



# BUSINESS OF THE CITY COUNCIL CITY OF SNOQUALMIE

AB24-007  
January 4, 2024  
Resolution

## AGENDA BILL INFORMATION

<b>TITLE:</b>	AB24-007: Resolution XXXX to Provide a Submission of a Ballot Proposition to the Qualified Electors of the City at an Election to be Held on August 6, 2024 Regarding a 0.1% Public Safety Sales Tax	<input type="checkbox"/> Discussion Only <input checked="" type="checkbox"/> Action Needed:
<b>PROPOSED ACTION:</b>	Adopt Resolution XXXX to Provide a Submission of a Ballot Proposition to the Qualified Electors of the City at an Election to be Held on August 6, 2024 Regarding a 0.1% Public Safety Sales Tax	<input type="checkbox"/> Motion <input type="checkbox"/> Ordinance <input checked="" type="checkbox"/> Resolution

<b>REVIEW:</b>	Department Director	Drew Bouta	12/26/2023
	Finance	Janna Walker	12/26/2023
	Legal	David Linehan	Click or tap to enter a date.
	City Administrator	Mike Chambless	1/2/2024

DEPARTMENT:	Finance		
STAFF:	Janna Walker, Budget Manager		
COMMITTEE:	Finance & Administration	COMMITTEE DATE: January 2, 2024	
EXHIBITS:	1. Resolution XXXX		

<b>AMOUNT OF EXPENDITURE</b>	\$ 46,000
<b>AMOUNT BUDGETED</b>	\$ 4,258,154
<b>APPROPRIATION REQUESTED</b>	\$ 0

## SUMMARY

### INTRODUCTION

Chapter 82.14.450 of the Revised Code of Washington (RCW) authorizes cities to impose a sales tax of up to 0.1% for public safety with voter approval. Counties may also impose a public safety sales tax under the same statute (up to a maximum of 0.3%) and the combined the city/county sales tax rate for public safety may not exceed 0.3%. However, King County currently does not impose a public safety sales tax. Resolution XXXX calls for an election and certifies a proposition for submission to the King County Director of Elections, to be placed on the ballot for the August 6, 2024, primary election.

If Resolution XXXX is approved and the City's electorate supports the proposition, the resulting public safety sales tax would be shared with King County, with the City receiving 85% of sales tax revenues and King County receiving the remaining 15%. Of the revenues the City would collect, one-third must be used solely for

criminal justice and/or fire protection purposes. The remaining two-thirds are unrestricted and may be used for any lawful governmental purpose, but must be spent in accordance with the purposes specified in the ballot measure.

In order to get the public safety sales tax ballot proposition to a vote of the qualified electors in August, the City must submit the resolution to King County Elections by May 3, 2024.

**ANALYSIS**

The approval of Resolution XXXX and passage of the proposition would allow the City to prepare the Department of Revenue for a January 1, 2025 start date, and given the lag time between actual retail sales and distribution of the tax, the City of Snoqualmie would likely not receive any revenue until March 2025. This would result in the following estimated revenue collected from the tax, with inflation based on the CPI-U estimate from King County’s Office of Economic & Financial Analysis:

**Estimated Revenue from the Public Safety Sales Tax (0.1%):**

2024	2025	2026	2027	2028
-	226,000	279,000	286,000	294,000

The City lost certain revenues that support public safety in the General Fund during 2023 and experienced substantial inflation during 2022 and 2023, resulting in higher costs for personnel, services, and materials. While only 33.3% of the sales tax must be used to support public safety, Administration recommends using the entire public safety sales tax to support Police and Fire service at the City to prevent any impairments to service levels.

**BUDGET IMPACTS**

The City budgeted \$4,258,154 in the 2023-2024 Biennial Budget for services within the General Fund Administration classification (#001). Currently \$2,153,599 has been spent in the current biennium and \$207,219 is encumbered for contracts within the within the General Fund Administration classification, leaving \$1,897,336 for new expenditures.

This agenda bill will increase election-related expenditures, as Snoqualmie is not expecting to have any initiatives or legislative positions on the ballot. However, the cost of elections varies depending on the level of activity from other jurisdictions. Based on the last election in 2023, the cost of placing public safety sales tax proposition on the ballot would be \$46,000, leaving \$1,851,336 in budgetary appropriation. Therefore, sufficient appropriation exists within the 2023-24 Biennial Budget (General Fund Administration - #001) to fund a ballot initiative.

## General Fund Administrative Services

2023-2024 Amended Biennial Budget	
Beginning Budget	\$ 4,258,154
Expenditures	\$ (2,153,599)
Outstanding Contract Value	\$ (207,219)
Current Available Budget	\$ 1,897,336
Estimated Cost of 2024 Election	\$ (46,000)
Available Budget after Election Costs	\$ 1,851,336

### NEXT STEPS

Recommend a resolution authorizing the Mayor to sign Resolution No. XXXX

### PROPOSED ACTION

Motion to authorize the Mayor to sign Resolution XXXX to Provide a Submission of a Ballot Proposition to the Qualified Electors of the City at an Election to be Held on August 6, 2024 Regarding a 0.1% Public Safety Sales Tax.