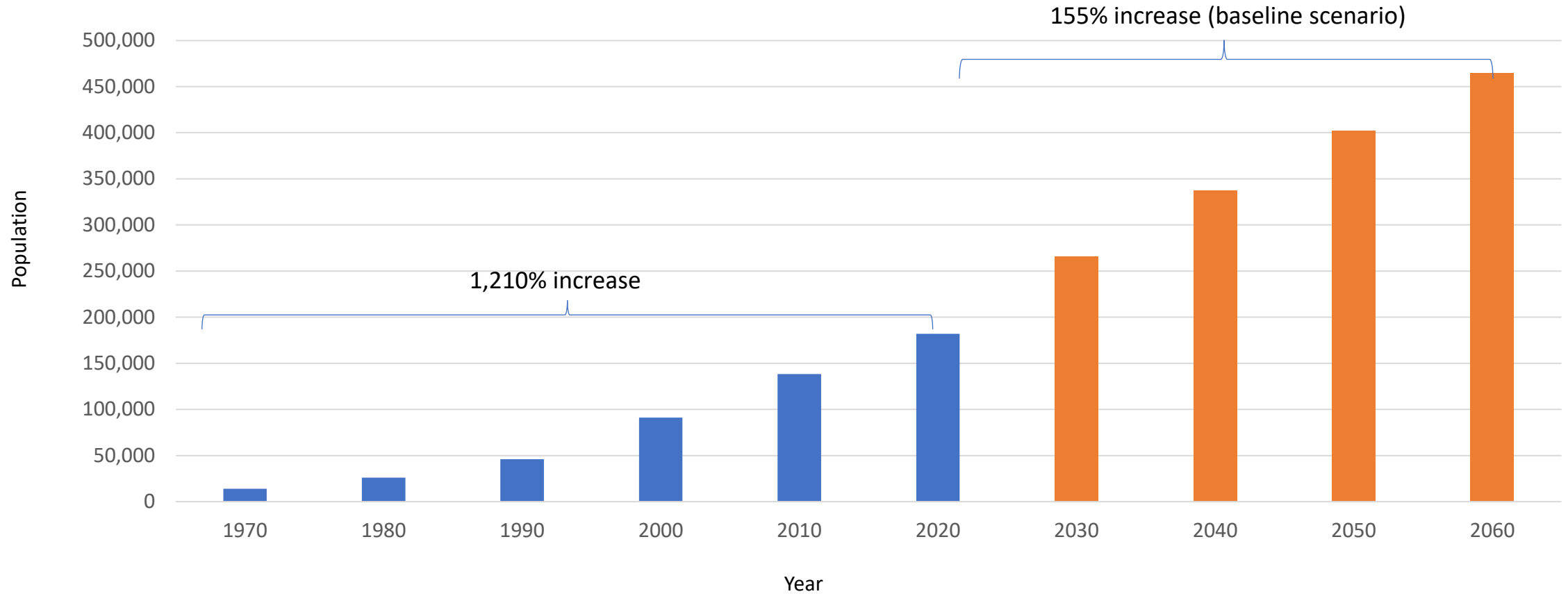




# Property Tax Overview

Revenue & Taxation Interim Committee | Zach Renstrom | May 18, 2022

# Washington is Utah's Fastest Growing County



Source: ■ U.S. Census Bureau, ■ Kem C. Gardner Policy Institute, 2022



# Single Source Water Supply

- Washington County's major population centers are 100% dependent on the Virgin River basin
- The basin is
  - Vulnerable to drought and climate change
  - Closed to further appropriations





# Water Conservation

- Highest per capita reduction in the state – more than 30% since 2000
- County adopted the state's most aggressive water conservation goal
- More than 20 programs funded by property taxes

