



City of Lake Stevens

One Community Around the Lake

2023 Budget

Property Tax - Public Hearing



Property Tax - Public Hearing

- Property Tax Limitations
 - Assessed Values & Limit Factor
- Property Tax Levy 2023
- Property Tax Levy Breakdown by Taxing District
- Tax Levy Rate Comparison 2022 – 2023



Property Tax Limitations

- Statutory Dollar Rate –
 - Maximum rate set by statute
 - City Annexed into Fire District or Library District - \$3.60
 - Fire District – \$1.50
 - Library District - \$0.50
 - City – \$1.60
- Levy Limit (101% or IPD)
 - Maximum the City can increase their regular levy from the previous year (not including banked capacity, or refunds)
- Highest Lawful Levy (HLL)
 - The maximum levy allowed based on SDR and LL
- Statutory Amount
 - Assed Value x Statutory Dollar Rate Limit/\$1000 of AV
 - Necessary if Statutory Dollar Rate is reached/exceeded
- Assessed Values
 - Increased **43.5%** from PY
- Implicit Price Deflator (IPD): **6.457%**
 - RCW 84.55 – Populations greater than 10,000
 - Limit factor is lesser of 101% or 100% plus Inflation
 - Finding of Substantial Need (2nd Ordinance) – limit factor may exceed 100% plus inflation up to 101%
- **2023 Limit Factor = 101%**



2023 Property Tax Levy

Regular Property Tax Levy							
	A	B		C1	C2	D	
% Levy Increase	2023 Levy (Highest Lawful)	Revenue Increase over 2022 Levy	Levy Rate	New Construction	Annexation	State Assessed & Refunds	2023 Tax Revenue/Levy (A + B + C+D)
1.0%	5,540,906	55,409	\$ 0.7356	\$ 141,069	\$ 667,235	3,305	6,407,924

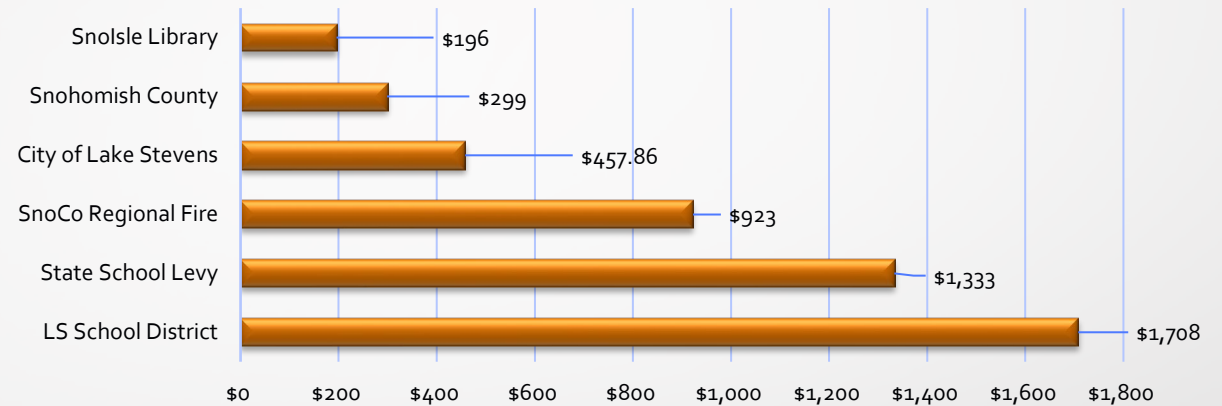
- 2023 Estimated Levy \$6,407,924
- 2023 Levy Rate (\$0.7356)
 - General Fund Allocation - 72%
 - \$4,613,705
 - Street Fund Allocation - 28%
 - \$1,794,218
- Approximately 15% Increase Overall
 - 1% Regular Levy Increase \$37,783
 - New Construction \$141,069
 - Annexation \$667,235



Property Tax Levy Breakdown

Total 2022 Tax Levy (/ \$1,000 AV)	
School District	\$3.42
State School Levy	\$2.67
SnoCo Regional Fire	\$1.85
City of Lake Stevens	\$0.92
Snohomish County	\$0.60
Snolsle Library	\$0.39
Total	\$9.83

2022 Property Tax on \$500,000 Home \$5,589



- **2022 Example City Portion –**

- Levy Rate \$0.9157
- 2022 Assessed Value = \$500,000
 - $(\$500,000/1000) * 0.9157$
 - = \$457.86 Levy
 - = \$91.57 / 100,000 of AV

- **2023 Example City Portion –**

- Average AV Increase 43.5%
- Levy Rate \$0.7356
- 2023 Assessed Value = \$710,000
 - $(\$710,000/1000) * 0.9195 = 522.31$ Levy
 - \$64.45 increase over 2022
 - \$12.89 increase / 100,000 of AV



2022 - 2023 Property Tax Levy Comparison

Year	AV	/1000	Levy Rate	City Portion Per \$1000 AV
2022	\$100,000	100	\$0.9157	\$91.57
2022	\$500,000	500	\$0.9157	\$457.86
2022	\$1,000,000	1000	\$0.9157	\$915.72
2023 Levy Rate				
Year	42% AV Increase	/1000	@ 1%	City Portion Per \$1000 AV
2023	\$142,000	142	\$0.7356	\$104.46
2023	\$710,000	710	\$0.7356	\$522.31
2023	\$1,420,000	1420	\$0.7356	\$1,044.61

City Portion Variance 2022 - 2023				
Years	AV	/1000	Variance Per \$1000 AV @ 1%	
2022 v 2023	\$42,000	42	\$12.89	
2022 v 2023	\$210,000	210	\$64.45	
2022 v 2023	\$420,000	420	\$128.90	

2023 Property Tax - Next Steps



- Public Comment
- Recommendation:
 - Adopt Ordinance No. 1149 authorizing collection of property tax levy for 2023 and setting the property tax levy.