



8.21.2024



Library District Funding & C-Tax

North Las Vegas City Charter

NORTH LAS VEGAS CITY CHARTER__CHAPTER 573, STATUTES OF NEVADA 1971

Sec. 2.310 Powers of City Council: Creation of library district.

1. The City Council may create a municipal library district to include all of the territory of the City. The City Council may designate itself as the governing authority of the municipal library district or may appoint a board of trustees as the governing authority.

2. The governing authority of the municipal library district has the powers and duties provided for the trustees of a public library by [NRS 379.025](#), [379.026](#), [379.040](#) and [379.060](#), and the City Council may provide for a tax upon all taxable property in the district for the purpose of operating the district. The rate of the tax must be calculated pursuant to [NRS 354.59811](#). The limit upon the calculated receipts from the tax may be exceeded pursuant to a vote of the people as provided in [NRS 354.5982](#).

3. The governing authority of the municipal library district may propose the issuance of general obligation bonds in an amount not to exceed 10 percent of the total last assessed valuation of the taxable property of the district for the purpose of acquiring, constructing or improving buildings and other real property to be used for library purposes or for purchasing books, materials and equipment for libraries. If the governing authority decides to propose the issuance of bonds, the proposal must be submitted to the Debt Management Commission of the county in which the district is situated, pursuant to the provisions of [NRS 350.011](#) to [350.0165](#), inclusive. If the Commission approves the proposed issuance, the question of issuing the bonds must be submitted to the registered electors of the district in accordance with the provisions of [NRS 350.020](#) to [350.070](#), inclusive. If a majority of the electors voting on the question favors the proposal, the governing authority shall issue the bonds as general obligations of the municipal library district pursuant to the provisions of the Local Government Securities Law.

4. The district is not entitled to receive any distribution of supplemental city-county relief tax.

(Added—Ch. 189, [Stats. 1993 p. 333](#); A—Ch. 246, [Stats. 1995 p. 400](#); Ch. 203, [Stats. 1997 p. 511](#); Ch. 470, [Stats. 1997 p. 1756](#))

Executive Summary:

- When the City's Charter was revised to allow for the creation of a Library District, funding for the district was restricted to just property taxes or debt. The district is not entitled to receive any distribution of supplemental city-county relief tax (C-tax distribution).

Property Taxes in NLV

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North Las Vegas Property Tax Rates 2024

Operating Rate	\$ 0.1937	
<u>Voter Approved Overrides</u>		
Emergency 911	0.0050	
Public Safety	0.1800	
Public Safety	0.3500	
Streets, Fire, Parks	0.2350	
Public Safety	0.2000	
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	0.9700	
North Las Vegas Library District	0.0632	2%
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CNLV Total	\$ 1.2269	37%
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<u>Overlapping Governments</u>		
Clark County	0.6541	
Clark County School District	1.3034	
State of Nevada	0.1700	
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	2.1275	63%
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Total - Including all Overlapping	\$ 3.3544	

Executive Summary:

- Less than 2% of the property taxes paid in North Las Vegas go to the Library District
- In fiscal year 2023, total revenues were \$5,199,518
- 63% of the property taxes paid in North Las Vegas go to other governments (County, CCSD, and the State)

How are other libraries funded?

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<u>SPECIAL DISTRICTS</u>	<u>FY 23 C-TAX</u>
BOULDER LIBRARY DISTRICT	\$ 882,134
CLARK COUNTY FIRE PROTECTION	\$ 73,362,290
HENDERSON LIBRARY DISTRICT	\$ 3,412,653
LAS VEGAS/CLARK CO LIBRARY DISTRICT	\$ 30,171,434
MOAPA FIRE PROTECTION	\$ 1,111,832
MT CHARLESTON FIRE PROTECTION	\$ 215,189

- Boulder City, Henderson, Las Vegas and unincorporated Clark County all have separate C-tax distributions for their library districts. North Las Vegas does not. Therefore, North Las Vegas residents are paying for 100% of the city's libraries through property taxes...AND funding a portion of the libraries in Henderson, Las Vegas, and the rest of Clark County through sales taxes.

What is Consolidated Tax?

