



Signature Report

November 14, 2006

Motion 12394

Proposed No. 2006-0564.1

Sponsors Constantine, Hague, Ferguson,
Lambert, Phillips, von Reichbauer,
Patterson, Gossett and Dunn

1 A MOTION creating the King County financial policies
2 advisory task force.

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5 WHEREAS, the metropolitan King County council has a long history of
6 responsibly stewarding the public's money very seriously, and

7 WHEREAS, the council passed Motion 5888 in December 1983, which created a
8 number of financial policies including a requirement for maintenance of minimum levels
9 of fund balance in the county's current expense fund, and

10 WHEREAS, the council passed Motion 7020 in November 1987, which dedicated
11 a portion of additional sales tax revenues to the creation of a sales tax reserve to be used
12 for financial emergencies, and

13 WHEREAS, the council passed Motion 8352 in July 1991, which reaffirmed its
14 intent that the sales tax reserve be used for financial emergencies, and

15 WHEREAS, the executive's proposed financial plan for 1992 proposed spending
16 the sales tax reserve funds, and

17 WHEREAS, in response, the council passed Motion 8446 in October 1991, once
18 again affirming its intent that the sales tax reserves only be used in financial emergencies,
19 and

20 WHEREAS, on July 5, 2000, the council adopted Motion 11196 enacting the
21 King County General Fund Debt Policy, outlining practices for the issuance and
22 management of debt and requiring biannual review of those enacted policies, and

23 WHEREAS, the county executive has not convened the board to review these
24 debt policies, and

25 WHEREAS, these sound financial policies have led the major credit rating
26 agencies to award the county's limited tax obligation debt with triple A ratings, and

27 WHEREAS, these financial and debt policies have not been formally reviewed
28 since 2000, and

29 WHEREAS, the council seeks to enact and maintain standard and rational
30 financial and debt policies for all funds that continue to ensure the lowest borrowing rates
31 possible resulting from exceptional credit-worthiness through exemplary bond ratings,
32 and

33 WHEREAS, the council strongly supports transparent and open government, and
34 citizen involvement, and

35 WHEREAS, the county's general policy is that "pay-as-you-go" funding is the
36 preferred method of financing for the county's capital improvement programs, and

37 WHEREAS, debt should be used in those circumstances where the investment is
38 necessary and cost effectiveness and cash flow circumstances require multiyear
39 financing;

40 NOW, THEREFORE, BE IT MOVED by the Council of King County:

41 A. A King County financial policies advisory task force is hereby created.

42 1. The metropolitan King County council shall appoint a five member advisory
43 panel to review the financial and debt policies of King County, in a priority order to be
44 set through a work program. Members shall be experts in the industry and shall be
45 selected based upon their knowledge of government budgeting and financial policies.

46 2. The task force shall review financial and debt policies previously adopted by
47 the metropolitan King County council as well as informal policies put into practice by
48 executive agencies; examine best practices in financial planning and make
49 recommendations to the council in each of these areas.

50 B. Nominations for appointments shall be provided to the council chair by
51 councilmembers by January 15, 2007. The chair of the council, in consultation with the
52 chairs of the operating and capital budget committees, or their successors, shall appoint
53 members, including a chair, by January 29, 2007.

54 C. The task force shall convene in the first quarter of 2007, and present a
55 prioritized work program to the council by March 15, 2007, with a final report due to the
56 council by August 20, 2007. Fifteen copies of these reports shall be filed with the clerk
57 of the council for distribution to all councilmembers and budget committee staff.

58 D. Staff to the task force shall be provided by the metropolitan King County
59 council.

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Motion 12394 was introduced on 11/13/2006 and passed by the Metropolitan King
County Council on 11/13/2006, by the following vote:

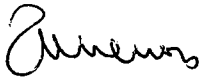
Yes: 9 - Mr. Phillips, Mr. von Reichbauer, Ms. Lambert, Mr. Dunn, Mr.
Ferguson, Mr. Gossett, Ms. Hague, Mr. Constantine and Ms. Patterson
No: 0
Excused: 0

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

Attachments None