

Public Hearing on 2018 Budget Revenue Sources & Adoption of 2018 Property Tax Levy

Overview of Tonight's 2018 Property Tax Agenda Presentation

- 1) Staff will share a presentation on property taxes
- 2) Open Public Hearing
- 3) Accept Public Comment
- 4) Council will be asked to approve the attached 2018 Regular Property Tax Levy and the EMS Property Tax Levy Ordinance



2018 Regular Property Tax Levy Item #1 Staff Presentation

- 2018 Budget Includes 1% Property Tax Increase
- Assessor Shows City of Edmonds Assessed Values Increasing 11.1%
(Increase in AV before adding in new construction)
- New Construction adds \$38,266,907 Assessed Value

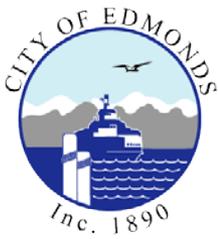


2018 Regular Property Tax Calculation

Step 1: Start From Prior Year Levy Amount

2018 Regular Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	\$10,218,549
Add New Construction	
Add Allowance for Adjustments	
Add Refunds	
2018 Starting Point	<u>\$10,218,549</u>
Add 1% of 2017 Levy	
Total 2018 Levy	<u><u>\$10,218,549</u></u>



2018 Regular Property Tax Calculation

Step 2: Add Property Tax From New Construction

2018 Regular Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	\$10,218,549
Add New Construction	\$47,819
Add Allowance for Adjustments	
Add Refunds	
2018 Starting Point	<u>\$10,266,368</u>
Add 1% of 2017 Levy	
Total 2018 Levy	<u><u>\$10,266,368</u></u>



2018 Regular Property Tax Calculation

Step 3: Add allowance for Assessor's Office Adjustments

2018 Regular Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	\$10,218,549
Add New Construction	\$47,819
Add Allowance for Adjustments	\$10,372
2018 Starting Point	<u>\$10,276,740</u>
Add 1% of 2017 Levy	
Total 2018 Levy	<u><u>\$10,276,740</u></u>



2018 Regular Property Tax Calculation

Step 4: Add 1%

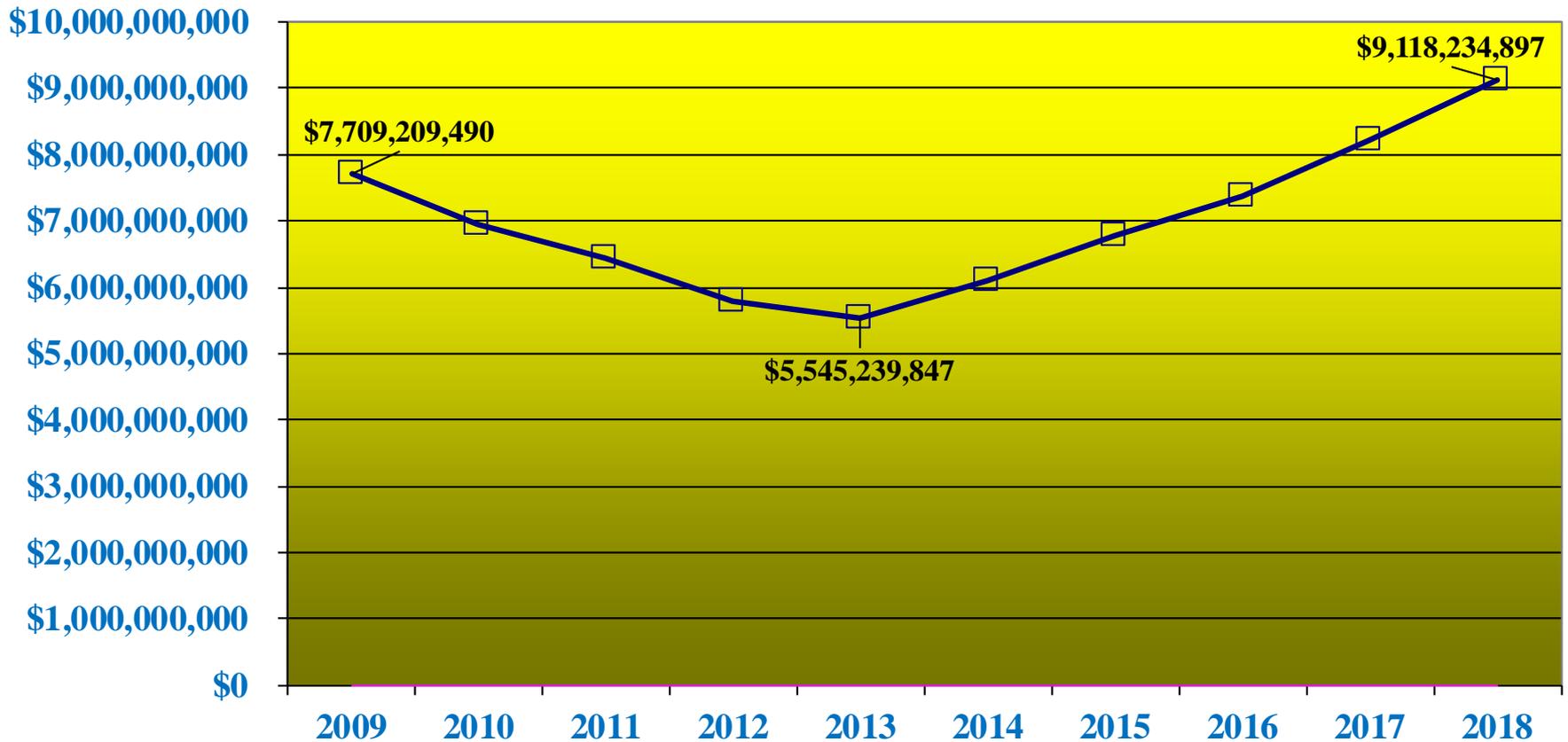
2018 Regular Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	\$10,218,549
Add New Construction	\$47,819
Add Allowance for Adjustments	\$10,372
2018 Starting Point	<u>\$10,276,740</u>
Add 1% of 2017 Levy	<u>\$102,190</u>
Total 2018 Levy	<u><u>\$10,378,930</u></u>



