



STAFF REPORT

Report To:

Meeting Date: February 3, 2022

Staff Contact: Sheri Russell, Chief Financial Officer

Agenda Title: For Possible Action: Discussion and possible action regarding staff-recommended assumptions to be used in preparation of the Carson City Budget for Fiscal Year ("FY") 2023 (July 1, 2022 through June 30, 2023). (Sheri Russell, srussell@carson.org)

Staff Summary: Staff will present the recommended property tax rate and assumptions for preparation of the Carson City FY 2023 Budget. The City's governing body, the Board of Supervisors, is required to approve a property tax rate to be levied for FY 2023. The Department of Taxation requires all local governments to inform them of the rate they intend to use by February 21, 2022.

Agenda Action: Formal Action / Motion

Time Requested: 15 Min

Proposed Motion

I move to direct staff to use \$3.57 as the property tax rate in preparing the FY 2023 Carson City Budget.

Board's Strategic Goal

Efficient Government

Previous Action

N/A

Background/Issues & Analysis

N/A

Applicable Statute, Code, Policy, Rule or Regulation

NRS Chapter 354

Financial Information

Is there a fiscal impact? Yes

If yes, account name/number: Direction for preparation of the FY 2023 Budget.

Is it currently budgeted? No

Explanation of Fiscal Impact: N/A

Alternatives

Property Tax Rate alternatives.

Attachments:

[FY 23 budget assumptions.pdf](#)

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)

