

RESOLUTION NO. 2020-23

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON,
MAKING A DECLARATION OF SUBSTANTIAL NEED FOR SETTING THE PROPERTY
TAX LEVY FOR 2021.

WHEREAS, 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 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" the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent twelve-month period by the bureau of economic analysis of the federal department of commerce by September 25th of the year before the taxes are payable; and

WHEREAS, "inflation" for the most recent 12 month period as published in September 2020 is 0.60152 percent and the limit factor is 100.60152 percent, limiting taxes levied in the City of Poulsbo in 2020 for collection in 2021 to an increase of 0.60152 %; 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 a majority plus one of the City Council; and

WHEREAS, the City of Poulsbo's "substantial need" is demonstrated by rising expenditures; and

WHEREAS, the City of Poulsbo's demonstrated "substantial need" results in part from a decrease in City revenues due to COVID-19; and

WHEREAS, the Poulsbo City Council, after duly considering relevant evidence and factors, has determined that, in order to discharge the expected expenses and obligations of the City, and ensure adequate funding in future years, there is a substantial need to set the levy limit at 1 %; **NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF POULSBO, WASHINGTON, HEREBY RESOLVE AS FOLLOWS:**

Section 1. Substantial Need. The City Council finds that a substantial need exists under RCW 84.55.0101 to levy property taxes in 2020 for collection in 2021 at a rate in excess of 100 percent plus inflation. Under RCW 84.55.0101, the City Council finds that a limit factor of 101 percent is necessary for the property tax levy of 2020 to be collected in 2021 and the 101 percent limit factor is hereby adopted for use in levying such taxes.

RESOLVED by the Poulsbo City Council this 4th day of November, 2020.

APPROVED

DocuSigned by:

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MAYOR REBECCA ERICKSON

ATTEST:

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CITY CLERK, RHIANNON K. FERNANDEZ, CMC

APPROVED AS TO FORM:

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CITY ATTORNEY, JAMES E. HANEY

FILED WITH THE CITY CLERK: 10/27/2020
PASSED BY THE CITY COUNCIL: 11/04/2020
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