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“C-Tax is a formula used to equitably distribute local government revenues first among Nevada’s counties (and Carson City) and then among the 150+ political subdivisions within those counties”

- *Applied Analysis,*

- *as presented to the Assembly Committee on Taxation during the 2013 Legislative Session*

The Components of C-Tax

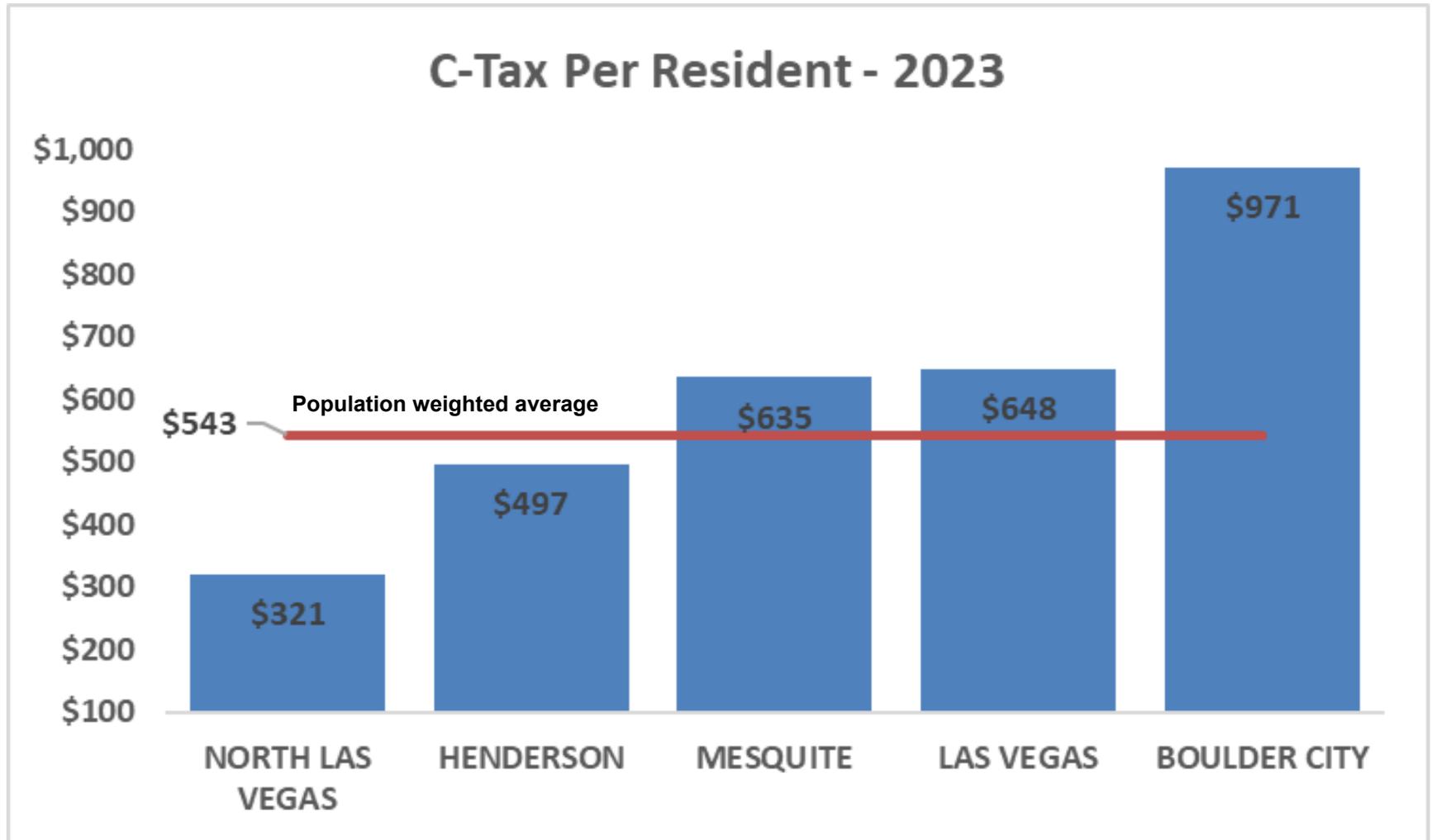
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Consolidated Taxes include the following...

- Cigarette Tax
- Liquor Tax
- Government Services Tax (i.e. vehicle registration)
- Real Property Transfer Tax
- Basic City County Relief Tax (BCCRT)
- Supplemental City County Relief Tax (SCCRT)

What is the Problem?