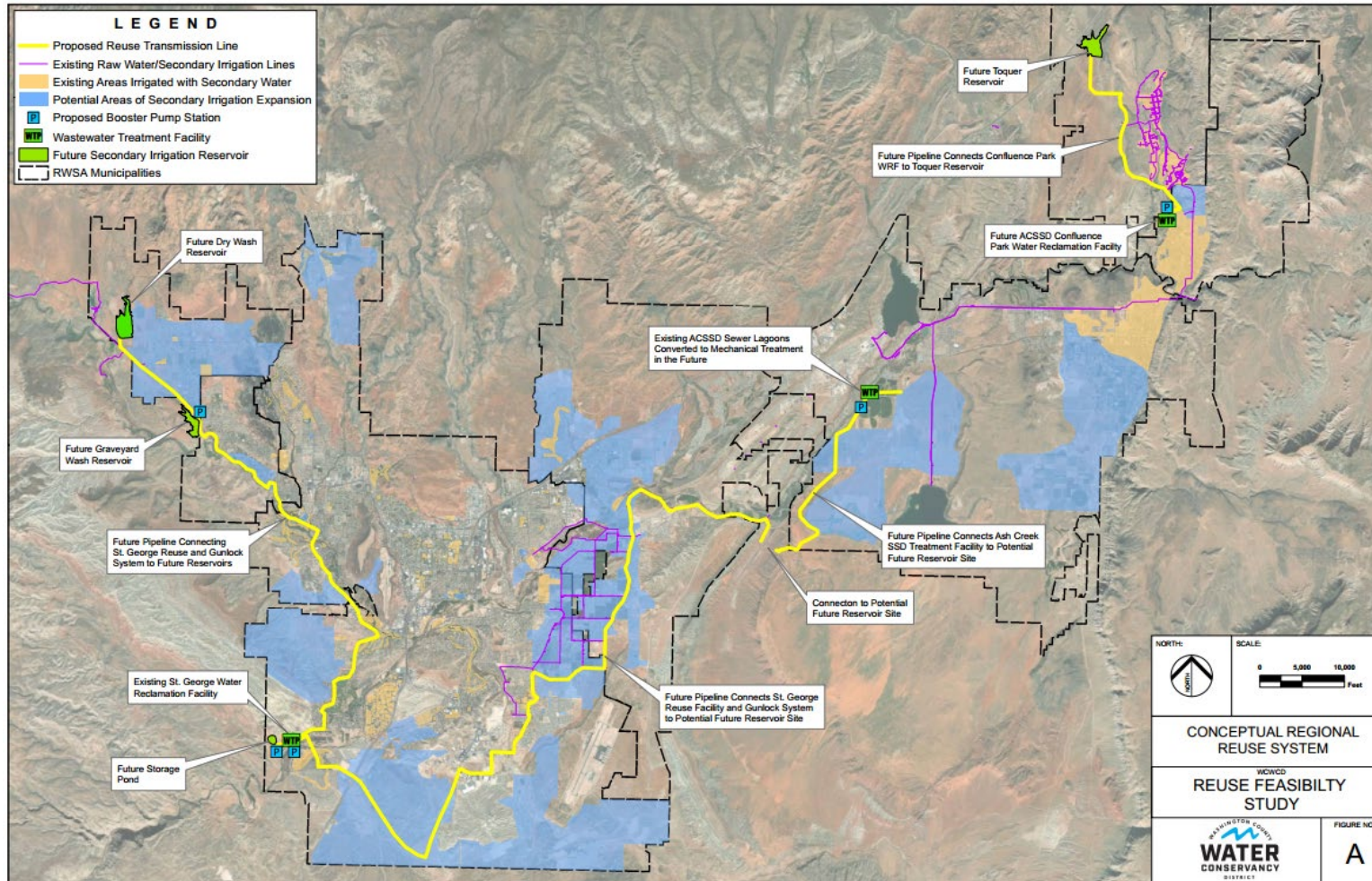


# Lawn in Washington County

- New municipal ordinances will prohibit or limit the amount of lawn in new development
- County is removing more than 100,000 square feet of lawn for the statewide landscape conversion event, Flip Blitz



