



KING COUNTY

1200 King County Courthouse
516 Third Avenue
Seattle, WA 98104

Signature Report

November 10, 2015

Ordinance 18152

Proposed No. 2015-0413.2

Sponsors McDermott

1 AN ORDINANCE relating to county property tax levies for
2 collection in 2016; implementing RCW 84.55.0101, finding
3 substantial need and providing for a limit factor of one
4 hundred and one percent in accordance with RCW
5 84.55.0101.

6 BE IT ORDAINED BY THE COUNCIL OF KING COUNTY:

7 **SECTION 1. Findings:**

8 A. RCW 84.55.0101 allows the county council to set limit factors for regular
9 property tax levies to a maximum of one hundred one percent upon a finding of
10 substantial need.

11 B. King County provides criminal justice, transit, elections, assessments, natural
12 resources and parks, public health and human services to two million residents. The
13 demand for these services provided by King County continues to grow - fueled by an
14 expanding population. To ensure King County maintains its commitments to adequate
15 levels of basic services for a growing population, it must provide for the cost of those
16 services. Setting the limit factor for regular property tax levies to the maximum of one
17 hundred and one percent allows King County to strive to meet service demands at a local
18 level.

19 C. The total adopted King County budget for the 2015/2016 biennium is \$8.9
20 billion, and the total adopted general fund budget for the 2015/2016 biennium is \$1.5
21 billion.

22 D. The general fund and other funds are continuing to experience a fiscal
23 shortfall that is the result of revenue growth that is not keeping pace with the increasing
24 costs of providing services.

25 E. To address the shortfall, King County has aggressively reviewed all
26 expenditures in the general fund and other property-tax-supported funds for reductions
27 and has reviewed possibilities for enhanced revenues.

28 F. King County reduced the general fund budget and other property-tax-
29 supported budgets below the amounts necessary to sustain current service levels through
30 direct service reductions and efficiencies.

31 G. Despite King County's efforts, the fiscal shortfall is expected to continue in
32 2017 and thereafter, with the general fund shortfall for the 2017/2018 biennium currently
33 projected to total \$48 million.

34 H. The 2015/2016 Biennial Budget Ordinance assumes that property taxes
35 increase by the one hundred and one-percent limit factor, and any increase less than that
36 would require substantial direct service reductions.

37 I. State law limits annual property tax increases to the lesser of one percent and
38 the implicit price deflator. For 2016, the state has advised King County that the implicit
39 price deflator is 0.251 percent.

40 J. Since 1998, the implicit price deflator has only been less than one percent on
41 three occasions-in 1999, 2010 and 2016. For all other years, the implicit price deflator

42 has exceeded one percent-ranging from 1.16 percent in 2003 to a high of 4.527 percent in
43 2009. In those years, King County's annual property tax increases were limited to an
44 increase of one percent.

45 K. Because of the findings in subsections A. through J. of this section, the King
46 County council finds that a substantial need exists for the use of property tax limit factors
47 up to the maximum of one hundred one percent.

48 SECTION 2. The limit factors to be used for county property tax levies for taxes
49 to be collected in 2016 shall be as follows:

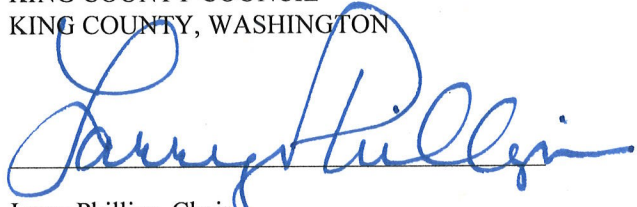
50	Levy	Limit Factor
51	Regular Levy	One hundred one percent
52	Emergency Medical Services (EMS)	One hundred one percent
53	County Road District	One hundred one percent
54	Conservation Futures	One hundred one percent

55 Transit One hundred one percent
56 Ferry District One hundred one percent
57

Ordinance 18152 was introduced on 10/19/2015 and passed as amended by the Metropolitan King County Council on 11/9/2015, by the following vote:

Yes: 7 - Mr. Phillips, Mr. von Reichbauer, Mr. Gossett, Mr. Dunn,
Mr. McDermott, Mr. Dembowski and Mr. Upthegrove
No: 0
Excused: 2 - Ms. Hague and Ms. Lambert

KING COUNTY COUNCIL
KING COUNTY, WASHINGTON



Larry Phillips, Chair

ATTEST:



Anne Noris, Clerk of the Council

APPROVED this 20th day of November, 2015.



Dew Constantine, County Executive

Attachments: None

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KING COUNTY COUNCIL