Carson City

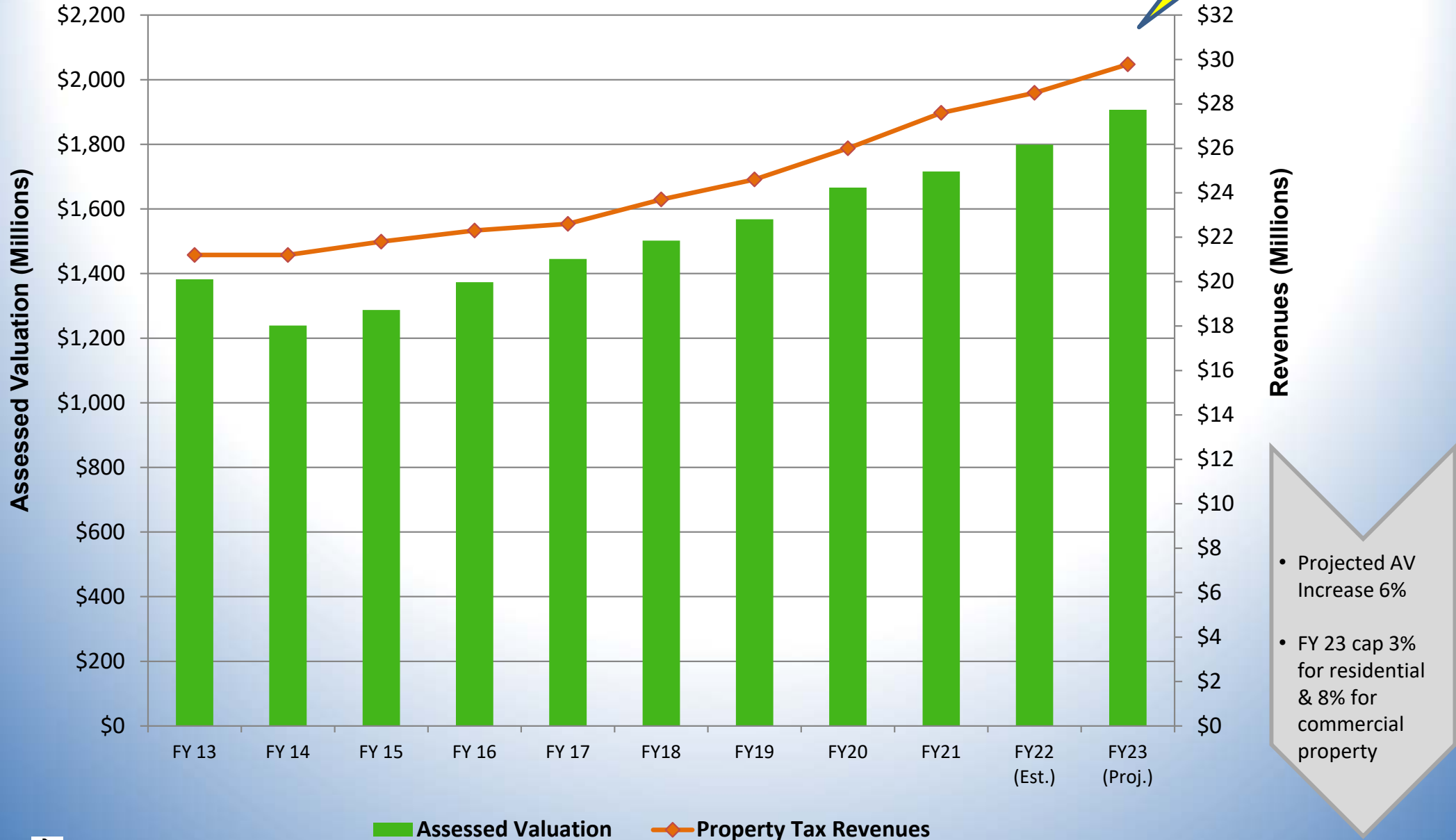
FY 23 Budget Projections



Sheri Russell, CPA
Chief Financial Officer

General Fund Assessed Valuation & Property Tax Revenues

Projected
4.5%
Increase

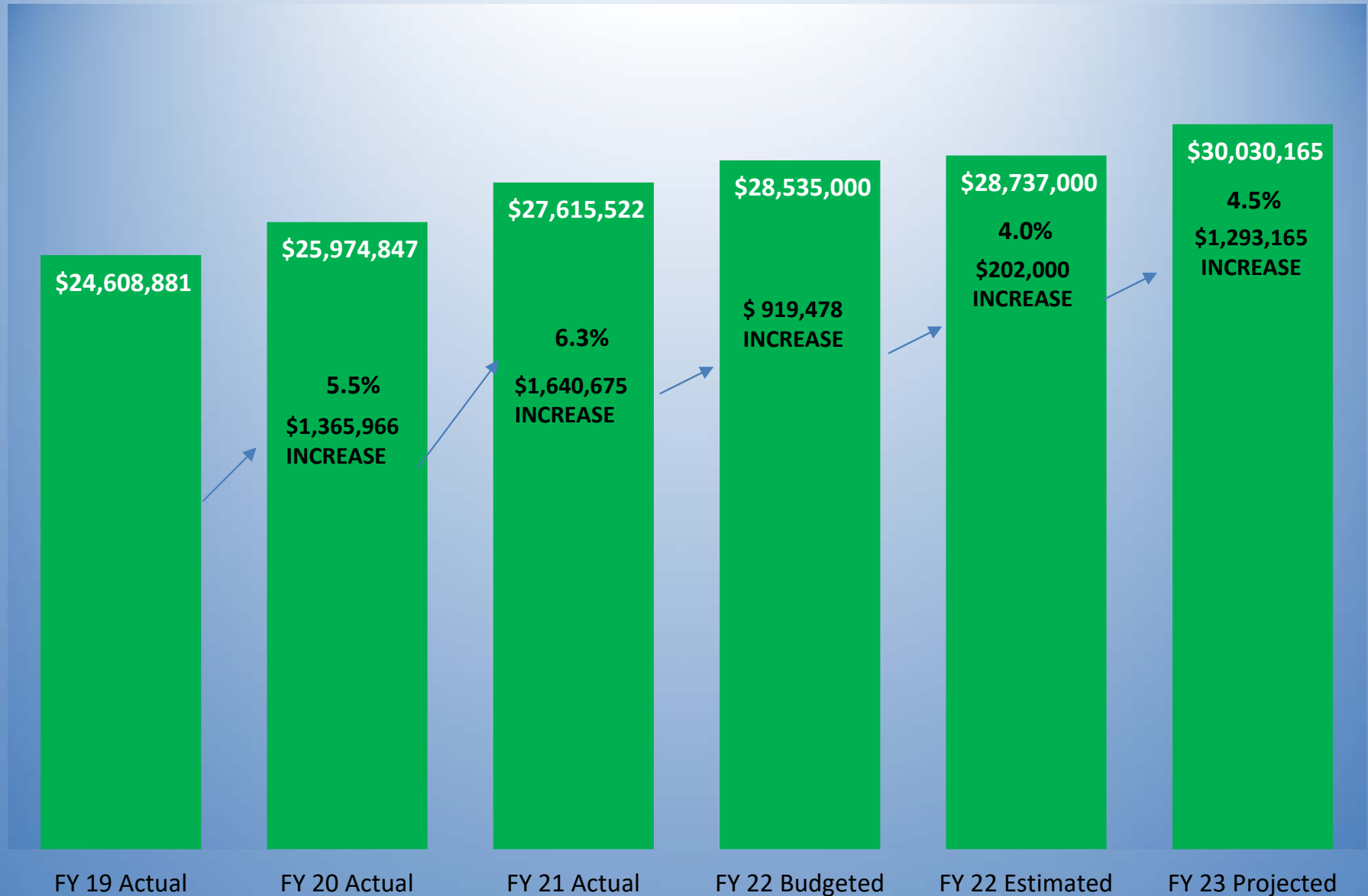


- Projected AV Increase 6%
- FY 23 cap 3% for residential & 8% for commercial property

