

**RESOLUTION NO. 078-16**

**A RESOLUTION OF THE CITY OF PORT ORCHARD, WASHINGTON, SETTING THE AMOUNT OF PROPERTY TAXES TO BE LEVIED FOR THE YEAR 2017 AT A RATE IN EXCESS OF THE IMPLICIT PRICE DEFLATOR, AND FINDING SUBSTANTIAL NEED FOR THE INCREASE**

**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

**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**, RCW 84.55.010(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 the year before the taxes are payable; and

**WHEREAS**, "inflation" is 0.935 percent; and

**WHEREAS**, RCW 84.55.010 provides for use of a limit factor of 101 percent or less with a finding of substantial need by a majority plus one councilmember (or two out of three commissioner);

**WHEREAS**, the population of the City of Port Orchard is more than 10,000 requiring a separate declaration of substantial need to approve a tax increase in excess of the implicit price deflator; and

**WHEREAS**, the City Council, after hearing and duly considering all relevant evidence and testimony presented at a public hearing held for this purpose on October 11, 2016 has determined that the legitimate needs of the City requires an increase in excess of the implicit price deflator in the amount of the property tax levy on real and personal property; and

**WHEREAS**, these funds are to be used for public safety including law enforcement, street maintenance, and preservation of the City's basic, core services; and

**WHEREAS**, the Council, after duly considering relevant evidence and factors, has determine that, in order to discharge the expected expenses and obligations of the City, there is a substantial need to set the levy limit at 101 percent; now, therefore,

**THE CITY COUNCIL OF THE CITY OF PORT ORCHARD, WASHINGTON, HEREBY RESOLVES AS FOLLOWS:**

**Section 1.** The City Council determined that, in order to not reduce current public service safety level needs, there is a substantial need to increase property taxes by one percent and to set the levy limit at one hundred and one percent.

**Section 2.** This ordinance has been passed by the affirmative vote of at least a majority plus one of the whole membership of the City Council.

**Section 3.** This ordinance shall be effective 5 days after its passage, approval, and publication as required by law.

PASSED by the City Council of the City of Port Orchard, SIGNED by the Mayor and attested by the Clerk in authentication of such passage this 22<sup>nd</sup> day of November, 2016.



Robert Putaansuu, Mayor

ATTEST:



Brandy Rinearson, CMC, City Clerk

