

City of Carson City
Request for Board Action

Item # 8c

Date Submitted: 02/23/10

Agenda Date Requested: 3/04/10

Time Requested: 10 minutes

To: Mayor and Supervisors

From: Nick Providenti, Director of Finance
Lawrence A Werner P.E., P.L.S., City Manager

Subject Title: Discussion and possible action to direct staff to use the "allowed" property tax rate as determined by the Department of Taxation for use in preparing the Carson City FY 2011 Budget.

Staff Summary: Staff is seeking direction on establishing the property tax rate for use in preparing the Carson City FY 2011 Budget. Staff is recommending using the "allowed" rate as compiled by the Department of Taxation. Please see attached for comparisons. By using the "allowed" tax rate, the general fund is projected to see an increase of revenues in real property taxes in FY 2011 of approximately \$225,500. The amount is estimated to be about \$150,000 in personal property and centrally assessed property. The Redevelopment Authority would receive approximately \$100,000 in real and personal property taxes for FY 2011 if the "allowed" rate was used.

Type of Action Requested: (check one)

Resolution

Ordinance

Formal Action/Motion

Other (Specify)

Does this action require a Business Impact Statement: () Yes (X) No

Recommended Board Action: I move to direct staff to use the "allowed" property tax rate as determined by the Department of Taxation for use in preparing the Carson City FY 2011 Budget.

Explanation for Recommended Board Action: Due to falling assessed values, it appears that if the property tax rates were left at FY 2010 levels, the tax revenues received from many parcels would not increase by the 3% and 8% (depending on the type of property - residential vs commercial) caps. If the property tax rates were increased to the "allowed" rate, then the property tax revenues received by the affected parcels would increase to the 3% and 8% capped amounts and these taxpayers would be paying more in real property taxes.

Applicable Statute, Code, Policy Rule or Regulation: NRS 354.59811

Fiscal Impact: The adopting of the "allowed" rate would increase general fund revenues(both real and personal property taxes) for FY 2011 by approximately \$375,500 and would increase the Redevelopment Authority real and personal property taxes in FY 2011 by approximately \$100,000.

Explanation of Impact: n/a

Funding Source: n/a

Supporting Material: Supporting documents including "allowed" tax rates and current tax rates, and the FY 2011 real property forecast.

Alternatives: To give staff different direction.

Prepared By: Nick Providenti

Reviewed By: *Nick Providenti* Date: 2/23/10
(Department Head)
: *[Signature]* Date: 2/23/10
(City Manager)
: *Melanie Boykett* Date: 2-23-10
(District Attorney)
: *Nick Providenti* Date: 2/23/10
(Finance Director)

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay
2) _____ _____

(Vote Recorded By)

Carson City
Property Tax Rates - Budgeted Funds
FY 2011

	Allowed FY2011	Levied FY2010	Levied FY2009
Carson City Operating	1.2735	1.1974	1.1974
Make Up Revenue(NRS 354.59813)	0.4628	0.2241	0.2321
Regional Juvenile Facility	0.0583	0.0577	0.0496
	<u>1.7946</u>	<u>1.4792</u>	<u>1.4791</u>
Cooperative Extension	0.0128	0.0128	0.0128
Carson City Debt	0.0000	0.0000	0.0000
Senior Citizens	0.0500	0.0500	0.0500
State Medical Indigent	0.0150	0.0150	0.0150
Supplemental Indigent	0.1000	0.1000	0.1000
Capital Projects	0.0500	0.0500	0.0500
School Operating	0.7500	0.7500	0.7500
School Debt	0.4700	0.4700	0.4700
State of Nevada	0.1700	0.1700	0.1700
Eagle Valley Groundwater	0.0010	0.0009	0.0009
Subconservancy District	0.0300	0.0300	0.0300
	<u>3.4434</u>	<u>3.1279</u>	<u>3.1278</u>
Tax Rate			
CV Groundwater Basin	<u>0.0023</u>	<u>0.0020</u>	<u>0.0010</u>
Tax Rate w/ CV GW Basin	<u>3.4457</u>	<u>3.1299</u>	<u>3.1288</u>

Real Property tax forecast for 2011 with increase for EV Water and Carson Valley Water

