

PROPOSED BY: DONOVAN
INTRODUCTION DATE: NOVEMBER 19, 2019

ORDINANCE NO. _____

LIMITING THE 2020 GENERAL PROPERTY TAX LEVY

WHEREAS, in his October 18, 2019 Budget Memo to the Council, the County Executive recognized a "structural gap of General Fund revenues not keeping up with inflation and population growth"; and

WHEREAS, the Executive recognized that this structural gap is "a cause of long-term financial concern;" and

WHEREAS, the Executive recognized that the County's Fund Balance, while appearing healthy now, is in decline; and

WHEREAS, Council has approved the Executive's request for additional, highly needed FTE for the 2019-2020 biennial budget, funded from the General Fund, without provisions of addition of General Fund revenues; and

WHEREAS, Council has approved additional, highly needed FTEs in previous biennial budgets from the Executive, funded from the General Fund, without provisions of addition of General Fund revenues; and

WHEREAS, Council has approved additional expenditures, not requested by the Executive, for highly needed for services for homeless youths, and for winter shelters; and

WHEREAS, the Administration had recognized that dedicated fund balances, such as the Behavioral Health Fund, are also in decline; and

WHEREAS, critical services from dedicated funds, such as counseling for at-risk youths, have been reduced, while the Executive and Council have limited capacity to fund such services with dedicated fund dollars; and

WHEREAS, the addition of needed FTE via the General Fund in 'good' economic times, without adequate revenues, likely requires elimination of FTE when the economy goes sour during a recession; and

WHEREAS, the need to provide public services and public safety remain regardless of future economic downturns; and

WHEREAS, a local government has little control over budget drivers such as inflation and population growth; and

WHEREAS, Whatcom County has not taken the minimum, 1% increase in property tax revenues in decades; and

WHEREAS, the 1% increase in property tax revenues likely does not keep pace with inflation; and

WHEREAS, the County Assessor has estimated that taking the 1% allowable increase would cost a \$300,000 dollar valued property about \$4.00 per year.

NOW, THEREFORE, BE IT ~~THEREFORE RESOLVED~~ ORDAINED AND ESTABLISHED ~~That by the~~ Whatcom County Council that amounts collected through the County general levy shall be limited to the amount of 2019 taxes, increased for the addition of new construction and improvements to property and any increase in the value of state assessed property. A property tax increase in addition to the amount resulting from the addition of new construction and improvements to property and any increase in the value of state-assessed property is hereby authorized for the 2020 levy in the amount of \$300,000, which is no more than a 1% increase from the previous year. ~~adopt a budget that includes the 1% allowable increase in property tax revenues for the General Fund.~~

ADOPTED this ____ day of _____, 2019.

ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

Dana Brown-Davis, Clerk of the Council

Rud Browne, Council Chair

WHATCOM COUNTY EXECUTIVE
APPROVED AS TO FORM:

WHATCOM COUNTY, WASHINGTON

Civil Deputy Prosecutor

Jack Louws, County Executive

() Approved () Denied

Date Signed: _____