

MEETING NOTICE AND AGENDA

COMMITTEE ON LOCAL GOVERNMENT FINANCE

Date and Time of Meeting: September 26, 2016, 9:30 a.m.

Place of Meeting: Nevada State Legislative Building
401 South Carson Street
Room 2135
Carson City, Nevada

Video Conference To: Grant Sawyer State Office Building
555 East Washington Avenue
Room 4412
Las Vegas, Nevada

This meeting will also be part of a teleconference. Please call the Department at (775) 684-2100 for the call-in number.

Action may be taken on the items indicated in **BOLD**:

1. ROLL CALL AND OPENING REMARKS
2. PUBLIC COMMENT (See Note 2)
In consideration of others, who may also wish to provide public comment, please avoid repetition and limit your comments to no more than five (5) minutes.
3. **FINANCIAL CONDITION REPORTS BY THE DEPARTMENT; CONSIDERATION AND POSSIBLE ADOPTION OF RECOMMENDATIONS AND ORDERS**
 - (a) **For Possible Action: Discussion and Consideration of Nye County Financial Condition: Report by the County on the following matters:**
 - 1) **Status of the FY 15/16 Audit, Final Revenue and Expenditures, Cash Flow Analysis for Nye County.**
 - 2) **Status of the FY 15/16 Audit, Final Revenue and Expenditures, Cash Flow Analysis for Northern Nye County Regional Hospital District.**
 - (b) **For Possible Action: Discussion and Consideration of City of North Las Vegas Financial Condition: Report by City on the following matters:**
 1. **Status of the FY 15/16 Audit, Final Revenue and Expenditures, Cash Flow Analysis.**
4. **For Possible Action: REPORT FROM SUBCOMMITTEE REGARDING PROPOSED GUIDANCE LETTER**
Regarding the Review of Current and Pending GASB standards on Lease Accounting; Requirements for Reporting Installment-purchase Agreements; and Types of Installment-purchase Agreements and Medium Term Obligations Subject to Approval by the Department of Taxation
5. BRIEFING TO AND FROM THE COMMITTEE ON LOCAL GOVERNMENT FINANCE AND LOCAL GOVERNMENT FINANCE STAFF
 - (a) Report by Department on Local Government Finance comparison between the actual tax rate that is levied and the effective rate that is actually received reflecting the "Tax Cap" abatement.
 - (b) Report on status of LCB File No. R053-16 amending NAC 354.660.

6. REVIEW AND APPROVAL OF MINUTES

(a) For Possible Action: CLGF Committee Meeting – June 7, 2016

7. For Possible Action: Schedule Date and Review Agenda Topics for the Next Meeting

8. Public Comment (See Note 2)

In consideration of others, who may also wish to provide public comment, please avoid repetition and limit your comments to no more than five (5) minutes.

9. For Possible Action: ADJOURNMENT

NOTE 1: Items on this agenda may be taken in a different order than listed. Items may be combined for consideration by the Committee on Local Government Finance. Items may be pulled or removed from the agenda at any time.

NOTE 2: Public comment may be made on any issue and any discussion of those items; provided that comment will be limited to areas relevant to and within the authority of the Committee on Local Government Finance. No action will be taken on any items raised in the public comment period. At the discretion of the Chairman, public comment may be received prior to action on individual agenda items. Public Comment may not be limited based on viewpoint. Prior to the commencement and conclusion of a contested case or a quasi judicial proceeding that may affect the due process rights of an individual, the committee may refuse to consider public comment. See NRS 233B.126.

NOTE 3: We are pleased to make accommodations for members of the public who are disabled. Please notify the Department of Taxation in writing, at 1550 College Parkway, Carson City, Nevada, 89706 or call (775) 684-2180 prior to the meeting.

NOTE 4: Materials and files for items on this agenda are maintained in the offices of the Department of Taxation located in Carson City, Nevada. Requests for copies of materials and files for items on this agenda may be made to:

Terry Rubald
Deputy Executive Director, Department of Taxation
1550 College Parkway
Carson City, NV 89706

Notice of this meeting was posted in the following Carson City, Nevada location: Department of Taxation 1550 College Parkway; Legislative Building, 401 South Carson Street; and Nevada State Library, 100 Stewart Street

Notice of this meeting was emailed for posting to the following locations: Department of Taxation, 4600 Kietzke Lane, Building L, Suite 235, Reno; Department of Taxation, 2550 Paseo Verde, Suite 180, Henderson; Department of Taxation, 555 E. Washington Street; Las Vegas; Clark County Office, 500 South Grand Central Parkway, Las Vegas. Notice of this meeting was also posted on the Internet through the Department of Taxation website at www.tax.nv.gov, and on the Department of Administration website at <https://notice.nv.gov/>.

