



Agenda Item Cover Sheet

Agenda Title:

- 2021 Excise Tax Report

Department/Contact Person:

- Shelby Teufel

Background Information:

- The voters authorized an excise tax and Council adopted a rate methodology in 2002. An excise tax is a funding mechanism for streets and related improvements based on the total number of new trips generated by building activity.
- Council updated both the trip generation rate and the excise tax charged in 2020.
- The Council is obligated to review the excise tax fund and evaluate established rates annually.

Financial Information:

- As presented, there is no financial impact.
- Increases or decreases to the existing excise tax will have an impact on the budget, making more or less funding available for transportation related projects. The Excise Tax Fund is projected to have a \$61,000 fund balance at the end of FY 2021.

Staff Recommendation:

- Staff does not recommend any modifications.
- If Council desires to change the excise tax rates, staff will need direction to craft an ordinance or resolution for a future Council meeting.

Attachments:

- 2021 Excise Tax Report to the City Council