

LOCAL GOVERNMENT
FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: April 1, 2015

Agency Submitting: Washoe County

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
See Attachment (Revenue)				
Total	0	0	0	0

Explanation

(Use Additional Sheets of Attachments, if required)

This bill has several different fiscal impacts:

When possible, we included Washoe County agency impacts, as well as impacts to the total tax roll.

Sections 1 and 15 - authorize the levy of up to .10 in additional tax rate. .05 by the BCC, and .05 by the BCC and/or the School Board.

- These rates are for all parcels in the county, and outside the current 3.64 tax rate cap.
- These rates would not be subject to the 3%/8% AB489 tax caps (abatement).
- Not considered as "financial ability to pay" during contract negotiations
- Budgetary authority for the county and school is expanded to allow for these rates.
- Because we have no way to project future year valuations, we have estimated the additional revenue that each .01 of new tax rate would generate for FY 2014/15 and 2015/16, if this bill had been effective for those tax years (which it was not).
- Rates would not actually be effective until 7/1/2016 for FY 2016/17

Section 13 -changes the general tax cap, which can currently be anywhere between zero and 8%, based on various factors. This bill would keep the general cap between 6% and 8%. For FY 2014/15 the general cap in Washoe county is 3%. This is a very general estimate, using ½ of the taxes abated at the 3% cap. A more reliable estimate would require a parcel by parcel calculation at a specific cap %.

Section 14 – allows that increased tax resulting from assessed values that were reduced in a prior year due to certain obsolescence, and then had obsolescence removed, would not be subject to the 3%/8% AB489 tax caps (abatement). We have had to use several assumptions to come up with this fiscal impact. The attached fiscal note has the notations of how the impact was derived.

Name Liane Lee

Title Government Affairs Manager

DESCRIPTION OF FISCAL EFFECT

BDR/Bill/Amendment Number: BDR 31-659

Name of Agency: WASHOE COUNTY

Division/Department: GOVERNMENT AFFAIRS MANAGER

Date: 3/30/2015

The Revenue Impact

Category Type (check box):

☐ Expense

☒ Revenue

☐ Both

Category Type: Expense, Revenue or Both?

Type	Items of Revenue or Expense or Both- <i>ADD DESCRIPTION</i>	FY 2014-2015 (Insert \$ Amount)	FY 2015-2016 (Insert \$ Amount)	FY 2016-2017 (Insert \$ Amount)	Effect on Future Biennia (Insert \$ amount)
Expense					
Revenue	<p>Sections 1 & 15 Additional Revenue <i>for each .01</i> of tax rate levied pursuant to Sections 1 and 15. (Note that up to .05 in additional rate is authorized by each section).</p> <p>Section 13 – reduced abatement due to limiting general cap to 6%-8% - county impact only. Estimated ½ of abatement that resulted from 3% cap.</p>	<p>\$1,250,000 (if effective for this FY)</p> <p>\$3,200,000 Washoe County \$8,000 000 Total Tax Roll</p>	<p>\$1,350,000 (if effective for this FY)</p> <p>\$3,500,000 Washoe County \$9,000,000 Total Tax Roll</p> <p>\$650,000</p>		

**Section 14 – reduced
abatement by
exclusion of certain
obsolescence from
AB489 cap
provisions.**

**Washoe
County
\$1,700,000
Total Tax
Roll**