

CLARK COUNTY STAFF REPORT

DEPARTMENT: Clark County Treasurer's Office

DATE: July 21, 2020

REQUESTED ACTION: The Clark County Treasurer's Office requests County Council approval of a resolution to distribute public utilities state excise tax funds received by Clark County.

Consent Hearing County Manager

BACKGROUND

The Treasurer's Office requests County Council authorization to distribute monies received by Clark County from the state-imposed Public Utility Tax. The tax applies to electric generating facilities of public utility districts (PUDs) for the privilege of operating. Although not stated in the statute, the tax is intended to be in lieu of property tax, since public utility districts are governmental entities and do not pay property taxes. This allows schools and other taxing districts to receive revenues from the large investment in PUDs. The tax is levied by the state; in addition, cities can also levy the tax, as allowed by RCW 54.28.070.

Public Utility Tax revenues are shared with local taxing districts. Any incorporated city or town within the PUD's district is to receive not less than three-fourths of one percent (0.75%) of the gross revenue for their area.

Public Utility Districts file an annual return by March 15 which contains the necessary information pertaining to their income and production data on power generated or sold by the district during the previous calendar year. The Department of Revenue calculates the amount of tax due and notifies the PUD of its liability by May 1. Payment is due by the PUD on June 1. Upon receipt of the tax, the Department of Revenue instructs the State Treasurer to disburse the receipts to the proper funds and local jurisdictions.

On July 1, 2020, Clark County received \$4,388,444.02 from the State Treasurer for the State Public Utility Tax. The attached schedule reflects the distribution of \$1,571,870.03 that the listed cities/towns will receive. The remaining amount of \$2,816,573.99 will be directed to the county's general fund. This calculation relies on the formula currently in place where each city receives three-fourths of one percent (0.75%) of the gross revenue for their area.

COUNCIL POLICY IMPLICATIONS

RCW 54.28.090 requires the county legislative authority, the Clark County Council, to direct the County Treasurer in the distribution of these monies.

ADMINISTRATIVE POLICY IMPLICATIONS

N/A

COMMUNITY OUTREACH

N/A

BUDGET IMPLICATIONS

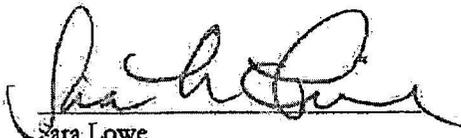
YES	NO	
X		Action falls within existing budget capacity.
		Action falls within existing budget capacity but requires a change of purpose within existing appropriation
		Additional budget capacity is necessary and will be requested at the next supplemental. If YES, please complete the budget impact statement. If YES, this action will be referred to the county council with a recommendation from the county manager.

BUDGET DETAILS

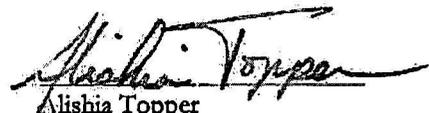
Local Fund Dollar Amount	District Funds
Grant Fund Dollar Amount	General Fund
Account	
Company Name	

DISTRIBUTION:

Council staff will post all staff reports to the web. <https://www.clark.wa.gov/council-meetings>



Sara Lowe
Clark County Deputy Treasurer



Alishia Topper
Clark County Treasurer

Staff contact information:

Sara Lowe 564.397.4466 or sara.lowe@clark.wa.gov

APPROVED: 
CLARK COUNTY, WASHINGTON
CLARK COUNTY COUNCIL

DATE: July 21, 2020

SR#: 103-20



APPROVED: _____
Kathleen Otto, Interim County Manager

DATE: _____

BUDGET IMPACT ATTACHMENT

Part I: Narrative Explanation

There is no budget impact. The county's share of revenues will be deposited in the General Fund, and has already been included in the adopted 2020 budget.

Part II: Estimated Revenues

Fund #/Title	2020 Annual Budget		2021 Annual Budget		2022 Annual Budget	
	GF	Total	GF	Total	GF	Total
Total						

II. A – Describe the type of revenue (grant, fees, etc.)

Part III: Estimated Expenditures

III. A – Expenditures summed up

Fund #/Title	FTE's	2020 Annual Budget		2021 Annual Budget		2022 Annual Budget	
		GF	Total	GF	Total	GF	Total
Total							

III. B – Expenditure by object category

Fund #/Title	2020 Annual Budget		2021 Annual Budget		2022 Annual Budget	
	GF	Total	GF	Total	GF	Total
Salary/Benefits						
Contractual						
Supplies						
Travel						
Other controllables						
Capital Outlays						
Inter-fund Transfers						
Debt Service						
Total						

RESOLUTION NO. 2020-07-05

A resolution regarding the distribution to cities and the county of the privilege tax on the sale of electrical energy to consumers.

1 WHEREAS, pursuant to RCW 54.28.020 public utility districts pay taxes imposed
2 on the distribution and sale of electrical energy; and

3 WHEREAS, pursuant to RCW 54.28.090, the County legislative authority is to
4 direct the County Treasurer to deposit funds to the credit of each taxing district in the
5 County, other than school districts which receive their funds directly from the state,
6 according to the manner it deems most equitable; provided that not less than an amount
7 equal to three-fourths of one percent of the gross revenues obtained by a district from the
8 sale of electrical energy with any incorporated city shall be remitted to such city; and

9 WHEREAS, the total amount of funds available for distribution to the incorporated
10 cities and county is \$4,388,444.02; and

11 WHEREAS, the County Council has considered this matter in a duly noticed
12 open public meeting and have determined that the equitable basis of distributing the funds
13 received from the privilege tax is such that each of the incorporated cities within the County
14 shall receive an amount equal to three-fourths of one percent of the gross revenues obtained
15 from the sale of electric energy within their boundaries; now, therefore,

16 IT IS HEREBY RESOLVED THAT THE FUNDS BE DISTRIBUTED AS
17 FOLLOWS:

18	CITIES/TOWNS	AMOUNT
19	Vancouver	\$1,155,793.91
20	Washougal	86,396.42
21	Yacolt	7,488.17
22	Camas	180,993.56
23	Battle Ground	86,209.31

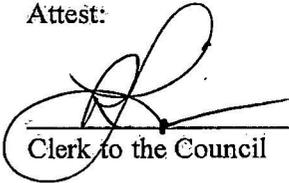
24 Ridgefield 42,004.95
 25 La Center 12,983.71
 26
 27 The remaining balance of \$2,816,573.99 shall be retained in the County general expense fund.

29

ADOPTED this 21st day of July, 2020.

CLARK COUNTY COUNCIL
 FOR CLARK COUNTY, WASHINGTON

Attest:


 Clerk to the Council

By: 
 Eileen Quiring, Chair

Approved as to form only:
 ANTHONY F. GOLIK

Taylor Hallvik
Digitally signed by Taylor Hallvik
 DN: cn=Taylor Hallvik, o=Clark County
 Prosecuting Attorney's Office, ou=Civil Division,
 email=taylorhallvik@clark.wa.gov, c=US
 Date: 2020.07.07 09:58:17 -0700

Taylor Hallvik
 Deputy Prosecuting Attorney

By: _____
 Temple Lentz, Councilor

By: _____
 Julie Olson, Councilor

By: _____
 John Blom, Councilor

By: _____
 Gary Medvigy, Councilor

