

**CITY COUNCIL AGENDA TOPIC**

Resolution providing for the banking of levy capacity pursuant to RCW 84.55.005, 84.55.0101, 84.55.050, and 84.55.092.

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*Finance and Asset Management Department*

**EXECUTIVE SUMMARY****ACTION**

As directed by Council on November 12, this Resolution preserves the full levy amount available to the city to ensure sufficient capacity to fund operating costs of new facilities and maintain current levels of service. This Resolution is the last of the two property levy related actions that are required to submit the City's certified property tax actions to King County by the November 30, 2024, deadline.

**RECOMMENDATION**

Move to adopt Resolution No. 10445.

**BACKGROUND/ANALYSIS**

As part of the implementation of the 2025-2026 Biennial Budget, Staff is presenting two legislations related to property tax levy. The first is for the property tax levy, with this Resolution as the second item. Pursuant to RCW 84.55.005; 84.55.0101 and 84.55.092, this Resolution ensures the City's ability to preserve the full levy amount available to ensure sufficient capacity to fund operating costs of new facilities and maintain current levels of service.

**POLICY & FISCAL IMPACTS****Policy Impact**

RCW 84.55.005, 84.55.0101, and 84.55.092 require that all optional code cities must adopt, by resolution, their intention to save and the amount of property tax capacity the city intends to bank. The King County Assessor has specified this must be done by November 30.

**Fiscal Impact**

The City preserves the regular existing bank levy capacity of \$7,012,174. Preserving the banked capacity allows the City Council the option to increase property tax at a later date greater than the allowable lesser of one percent or implicit price deflator.

*NOTE: Final assessed value to establish the property tax levy and banked capacity information is not yet available from the King County Assessor's Office. As a result, the 2025 assessed value, property tax levy and banked capacity amounts are based on preliminary numbers provided by the County.*

*Should King County determine the actual amounts of the 2025 assessed property valuation and/or Property Tax Levy to be more or less than the amounts estimated herein, the City Manager or his designee is hereby authorized to adjust the budget to reflect the same.*

## **OPTIONS**

1. Adopt the Resolution providing for the banking of levy capacity pursuant to RCW 84.55.005, 84.55.0101, 84.55.050, and 84.55.092.
2. Do not adopt the Resolution and provide alternative direction to staff.

## **ATTACHMENTS**

Proposed Resolution No. 10445

## **AVAILABLE IN COUNCIL LIBRARY**

N/A