

**Minutes of the Subcommittee Meeting of the  
COMMITTEE ON LOCAL GOVERNMENT FINANCE  
December 19, 2019, 1:00 p.m.**

The meeting was held at the Nevada Department of Taxation, 1550 College Pkwy, Large Conference Room, Carson City, Nevada with videoconference to Nevada Department of Taxation, 1<sup>st</sup> Floor Conference Room, Grant Sawyer Office Building, 555 E. Washington Ave, Las Vegas, Nevada. This meeting was also part of a teleconference.

**COMMITTEE MEMBERS PRESENT:**

Mary Walker, Chairman  
Marty Johnson  
Tom Ciesynski  
Paul Johnson  
Jim McIntosh

**COUNSEL TO COMMITTEE:**

Peter Keegan

**DEPT OF TAXATION STAFF  
PRESENT:**

Jeff Mitchell  
Kelly Langley  
Kellie Grahmann  
Keri Gransbery  
Evelyn Barragan  
Christina Griffith  
Chali Spurlock  
Hector Sepulveda

**MEMBERS OF THE PUBLIC PRESENT:**

<b>Name</b>	<b>Representing</b>
Robert Erickson	City of Fallon
Jeff Cronk	CLGF
Debbie Sanchez	West Wendover
Maria Gueder	Clark County School District
Elizabeth Enrique	Nye County
Seth Autamirano	Town of Minden
Wendy Kramer	Humboldt County School Dist
Carrie Webb	Las Vegas Conv & Visitor Auth
Erin	Las Vegas Conv & Visitor Auth

**ITEM 1. ROLL CALL AND OPENING REMARKS**

All members were present.

**ITEM 2. PUBLIC COMMENT**

There was none.

**ITEM 3. FOR POSSIBLE ACTION: REPORT AND COMMENT ON WORKSHOP REGARDING ENDING FUND BALANCE AND FISCAL WATCH**

Chairman Walker requested Kelly Langley, with the Department of Taxation (Department), to go over the changes made at the workshop.

Ms. Langley noted the only change made during the workshop regarding NAC 354.660 was on the bottom of paragraph 1, will now say revenues from property taxes or local government tax distribution account.

Chairman Walker asked for any comments, there were none. She asked Ms. Langley to go over any changes for the fiscal watch NAC.

Ms. Langley referred to page 2, section 3 subsections a through k, they would like to add an additional item between f and g. They would like to add projected timeline for corrective action for any audit findings, and the responsible area and their plan to accomplish.

Debbie Sanchez, with West Wendover, asked what Ms. Langley meant by responsible area. Ms. Langley replied that it would be based on the corrective action recommended by their audit, and who would be making those changes so the Department and Committee of Local Government Finance would know who to talk to regarding those corrections.

Chairman Walker also noted Member Ciesynski had brought up an item and asked Ms. Langley to explain.

Ms. Langley referred to the bottom of the (a) through (k), they would like to add item (l). The purpose was to have the CFO, CEO and/or Chairperson, and other officers shall attend as requested to the Committee of Local Government meetings.

Ms. Sanchez asked if a notice of the meetings would be received. Ms. Langley responded that they would and explained that the board member generally sends a delegate to appear in their place. They want to ensure that if the CFO as well as the board is requested, that they both attend. The request to appear would indicate that.

Chairman Walker noted those were the two changes. Ms. Langley added that also on paragraph 4, the sentence beginning with "the committee" where it reads "or department" it will say "the department".

Member Marty Johnson suggested changing in number 2, where it reads "requested from", it should say "requested by". Chairman Walker agreed confirming that was in paragraph 2, line 2.

Chairman Walker asked for any other comments or suggestions. Member Marty Johnson asked, where it is currently labeled as "j", he asked what they envision the proof of notice to consist of.

Ms. Langley noted that normally in the minutes of the local government there would be a comment that it was received and maybe some discussion. Member McIntosh clarified that it would be the expectation of an Agenda item being brought to their board. Ms. Langley and Chairman Walker agreed.

Member Marty Johnson asked if they want to be that specific. Ms. Langley asked if he means instead of proof of notice that it would be an Agenda item of the board or committee of the fiscal watch and plan of correction action. He doesn't suggest going that far. He referred to paragraph b, suggesting they add to that sentence that it is reflected in the minutes of that meeting, whether in 3(j) or 2(b), maybe some mention that the notice will be reflected in the minutes of the meeting.

