ORDINANCE NO. 1494

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, PIERCE COUNTY, WASHINGTON, SETTING THE AMOUNT OF THE ANNUAL AD VALOREM TAX LEVY NECESSARY FOR THE FISCAL YEAR 2015 FOR THE PURPOSES SET FORTH BELOW.

WHEREAS, the City Council of the City of Bonney Lake is meeting and discussing the biennial budget for the fiscal years 2015 and 2016; and

WHEREAS, the City Council held a public hearing on November 4, 2014 to discuss the feasibility of an increase in property tax revenues for collection in year 2015; and

WHEREAS, the City Council of the City of Bonney Lake after hearing and after duly considering all relevant evidence and testimony presented, determined that the City of Bonney Lake requires a regular levy in the amount of $2,749,226.38, which includes an increase in property tax revenue from the previous year, and amounts resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property, and amounts authorized by law as a result of any annexations that have occurred and refunds made, in order to discharge the expected expenses and obligations of the City and in its best interest.

NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF BONNEY LAKE, WASHINGTON, DO HEREBY ORDAIN AS FOLLOWS:

SECTION 1: The City Council of the City of Bonney Lake, Washington, does hereby resolve the city’s actual levy amount from the previous year was $2,734,943.64; and, the population is more than 10,000; and now therefore, that an increase in the regular property tax levy is authorized for the levy to be collected in the 2015 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be $14,282.74, which is a percentage increase of .522232% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexations that have occurred and refunds made.

SECTION 2: That the taxes to be collected from the levies hereby fixed and made, together with the estimated revenues from sources other than taxation, which constitutes the appropriation of the City of Bonney Lake for the fiscal year 2015, are hereby approved.

SECTION 3: A certified copy of this Ordinance and original Ad Valorem Levy Certification shall be transmitted on or before November 30th of the year preceding the
year in which the levy amounts are to be collected to the Pierce County Assessor-Treasurer (Attn: Levy Department; 2401 S. 35th St. Rm. 142; Tacoma, WA 98409); and, the Pierce County Council (Attn: Clerk, Rm. 1046; County City Building; 930 Tacoma Ave. S.; Tacoma, WA 98402); and, any other governmental office as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF BONNEY LAKE
and approved by the Mayor this 25th day of November, 2014.

AUTHENTICATED:

Harwood T. Edvalson, MMC, City Clerk

APPROVED AS TO FORM:

Kathleen Haggard, City Attorney

Passed: 11/25/2014
Valid: 11/25/2014
Published: 12/3/2014
Effective Date: 1/1/2015
This Ordinance totals 2 page(s)
Levy Certification

Submit this document to the county legislative authority on or before November 30 of the year preceding the year in which the levy amounts are to be collected and forward a copy to the assessor.

In accordance with RCW 84.52.020, I, Cherie Gibson, Chief Financial Officer, for City of Bonney Lake, do hereby certify to the Pierce County legislative authority that the City Council of said district requests that the following levy amounts be collected in 2015 as provided in the district's budget, which was adopted following a public hearing held on 11/04/14:

Regular Levy: 2,833,975.87
(State the total dollar amount to be levied)

Excess Levy:
(State the total dollar amount to be levied)

Refund Levy:
(State the total dollar amount to be levied)

Signature: ___________________________ Date: 11/25/14

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REV 64 0100e (w) (2/21/12)
PRELIMINARY TAX LEVY LIMIT 2014 FOR 2015

REGULAR TAX LEVY LIMIT:

A. **Highest regular tax which could have been lawfully levied beginning**
   with the 1985 levy [refund levy not included] times limit factor
   (as defined in RCW 84.55.005).

B. Current year's assessed value of new construction, improvements and
   wind turbines in original districts before annexation occurred times
   last year's levy rate (if an error occurred or an error correction
   was make in the previous year, use the rate that would have been
   levied had no error occurred).

C. Current year's state assessed property value in original district
   if annexed less last year's state assessed property value. The
   remainder to be multiplied by last year's regular levy rate (or
   the rate that should have been levied).

D. **REGULAR PROPERTY TAX LIMIT (A + B + C)**

ADDITIONAL LEVY LIMIT DUE TO ANNEXATIONS:

E. To find rate to be used in F, take the levy limit as shown in
   Line D above and divide it by the current assessed value of the
   district, excluding the annexed area.