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So how much money are we talking?

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C-Tax per Resident

		<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
BOULDER CITY	\$	689	\$ 738	\$ 690	\$ 740	\$ 930	\$ 971
HENDERSON	\$	366	\$ 383	\$ 361	\$ 391	\$ 483	\$ 497
LAS VEGAS	\$	477	\$ 503	\$ 476	\$ 515	\$ 620	\$ 648
MESQUITE	\$	406	\$ 405	\$ 372	\$ 398	\$ 587	\$ 635
NORTH LAS VEGAS	\$	231	\$ 246	\$ 232	\$ 254	\$ 310	\$ 321
Weighted Average	\$	402	\$ 423	\$ 399	\$ 432	\$ 523	\$ 543

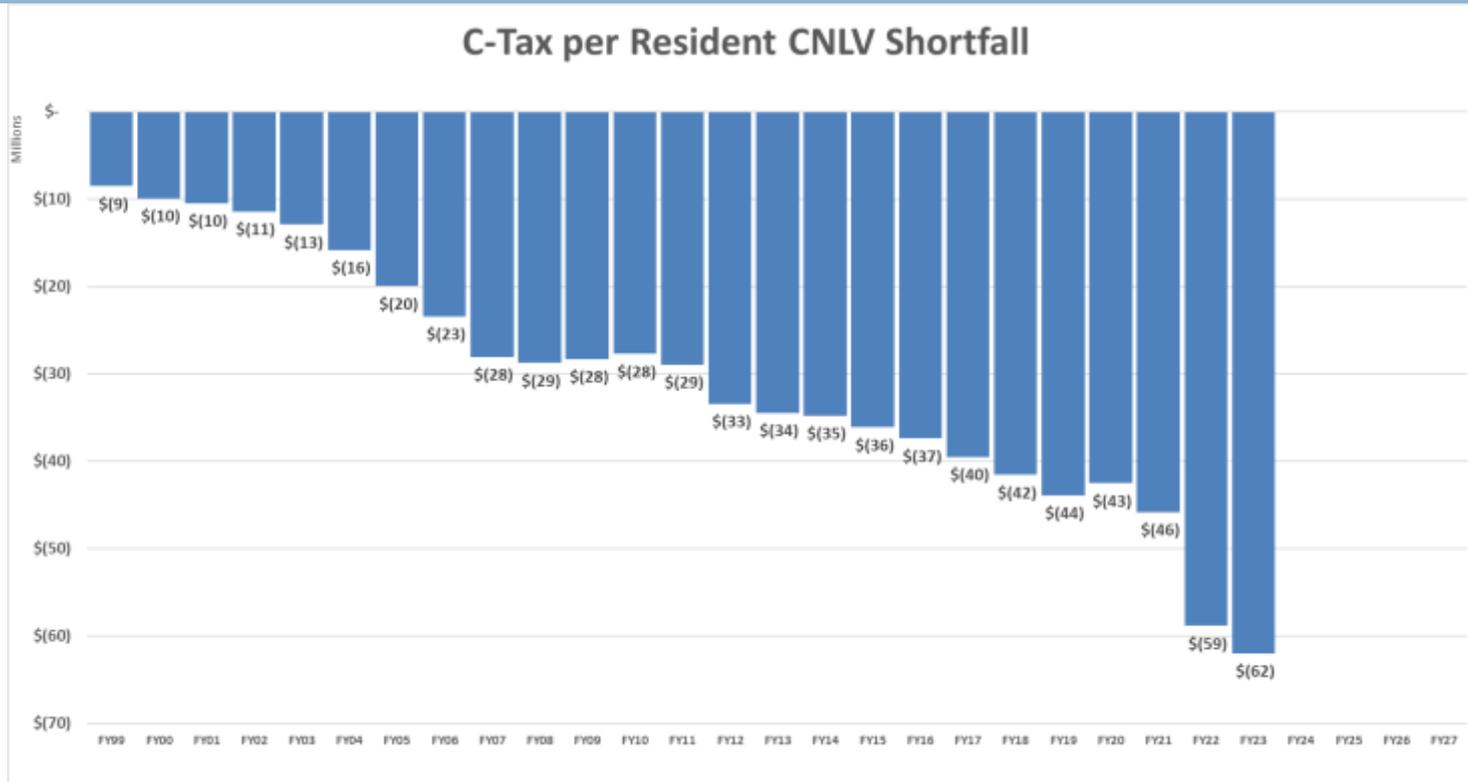
Equitable Distribution

BOULDER CITY	\$	(4,624,217)	\$ (5,014,601)	\$ (4,718,508)	\$ (4,970,134)	\$ (6,172,966)	\$ (6,420,422)
HENDERSON	\$	10,779,496	\$ 12,271,333	\$ 12,027,527	\$ 13,143,624	\$ 13,309,393	\$ 15,522,166
LAS VEGAS	\$	(47,650,779)	\$ (51,581,603)	\$ (50,460,038)	\$ (54,886,311)	\$ (64,509,835)	\$ (69,093,713)
MESQUITE	\$	(78,104)	\$ 391,069	\$ 640,367	\$ 849,122	\$ (1,474,931)	\$ (2,037,737)
NORTH LAS VEGAS	\$	41,573,604	\$ 43,933,802	\$ 42,510,651	\$ 45,863,698	\$ 58,848,339	\$ 62,029,706

- C-Tax is the largest single revenue source in the general fund. In FY2023, CNLV received \$89.4 million for C-tax.
- If redistributed on a per resident basis, each jurisdiction would have received \$543 per resident. Therefore, CNLV would have received \$151.4 million, or an additional \$62 million in FY2023 alone.