ITEM 3

FINANCIAL CONDITION REPORTS BY THE DEPARTMENT; CONSIDERATION AND POSSIBLE ADOPTION OF RECOMMENDATIONS AND ORDERS

(a) For Possible Action: Discussion and Consideration of Nye County Financial Condition:

Report by the County on the following matters:

- 1) Status of the FY 15/16 Audit, Final Revenue and Expenditures, Cash Flow Analysis for Nye County.**
- 2) Status of the FY 15/16 Audit, Final Revenue and Expenditures, Cash Flow Analysis for Northern Nye County Regional Hospital District.**

(b) For Possible Action: Discussion and Consideration of City of North Las Vegas Financial Condition:

Report by City on the following matters:

- 1. Status of the FY 15/16 Audit, Final Revenue and Expenditures, Cash Flow Analysis.**



**STATE OF NEVADA
DEPARTMENT OF TAXATION**

Web Site: <http://tax.nv.gov>

1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

RENO OFFICE
4600 Kietzke Lane
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Reno, Nevada 89502
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BRIAN SANDOVAL
Governor
JAMES C. DEVOLLD
Chair, Nevada Tax Commission
DEONNE E. CONTINE
Executive Director

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite 1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone: (702) 486-2300 Fax: (702) 486-2373

HENDERSON OFFICE
2550 Paseo Verde Parkway, Suite 180
Henderson, Nevada 89074
Phone: (702) 486-2300
Fax: (702) 486-3377

September 12, 2016

**COMMITTEE ON LOCAL GOVERNMENT FINANCE
REQUEST FOR APPEARANCE**

CERTIFIED MAIL: 7012 2210 0002 6475 4698
NYE COUNTY
ATTN: PAM WEBSTER, MANAGER
2100 E. WALT WILLIAMS DRIVE, SUITE 100
PAHRUMP, NV 89048

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Place of Meeting:
Nevada State Legislative Building
401 South Carson Street
Room 2135
Carson City, Nevada

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555 East Washington Avenue
Room 4401
Las Vegas, Nevada

A representative from Nye County is requested to appear before the Committee on Local Government Finance (Committee) regarding the following:

Report by the County on the following matters:

- 1) **Status of the FY 15/16 Audit, Final Revenue and Expenditures, Cash Flow Analysis for Nye County.**
- 2) **Status of the FY 15/16 Audit, Final Revenue and Expenditures, Cash Flow Analysis for Northern Nye County Regional Hospital District.**

The Committee requests that any materials regarding this agenda item be received in the office of the Department by September 21, 2016, to allow the Department and Committee Members an opportunity for review.

If you have any questions, please feel free to call me at 775-684-2095.

Terry E. Rubald, Deputy Executive Director
Department of Taxation

Nye County Comptroller

Pahrump Office:

2101 E. Calvada Blvd., #200
Pahrump, NV 89048

Tonopah Office:

PO Box 3999 | 101 Radar Road
Tonopah, NV 89049

Accounting – Contracts – Finance
Grants – Purchasing



09/19/2016

NYE COUNTY REPORT OF FISCAL WATCH CONDITIONS

CASH FLOW PROJECTIONS

Attachment 1 includes the Cash Flow projection for Nye County's General Fund. The Revenue has been distributed based on historical receipt trend from 2016 by month, by category. The expenditure distribution by month is based on salaries and benefits evenly spread over the 12 months of the year. Supplies and Services are distributed based on one time large payments for expenses like the liability insurance premium and other maintenance agreements placed in the month of payment, and other operating expenses evenly distributed over 12 months. In spite of the fact that 25% of the revenue for each year is received in the 12-14th months of the FY, the cash flow projection stays positive all year.

FY 2016 was closed in the financial system on September 07, 2016. Nye County uses a modified actual basis of accounting. GAAP regulations require revenues be recorded for 60 days after the end of the Fiscal Year. As such, Nye County was unable to produce cash flow data from the system until all related revenue entries had been recorded. As requested in the letter from Terry Rubald dated May 10, 2016 a cash flow report generated from the financial system has been included as well as Attachment 2.

BUDGET AUGMENTATIONS

No budget augmentations have been prepared for FY 2017 for the General Fund. All FY 2016 budget augmentations approved by the Board of County Commissioners and submitted to DTAX have been approved by DTAX.

