

Subject: Ordinance #1537 – Adoption of Property Tax Levy for 2021

Dept. Origin: Clerk’s Office
Prepared by: Jennifer Robertson, City Attorney’s Office
Meeting Date: November 17, 2020
Exhibits: Ordinance #1557

Proposed Council Action:

This is on for a Public Hearing and Adoption. Adopt Ordinance #1537.

Initial & Date

Concurred by Mayor: _____
Approved by City Planner: _____
Approved as to form by City Atty: JSR/11-12-2020
Approved by Finance Director: _____
Approved by Department Head: _____

INFORMATION / BACKGROUND

As part of the budget process, Ruston will consider a budget and the revenue sources for City operations and capital expenses. As part of that process, the City is required to hold a public hearing on this topic.¹

Ruston is required to adopt its property tax levy in November of each year by ordinance and transmit a certified copy of the ordinance to Pierce County Assessor-Treasurer and to the Pierce County Council no later than November 30th.² A Levy Certification must also be transmitted with the Ordinance.

Adoption of this Ordinance should be scheduled on the agenda for after the public hearing.

FISCAL CONSIDERATION

This levy ordinance increases the property taxes levied by Ruston by the maximum amount allowed by law (one percent plus new construction, etc.). The total estimated 2020 levy amount is **\$597,303.01**, which includes additional property tax estimated from new construction (**\$13,011.21**, based on a new construction value of \$6,576,700) and the estimated additional revenue from the increase in administrative refunds (**\$35,348.09**). In 2020, the City collected \$593,076.53.

¹ RCW 84.55.120.

² RCW 35A.33.135; 84.52.020; 35A.33.135.

In Section 2, Ordinance No. 1537 provides that there is a zero increase from last year. That is due to refunds which actually created as 7.44% (or \$4,132.81) decrease. However, in working with the Assessor's Office, using the zero in the ordinance is the correct method. The City should see a slight increase between 2020 and 2021 collections.

BOARD OR COMMITTEE RECOMMENDATION

None.

RECOMMENDATION / MOTION

MOTION 1: I move to open the public hearing.

[TAKE TESTIMONY.]

MOTION 2: I move to close the public hearing.

After deliberations:

MOTION 3: I move to adopt Ordinance No. 1537 establishing the amount of property taxes to be levied for the year 2021, levying the maximum amount allowed by law.

ORDINANCE NO. 1537

AN ORDINANCE OF THE CITY OF RUSTON, WASHINGTON, ESTABLISHING THE AMOUNT OF PROPERTY TAXES TO BE LEVIED FOR THE YEAR 2021, LEVYING AN INCREASE OF THE REGULAR PROPERTY TAX LEVY IN THE HIGHEST AMOUNT LAWFULLY PERMITTED, AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City Council of the City of Ruston held meetings on November 3, 2020 and November 17, 2020 during which time it considered its budget and taxes for the 2021 calendar year; and

WHEREAS, in accordance with RCW 84.55.120, on November 17, 2020 the City Council held a duly-noticed public hearing on revenue sources for the 2021 budget, including considering of possible increases in property tax revenues; and

WHEREAS, the public hearing was held prior to the passage of this Ordinance; and

WHEREAS, the estimated valuation of all taxable property within the City of Ruston is \$329,388,231.00 exclusive of valuations resulting from new construction, improvements to property, or refunds made; and

WHEREAS, the City's actual levy amount from the previous year was Five Hundred Ninety Three Thousand Seventy Six Dollars and Fifty Three Cents (\$593,076.53); and

WHEREAS, the City Council attests that the City's population is less than 10,000; and

WHEREAS, on November 3, 2020, the City Council held the first reading on this Ordinance; and

WHEREAS, on November 17, 2020, the City Council held a public hearing on this Ordinance after duly noticing the same; and

WHEREAS, on November 17, 2020, the City Council adopted this Ordinance during its meeting at second reading after holding the public hearing; **NOW, THEREFORE**

THE CITY COUNCIL OF THE CITY OF RUSTON DOES HEREBY ORDAIN AS FOLLOWS:

Section 1. An increase in the regular property tax levy is hereby authorized for the levy to the maximum allowable rate be collected in the 2021 tax year.

Section 2. The dollar amount of the increase over the actual levy amount from the previous year shall be (\$0.00), which is a percentage increase of 0.00 percent over 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 3. Ordinance filing required. The City Clerk is directed to transmit a certified copy of this ordinance to the Office of the Auditor of the State of Washington, Division of Municipal Corporations. The City Clerk is further directed to transmit a certified copy of this ordinance to both the Pierce County Assessor-Treasurer and to the Pierce County Council, Attention Clerk immediately after passage by the City Council but no later than November 30, 2020.

Section 4. Recertification authorized. The City Clerk is further directed to timely file any recertification needed after receipt of the final adjusted year-end values in December from the Pierce County Assessor-Treasurer. Such recertification, if needed, shall be filed no later than the date established by the County Assessor's Office.

Section 5. Publication. This Ordinance shall be published by an approved summary consisting of the title.

Section 6. Effective date. This ordinance shall take effect and be in force five (5) days after passage and legal publication.

ADOPTED by the City Council of the City of Ruston and attested by the City Clerk in authentication of such passage on this 17th day of November, 2020.

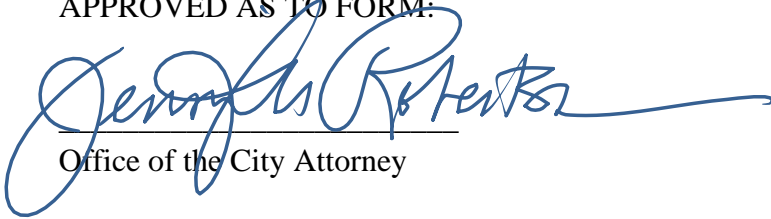
APPROVED by the Mayor this 17th day of November, 2020.

Bruce Hopkins, Mayor

ATTEST/AUTHENTICATED:

Judy Grams, City Clerk

APPROVED AS TO FORM:



Office of the City Attorney

FILED WITH THE CITY CLERK: _____

PASSED BY THE CITY COUNCIL: _____

PUBLISHED: _____

EFFECTIVE DATE: _____

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