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**Henderson District Public Libraries
Testimony on SB 308
Senate Committee on Taxation
April 1, 2003**

Good Evening, Mr. Chairman and Members of the Senate Committee on Taxation. I am Joan Kerschner, Director of Henderson District Public Libraries. We are a County Library District governed by a Board of five Trustees appointed by the Clark County Commission and two Trustees appointed by the City of Henderson through Interlocal agreement. We are a special taxing district funded by Ad Valorem and Consolidated Tax revenue.

After careful study of SB 308 we find it would have a devastating effect on our ability to provide library services to our citizens. Ad valorem is 67% of our revenue. Our ad valorem rate is just over \$.05, by far the lowest of any of the four library districts. Because of the rapid growth rate in Henderson and the low ad valorem rate, we have the second lowest number of books per capita in the State of Nevada. Hovering at one book per capita, we have less than half the statewide average and one-quarter the national average. We also have only slightly more than half the square footage recommended by national guidelines to serve our population. We opened the first new library building since 1989 in Henderson last August. It was built with growth revenues carefully saved over seven years at a time when interest rates were high. Because we feel conditions will never again exist to repeat this kind of savings, passage of bonds and additional operating rate in the future continue to be a high priority, even though we have failed this year to pass a tax initiative.

We have prepared three charts to show the following:

CHART #1 Over the past three years our services grew at a much faster pace than our assessed valuation, with library materials circulation growing 13.4%, 21.6%, and 62.5%. New library cards issued grew at 101.7%, 49.3% and 58.0%

CHART #2 If this bill had been in effect over the past ten years, \$4,645,590 would have been rebated to the state. Coincidentally, that amount plus interest earned on it was the cost of our new library.

CHART #3 The percentage of revenue rebated to the State under this bill will grow from 7.17% in FY 2005, to 47.35% in FY 2023.

The effect of this bill will be to freeze or degrade Henderson District Public Libraries services from current levels at a time of exceeding high growth and demand. It will effectively eliminate the ability to pass additional bonds and operating rate as the district continues to grow. It will solidify Henderson's position at the bottom of the expenditures per capita and books and materials owned and circulated. It will stop our many innovative and progressive reading programs for children and seniors in their tracks. Passage of this bill would be a devastating blow to library services for the citizens of Henderson.

HENDERSON DISTRICT PUBLIC LIBRARIES
 SB308 ANALYSIS
 SUPPLEMENTARY DATA

	Assessed Valuation		Population ¹		Library Materials		New Cards	
		% Increase		% Increase	Circulation	% Increase	Issued	% Increase
2001	3,747,411,242	14.3%	199,695	4.8%	513,131	13.4%	9,531	101.7%
2002	4,302,313,697	14.8%	210,850	5.6%	550,216	21.6%	14,232	49.3%
2003	5,327,499,973 ²	23.8%	223,070	5.8%	735,236	62.5%	22,481	58.0%
2004	6,218,629,785	16.7%	235,292	5.5%				

FY03 Estimated

Ad Valorem	2,914,113	66.9%
Consolidated	1,442,300	33.1%
Total Tax	4,356,413	100.0%

¹ Population figures are supplied by the City of Henderson Planning Department for the entire City of Henderson. The District's population would vary slightly because of the difference in our boundaries.

² Added property commonly known as Athem

*Ad valorem is 2/3rd percent of total tax revenue.

*Tax rate is .05, the lowest of any library district in Clark County.

*Number of books per capita is second lowest in the state (less than half the statewide average, 1/4 the national average).

*HDPL has only slightly more than 1/2 the square footage recommended by national guidelines to serve our population. Passage of a local bond and tax override will continue to be a priority.

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HENDERSON DISTRICT PUBLIC LIBRARIES
 SB308 ANALYSIS
 EFFECT ON PAST 10 YEARS REVENUES

