



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: *December 12, 2023*

DATE: Thursday, December 07, 2023

TO: Board of County Commissioners

FROM: Danielle Carlton, Assistant Chief Deputy Treasurer
(775) 328-2545, Dcarlton@washoecounty.gov

THROUGH: Justin Taylor, Washoe County Treasurer

SUBJECT: Recommendation to accept Treasurer's status report for the period ending November 30, 2023, of payment of refunds and interest since last update in the amount of \$70,910.62 on certain property tax overpayments for residential properties at Incline Village/Crystal Bay, in compliance with the October 21, 2019 Order issued by the District Court in *Village League to Save Incline Assets, Inc., et.al. vs. State of Nevada, et.al.*, Case No. CV03-06922, as modified and clarified by the settlement agreement regarding the processing of refunds. Treasurer. (All Commission Districts.) FOR POSSIBLE ACTION.

SUMMARY

Treasurer's status report for the period ending November 30, 2023, of payment of refunds on certain property tax overpayments for residential properties at Incline Village/Crystal Bay, in compliance with the October 21, 2019 Order issued by the District Court in *Village League to Save Incline Assets, Inc., et.al. vs. State of Nevada, et.al.*, Case No. CV03-06922, as modified and clarified by the settlement agreement regarding the processing of refunds.

WASHOE COUNTY STRATEGIC OBJECTIVE SUPPORTED BY THIS ITEM:

Fiscal Sustainability.

PREVIOUS ACTION

On August 4, 2020, the Board of County Commissioners ("Board") approved a settlement agreement in *Village League to Save Incline Assets, Inc., et.al. vs. State of Nevada, et.al.*, Case No. CV03-06922, including dismissal of the appeal to the Nevada Supreme Court, and requiring the payment of refunds for all qualifying residential parcels in Incline Village/Crystal Bay for the 2003-04, 2004-05, and 2005-06 tax years in the total estimated amount of \$56 million, with issuance of refunds to begin July 1, 2021.

On August 4, 2020, following seventeen years of legal review and negotiations over the constitutionality of the methodologies used to calculate the taxable value of properties in Incline Village/Crystal Bay, the Board approved a settlement agreement in *Village*

AGENDA ITEM # _____

League to Save Incline Assets, Inc., et.al. vs. State of Nevada, et.al., Case No. CV03-06922, to pay tax refunds to Incline Village/Crystal Bay residential property owners an estimated amount of \$56 million, with refund payments scheduled to begin July 1, 2021.

The settlement agreement includes a two-year interest holiday period during which interest on the refunds will not accrue from July 1, 2021 through June 30, 2023, and provides that refunds be completed by June 21, 2024. Further, it requires the Treasurer to file a report with the Board on or before the fifth business day of the second month of the Interest Accrual Holiday, and on or before the fifth business day of each subsequent month until the last Refund Claim has been processed. This report is being filed to comply with the terms of the agreement.

FISCAL IMPACT

The estimated total cost of the refunds, along with statutorily mandated interest, to be issued by Washoe County is approximately \$56 million.

RECOMMENDATION

It is recommended that the Board accept the Treasurer's status report for the period ending November 30, 2023, of payment of refunds on certain property tax overpayments for residential properties at Incline Village/Crystal Bay, in compliance with the October 21, 2019 Order issued by the District Court in *Village League to Save Incline Assets, Inc., et.al. vs. State of Nevada, et.al.*, Case No. CV03-06922, as modified and clarified by the settlement agreement regarding the processing of refunds.

POSSIBLE MOTION

Should the Board agree with staff's recommendation, a possible motion would be:

“Move to accept the Treasurer's status report for the period ending November 30, 2023, of payment of refunds on certain property tax overpayments for residential properties at Incline Village/Crystal Bay, in compliance with the October 21, 2019 Order issued by the District Court in *Village League to Save Incline Assets, Inc., et.al. vs. State of Nevada, et.al.*, Case No. CV03-06922, as modified and clarified by the settlement agreement regarding the processing of refunds.”