Assessed Value History

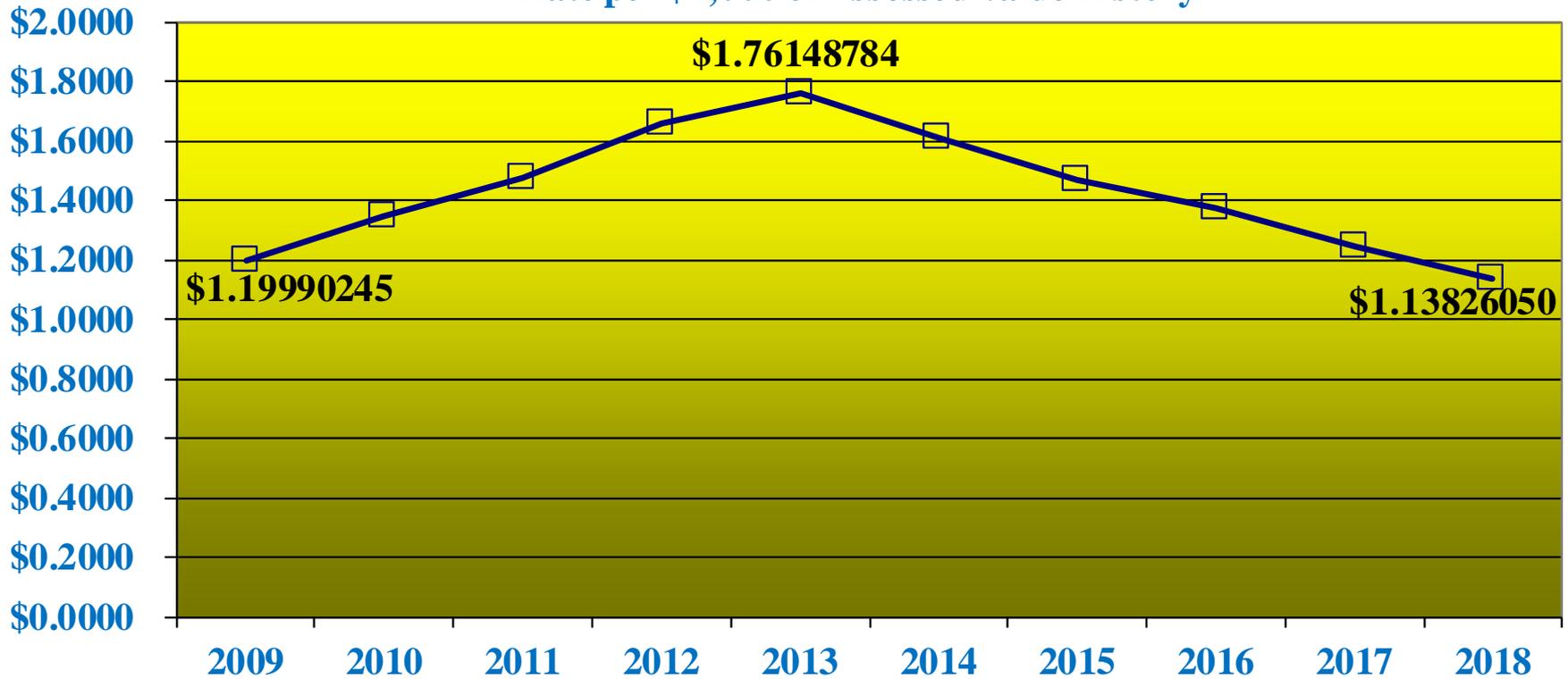
Ten Year Assessed Property Values History For the City





