



# CITY COUNCIL

## AGENDA BILL # AB22-0055

City of Algona  
200 Washington Blvd.  
Algona, WA 98001

ITEM INFORMATION			
<b>SUBJECT:</b> Ordinance No 1213-22 AN ORDINANCE OF THE CITY OF ALGONA, KING COUNTY, WASHINGTON, ESTABLISHING THE REGULAR TAX LEVY FOR THE YEAR 2023; PROVIDING FOR SEVERABILITY, AND EFFECTIVE DATE, AND FOR SUMMARY PUBLICATION BY ORDINANCE TITLE ONLY.	<b>Agenda Date: November 28, 2022</b>		
	Department/Committee/Individual	Created	Reviewed
	Mayor		
	City Administrator		X
	City Attorney		X
	City Clerk		X
	Finance Dept		
	PW/Utilities		
	Planning Dept		
	Community Services		
	Police Dept		
	Finance Committee		
Planning Commission			
Civil Service Committee			
<b>Staff Contact: Jessica Griess, Deputy City Clerk; Tara Dunford, CPA</b>			
<b>Attachments: Ordinance 1213-22</b>			
<b>SUMMARY STATEMENT:</b> See attached memo from Tara Dunford.			
<b>COMMITTEE REVIEW AND RECOMMENDATION:</b>			
<b>RECOMMENDED ACTION:</b> Make a motion to approve Ordinance 1213-22.			
RECORD OF COUNCIL ACTION			
<i>Meeting Date:</i>	<i>Action:</i>	<i>Vote:</i>	

**To:** Mayor Dave Hill and City Council Members

**From:** Tara Dunford, CPA

**Date:** November 28, 2022

**Re:** Ordinance No. 1213-22 Property Tax Levy for 2023

**ATTACHMENTS:** Ordinance No. 1213-22

**TYPE OF ACTION:** Action.

*Recommended motion – 1% increase:* “I move to adopt the attached Ordinance 1213-22 establishing the regular property tax levy for 2023.” **OR** *Recommended motion – zero percent increase:* “I move to adopt Ordinance 1213-22 establishing the regular property tax levy for 2023 in substantially the form presented to Council, but with the second sentence of Section 2 revised to provide that the dollar amount of the increase from the prior year shall be negative \$334, which is a percentage increase of 0% from the prior year.”

**Discussion:** The City must adopt a tax levy ordinance in order to levy property taxes for 2023. The attached ordinance pertains to the regular levy only, exclusive of additional revenue from new construction. The attached ordinance presumes an increase of the maximum allowable (1%). Amounts for this ordinance are provided by King County and are calculated as follows:

Step 1: Calculate 2023 levy based on maximum allowable increase (1%)

Highest lawful regular levy	\$762,619
x 101 percent equals	\$770,245

Step 2: Calculate change from prior year levy

2023 levy	\$770,245 (calculated as shown above)
Less: actual 2022 levy	\$762,953
Dollar increase equals	\$7,292
Percent increase equals	.96%

Additional revenues related to administrative refunds and new construction are not required to be included in the tax levy ordinance but will be included in the levy certification provided to King County. The negative \$334 noted in the recommended motion (zero percent) is due to administrative refunds levied in 2022 which are not included in 2023. This also accounts for the actual percentage increase being .96% rather than a full 1%. The cost of the 1% increase per \$1,000 of assessed valuation is approximately \$.00834. The annual impact on homes at various assessed valuations is as follows:

\$300,000	- \$2.50
\$355,000	- \$2.96 (\$355,000 was median assessed value for 2022)
\$400,000	- \$3.34
\$500,000	- \$4.17
\$600,000	- \$5.00
\$700,000	- \$5.84
\$800,000	- \$6.67
\$900,000	- \$7.51
\$1,000,000	- \$8.34

CITY OF ALGONA, WASHINGTON

**ORDINANCE NO. 1213-22**

AN ORDINANCE OF THE CITY OF ALGONA, KING COUNTY, WASHINGTON, ESTABLISHING THE REGULAR TAX LEVY FOR THE YEAR 2023; PROVIDING FOR SEVERABILITY, AND EFFECTIVE DATE, AND FOR SUMMARY PUBLICATION BY ORDINANCE TITLE ONLY.

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WHEREAS, the Algona City Council has met and considered its budget for calendar year 2023; and

WHEREAS, the City's actual levy amount from the previous year was \$762,953; and

WHEREAS, the population of the City is less than 10,000; and

WHEREAS, RCW 84.55.120 requires that property tax increases must be adopted by ordinance and specifically identify the dollar and percentage change from the prior year; and

NOW, THEREFORE,

THE CITY COUNCIL OF THE CITY OF ALGONA, WASHINGTON, DO ORDAIN AS FOLLOWS:

Section 1. That an increase in the regular property tax levy is hereby authorized for the levy to be collected in the 2023 tax year.

Section 2. The regular property tax levy for calendar year 2023 is hereby authorized to be collected. The dollar amount of the increase from the prior year shall be \$7,292, which is a percentage increase of .96% from the prior year. This increase is exclusive of additional revenue from the addition of new construction, improvements to property, newly constructed wind turbines, solar, biomass, and geothermal facilities, any increase in the value of state assessed property, and annexations that have occurred and refunds made.

Section 3. This Ordinance shall be certified to the proper County Officials, as provided by law, and taxes herein levied shall be collected to pay to the City of Algona at the time and manner provided by the laws of the State of Washington for the collection of taxes.

Section 4. Severability. If any section, sentence, clause or phrase of this ordinance should be held to be invalid or unconstitutional by a court of competent jurisdiction, such invalidity or unconstitutionality shall not affect the validity or constitutionality of any other sentence, clause or phrase of this ordinance.

Section 5. Effective Date. This ordinance or a summary thereof consisting of the title shall be published in the official newspaper of the City and shall take effect and be in full force five (5) days after publication.

Passed by the Algona City Council the 28th day of November 2022, and approved by the Mayor, the 28<sup>th</sup> day of November 2022.

CITY OF ALGONA, WASHINGTON:

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David E. Hill, Mayor

Published: \_\_\_\_\_

Effective: \_\_\_\_\_

ATTEST/AUTHENTICATED:

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Jessica Griess  
City Clerk