

Clarification Regarding Changes in Taxes and Fees Upon Annexation

Property Taxes: The year following an annexation, the County Road Tax (Rate: 1.38/\$1,000 of value) is removed and replaced with the City's Property Tax (Rate: 1.179/\$1,000 of value).

As an example, the table to the right shows that after annexation, taxes for a property valued at \$350,000 would see a savings of **\$70** per year on property taxes since the City's tax rate is lower than the County Road tax rate.

The savings would increase for properties with higher assessed values.

| Property Tax Comparison Table | | Property Value | \$350,000 |
|------------------------------------|-----------------|-------------------|------------------|
| Taxing District | Levy Rate | County | City |
| Douglas County - Current Expense | 0.97839 | \$ 342.44 | \$ 342.44 |
| Veterans Relief | 0.01125 | \$ 3.94 | \$ 3.94 |
| NCW Behavioral Health | 0.01250 | \$ 4.38 | \$ 4.38 |
| CD Developmental Disability | 0.01250 | \$ 4.38 | \$ 4.38 |
| County Road Tax | 1.380074 | \$ 483.03 | |
| East Wenatchee Property Tax | 1.17973 | - | \$ 412.91 |
| Eastmont S.D. Reg/Bond/Capital | 3.27314 | \$ 1,145.60 | \$ 1,145.60 |
| Douglas County Fire District #2 | 1.25000 | \$ 437.50 | \$ 437.50 |
| Port District | 0.15450 | \$ 54.07 | \$ 54.07 |
| Eastmont Metro Parks Reg/Bond | 0.25219 | \$ 88.27 | \$ 88.27 |
| NCW Library | 0.32537 | \$ 113.88 | \$ 113.88 |
| Washington State 1 & 2 | 2.92136 | \$ 1,022.48 | \$ 1,022.48 |
| Total Annual Property Tax | | \$ 3,699.94 | \$ 3,629.82 |
| | | Difference | (\$70.12) |

Garbage Collection: The table below shows the difference between City & County Waste Management rates. County customers pay a cart fee of \$4.32 every 3 months. City rates are slightly higher. However, that cost is more than offset by the savings for curbside recycling and the free dumps. Recycling is free in the City. Recycling in the County costs **\$12.70** per month. The annual savings for that service would be **\$152**. Also, recycling collection in the City is weekly - it is bi-weekly in the County. Signing up for free recycling service may allow residents coming into the City to reduce the size of their garbage polycart - further lowering the monthly cost.

As an example, a 96-gallon cart in the County costs \$26.61 per month. With free recycling, a City customer could reduce the cart size to 64-gallons and pay the City rate of \$22.23 saving **\$4.38** per month or **\$53** per year.

Another cost savings is the 2 free dumps for City residents – a value of **\$59** per year.

The City offers a 20% discount for any low-income household. With the discount, all monthly rates are lower in the City.

| Residential Rate | County | | | | City | | | Difference | |
|---|----------------------|--------|--------|---------|--------------------------|--------|---------|-------------------|--------------------|
| | Rate | Tax | Fee | Total | Rate | Tax | Total | Monthly | Annual |
| Curbside Recycling | Bi-weekly collection | | | \$12.70 | Weekly collection | No | Charge | \$ (12.70) | \$ (152.40) |
| 35 gallon polycart | \$13.46 | \$0.48 | \$1.44 | \$15.38 | \$16.80 | \$0.60 | \$17.40 | \$2.02 | \$ 24.24 |
| 64 gallon polycart | \$18.84 | \$0.68 | \$1.44 | \$20.96 | \$21.55 | \$0.78 | \$22.33 | \$1.37 | \$ 16.41 |
| 96 gallon polycart | \$24.30 | \$0.87 | \$1.44 | \$26.61 | \$28.69 | \$1.03 | \$29.72 | \$3.11 | \$ 37.30 |
| Additional bags (each) | \$3.51 | \$0.13 | | \$3.64 | \$3.92 | \$0.14 | \$4.06 | \$0.42 | - |
| Yard Waste 96 gallon | \$10.58 | \$0.38 | | \$10.96 | \$12.43 | \$0.45 | \$12.88 | \$1.92 | \$ 23.00 |
| Low Income Special Rate | Not Available | | | | 20% Discount | | | | |
| 2 Free Dumps at Transfer Station | Not Available | | | | 2.5 cubic yards per load | | | | \$ (59.00) |

Utility Taxes: The City charges a 6% utility tax on gas, power, and telephone. The County does not charge utility taxes. The table to the right shows a monthly and annual tax for each utility based upon an estimated monthly bill.

As an example: on a \$60 electricity bill, the monthly utility tax would be \$3.60. Over the entire year, that tax would be **\$43.20**.

| Type of Utility | Est. Monthly Charge | Monthly Tax | Annual Tax |
|---------------------|---------------------|-------------|------------|
| Gas | \$ 50.00 | \$ 3.00 | \$ 36.00 |
| Electricity | \$ 60.00 | \$ 3.60 | \$ 43.20 |
| Telephone, landline | \$ 60.00 | \$ 3.60 | \$ 43.20 |
| Telephone, cellular | \$ 75.00 | \$ 4.50 | \$ 54.00 |