COMMISSIONERS' MINUTES  
KITTITAS COUNTY, WASHINGTON  
PUBLIC HEARING  

TUESDAY  4:00 P.M.  DECEMBER 21, 2004  

Board members present: Chairman Perry D. Huston, Vice-Chairman Bruce Coe and Commissioner Max A. Golladay. 

Others: Julie Kjorsvik, Clerk of the Board; Judy Pless, Budget & Finance Manager; Greg Zempel, Prosecutor; Iris Rominger, Assessor and 2 members of the public. 

✓ PUBLIC HEARING  2004 BUDGET AMENDMENT  AUDITOR  

At 4:00 p.m. CHAIRMAN HUSTON opened the public hearing to consider the 2004 budget amendments. 

JUDY PLESS, BUDGET & FINANCE MANAGER explained that during 2004, the Board of County Commissioners had signed agreements for additional grants, union contracts, additional project and declared emergencies which need to be included in the 2004 budget. She reviewed the proposed amendments including the General Fund $757,591.00; Community Services $50,000.00; Consultant Trust $908.00; Public Health $11,582.00; 911 Excise Tax $100,000.00; Noxious Weed $13,266.00; Capital Improvements $45,294.00; Courthouse Jail Facility $500,000.00; Fair Capital Improvements $90,548.00; and Solid Waste $22,000.00, for a total amount of $1,591,189.00. She presented a draft Resolution for the Boards consideration. 

THERE BEING NO ONE REQUESTING TO TESTIFY, THE PUBLIC PORTION OF THE HEARING WAS CLOSED. 

✓ RESOLUTION 2004-136  AMEND 2004 BUDGET  AUDITOR  

COMMISSIONER COE moved to approve Resolution No. 2004-136, Amending the 2004 Budget in the total amount of $1,591,189.00. COMMISSIONER GOLLADAY seconded. Motion carried 3-0. 

✓ PUBLIC HEARING  TIMBER HARVEST EXCISE TAX  COMMISSIONERS  

At approximately 4:04 p.m. CHAIRMAN HUSTON opened the public hearing to consider an Agreement with the Department of Revenue and an Ordinance relating to the taxation and imposing an excise tax on timber harvest.
GREG ZEMPEL, PROSECUTOR explained that since approximately 1984 counties have possessed the authority to impose an excise tax on persons engaging in business as harvesters of timber from private lands. The Washington State legislature by laws of 2004, Chapter 177, extended the counties authority to impose the tax to persons engaging in business has harvesters of timber from public lands. However counties must approve an Ordinance authorizing the imposition and collection of taxes and they must enter into an agreement with the Department of Revenue to administer and the collection of taxes. COMMISSIONER COE said he was unclear of the differences between a use and personal property tax. IRIS ROMINGER, ASSESSOR explained that the net benefit to the County would be approximately 5% of the collections and reviewed the factors that determine the tax distributions including voter approved bonds, school M&O levies, all Taxing Districts and then the Reserve Fund. Although it is not a new tax, the DOR has had the exclusive authority to collect the tax on the behalf of the State of Washington for those sales of timber on public lands, and rather the proposal is a switch of tax revenues from the State to the Counties, and the conversion will be phased in over time. THERE BEING NO OTHERS REQUESTING TO TESTIFY, THE PUBLIC PORTION OF THE HEARING WAS CLOSED.

ORDINANCE 2004-45 TIMBER EXCISE TAX COMMISSIONERS

COMMISSIONER COE moved to approve Ordinance No. 2004-45, relating to the taxation and imposing an excise tax on timber harvest from private lands; and from public lands, phased in over ten years and credited against the State tax, providing for administration and collection by the State Department of Revenue; creating a timber tax account, effective January 1, 2005. COMMISSIONER GOLLADAY seconded. Motion carried 3-0.

AGREEMENT DEPARTMENT OF REVENUE COMMISSIONERS

CHAIRMAN HUSTON moved to approve an Agreement between the State of Washington Department of Revenue and Kittitas County, for the administration and collection of excise tax on persons engaging in business as harvesters of timber. COMMISSIONER COE seconded. Motion carried 2-0. COMMISSIONER GOLLADAY abstained.

CLERK OF THE BOARD

KITTITAS COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON

Julie A. Kjørsvik

Perry D. Huston, Chairman

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