Ms. Langley suggested the wording to be "In a formal meeting of the board be reflected in the Agenda". He added it can either be in the Agenda or the minutes. She asked Member McIntosh if he wants that in 2(b) or 3(j). He stated it does not matter, but it appears to already be on 2b.

Chairman Walker suggested taking 3(j) out, Member Marty Johnson thinks they should leave both. They want to make sure it is documented that it was presented to the board, it may not require an Agenda item at that time. Member McIntosh clarified that 2(b) would be the notice, and 3(j) would be the proof. Member Marty Johnson 2(b) is when they get the notice of being placed on fiscal watch, 3(j) would be the notice and their plan to address it, the time for corrective action. Member McIntosh is okay with having both.

Member Ciesynski agrees that both items should be reflected in the minutes, the notice as well as the corrective action, he thinks they need minutes in both. Ms. Langley sees 2(b) changing to "and reflected in the minutes", and 3(j) leaving as is. Member Marty Johnson and Member McIntosh were satisfied with that. Member Ciesynski agreed.

Peter Keegan noted that 3(j) only needs to be proof of being on the agenda or minutes with presentation of plan of corrective action. Ms. Langley agreed and noted they could change that.

Chairman Walker had Ms. Langley read 3(j) as it will be written. "proof of plan of correction action being presented to governing board as reflected in the minutes". Member Marty Johnson agreed.

Chairman Walker clarified that the plan of corrective action in 3(j) is relating to fiscal watch, maybe it should state that. She read that it would read "plan of fiscal watch corrective action being presented to governing body as reflected in the minutes".

Peter Keegan stated his notes show 3(j) was intended to be a plan to get off fiscal watch and suggested that maybe that is put in there to make it clear that it is different than 3(i).

Chairman Walker noted that the decision of getting off fiscal watch is with the Department and the Committee of Local Government Finance. She added that their plan may not be accepted and doesn't think that should be in there. Ms. Langley doesn't believe it was intended for the plan to get off fiscal watch, she believes it is for documentation the Department is requesting.

Ms. Sanchez noted the intent would probably be that having completed those things they would get off fiscal watch.

Chairman Walker thinks what they are doing is requesting the proposal for their plan to be removed from fiscal watch presented to the governing board, and then be sent to the Department for their review. Ms. Langley agreed, adding that it doesn't have anything to do with them getting off fiscal watch, they would remain on fiscal watch until the Committee and depart believe the need to be on fiscal watch no longer exists.

Ms. Langley clarified 3(j) would read "proof of plan of fiscal watch corrective action as reflected in the minutes". Chairman Walker added "in the governing board minutes".

Members Ciesynski, McIntosh, and Marty Johnson agreed.

Chairman Walker mentioned a couple of changes to the fund balance regulation to more closely align it to NRS. In paragraph 2 regarding school districts, she would like to put in "for a school district for the purposes of chapter 288 of NRS," and then what is there, "a budgeted ending fund balance of not more than 16.60 percent..." to mirror the law. The second change, under (a) at the bottom of page 1, changing it to "a is not subject to negotiations with an employee organization", removing "other local governments".

Ms. Langley noted she believes Mr. Mitchell had intended during the workshop on matching that, but just didn't get the language to match, but the intention was there.

Ms. Langley clarified that it would now read "is not subject to negotiations with an employee organization; and". Chairman Walker agreed, clarifying this would align it with NRS.

#### **ITEM 4. FOR POSSIBLE ACTION: SCHEDULE DATE AND REVIEW AGENDA TOPICS FOR THE NEXT MEETING**

Ms. Langley noted this will go to LCB to check to make sure it is in the correct format and that it is consistent with statute. They will provide that to Mr. Mitchell, and he will present it to the subcommittee or the Committee to consider any adoption.

Chairman Walker asked if they can have an Agenda item for the subcommittee to update the full committee on this matter. Ms. Langley agreed that they would.

#### **ITEM 5. PUBLIC COMMENT (See Note 2)**

There was none.

#### **ITEM 6. FOR POSSIBLE ACTION: ADJOURNMENT**

Meeting was adjourned at 1:28 p.m.



**DRAFT**  
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