

ORDINANCE NO. _____

**ORDINANCE AUTHORIZING THE LEVY OF TAXES
FOR COUNTY AND STATE PURPOSES
IN WHATCOM COUNTY, WASHINGTON,
FOR THE YEAR OF 2025**

WHEREAS, pursuant to Home Rule Charter Section 6.10 the County Executive is required to submit for Council consideration a budget and proposed tax and revenue ordinances necessary to raise sufficient revenues to balance the budget; and,

WHEREAS, the County Council has approved a budget for the 2025-2026 biennium, including all sources of revenues and anticipated expenditures on November 19, 2024; and,

WHEREAS, the 2025-2026 budget also includes funding of the Healthy Children’s Initiative (Proposition 5) as approved by the voters in November 2022; and,

WHEREAS, the County Council, in the course of considering the 2025-2026 biennium budget has reviewed all sources of revenue and examined all anticipated expenses and obligations; and,

WHEREAS, annual property tax revenues are statutorily constrained to grow at just one percent of the highest lawful levy plus the value of new construction, improvements to property and increases in the value of state assessed property; and,

WHEREAS, in most years since the one percent limit was imposed, the County deferred their one percent annual increases, contributing to stagnation in revenue growth; and

WHEREAS, the cost of providing County services has increased significantly in recent years due to statutory requirements, inflationary impacts, a growing population, and expanding community needs; and

WHEREAS, the County has a structural budget imbalance in the General Fund, where the cost of providing services to the County’s growing population and businesses are outpacing the County’s revenues; and

WHEREAS, to begin to address the structural imbalance and avoid abrupt service reductions, it is necessary in the 2025-2026 Biennial Budget to use the County’s deferred taxing authority, a.k.a. banked capacity, for the General Fund levy exclusive of deferred taxing authority attributable to the Healthy Children’s Initiative; and

WHEREAS, the County Council held a public hearing regarding the biennial county budget, which included property tax rates, and other revenues;

NOW, THEREFORE, BE IT ORDAINED AND ESTABLISHED by the Whatcom County Council that an increase in the County general levy is hereby authorized for the levy to be collected in the 2025 tax year. The dollar amount of the increase over the actual levy amount from the previous year shall be \$4,271,352 which is a percentage increase of 9.8% from the previous year. This increase is exclusive of additional revenue resulting from new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, and any increase in the value of state assessed property, any annexations that have occurred and refunds made.

BE IT FURTHER ORDAINED, that the taxes to be levied against parcels of property within the Diking Districts, Drainage Districts, and Drainage Improvement Districts are to be credited to the individual maintenance funds for the year 2025, and the amounts to be apportioned to the original assessments for construction in said districts are as follows per "Exhibit A" attached hereto and incorporated herein by reference.

BE IT FURTHER ORDAINED, that if the Washington State Legislature changes any laws affecting levies contained herein, and the Prosecuting Attorney's Office concurs, the Whatcom County administration will change such levies accordingly.

ADOPTED this ____ day of _____, 2024.

ATTEST:

WHATCOM COUNTY COUNCIL
WHATCOM COUNTY, WASHINGTON

Cathy Halka, Council Clerk

Barry Buchanan, Council Chair

APPROVED AS TO FORM:

() APPROVED () NOT APPROVED

Christopher Quinn electronically authorized

Civil Deputy Prosecutor 11/18/24

Satpal Singh Sidhu, Executive

Date: _____

**EXHIBIT A WILL BE
AVAILABLE AFTER THE
FIRST OF THE YEAR 2025**