

RESOLUTION NO. 2014-073

RESOLUTION OF INTENT TO TAKE THE STATUTORILY AUTHORIZED INCREASE IN PROPERTY TAX REVENUE AS PART OF THE ANNUAL APPROPRIATION ORDINANCE FOR 2015.

WHEREAS, SDCL 10-13-35 limits cities ability to increase the revenue collected from property taxes in their annual budgets; and

WHEREAS, pursuant to state law, the City of Rapid City may only increase the revenue collected from property taxes by the amount of growth and by the amount of the Consumer Price Index (CPI) or 3% whichever is less; and

WHEREAS, the City's portion of the average property tax bill is approximately 18%, with other governmental entities comprising the remaining 82% and the CPI increase affects only the City's portion.

WHEREAS, the City may choose to take all of the statutorily authorized increase in property taxes, may choose to take part of the increase, or may choose to forego any increase in property taxes as part of its annual appropriation ordinance; and

WHEREAS, the City adopted Resolution No. 2012-004 which requires the City Council to approve a resolution that informs the community that the City intends to take the statutorily authorized increase in property taxes as part of the City's annual appropriation ordinance prior to second reading of the ordinance; and

WHEREAS, the City is allowed by state law to take a 1.4% increase in property taxes for 2015 which equals approximately \$201,741 in additional property tax revenue (approximately \$5.00 per \$100,000 in valuation annually); and

WHEREAS, the City Council is choosing NOT to take the statutorily allowed CPI for years 2013 and 2014 in the amounts of \$402,006 and \$294,518, respectively.

NOW THEREFORE, BE IT RESOLVED, that the City of Rapid City intends to take the statutorily authorized increase in property taxes of 1.4% for 2015 as part of the annual appropriation ordinance.

CITY OF RAPID CITY

Sam Kooiker, Mayor

ATTEST:

Pauline Sumption, Finance Officer