

State of Washington
Joint Legislative Audit & Review Committee (JLARC)



**Review of Distributions From the
City-County Assistance Account**

Report 08-10

December 3, 2008

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alternative formats for persons with disabilities.*

Joint Legislative Audit and Review Committee

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JLARC's non-partisan staff auditors, under the direction of the Legislative Auditor, conduct performance audits, program evaluations, sunset reviews, and other analyses assigned by the Legislature and the Committee.

The statutory authority for JLARC, established in Chapter 44.28 RCW, requires the Legislative Auditor to ensure that JLARC studies are conducted in accordance with Generally Accepted Government Auditing Standards, as applicable to the scope of the audit. This study was conducted in accordance with those applicable standards. Those standards require auditors to plan and perform audits to obtain sufficient, appropriate evidence to provide a reasonable basis for findings and conclusions based on the audit objectives. The evidence obtained for this JLARC report provides a reasonable basis for the enclosed findings and conclusions, and any exceptions to the application of audit standards have been explicitly disclosed in the body of this report.

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Committee Approval

On December 3, 2008, this report was approved for distribution by the Joint Legislative Audit and Review Committee.

Acknowledgements

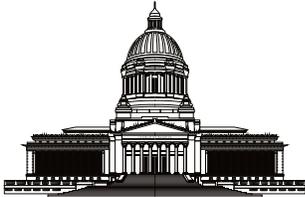
We appreciate the assistance provided by the Department of Revenue staff in conducting this study. In particular; we would like to thank the Division of Research staff for their availability and responsiveness during a very busy time.

We also appreciate the assistance provided by the Association of Washington Cities and the Washington State Association of Counties staff.

**Review of
Distributions From
the City-County
Assistance
Account**

Report 08-10

December 3, 2008



STATE OF WASHINGTON
JOINT LEGISLATIVE AUDIT AND
REVIEW COMMITTEE

STUDY TEAM
Sylvia Gil

PROJECT SUPERVISOR
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REPORT SUMMARY

Creation of the City-County Assistance Account

Prior to 2000, the state collected revenues from a Motor Vehicle Excise Tax (MVET). Part of MVET revenues provided funds to local governments for a variety of purposes, including sales and use tax equalization. A statutory formula was used to provide funds to jurisdictions taking into account whether local sales and use tax revenues were low relative to the state average. In 2000, the Legislature repealed the MVET and appropriated temporary funds to cities and counties to replace portions of lost revenues.

In 2005, the Legislature created the City-County Assistance Account. The account receives funds from a portion of the state Real Estate Excise Tax. Distributions from the account are divided equally between cities and counties. Similar to the former MVET equalization, the formula for distributing funds from the City-County Assistance Account takes into account jurisdictions' sales tax revenues relative to the state average along with other criteria.

Distributions Continue to Focus a Majority of Funds on Low Tax Base Jurisdictions

Using a 2006 timeframe, JLARC compared funding and distributions from what cities and counties would have received from the former MVET equalization formula with the City-County Assistance Account. As expected, funding provided through the City-County Assistance Account was less than what would have been provided for equalization through the MVET. However, the majority of funds are distributed to low tax base jurisdictions as they would have been under the former MVET. According to a survey conducted by JLARC, a majority of cities and counties did not think that the funds should be distributed for other purposes.

In General, Funds Distributed in Compliance with Statutory Requirements

Overall, the Department of Revenue has complied with statutory requirements for distributing funds from the City-County Assistance Account. The Department applies criteria set out in statute to annually determine eligibility and provides distributions quarterly. Although an initial error did occur, the Department addressed this by making a change to its procedures for determining eligibility.

Timing on Availability of Property Valuations

There is one statutory requirement that the Department of Revenue is unable to comply with due to the timing of assessed property valuations. Statute directs the Department to determine or certify distribution amounts by March of each year, using the prior year's data. Annual information on assessed property valuations, which is an element in the distribution formula, is not final by this date. Consequently, the Department uses assessed valuations that are two years old and not the prior year's data as required by statute.

Recommendation 1

The Legislature should change the date for certification of distributions from March to June, allowing the Department of Revenue to use the prior year's assessed property valuation data as specified in statute.

Interaction with Streamlined Sales Tax Mitigation Distributions is Uncertain

In 2007, the Legislature passed Substitute Senate Bill 5089, to conform Washington's tax structure to the multi-state streamlined sales and use tax agreement. The Legislation includes a change in the location based method of collecting sales and use tax revenues. Since this change is expected to redistribute tax collection across local governments, the Legislature also directed that mitigation funds be provided to jurisdictions that lose tax revenues. Distributions for this mitigation begin in December 2008. The statutory formula for the City-County Assistance Account does not recognize funding assistance a city or county may get for streamlined sales tax mitigation. Since the Department of Revenue has not yet determined mitigation funds by jurisdiction, it is uncertain how much of these funds cities or counties may receive in addition to any distributions from the City-County Assistance Account. Therefore, it is unclear how these two methods of local funding assistance interact.

Recommendation 2

The Department of Revenue should provide the Legislature with a report on the interaction between streamlined sales tax mitigation funding to cities and counties and distributions provided through the City-County Assistance Account.

CREATION OF THE CITY-COUNTY ASSISTANCE ACCOUNT

Previous Funding to Local Governments

Prior to 2000, the state levied a Motor Vehicle Excise Tax (MVET). Statute allocated a portion of MVET revenues to local governments for a variety of purposes, including sales and use tax equalization. Other MVET revenues were provided for police and fire protection; criminal justice; and public health.

Unlike other MVET funds to local governments, equalization funds provided unrestricted revenues which could be used for any city or county purpose. MVET revenues provided equalization distributions according to a statutory formula based on the following elements:

- Population,
- Local sales and use tax revenues, and
- Local (optional) sales and use tax imposed.

Under this formula, cities and counties generally qualified for distributions if they had low per capita sales and use tax revenues relative to a set state average. Appendix 3 lists historical distributions of MVET equalization to each city and county from 1996 to 1999.

Repeal of the MVET

In 1999, voters approved Initiative 695 repealing the MVET. Although the initiative was later declared unconstitutional, the Legislature repealed the MVET in the 2000 Session. Beginning in 2000, the Legislature provided some cities and counties with appropriations to replace portions of lost MVET revenues. While the budget bills identified these appropriations as “local government assistance,” local officials and others often refer to these appropriations as “backfill.” Cities and counties received decreasing “backfill” amounts over this time period. In fiscal year 2001, appropriations to cities totaled \$43.3 million, and appropriations to counties totaled \$23.7 million. By fiscal year 2005, appropriations to cities totaled \$2 million, and appropriations to counties totaled \$4 million.

City-County Assistance Account Created After the Repeal

In 2005, the Legislature passed Engrossed Substitute Senate Bill 6050, creating the City-County Assistance Account (CCAA). The account receives funds from a portion of Real Estate Excise Tax (REET) revenues, which are divided equally between cities and counties for distributions. Similar to MVET equalization, funds from the City-County Assistance Account provide unrestricted revenues to jurisdictions according to a statutory formula. Local officials and others sometimes refer to these distributions as “6050” funds.

The formula providing distributions to cities and counties is complex (see Appendix 5 for graphic descriptions of the formula processes). As shown in Exhibit 1, the formula encompasses elements from the former MVET and now also includes new elements.

Exhibit 1 – New Formula For Assistance Includes Previous Funding Elements
and Adds Other Elements

Previous MVET Equalization Funding Elements Included
• Population
• Local sales and use tax revenues
• Local (optional) sales and use tax imposed
Additional Funding Elements
• Levels of specific appropriations for local government assistance (“backfill” amounts)
• Assessed property valuations (applies only to cities)

Source: JLARC analysis of statute.

Under this new formula, cities and counties generally qualify for distributions if they have either low per capita sales tax revenues relative to the state average and/or if they previously received a “backfill” amount (see Appendix 6 for a listing of these previous temporary “backfill” amounts referenced in the formula). Cities may also qualify if they have low assessed per capita property valuations relative to the state average. However, some cities may become ineligible for a distribution if they have assessed per capita property valuations above a percentage of the state average, regardless of their sales tax revenues.

The legislation creating this account also mandated this JLARC study. A full copy of the legislation is included in Appendix 4.

REVIEW OF DISTRIBUTIONS

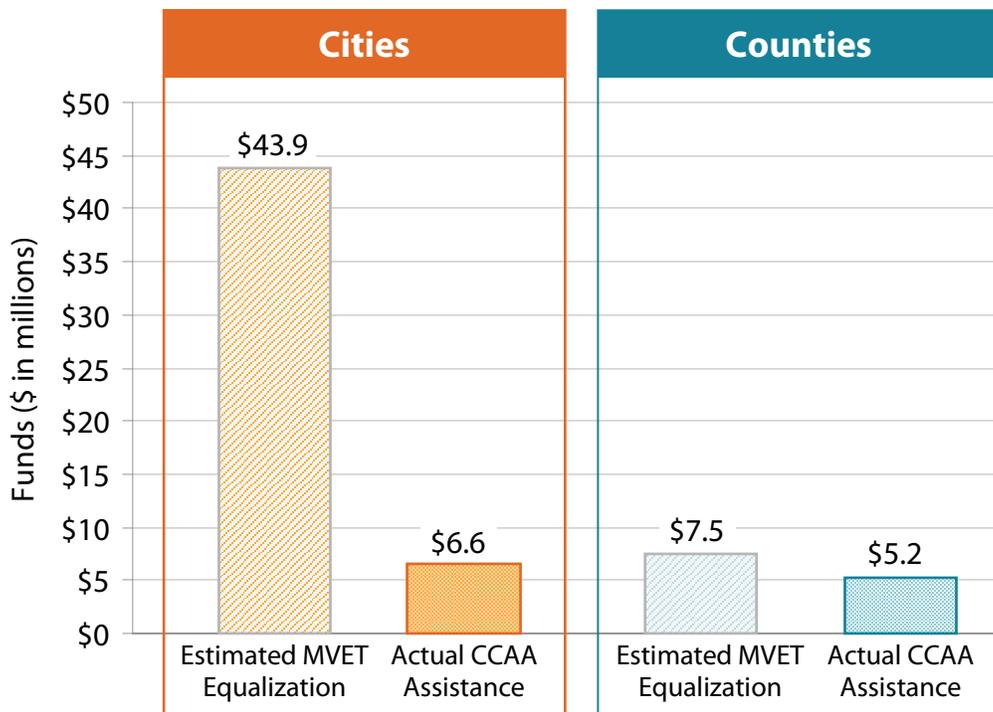
This review uses a 2006 timeframe to compare distributions between the City-County Assistance Account (CCAA) and an estimate of what jurisdictions' would have received through the previous MVET formula. Specifically, JLARC focused on the former MVET equalization formula because this previous distribution method is the most comparable to the new CCAA formula. The MVET equalization estimate is based on a projection method developed by legislative fiscal staff, using 2006 records on motor vehicles to which the tax was imposed at the time of the repeal. To summarize, despite differences in overall funding between distributions, the CCAA distributions continue to focus the majority of funding available on low tax base jurisdictions.

How Does Funding Compare?

To begin this analysis, JLARC first looked at how much funding would be available from both sources of distributions. As expected, the revenues for CCAA distributions are less than estimated revenues from MVET for equalization. This is primarily due to different statutory rates of allocation from revenues.

For both distributions, statutes directed the Department of Revenue to determine how much each city or county is eligible to receive based on the elements of the formula. Distributions based on MVET revenues are referred to as equalization funds. Distributions from the City-County Assistance Account based on Real Estate Excise Tax (REET) revenues are referred to as assistance funds. Both total estimated equalization and actual assistance funding to cities and counties for 2006 are shown in Exhibit 2 below.

Exhibit 2 – Comparing Total Eligible Funds Distributions to Cities and Counties for MVET Equalization and CCAA Assistance (2006)



Source: JLARC analysis of distribution data.

In 2006, REET collections funded all of the distributions to cities and counties that were eligible according to the main elements of the formula. However, REET revenues are influenced by changes in the real estate market. Revenues have been volatile. If revenues were to decline, this may result in proportional reductions of funding from the account.

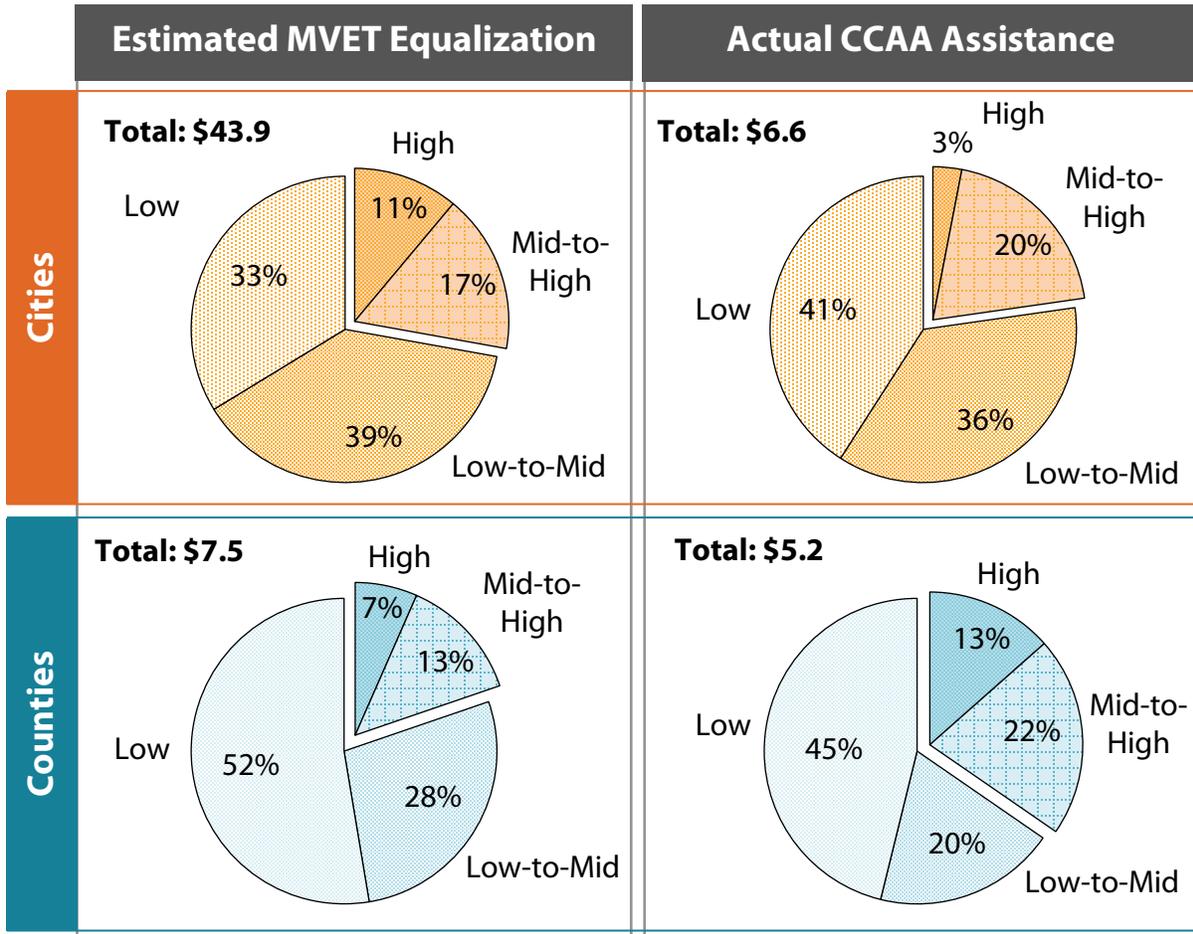
After the distributions to eligible jurisdictions have been made under the statutory formulas, there may still be funds remaining in the accounts. The MVET and CCAA statutes also specified what to do with these remaining funds. For MVET equalization, JLARC estimates these remaining funds would have totaled \$30.3 million for cities and \$15.3 million for counties in 2006. For CCAA assistance, the remaining funds in 2006 were \$1.3 million for cities and \$2.8 million for counties. Remaining funds are generally allocated by population or provided for other purposes and are not distributed by the equalization and assistance formulas that focus on tax base equalization.

Appendix 7 provides a list (alphabetical) of what JLARC estimates each city and county would have received in 2006 under the former MVET equalization and compared to the City-County Assistance Account. Appendix 8 provides more detail on the distribution method used to allocate CCAA funds.

How Do Distributions Compare?

The next step in the analysis compares the equalization and assistance distributions of the amounts shown in Exhibit 2 across jurisdictions based on the relative size of the jurisdictions' tax bases. JLARC used per capita sales and property tax revenues for all cities and counties to categorize each jurisdiction as low, low-to-mid, mid-to-high, and high tax base. Low represents the bottom 25 percent in per capita sales and property tax revenues, whereas High represents the top 25 percent. Exhibit 3 shows that the CCAA formula allocates a majority of funds to local jurisdictions with low tax bases.