EXPENDITURES IN EXCESS OF APPROPRIATIONS

Attachment 3 is the Budgeted Revenue analysis for FY 2016 by major category. The budgeted revenue reflects the \$1.0M augmentation approved for the General Fund from anticipated CTAX income. Attachment 3 shows the actual CTAX revenue for the year is \$12.6M which is \$1.5M more than originally budgeted and almost \$.5M more than the augmented budget.

Attachment 4 is the Budgeted Expenditure Analysis by Function for FY 16. Unaudited expenditure for all functions within the General Fund are below the augmented budget levels, with a total General Fund under run of \$1.1M to budget.

Attachment 1 includes the Budgeted Expenditure Analysis by Function for FY 17. The report indicates % of time elapsed and % of total budget expended in comparison to the time elapsed.

Nye County Comptroller

Pahrump Office:

2101 E. Calvada Blvd., #200
Pahrump, NV 89048

Tonopah Office:

PO Box 3999 | 101 Radar Road
Tonopah, NV 89049

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Nye County hired a Budget Analyst on August 29, 2016. Monthly reports of budget status to expenditures are sent to all Department Heads and Elected Officials informing them of any budget performance issues. In addition, monthly departmental reports are provided to the Board of County Commissioners with annotated areas of potential concern and corrective action.

TIMELY DEPOSIT OF MONEY COLLECTED BY COUNTY OFFICER

The Nye County Treasurer is providing his report to DTAX under separate cover.

INSTALLMENT-PURCHASE AGREEMENT

There are no new additional installment purchase agreement to report.

INTERFUND LOANS

There are no inter fund loans to report, nor have there been any transfers from the General Fund

EXPENDITURE COMPLIANCE

All copies of Public Safety Sales Tax documents have been forwarded to DTAX

CAPITAL ASSET INVENTORY

The Finance office is currently in process of a fixed asset physical inventory, including attaching identifying numbers to capital assets belonging to the County. In conjunction with the physical inventory count Nye County is implementing a web based and fully mobile capital asset tracking program which will assist with the physical inventory counts, as well as provide long term security of all County owned assets. Expected completion of project is no later than November 24, 2016.

Sincerely,

A handwritten signature in blue ink, appearing to read "Savannah Rucker".

Savannah Rucker

Nye County Comptroller

ATTACHMENT 1
NYE COUNTY
Cash Flow Projections for the General Fund
Fiscal Year 2016-17