FY 93 Assessed Valuation: 931,384,435
 CPI: 0.0247

YR	FISCAL YEAR	FY93 AV W/CPI BASE AV	ACTUAL ASSESSED VALUATION	GROWTH AD VALOREM	LEVY	AV REVENUE	TOTAL REVENUE	STATE 50% REBATE	LEFT TO OPERATE DIST	% AV REVENUE REBATED TO STATE
	FY93	954,358,584			0.0523	499,130	499,130		499,130	0.00%
1	FY94		1,197,943,311	243,584,727	0.0531	636,108	636,108	64,672	571,436	10.17%
2	FY95		1,358,083,086	403,724,502	0.0521	707,561	707,561	105,170	602,391	14.86%
3	FY96		1,535,319,068	580,960,484	0.0500	767,660	767,660	145,240	622,420	18.92%
4	FY97		1,848,711,994	894,353,410	0.0500	924,356	924,356	223,588	700,768	24.19%
5	FY98		2,337,035,478	1,382,676,894	0.0500	1,168,518	1,168,518	345,669	822,849	29.58%
6	FY99		2,833,208,793	1,878,850,209	0.0500	1,416,604	1,416,604	469,713	946,891	33.16%
7	FY00		3,277,183,120	2,322,824,536	0.0500	1,638,592	1,638,592	580,706	1,057,886	35.44%
8	FY01		3,747,411,242	2,793,052,658	0.0502	1,881,200	1,881,200	701,056	1,180,144	37.27%
9	FY02		4,302,313,697	3,347,955,113	0.0507	2,181,273	2,181,273	848,707	1,332,566	38.91%
10	FY03		5,327,499,973	4,373,141,389	0.0531	2,828,902	2,828,902	1,161,069	1,667,833	41.04%

Amount that would have been rebated to the State had SB308 been enacted in FY94 4,645,590

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HENDERSON DISTRICT PUBLIC LIBRARIES
SB308 ANALYSIS - 20 YRS

AV Growth Factor = 1.1673
Levy = 0.0531

YR	FISCAL YEAR	FY03 AV W/CPPI BASE AV	GROWTH AD VALOREM	LEVY	PROJECTED TOTAL AV REVENUE	SB308 STATE 50% REBATE	LEFT TO OPERATE DIST	% AV REVENUE REBATED TO STATE
1	FY04	5,458,911,539	-	0.0531	2,898,682	-	2,898,682	0.00%
2	FY05	6,372,187,556	913,275,917	0.0531	3,383,632	242,475	3,141,157	7.17%
3	FY06	7,438,254,534	1,979,342,895	0.0531	3,949,713	525,516	3,424,197	13.31%
4	FY07	8,682,674,518	3,223,762,879	0.0531	4,610,500	855,909	3,754,591	18.56%
5	FY08	10,135,285,965	4,676,374,326	0.0531	5,381,837	1,241,577	4,140,260	23.07%
6	FY09	11,830,919,307	6,372,007,668	0.0531	6,282,218	1,691,768	4,590,450	26.93%
7	FY10	13,810,232,107	8,351,320,468	0.0531	7,333,233	2,217,276	5,115,957	30.24%
8	FY11	16,120,683,938	10,661,772,299	0.0531	8,560,083	2,830,701	5,729,382	33.07%
9	FY12	18,817,674,361	13,358,762,722	0.0531	9,992,185	3,546,752	6,445,433	35.50%
10	FY13	21,965,871,282	16,506,959,643	0.0531	11,663,878	4,382,598	7,281,280	37.57%
11	FY14	25,640,761,547	20,181,849,908	0.0531	13,615,244	5,358,281	8,256,963	39.36%
12	FY15	29,930,460,954	24,471,549,315	0.0531	15,893,075	6,497,196	9,395,879	40.88%
13	FY16	34,937,827,071	29,478,915,432	0.0531	18,551,986	7,826,652	10,725,334	42.19%
14	FY17	40,782,925,541	35,324,013,902	0.0531	21,655,733	9,378,526	12,277,207	43.31%
15	FY18	47,605,908,983	42,146,997,344	0.0531	25,278,738	11,190,028	14,088,710	44.27%
16	FY19	55,570,377,556	50,111,465,917	0.0531	29,507,870	13,304,594	16,203,276	45.09%
17	FY20	64,867,301,722	59,408,390,083	0.0531	34,444,537	15,772,928	18,671,609	45.79%
18	FY21	75,719,601,300	70,260,689,661	0.0531	40,207,108	18,654,213	21,552,895	46.40%
19	FY22	88,387,490,597	82,928,578,958	0.0531	46,933,758	22,017,538	24,916,220	46.91%
20	FY23	103,174,717,774	97,715,806,135	0.0531	54,785,775	25,943,547	28,842,228	47.35%

TOTAL TO BE REBATED TO STATE IN 20 YEARS: 153,478,075

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