



Staff Report

November 16, 2020 Council Workshop

2021 Final Property Tax Levies

Presenter: Cathy Huber Nickerson, Finance Director

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BACKGROUND: This presentation will walk through the property tax process for the City Council Regular Meeting as well as the final projections for the General Fund and EMS Levies for 2021.

SUMMARY: The Council has reviewed property taxes in preparation for the 2021-2022 Budget during the following Council Workshops:

September 8, 2020 This presentation reviewed how property taxes are calculated, impact of the 1% to the City and taxpayers as well as provide options for Council's consideration.

October 19, 2020 This presentation provided an overview of the 2021 property tax levy options Council has with the Implicit Price Deflator below 1%. Staff provided the three options and will request direction for the 2021-2022 Biennial Budget.

November 2, 2020 Council considered the option of using the 1% property tax over the next two years as a dedicated revenue stream, similar to street preservation. In 2014, Council elected to use the banked capacity of property taxes to fund street preservation annually. The dedicated property tax is increased each year with the proportionate 1% and new construction. In this scenario, Council could choose to dedicate the 1% tax limit, this year it is approximately \$135,000. This amount would grow each year in the same manner as the street preservation dedicated property taxes.

This presentation will be the final presentation to provide Council one more opportunity to ask questions and gain a better understanding of the multiple step process to approve the 2021 levies for tonight's Regular Meeting.

EQUITY CONSIDERATIONS:

What are the desired results and outcomes for this agenda item? For Council to review the final estimates of the 2021 property tax levies and to understand the multiple Council actions required at the regular meeting to approve the levies by law.

What's the data? What does the data tell us? N/A

How have communities been engaged? Are there opportunities to expand engagement? The community has video access to the prior presentations and had opportunities to provide public comment during each of the meetings. In addition, there is a Public Hearing (which was advertised) to be held at the Regular City Council Meeting tonight prior to Council action.

Who will benefit from, or be burdened by this agenda item? This item impacts all property owners in the City.

What are the strategies to mitigate any unintended consequences? N/A

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. The Clark County Assessor's Office can provide exemptions for homeowners who are within certain age and income groups as well as homeowners who may be disabled.

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)? N/A

How will you ensure accountabilities, communicate, and evaluate results? N/A

How does this item support a comprehensive plan goal, policy or other adopted resolution? This item contributes to ensuring sufficient revenue to meet the City's desired level of service.

BUDGET IMPACT: The Mayor's Recommended 2021-2022 Biennial Budget has incorporated the 1% levy increase. Council has maintained the 1% to ensure the compounding impact of the 1% is preserved.

For the General Fund, the property tax levy generates \$130,950 from the 1% increase and for the EMS levy it generates \$22,443.

RECOMMENDATION: City Council information only.