

October 28, 1991  
jem

Introduced by: Paul Barden

Proposed No.: 91-847

**8446**

MOTION NO.

1  
2 A MOTION affirming the council's sales  
3 tax reserve sub-fund policy adopted by  
4 Motion 8352 on July 29, 1991, and  
5 providing direction to council staff in  
6 its review of the 1992 Executive Proposed  
7 Budget.

8 WHEREAS, the council established a sales tax reserve sub-  
9 fund in 1987 when King County had exhausted its full state  
10 taxing authority, and

11 WHEREAS, the council adopted Motion 8352 on July 29, 1991  
12 expressing its intent that 25 percent of the additional 0.2  
13 percent sales tax rate will continue to be earmarked to the  
14 sales tax reserve sub-fund, and

15 WHEREAS, the 1992-94 executive proposed financial plan is  
16 based upon expending the 25 percent of the additional 0.2  
17 percent sales tax rate, and

18 WHEREAS, the sales tax reserve sub-fund was to be built to  
19 a level of \$15,000,000 in order to provide for catastrophic  
20 losses and a cushion for severe revenue declines, and

21 WHEREAS, the balance of the sales tax reserve sub-fund at  
22 December 31, 1991, is estimated to be \$9,091,000, and

23 WHEREAS, the 1992 executive proposed Current Expense Fund  
24 expenditure level is dependent upon the realization of the 1992  
25 executive proposed Current Expense Fund revenue estimate, and

26 WHEREAS, there are a considerable number of uncertainties  
27 regarding the 1992 economy and its effect upon Current Expense  
28 Fund revenues, and

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

30 A. The council reaffirms its intent that 25 percent of  
31 the additional 0.2 percent sales tax rate will continue to be  
32 earmarked to the sales tax reserve sub-fund.

33 B. Council staff is directed to work with the Executive  
34 Branch and Judicial Branch to identify other possible sources

1 of revenue or reductions in the 1992 Executive Proposed Budget  
 2 equal to amount of the 1992 sales tax reserve fund which should  
 3 have been earmarked to be set aside in the sales tax reserve  
 4 sub-fund.

5 C. Council staff is directed to work with the Executive  
 6 Branch to determine if the executive proposed Current Expense  
 7 Fund revenue estimate is likely to be realized.

8 D. If it is determined that the executive proposed  
 9 Current Expense Fund revenue estimate is not likely to be  
 10 realized, Council staff is directed to work with the Executive  
 11 Branch and Judicial Branch to identify other possible sources  
 12 of revenue or reductions in the 1992 Executive Proposed Budget  
 13 equal to amount of the revenue shortfall.

14 E. Council staff is directed to work with the Executive  
 15 Branch to begin identifying revenues and objects of  
 16 expenditures as regional or local as discussed in the regional  
 17 governance summit process.

18 PASSED this 28<sup>th</sup> day of October, 1991.

19  
 20

KING COUNTY COUNCIL  
 KING COUNTY, WASHINGTON

21  
 22

Lois North  
 Chair

23

ATTEST:

24  
 25

Gerald A. Peterson  
 Clerk of the Council