



Staff Report – Public Hearing – Ordinance Nos 21-015 and 21-016 Levying the Ad Valorem Taxes

November 15, 2021 Council Regular Meeting

Public Hearing – Ordinances for Property Tax Levies for General Fund and EMS Fund

Presenter: Cathy Huber Nickerson, Finance Director

Time Estimate: 15 minutes

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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 2022 property tax levy is 3.86%.

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 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? N/A

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 October 18, 2021.

Who will benefit from, or be burdened by this agenda item? The citizens in the City of Camas will benefit with continued service level delivery in 2022 while paying slightly more a year in taxes on average \$13.94 for the General Fund Levy and \$0.13 for the EMS Levy.

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.

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? These levies support core operations of the City of Camas.

RECOMMENDATION: Staff recommends Council open a public hearing to consider public comment regarding the increase in property taxes of 1% to fund cost of core services of the City.