Taxable Value Example

	2021	2022	2023	2024
Taxable Value Increase	New Build	5.5%	1.0%	1.0%
New Residence Taxable Value	\$ 250,000	\$ 263,750	\$ 266,388	\$ 269,051
Assessed Value @ 35%	\$ 87,500	\$ 92,313	\$ 93,236	\$ 94,168
Tax Bill - Tax Rate \$3.57 / \$100 of AV	\$ 3,124	\$ 3,296	\$ 3,329	\$ 3,362
Tax Cap 3%		\$ 3,217	\$ 3,314	\$ 3,413
Abatement		\$ 78	\$ 15	\$ (52)
Running Abatement			\$ 93	\$ (37)
Tax Bill - Tax Rate \$3.66 / \$100 of AV			3,412	3,447
Abatement			98	33
Running Abatement			\$ 177	\$ 48

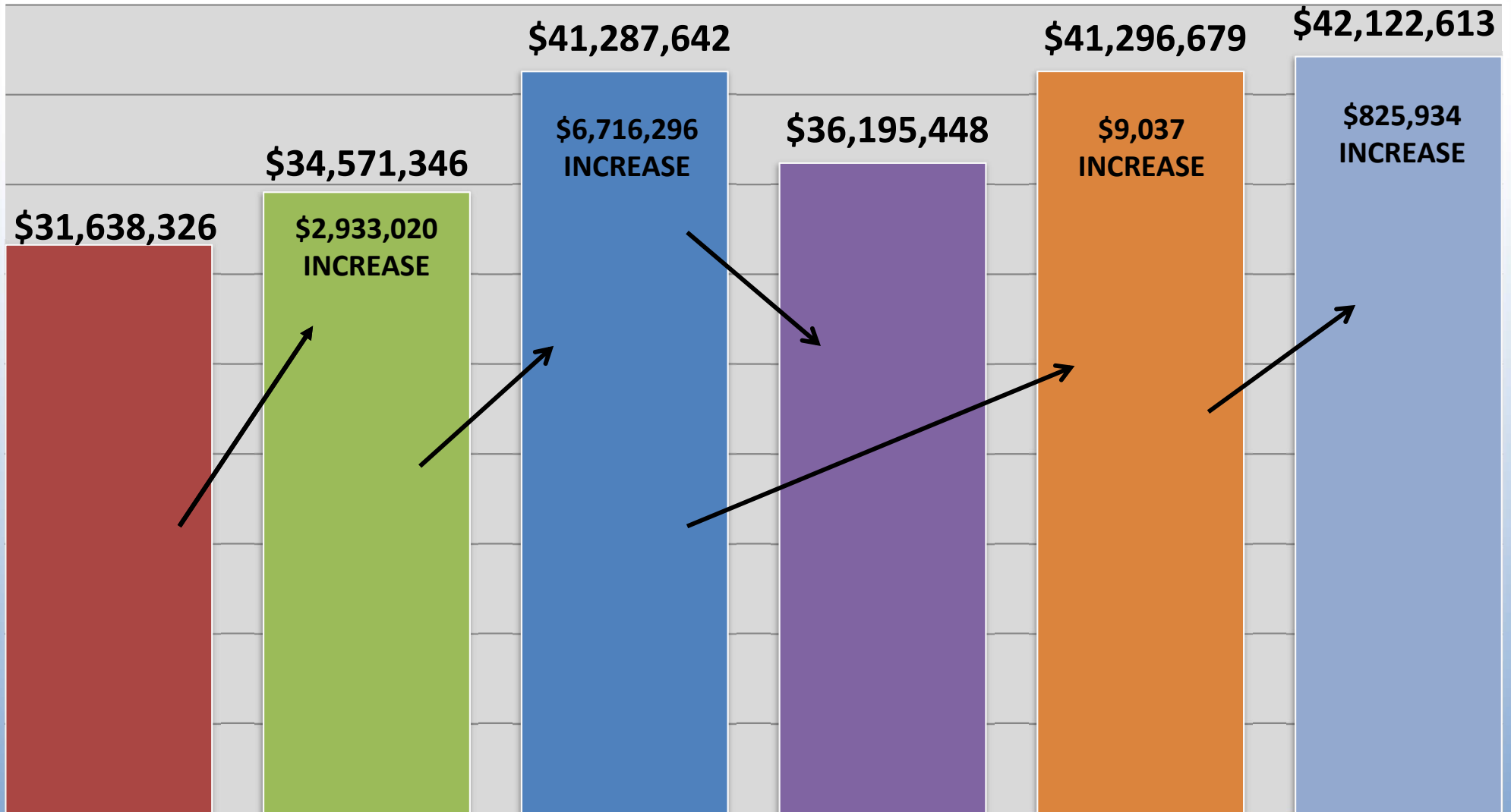
General Fund Projected Property Tax Revenue



