



STAFF REPORT

Report To: Board of Supervisors

Meeting Date: October 19, 2017

Staff Contact: Darren Schulz, Public Works Director

Agenda Title: For Possible Action: To direct staff to prepare an ordinance revising Chapter 12.04 (Senior Citizens Assistance) of the Carson City Municipal Code to provide assistance to low-income property owners that will have no adverse impacts on the water, sewer and storm water funds (Karen Abowd, kabowd@carson.org and Lori Bagwell, lbagwell@carson.org).

Staff Summary: Chapter 12.04 of the Carson City Municipal Code establishes a utility rate assistance program for certain eligible senior citizens. The Utility Finance Oversight Committee (Committee) met on September 19, 2017 to review, discuss and recommend to the Board of Supervisors various changes to this program including eligibility, assistance rates and program administration.

Agenda Action: Formal Action/Motion

Time Requested: 30 minutes

Proposed Motion

Move to direct staff to prepare an ordinance revising Chapter 12.04 (Senior Citizens Assistance) of the Carson City Municipal Code to provide assistance to low-income property owners that will have no adverse impacts on the water, sewer and storm water funds.

Board's Strategic Goal

Efficient Government

Previous Action

None

Background/Issues & Analysis

The senior citizens discount program, as defined in Chapter 12.04 of the Carson City Municipal Code, is a program that is no longer offered to new applicants due to State budget cuts. The current program has approximately 110 participants who still receive the discount that results in an estimated revenue loss of \$60,000 per year due to the discounts. The proposed program would revise the existing ordinance to offer assistance to low income property owners. The program would be administered by a 3rd party, and paid for by optional donations that would be made available on utility bills. Similar programs are currently offered by SW Gas and NV Energy. Administrative costs that the City may incur would be paid for by the cost savings associated with the elimination of the existing program.

Applicable Statute, Code, Policy, Rule or Regulation

Carson City Municipal Code, Chapter 12.04

Financial Information

Is there a fiscal impact? ☐ Yes ☒ No

If yes, account name/number: NA

Is it currently budgeted? ☐ Yes ☒ No

Explanation of Fiscal Impact: NA

Alternatives

Provide additional instructions or direction to staff.

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)

Chapter 12.04 - SENIOR CITIZENS ASSISTANCE

Sections:

12.04.010 - Purpose.

1. The board finds that:
 - a. Certain senior citizens of this city live, as a rule, on limited retirement incomes which remain fixed, and often face no opportunities to supplement such income.
 - b. Costs, including those that fund essential city services, rise causing the diversion of portions of income.
2. The board declares that:
 - a. It is the public policy of the city to provide some assistance to senior citizens.
 - b. It is the purpose of these sections to provide some relief from the rates that must be charged for sewer and water services provided by the city through a system of discounts.

(Ord. 2007-7 § 2, 2007: Ord. 1981-18 § 4 (part), 1981).

12.04.020 - Definitions.

1. "Application" means an application for senior citizens assistance, and an "applicant" is a person who files such an application. When 2 members of a household are able to meet the qualifications for an applicant, they may determine between themselves who is to be the applicant. Only 1 application may be filed for any household.
2. "Director" means the public works director or his/her designee.
3. "Home" means residential living quarters located in Carson City in which an applicant actually resides on a full time basis. The quarters may consist of a single dwelling unit, or a unit which is an integral part of a larger complex such as a multi-dwelling or multi-purpose building providing that it is served by its own meter.
 - a. The term "home" includes a mobilehome or dwelling which the applicant possesses under a contract of sale, deed of trust, life estate, joint tenancy or tenancy in common.
4. "Household" means an applicant and spouse.
5. "Household income" means the income received by an applicant plus the income received by the applicant's spouse.
6. "Income" means adjusted gross income, as defined in the U.S. Internal Revenue Code, plus the following items: tax-free interest; the untaxed portion of pensions and compensations; payments received under the Federal Social Security Act, including supplemental security income but excluding

hospital and medical insurance benefits for the aged and disabled; public welfare payments, including shelter allowances; unemployment insurance benefits; all "loss of time" and disability insurance payments; disability payments under Workmen's Compensation laws; alimony; support payments; allowances received by dependents of servicemen; the amount of recognized capital gains and losses excluded from adjusted gross income; life insurance proceeds; bequests and inheritances; cash gifts over \$300.00 not between household members and such other kinds of cash flow into a household as the director specifies by regulation.

7. "Senior citizen" means any person who is domiciled in Carson City and will attain the age of 62 years on or before the last day of June of the year in which the application is filed.

(Ord. 2007-7 § 3, 2007: Ord. 1999-32 § 1, 1999: Ord. 1981-18 § 4 (part), 1981).

12.04.030 - Discount.

