

ADVISORY BALLOT QUESTION NO. WC-1

This question is advisory only: Do you support an increase in the sales and use tax in Reno, Sparks and Washoe County of 1/4 of 1% for the purpose of hiring and equipping more police officers and fire personnel, prosecuting and incarcerating criminals and constructing public safety facilities to better serve and protect the citizens?

Yes...../_____/

No...../_____/

Explanation: With voter support of this question, the Board of Washoe County Commissioners will seek authorization from the Nevada State Legislature to levy an additional sales and use tax of one-quarter cent (1/4¢). The proposed increase would provide police and fire personnel, and equipment necessary to carry out essential duties, as well as provide the capital costs necessary for constructing, operating and maintaining public safety facilities.

This tax shall not replace any funds currently expended by the participating jurisdictions on police and fire services. The proceeds of this tax must be allocated with 40% directed to Washoe County, 40% to the City of Reno and 20% allocated to the City of Sparks.

This question is advisory in nature and does not place any legal requirement on the governing body, any member of the governing body, any officer of the political subdivision or the Nevada Legislature.

Argument In Favor of WC1

WC1 allows the people to decide if they want to make their neighborhoods safer. Voters can advise the Nevada Legislature to provide resources for local governments to hire more police officers to fight drugs and gangs and help ensure their maturing community is prepared for the future.

In Washoe County, 60 percent of sales taxes are paid by tourists and businesses, while just 40 percent is paid by residents.

If approved, Reno will hire 18 additional police officers, 15 more firefighters and 10 more community service officers. The big change, though, will be the decentralization of Reno's Police Department. Reno will build three new full-service police stations, one each in the north, south and central areas of town. These public safety centers will bring police and other city services into the neighborhoods and closer to the residents.

Sparks will hire 36 new police officers, six civilian support staff and equipment for those new employees. Those 36 new officers will help improve emergency response times and help crack down on crime while improving the quality of criminal investigations.

Washoe County provides a wide range of public safety services, from sheriff's deputies patrolling the roads to prosecution and incarceration. County officials will use their share of the new revenue to hire more deputies, expand the jail and increase funding for prosecution and crime prevention.

All of these improvements will cost residents just \$25 per year for every \$10,000 spent on taxable goods, which doesn't include prescription drugs, food from the grocery store or gasoline.

Washoe County residents have continually said that public safety is their top priority for their governments. WC1 is their chance to prove it and deserves their support.

ARGUMENT IN OPPOSITION TO WC-1

How many times can you tax a dollar? What citizen gets a 14-20% increase in revenue each year? If the tax is approved, additional expenses may be incurred to pay for operation and maintenance of public safety facilities constructed and financed with the additional levy. The primary responsibility of government is accountability and prioritization of expenditures of public money. With our rapid regional growth and massive expansion of city boundaries, government must be more accountable for expenditures of public money and correctly prioritize services before asking the public to provide more tax revenue. Property tax normally pays for these services. Average tax revenue has risen commensurate to the average home price. Even with the property tax cap of 2006, prior revenue gains stay intact. What have local governments done to cut expenses in other areas to increase revenues for public safety? To have growth pay for itself, developers can pay impact fees for fire and police services. Since the 1980's, both cities collect voter approved tax overrides annually for public safety, fire department upgrades, equipment and facilities with Reno receiving an additional .45 cents (\$25 + million annually), Sparks receiving an additional .11 cents (\$2+ million annually) per \$100 for the property tax override. Unincorporated Washoe County residents pay .48 cents per \$100 for fire protection. Audited 2006 financials are not final, so by comparing property tax increases and consolidated taxes for 2003-2004 to 2004-2005 fiscal years, Washoe County received a 19.40% increase (\$21 million in additional revenue); Reno received a 14.83% increase (\$6 plus million), Sparks received 14% increase (\$3 million additional revenue). Since 1991, a 5-cent additional property tax has been charged for capital facilities generating \$5+ million a year for construction. Annual franchise fees or business license fees, paid by consumers, and charged by local governments on such services as electric, gas, water, cable, trash, etc., amount to \$14+ million for Reno, \$5+ million for Sparks and \$3+ million for Washoe County, which monies go into the general fund. These monies should be set aside for public safety issues.

REBUTTAL TO ARGUMENT IN FAVOR OF WC-1

The question is not: "Are citizens concerned about public safety?" Rather the real question is: "Have the three local governments properly appropriated existing funds and those special 1980's voter approved tax override funds for public safety." Citizens must economize and correctly prioritize to live within their budgets, so should local governments.

The maturing community is caused by our rapid growth. The Legislature has authorized local government to implement impact fees on new development for law enforcement and fire facilities other than main administrative facilities. Why haven't they been implemented? Safety comes with police presence on foot in downtown areas around-the-clock rather than through clandestine "sting" operations, (i.e. DUI, drugs, prostitution and graffiti, etc.)

There has been no complete analysis of the impact of lost revenue for all public services due to the creation of the recently expanded redevelopment areas and the newly created Tourist Improvement Districts and Redevelopment Districts within the two cities.

What have Reno, Sparks and Washoe County done with their increased 14%-20% property and consolidated sales tax revenue?

If you vote yes, uncontrolled growth will continue and so will demand for additional tax increases.

Rebuttal to Argument in Opposition to WC-1

Public opinion surveys have continually shown that public safety is Washoe County residents' top priority. Local governments have tried to keep up with demands of public safety as best as possible under existing budgets.

Yet, as Washoe County and its two cities grow, so does the demand for safety and security. Residents have said they are concerned about growth's effect on the crime rate.

WC1 puts more cops on the street to combat gangs, drugs and other crimes. It also provides new resources for strengthening police presence, improving emergency response time, and increasing public safety.

Should WC1 pass and the Legislature approve a sales tax increase, Reno would hire 18 additional police officers, 15 new firefighters, 10 more community service officers, and build 3 new neighborhood public safety centers. Sparks would hire 36 police officers, 6 support staff, and acquire more high tech crime fighting equipment. Washoe County would use the revenue to help maintain its crime lab's high level of expertise, fund additional Sheriff's helicopters, and bolster search and rescue operations.

A vote in favor of WC1 allows our governments to meet our needs and plan for the future while ensuring the money will be spent on public safety.

Fiscal Note: The sales and use tax increase of $\frac{1}{4}$ of 1% would last for up to 30 years. The average annual cost of this sales and use tax increase is expected to be \$25.00 for a typical payer of sales and use tax in Washoe County, based on average annual expenditures on goods that are subject to the sales and use tax of \$10,000. If the tax is levied Washoe County, the City Reno, and the City Sparks may sell bonds payable from the tax that are backed by the full faith and credit of the assessed value of Washoe County, the City of Reno, and the City of Sparks. Following the levy of the tax, additional expenses may be incurred to pay for the operation and maintenance of public safety facilities constructed and financed with the additional levy.