

RESOLUTION NO. 2009-36

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BELLINGHAM, WASHINGTON MAKING A DECLARATION OF SUBSTANTIAL NEED FOR PURPOSES OF THE SETTING THE LIMIT FACTOR FOR THE PROPERTY TAX LEVY FOR 2010.

WHEREAS, the Revised Code of Washington (RCW 84.55.010), provides that a taxing jurisdiction may levy taxes in an amount no more than the limit factor multiplied by the highest levy of the most recent three years plus additional amounts resulting from new construction and improvements to property, newly constructed wind turbines, and any increase in the value of state-assessed utility property; and

WHEREAS, under RCW 84.55.005(2)(c), the limit factor for a taxing jurisdiction with a population of 10,000 or over is the lesser of 101 percent or 100 percent plus inflation; and

WHEREAS, RCW 84.55.005(1) defines "inflation" as the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent 12-month period by the Bureau of Economic Analysis for the Federal Department of Commerce in September of the year before the taxes are payable; and

WHEREAS, "inflation" for July 2009 is -0.848 percent and the limit factor is 99.152 percent, meaning the taxes levied in the City of Bellingham in 2009 for collection in 2010 will decrease except for amounts resulting from new construction and improvements to property, newly constructed wind turbines, and any increase in the value of state-assessed utility property; and

WHEREAS, RCW 84.55.0101 provides for use of a limit factor of 101 percent or less with a finding of substantial need by two-thirds of the members when the board consists of four members or less, or a majority plus one approval of the board when the board consists of more than four members; and

WHEREAS, the 2009 Recession has taken a tremendous toll on all sectors of the economy and negatively impacted revenues citywide; and

WHEREAS, the forecasted 2009 General Fund year end revenue shortfall is estimated to be in excess of \$3,000,000; and


WHEREAS, there has been five rounds of reductions taken year-to-date in 2009; and

WHEREAS, the 2010 Preliminary Budget includes the statutorily allowed 1% increase in property taxation and still utilizes an additional \$1,800,000 of General Fund Reserves in order to balance revenues with expenditures.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BELLINGHAM:


A finding is made of substantial need under RCW 84.55.0101, which authorizes the use of a limit factor of 101 percent for the property tax levy for 2010.

PASSED by the Council this 9th day of November, 2009.



Council President

APPROVED by me this 18th day of November, 2009.

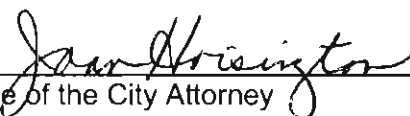


Mayor

ATTEST: 

Finance Director

APPROVED AS TO FORM:



Office of the City Attorney

Published:

n/a
