

ORDINANCE NO. 4552

**AN ORDINANCE OF THE CITY OF ELLENSBURG, WASHINGTON, MAKING A DECLARATION OF SUBSTANTIAL NEED FOR PURPOSES OF SETTING THE LIMIT FACTOR FOR THE PROPERTY TAX LEVY FOR 2010**

**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;

**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;

**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;

**WHEREAS**, "inflation" for July 2009 is -0.848 percent and the limit factor is 99.152 percent, meaning the taxes levied for the City of Ellensburg in 2009 for collection in 2010 will decrease 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;


**WHEREAS**, RCW 84.55.0101 provides for use of a limit factor of 101 percent or less with a finding of substantial need by a majority plus one approval of the board when the board consists of more than four members (a vote of yes by five out of seven council members);

**WHEREAS**, the City has experienced a significant decrease in sales tax, and the general fund revenues, and the City has cut its spending by suspending step increases and cost of living adjustments to some employees in 2009 making further cuts difficult;

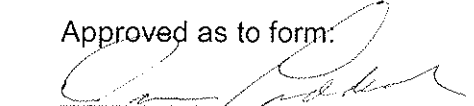
**NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF ELLENSBURG, WASHINGTON, DOES RESOLVE AS FOLLOWS:** A finding is made of substantial need under RCW 84.55.0101, which authorizes the use of a limit factor of *101 percent* for the property tax levy for 2010.

**PASSED AND ADOPTED** by the City Council of the City of Ellensburg this 2nd day of November, 2009.

  
\_\_\_\_\_  
Mayor

Attest:   
\_\_\_\_\_  
City Clerk

Approved as to form:

  
\_\_\_\_\_  
City Attorney

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