Exhibit 3 – 2006 Eligible Distributions from the City-County Assistance Account
Continue To Focus the Majority of Funds on Lower Tax Base Jurisdictions



Source: JLARC analysis of distribution and revenue data.

What are City and County Perspectives on the Distributions?

JLARC conducted a survey to solicit city and county perspectives on the distributions from the City-County Assistance Account. We asked local officials:

- Do you think that the formula for distributing funds from the City-County Assistance Account meets the purpose of targeting assistance to low tax base jurisdictions across the state?
- Do you think that the account should be distributing funds for a different purpose in the future other than targeting low tax base jurisdictions?

Over 40 percent of cities and counties responded to the survey. City and county responses show no clear consensus on whether they perceive the distributions target low tax base jurisdictions. However, a majority responded that funds should not be distributed for a different purpose.

JLARC disaggregated the results by population and by whether or not the city had received a CCAA distribution. For cities, there were no major differences from the overall responses. County respondents did vary slightly, however, with regard to whether the CCAA funds should be distributed for a different purpose. Half of the counties that did not receive a distribution were not sure of whether the funds should be used for a different purpose.

There were also comments from cities on the inclusion of assessed property valuation as an element in the formula. But these comments were also split between those in favor and opposed to the formula element.

COMPLIANCE WITH STATUTORY REQUIREMENTS

In general, the Department of Revenue has complied with statutory requirements for distributing funds. Although the Department initially made an error in distributing funds, the agency addressed this by altering its procedures for determining eligibility. However, there is one statutory requirement that the Department is unable to comply with due to the timing of assessed property valuations.

Department’s Process for Distributing Funds

Statute lists the criteria in the formula that the Department must use to determine distributions from the City-County Assistance Account. The criteria come from the main elements of the formula:

- Population,
- Local sales and use tax revenues,
- Local (optional) sales and use tax imposed,
- Assessed property valuations, and
- Levels of prior appropriations for local government assistance (“backfill” amounts).

The Department applies the criteria and determines which jurisdictions are eligible for a distribution. Then the Department calculates the distribution amount for each eligible jurisdiction. Eligibility and distribution amounts are determined once a year, and the Department determines subsequent distributions quarterly based on the amount of funds available from the Real Estate Excise Tax and how much each jurisdiction is eligible to receive under the formula. The full details of the formula are described in Appendix 5.

Initially, an error occurred in applying the elements related to prior “backfill” appropriations. As a result, three local jurisdictions received dollars that they should not have: the city of Brier – \$15,222 over one quarter; Mason County – \$53,309 over three quarters; and Island County – \$432,989 over seven quarters. Other counties which were actually eligible according to the formula did not receive some funds that could have been available to them had the error not occurred. The Department addressed the error by making a change to its procedures to determine eligibility and fully apply the criteria for this formula element.

Timing on Availability of Property Valuations

Per statute, the Department is to use the prior year’s assessed property valuation data to determine eligibility and distributions to cities. Statute also directs that these determinations are to be made by March, with amounts distributed quarterly, beginning in April. However, final assessed property valuations data is not final until after March. Consequently, the Department uses data that is two years old and not the prior year’s data as specified in statute. This report recommends that the Legislature make a technical correction to the formula to address this data availability issue.

Recommendation 1

The Legislature should change the date for certification of distributions from March to June allowing the Department of Revenue to use the prior year's assessed property valuation data as specified in statute.

Legislation Required:

Yes

Fiscal Impact:

JLARC assumes that this can be completed within existing resources.

STREAMLINED SALES TAX MITIGATION

What is Streamlined Sales Tax Mitigation?

In 2007, after the creation of the City-County Assistance Account, the Legislature passed Substitute Senate Bill 5089. The purpose of the 2007 legislation was to conform Washington's tax structure to the multi-state streamlined sales and use tax agreement. The legislation includes a change in the location based method of collecting sales and use tax revenues. Since this change is expected to redistribute tax collections across local jurisdictions, the legislation also directed that mitigation funds be distributed to cities and counties that lose local sales and use tax revenues as a result of the change. Distributions for mitigation begin in December 2008.

How Does Mitigation Funding relate to CCAA Distributions?

Both mitigation funds and CCAA distributions are partially determined by local sales and use tax revenues. A jurisdiction prior to the implementation of the streamlined sales tax may have per capita sales tax revenues above the state average used to determine CCAA distributions and therefore not receive any distributions. After implementation of the streamlined sales tax, the same jurisdiction might lose local sales tax revenues and see its per capita revenues fall below the state average as a result. Consequently, the jurisdiction could be eligible for both CCAA distributions and streamlined sales mitigations funds. At this point it is not clear how these two separate calculations will interact and whether they could have unintended consequences for how much state assistance is provided to local governments. A full year's information on actual distributions of mitigation funds will not be available until December 2009. This second recommendation will provide the Legislature with information on interactions between these two distributions.

Recommendation 2

The Department of Revenue should provide the Legislature with a report on the interaction of streamlined sales tax mitigation funding to cities and counties and distributions provided through the City-County Assistance Account.

Legislation Required:	None
Fiscal Impact:	JLARC assumes the Department can prepare this report within existing resources.
Implementation Date:	December 2009

APPENDIX 1: SCOPE AND OBJECTIVES

REVIEW OF DISTRIBUTIONS FROM THE CITY-COUNTY ASSISTANCE ACCOUNT

SCOPE AND OBJECTIVES

JULY 23, 2008



STATE OF WASHINGTON
JOINT LEGISLATIVE AUDIT AND
REVIEW COMMITTEE

STUDY TEAM

Sylvia Gil

PROJECT SUPERVISOR

Keenan Konopaski

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Ruta Fanning

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Why a JLARC Study of the Distributions from the City-County Assistance Account?

In 2005, the Legislature passed Engrossed Substitute Senate Bill 6050, creating the City-County Assistance Account and directing the Joint Legislative Audit and Review Committee (JLARC) to determine whether the distributions from the account “target the needs of cities and counties for which the repeal of the motor vehicle excise tax had the greatest fiscal impact.”

Background

Motor Vehicle Excise Tax

Beginning in 1937, the state imposed the Motor Vehicle Excise Tax (MVET) for the privilege of using a motor vehicle. Statute allocated portions of the MVET revenues to state transportation agencies, regional transportation entities, and local governments for a variety of purposes.

Revenues to local governments from MVET included funds for sales and use tax equalization. These funds were distributed to eligible cities and counties with low sales and use tax revenue relative to the statewide per capita average. In 1999, the last full year of revenue allocations, distributions totaled \$44.4 million. Of this, cities received \$38.2 million, while counties received \$6.2 million.

Repeal of the MVET

In 1999, voters approved Initiative 695, repealing the MVET. Although the initiative was later declared unconstitutional, the Legislature repealed the MVET in the 2000 Session.

Beginning in 2000, the Legislature appropriated funds to temporarily replace portions of MVET revenues to cities and counties. Local public health jurisdictions continue to receive replacement funding through appropriation. However, the last appropriation of replacement funds to cities and counties was provided in 2005.

City-County Assistance Account

In 2005, the Legislature created the City-County Assistance Account. The revenue for this account comes from 1.6 percent of the state Real Estate Excise Tax (REET). Similar to the former MVET equalization funding, this distribution also targets low tax base cities and counties. In its first full year, in 2006, distributions totaled \$15.9 million, which is statutorily divided equally between cities and counties.

Study Scope

Using the 2006 distribution timeframe, the study will identify and review differences between the former MVET sales and use tax equalization funds and funds from the City-County Assistance Account to cities and counties. Although the study will not evaluate the adequacy of current funding, it will compare the differences in funding levels from both distributions. The study will also review the processes used by the Department of Revenue to distribute City-County Assistance Account funds.

Study Objectives

In response to the legislative directive, the study will focus on the following questions:

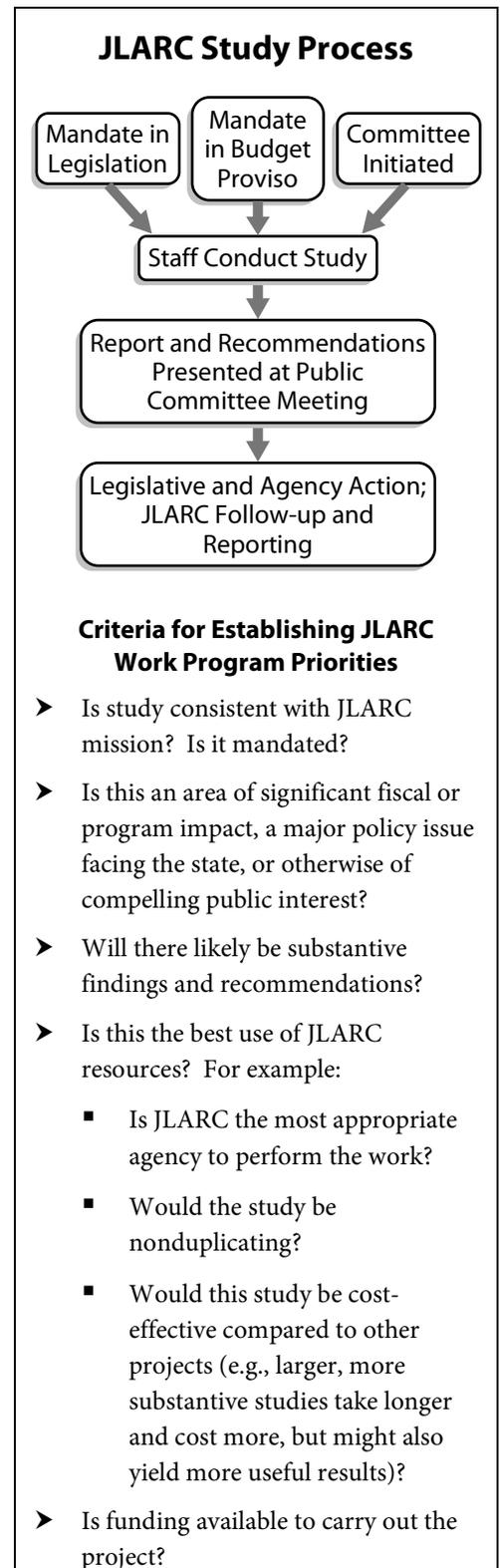
1. Is the Department of Revenue distributing funds from the City-County Assistance Account in accordance with statute?
2. What distribution of funds do cities and counties receive under the City-County Assistance Account? What estimated distribution of sales and use tax equalization funds would cities and counties have been eligible to receive had the MVET continued?
3. What are the differences between levels of revenues to cities and counties from these distributions? What accounts for any differences?
4. What are city and county perspectives on the distributions from the City-County Assistance Account?

Timeframe for the Study

Staff will present its preliminary and final reports at the JLARC meetings in October and December 2008.

JLARC Staff Contact for the Study

Sylvia Gil (360) 786-5179 gil.sylvia@leg.wa.gov



APPENDIX 2: AGENCY RESPONSES

- Department of Revenue
- Association of Washington Cities
- Washington State Association of Counties
- Office of Financial Management



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October 28, 2008

Ruta Fanning, Legislative Auditor
Joint Legislative Audit and Review Committee
Post Office Box 40910
Olympia, Washington 98504-0910

**RE: REVIEW OF DISTRIBUTIONS FROM THE CITY-COUNTY ASSISTANCE
ACCOUNT**

Ruta
Dear Ms. ~~Fanning~~:

The Department of Revenue appreciates the opportunity to comment on the Joint Legislative Audit and Review Committee (JLARC) report of the city-county assistance account distributions. The study is an accurate representation of the Department's processes. I would like to thank you and the JLARC auditors who worked directly with the Department's staff to fully understand the complex formulas and related issues we face in certifying and distributing these funds. The Department concurs with both recommendations in the report.

Recommendation 1 proposes a change in the certification date from March to June. The Department welcomes this recommendation because this would allow us to include the most recent year's property valuations instead of two-year-old data. In addition, the extended date under this recommendation would allow our calculations to be completed with sufficient time to share preliminary estimates with the cities and counties. These early projections would better accommodate the local government budget preparation cycle and would allow further verification of the accuracy of the distribution.

Recommendation 2 proposes that the Department prepare a report to the Legislature on the interaction between streamlined sales tax mitigation and the distributions to the city-county assistance account. The report would be due to the Legislature by December 2009 and would require a full year of excise tax return information from the period after the implementation of destination-based sourcing of sales tax. Because we will have the required excise tax information by the fall of 2009, it appears the Department would have sufficient time to analyze the information and prepare a report. In addition, it is likely that the Department would prepare such a report (even if not required) in anticipation of legislative requests.

Appendix 2: Agency Responses

Ruta Fanning, Legislative Auditor
October 28, 2008
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RECOMMENDATION	AGENCY POSITION	COMMENTS
Rec. 1	Concur	Does not require a comment
Rec. 2	Concur	Does not require a comment

Again, thank your for the opportunity to respond to these recommendations.

Sincerely,



Cindi L. Holmstrom
Director



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October 28, 2008

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Ms. Ruta Fanning, Legislative Auditor
Joint Legislative Audit and Review Committee
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PO Box 40910
Olympia, WA 98504-0910

Dear Ms. Fanning:

Thank you for sharing JLARC's recent preliminary report on the review of distributions from the City-County Assistance Account (assistance account). It is clear JLARC staff invested a great deal of time in this report and produced a high quality analysis of the assistance account. The Association of Washington Cities (AWC) also thanks you for the opportunity to provide feedback.

In general, AWC agrees with the report's findings. However, we believe some important information and considerations were left out of the report's analysis. In addition to our thoughts about the report recommendations, please find comments below.

Recommendation 1

AWC partially concurs with the recommendation that the Legislature change the date for certification of distributions from March to June allowing the Department of Revenue (DOR) to use the prior year's assessed property valuation data, as specified in statute.

It is beneficial to cities that DOR use the most current data available to determine assistance account eligibility. However, of equal importance is that these low-tax base cities that rely on the assistance account have adequate information in time for their budget development process in the fall. AWC supports cities and counties working with DOR to develop and recommend a plan that addresses the timing of certification and distributions, as well as a transition plan from the current certification date to a new one.

Recommendation 2

AWC concurs with the recommendation that the DOR provide the Legislature with a report on the interaction of streamlined sales tax mitigation funding to cities and counties and distributions provided through the assistance account.

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Based on questions and comments from the Committee, we would like to provide a few additional comments about the report's analysis.

1. The report should provide additional information about the City-County Assistance Account's revenue source, the REET.

As the report explains, the assistance account is funded by a portion of the state real estate excise tax (REET). However, the report does not highlight the following:

- The REET is a volatile revenue source. Because a "floor" does not exist, cities that depend on the assistance account receive reduced distributions as REET collections fall.
- The assistance account is funded by a portion of the REET that was previously deposited into the Public Works Assistance Account, an account that assists local governments with infrastructure needs.

JLARC should consider including in the report a chart that illustrates the amount of REET deposited in the assistance account from 2005 to present. It would also be helpful to show how much cities are eligible to receive from the assistance account versus how much they have actually received in distributions.

2. The report should acknowledge the deficiencies in using a 2006 timeframe.

The timeframe for distributions from the assistance account focuses on 2006. This is problematic for two reasons:

- Revenues from the REET were exceptionally high during this time period. REET revenues declined in 2007 and 2008, and are anticipated to remain low for the foreseeable future. Therefore, the "total funds" cities received from the assistance account funding (highlighted in Appendix 7, page 39) are unusually high amounts and unlikely to occur again anytime soon.
- Cities above 5,000 in population qualifying for distributions based solely on motor vehicle excise tax (MVET) backfill were included. By statute, these cities only received assistance in 2006 and 2007, thus skewing Exhibit 3 (page 7).

3. The report should acknowledge additional MVET distributions to cities.

ESSB 6050 directed JLARC to "determine the extent to which the distributions target the needs of cities and counties for which the repeal of the motor vehicle excise tax had the greatest fiscal impact." It is understandable that the majority of JLARC's analysis focuses on former sales tax equalization, however it should be noted that this was only 42 percent of the funds cities received from the MVET. Cities also received distributions for fire and police (46 percent of city funds from MVET) and criminal justice (12 percent of city funds from MVET).

Collectively, cities lost more than \$100 million annually with the repeal of the MVET. In 2000, the Legislature approved \$66.3 million in backfill funding to all cities for 2000 and 2001. As the report points out, this backfill amount decreased annually until the assistance account was created in 2005.

JLARC
Page 3
October 28, 2008

4. The report should provide additional information in Exhibit 3.

Exhibit 3 (page 7) should include additional information. This should include more extensive methodology about how tax-base groupings were determined and the category each city belongs to.

Again, thank you very much for the opportunity to comment on this preliminary report. If you have any questions, please contact me at (360) 753-4137.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jim Justin', with a long horizontal stroke extending to the right.

