

BEFORE THE BOARD OF COUNTY COMMISSIONERS OF COWLITZ COUNTY, WASHINGTON

A Resolution of the Board of Commissioners,)
Cowlitz County, WA Making a Declaration of)
Substantial Need for the Purposes of Setting the)
Limit Factor for a Property Tax Levy for 2016)
Cowlitz County General Fund)

RESOLUTION NO. 15 098

WHEREAS, RCW 84.55.010 provides that a taxing jurisdiction may levy taxes in an amount no more than the limit factor multiplied by the highest levy of the most recent three years plus additional amounts resulting from new construction and improvements to property, newly constructed wind turbines, and any increase in the value of state-assessed utility property; and

WHEREAS, under RCW 84.55.005(2)(c), the limit factor for a taxing jurisdiction with a population of 10,000 or over is the lesser of 101 percent or 100 percent plus inflation; and

WHEREAS, RCW 84.55.005(1) defines “inflation” as the percentage change in the implicit price deflator for personal consumption expenditures for the United States as published for the most recent 12-month period by the Bureau of Economic Analysis of the federal Department of Commerce in September of the year before the taxes are payable; and

WHEREAS, “inflation” for July 2015 is 0.251 percent and the limit factor is 100.251 percent, meaning the taxes levied in Cowlitz County Current Expense in 2015 for collection in 2016 will increase by only \$36,633 except for the amounts resulting from new construction and improvements to property, newly constructed wind turbines, and any increase in the value of state-assessed utility property; and

WHEREAS, RCW 84.55.0101 provides for use of a limit factor of 101 percent or less with a finding of substantial need by two-thirds of the members when the Board consists of four members or less, or a majority plus one approval of the Board when the Board consists of more than four members; and

WHEREAS, General Fund expenses for 2016 are proposed at over \$44,700,000. There are other expenses that cannot reasonably be determined at this time, including potential union arbitration awards, increases in employee health and welfare costs and general inflationary increases for professional service contracts and utilities. Estimated revenues are approximately \$39,500,000, excluding any levy shift. This results in a revenue shortfall of over \$5.2 million. Without a significant draw down of reserves, a shift of additional taxing authority from the Road Fund to the General Fund, reduction in expenditures, or

Resolution No. 15 098
Page 2
November 24, 2015

combination of these strategies, the County will not be able to meet its current known obligations and will be left in a precarious position should it have to respond to emergencies and unforeseen expenses.

NOW, THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF COWLITZ COUNTY, WASHINGTON, DOES HEREBY RESOLVE AS FOLLOWS:

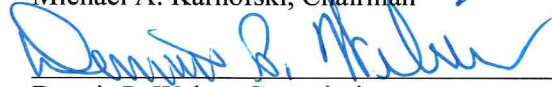
A finding is made of substantial need under RCW 84.55.0101, which authorizes the use of a limit factor of 101 percent for the property tax levy for 2016.

ADOPTED: November 24, 2015.

BOARD OF COMMISSIONERS OF
COWLITZ COUNTY, WASHINGTON



Michael A. Karnofski, Chairman




Dennis P. Weber, Commissioner



Joe Gardner, Commissioner

ATTEST:


Tiffany Ostreim,
Clerk of the Board