How long has this been going on?

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- Since 1999, when C-Tax was first implemented in Nevada, the City of North Las Vegas has under-collected every single year.
- As of FY2023, the cumulative total of the shortfall is over \$764 million dollars... and growing.

How did this happen?

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It's Complicated...

How is C-Tax Distributed?

The Components of C-Tax

	<u>Method of Distribution</u>		<u>2023 Amount</u>	
1 Cigarette Tax	% of Population	\$	7,957,360	0.4%
2 Liquor Tax	% of Population		4,203,795	0.2%
3 Government Services Tax (GST)	County of Origin		214,226,766	10.1%
4 Real Property Transfer Tax (RPTT)	County of Origin		47,260,017	2.2%
5 Basic City County Relief Tax (BCCRT)	County of Origin*		412,543,275	19.4%
6 Supplemental City County Relief Tax (SCCRT)	Statutory Formula		1,443,610,479	67.8%
		\$	2,129,801,692	100.0%

- Some components of C-Tax are allocated to each county strictly based on population (Cigarette & Liquor Tax).
- Other components of C-Tax are allocated to each county based on where the tax was generated (GST, RPTT, BCCRT).
- By far, the largest component of C-Tax is SCCRT. It is allocated based on a hybrid formula, meaning some counties get a guaranteed amount and other counties get an allocation based sales tax collections.

Tier 1 - Does Clark County get a fair share?