Jim Justin
Assistant Director for Intergovernmental Relations



Washington State Association of Counties

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October 24, 2008

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Olympia, Washington 98504-0910

Re: Review of Distributions from the City-County Assistance Account

Dear Ms. Fanning:

Thank you for the opportunity to provide the Washington State Association of Counties (WSAC) response to the preliminary report on the Review of Distributions from the City-County Assistance Account (CCAA).

At the onset, WSAC wishes to state that we agree with the summary statement in the report that “despite the differences in overall funding between distributions, the CCAA distributions continue to focus the majority of funding available on low tax base jurisdictions.” (See page 5). We believe this was the primary purpose of the CCAA – helping low tax base counties and cities.

With regard to Recommendation 1, WSAC partially concurs with the recommendation. The date for certification needs to be changed to allow the Department of Revenue to use the most current property tax data. However, our concern with this recommendation rests with its implementation, which is not addressed in the report. If the certification date is changed from March to June, we will need to address how the funds will be distributed during that period. Additionally, as stated in testimony at the presentation of the preliminary report, WSAC would like to explore other dates that would enable our members to budget for CCAA funds. In sum, we agree with changing the date, but the exact date is an issue that we will need to evaluate and discuss with the Department of Revenue.

With regard to Recommendation 2, WSAC concurs with the recommendation. The change in sourcing from Streamlined Sales Tax will result in some jurisdictions receiving less sales tax revenue. The Streamlined Sales Tax Mitigation Account was created to ensure that negatively impacted jurisdictions are made whole for those sales tax losses. If mitigation payments are not

considered in the CCAA formulas, jurisdictions potentially could receive state assistance from both accounts for the same sales tax loss. We believe that mitigation payments should be included in the formula when determining a jurisdiction's per capita sales tax revenue. However, sourcing was changed on July 1, 2008 and we do not yet know the magnitude of mitigation or its effect on the CCAA formulas. Therefore, WSAC believes a report is an appropriate response to this issue.

Based on the questions and comments Committee members presented at the preliminary review of the report, WSAC offers the following suggestions:

1. Fully State MVET Losses for Cities & Counties.

WSAC requests that the report state the full loss of the Motor Vehicle Excise Tax (MVET) to counties and cities somewhere in the report. Cities received the bulk of their MVET as equalization payments, but also lost funds for fire protection and criminal justice purposes. Counties lost MVET funds for equalization, public health, and criminal justice purposes. The decision to review solely the sales tax equalization impact from the repeal of the MVET was the choice of the Committee. However, this decision does minimize the impact the MVET repeal had on counties in the report as illustrated by Exhibit 2 on page 5 of the report.

This chart leaves the impression that the CCAA backfills 15% of city losses from the repeal of the MVET while the CCAA backfills 70% of counties losses. While this is true for equalization, it is not true as to the full effect of the repeal of the MVET.

We also believe it is appropriate to at least note the full loss from the MVET because the language authorizing the JLARC study stated:

*During calendar year 2008, the joint legislative audit and review committee shall review the distributions to cities and counties under section 2 of this act to determine the extent to which the distributions target the needs of cities and counties for which **the repeal of the motor vehicle excise tax had the greatest fiscal impact.***

Stating the full losses from the MVET does not change the substance of the report. However, it will provide helpful context when evaluating the effectiveness of CCAA in assisting low tax base jurisdictions and prior MVET distributions.

2. Highlight the Revenue Source of the City-County Assistance Account.

On page 3, under the heading "City-County Assistance Account Created After the Repeal," the report accurately identifies that the account receives funds from a portion of the Real Estate Excise Tax (REET). What the report does not highlight:

WSAC Response to JLARC Review of Distributions
From the City-County Distribution Account

- a. The portion of the REET that is deposited into the CCAA is 1.6% of collections. This portion was diverted was diverted from the Public Works Assistance Account (PWAA), an account that assists local governments with their infrastructure needs. No new general fund monies were diverted into the account. Prior to the enactment of Senate Bill 6050, the PWAA received 7.7% of REET collections. After the enactment of Senate Bill 6050, the PWAA account receives 6.1% of REET collections and the CCAA receives 1.6% of REET collections.
- b. REET is the state's most volatile revenue source. REET revenue was at historic highs from 2004 through the first portion of calendar year 2007. Since early 2007, REET revenue has plummeted to 2004 levels. A chart showing the amount of REET deposited into the CCAA from 2005-present would be useful to illustrate this fact. The chart should also show the amounts provide to cities and counties as base funding and as excess funding to illustrate the differences between the city and county formulas despite sharing equally in the account funds.

The overall purpose of highlighting the CCAA's revenue source is to balance the conclusion that can be made from Exhibit 2 on page 5 of the report that the CCAA is meeting 70% of county needs for assistance.

3. Acknowledge the Deficiencies in Using a 2006 Timeframe.

On page 5, under "Review of Distributions," the report discusses using a 2006 timeframe. Again, choosing 2006 as a timeframe is appropriate because it was the best data available. However, WSAC suggests the report note the following items in this section:

- a. Activity in the real estate market produced an extraordinary amount of REET in 2006 and through the first quarter of 2007. As a result, the CCAA was able to fund excess distributions. Again, a chart showing the amount of REET deposited into the CCAA would support this conclusion.
- b. Excess distributions are distributed by population under the city and county formulas. Those jurisdictions with the higher populations tend to have higher, yet still low, tax bases among those jurisdictions that qualified for assistance from the CCAA.
- c. Under RCW 43.08.290(3)(C), the Legislature allowed counties of a certain size to receive greater CCAA funds for CY 2006 and 2007 than under the base formula. For that reason, more CCAA funds were directed to counties with higher, yet still low, tax bases among counties that qualified for assistance from the CCAA.

d. These factors will not exist for distributions in 2008 and thereafter.

4. Provide More Information in Exhibit 3.

WSAC believes it would be helpful if the chart identified:

- a. The total number of jurisdictions that the percentages relate to. For example, how many counties in total would have qualified for an Estimated MVET Equalization distribution?
- b. The definitions of a Low, Low-to-Mid, Mid-to-High, and High tax base.
- c. What portion of Actual CCAA Assistance was from base funding and what portion were excess funds. For example, for the 13% of counties identified as "High" tax base, what portion of their CCAA Assistance was base funding and what were excess funds.

Again, thank you for the opportunity to respond to the recommendations and to offer additional comments on the report. Your staff has done an excellent job with this report.

Please contact me at (360) 753-1886 or ejohnson@wacounties.org with any questions or need for additional information.

Sincerely,



Eric Johnson
Executive Director

cc: Mary Hunt, President, WSAC
Scott Merriman, Deputy Director, WSAC
Julie Murray, Policy Director, WSAC
Keenan Konopaski, Audit Coordinator
Sylvia Gil, Research Analyst, JLARC



STATE OF WASHINGTON
OFFICE OF FINANCIAL MANAGEMENT

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October 29, 2008

TO: Ruta Fanning, Legislative Auditor
Joint Legislative Audit and Review Committee

FROM: Victor A. Moore *V.A.M.*
Director

SUBJECT: PRELIMINARY REPORT ON REVIEW OF DISTRIBUTIONS FROM THE CITY-COUNTY ASSISTANCE ACCOUNT

Thank you for giving the Office of Financial Management (OFM) the opportunity to review your preliminary report on Review of Distributions from the City-County Assistance Account. Here is our response to the recommendations contained in the report.

Recommendation	Agency Position	Comments
1. The Legislature should change the date for certification of distributions from March to June allowing the Department of Revenue to use the prior year's assessed property valuation data as specified in statute.	Concur	OFM agrees that changing the certification date to permit the use of more recent data will improve the accuracy of the distribution formula.
2. The Department of Revenue should provide the Legislature with a report on the interaction of streamlined sales tax mitigation funding to cities and counties and distributions provided through the City-County Assistance Account.	Concur	Clarifying the interaction between the City-County Assistance Account (Senate Bill 6050) and mitigation funds will provide information for the Legislature to determine whether an amendment to SB 6050 is needed. Therefore, OFM agrees that the Department of Revenue should develop a report documenting this interaction.

We look forward to your final report. If you have any questions, please contact Ryan Black at (360) 902-0417.

APPENDIX 2A: JLARC RESPONSE TO AGENCY RESPONSES

JLARC appreciates the review from the Department of Revenue (DOR), Association of Washington Cities (AWC), and Washington State Association of Counties (WSAC).

JLARC's review focused on comparing the prior MVET equalization formula to the new CCAA formula. The responses from the City and County Associations raised points related to the other portions of MVET revenues in addition to that allocated for equalization. JLARC has added references in the report to these other portions of MVET funds. However, these other revenues were not the subject of JLARC's review.

APPENDIX 3: HISTORICAL MVET EQUALIZATION DISTRIBUTIONS

The following tables list city and county sales and use tax equalization distributions from Motor Vehicle Excise Tax (MVET) revenues for calendar years 1996 through 1999. In these years, city distributions were proportionally reduced from what the formula calculated due to insufficient MVET revenues. These distribution amounts are from historical Office of the State Treasurer records.

Cities

City	Historical MVET Equalization to Cities			
	1996	1997	1998	1999
Aberdeen	\$8,714.74	\$0.00	\$0.00	\$0.00
Airway Heights	\$37,294.79	\$61,400.90	\$144,041.67	\$157,064.61
Albion	\$54,366.12	\$57,481.05	\$66,567.03	\$67,382.28
Algona	\$77,227.78	\$51,970.80	\$53,904.70	\$70,832.42
Almira	\$1,125.36	\$6,216.03	\$7,480.16	\$11,918.87
Anacortes	\$43,396.18	\$81,442.79	\$52,648.14	\$93,400.76
Arlington	\$2,470.08	\$0.00	\$0.00	\$0.00
Asotin	\$51,993.16	\$56,556.14	\$58,234.35	\$58,942.01
Auburn	\$18,096.74	\$0.00	\$0.00	\$0.00
Bainbridge Island	\$722,510.79	\$716,803.81	\$720,072.93	\$565,392.62
Battle Ground	\$10,207.82	\$0.00	\$15,596.33	\$246,327.53
Beaux Arts Village	\$17,849.44	\$15,199.14	\$16,406.39	\$576.56
Bellevue	\$48,762.47	\$0.00	\$0.00	\$0.00
Bellingham	\$29,166.53	\$0.00	\$0.00	\$0.00
Benton City	\$103,048.89	\$97,672.66	\$121,682.08	\$127,039.99
Bingen	\$6,174.13	\$6,647.61	\$7,172.38	\$7,875.34
Black Diamond	\$88,480.75	\$91,869.26	\$79,971.00	\$262,488.21
Blaine	\$1,503.89	\$0.00	\$0.00	\$0.00
Bonney Lake	\$355,689.29	\$313,049.40	\$278,106.02	\$295,068.32
Bothell	\$11,767.36	\$0.00	\$0.00	\$0.00
Bremerton	\$252,196.20	\$0.00	\$5,392.32	\$1,700.34
Brewster	\$34,191.91	\$16,902.12	\$1,700.34	\$28,011.40
Bridgeport	\$123,908.82	\$163,774.17	\$176,147.48	\$204,634.73
Brier	\$513,274.74	\$534,565.96	\$556,051.74	\$615,297.94
Buckley	\$182,135.44	\$129,073.66	\$182,176.06	\$165,948.67
Bucoda	\$43,927.20	\$43,299.19	\$51,041.70	\$58,091.62
Burien	\$365,175.71	\$167,906.47	\$111,086.18	\$0.00
Burlington	\$2,552.91	\$0.00	\$0.00	\$0.00
Camas	\$17,466.09	\$0.00	\$0.00	\$0.00
Carbonado	\$52,774.25	\$53,740.71	\$58,983.18	\$58,484.81
Carnation	\$30,039.29	\$40,342.52	\$8,187.94	\$0.00
Cashmere	\$78,246.67	\$125,273.95	\$129,634.86	\$122,780.55
Castle Rock	\$41,115.61	\$28,193.07	\$15,351.76	\$19,937.98

Appendix 3: Historical MVET Equalization Distributions

City	Historical MVET Equalization to Cities			
	1996	1997	1998	1999
Cathlamet	\$266.40	\$8,116.02	\$6,269.69	\$3,117.74
Centralia	\$6,488.06	\$0.00	\$0.00	\$0.00
Chehalis	\$3,505.15	\$0.00	\$0.00	\$0.00
Chelan	\$1,647.38	\$0.00	\$0.00	\$0.00
Cheney	\$295,101.32	\$289,639.92	\$301,883.00	\$333,475.30
Chewelah	\$54,072.77	\$51,265.04	\$55,536.82	\$63,121.34
Clarkston	\$63,267.00	\$68,063.58	\$71,308.60	\$77,737.95
Cle Elum	\$931.87	\$0.00	\$0.00	\$0.00
Clyde Hill	\$235,034.32	\$231,016.86	\$199,205.72	\$195,946.87
Colfax	\$44,246.92	\$16,022.63	\$12,277.94	\$70,522.71
College Place	\$465,283.75	\$533,943.62	\$590,155.15	\$639,264.69
Colton	\$26,259.81	\$27,646.95	\$27,443.56	\$30,866.02
Colville	\$2,310.75	\$0.00	\$0.00	\$0.00
Conconully	\$9,872.73	\$13,790.34	\$12,703.20	\$16,257.07
Concrete	\$20,120.07	\$41,455.00	\$30,850.45	\$32,929.27
Connell	\$123,449.37	\$131,155.60	\$151,714.82	\$155,842.69
Cosmopolis	\$717.93	\$31,996.85	\$69,351.98	\$65,912.71
Coulee City	\$319.92	\$0.00	\$0.00	\$0.00
Coulee Dam	\$68,762.21	\$71,872.45	\$72,316.52	\$80,431.56
Coupeville	\$6,749.28	\$8,602.37	\$0.00	\$0.00
Covington	\$0.00	\$0.00	\$642,025.18	\$729,905.53
Creston	\$15,101.92	\$18,848.66	\$19,391.55	\$21,295.97
Cusick	\$11,124.83	\$11,226.99	\$5,096.27	\$12,770.46
Darrington	\$40,234.41	\$59,325.38	\$55,044.77	\$65,190.57
Davenport	\$48,945.55	\$0.00	\$27,217.80	\$55,633.58
Dayton	\$95,242.87	\$90,372.90	\$107,842.95	\$131,462.41
Deer Park	\$1,295.98	\$0.00	\$0.00	\$0.00
Des Moines	\$1,306,592.19	\$1,502,831.75	\$1,951,752.01	\$1,948,730.97
DuPont	\$305.40	\$0.00	\$0.00	\$0.00
Duvall	\$132,775.73	\$160,291.56	\$135,264.56	\$131,014.92
East Wenatchee	\$2,075.80	\$0.00	\$0.00	\$0.00
Eatonville	\$800.55	\$0.00	\$0.00	\$0.00
Edgewood	\$741,235.28	\$898,443.24	\$973,518.50	\$1,009,697.91
Edmonds	\$648,068.75	\$979,907.34	\$391,633.04	\$666,263.57
Electric City	\$71,086.08	\$77,399.18	\$82,010.39	\$88,902.90
Ellensburg	\$6,650.05	\$0.00	\$0.00	\$0.00
Elma	\$1,534.04	\$17,618.16	\$16,897.14	\$44,652.06
Elmer City	\$25,593.28	\$27,233.73	\$29,363.75	\$31,125.95
Endicott	\$15,222.91	\$27,115.04	\$26,767.34	\$31,256.06
Entiat	\$259.07	\$21,187.90	\$36,136.16	\$58,486.20
Enumclaw	\$4,858.07	\$0.00	\$0.00	\$0.00
Ephrata	\$68,246.70	\$33,491.70	\$26,972.44	\$64,081.99
Everett	\$40,338.87	\$0.00	\$0.00	\$0.00