# Conceptual Regional Reuse System



- System connecting reservoirs to wastewater treatment plants via pipelines
- 10-30 year estimated implementation plan
- Estimated \$300+ million



# Revenue Sources

- Utah legislation has provided three essential revenue sources for water conservancy districts



**WATER  
RATES**



**PROPERTY  
TAXES**



**IMPACT  
FEES**





**WATER  
RATES**

Fund operation and maintenance costs of the treatment and delivery of water



**PROPERTY  
TAXES**

Fund generational projects; most stable revenue source for financing. Considered by rating agencies – WCWCD has AA+ rating

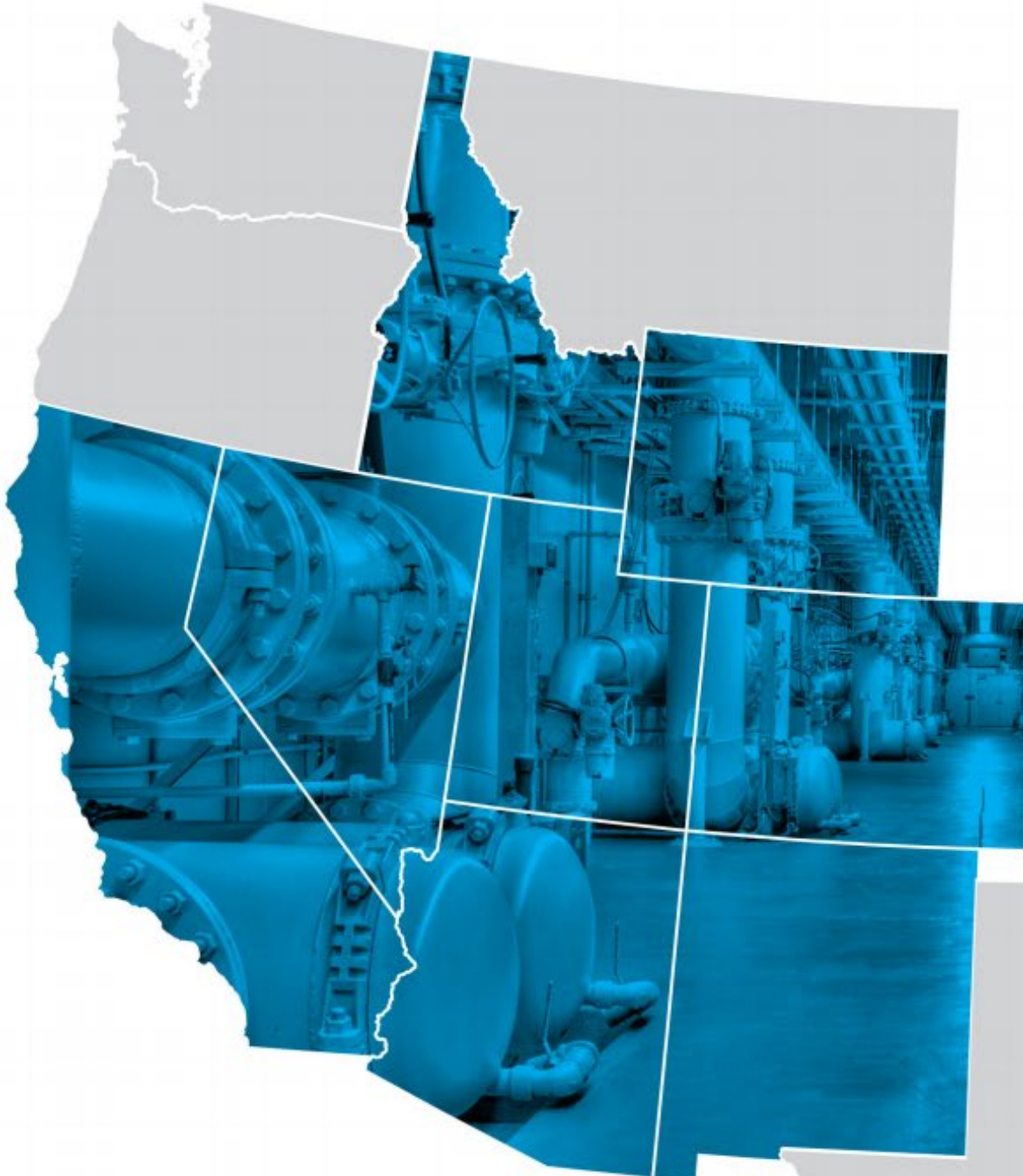


**IMPACT  
FEES**

Fund new facilities needed to serve growth via one-time payments







**Utah is one of eight western states that use taxes to support water infrastructure.**

# Property Taxes Fund Essential Public Services



**WATERSHED  
MANAGEMENT**



**ENDANGERED  
SPECIES PROTECTION**



**GROUNDWATER  
PROTECTION**



**FIRE  
PROTECTION**



**WATER QUALITY  
TESTING**



**DROUGHT  
PROTECTION**



**EMERGENCY  
PLANNING**



**CONSERVATION  
PROGRAMS**



**ENVIRONMENTAL  
STEWARDSHIP**



**FLOOD CONTROL**

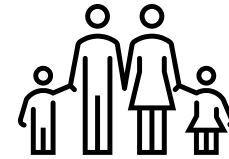


**RECREATIONAL  
AMENITIES**