Tax Rate History

City of Edmonds Regular Property
Rate per \$1,000 of Assessed Value History





2008 - 2018 EMS Tax Levy Overview

- In 2008, Citizens voted to make the EMS Levy a Permanent \$0.50 Levy
- During 2010 – 2013 we saw our Assessed Property Values decline
- During this span of time Edmonds AV dropped just over 31%
- EMS Levy cannot exceed \$0.50
- In a declining AV environment, the City's EMS Levy Revenue also declines



2009 - 2018 EMS Tax Levy

continued

Year	Action	EMS Levy	Levy Savings
2009	\$0.50 Permanent EMS Levy becomes effective	\$3,854,605	\$0



2009 - 2018 EMS Tax Levy

continued

Year	Action	EMS Levy	Lost Levy Revenues
2009	\$0.50 Permanent EMS Levy becomes effective	\$3,854,605	\$0
2010	Declining Assessed Values start 4 year skid	\$3,477,741	\$376,864



2009 - 2017 EMS Tax Levy

continued

Year	Action	EMS Levy	Lost Levy Revenues
2009	\$0.50 Permanent EMS Levy becomes effective	\$3,854,605	\$0
2010	Declining Assessed Values start 4 year skid	\$3,477,741	\$376,864
2011	Levy Declines	\$3,216,629	\$637,976
2012	Levy Declines	\$2,897,322	\$957,283
2013	Levy Declines	\$2,772,620	\$1,081,985
2014	Levy Increases	\$3,051,206	\$803,399
2015	Levy Increases	\$3,387,743	\$466,862
2016	Levy Increases	\$3,684,514	\$170,091
2017	Levy Increase Exceeds 2009 Voted Amount	\$3,969,536	(\$114,931)
Net Lost Levy Revenues Through 2017			<u>\$4,379,529</u>