Appendix 3: Historical MVET Equalization Distributions

City	Historical MVET Equalization to Cities			
	1996	1997	1998	1999
Everson	\$49,682.34	\$60,835.97	\$68,332.90	\$73,482.91
Fairfield	\$17,211.32	\$10,715.84	\$17,449.60	\$28,223.05
Farmington	\$8,118.87	\$11,755.02	\$12,237.75	\$14,788.96
Federal Way	\$409,238.19	\$386,184.46	\$384,423.03	\$433,575.94
Ferndale	\$15,150.56	\$90,222.00	\$21,549.70	\$100,833.14
Fife	\$2,301.19	\$0.00	\$0.00	\$0.00
Fircrest	\$399,980.99	\$416,433.35	\$459,410.06	\$484,898.51
Forks	\$71,227.86	\$95,260.85	\$97,990.78	\$125,290.91
Friday Harbor	\$904.73	\$0.00	\$0.00	\$0.00
Garfield	\$35,676.95	\$32,223.15	\$40,149.01	\$45,857.70
George	\$14,667.00	\$16,755.17	\$7,241.00	\$10,604.66
Gig Harbor	\$1,919.40	\$0.00	\$0.00	\$0.00
Gold Bar	\$86,890.20	\$101,310.20	\$90,987.71	\$139,946.62
Goldendale	\$72,074.95	\$62,189.47	\$86,382.49	\$119,169.78
Grand Coulee	\$536.45	\$0.00	\$0.00	\$0.00
Grandview	\$333,491.79	\$354,344.11	\$330,695.00	\$341,675.24
Granger	\$164,438.22	\$174,452.37	\$184,364.81	\$205,207.94
Granite Falls	\$724.39	\$0.00	\$0.00	\$0.00
Hamilton	\$16,902.03	\$16,866.77	\$22,010.49	\$22,602.44
Harrah	\$31,998.39	\$30,670.64	\$32,765.25	\$40,418.79
Harrington	\$19,225.82	\$28,421.87	\$28,546.39	\$27,508.78
Hartline	\$13,687.37	\$14,429.12	\$14,416.66	\$15,689.65
Hatton	\$8,932.28	\$11,323.95	\$12,364.67	\$12,769.19
Hoquiam	\$373,606.82	\$433,321.00	\$481,377.94	\$559,971.62
Hunts Point	\$263.93	\$0.00	\$0.00	\$0.00
Ilwaco	\$712.22	\$0.00	\$3,745.46	\$1,453.83
Index	\$4,904.17	\$2,011.09	\$5,462.68	\$5,249.79
Ione	\$22,413.22	\$17,757.38	\$6,956.13	\$23,592.67
Issaquah	\$4,350.59	\$0.00	\$0.00	\$0.00
Kahlotus	\$15,684.27	\$16,236.94	\$14,525.09	\$23,632.19
Kalama	\$656.48	\$0.00	\$0.00	\$0.00
Kelso	\$6,184.94	\$0.00	\$0.00	\$0.00
Kenmore	\$0.00	\$0.00	\$0.00	\$1,209,587.98
Kennewick	\$23,884.79	\$0.00	\$0.00	\$0.00
Kent	\$21,536.84	\$0.00	\$0.00	\$0.00
Kettle Falls	\$59,156.37	\$62,657.30	\$64,384.41	\$73,321.52
Kirkland	\$21,779.37	\$0.00	\$0.00	\$0.00
Kittitas	\$62,104.29	\$74,064.20	\$72,855.29	\$88,674.35
Krupp	\$5,233.75	\$3,782.40	\$4,169.76	\$4,445.87
La Center	\$30,207.04	\$40,581.25	\$17,510.42	\$65,984.87
Lacey	\$12,032.57	\$0.00	\$0.00	\$0.00
La Conner	\$371.23	\$0.00	\$0.00	\$0.00
La Crosse	\$8,366.52	\$14,615.49	\$10,494.44	\$12,865.26

Appendix 3: Historical MVET Equalization Distributions

City	Historical MVET Equalization to Cities			
	1996	1997	1998	1999
Lake Forest Park	\$442,672.92	\$983,969.11	\$1,067,457.58	\$1,141,132.56
Lake Stevens	\$194,040.47	\$211,835.18	\$177,532.68	\$195,766.60
Lakewood	\$3,156,087.62	\$3,099,635.45	\$3,367,704.65	\$3,183,952.57
Lamont	\$7,781.88	\$8,543.69	\$7,818.95	\$8,491.05
Langley	\$491.59	\$0.00	\$0.00	\$0.00
Latah	\$10,191.79	\$8,170.36	\$9,506.25	\$13,435.11
Leavenworth	\$986.99	\$0.00	\$0.00	\$0.00
Lind	\$246.46	\$0.00	\$0.00	\$0.00
Long Beach	\$684.31	\$0.00	\$0.00	\$0.00
Longview	\$17,070.92	\$0.00	\$0.00	\$0.00
Lyman	\$17,738.76	\$16,125.14	\$13,457.96	\$15,339.82
Lynden	\$3,426.29	\$0.00	\$0.00	\$0.00
Lynnwood	\$15,841.73	\$0.00	\$0.00	\$0.00
Mabton	\$151,405.88	\$134,652.25	\$147,067.71	\$151,448.83
Malden	\$17,491.83	\$19,983.21	\$24,277.39	\$28,408.66
Mansfield	\$20,807.10	\$21,963.62	\$27,420.75	\$30,269.91
Maple Valley	\$0.00	\$0.00	\$413,775.46	\$549,156.49
Marcus	\$12,230.49	\$15,377.86	\$12,987.47	\$15,780.74
Marysville	\$7,646.90	\$0.00	\$0.00	\$0.00
Mattawa	\$101,975.78	\$87,455.76	\$115,150.80	\$106,556.42
McCleary	\$98,080.33	\$104,347.18	\$113,860.83	\$101,722.03
Medical Lake	\$204,732.72	\$222,590.14	\$190,630.12	\$255,911.94
Medina	\$27,431.83	\$0.00	\$0.00	\$0.00
Mercer Island	\$868,635.65	\$966,245.54	\$896,194.21	\$968,394.80
Mesa	\$7,184.14	\$9,358.15	\$5,152.54	\$16,167.35
Metaline	\$1,395.07	\$14,130.04	\$7,715.18	\$14,558.52
Metaline Falls	\$17,309.23	\$0.00	\$0.00	\$7,579.12
Mill Creek	\$296,914.18	\$282,940.65	\$195,830.00	\$254,638.68
Millwood	\$880.86	\$4,645.49	\$24,645.21	\$19,418.12
Milton	\$2,702.79	\$0.00	\$0.00	\$0.00
Monroe	\$2,733.46	\$0.00	\$0.00	\$0.00
Montesano	\$21,267.51	\$40,303.92	\$23,370.00	\$56,714.77
Morton	\$603.19	\$0.00	\$0.00	\$0.00
Moses Lake	\$6,196.11	\$0.00	\$0.00	\$0.00
Mossyrock	\$19,669.70	\$14,346.40	\$13,593.15	\$23,298.95
Mountlake Terrace	\$1,093,078.19	\$1,087,954.06	\$1,240,542.79	\$1,317,489.94
Mount Vernon	\$10,686.46	\$0.00	\$0.00	\$0.00
Moxee	\$43,124.46	\$50,468.11	\$54,813.65	\$20,190.95
Mukilteo	\$658,499.58	\$750,602.27	\$693,554.42	\$745,042.89
Naches	\$4,227.88	\$13,302.80	\$7,774.07	\$11,650.40
Napavine	\$64,510.78	\$74,958.66	\$89,865.25	\$104,273.59
Nespelem	\$6,174.11	\$12,788.86	\$12,558.06	\$13,986.90
Newcastle	\$559,830.47	\$529,766.11	\$494,770.92	\$483,812.17

Appendix 3: Historical MVET Equalization Distributions

City	Historical MVET Equalization to Cities			
	1996	1997	1998	1999
Newport	\$920.56	\$0.00	\$0.00	\$0.00
Nooksack	\$50,358.47	\$55,762.36	\$60,421.19	\$51,037.72
Normandy Park	\$474,488.87	\$502,952.53	\$589,405.39	\$632,094.84
North Bend	\$1,403.69	\$0.00	\$0.00	\$0.00
North Bonneville	\$38,274.15	\$41,237.24	\$44,938.34	\$36,078.67
Northport	\$22,105.81	\$25,071.95	\$28,541.42	\$27,881.21
Oakesdale	\$25,442.00	\$23,456.63	\$571,664.30	\$520,116.89
Oak Harbor	\$541,273.39	\$503,921.16	\$31,733.21	\$35,357.22
Oakville	\$40,846.64	\$35,425.18	\$38,612.04	\$30,690.28
Ocean Shores	\$1,399.60	\$0.00	\$0.00	\$0.00
Odessa	\$495.26	\$0.00	\$0.00	\$0.00
Okanogan	\$1,250.44	\$0.00	\$0.00	\$0.00
Olympia	\$19,022.50	\$0.00	\$0.00	\$0.00
Omak	\$2,179.58	\$0.00	\$0.00	\$0.00
Oroville	\$790.91	\$0.00	\$0.00	\$0.00
Orting	\$112,908.43	\$153,951.99	\$192,120.32	\$216,891.59
Othello	\$2,462.56	\$0.00	\$0.00	\$0.00
Pacific	\$322,702.13	\$261,470.74	\$219,224.06	\$175,295.90
Palouse	\$50,388.29	\$54,692.53	\$58,489.36	\$61,100.00
Pasco	\$11,272.50	\$0.00	\$0.00	\$0.00
Pateros	\$21,753.61	\$8,598.52	\$23,617.38	\$18,211.20
Pe Ell	\$26,654.45	\$32,148.04	\$48,965.22	\$53,798.62
Pomeroy	\$37,248.68	\$42,076.73	\$43,872.74	\$35,007.52
Port Angeles	\$9,520.43	\$0.00	\$0.00	\$0.00
Port Orchard	\$2,911.69	\$0.00	\$0.00	\$0.00
Port Townsend	\$4,061.28	\$0.00	\$0.00	\$0.00
Poulsbo	\$2,799.49	\$0.00	\$0.00	\$0.00
Prescott	\$14,626.22	\$15,216.00	\$10,021.55	\$12,979.85
Prosser	\$2,383.71	\$0.00	\$0.00	\$0.00
Pullman	\$670,948.56	\$589,888.48	\$654,948.78	\$807,870.63
Puyallup	\$13,683.16	\$0.00	\$0.00	\$0.00
Quincy	\$1,996.20	\$0.00	\$0.00	\$0.00
Rainier	\$80,204.54	\$85,718.02	\$96,123.56	\$117,293.86
Raymond	\$48,016.25	\$32,488.75	\$86,163.89	\$103,656.03
Rearдан	\$22,013.15	\$16,389.80	\$19,031.83	\$37,803.60
Redmond	\$20,663.04	\$0.00	\$0.00	\$0.00
Renton	\$22,761.05	\$0.00	\$0.00	\$0.00
Republic	\$5,968.02	\$0.00	\$0.00	\$11,833.63
Richland	\$288,016.20	\$594,367.89	\$807,659.31	\$1,044,263.01
Ridgefield	\$58,187.47	\$60,805.23	\$47,833.77	\$59,447.17
Ritzville	\$909.46	\$0.00	\$0.00	\$0.00
Riverside	\$12,944.20	\$22,846.80	\$22,054.18	\$31,082.06
Rockford	\$17,085.17	\$23,873.48	\$32,891.12	\$37,424.45

Appendix 3: Historical MVET Equalization Distributions

City	Historical MVET Equalization to Cities			
	1996	1997	1998	1999
Rock Island	\$6,741.58	\$23,082.95	\$25,444.00	\$26,668.95
Rosalia	\$28,709.41	\$22,331.52	\$37,683.29	\$46,420.88
Roslyn	\$48,405.24	\$53,143.21	\$61,600.11	\$66,834.78
Roy	\$180.11	\$0.00	\$0.00	\$0.00
Royal City	\$49,786.13	\$60,633.06	\$51,753.97	\$87,900.62
Ruston	\$36,853.70	\$55,564.64	\$61,725.79	\$68,774.15
Sammamish	\$0.00	\$0.00	\$0.00	\$0.00
SeaTac	\$11,913.96	\$0.00	\$0.00	\$0.00
Seattle	\$275,671.01	\$0.00	\$0.00	\$0.00
Sedro-Woolley	\$80,661.75	\$65,993.45	\$54,748.07	\$40,153.00
Selah	\$104,230.14	\$160,508.14	\$103,270.64	\$152,910.73
Sequim	\$2,117.05	\$0.00	\$0.00	\$0.00
Shelton	\$3,863.49	\$0.00	\$0.00	\$0.00
Shoreline	\$2,065,262.43	\$1,930,315.47	\$1,846,333.88	\$1,736,618.75
Skykomish	\$133.24	\$0.00	\$0.00	\$0.00
Snohomish	\$3,658.83	\$0.00	\$0.00	\$0.00
Snoqualmie	\$803.85	\$0.00	\$0.00	\$0.00
Soap Lake	\$70,888.22	\$65,709.26	\$85,213.14	\$89,760.34
South Bend	\$43,080.56	\$74,184.00	\$68,208.96	\$99,934.54
South Cle Elum	\$27,219.20	\$30,853.50	\$48,444.20	\$50,891.93
South Prairie	\$34,782.98	\$34,769.37	\$41,405.11	\$38,415.22
Spangle	\$126.81	\$0.00	\$0.00	\$0.00
Spokane	\$96,017.62	\$0.00	\$0.00	\$0.00
Sprague	\$11,337.44	\$23,082.57	\$19,137.07	\$11,289.26
Springdale	\$133.97	\$2,813.94	\$10,777.97	\$9,941.30
Stanwood	\$1,212.12	\$0.00	\$0.00	\$0.00
Starbuck	\$8,048.28	\$11,275.64	\$0.00	\$0.00
Steilacoom	\$406,244.47	\$437,876.39	\$9,907.03	\$9,179.61
Stevenson	\$11,038.37	\$12,050.71	\$524,666.79	\$473,426.14
St. John	\$3,141.69	\$0.00	\$12,684.12	\$13,674.65
Sultan	\$78,670.84	\$89,617.61	\$112,109.33	\$107,241.83
Sumas	\$443.55	\$0.00	\$0.00	\$0.00
Sumner	\$3,946.89	\$0.00	\$0.00	\$0.00
Sunnyside	\$6,008.65	\$0.00	\$0.00	\$0.00
Tacoma	\$94,704.23	\$0.00	\$0.00	\$0.00
Tekoa	\$37,568.54	\$30,955.65	\$38,963.47	\$57,105.34
Tenino	\$56,604.17	\$55,587.74	\$62,808.93	\$71,007.03
Tieton	\$39,061.60	\$40,986.40	\$3,855.29	\$61,622.69
Toledo	\$329.55	\$0.00	\$0.00	\$0.00
Tonasket	\$519.11	\$0.00	\$0.00	\$0.00
Toppenish	\$319,257.91	\$374,035.79	\$396,344.32	\$462,680.22
Tukwila	\$7,658.78	\$0.00	\$0.00	\$0.00
Tumwater	\$5,802.14	\$0.00	\$0.00	\$0.00

Appendix 3: Historical MVET Equalization Distributions

City	Historical MVET Equalization to Cities			
	1996	1997	1998	1999
Twisp	\$470.93	\$0.00	\$0.00	\$0.00
Union Gap	\$1,659.24	\$0.00	\$0.00	\$0.00
Uniontown	\$18,009.69	\$16,133.48	\$15,911.81	\$21,964.57
University Place	\$2,469,779.33	\$2,135,044.11	\$2,255,126.64	\$2,358,623.59
Vader	\$28,493.63	\$37,776.97	\$41,429.56	\$43,945.24
Vancouver	\$605,657.46	\$1,112,326.32	\$1,327,612.14	\$1,489,319.13
Waitsburg	\$48,805.42	\$73,162.85	\$79,614.01	\$87,076.56
Walla Walla	\$291,986.05	\$241,783.47	\$253,102.56	\$346,960.03
Wapato	\$171,666.30	\$182,655.74	\$172,153.00	\$178,823.22
Warden	\$97,084.19	\$113,488.17	\$113,337.66	\$66,159.19
Washougal	\$92,415.48	\$84,703.65	\$260,486.29	\$254,245.73
Washtucna	\$13,785.80	\$15,965.28	\$19,809.08	\$21,057.96
Waterville	\$50,501.88	\$64,249.42	\$78,298.03	\$78,806.13
Waverly	\$4,170.90	\$5,023.39	\$5,441.20	\$10,451.44
Wenatchee	\$12,074.60	\$0.00	\$0.00	\$0.00
Westport	\$30,127.69	\$36,082.92	\$579,992.57	\$611,826.65
West Richland	\$453,087.71	\$508,781.60	\$29,761.78	\$54,815.74
White Salmon	\$63,030.20	\$52,803.68	\$45,629.60	\$54,202.91
Wilbur	\$27,628.70	\$11,624.60	\$12,254.64	\$22,629.42
Wilkeson	\$26,267.42	\$25,479.18	\$33,989.38	\$33,860.04
Wilson Creek	\$10,619.04	\$12,682.04	\$693.70	\$16,230.09
Winlock	\$30,181.38	\$24,505.21	\$22,278.19	\$36,264.05
Winthrop	\$176.52	\$0.00	\$0.00	\$0.00
Woodinville	\$5,820.02	\$0.00	\$0.00	\$0.00
Woodland	\$1,440.45	\$0.00	\$0.00	\$0.00
Woodway	\$41,743.76	\$35,115.39	\$22,456.75	\$11,475.25
Yacolt	\$27,077.08	\$7,120.60	\$15,650.56	\$24,960.60
Yakima	\$31,043.35	\$0.00	\$0.00	\$0.00
Yarrow Point	\$39,990.35	\$43,884.57	\$62,916.21	\$54,441.70
Yelm	\$870.79	\$0.00	\$0.00	\$0.00
Zillah	\$90,481.09	\$110,425.75	\$110,826.58	\$114,182.72
Total	\$30,750,293.47	\$31,463,692.99	\$34,051,605.39	\$38,192,998.44

Source: Office of the State Treasurer records.