# Property Taxes Create Generational Equity

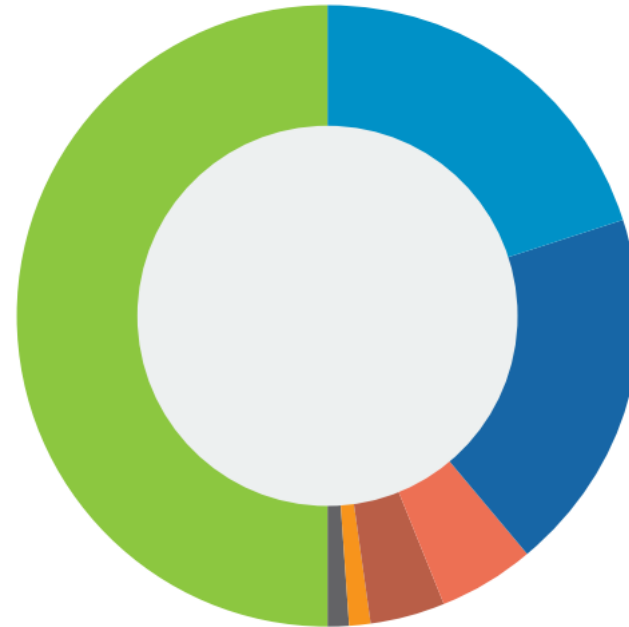
- Water infrastructure costs are incurred long before the first customer receives water for services including planning, environmental analysis, design, land acquisition, construction and federal obligations
- Property taxes create generational equity in water infrastructure, meaning project costs are shared by the current and future generations of water users



# WCWCD 2021 Tax Rate & Revenue Sources

## District Tax Rate

Maximum Limit..... **0.001000**  
2021 Rate ..... **0.000545**



- 50%** Impact Fees
- 20%** Water Sales
- 19%** Property Taxes
- 5%** Other
- 4%** Connection Fees
- 1%** Interest Income
- 1%** Hydropower Sales



# Tax Payments

In 2021, the average primary resident homeowner paid \$133.95 in property tax collections to WCWCD.



# Impacts of Property Tax Elimination

Eliminating property tax authority for water districts would have long-term, far-reaching effects



Residential customers and non-profit agencies would see the highest cost increases



Those with higher property values (warehouses and retail stores) would pay less



# Thank you for your time.



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