FY 2022 & 2023 Consolidated Tax - Projections

CARSON CITY-ALL ENTITIES								
CONSOLIDATED TAXES DISTRIBUTION								
	Actual	Actual	Actual	Actual		FY 21-22 Budget:		
	FY18-19	FY19-20	FY20-21	FY21-22	Monthly Change	36,195,448		
July	2,659,486	2,929,916	3,288,345	3,473,003	5.62%			
August	2,693,048	2,817,943	3,215,457	3,426,292	6.56%			
September	2,652,764	2,931,198	3,371,387	3,497,283	3.73%			
October	2,618,117	2,887,342	3,398,155	3,358,101	-1.18%			
November	2,677,783	2,805,589	3,146,365	3,240,756	3.00%			
December	2,823,435	3,189,905	3,712,408	3,823,781	3.00%			
January	2,301,393	2,546,754	2,996,618	2,846,787	-5.00%			
February	2,008,149	2,388,216	2,958,244	2,810,332	-5.00%			
March	2,753,965	2,440,204	3,880,584	3,725,361	-4.00%			
April	2,749,760	2,529,849	3,750,776	3,638,253	-3.00%			
May	2,796,812	3,428,748	3,687,824	3,614,067	-2.00%			
June	2,903,614	3,675,685	3,881,479	3,842,664	-1.00%			
	31,638,326	34,571,347	41,287,642	41,296,679				
						FY23	FY23	
% Increase Over Pr Yr		9.27%	19.43%	0.02%	41,296,679	2.0%	42,122,613	

GENERAL FUND PROJECTED CONSOLIDATED TAX



■ FY 19 ACTUAL

■ FY 20 ACTUAL

■ FY21 ACTUAL

■ FY 22 BUDGET

■ FY 22 RE-ESTIMATED (0% Increase over FY 21)

■ FY 22 BUDGET (2.0% Increase over FY 22 Est)

General Fund Options

Year	Available For Expenditure	Landfill Transfer to Capital	1% GF Expenditures for Fleet Replacement	Extraordinary Maintenance Fund Transfer .05 Prop Tax Rate	Remaining for Capital	Estimated Ending Fund Balance %
2023	\$13,663,345	\$2,066,488	\$830,867	\$765,990	\$10,000,000	10.21%
2024	8,297,516	2,131,618	865,434	800,464	4,500,000	10.17%
2025	6,693,448	2,196,854	910,115	836,478	2,750,000	10.08%
2026	5,832,101	2,260,996	946,994	874,111	1,750,000	10.19%
2027	5,792,839	2,324,893	979,507	913,440	1,575,000	10.02%

FEBRUARY 2022

MONTH VIEW						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3 BOS Assumptions, City's Proposed Tax Rate due to DOT Back-up - Cost Allocation Approved	4 CIP Requests due from Departments	5
6	7	8	9	10	11 Base Budget Projections sent to Departments	12
13	14	15 Get first revenue projections from State	16	17	18	19
20	21	22	23	24	25	26
27	28					

MARCH 2022

MONTH VIEW						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
6	7	8	9 CIP Discussion with departments - Rank list of CIP Needs Citywide	10	11 Budget Revisions and Supplemental Requests due to Finance	12
13	14	15 Get Final Revenue projections from state, use Property Tax Revenue State provides.	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30 Internal Finance Committee Meetings on Supplemental Requests	31		

APRIL 2022

MONTH VIEW						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
					Tentative Budget due to the Department of Taxation	
17	18	19	20	21	22	23
				BOS Meeting - Presentation of FY23 Tentative Budget, Supp. Requests & Capital Improv. Prog		
24	25	26	27	28	29	30
		Add CIP and Supplemental Requests approved by the board to the final budget				

MAY 2022

MONTH VIEW						
SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
1	2	3	4	5	6	7
8	9	10	11 Advertisement of Public Hearing on FY 2023 Budget	12	13	14
15	16	17	18	19 Board of Supervisors adopts the Final FY23 Budget (Special Meeting not required)*	20	21
22	23	24	25	26	27	28
29	30	31 Budget due to taxation on June 1st				

* NRS 354.596 (4) Requires that final budget be adopted not sooner than the third Monday in May, and not later than the last day in May. If 2nd Board meeting does not fall within this timeframe a special meeting may be required. Same NRS 354.596 (3) publication must be done not more than 14 nor less than 7 days before the date setting for the hearing.