Appendix 3: Historical MVET Equalization Distributions

Counties

County	Historical MVET Equalization to Counties			
	1996	1997	1998	1999
Adams	\$0.00	\$0.00	\$20,930.66	\$70,213.04
Asotin	\$91,954.93	\$122,591.82	\$132,969.76	\$108,073.77
Benton	\$0.00	\$0.00	\$0.00	\$0.00
Chelan	\$0.00	\$0.00	\$0.00	\$0.00
Clallam	\$0.00	\$0.00	\$0.00	\$0.00
Clark	\$0.00	\$0.00	\$0.00	\$0.00
Columbia	\$434,818.30	\$442,955.37	\$468,989.24	\$459,318.34
Cowlitz	\$0.00	\$0.00	\$0.00	\$0.00
Douglas	\$329,872.30	\$268,363.23	\$272,734.29	\$361,786.98
Ferry	\$326,430.66	\$237,684.23	\$215,423.82	\$236,084.92
Franklin	\$0.00	\$0.00	\$0.00	\$0.00
Garfield	\$481,884.78	\$476,543.14	\$488,040.24	\$512,345.34
Grant	\$0.00	\$0.00	\$0.00	\$0.00
Grays Harbor	\$0.00	\$0.00	\$15,034.10	\$0.00
Island	\$577,626.40	\$641,599.31	\$625,728.73	\$616,652.87
Jefferson	\$0.00	\$0.00	\$0.00	\$0.00
King	\$0.00	\$0.00	\$0.00	\$0.00
Kitsap	\$0.00	\$0.00	\$0.00	\$0.00
Kittitas	\$0.00	\$0.00	\$0.00	\$0.00
Klickitat	\$0.00	\$0.00	\$0.00	\$0.00
Lewis	\$0.00	\$0.00	\$0.00	\$0.00
Lincoln	\$154,119.14	\$195,201.48	\$227,135.88	\$188,706.90
Mason	\$450,608.72	\$591,763.73	\$700,273.53	\$757,592.05
Okanogan	\$275,540.94	\$305,806.00	\$398,380.56	\$419,122.42
Pacific	\$0.00	\$65,898.85	\$108,514.50	\$0.00
Pend Oreille	\$0.00	\$0.00	\$0.00	\$203,355.28
Pierce	\$0.00	\$0.00	\$0.00	\$0.00
San Juan	\$0.00	\$0.00	\$0.00	\$0.00
Skagit	\$0.00	\$0.00	\$0.00	\$0.00
Skamania	\$87,077.17	\$69,161.10	\$101,704.43	\$96,496.59
Snohomish	\$0.00	\$0.00	\$0.00	\$0.00
Spokane	\$0.00	\$0.00	\$0.00	\$0.00
Stevens	\$405,672.72	\$641,442.46	\$746,333.99	\$722,367.01
Thurston	\$586,152.81	\$882,733.35	\$1,115,477.62	\$1,027,190.17
Wahkiakum	\$396,840.26	\$419,259.70	\$440,818.93	\$435,956.94
Walla Walla	\$0.00	\$0.00	\$0.00	\$0.00
Whatcom	\$0.00	\$0.00	\$0.00	\$0.00
Whitman	\$0.00	\$0.00	\$0.00	\$0.00
Yakima	\$0.00	\$99,324.96	\$67,591.38	\$0.00
Total	\$4,598,599.13	\$5,460,328.73	\$6,146,081.66	\$6,215,262.62

Source: Office of the State Treasurer records.

APPENDIX 4: CITY-COUNTY ASSISTANCE ACCOUNT LEGISLATION

Following this page is the full text of Engrossed Substitute Senate Bill 6050, the legislation creating the City-County Assistance Account. The Legislature has not made changes to this account since it was created.

Appendix 4: City-County Assistance Account Legislation

ENGROSSED SUBSTITUTE SENATE BILL 6050

Passed Legislature - 2005 Regular Session

State of Washington 59th Legislature 2005 Regular Session

By Senate Committee on Ways & Means (originally sponsored by
Senators Parlette, Doumit, Morton and Mulliken)

READ FIRST TIME 03/08/05.

1 AN ACT Relating to providing financial assistance to cities, towns,
2 and counties; amending RCW 82.45.060; adding a new section to chapter
3 43.08 RCW; adding a new section to chapter 44.28 RCW; and providing an
4 effective date.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 82.45.060 and 2000 c 103 s 15 are each amended to read
7 as follows:

8 There is imposed an excise tax upon each sale of real property at
9 the rate of one and twenty-eight one-hundredths percent of the selling
10 price. An amount equal to (~~seven and seven-tenths~~) six and one-tenth
11 percent of the proceeds of this tax to the state treasurer shall be
12 deposited in the public works assistance account created in RCW
13 43.155.050. An amount equal to one and six-tenths percent of the
14 proceeds of this tax to the state treasurer shall be deposited in the
15 city-county assistance account created in section 2 of this act.

16 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.08 RCW
17 to read as follows:

18 (1) The city-county assistance account is created in the state

Appendix 4: City-County Assistance Account Legislation

1 treasury. All receipts from real estate excise tax disbursements
2 provided under RCW 82.45.060 shall be deposited into the account.
3 Moneys in the account may be spent only after appropriation.
4 Expenditures from the account may be used only for the purposes
5 provided in this section.

6 (2) Funds deposited in the city-county assistance account shall be
7 distributed equally to the cities and counties.

8 (3) (a) Funds distributed to counties shall, to the extent possible,
9 increase the revenues received under RCW 82.14.030(1) by each county to
10 the greater of two hundred fifty thousand dollars or:

11 (i) For a county with an unincorporated population of one hundred
12 thousand or less, seventy percent of the statewide weighted average per
13 capita level of sales and use tax revenues collected under RCW
14 82.14.030(1) for the unincorporated areas of all counties imposing the
15 sales and use tax authorized under RCW 82.14.030(1) in the previous
16 calendar year; and

17 (ii) For a county with an unincorporated population of more than
18 one hundred thousand, sixty-five percent of the statewide weighted
19 average per capita level of sales and use tax revenues collected under
20 RCW 82.14.030(1) for the unincorporated areas of all counties imposing
21 the sales and use tax authorized under RCW 82.14.030(1) in the previous
22 calendar year.

23 (b) For each county with an unincorporated population of fifteen
24 thousand or less, the county shall receive the greater of the amount in
25 (a) of this subsection or the amount received in local government
26 assistance provided by section 716, chapter 276, Laws of 2004.

27 (c) For each county with an unincorporated population of more than
28 fifteen thousand and less than twenty-two thousand, the county shall
29 receive in calendar year 2006 and 2007 the greater of the amount
30 provided in (a) of this subsection or the amount received in local
31 government assistance provided by section 716, chapter 276, Laws of
32 2004.

33 (d) To the extent that revenues are insufficient to fund the
34 distributions under this subsection, the distributions of all counties
35 as otherwise determined under this subsection shall be ratably reduced.

36 (e) To the extent that revenues exceed the amounts needed to fund
37 the distributions under this subsection, the excess funds shall be

Appendix 4: City-County Assistance Account Legislation

1 divided ratably based upon unincorporated population among those
2 counties receiving funds under this subsection and imposing the tax
3 collected under RCW 82.14.030(2) at the maximum rate.

4 (4)(a) For each city with a population of five thousand or less
5 with a per capita assessed property value less than twice the statewide
6 average per capita assessed property value for all cities for the
7 calendar year previous to the certification under subsection (6) of
8 this section, the city shall receive the greater of the following three
9 amounts:

10 (i) An amount necessary to increase the revenues collected under
11 RCW 82.14.030(1) up to fifty-five percent of the statewide weighted
12 average per capita level of sales and use tax revenues collected under
13 RCW 82.14.030(1) for all cities imposing the sales and use tax
14 authorized under RCW 82.14.030(1) in the previous calendar year.

15 (ii) The amount received in local government assistance provided
16 for fiscal year 2005 by section 721, chapter 25, Laws of 2003 1st sp.
17 sess.

18 (iii) For a city with a per capita assessed property value less
19 than fifty-five percent of the statewide average per capita assessed
20 property value for all cities, an amount determined by subtracting the
21 city's per capita assessed property value from fifty-five percent of
22 the statewide average per capita assessed property value, dividing that
23 amount by one thousand, and multiplying the result by the city's
24 population.

25 (b) For each city with a population of more than five thousand with
26 a per capita assessed property value less than the statewide average
27 per capita assessed property value for all cities for the calendar year
28 previous to the certification under subsection (6) of this section, the
29 city shall receive the greater of the following three amounts:

30 (i) An amount necessary to increase the revenues collected under
31 RCW 82.14.030(1) up to fifty percent of the statewide weighted average
32 per capita level of sales and use tax revenues collected under RCW
33 82.14.030(1) for all cities imposing the sales and use tax authorized
34 under RCW 82.14.030(1) in the previous calendar year.

35 (ii) For calendar year 2006 and 2007, the amount received in local
36 government assistance provided for fiscal year 2005 by section 721,
37 chapter 25, Laws of 2003 1st sp. sess.

Appendix 4: City-County Assistance Account Legislation

1 (iii) For a city with a per capita assessed property value less
2 than fifty-five percent of the statewide average per capita assessed
3 property value for all cities, an amount determined by subtracting the
4 city's per capita assessed property value from fifty-five percent of
5 the statewide average per capita assessed property value, dividing that
6 amount by one thousand, and multiplying the result by the city's
7 population.

8 (c) No city may receive an amount greater than one hundred thousand
9 dollars a year under (a) or (b) of this subsection.

10 (d) To the extent that revenues are insufficient to fund the
11 distributions under this subsection, the distributions of all cities as
12 otherwise determined under this subsection shall be ratably reduced.

13 (e) To the extent that revenues exceed the amounts needed to fund
14 the distributions under this subsection, the excess funds shall be
15 divided ratably based upon population among those cities receiving
16 funds under this subsection and imposing the tax collected under RCW
17 82.14.030(2) at the maximum rate.

18 (f) This subsection only applies to cities incorporated prior to
19 the effective date of this section.

20 (5) The two hundred fifty thousand dollar amount in subsection (3)
21 of this section and the one hundred thousand dollar amount in
22 subsection (4) of this section shall be increased each year beginning
23 in calendar year 2006 by inflation as defined in RCW 84.55.005, as
24 determined by the department of revenue.

25 (6) Distributions under subsections (3) and (4) of this section
26 shall be made quarterly beginning on October 1, 2005, based on
27 population as last determined by the office of financial management.
28 The department of revenue shall certify the amounts to be distributed
29 under this section to the state treasurer. The certification shall be
30 made by October 1, 2005, for the October 1, 2005, distribution and the
31 January 1, 2006, distribution, based on calendar year 2004 collections.
32 The certification shall be made by March 1, 2006, for distributions
33 beginning April 1, 2006, and by March 1st of every year thereafter.
34 The March 1st certification shall be used for distributions occurring
35 on April 1st, July 1st, and October 1st of the year of certification
36 and on January 1st of the year following certification.

37 (7) All distributions to local governments from the city-county
38 assistance account constitute increases in state distributions of

Appendix 4: City-County Assistance Account Legislation

1 revenue to political subdivisions for purposes of state reimbursement
2 for the costs of new programs and increases in service levels under RCW
3 43.135.060, including any claims or litigation pending against the
4 state on or after January 1, 2005.

5 NEW SECTION. **Sec. 3.** A new section is added to chapter 44.28 RCW
6 to read as follows:

7 During calendar year 2008, the joint legislative audit and review
8 committee shall review the distributions to cities and counties under
9 section 2 of this act to determine the extent to which the
10 distributions target the needs of cities and counties for which the
11 repeal of the motor vehicle excise tax had the greatest fiscal impact.
12 In conducting the study, the committee shall solicit input from the
13 cities and counties. The department of revenue and the state treasurer
14 shall provide the committee with any data within their purview that the
15 committee considers necessary to conduct the review. The committee
16 shall report to the legislature the results of its findings, and any
17 recommendations for changes to the distribution formulas under section
18 2 of this act, by December 31, 2008.

19 NEW SECTION. **Sec. 4.** This act takes effect August 1, 2005.
Passed by the Senate March 16, 2005.
Passed by the House April 20, 2005.
Approved by the Governor May 13, 2005.
Filed in Office of Secretary of State May 13, 2005.

APPENDIX 5: CITY-COUNTY ASSISTANCE ACCOUNT FORMULA FOR DISTRIBUTING FUNDS

Step 1 Determine total funds available to cities

Half of funds from the 1.6% of state Real Estate Excise Tax (REET) revenues are made available for city distributions.

Step 2 Identify data for each city

Statute directs the following data be considered for each city.

Per Capita AV
Assessed Property Valuations by population for the prior year

Per Capita "Basic" (First 0.5%)
Local Sales and Use Tax revenue by population for the prior year

Previous Temporary "Backfill"
Appropriations to cities provided after the repeal of the MVET

Step 3 Determine eligibility for distribution

A
Statute identifies **ineligible** cities as those with:

Per capita assessed valuations above the following % of the state average:

- 100% (if pop. is >5,000)
- 200% (if pop. is <=5,000)

B
Statute identifies **eligible** cities as those with:

Per capita AV below 55% of the state average

OR

Per capita "Basic" below the following percentages of the state average:

- 50% (if pop. is >5,000)
- 55% (if pop. is <=5,000)

OR

Received a backfill amount appropriated for fiscal year 2005 by section 721, Chapter 25, Laws of 2003 1st sp. Session (if population is <=5,000)

Step 4 Calculate distributions for eligible cities

Statute directs that a city may receive a distribution that is the greater of the following amounts, but capping distributions at \$100,000 (adjusted for inflation each year).

Population <=5,000

Population >5,000

Difference between 55% of the state average per capita and actual city per capita AV

Difference between 55% of the state average per capita and actual city per capita AV

OR

OR

Difference between 55% of the state average per capita and actual city per capita "Basic" sales tax revenue collections

Difference between 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections

OR

If population <=5,000, the amount of previous "backfill" provided to the city*

* For 2006 and 2007 only, cities with population >5,000 were also eligible to receive this amount.

Source: JLARC analysis of statute.

Step 1 Determine total funds available to **counties**

Half of funds from the 1.6% of state Real Estate Excise Tax (REET) revenues are made available for city distributions.

Step 2 Identify data for each county

Statute directs the following data be considered for each county.

Total of "Basic" (First 0.5%)
Local Sales and Use Tax revenue for the prior year

Per Capita "Basic" (First 0.5%)
Local Sales and Use Tax revenue by population for the prior year

Previous Temporary "Backfill"
Appropriations to counties provided after the repeal of the MVET

Step 3 Determine eligibility for distribution

Statute identifies eligible counties as those with:

Total of "Basic" below \$250,000 (adjusted for inflation)

OR

Per capita "Basic" below the following percentages of the state average:

- 65% (if pop. is >100,000)
- 70% (if pop. is <=100,000)

OR

Received a backfill amount appropriated for fiscal year 2005 by section 716, Chapter 276, Laws of 2004.

Step 4 Calculate distributions for eligible counties

Statute directs that a county may receive a distribution that is the greater of the following amounts.

Population <=100,000

Population >100,000

Difference between \$250,000 (adjusted for inflation each year) and actual county total of "Basic" sales tax revenue collections

Difference between \$250,000 (adjusted for inflation each year) and actual county total of "Basic" sales tax revenue collections

OR

OR

Difference between **70%** of the state average per capita and actual county per capita "Basic" sales tax revenue collections

Difference between **65%** of the state average per capita and actual county per capita "Basic" sales tax revenue collections

OR

If population <=15,000, the amount of previous "backfill" provided to the county*

*For 2006 and 2007 only, counties with a population >15,000 and <22,000 were also eligible to receive this amount.

Source: JLARC analysis of statute.

APPENDIX 6: PREVIOUS TEMPORARY “BACKFILL” REFERENCED IN THE CITY-COUNTY ASSISTANCE ACCOUNT FORMULA

Following the repeal of the Motor Vehicle Excise Tax (MVET), the Legislature provided some cities and counties funds with appropriations to replace portions of lost MVET revenues. The following tables provide the specific previous temporary “backfill” amounts referenced in the formula to distribute funds from the City-County Assistance Account.

Previous Temporary “Backfill” is referred to as local government assistance in Section 721 Chapter 25, Laws of 2003 1st sp. Session, and the following amounts were appropriated in the 2003-05 budget for FY 05.

