

**LOCAL GOVERNMENT**  
**FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: April 9, 2023

Agency Submitting: Washoe County

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2022-23</b>	<b>Fiscal Year 2023-24</b>	<b>Fiscal Year 2024-25</b>	<b>Effect on Future Biennia</b>
New revenue from removing abatement plus removing a portion of the depreciation (Revenue)				\$92,867,275
Additional 7 FTEs, including benefits (Expense)				\$2,217,397
Ancillary costs for FTEs (Expense)				\$46,424
Costs for construction, wiring, data, and electrical upgrades (Expense)				\$100,000
CAMA system upgrades (Expense)				\$20,000
Total	0	0	0	\$90,483,454

Explanation

(Use Additional Sheets of Attachments, if required)

This bill would increase revenue for Washoe County and would require new expenditures. The anticipated new revenue for the County in the first fiscal year would total \$11,479,267.64, increasing each fiscal year thereafter. The forecast is based on historical data from fiscal year 2022, forecasted to the best of the County's ability given the unknown and unpredictable factors of the real estate and construction market. The revenue amount based on improved sales do not include sales involving multiple parcels; the new value is the portion determined to be depreciation which would be new to the roll after removing it from the depreciated replacement cost to arrive at replacement cost new. Totals in future years is a cumulative amount determined by adding the last fiscal year to the following year. Values do not account for obsolescence that may be required to ensure that taxable value doesn't exceed market value. Future abatements and depreciation are unknown, because the cost of construction and future real estate market are unknown. Implementation is anticipated to create substantial additional workload in analysis, system functions, responding to taxpayer inquiries, and equalization hearings. The estimated cost of implementation would require seven additional FTEs: one (1) Sr. Appraiser with a salary of \$156,124, two (2) Appraiser III with a salary of \$140,231 each, three (3) Appraiser I with a salary of \$120,235 each, and one (1) Appraisal Support Specialist with a salary of \$102,442 for fiscal year 2024. FTE salary costs include benefits and assume a 3.5% cost-of-living and a 5% merit increase per FTE in each year after initial hire. One-time ancillary costs for equipment and supplies for all new FTEs is \$46,424. Other one-time ancillary costs are estimated at \$100,000 for construction of additional office space, wiring, data, and electrical upgrades, as well as \$20,000 in upgrades to the County's Computer Assisted Mass Appraisal (CAMA) system.

Name Cadence Matijevich  
Title Government Affairs Liaison

**Total Fiscal Impact**

	FY 2024	FY 2025	Future Biennia
New Revenue for Washoe County (revenue)	11,479,267.64	23,302,913.31	92,867,275.21
Additional FTEs (expense)	899,733.00	977,784.84	2,217,396.56
Ancillary Costs (expense)	166,424.00	-	-
<b>Total Net Fiscal Impact</b>	<b>\$ 10,413,110.64</b>	<b>\$ 22,325,128.47</b>	<b>\$ 90,649,878.65</b>

**Estimated Revenue**

	Hypothetical FY 2024 <sup>3</sup>	Hypothetical FY 2025 <sup>3</sup>	Hypothetical FY 2026 <sup>3</sup>	Hypothetical FY 2027 <sup>3</sup>
Number of Improved Sales <sup>1</sup>	5,179	5,179	5,179	5,179
Total Abatement on Parcels	2,973,325.68	6,035,851.13	9,009,176.81	15,045,027.94
Depreciation Removed (assessed)	238,666,801.00			
Taxes on New Value (depreciation) <sup>2</sup>	8,505,941.96	17,139,473.05	25,645,415.01	42,784,888.06
<b>Total New Revenue</b>	<b>\$ 11,479,267.64</b>	<b>\$ 23,302,913.31</b>	<b>\$ 34,782,180.95</b>	<b>\$ 58,085,094.26</b>

<sup>1</sup> Sales queried were deemed to be good sales and do not include sales involving multiple parcels.

<sup>2</sup> New value is that portion of value determined as depreciation and which would be new to the roll after removing the depreciated replacement cost new (DRCN) to arrive at replacement cost new (RCN).

<sup>3</sup> Totals in hypothetical year is cumulative amount. These were attained by adding the last fiscal year to the next future year, which for the purpose of analysis, is being projected to be the same. New abatements and depreciation that will be applied the second fiscal year are not included. Value also do not account for any obsolescence that may be needed to ensure that taxable value does not exceed market value (Nevada law). And finally, the future real estate and construction markets are unknown and therefore, future abatements and depreciation are unknown.

**Additional FTEs**

	Cost FY 24	Cost FY 25	Cost FY 26	Cost FY 27
Sr. Appraiser	156,124.00	169,667.76	184,386.43	200,381.96
Appraiser III	140,231.00	152,396.04	165,616.40	179,983.62
Appraiser III	140,231.00	152,396.04	165,616.40	179,983.62
Appraiser I	120,235.00	130,665.39	142,000.61	154,319.16
Appraiser I	120,235.00	130,665.39	142,000.61	154,319.16
Appraiser I	120,235.00	130,665.39	142,000.61	154,319.16

Appraisal Support Specialist	102,442.00	111,328.84	120,986.62	131,482.21
Total FTE Costs	\$ 899,733.00	\$ 977,784.84	\$ 1,062,607.67	\$ 1,154,788.89

**Ancillary Costs**

Workstations and required setup	46,424.00
Construcion, wiring, data electrical upgrades	100,000.00
CAMA system upgrades	20,000.00
Total Ancillary Costs	\$ 166,424.00