

**RESOLUTION NO. 1314**

**A RESOLUTION OF THE CITY OF DES MOINES, WASHINGTON** declaring a substantial need for purposes of 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 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 other adjustments, 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 lessor of 101 percent or 100 percent plus inflation, and

**WHEREAS**, RCW 84.55.005(1) defines "inflation" as the percentage change in the implicit 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 2014 is 0.251 and the limit factor is 100.251 percent meaning the taxes levied in the City of Des Moines in 2015 for collection in 2016 will be less than 101 percent without regard to increases resulting from new construction and improvements to property, newly constructed wind turbines, any increase in the value of state-assessed utility property, and other adjustments without a declaration of substantial need, and

**WHEREAS**, RCW 84.55.0101 provides for the use of a limit factor of 101 percent or less with a finding of substantial need by a majority plus one councilmembers, and

**WHEREAS**, the City of Des Moines has seen a significant drop in recurring General Fund revenues due to the economic recession, and

**WHEREAS**, expenditures have been significantly reduced in past years in response to the decreased revenues, and

**WHEREAS**, the City of Des Moines' General Fund reserves are below the minimum reserve requirements, and

**WHEREAS**, the Council finds it fiscally prudent to maintain the City's core property tax base; now therefore,

**THE CITY COUNCIL OF THE CITY OF DES MOINES RESOLVES AS FOLLOWS:**


**Sec. 1.** A finding is made of substantial need under RCW 84.55.0101, which authorizes the use of a limit factor of 101 percent (1% property tax increase) for the property tax levy for 2016.

**Sec 2. Effective date.** This Resolution shall be effective immediately upon passage. This Resolution has received at least the affirmative vote of a majority plus one of the Des Moines City Council.


**ADOPTED BY** the City Council of the City of Des Moines, Washington this 12th day of November, 2015 and signed in authentication thereof this 12th day of November, 2015.

  
MAYOR

APPROVED AS TO FORM:

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

ATTEST:

  
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City Clerk