City	Amounts
Airway Heights	\$2,600
Albion	\$13,700
Almira	\$400
Asotin	\$5,600
Benton City	\$8,800
Black Diamond	\$10,400
Bridgeport	\$38,700
Brier	\$73,500
Bucoda	\$8,500
Carbonado	\$8,400
Cashmere	\$7,300
Cheney	\$10,900
Chewelah	\$600
Colfax	\$500
College Place	\$78,500
Colton	\$3,100
Conconully	\$2,200
Concrete	\$600
Connell	\$15,500
Coulee Dam	\$3,100
Covington	\$66,900
Creston	\$1,100
Cusick	\$400
Darrington	\$3,200
Davenport	\$2,500
Dayton	\$800
Des Moines	\$91,700
Edgewood	\$155,500
Electric City	\$15,200
Elma	\$1,100
Elmer City	\$6,100
Endicott	\$5,900

City	Amounts
Entiat	\$5,800
Everson	\$2,700
Fairfield	\$600
Farmington	\$1,600
Fircrest	\$28,500
Forks	\$2,800
Garfield	\$7,100
George	\$1,300
Gold Bar	\$16,500
Grandview	\$8,700
Granger	\$16,100
Hamilton	\$2,300
Harrah	\$9,000
Harrington	\$500
Hartline	\$1,900
Hatton	\$2,500
Hoquiam	\$11,100
Index	\$400
Ione	\$1,000
Kahlotus	\$3,300
Kenmore	\$75,300
Kettle Falls	\$2,100
Kittitas	\$9,500
Krupp	\$500
Lacrosse	\$1,500
Lake Forest Park	\$77,700
Lake Stevens	\$2,600
Lakewood	\$202,100
Lamont	\$1,400
Latah	\$1,500
Lyman	\$2,000
Mabton	\$29,300

Appendix 6: Previous Temporary “Backfill” Referenced In the City-County Assistance Account Formula

Previous Temporary “Backfill” is referred to as local government assistance in Section 721 Chapter 25, Laws of 2003 1st sp. Session, and the following amounts were appropriated in the 2003-05 budget for FY 05.

City	Amounts
Malden	\$4,500
Mansfield	\$4,600
Maple Valley	\$9,500
Marcus	\$2,000
Mattawa	\$9,700
McCleary	\$8,300
Medical Lake	\$5,500
Mesa	\$900
Metaline	\$1,200
Metaline Falls	\$500
Mossyrock	\$400
Mountlake Terrace	\$18,000
Moxee	\$1,300
Napavine	\$11,100
Nespelem	\$3,600
Newcastle	\$900
Nooksack	\$7,300
Normandy Park	\$46,800
North Bonneville	\$1,000
Northport	\$3,900
Oakesdale	\$1,700
Oakville	\$3,900
Orting	\$6,900
Palouse	\$4,200
Pateros	\$400
Pe Ell	\$11,300
Pomeroy	\$1,400
Prescott	\$600
Pullman	\$12,100
Rainier	\$15,300
Raymond	\$400
Reardan	\$4,800
Republic	\$600
Riverside	\$4,000
Rock Island	\$3,300
Rockford	\$900
Rosalia	\$3,700
Roslyn	\$6,500
Royal City	\$6,900
Ruston	\$4,500

City	Amounts
Sammamish	\$184,600
Shoreline	\$36,900
Soap Lake	\$10,900
South Bend	\$3,100
South Cle Elum	\$6,100
South Prairie	\$1,000
Sprague	\$700
Springdale	\$400
Starbuck	\$1,500
Steilacoom	\$10,900
Tekoa	\$2,700
Tenino	\$3,900
Tieton	\$6,900
Toppenish	\$35,700
Uniontown	\$1,700
University Place	\$174,900
Vader	\$7,100
Waitsburg	\$8,700
Wapato	\$20,100
Warden	\$5,500
Washtucna	\$4,300
Waterville	\$7,200
Waverly	\$2,000
West Richland	\$47,800
White Salmon	\$600
Wilbur	\$400
Wilkeson	\$400
Wilson Creek	\$1,900
Yacolt	\$2,100
Zillah	\$3,100
Total Appropriation:	\$2,000,000

Source: Section 721 Chapter 25, Laws of 2003 1st sp. Session.

Appendix 6: Previous Temporary "Backfill" Referenced In the City-County Assistance Account Formula

Previous Temporary "Backfill" is referred to as local government assistance in Section 716 Chapter 276, Laws of 2004 and the following amounts were appropriated in the 2003-05 Supplemental Budget for FY 05.

County	Amount
Adams	\$267,520
Asotin	\$289,520
Columbia	\$543,760
Douglas	\$211,200
Ferry	\$226,880
Garfield	\$607,840
Island	\$53,120
Lincoln	\$238,160
Mason	\$238,400
Okanogan	\$224,000
Pacific	\$71,760
Pend Oreille	\$145,280
Skamania	\$70,400
Stevens	\$334,400
Wahkiakum	\$362,320
Walla Walla	\$115,440
Total Appropriation	\$4,000,000

Source: Section 721 Chapter 25, Laws of 2003 1st sp. Session.

APPENDIX 7: 2006 ESTIMATED EQUALIZATION FUNDING AND ASSISTANCE DISTRIBUTIONS

On the following tables, listed first (on the left) are the Motor Vehicle Excise Tax (MVET) equalization funds that cities and counties would have received in 2006 had the MVET not been repealed. Listed second (on the right) are the funds that jurisdiction were eligible to receive from the City-County Assistance Account. Due to an error in distributing County funds from this account, which occurred throughout 2006, we were unable to use actual distributions. Instead, these distributions are what counties would have distributed had the error not occurred.

Cities

City	Estimate of MVET Equalization Funding			City-County Assistance Funding ("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Aberdeen	\$0	\$131,572	\$131,572	\$102,540	\$21,101	\$123,641
Airway Heights	\$72,989	\$37,112	\$110,101	\$102,540	\$5,952	\$108,492
Albion	\$80,621	\$4,959	\$85,580	\$30,879	\$795	\$31,674
Algona	\$90,348	\$21,276	\$111,624	\$4,708	\$3,412	\$8,121
Almira	\$17,244	\$2,200	\$19,443	\$5,886	\$353	\$6,238
Anacortes	\$0	\$125,574	\$125,574	\$0	\$0	\$0
Arlington	\$0	\$119,815	\$119,815	\$0	\$0	\$0
Asotin*	\$68,672	\$0	\$68,672	\$31,544	\$0	\$31,544
Auburn	\$0	\$379,680	\$379,680	\$0	\$0	\$0
Bainbridge Island	\$560,337	\$177,563	\$737,900	\$0	\$0	\$0
Battle Ground	\$413,514	\$119,655	\$533,168	\$0	\$0	\$0
Beaux Arts Village	\$11,452	\$2,375	\$13,827	\$0	\$0	\$0
Bellevue	\$0	\$923,805	\$923,805	\$0	\$0	\$0
Bellingham	\$0	\$578,438	\$578,438	\$0	\$0	\$0
Benton City	\$202,859	\$22,715	\$225,574	\$81,732	\$3,643	\$85,375
Bingen	\$0	\$5,239	\$5,239	\$0	\$0	\$0
Black Diamond	\$350,994	\$32,633	\$383,627	\$102,540	\$5,234	\$107,774
Blaine	\$0	\$33,913	\$33,913	\$0	\$0	\$0
Bonney Lake	\$0	\$114,936	\$114,936	\$0	\$0	\$0
Bothell	\$0	\$247,948	\$247,948	\$0	\$0	\$0
Bremerton	\$0	\$276,582	\$276,582	\$0	\$0	\$0
Brewster	\$86,050	\$17,516	\$103,566	\$40,717	\$2,809	\$43,526
Bridgeport	\$252,120	\$16,597	\$268,717	\$94,494	\$2,662	\$97,155
Brier	\$752,231	\$51,789	\$804,020	\$102,540	\$8,306	\$110,846
Buckley	\$218,002	\$36,112	\$254,114	\$40,316	\$5,792	\$46,107
Bucoda	\$77,244	\$5,199	\$82,443	\$28,734	\$834	\$29,568
Burien	\$253,505	\$248,268	\$501,772	\$0	\$0	\$0
Burlington	\$0	\$60,387	\$60,387	\$0	\$0	\$0

Appendix 7: 2006 Estimated Equalization Funding and Assistance Distributions

City	Estimate of MVET Equalization Funding			City-County Assistance Funding ("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Camas*	\$410,100	\$0	\$410,100	\$0	\$0	\$0
Carbonado	\$76,694	\$5,159	\$81,853	\$28,535	\$827	\$29,362
Carnation	\$0	\$15,197	\$15,197	\$0	\$0	\$0
Cashmere	\$165,680	\$23,835	\$189,515	\$37,506	\$3,823	\$41,329
Castle Rock	\$4,651	\$17,116	\$21,768	\$34,894	\$2,745	\$37,639
Cathlamet	\$0	\$4,399	\$4,399	\$0	\$0	\$0
Centralia	\$0	\$122,694	\$122,694	\$102,540	\$19,677	\$122,217
Chehalis	\$0	\$55,908	\$55,908	\$0	\$0	\$0
Chelan	\$0	\$29,434	\$29,434	\$0	\$0	\$0
Cheney	\$573,944	\$80,543	\$654,487	\$102,540	\$12,917	\$115,457
Chewelah	\$59,637	\$18,436	\$78,073	\$5,740	\$2,957	\$8,696
Clarkston*	\$128,446	\$0	\$128,446	\$102,540	\$0	\$102,540
Cle Elum	\$0	\$14,397	\$14,397	\$0	\$0	\$0
Clyde Hill	\$88,433	\$22,235	\$110,668	\$0	\$0	\$0
Colfax	\$76,955	\$22,995	\$99,950	\$41,334	\$3,688	\$45,022
College Place	\$522,318	\$69,505	\$591,824	\$102,540	\$11,147	\$113,687
Colton	\$38,034	\$3,199	\$41,233	\$12,932	\$513	\$13,445
Colville	\$0	\$39,832	\$39,832	\$0	\$0	\$0
Conconully	\$17,966	\$1,520	\$19,486	\$6,093	\$244	\$6,337
Concrete	\$56,432	\$6,519	\$62,951	\$15,818	\$1,045	\$16,863
Connell	\$266,988	\$25,555	\$292,543	\$84,889	\$4,098	\$88,988
Cosmopolis	\$0	\$12,797	\$12,797	\$0	\$0	\$0
Coulee City	\$20,580	\$4,799	\$25,379	\$10,961	\$770	\$11,730
Coulee Dam	\$97,571	\$8,198	\$105,769	\$33,192	\$1,315	\$34,507
Coupeville	\$0	\$14,277	\$14,277	\$0	\$0	\$0
Covington	\$642,405	\$132,852	\$775,257	\$66,900	\$21,307	\$88,207
Creston	\$26,001	\$2,040	\$28,041	\$9,121	\$327	\$9,449
Cusick	\$13,421	\$1,680	\$15,101	\$6,746	\$269	\$7,015
Darrington	\$108,325	\$11,478	\$119,802	\$32,332	\$1,841	\$34,173
Davenport	\$77,699	\$13,837	\$91,536	\$23,470	\$2,219	\$25,689
Dayton	\$141,906	\$21,715	\$163,621	\$57,998	\$3,483	\$61,481
Deer Park	\$0	\$24,795	\$24,795	\$35,444	\$3,977	\$39,420
Des Moines	\$2,343,592	\$231,631	\$2,575,223	\$102,540	\$37,149	\$139,689
DuPont	\$0	\$43,271	\$43,271	\$0	\$0	\$0
Duvall	\$245,430	\$44,751	\$290,181	\$0	\$0	\$0
East Wenatchee	\$0	\$66,386	\$66,386	\$0	\$0	\$0
Eatonville	\$0	\$18,636	\$18,636	\$0	\$0	\$0
Edgewood	\$953,500	\$75,664	\$1,029,164	\$102,540	\$12,135	\$114,675
Edmonds	\$901,416	\$318,813	\$1,220,229	\$0	\$0	\$0
Electric City	\$95,773	\$7,598	\$103,372	\$33,435	\$1,219	\$34,653
Ellensburg	\$0	\$133,572	\$133,572	\$102,540	\$21,422	\$123,962

Appendix 7: 2006 Estimated Equalization Funding and Assistance Distributions

City	Estimate of MVET Equalization Funding			City-County Assistance Funding ("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Elma	\$0	\$24,835	\$24,835	\$16,232	\$3,983	\$20,215
Elmer City	\$35,109	\$2,120	\$37,229	\$13,523	\$340	\$13,863
Endicott	\$40,255	\$2,759	\$43,015	\$14,879	\$443	\$15,322
Entiat	\$104,910	\$8,438	\$113,349	\$36,406	\$1,353	\$37,759
Enumclaw	\$0	\$89,501	\$89,501	\$0	\$0	\$0
Ephrata	\$63,367	\$55,428	\$118,796	\$86,225	\$8,889	\$95,114
Everett	\$0	\$779,836	\$779,836	\$0	\$0	\$0
Everson	\$124,535	\$16,636	\$141,171	\$30,625	\$2,668	\$33,293
Fairfield	\$13,448	\$4,711	\$18,159	\$8,284	\$756	\$9,040
Farmington	\$17,034	\$1,160	\$18,193	\$6,311	\$186	\$6,497
Federal Way	\$926,006	\$686,255	\$1,612,261	\$0	\$0	\$0
Ferndale	\$141,642	\$77,984	\$219,625	\$0	\$0	\$0
Fife	\$0	\$38,832	\$38,832	\$0	\$0	\$0
Fircrest	\$584,168	\$48,630	\$632,798	\$102,540	\$7,799	\$110,339
Forks	\$101,319	\$24,995	\$126,313	\$66,696	\$4,009	\$70,704
Friday Harbor	\$0	\$17,196	\$17,196	\$0	\$0	\$0
Garfield	\$67,060	\$5,039	\$72,099	\$23,946	\$808	\$24,754
George	\$41,617	\$4,199	\$45,816	\$16,551	\$673	\$17,224
Gig Harbor	\$0	\$54,109	\$54,109	\$0	\$0	\$0
Gold Bar	\$213,554	\$16,676	\$230,231	\$75,059	\$2,675	\$77,733
Goldendale	\$178,843	\$29,194	\$208,036	\$33,895	\$4,682	\$38,577
Grand Coulee	\$0	\$7,398	\$7,398	\$21,410	\$1,187	\$22,597
Grandview	\$545,116	\$69,625	\$614,741	\$102,540	\$11,166	\$113,706
Granger	\$345,738	\$22,675	\$368,414	\$102,540	\$3,637	\$106,177
Granite Falls	\$139,442	\$24,475	\$163,917	\$23,170	\$3,925	\$27,095
Hamilton	\$35,671	\$2,639	\$38,311	\$12,816	\$423	\$13,239
Harrarah	\$69,905	\$5,039	\$74,944	\$25,368	\$808	\$26,177
Harrington	\$32,448	\$3,359	\$35,807	\$9,835	\$539	\$10,374
Hartline	\$13,736	\$1,080	\$14,816	\$4,814	\$173	\$4,987
Hatton	\$13,359	\$840	\$14,199	\$5,082	\$135	\$5,217
Hoquiam	\$666,673	\$70,985	\$737,658	\$102,540	\$11,384	\$113,924
Hunts Point	\$0	\$3,599	\$3,599	\$0	\$0	\$0
Ilwaco	\$2,164	\$7,798	\$9,963	\$0	\$0	\$0
Index	\$11,914	\$1,240	\$13,153	\$3,599	\$199	\$3,798
Ione	\$22,104	\$3,399	\$25,504	\$12,992	\$545	\$13,538
Issaquah	\$0	\$136,451	\$136,451	\$0	\$0	\$0
Kahlotus	\$26,145	\$1,760	\$27,904	\$9,726	\$282	\$10,008
Kalama	\$38,867	\$15,837	\$54,704	\$0	\$0	\$0
Kelso	\$0	\$94,540	\$94,540	\$68,112	\$15,162	\$83,274
Kenmore	\$1,208,320	\$154,287	\$1,362,607	\$0	\$0	\$0
Kennewick	\$0	\$483,178	\$483,178	\$0	\$0	\$0

