



MEMORANDUM

Date: February 12, 2009

To: Bruce Basemann, Financial Projects Coordinator
Finance and Risk Management

From: C.H. Huckelberry
County Administrator

Craig Horn, Financial Projects Coordinator
Finance and Risk Management

Re: **Assessed Values of Property Taxes and Equity**

Every four or five years, questions arise regarding the levy of County property taxes and the equitable distribution of same for the provision of County services, particularly related to contributors. Those who are contributors typically have a short sighted view of their tax contributions, simply wanting or in some cases demanding that services be returned dollar for dollar. Obviously, upon closer inspection they usually do not want such an equitable return since it would mean that they would have to spend time in the County jail.

It is apparent this issue will resurface, particularly among jurisdictions who may be contributing property taxes to County operations due to the revenue shortfalls being experienced by cities and towns from their more traditional sources of revenue from sales tax or state-shared revenues.

To begin this analysis it would be appropriate to have a fairly accurate analysis related to the property tax base Countywide by jurisdiction and by class of property contributing to the aggregate assessed value, i.e residential, commercial, etc. It would then be possible to determine the property tax dollar value contributions by jurisdiction and class of tax to property. To examine this premise further it would also be appropriate to apply the most recent population estimate by jurisdiction to obtain an assessed value per capita analysis that can also be used as a measure of both contribution as well as need, depending on the type of service provided by the County. Please provide this analysis.

It might also be helpful to have not only the latest snapshot of the assessed value, but perhaps a ten-year historical perspective in change of assessed value in the aggregate as well as by jurisdiction and property tax class. Please provide the analysis at your convenience in appropriate report form for further policy analysis.

CHH/jj

c: Martin Willett, Chief Deputy County Administrator
Tom Burke, Finance and Risk Management Director
Thomas House, Budget Manager, Finance and Risk Management