2009 - 2018 EMS Tax Levy

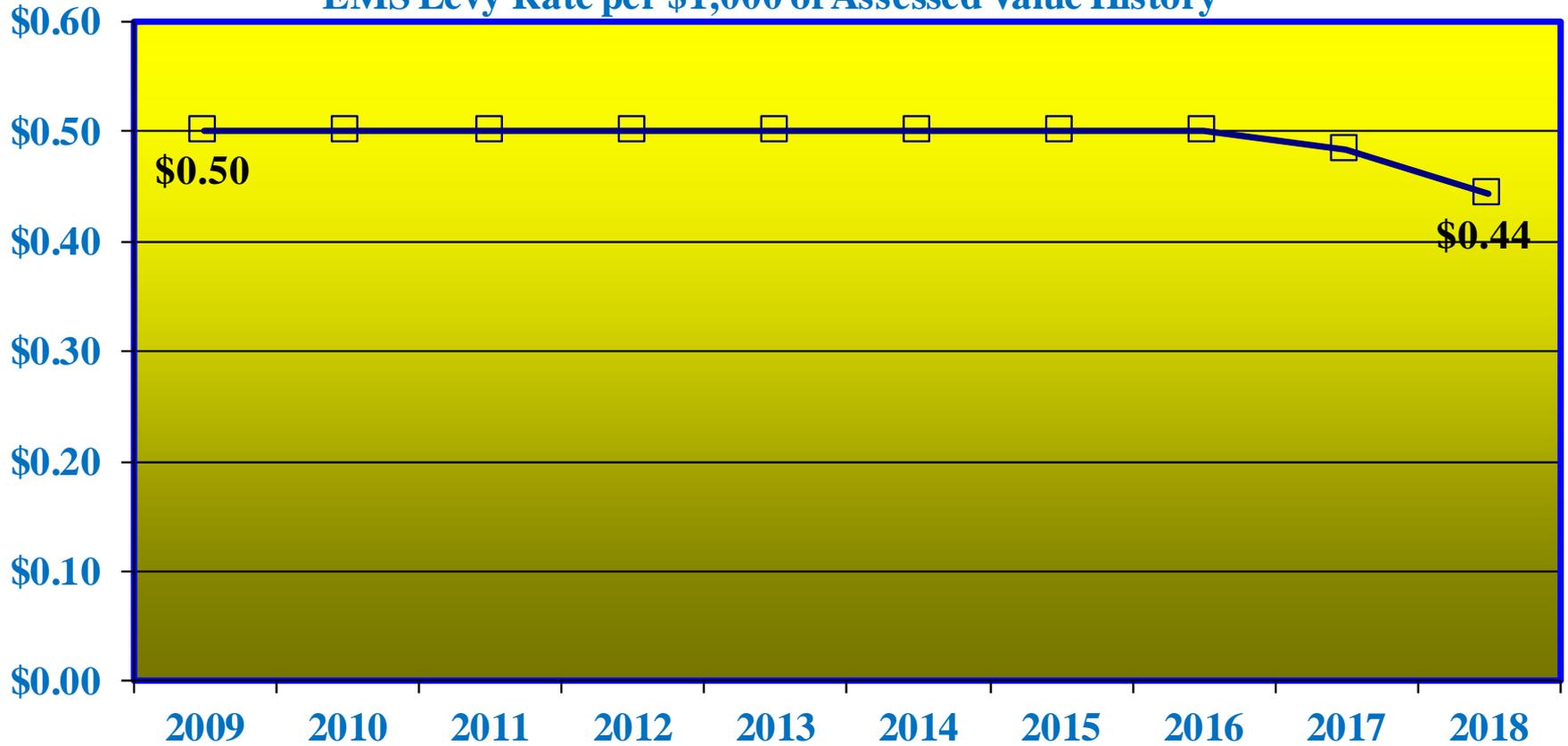
continued

Year	Action	EMS Levy	Lost Levy Revenues
2009	\$0.50 Permanent EMS Levy becomes effective	\$3,854,605	\$0
2010	Declining Assessed Values start 4 year skid	\$3,477,741	\$376,864
2011	Levy Declines	\$3,216,629	\$637,976
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2015	Levy Increases	\$3,387,743	\$466,862
2016	Levy Increases	\$3,684,514	\$170,091
2017	Levy Increase Exceeds 2009 Voted Amount	\$3,969,536	(\$114,931)
	Net Lost Levy Revenues Through 2017		<u>\$4,379,529</u>
2018	Levy Increase Exceeds 2009 Voted Amount	\$4,040,700	(\$186,095)
	Net Lost Levy Revenues Through 2018		<u><u>\$4,193,434</u></u>



Levy Rate History

EMS Levy Rate per \$1,000 of Assessed Value History





EMS Tax Levy Calculation

Step 1: Start From Prior Year Levy Amount

2018 EMS Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	3,969,536
Add New Construction	
Add Allowance for Adjustments	
Add Refunds	
2018 EMS Levy Starting Point	<u>\$3,969,536</u>
Add 1% of 2017 Levy	
Total 2018 Levy	<u><u>\$3,969,536</u></u>



EMS Tax Levy Calculation

Step 2: Add Levy Tax From New Construction

2018 EMS Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	3,969,536
Add New Construction	\$18,576
Add Allowance for Adjustments	
Add Refunds	
2018 EMS Levy Starting Point	<u>\$3,988,112</u>
Add 1% of 2017 Levy	
Total 2018 Levy	<u><u>\$3,988,112</u></u>



EMS Tax Levy Calculation

Step 3: Add Allowance for Assessor's Office Adjustments

2018 EMS Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	3,969,536
Add New Construction	\$18,576
Add Allowance for Adjustments	\$8,068
Add Refunds	
2018 EMS Levy Starting Point	\$3,996,180
Add 1% of 2017 Levy	
Total 2018 Levy	\$3,996,180



EMS Tax Levy Calculation

Step 4: Add Refunds

2018 EMS Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	3,969,536
Add New Construction	\$18,576
Add Allowance for Adjustments	\$8,068
Add Refunds	\$4,820
2018 EMS Levy Starting Point	\$4,001,000
<hr/>	
Add 1% of 2017 Levy	
Total 2018 Levy	\$4,001,000

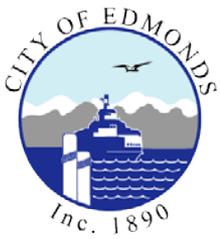


EMS Tax Levy Calculation

Step 5: Add 1%

2018 EMS Property Tax Calculation for the City of Edmonds

<u>Description</u>	<u>Amount</u>
2017 Levy Amount	3,969,536
Add New Construction	\$18,576
Add Allowance for Adjustments	\$8,068
Add Refunds	\$4,820
2018 EMS Levy Starting Point	\$4,001,000
Add 1% of 2017 Levy	\$39,700
Total 2018 Levy	\$4,040,700



Impacts of Tax Increases

- 2017 Average Residence Value is \$474,800
- 1% Regular Tax Levy Increase = \$5.93
- 1% EMS Levy Tax Increase = \$2.30
- Average Residence would pay \$8.23 in 2018
- Or about \$0.69 per month extra



Public Hearing on 2018 Budget Revenue Sources & Adoption of 2018 Property Tax Levy

Item #2: Open Public Hearing

Item #3: Accept Public Comments



Council Questions, Action & Motions

Item # 4

Council Discussion & Questions

- 4) To Approve Ordinance No. XXXX Levying 1% Regular Property Tax Increase for 2018 and Levying 1.0% EMS Tax Increase.