TAX_ENTITY	TAX_RT_F	TAX_RT_C	TAX_RT_P	TAX_RT_S	TAX_RT_T	TAX_RT_E	TAX_RT_A	TAX_RT_M	TAX_RT_N	TAX_RT_L	TAX_RT_G	TAX_RT_O	TAX_RT_S	TAX_RT_T	TAX_RT_P	TAX_RT_A	TAX_RT_M	TAX_RT_N	TAX_RT_L	TAX_RT_G	TAX_RT_O
CITY OPER.	1.4792	1.7946	18,462	1,664,413,491	20,899	29,903,051	52,408	570	29,872,111	14,155,804	15,716,307	929,563	14,786,744								
CO-OP EXT.	0.0128	0.0128	18,462	1,664,413,491	149	213,285	401	4	213,037	30,422	182,615	8,503	174,112								
SR. CIT.	0.0500	0.0500	18,462	1,664,413,491	582	833,140	1,558	16	832,180	118,817	713,364	33,216	680,147								
ACCIDENT INDG	0.0150	0.0150	18,462	1,664,413,491	175	249,942	467	5	249,655	35,646	214,009	9,965	204,044								
MEDICAL INDG	0.1000	0.1000	18,462	1,664,413,491	1,165	1,666,279	3,116	32	1,664,359	237,637	1,426,722	66,432	1,360,290								
CAP.PROJ. (L)	0.0500	0.0500	18,462	1,664,413,491	582	833,139	1,558	16	832,180	118,816	713,364	33,216	680,148								
SCHOOL OPER.	0.7500	0.7500	18,462	1,664,413,491	8,734	12,497,097	23,369	238	12,482,699	1,782,310	10,700,390	498,238	10,202,152								
SCH. DEBT (V)	0.4700	0.4700	18,462	1,664,413,491	5,473	7,831,513	14,643	149	7,822,493	1,116,916	6,705,577	312,229	6,393,348								
STATE OF NV	0.1700	0.1700	18,462	1,664,413,491	1,980	2,832,676	5,295	54	2,829,415	403,990	2,425,425	103,301	2,322,124								
E.V. WATER	0.0009	0.0010	16,984	1,519,540,250	12	15,212	27	0	15,197	3,304	11,893	629	11,264								
SUB-CONSERV.	0.0300	0.0300	18,459	1,662,719,093	349	499,377	937	10	498,798	71,258	427,541	19,929	407,612								
S.F.FIRE PROT	0.1000	0.1000	922	142,392,733	455	142,022	85	0	142,393	26,667	115,726	14,539	101,187								
CRSN VLY WTR	0.0020	0.0023	329	33,613,345	0	775	2	0	773	517	257	0	257								
GRAND TOTAL	0.0000	0.0000	18,462	1,664,413,491	40,554	57,517,507	103,865	1,094	57,455,290	18,102,102	39,353,188	2,029,760	37,323,428								

2011 Real Property Tax forecast with 2010 tax rates

TAX_ENTITY	TAX_RT_F	TAX_RT_C	TAX_RT_P	TAX_RT_S	TAX_RT_T	TAX_RT_E	TAX_RT_A	TAX_RT_M	TAX_RT_N	TAX_RT_L	TAX_RT_G	TAX_RT_O	TAX_RT_S	TAX_RT_T	TAX_RT_P	TAX_RT_A	TAX_RT_M	TAX_RT_N	TAX_RT_L	TAX_RT_G	TAX_RT_O
CITY OPER.	1.4792	1.4792	18,462	1,664,413,491	17,226	24,647,605	44,113	496	24,621,214	9,195,704	15,425,510	864,238	14,561,272								
CO-OP EXT.	0.0128	0.0128	18,462	1,664,413,491	149	213,284	394	4	213,043	30,421	182,622	8,503	174,119								
SR. CIT.	0.0500	0.0500	18,462	1,664,413,491	582	833,140	1,531	17	832,208	118,816	713,392	33,218	680,174								
ACCIDENT INDG	0.0150	0.0150	18,462	1,664,413,491	175	249,943	459	5	249,664	35,647	214,017	9,965	204,052								
MEDICAL INDG	0.1000	0.1000	18,462	1,664,413,491	1,165	1,666,280	3,062	34	1,664,416	237,637	1,426,779	66,435	1,360,344								
CAP.PROJ. (L)	0.0500	0.0500	18,462	1,664,413,491	582	833,139	1,531	17	832,207	118,816	713,392	33,218	680,174								
SCHOOL OPER.	0.7500	0.7500	18,462	1,664,413,491	8,734	12,497,097	22,967	251	12,483,115	1,782,307	10,700,808	498,254	10,202,544								
SCH. DEBT (V)	0.4700	0.4700	18,462	1,664,413,491	5,473	7,831,513	14,390	158	7,822,754	1,116,915	6,705,839	312,245	6,393,594								
STATE OF NV	0.1700	0.1700	18,462	1,664,413,491	1,980	2,832,676	5,204	57	2,829,509	403,989	2,425,520	103,307	2,322,213								
E.V. WATER	0.0009	0.0009	16,984	1,519,540,250	10	13,691	25	0	13,677	1,936	11,740	598	11,142								
SUB-CONSERV.	0.0300	0.0300	18,459	1,662,719,093	349	499,377	921	10	498,815	71,258	427,557	19,930	407,627								
S.F.FIRE PROT	0.1000	0.1000	922	142,392,733	455	142,022	85	0	142,393	26,667	115,726	14,536	101,190								
CRSN VLY WTR	0.0020	0.0020	329	33,613,345	0	673	1	0	672	414	258	0	258								
GRAND TOTAL	0.0000	0.0000	18,462	1,664,413,491	36,880	52,260,441	94,682	1,048	52,203,687	13,140,527	39,063,160	1,964,458	37,098,702								