Appendix 7: 2006 Estimated Equalization Funding and Assistance Distributions

City	Estimate of MVET Equalization Funding			City-County Assistance Funding ("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Kent	\$0	\$679,217	\$679,217	\$0	\$0	\$0
Kettle Falls	\$56,788	\$12,517	\$69,306	\$27,250	\$2,008	\$29,258
Kirkland	\$0	\$365,843	\$365,843	\$0	\$0	\$0
Kittitas	\$54,898	\$9,078	\$63,976	\$19,868	\$1,456	\$21,324
Krupp	\$7,301	\$480	\$7,781	\$2,738	\$77	\$2,815
La Center	\$59,466	\$16,756	\$76,223	\$0	\$0	\$0
La Conner	\$0	\$6,359	\$6,359	\$0	\$0	\$0
Lacey	\$0	\$265,384	\$265,384	\$0	\$0	\$0
LaCrosse	\$16,971	\$2,799	\$19,771	\$10,362	\$449	\$10,811
Lake Forest Park	\$1,288,530	\$101,819	\$1,390,348	\$0	\$0	\$0
Lake Stevens	\$421,071	\$57,468	\$478,539	\$64,798	\$9,217	\$74,015
Lakewood	\$1,558,374	\$470,701	\$2,029,075	\$102,540	\$75,490	\$178,030
Lamont	\$11,314	\$760	\$12,074	\$4,212	\$122	\$4,334
Langley	\$0	\$8,358	\$8,358	\$0	\$0	\$0
Latah	\$14,717	\$1,696	\$16,413	\$5,585	\$272	\$5,857
Leavenworth	\$0	\$17,436	\$17,436	\$0	\$0	\$0
Liberty Lake	\$0	\$42,031	\$42,031	\$0	\$0	\$0
Lind	\$32,554	\$4,519	\$37,073	\$12,589	\$725	\$13,314
Long Beach	\$0	\$11,158	\$11,158	\$0	\$0	\$0
Longview	\$0	\$283,380	\$283,380	\$2,030	\$45,448	\$47,477
Lyman	\$35,055	\$3,599	\$38,654	\$10,682	\$577	\$11,259
Lynden	\$0	\$83,822	\$83,822	\$0	\$0	\$0
Lynnwood	\$0	\$278,581	\$278,581	\$0	\$0	\$0
Mabton	\$244,253	\$16,517	\$260,769	\$90,712	\$2,649	\$93,361
Malden	\$28,992	\$1,680	\$30,671	\$11,301	\$269	\$11,571
Mansfield	\$26,020	\$2,599	\$28,620	\$9,005	\$417	\$9,422
Maple Valley	\$869,681	\$142,930	\$1,012,611	\$72,373	\$22,923	\$95,296
Marcus	\$24,214	\$1,432	\$25,646	\$9,384	\$230	\$9,614
Marysville	\$0	\$235,630	\$235,630	\$0	\$0	\$0
Mattawa	\$307,464	\$26,314	\$333,779	\$102,540	\$4,220	\$106,760
McCleary	\$96,352	\$11,798	\$108,149	\$25,737	\$1,892	\$27,629
Medical Lake	\$432,669	\$34,793	\$467,462	\$102,540	\$5,580	\$108,120
Medina	\$0	\$23,435	\$23,435	\$0	\$0	\$0
Mercer Island	\$111,134	\$173,643	\$284,777	\$0	\$0	\$0
Mesa	\$27,868	\$3,519	\$31,388	\$13,023	\$564	\$13,588
Metaline	\$0	\$1,280	\$1,280	\$4,206	\$205	\$4,411
Metaline Falls	\$1,860	\$1,760	\$3,620	\$5,222	\$282	\$5,504
Mill Creek	\$297,976	\$114,536	\$412,512	\$0	\$0	\$0
Millwood	\$3,469	\$13,157	\$16,626	\$0	\$0	\$0
Milton	\$55,858	\$48,790	\$104,648	\$0	\$0	\$0
Monroe	\$0	\$127,333	\$127,333	\$0	\$0	\$0

Appendix 7: 2006 Estimated Equalization Funding and Assistance Distributions

City	Estimate of MVET Equalization Funding			City-County Assistance Funding ("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Montesano	\$107,473	\$27,354	\$134,827	\$1,709	\$4,387	\$6,096
Morton	\$0	\$8,198	\$8,198	\$0	\$0	\$0
Moses Lake	\$0	\$130,692	\$130,692	\$0	\$0	\$0
Mossyrock	\$20,588	\$3,839	\$24,428	\$9,026	\$616	\$9,642
Mount Vernon	\$0	\$225,632	\$225,632	\$0	\$0	\$0
Mountlake Terrace	\$1,531,753	\$163,086	\$1,694,839	\$102,540	\$26,155	\$128,695
Moxee	\$0	\$10,478	\$10,478	\$1,300	\$1,680	\$2,980
Mukilteo	\$930,047	\$154,847	\$1,084,894	\$0	\$0	\$0
Naches	\$3,447	\$6,039	\$9,486	\$7,904	\$968	\$8,872
Napavine	\$47,340	\$10,622	\$57,962	\$11,100	\$1,703	\$12,803
Nespelem	\$20,699	\$1,640	\$22,339	\$7,832	\$263	\$8,095
Newcastle	\$404,563	\$71,105	\$475,668	\$0	\$0	\$0
Newport	\$0	\$15,797	\$15,797	\$30,934	\$2,533	\$33,468
Nooksack	\$86,492	\$7,758	\$94,250	\$28,490	\$1,244	\$29,734
Normandy Park	\$525,466	\$51,069	\$576,535	\$0	\$0	\$0
North Bend	\$0	\$37,472	\$37,472	\$0	\$0	\$0
North Bonneville	\$25,381	\$5,927	\$31,308	\$1,418	\$951	\$2,368
Northport	\$3,093	\$2,200	\$5,292	\$4,659	\$353	\$5,012
Oak Harbor	\$195,045	\$173,723	\$368,768	\$20,627	\$27,861	\$48,489
Oakesdale	\$32,914	\$3,359	\$36,273	\$10,068	\$539	\$10,606
Oakville	\$64,185	\$5,439	\$69,623	\$21,748	\$872	\$22,620
Ocean Shores	\$0	\$35,073	\$35,073	\$0	\$0	\$0
Odessa	\$35,680	\$7,598	\$43,279	\$21,179	\$1,219	\$22,398
Okanogan	\$0	\$19,476	\$19,476	\$49,313	\$3,124	\$52,436
Olympia	\$0	\$346,567	\$346,567	\$0	\$0	\$0
Omak	\$0	\$37,472	\$37,472	\$49,191	\$6,010	\$55,201
Oroville	\$44,446	\$13,277	\$57,723	\$19,558	\$2,129	\$21,687
Orting	\$211,570	\$38,552	\$250,122	\$32,460	\$6,183	\$38,643
Othello	\$0	\$48,950	\$48,950	\$0	\$0	\$0
Pacific	\$93,476	\$46,150	\$139,626	\$0	\$0	\$0
Palouse	\$91,130	\$8,078	\$99,209	\$30,200	\$1,296	\$31,496
Pasco	\$0	\$353,446	\$353,446	\$102,540	\$56,685	\$159,225
Pateros	\$46,221	\$4,879	\$51,100	\$13,831	\$782	\$14,613
Pe Ell	\$60,921	\$4,791	\$65,712	\$21,348	\$768	\$22,117
Pomeroy	\$88,972	\$12,117	\$101,090	\$39,622	\$1,943	\$41,565
Port Angeles	\$0	\$149,089	\$149,089	\$0	\$0	\$0
Port Orchard	\$0	\$65,986	\$65,986	\$0	\$0	\$0
Port Townsend	\$0	\$69,945	\$69,945	\$0	\$0	\$0
Poulsbo	\$0	\$59,587	\$59,587	\$0	\$0	\$0
Prescott	\$20,236	\$2,519	\$22,755	\$8,648	\$404	\$9,052
Prosser	\$38,129	\$40,352	\$78,480	\$0	\$0	\$0

Appendix 7: 2006 Estimated Equalization Funding and Assistance Distributions

City	Estimate of MVET Equalization Funding			City-County Assistance Funding ("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Pullman	\$1,373,457	\$212,675	\$1,586,132	\$102,540	\$34,108	\$136,648
Puyallup	\$0	\$286,580	\$286,580	\$0	\$0	\$0
Quincy	\$80,395	\$42,111	\$122,507	\$15,740	\$6,754	\$22,494
Rainier	\$146,843	\$12,677	\$159,520	\$49,309	\$2,033	\$51,342
Raymond	\$135,905	\$23,795	\$159,700	\$48,927	\$3,816	\$52,743
Rearadan	\$42,658	\$4,879	\$47,537	\$12,049	\$782	\$12,832
Redmond	\$0	\$380,720	\$380,720	\$0	\$0	\$0
Renton	\$0	\$454,624	\$454,624	\$0	\$0	\$0
Republic	\$0	\$7,798	\$7,798	\$20,968	\$1,251	\$22,219
Richland	\$0	\$348,087	\$348,087	\$0	\$0	\$0
Ridgefield	\$0	\$21,036	\$21,036	\$0	\$0	\$0
Ritzville	\$0	\$13,837	\$13,837	\$14,629	\$2,219	\$16,848
Riverside	\$26,658	\$2,559	\$29,218	\$9,983	\$410	\$10,393
Rock Island	\$94,873	\$6,999	\$101,872	\$34,125	\$1,122	\$35,248
Rockford	\$28,076	\$3,871	\$31,947	\$7,472	\$621	\$8,092
Rosalia	\$58,768	\$5,199	\$63,967	\$19,496	\$834	\$20,330
Roslyn	\$63,580	\$8,158	\$71,738	\$16,273	\$1,308	\$17,582
Roy	\$0	\$6,919	\$6,919	\$6,972	\$1,110	\$8,082
Royal City	\$149,185	\$14,957	\$164,142	\$74,739	\$2,399	\$77,137
Ruston	\$33,918	\$5,959	\$39,877	\$5,626	\$956	\$6,581
Sammamish	\$2,985,316	\$309,055	\$3,294,371	\$0	\$0	\$0
SeaTac	\$0	\$201,078	\$201,078	\$0	\$0	\$0
Seattle	\$0	\$4,583,035	\$4,583,035	\$0	\$0	\$0
Sedro Woolley	\$253,389	\$78,383	\$331,773	\$0	\$0	\$0
Selah	\$319,212	\$53,909	\$373,121	\$22,895	\$8,646	\$31,541
Sequim	\$0	\$37,832	\$37,832	\$0	\$0	\$0
Shelton	\$0	\$69,865	\$69,865	\$24,321	\$11,205	\$35,526
Shoreline	\$1,423,210	\$419,912	\$1,843,122	\$0	\$0	\$0
Skykomish	\$0	\$1,680	\$1,680	\$0	\$0	\$0
Snohomish	\$0	\$69,585	\$69,585	\$0	\$0	\$0
Snoqualmie	\$0	\$50,749	\$50,749	\$0	\$0	\$0
Soap Lake	\$183,639	\$13,877	\$197,516	\$65,425	\$2,226	\$67,651
South Bend	\$135,012	\$14,037	\$149,049	\$40,808	\$2,251	\$43,059
South Cle Elum	\$71,223	\$4,559	\$75,782	\$26,940	\$731	\$27,671
South Prairie	\$36,580	\$3,519	\$40,100	\$11,597	\$564	\$12,161
Spangle	\$0	\$2,152	\$2,152	\$4,214	\$345	\$4,559
Spokane	\$0	\$1,589,265	\$1,589,265	\$102,540	\$254,883	\$357,423
Spokane Valley	\$0	\$679,937	\$679,937	\$0	\$0	\$0
Sprague	\$40,800	\$3,959	\$44,759	\$13,336	\$635	\$13,971
Springdale	\$0	\$2,200	\$2,200	\$5,636	\$353	\$5,988
St John	\$15,809	\$4,079	\$19,888	\$4,524	\$654	\$5,178

Appendix 7: 2006 Estimated Equalization Funding and Assistance Distributions

City	Estimate of MVET Equalization Funding			City-County Assistance Funding ("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Stanwood	\$0	\$36,632	\$36,632	\$0	\$0	\$0
Starbuck	\$13,948	\$1,040	\$14,988	\$4,996	\$167	\$5,163
Steilacoom	\$626,310	\$49,390	\$675,699	\$102,540	\$7,921	\$110,461
Stevenson*	\$22,231	\$0	\$22,231	\$0	\$0	\$0
Sultan	\$305,109	\$33,793	\$338,902	\$88,281	\$5,420	\$93,701
Sumas	\$0	\$8,894	\$8,894	\$0	\$0	\$0
Sumner	\$0	\$71,505	\$71,505	\$0	\$0	\$0
Sunnyside	\$141,976	\$117,655	\$259,632	\$102,540	\$18,869	\$121,409
Tacoma	\$0	\$1,584,466	\$1,584,466	\$0	\$0	\$0
Tekoa	\$79,183	\$6,759	\$85,942	\$26,737	\$1,084	\$27,821
Tenino	\$67,275	\$11,997	\$79,273	\$10,819	\$1,924	\$12,743
Tieton	\$106,690	\$9,478	\$116,168	\$35,318	\$1,520	\$36,838
Toledo	\$13,373	\$5,479	\$18,852	\$8,886	\$879	\$9,765
Tonasket	\$0	\$7,998	\$7,998	\$18,518	\$1,283	\$19,801
Toppenish	\$795,682	\$71,985	\$867,667	\$102,540	\$11,545	\$114,085
Tukwila	\$0	\$136,851	\$136,851	\$0	\$0	\$0
Tumwater	\$0	\$103,578	\$103,578	\$0	\$0	\$0
Twisp	\$0	\$7,718	\$7,718	\$5,569	\$1,238	\$6,807
Union Gap	\$0	\$45,550	\$45,550	\$0	\$0	\$0
Uniontown	\$0	\$2,759	\$2,759	\$3,756	\$443	\$4,199
University Place	\$2,656,415	\$247,788	\$2,904,203	\$102,540	\$39,740	\$142,280
Vader	\$66,752	\$4,799	\$71,551	\$24,248	\$770	\$25,018
Vancouver	\$0	\$1,238,139	\$1,238,139	\$0	\$0	\$0
Waitsburg	\$124,228	\$9,838	\$134,066	\$43,402	\$1,578	\$44,980
Walla Walla	\$105,764	\$244,988	\$350,752	\$102,540	\$39,291	\$141,831
Wapato	\$388,333	\$36,272	\$424,606	\$102,540	\$5,817	\$108,357
Warden	\$250,955	\$20,596	\$271,551	\$86,305	\$3,303	\$89,608
Washougal	\$364,265	\$90,781	\$455,046	\$0	\$0	\$0
Washtucna	\$25,410	\$2,000	\$27,410	\$8,902	\$321	\$9,223
Waterville	\$103,899	\$9,358	\$113,257	\$34,151	\$1,501	\$35,652
Waverly	\$14,212	\$1,024	\$15,236	\$5,159	\$164	\$5,323
Wenatchee	\$0	\$234,511	\$234,511	\$64,065	\$37,610	\$101,675
West Richland	\$998,877	\$81,663	\$1,080,540	\$102,540	\$13,097	\$115,637
Westport	\$0	\$18,436	\$18,436	\$0	\$0	\$0
White Salmon	\$105,017	\$17,876	\$122,893	\$18,508	\$2,867	\$21,375
Wilbur	\$54,924	\$7,158	\$62,082	\$17,059	\$1,148	\$18,207
Wilkeson	\$41,640	\$3,519	\$45,159	\$14,126	\$564	\$14,691
Wilson Creek	\$24,163	\$1,920	\$26,082	\$8,430	\$308	\$8,738
Winlock	\$85,162	\$10,718	\$95,880	\$22,196	\$1,719	\$23,915
Winthrop	\$0	\$2,839	\$2,839	\$0	\$0	\$0
Woodinville	\$0	\$81,103	\$81,103	\$0	\$0	\$0

Appendix 7: 2006 Estimated Equalization Funding and Assistance Distributions

City	Estimate of MVET Equalization Funding			City-County Assistance Funding ("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Woodland	\$0	\$34,633	\$34,633	\$0	\$0	\$0
Woodway	\$20,197	\$9,118	\$29,315	\$0	\$0	\$0
Yacolt*	\$64,211	\$0	\$64,211	\$26,098	\$0	\$26,098
Yakima	\$0	\$635,706	\$635,706	\$102,540	\$101,953	\$204,493
Yarrow Point	\$31,229	\$7,678	\$38,908	\$0	\$0	\$0
Yelm	\$0	\$35,632	\$35,632	\$0	\$0	\$0
Zillah	\$164,994	\$20,756	\$185,750	\$43,020	\$3,329	\$46,349
Totals	\$43,861,596	\$30,323,436	\$74,185,033	\$6,655,901	\$1,296,163	\$7,952,064

Source: JLARC analysis of distribution data.

*Since these cities did not impose the second (optional) sales and use tax of 0.5%, they were ineligible for revenues left over funding based on population.

