

July 30, 1991
clrk/jm

Introduced by: Lois North

Proposed No.: 91-570

MOTION NO. 8352

A MOTION establishing new policies for the management and use of the sales tax reserve sub-fund and rescinding Motion 7020.

WHEREAS, the county executive has proposed a plan to finance the costs of operating a new justice center, and

WHEREAS, the plan calls for spending the sales tax reserve for program growth of the justice system agencies, and

WHEREAS, spending the sales tax reserve for program growth of the justice system agencies is contrary to council policies for the sales tax reserve established in Motion 7020, and

WHEREAS, the sales tax reserve is an unincorporated area revenue, and

WHEREAS, a major proportion of justice services are regional;

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

A. Motion 7020 is hereby rescinded.

B. The council intends that 25 percent of the additional .2% sales tax rate will continue to be earmarked to the sales tax reserve sub-fund. The policies set forth below shall be followed in the management and appropriation of the sales tax reserve fund:

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

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

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

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

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

4 D. Because sales taxes are an unincorporated area
5 revenue, priority for spending the sales tax reserve shall be
6 given to projects or services which benefit the unincorporated
7 area.

8 E. By virtue of the emergency nature of this fund it
9 shall be the King County council's policy that all
10 appropriations from this fund shall be made by emergency
11 ordinance.

12 F. The office of financial management shall be
13 responsible for transferring twenty-five percent of the
14 additional two-tenths actual sales tax collected to the sales
15 tax reserve fund. Such transfer shall be made after receipt of
16 the sales tax from the State.

17 The amounts appropriated for this purpose shall be
18 administratively revised by the office of financial management
19 to adjust for any difference between estimated and actual sales
20 tax collected.

21 PASSED this 29th day of July, 1991.

22 KING COUNTY COUNCIL
23 KING COUNTY, WASHINGTON

24 Lois North
25 Chair

26 ATTEST:

27 Gerald A. Selim
28 Clerk of the Council