F. Annexed area's current assessed value including new construction
   and improvements times rate found in E above.

G. **NEW LEVY LIMIT FOR ANNEXATION (D + F)**

LEVY FOR REFUNDS:

H. RCW 84.55.070 provides that the levy limit will not apply to the
   levy for taxes refunded or to be refunded pursuant to Chapters
   84.68 or 84.69 RCW. (D or G + refund if any)

I. **TOTAL ALLOWABLE LEVY AS CONTROLLED BY THE LEVY LIMIT (D,G,or H)**

J. Amount of levy under statutory rate limitation.

K. **LESSER OF I OR J**

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City of Bonney Lake, Washington
City Council Agenda Bill (AB)

Department/Staff Contact: Fin / Cherie Gibson
Meeting/Workshop Date: 25 November 2014
Agenda Bill Number: AB14-142

Agenda Item Type: Ordinance
Ordinance/Resolution Number: D14-142
Councilmember Sponsor: Swatman

Agenda Subject: Ad Valorem (Property Tax) Levy To Be Collected In 2015.

Full Title/Motion: An Ordinance Of The City Council Of The City Of Bonney Lake, Pierce County, Washington, Setting The Amount Of The Annual Ad Valorem Tax Levy Necessary For The Fiscal Year 2015 For The Purposes Set Forth Below.

Administrative Recommendation:

Background Summary: Pursuant to Revised Code of WA (RCW) 84.52.020 the Mayor of the City of Bonney Lake must certify to the Pierce County Assessor-Treasurer and the Pierce County Council that the Bonney Lake City Council requests the following levy amounts be collected in year 2015 as provided in the City's budget; said property taxes will be adopted following a public hearing set for 11/04/14.

As illustrated in the attached Pierce County "Preliminary Tax Levy Limit" worksheet, the regular levy limit is $2,833,975.87, which consists of the lawful regular tax levy multiplied by the 1% limit factor (RCW 84.55.005) plus the current years assessed value of new construction and improvements and relevy.

The actual levy amount from the previous year was $2,734,943.64. The dollar amount of the increase over the actual levy amount from the previous year shall be $14,282.74, which is a percentage increase of 0.522232% from the previous year. This is a total regular levy of $2,749,226.38. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state assessed property, any annexationss that have occurred and refunds made.

Key elements outlined in the 2014 proposed levy are: (a) the tax levy rate in 2014 per $1,000 of property value was $1.5316089 (rounded); the tax levy rate proposed for 2015 is $1.4289552 per $1,000 of property value. (b) The total City assessed value in 2014 was $1,777,220,232 and in 2015 $1,977,283,650, which is an increase of $200,063,418 or 11.26%. (c) The total tax levy collected in 2014 was $2,734,943.64. To derive the the proposed 2015 levy to be collected start with the previous year of $2,734,943.64, add new construction and improvements over the year = $76,223.53; add the allowed increase pursuant to RCW = $14,282.74; add the amount of relevey due to refunds = $8,525.96 and the net result for 2015 collection = $2,833,975.87.

Attachments: yes

BUDGET INFORMATION

Budget Amount Current Balance Required Expenditure Budget Balance

Budget Explanation: Adopt Annual Ad Valorem tax to be collected in 2015.

COMMITTEE, BOARD & COMMISSION REVIEW

Council Committee Review: Finance Committee Date: 28 October 2014
Approvals: Yes No
Chair/Councilmember
Deputy Mayor Swatman
Councilmember
Katrina Minton-Davis

Version Oct. 2010
Councilmember: Donn Lewis

Forward to: 11/04/14 Workshop

Consent Agenda: □ Yes ☒ No

Commission/Board Review:
Hearing Examiner Review:

COUNCIL ACTION

Workshop Date(s): 11/18/2014
Meeting Date(s): 11/25/2014

Public Hearing Date(s): 11/4/2014
Tabled to Date:

APPROVALS

Director: Cherie Gibson
Mayor:

Date Reviewed by City Attorney: Standard
(if applicable):

N: Everyone\_AGENDA\_BILLS\_2014\_agenda\_114\_114\_Ad\_Valorem\_Tax\_ Levy.doc
Version Oct. 2010