



## RESOLUTION 2018-046

### CREATING A NEW SPECIAL REVENUE FUND, THE TRANSIENT LODGING TAX (TLT) FUND

**WHEREAS**, City of Sherwood Financial Policy 1-4a states that the City shall establish a new fund when there is the inauguration of a new dedicated revenue stream and a concurrent service; and

**WHEREAS**, Washington County imposes a County-wide transient lodging tax via Washington County Code Chapter 3.08; and

**WHEREAS**, the County remits a portion of that tax to cities in the County that request to participate in the distribution of transient lodging tax proceeds collected by the County for transient lodging located within each respective city, pursuant to County Code 3.08.170; and

**WHEREAS**, the City entered into an updated Intergovernmental Agreement (IGA) with the County in 2017, pertaining to the distribution of such tax proceeds; and

**WHEREAS**, the City has been receiving funds monthly from Washington County since September 2017; and

**WHEREAS**, State law imposes specific requirements on the purposes for which such funds may be used; and

**WHEREAS**, generally accepted accounting principles provide for special revenue funds to account for and report the proceeds of specific revenue sources that are restricted for specific purposes; and


**WHEREAS**, the FY2018-19 budget approved by the Budget Committee on May 24, 2018 includes revenues and appropriations for a TLT fund.

### **NOW, THEREFORE, THE CITY OF SHERWOOD RESOLVES AS FOLLOWS:**

**Section 1.** A new special revenue fund, the Transient Lodging Tax (TLT) fund, dedicated to accounting for transient lodging tax revenues received by the City of Sherwood from Washington County, is hereby created.

**Section 2.** This Resolution shall be effective upon its approval and adoption.

**Duly passed by the City Council this 12<sup>th</sup> day of June, 2018.**

  
Keith Mays, Mayor

Attest:

  
Sylvia Murphy, MMC, City Recorder

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June 12, 2018

Page 1 of 1, with Exhibit A (3 pgs)

## **INTERGOVERNMENTAL AGREEMENT**

### **Transient Lodging Tax**

This Agreement is entered into by and between Washington County, a political subdivision of the State of Oregon (County) and the City of Sherwood, a municipal corporation (City).

#### **WHEREAS:**

1. Washington County Code Chapter 3.08, "Transient Lodging Tax" is a County-wide tax on transient lodging;
2. Section 3.08.170 of the Washington County Code provides that County transient lodging tax proceeds collected within a city may be shared with the city, provided the city requests to participate and enters into an agreement with the County regarding transient lodging tax sharing; and
3. The parties desire to enter into an Agreement to implement the terms of Chapter 3.08;

Now therefore, the parties agree to the following

#### **TERMS AND CONDITIONS:**

1. City, in consideration of a shared allocation of County transient lodging tax collected with the City, hereby consents to the following:
  - a. The administration and enforcement of the transient lodging tax shall remain with Washington County, acting by and through its County Chief Financial Officer;
  - b. The total amount of transient lodging tax imposed in City by the County shall not exceed nine percent (9%) of the rent as provided in Section 3.08.080 of the County Code; and
  - c. The amount distributed to City shall be calculated as provided for in Section 3.08.170B of the County Code.

2. County shall calculate the amount, if any, due to City in accordance with Section 3.08.170B and shall distribute any amount due to City within 30 days of receipt of the taxes.

3. If City has a city transient lodging tax, the County may collect the city tax pursuant to this agreement and distribute the proceeds, less county reasonable costs (a minimum of .33% of the taxes allocated), to city.

4. Disputed Collections:

a. The County shall implement, on the City's behalf, the provisions of the City Code establishing the City tax, and shall pursue collection of all City delinquent transient lodging taxes through processes available under City Code, and may apply any funds initially collected to recover County's own demonstrable actual costs of collection, applying any remainder to delinquent City accounts. However, City shall be responsible to defend any claim or litigation involving legal challenges to the City's tax or any part thereof, or the use of the taxes by the City.

b. The County shall process petitions for redetermination or appeals directed at City collections. Should the City receive a petition for redetermination, the request shall be forwarded to the County for processing under the redetermination and appeals procedures of the County Code. Any appeal to the City Council shall be forwarded to the County for processing under the administrative appeal procedures of the County Code. The City will transmit any petition or notice of appeal together with the file of the appealed matter to the County Chief Financial Officer within ten business days of receipt of the petition or notice of appeal.

5. County and City, by and through their respective Finance officers shall cooperate in ensuring that the tax is effectively and efficiently enforced within City. Each party shall give the other immediate written notice of any action or suit filed or any claim made against party that may result in litigation in any way related to this Agreement.

6. This Agreement may be terminated by either party upon 30 days of written notice. Any amounts due City from County and/or City transient lodging taxes collected prior to the effective date of termination shall be paid within 30 days of termination.

7. Each party shall comply with all applicable Federal, State and Local laws rules and regulations, including but not limited to, state transient lodging tax laws and administrative rules, and non-discrimination in employment because of race, color, ancestry, national origin, religion, sex, sexual orientation, marital status, age, medical condition or disability.

8. This writing is intended both as the final expression of the Agreement between the parties with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement.

WHEREAS: all the aforementioned is hereby agreed upon by the parties and executed by the duly authorized signatures below.

**CITY OF SHERWOOD**

Address: 22560 SW Pine Street  
Sherwood, OR 97140

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

**WASHINGTON COUNTY**

Address: 155 N. First Ave. Ste. 270  
Hillsboro, OR 97124

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title