1. A senior citizen who pays user charges to a sewer utility account and monthly service and commodity charges to a water utility account in his or her name, resides in the home, and whose household income is within an income range for which a discount is allowed, is entitled to a discount of sewer use fees and water service and commodity charges actually charged by Carson City during that following fiscal year beginning July 1 to the extent determined by the percentage shown opposite the household income range on the schedule below:

If the Amount of Applicant's Household Income Is Over	But Not Over	Percent of Sewer Monthly User Charges and Water Monthly Service and Commodity Charges Paid to Be Discounted to the Applicant
\$0	\$15,776	90
\$15,777	\$18,387	80
\$18,388	\$21,120	50
\$21,121	\$23,730	25
\$23,731	\$26,714	10

(Ord. 2007-7 § 4, 2007: Ord. 2004-8 § 1, 2004: Ord. 1999-32 § 2, 1999: Ord. 1992-28 § 1, 1992: Ord. 1985-43 § 1, 1985: Ord. 1985-18 § 1, 1985: Ord. 1981-18 § 4 (part), 1981).

(Ord. No. 2013-26, § I, 9-19-2013)

12.04.040 - Filing applications.

Between January 15th and April 30th, an application for a discount for the following fiscal year beginning July 1 may be filed with the Carson City assessor's office, under oath, upon forms provided by the assessor.

(Ord. 2007-7 § 5, 2007: Ord. 1992-28 § 2, 1992: Ord. 1985-18 § 2, 1985: Ord. 1981-18 § 4 (part), 1981).

12.04.050 - Applying the Discount.

The assessor shall examine each application and determine the eligibility of the applicant and the appropriate discount. The assessor will then forward the application to the public works director. All capitalization charges and user charges from the sewer utility account and monthly service and commodity charges from the water utility accounts shall be discounted by the appropriate amount beginning the month of July of the year in which the application is determined to be eligible. The discount shall be applied for a 12 month period. Application for discounts shall be required to be filed each year.

The public works director may discontinue any discount to any applicant who is determined to waste water pursuant to Carson City Municipal Code Section 12.01.120, waste of water prohibited, or to violate the limitations on irrigation pursuant to Carson City Municipal Code 12.01.130, limitations on irrigation.

(Ord. 2007-7 § 6, 2007: Ord. 1997-36 § 5, 1997: Ord. 1992-28 § 3, 1992: Ord. 1985-18 § 3, 1985: Ord. 1981-18 § 4 (part), 1981).

12.04.060 - Appeals.

1. Any applicant whose application is rejected or not approved by the utilities director may appeal that action to the board by notifying the city manager in writing on or before July 31st of the year the application was filed.
2. The appellant shall be required to provide proof of eligibility for the discount offered at a hearing before the board.
3. The hearing shall be conducted and the matter determined on or before August 31st of the year the application was filed.

(Ord. 2007-7 § 7, 2007: Ord. 1997-36 § 6, 1997: Ord. 1992-28 § 4, 1992: Ord. 1985-18 § 4, 1985: Ord. 1981-18 § 4 (part), 1981).

12.04.070 - Fraudulent practices—Penalties.

Any person who shall knowingly obtain or attempt to obtain a discount under Sections 12.04.010 through 12.04.070 to which he or she is not entitled or in an amount greater than the entitlement through the submission of false or fraudulent statements or proof shall:

1. Repay any discount received together with a 10 percent penalty;
2. Forfeit eligibility for any discount in that year; and
3. Be punished for a misdemeanor.

(Ord. 2007-7 § 8, 2007: Ord. 1981-18 § 4 (part), 1981).

Projected:						
Average (Mean) Utility Bill for single family property						
	Water	Sewer	Storm Water	Water - ROW	Sewer-ROW	Total Utility Bill
Jul-17	\$95.45	\$40.45	\$5.69	\$0.95	\$0.41	\$142.96
Aug-17	\$101.37	\$40.45	\$5.69	\$1.01	\$0.41	\$148.94
Sep-17	\$97.50	\$40.45	\$5.69	\$0.98	\$0.41	\$145.03
Oct-17	\$72.07	\$40.45	\$5.69	\$0.72	\$0.41	\$119.34
Nov-17	\$44.20	\$40.45	\$5.69	\$0.44	\$0.41	\$91.20
Dec-17	\$38.00	\$40.45	\$5.69	\$0.38	\$0.41	\$84.93
Jan-18	\$38.26	\$40.45	\$5.69	\$0.38	\$0.41	\$85.20
Feb-18	\$36.89	\$40.45	\$5.69	\$0.37	\$0.41	\$83.81
Mar-18	\$36.73	\$40.45	\$5.69	\$0.37	\$0.41	\$83.65
Apr-18	\$39.76	\$40.45	\$5.69	\$0.40	\$0.41	\$86.71
May-18	\$52.17	\$40.45	\$5.69	\$0.52	\$0.41	\$99.25
Jun-18	\$84.18	\$40.45	\$5.69	\$0.84	\$0.41	\$131.58
Average	\$61.38	\$40.45	\$5.69	\$0.61	\$0.41	\$108.55
Notes:						
Water: 15% increase to prior year average						
Sewer: flat rate effective 7/1/2017						
Storm Water: \$4.38 + 30% increase						
ROW: Right of way charge (1%)						
Data: 8/9/17 email from Cindy Mills						