

CITY OF BURIEN, WASHINGTON

RESOLUTION NO. 369

A RESOLUTION OF THE CITY OF BURIEN, WASHINGTON, MAKING A DECLARATION OF SUBSTANTIAL NEED FOR PURPOSES OF THE SETTING THE LIMIT FACTOR FOR THE PROPERTY TAX LEVY FOR 2016

WHEREAS, RCW 84.55.010 provides that a taxing jurisdiction may levy taxes in an amount not more than the limit factor multiplied by the highest levy plus additional amounts resulting from new construction, improvements to property, newly constructed wind turbines, any increase in the value of state-assessed utility property, any annexations that have occurred and refunds made; 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, under 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” the second quarter of 2015 is 0.251 percent, meaning the limit factor for the 2016 property tax levy is 100.251% plus the amount levied for new construction, improvements to property, newly constructed wind turbines, any increase in the value of state-assessed utility property, any annexations that have occurred and refunds made; and

WHEREAS, RCW 84.55.010 provides for use of a limit factor of 101 percent with a finding of substantial need by a Council majority plus one council member; and

WHEREAS, the largest component of the City’s budget is labor including the contract for police with the King County Sheriff’s office; and

WHEREAS, the contract with the King County Sheriff’s Office for 2016 is 4.3% or \$466,000 more than 2015; and

WHEREAS, using a 1% limit factor is approximately \$73,000 in additional revenue while the inflationary limit factor of 0.251% is approximately \$18,000; and

WHEREAS, property tax is the second largest revenue source in the General Fund and comprises 29% of General Fund revenue; and

WHEREAS, the City’s financial policies establish that the property tax levy will be at least

1% more than levied in the prior year plus the amount received as a result of new construction; and

WHEREAS, a 1% limit factor is necessary to partially fund increased labor costs; and

WHEREAS, the Burien City Council has determined that, due to necessary operational expenses, there is a substantial need authorizing the use of a limit factor of 101 percent for the property tax levy for 2016;

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF BURIEN, WASHINGTON, DOES RESOLVE AS FOLLOWS:

Section 1. A finding of substantial need is made under RCW 84.55.010, which authorizes the use of a limit factor of 101 percent for the property tax levy for 2016.

Section 2. Effective Date. This resolution shall take effect immediately upon approval.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF BURIEN, WASHINGTON, AT A REGULAR MEETING THEREOF THIS 16th DAY OF NOVEMBER, 2015.

CITY OF BURIEN
/s/ Lucy Krakowiak, Mayor

ATTEST/AUTHENTICATED:
/s/ Monica Lusk, City Clerk

Approved as to form:
/s/ Soojin Kim, City Attorney

Filed with the City Clerk: November 16, 2015
Passed by the City Council: November 16, 2015
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