



Staff Report – Public Hearing for Property Tax Levies

November 16, 2020 Regular Meeting

Public Hearing for 2021 Property Tax Levies

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SUMMARY: Property taxes are the primary revenue source for funding of general fund services and emergency medical services for the City of Camas. Property taxes are complicated with different limitations but the one limit which requires City Council’s annual consideration is the Levy Increase Limit. In Washington State, property taxes increases are not based on the increasing value of properties but rather on the amount of property taxes that are assessed from the prior year. Each year’s levy may be increased by no more than 1% or the Implicit Price Deflator (IPD) whichever is less. The IPD is the percentage change in the implicit price deflator for personal consumption as published by the Bureau of Economic Analysis by September 25th. The IPD for the 2021 property tax levy is 0.602%.

The City does have the option to increase the levy above the IPD by passing the Substantial Need Resolution per RCW 84.55.0101. The City has passed this resolution each year as part of the 1%.

On November 2, 2020 Council Meeting, Council considered the funding of four additional firefighter/paramedics to eliminate cross-staffing at CWFD Station 42. One of the options was to dedicate the 1% of property taxes to fund the positions. Council directed staff to develop a 2021-2022 Budget package with 2 FTE in 2021 and 2 in 2022. One component of the funding would be dedicating the property tax 1%.

The first step to approve the 1% property tax increase is for Council to consider public comment during a public hearing prior to considering the Resolution declaring Substantial Need and the two ordinances setting the tax levy for the City of Camas General Levy and the City of Camas EMS Levy.

EQUITY CONSIDERATIONS:

What are the desired results and outcomes for this agenda item? To hear and consider public comment regarding the 1% property tax increase.

What’s the data? What does the data tell us? The data from previous studies show that eliminating cross-staffing at this station will improve response times and service coverage to the citizens in our response area.

How have communities been engaged? Are there opportunities to expand engagement? The public has opportunities to comment in this public hearing as well as a public hearing during the Council Regular Meeting on December 7, 2020.

Who will benefit from, or be burdened by this agenda item? The fire department's operational capacity, and by extension the citizens, will benefit from this agenda item. There is potential for burden that will be born by other city departments that may see previously budgeted items either decreased or eliminated. There will also be burden to the partnership between Camas and Washougal. This would further widen the gap between what the two cities contribute to the fire department budget.

What are the strategies to mitigate any unintended consequences? Finance Department is working to find appropriate funding such that it will minimize impacts to other city departments.

Does this agenda item have a differential impact on underserved populations, people living with disabilities, and/or communities of color? Please provide available data to illustrate this impact. N/A

Will this agenda item improve ADA accessibilities for people with disabilities? N/A

What potential hurdles exist in implementing this proposal (include both operational and political)? There are no operational hurdles as approval would improve operational capacity. The political hurdle is whether Council will be willing to approve this item without Washougal contribution.

How will you ensure accountabilities, communicate, and evaluate results? We will monitor changes and improvements to department operations with the additional staffing and will report this data in our annual report to Council and the community.

How does this item support a comprehensive plan goal, policy or other adopted resolution? Council has previously expressed a desire to see cross-staffing eliminated at Station 42. Approval of this agenda item will fulfill that plan.

RECOMMENDATION: Staff recommends Council open a public hearing to consider public comment regarding the increase in property taxes of 1% to fund cost related to hiring two additional Firefighter/paramedics.