Counties

County	Estimate of MVET Equalization Funding			City-County Assistance Funding("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population*	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Adams	\$195,395	\$0	\$195,395	\$267,520	\$67,948	\$335,468
Asotin	\$179,290	\$0	\$179,290	\$289,520	\$0	\$289,520
Benton	\$0	\$0	\$0	\$0	\$0	\$0
Chelan	\$0	\$0	\$0	\$0	\$0	\$0
Clallam	\$0	\$0	\$0	\$0	\$0	\$0
Clark	\$0	\$0	\$0	\$0	\$0	\$0
Columbia	\$510,637	\$0	\$510,637	\$543,760	\$10,361	\$554,121
Cowlitz	\$0	\$0	\$0	\$0	\$0	\$0
Douglas	\$0	\$0	\$0	\$211,200	\$179,818	\$391,018
Ferry	\$394,509	\$0	\$394,509	\$226,880	\$53,046	\$279,926
Franklin	\$0	\$0	\$0	\$0	\$0	\$0
Garfield	\$588,277	\$0	\$588,277	\$607,840	\$7,307	\$615,147
Grant	\$107,222	\$0	\$107,222	\$40,295	\$310,925	\$351,220
Grays Harbor	\$350,145	\$0	\$350,145	\$165,347	\$227,084	\$392,432
Island	\$0	\$0	\$0	\$0	\$0	\$0
Jefferson	\$0	\$0	\$0	\$0	\$0	\$0
King	\$0	\$0	\$0	\$0	\$0	\$0
Kitsap	\$0	\$0	\$0	\$0	\$0	\$0
Kittitas	\$0	\$0	\$0	\$0	\$0	\$0
Klickitat	\$36,613	\$0	\$36,613	\$32,031	\$0	\$32,031
Lewis	\$0	\$0	\$0	\$0	\$0	\$0
Lincoln	\$226,353	\$0	\$226,353	\$238,160	\$36,905	\$275,065

Appendix 7: 2006 Estimated Equalization Funding and Assistance Distributions

County	Estimate of MVET Equalization Funding			City-County Assistance Funding("6050")		
	Funding based on main elements of formula	Revenues left over, Funding based on population*	Total Funds	Funding based on main elements of formula	Revenues left over, Funding based on population	Total Funds
Mason	\$569,407	\$0	\$569,407	\$269,441	\$356,375	\$625,817
Okanogan	\$649,993	\$0	\$649,993	\$316,557	\$197,074	\$513,630
Pacific	\$25,741	\$0	\$25,741	\$71,760	\$117,237	\$188,997
Pend Oreille	\$262,368	\$0	\$262,368	\$145,280	\$76,039	\$221,319
Pierce	\$0	\$0	\$0	\$0	\$0	\$0
San Juan	\$0	\$0	\$0	\$0	\$0	\$0
Skagit	\$0	\$0	\$0	\$0	\$0	\$0
Skamania	\$35,513	\$0	\$35,513	\$70,400	\$0	\$70,400
Snohomish	\$0	\$0	\$0	\$0	\$0	\$0
Spokane	\$0	\$0	\$0	\$0	\$0	\$0
Stevens	\$1,295,035	\$0	\$1,295,035	\$636,337	\$261,067	\$897,404
Thurston	\$426,390	\$0	\$426,390	\$0	\$0	\$0
Wahkiakum	\$497,824	\$0	\$497,824	\$362,320	\$27,658	\$389,978
Walla Walla	\$0	\$0	\$0	\$115,400	\$137,341	\$252,741
Whatcom	\$0	\$0	\$0	\$0	\$0	\$0
Whitman	\$0	\$0	\$0	\$0	\$0	\$0
Yakima	\$1,143,981	\$0	\$1,143,981	\$540,501	\$735,290	\$1,275,791
Totals	\$7,494,694	\$0	\$7,494,694	\$5,150,550	\$2,801,474	\$7,952,024

Source: JLARC analysis of distribution data.

*According to statute, MVET revenues left over after county equalization were reallocated for other county distribution purposes.

APPENDIX 8: 2006 CITY-COUNTY ASSISTANCE FUNDING AND DISTRIBUTION METHOD

In Appendix 5, diagrams show the process used to allocate City-County Assistance Account funds to jurisdictions. In step 3 of this diagram, we show that a jurisdiction becomes eligible for funds if they meet any of the criteria listed for funding based on the main elements of the formula. In step 4 of the same diagram, we show calculations for distributions to eligible cities and counties. The funding based on the main elements of the formula is listed by jurisdiction in Appendix 7. In the following tables, we have broken out how much funding is calculated according to the different elements of the funding formula for each jurisdiction.

Distribution Methods

City*	Difference between 55% or 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections	Difference between 55% of the state average per capita and actual city per capita Assessed Valuation	If population <=5,000, the amount of previous "backfill" provided to the city**
Aberdeen	-	\$102,540	-
Airway Heights	-	\$102,540	-
Albion	\$30,879	-	-
Algona	\$4,708	-	-
Almira	-	\$5,886	-
Anacortes	-	-	-
Arlington	-	-	-
Asotin	\$31,544	-	-
Auburn	-	-	-
Bainbridge Island	-	-	-
Battle Ground	-	-	-
Beaux Arts Village	-	-	-
Bellevue	-	-	-
Bellingham	-	-	-
Benton City	-	\$81,732	-
Bingen	-	-	-
Black Diamond	\$102,540	-	-
Blaine	-	-	-
Bonney Lake	-	-	-
Bothell	-	-	-
Bremerton	-	-	-
Brewster	-	\$40,717	-
Bridgeport	\$94,494	-	-
Brier	\$102,540	-	-
Buckley	\$40,316	-	-
Bucoda	\$28,734	-	-
Burien	-	-	-

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

City*	Difference between 55% or 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections	Difference between 55% of the state average per capita and actual city per capita Assessed Valuation	If population <=5,000, the amount of previous "backfill" provided to the city**
Burlington	-	-	-
Camas	-	-	-
Carbonado	\$28,535	-	-
Carnation	-	-	-
Cashmere	\$37,506	-	-
Castle Rock	-	\$34,894	-
Cathlamet	-	-	-
Centralia	-	\$102,540	-
Chehalis	-	-	-
Chelan	-	-	-
Cheney	-	\$102,540	-
Chewelah	-	\$5,740	-
Clarkston	-	\$102,540	-
Cle Elum	-	-	-
Clyde Hill	-	-	-
Colfax	-	\$41,334	-
College Place	-	\$102,540	-
Colton	\$12,932	-	-
Colville	-	-	-
Conconully	\$6,093	-	-
Concrete	\$15,818	-	-
Connell	\$84,889	-	-
Cosmopolis	-	-	-
Coulee City	-	\$10,961	-
Coulee Dam	\$33,192	-	-
Coupeville	-	-	-
Covington	-	-	\$66,900
Creston	\$9,121	-	-
Cusick	-	\$6,746	-
Darrington	\$32,332	-	-
Davenport	-	\$23,470	-
Dayton	-	\$57,998	-
Deer Park	-	\$35,444	-
Des Moines	\$102,540	-	-
DuPont	-	-	-
Duvall	-	-	-
East Wenatchee	-	-	-
Eatonville	-	-	-
Edgewood	\$102,540	-	-

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

City*	Difference between 55% or 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections	Difference between 55% of the state average per capita and actual city per capita Assessed Valuation	If population <=5,000, the amount of previous "backfill" provided to the city**
Edmonds	-	-	-
Electric City	\$33,435	-	-
Ellensburg	-	\$102,540	-
Elma	-	\$16,232	-
Elmer City	\$13,523	-	-
Endicott	\$14,879	-	-
Entiat	\$36,406	-	-
Enumclaw	-	-	-
Ephrata	-	\$86,225	-
Everett	-	-	-
Everson	\$30,625	-	-
Fairfield	-	\$8,284	-
Farmington	\$6,311	-	-
Federal Way	-	-	-
Ferndale	-	-	-
Fife	-	-	-
Fircrest	\$102,540	-	-
Forks	-	\$66,696	-
Friday Harbor	-	-	-
Garfield	\$23,946	-	-
George	-	\$16,551	-
Gig Harbor	-	-	-
Gold Bar	\$75,059	-	-
Goldendale	\$33,895	-	-
Grand Coulee	-	\$21,410	-
Grandview	-	\$102,540	-
Granger	\$102,540	-	-
Granite Falls	\$23,170	-	-
Hamilton	\$12,816	-	-
Harrah	\$25,368	-	-
Harrington	\$9,835	-	-
Hartline	\$4,814	-	-
Hatton	\$5,082	-	-
Hoquiam	\$102,540	-	-
Hunts Point	-	-	-
Ilwaco	-	-	-
Index	\$3,599	-	-
Ione	-	\$12,992	-
Issaquah	-	-	-

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

City*	Difference between 55% or 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections	Difference between 55% of the state average per capita and actual city per capita Assessed Valuation	If population <=5,000, the amount of previous "backfill" provided to the city**
Kahlotus	\$9,726	-	-
Kalama	-	-	-
Kelso	-	\$68,112	-
Kenmore	-	-	-
Kennewick	-	-	-
Kent	-	-	-
Kettle Falls	-	\$27,250	-
Kirkland	-	-	-
Kittitas	-	\$19,868	-
Krupp	\$2,738	-	-
La Center	-	-	-
La Conner	-	-	-
Lacey	-	-	-
LaCrosse	-	\$10,362	-
Lake Forest Park	-	-	-
Lake Stevens	\$64,798	-	-
Lakewood	-	-	\$102,540
Lamont	\$4,212	-	-
Langley	-	-	-
Latah	-	\$5,585	-
Leavenworth	-	-	-
Liberty Lake	-	-	-
Lind	-	\$12,589	-
Long Beach	-	-	-
Longview	-	\$2,030	-
Lyman	\$10,682	-	-
Lynden	-	-	-
Lynnwood	-	-	-
Mabton	\$90,712	-	-
Malden	\$11,301	-	-
Mansfield	-	\$9,005	-
Maple Valley	\$72,373	-	-
Marcus	\$9,384	-	-
Marysville	-	-	-
Mattawa	-	\$102,540	-
McCleary	\$25,737	-	-
Medical Lake	\$102,540	-	-
Medina	-	-	-
Mercer Island	-	-	-

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

City*	Difference between 55% or 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections	Difference between 55% of the state average per capita and actual city per capita Assessed Valuation	If population <=5,000, the amount of previous "backfill" provided to the city**
Mesa	-	\$13,023	-
Metaline	-	\$4,206	-
Metaline Falls	-	\$5,222	-
Mill Creek	-	-	-
Millwood	-	-	-
Milton	-	-	-
Monroe	-	-	-
Montesano	\$1,709	-	-
Morton	-	-	-
Moses Lake	-	-	-
Mossyrock	-	\$9,026	-
Mount Vernon	-	-	-
Mountlake Terrace	\$102,540	-	-
Moxee	-	-	\$1,300
Mukilteo	-	-	-
Naches	-	\$7,904	-
Napavine	-	-	\$11,100
Nespelem	-	\$7,832	-
Newcastle	-	-	-
Newport	-	\$30,934	-
Nooksack	\$28,490	-	-
Normandy Park	-	-	-
North Bend	-	-	-
North Bonneville	\$1,418	-	-
Northport	-	\$4,659	-
Oak Harbor	-	\$20,627	-
Oakesdale	\$10,068	-	-
Oakville	\$21,748	-	-
Ocean Shores	-	-	-
Odessa	-	\$21,179	-
Okanogan	-	\$49,313	-
Olympia	-	-	-
Omak	-	\$49,191	-
Oroville	-	\$19,558	-
Orting	\$32,460	-	-
Othello	-	-	-
Pacific	-	-	-
Palouse	\$30,200	-	-
Pasco	-	\$102,540	-

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

City*	Difference between 55% or 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections	Difference between 55% of the state average per capita and actual city per capita Assessed Valuation	If population <=5,000, the amount of previous "backfill" provided to the city**
Pateros	\$13,831	-	-
Pe Ell	\$21,348	-	-
Pomeroy	-	\$39,622	-
Port Angeles	-	-	-
Port Orchard	-	-	-
Port Townsend	-	-	-
Poulsbo	-	-	-
Prescott	-	\$8,648	-
Prosser	-	-	-
Pullman	-	\$102,540	-
Puyallup	-	-	-
Quincy	-	\$15,740	-
Rainier	\$49,309	-	-
Raymond	-	\$48,927	-
Reardan	\$12,049	-	-
Redmond	-	-	-
Renton	-	-	-
Republic	-	\$20,968	-
Richland	-	-	-
Ridgefield	-	-	-
Ritzville	-	\$14,629	-
Riverside	-	\$9,983	-
Rock Island	\$34,125	-	-
Rockford	-	\$7,472	-
Rosalia	\$19,496	-	-
Roslyn	\$16,273	-	-
Roy	-	\$6,972	-
Royal City	-	\$74,739	-
Ruston	\$5,626	-	-
Sammamish	-	-	-
SeaTac	-	-	-
Seattle	-	-	-
Sedro Woolley	-	-	-
Selah	\$22,895	-	-
Sequim	-	-	-
Shelton	-	\$24,321	-
Shoreline	-	-	-
Skykomish	-	-	-
Snohomish	-	-	-

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

City*	Difference between 55% or 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections	Difference between 55% of the state average per capita and actual city per capita Assessed Valuation	If population <=5,000, the amount of previous "backfill" provided to the city**
Snoqualmie	-	-	-
Soap Lake	\$65,425	-	-
South Bend	\$40,808	-	-
South Cle Elum	\$26,940	-	-
South Prairie	\$11,597	-	-
Spangle	-	\$4,214	-
Spokane	-	\$102,540	-
Spokane Valley	-	-	-
Sprague	-	\$13,336	-
Springdale	-	\$5,636	-
St John	-	\$4,524	-
Stanwood	-	-	-
Starbuck	\$4,996	-	-
Steilacoom	\$102,540	-	-
Stevenson	-	-	-
Sultan	\$88,281	-	-
Sumas	-	-	-
Sumner	-	-	-
Sunnyside	-	\$102,540	-
Tacoma	-	-	-
Tekoa	\$26,737	-	-
Tenino	\$10,819	-	-
Tieton	\$35,318	-	-
Toledo	-	\$8,886	-
Tonasket	-	\$18,518	-
Toppenish	-	\$102,540	-
Tukwila	-	-	-
Tumwater	-	-	-
Twisp	-	\$5,569	-
Union Gap	-	-	-
Uniontown	-	\$3,756	-
University Place	\$102,540	-	-
Vader	\$24,248	-	-
Vancouver	-	-	-
Waitsburg	\$43,402	-	-
Walla Walla	-	\$102,540	-
Wapato	\$102,540	-	-
Warden	\$86,305	-	-
Washougal	-	-	-

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

City*	Difference between 55% or 50% of the state average per capita and actual city per capita "Basic" sales tax revenue collections	Difference between 55% of the state average per capita and actual city per capita Assessed Valuation	If population <=5,000, the amount of previous "backfill" provided to the city**
Washtucna	\$8,902	-	-
Waterville	\$34,151	-	-
Waverly	\$5,159	-	-
Wenatchee	-	\$64,065	-
West Richland	\$102,540	-	-
Westport	-	-	-
White Salmon	\$18,508	-	-
Wilbur	-	\$17,059	-
Wilkeson	\$14,126	-	-
Wilson Creek	\$8,430	-	-
Winlock	\$22,196	-	-
Winthrop	-	-	-
Woodinville	-	-	-
Woodland	-	-	-
Woodway	-	-	-
Yacolt	\$26,098	-	-
Yakima	-	\$102,540	-
Yarrow Point	-	-	-
Yelm	-	-	-
Zillah	\$43,020	-	-

Source: JLARC analysis of distribution data

* All funding based on the main elements of the formula was capped at \$102,540 for this year

** For 2006 and 2007 only, cities with population >5,000 were also eligible to receive this amount.

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

Distribution Methods

County	Difference between \$250,000 (adjusted for inflation each year) and actual county total of "Basic" sales tax revenue collections	Difference between 70% or 65% of the state average per capita and actual county per capita "Basic sales tax revenue collections	If population <= 15,000, the amount of previous "backfill" provided in the county*
Adams	-	-	\$267,520
Asotin	-	-	\$289,520
Benton	-	-	-
Chelan	-	-	-
Clallam	-	-	-
Clark	-	-	-
Columbia	-	-	\$543,760
Cowlitz	-	-	-
Douglas	-	-	\$211,200
Ferry	-	-	\$226,880
Franklin	-	-	-
Garfield	-	-	\$607,840
Grant	-	\$40,295	-
Grays Harbor	-	\$165,347	-
Island	-	-	-
Jefferson	-	-	-
King	-	-	-
Kitsap	-	-	-
Kittitas	-	-	-
Klickitat	-	\$32,031	-
Lewis	-	-	-
Lincoln	-	-	\$238,160
Mason	-	\$269,441	-
Okanogan	-	\$316,557	-
Pacific	-	-	\$71,760
Pend Oreille	-	-	\$145,280
Pierce	-	-	-
San Juan	-	-	-
Skagit	-	-	-
Skamania	-	-	\$70,400
Snohomish	-	-	-
Spokane	-	-	-
Stevens	-	\$636,337	-
Thurston	-	-	-
Wahkiakum	-	-	\$362,320
Walla Walla	-	-	\$115,440

Appendix 8: 2006 City-County Assistance Funding and Distribution Method

County	Difference between \$250,000 (adjusted for inflation each year) and actual county total of "Basic" sales tax revenue collections	Difference between 70% or 65% of the state average per capita and actual county per capita "Basic sales tax revenue collections	If population <=15,000, the amount of previous "backfill" provided in the county*
Whatcom	-	-	-
Whitman	-	-	-
Yakima	-	\$540,501	-

Source: JLARC analysis of distribution data

* For 2006 and 2007 only, counties with a population >15,000 and <22,000 were also eligible to receive this amount.

