

CLEARANCES	Initial	Date	Date Received in Council Office:	Agenda date	Assigned to:
Originator: Executive	DW	7/31	<b>RECEIVED</b> AUG 06 1997 WHATCOM COUNTY COUNCIL	8/12/97	Finance / Council
Division Head:					
Dept. Head:	DW	7/31			
Prosecutor:	RW	7/25			
Purchasing/Budget:	BB	7/25			
Executive:	PK	8-5-97			

**SUBJECT:**

Adoption of "A RESOLUTION AUTHORIZING THE DISBURSEMENT OF REVENUES TO THE CITY OF LYNDEN FOR CERTAIN SALES TAXES INCORRECTLY DISTRIBUTED TO THE COUNTY"

**ATTACHMENTS:**

Resolution

**SUMMARY STATEMENT:**

*Please complete sections of box as appropriate & explain the item below.*

Related County contract #:	Should Clerk schedule a hearing? NO /X_/ YES /_/ Requested date:
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The County was incorrectly credited by the Department of Revenue for sales tax revenues resulting from sales made at Scholten Equipment after an annexation to the City of Lynden was completed, during the period beginning January 1995 through August 1996. The proposed resolution corrects that error by authorizing the Executive to make a disbursement to the City of Lynden for the amount of applicable tax revenues that should have been credited to it, in the amount of \$53,369.

**ORIGINATOR'S RECOMMENDED ACTION:**

Pass

**COMMITTEE ACTION TAKEN:**

**COUNCIL ACTION TAKEN:**

1997 - 290 8/12/97: Approved Consent 7 - 0. Res. #97-043

Number (this item only):

Res. # 97-043

1 SPONSORED BY: Consent  
2 PROPOSED BY: Executive  
3 INTRODUCTION DATE: 8/12/97  
4

5 **RESOLUTION NO. 97-043**  
6 **A RESOLUTION AUTHORIZING THE DISBURSEMENT OF REVENUES**  
7 **TO THE CITY OF LYNDEN FOR CERTAIN SALES TAXES**  
8 **INCORRECTLY DISTRIBUTED TO THE COUNTY**  
9

10 **WHEREAS**, in March of 1994, the City of Lynden annexed approximately 240 acres west  
11 of the Guide Meridian, as identified in Boundary Review Board File No. 93-10; and,  
12

13 **WHEREAS**, the annexed area contains numerous businesses which generated substantial  
14 sales tax revenues that the County used to assist in funding regional services for the benefit of the  
15 entire County; and,  
16

17 **WHEREAS**, as a condition of this annexation, Whatcom County and City of Lynden  
18 entered into a revenue sharing agreement, whereby the City of Lynden paid Whatcom County  
19 \$316,113 over three years (1995-1997) allowing the County to make necessary adjustments for  
20 the loss of sales tax revenue; and,  
21

22 **WHEREAS**, it has recently come to light that the County was incorrectly credited by the  
23 Department of Revenue with tax revenues from Scholten Equipment (a business located within  
24 the annexed area) for the period of January 1995 through August 1996.  
25

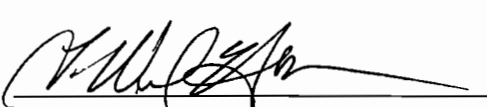
26 **NOW, THEREFORE, BE IT RESOLVED** by the Whatcom County Council that the  
27 County wishes to disburse to the City of Lynden, the portion of the sales tax revenues generated  
28 from taxable retail sales of \$6,342,138.99 at Scholten Equipment, for the period of January 1995  
29 through August, resulting in sales tax revenues that were paid to the County, totaling \$53,369.  
30 The County Executive is hereby authorized to disburse \$53,369 to the City of Lynden.  
31

32 APPROVED this 12 day of August, 1997.  
33  
34

35  
36 ATTEST:

37   
38 \_\_\_\_\_  
39  
40 Dana Brown-Davis, Clerk of the Council  
41

WHATCOM COUNTY COUNCIL  
WHATCOM COUNTY, WASHINGTON

42   
43 \_\_\_\_\_  
44 L. Ward Nelson, Council Chair

45 APPROVED AS TO FORM:  
46

47   
\_\_\_\_\_ Civil Deputy Prosecuting Attorney