

City of Carson City
Request for Board Action

Item # 19c

Date Submitted: 03/23/10

Agenda Date Requested: 4/01/10

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 lower the property tax rate previously adopted on March 4, 2010 from \$3.1299 per hundred dollars of assessed value to \$3.0899 for use in preparing the Carson City FY 2011 Budget assuming the Carson City School District lowers their school debt rate by 4 cents. If the Carson City School District maintains the rate at 47 cents, then we request the total tax rate remain at \$3.1299.

Staff Summary: Staff is seeking direction on establishing the property tax rate for use in preparing the Carson City FY 2011 Budget. On March 4, 2010 the Board directed staff to use the same property tax rate that was used in FY 2010. On March 24, 2010, the Department of Taxation notified us that the Carson City School District is planning on lowering their debt rate from 47 cents to 43 cents. We are proposing that the City does not increase their operating rate by 4 cents to keep the rate the same, rather that the Board lower the overall rate from \$3.1299 per hundred dollars of assessed value to \$3.0899 per hundred dollars of assessed value. Should the Carson City School District maintain the rate at 47 cents, then the overall rate would remain at \$3.1299.

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 lower the property tax rate previously adopted on March 4, 2010 from \$3.1299 per hundred dollars of assessed value to \$3.0899 for use in preparing the Carson City FY 2011 Budget assuming the Carson City School District lowers their school debt rate by 4 cents. If the Carson City School District maintains the rate at 47 cents, then we request the total tax rate remain at \$3.1299.

Explanation for Recommended Board Action: If the Carson City School District lowers their debt rate from 47 cents to 43 cents, most Carson City residents will not see a reduction in their property taxes - rather the revenue would go to the City's General Fund - which we are estimating to be approximately \$500,000. Should the City decide to increase the operating rate by 4 cents and keep the rate at \$3.1299 vs lowering it to \$3.0899, the City would generate approximately \$54,000 more in real property taxes (over and above the \$500,000) for FY 2011.

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

Fiscal Impact: If the Carson City School District lowers their debt rate from 47 cents to 43 cents, most Carson City residents will not see a reduction in their property taxes - rather the revenue would go to the City's General Fund - which we are estimating to be approximately \$500,000. Should the City decide to increase the operating rate by 4 cents and keep the rate at \$3.1299 vs lowering it to \$3.0899, the City would generate approximately \$54,000 more in real property taxes (over and above the \$500,000) for FY 2011.

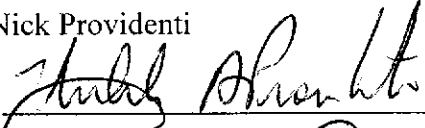


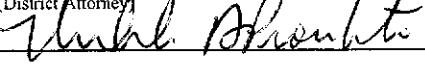
Explanation of Impact: n/a

Funding Source: n/a

Supporting Material: Supporting documents including Board approved tax rate and staff recommended tax rate for FY 2011.

Alternatives: To give staff different direction.

Prepared By: Nick Providenti

Reviewed By: :  Date: 3/24/2010
(Department Head)
:  Date: 3/24/2010
(City Manager)
:  Date: 3-24-10
(District Attorney)
:  Date: 3/24/2010
(Finance Director)

Board Action Taken:

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

(Vote Recorded By)

Carson City
Property Tax Rates - Budgeted Funds
FY 2011

	New Staff Recommended FY2011	BOS Approved FY 2011
CITY OPERATING		
Carson City Operating	1.1974	1.1974
Make Up Revenue(NRS 354.59813)	0.2231	0.2231
Regional Juvenile Facility	0.0583	0.0583
	<u>1.4788</u>	<u>1.4788</u>
OTHER ENTITIES		
Cooperative Extension	0.0128	0.0128
Carson City Debt	0.0000	0.0000
Senior Citizens	0.0500	0.0500
State Medical Indigent	0.0150	0.0150
Supplemental Indigent	0.1000	0.1000
Capital Projects	0.0500	0.0500
School Operating	0.7500	0.7500
School Debt	0.4300	0.4700
State of Nevada	0.1700	0.1700
Eagle Valley Groundwater	0.0010	0.0010
Subconservancy District	0.0300	0.0300
	<u>3.0876</u>	<u>3.1276</u>
Tax Rate	<u>3.0876</u>	<u>3.1276</u>
CV Groundwater Basin	0.0023	0.0023
	<u>3.0899</u>	<u>3.1299</u>
Tax Rate W/ CV GW Basin	<u>3.0899</u>	<u>3.1299</u>