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COUNTY	C-TAX TOTAL		State Certified Population as of July 1, 2022		Assessed Valuation- 2022 REDBOOK		Total C-tax per resident	Total C-tax per \$1,000 AV
CARSON CITY	41,628,953.53	2.0%	58,314	1.8%	2,075,625,383	1.3%	\$ 713.88	\$ 20.06
CHURCHILL	11,605,355.39	0.5%	26,564	0.8%	970,660,762	0.6%	\$ 436.88	\$ 11.96
CLARK	1,590,434,633.76	74.7%	2,338,127	73.0%	115,981,318,714	71.9%	\$ 680.22	\$ 13.71
DOUGLAS	27,945,225.84	1.3%	52,674	1.6%	3,994,970,231	2.5%	\$ 530.53	\$ 7.00
ELKO	47,551,669.33	2.2%	56,396	1.8%	2,369,199,810	1.5%	\$ 843.17	\$ 20.07
ESMERALDA	1,664,744.04	0.1%	1,068	0.0%	98,289,312	0.1%	\$ 1,558.75	\$ 16.94
EUREKA	9,656,935.86	0.5%	1,847	0.1%	1,703,378,514	1.1%	\$ 5,228.44	\$ 5.67
HUMBOLDT	18,087,802.23	0.8%	17,921	0.6%	1,686,653,201	1.0%	\$ 1,009.31	\$ 10.72
LANDER	5,156,660.48	0.2%	6,158	0.2%	1,370,456,228	0.8%	\$ 837.39	\$ 3.76
LINCOLN	2,146,716.76	0.1%	4,971	0.2%	306,573,341	0.2%	\$ 431.85	\$ 7.00
LYON	23,854,333.57	1.1%	60,454	1.9%	2,764,911,430	1.7%	\$ 394.59	\$ 8.63
MINERAL	2,623,823.34	0.1%	4,870	0.2%	266,676,164	0.2%	\$ 538.77	\$ 9.84
NYE	25,467,814.11	1.2%	51,334	1.6%	2,176,704,827	1.3%	\$ 496.12	\$ 11.70
PERSHING	3,891,093.39	0.2%	7,344	0.2%	368,898,192	0.2%	\$ 529.83	\$ 10.55
STOREY	8,314,680.66	0.4%	4,427	0.1%	2,957,123,851	1.8%	\$ 1,878.17	\$ 2.81
WASHOE	303,689,198.60	14.3%	501,635	15.7%	21,487,837,028	13.3%	\$ 605.40	\$ 14.13
WHITE PINE	6,082,051.42	0.3%	10,001	0.3%	789,589,634	0.5%	\$ 608.14	\$ 7.70
TOTAL	2,129,801,692.32	100.0%	3,204,105	100.0%	161,368,866,622	100.0%	\$ 664.71	\$ 13.20

- In fiscal year 2023, Clark County received \$1.59 billion, or 74.7%, of the \$2.1 billion dollars distributed throughout the entire state. The Clark County allocation is regularly higher than the state average in terms of both population and property values, the two main factors of the statutory distribution formula. Why? Because more sales-tax is collected per capita in Clark County relative to the other counties.

Tier 2 - Allocations within Clark County

Fiscal Year 2023 - Clark County

<u>INCORPORATED CITIES</u>	<u>FY 23 C-TAX</u>	<u>State Certified Population as of July 1, 2022</u>	<u>\$/person</u>	<u>Assessed Valuation- 2022 REDBOOK</u>	<u>\$/AV</u>	<u>Redistributed based on population</u>	<u>Redistributed based on \$1,000 AV</u>
BOULDER CITY	\$ 14,579,017	15,012	\$ 971	943,894,377	\$ 15.45	\$ (6,420,422)	\$ (2,476,248)
HENDERSON	\$ 166,345,146	334,640	\$ 497	17,867,892,352	\$ 9.31	\$ 15,522,166	\$ 62,759,903
LAS VEGAS	\$ 428,321,327	660,987	\$ 648	24,498,940,906	\$ 17.48	\$ (69,093,713)	\$ (114,191,885)
MESQUITE	\$ 14,105,522	22,205	\$ 635	1,163,008,536	\$ 12.13	\$ (2,037,737)	\$ 806,765
NORTH LAS VEGAS	\$ 89,420,048	278,671	\$ 321	11,115,246,293	\$ 8.04	\$ 62,029,705.87	\$ 53,101,465
Incorporated Only - No Special Districts	\$ 712,771,060	1,311,515	\$ 543	55,588,982,464	\$ 12.82	\$ -	\$ -
UNINCORPORATED CLARK COUNTY	\$ 768,508,041	1,026,612	\$ 749	60,384,344,709	\$ 12.73		
<u>SPECIAL DISTRICTS</u>							
BOULDER LIBRARY DISTRICT	\$ 882,134	-		943,894,377			
CLARK COUNTY FIRE PROTECTION	\$ 73,362,290	-		58,328,768,084			
HENDERSON LIBRARY DISTRICT	\$ 3,412,653	-		17,867,892,352			
LAS VEGAS/CLARK CO LIBRARY DISTRICT	\$ 30,171,434	-		85,933,334,152			
MOAPA FIRE PROTECTION	\$ 1,111,832	-		233,091,509			
MT CHARLESTON FIRE PROTECTION	\$ 215,189	-		57,240,960			
Total Including Special Districts	\$ 1,590,434,634	2,338,127	\$ 680	115,973,327,173	\$ 13.71		

- In 2023, Clark County received \$680 per resident. On average, the incorporated cities received \$543 per resident. North Las Vegas received only \$321 per resident.



Questions?



Thank you!