

November 24, 1987
3550B:CH:clt

Introduced by:

RON SIMS

Proposed No.:

87 - 852

GARY GRANT
CYNTHIA SULLIVAN
BILL REAMS
BRUCE LAING
AUDREY GRUGER
PAUL BARDEN

MOTION NO. 7020

A MOTION calling for the establishment of a sales tax reserve sub-fund and establishing policy for the management and use of the sales tax reserve sub-fund.

WHEREAS, King County has levied a .2% additional sales tax and exhausted its full State authorized sales tax authority, and

WHEREAS, it is fiscally prudent to maintain adequate reserves for major unforeseen economic, programmatic and legal emergencies;

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

The council hereby earmarks 25 percent of the proceeds of the additional .2% sales tax rate to be allocated and deposited into a sales tax reserve sub-fund which shall be established.

The policies set forth below shall be followed in the management and appropriation of the sales tax reserve fund:

A. This reserve shall be fully invested for its own benefit.

B. Use of these funds shall be restricted to the following:

1. Maintenance of essential county services in the event that current expense fund revenue collections in a given fiscal year are less than 97 percent of adopted estimates;

2. Payment of legal settlements relating to collection of past current expense revenues;

3. Catastrophic losses in excess of the Insurance Fund Reserve and all other fund balances.

C. At such time as the sales tax reserve fund balance exceeds \$15 million dollars, requests may be made for priority capital maintenance projects;

1 D. By virtue of the emergency nature of this fund it shall be
2 the King County council's policy that all appropriations from this
3 fund shall be made by emergency ordinance.

4 E. The office of financial management shall be responsible
5 for transferring twenty-five percent of the additional two-tenths
6 actual sales tax collected to the sales tax reserve fund. Such
7 transfer shall be made after receipt of sales tax from the State.

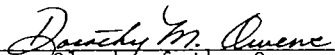
8 The amounts appropriated for this purpose shall be
9 administratively revised by the office of financial management to
10 adjust for any difference between estimated and actual sales taxes
11 collected.

12 PASSED this 24th day of November, 1987.

13 KING COUNTY COUNCIL
14 KING COUNTY, WASHINGTON

15 
16 Chairman

17 ATTEST:

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19 
20 Clerk of the Council

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