registered Owner to the
12 Registrar, who shall destroy the same as provided by law.

13 SECTION 6. The principal amount of the Note shall not
14 exceed the county's maximum anticipated cumulative cash flow
15 deficit (as that concept is defined in Section 1.103.14(c) of
16 the Regulations to the Internal Revenue Code of 1954, as
17 amended) to be financed from the date of issuance of the Note to
18 its maturity date from its receipts of alcoholism services
19 grants and contract revenues from the state and other revenues
20 related to the provision of alcoholism services.

21 SECTION 7. Rainier National Bank of Seattle, Washington,
22 has submitted a written offer to purchase the Note at a price of
23 par plus accrued interest to the date of delivery of the Note,
24 minus a fee for Rainier Bank's reasonable and actual expenses of
25 not more than \$4,000. The county shall furnish the printed or
26 typewritten Note. The purchase of the Note by Rainier National
27 Bank is subject to the unqualified approving legal opinion of
28 Roberts & Shefelman, municipal bond counsel of Seattle,
29 Washington. Bond counsel shall not be required to review or
30 express any opinion concerning the completeness or accuracy of
31 any official statement, offering circular or other sales
32 material relating to the issuance of the Note or otherwise used
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1 in connection with the Note and bond counsel's opinion shall so
2 state. The county council, being of the opinion that it is in
3 the best interests of the county to accept such offer, accepts
4 the same, notwithstanding the provisions of Sections 4.14, 4.16,
5 12.16 or any other provision of the King County Code. The Note
6 shall upon its execution immediately be delivered to the pur-
7 chaser thereof upon payment for the Note in accordance with such
8 offer.

9 SECTION 8. The principal proceeds and accrued interest, if
10 any, received from the sale of the Note shall be deposited into
11 the county Alcoholism Services Fund. Pending the expenditure of
12 such proceeds in payment of expenses of the county for alcohol-
13 ism programs, such proceeds shall be invested by and at the
14 direction of the director in any legal investment and the
15 investment income so received, less investment fees permitted by
16 law, shall be retained in the Alcoholism Services Fund and
17 expended for the purposes of such fund. The investment
18 authority provided by this section shall not negate or affect
19 the authority of the Executive Finance Committee and the
20 director to include the retained cash balance in the Alcoholism
21 Services Fund as part of the residual treasury cash invested
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1 under the authority of the second paragraph of RCW 36.29.020 as
2 now or hereafter amended.

3 INTRODUCED and read for the first time this 14th day of
4 May, 1984.

5 PASSED this 21st day of May, 1984.

6
7 KING COUNTY COUNCIL
8 KING COUNTY, WASHINGTON

9 Gary Grant
10 Chairman

11 ATTEST:

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13 Janity M. Owens
14 Clerk of the Council

15 APPROVED this 31st day of May, 1984.

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17 Randy Revell
18 King County Executive

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