NYE COUNTY GENERAL FUND CASH FLOW PROJECTIONS FOR FY 2016-17

CASH FLOW FY 2015-16				CASH FLOW PROJECTIONS FOR FY 2016-17																					
Reflect Budget/Actual	FY 2015-16 Accruals			Actual July	Actual August	Budget September	Budget October	Budget November	Budget December	Budget January	Budget February	Budget March	Budget April	Budget May	Budget June	FY 2016-17 Accruals		Total Actual + Budgeted	2016-17 Final Budget	Variance Budget to Actual	Percent Time Elapsed	Percentage Received/ Spent			
			July													August									
	July	August																							
RECEIPTS/DEPOSITS				Source:																					
Property Tax	Rev Status Rpt	\$ 35,000.00	\$ 16,000.00	\$ 385,309.90	\$ 3,042,634.30	\$ 418,223.21	\$ 1,414,369.23	\$ 1,032,513.26	\$ 423,757.35	\$ 1,127,384.31	\$ 622,195.97	\$ 1,427,809.30	\$ 1,018,608.61	\$ 333,948.78	\$ 41,110.79	\$ 36,000.00	\$ 10,000.00	\$ 11,333,865.00	\$ 11,333,865.00	\$ (0.00)	16.67%	30.25%			
Licenses and Permits	Rev Status Rpt	\$ 30,000.00		\$ 19,801.00	\$ 57,970.21	\$ 80,672.60	\$ 54,627.30	\$ 68,533.20	\$ 30,348.50	\$ 42,487.90	\$ 68,533.20	\$ 30,348.50	\$ 30,348.50	\$ 62,602.09	\$ 30,348.50	\$ 30,348.50		\$ 606,970.00	\$ 606,970.00	\$ -	16.67%	12.81%			
Federal in lieu tax	Rev Status Rpt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,000,000.00		\$ 3,000,000.00	\$ 3,000,000.00	\$ -	16.67%	0.00%			
Consolidated tax	Rev Status Rpt	\$ 1,079,402.52	\$ 1,194,042.75	\$ -	\$ -	\$ 986,150.00	\$ 861,520.00	\$ 1,057,540.00	\$ 917,180.00	\$ 1,064,800.00	\$ 1,188,220.00	\$ 821,590.00	\$ 909,920.00	\$ 1,195,480.00	\$ 1,003,090.00	\$ 955,900.00	\$ 1,138,610.00	\$ 12,100,000.00	\$ 12,100,000.00	\$ -	16.67%	0.00%			
Other Intergovernmental	Rev Status Rpt	\$ 35,000.00	\$ 35,000.00	\$ -	\$ 25,225.96	\$ 46,400.00	\$ 52,200.00	\$ 34,800.00	\$ 29,000.00	\$ 165,600.00	\$ 34,800.00	\$ 29,000.00	\$ 29,000.00	\$ 29,000.00	\$ 34,991.35	\$ 34,991.35	\$ 34,991.35	\$ 580,000.00	\$ 580,000.00	\$ -	16.67%	4.35%			
Charges for services	Rev Status Rpt	\$ 160,000.00		\$ 10,345.53	\$ 99,039.30	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 167,328.65	\$ 1,950,000.00	\$ 1,950,000.00	\$ -	16.67%	5.61%			
Fines	Rev Status Rpt	\$ 47,000.00		\$ -	\$ 64,191.88	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 47,800.74	\$ 590,000.00	\$ 590,000.00	\$ -	16.67%	10.88%			
Other	Rev Status Rpt	\$ 100,000.00		\$ 9,902.53	\$ 27,015.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 98,161.96	\$ 1,116,700.00	\$ 1,116,700.00	\$ -	16.67%	3.31%			
Total Receipts		\$ 1,486,402.52	\$ 1,245,042.75	\$ 425,358.96	\$ 3,316,077.61	\$ 1,844,737.16	\$ 2,696,007.88	\$ 2,506,677.81	\$ 1,713,577.20	\$ 2,713,563.56	\$ 2,227,040.52	\$ 2,622,039.15	\$ 2,301,168.46	\$ 1,934,322.22	\$ 4,422,831.98	\$ 1,370,531.15	\$ 1,183,601.35	\$ 31,277,535.00	\$ 31,277,535.00	\$ (0.00)	16.67%	11.96%			
Total Receipts Y-T-D		\$ 1,486,402.52	\$ 1,245,042.75	\$ 425,358.96	\$ 3,741,436.57	\$ 5,586,173.73	\$ 8,282,181.61	\$ 10,788,859.42	\$ 12,502,436.62	\$ 15,216,000.18	\$ 17,443,040.70	\$ 20,065,079.84	\$ 22,366,248.30	\$ 24,300,570.52	\$ 28,723,402.50	\$ 30,093,933.65	\$ 31,277,535.00	\$ 230,812,257.61							
EXPENDITURES/PAYMENTS																									
General Gov - Salaries	Exp Summary Rpt	\$ 161,062.02	\$ -	\$ 376,777.12	\$ 330,975.49	\$ 483,186.05	\$ 322,124.03	\$ 322,124.03	\$ 322,124.03	\$ 322,124.03	\$ 322,124.03	\$ 483,186.05	\$ 322,124.03	\$ 322,124.03	\$ 322,124.03	\$ 161,062.02	\$ -	\$ 4,412,179.00	\$ 4,412,179.00	\$ -	16.67%	16.04%			
General Gov - Benefits	Exp Summary Rpt	\$ 125,492.48	\$ -	\$ 347,297.08	\$ 295,724.86	\$ 376,477.44	\$ 250,984.96	\$ 250,984.96	\$ 250,984.96	\$ 250,984.96	\$ 250,984.96	\$ 376,477.44	\$ 250,984.96	\$ 250,984.96	\$ 125,492.48	\$ -	\$ -	\$ 3,529,349.00	\$ 3,529,349.00	\$ -	16.67%	18.22%			
General Gov - Services & Supplies	Exp Summary Rpt	\$ 308,526.03	\$ -	\$ 886,665.69	\$ 239,281.07	\$ 412,815.51	\$ 321,078.73	\$ 321,078.73	\$ 321,078.73	\$ 321,078.73	\$ 275,210.34	\$ 229,341.95	\$ 321,078.73	\$ 321,078.73	\$ 308,526.03	\$ 308,526.03	\$ -	\$ 4,586,839.00	\$ 4,586,839.00	\$ -	16.67%	24.55%			
General Gov - Capital Outlay	Exp Summary Rpt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16.67%	#DIV/0!		
Judicial - Salaries	Exp Summary Rpt	\$ 143,383.98	\$ -	\$ 323,251.03	\$ 284,838.50	\$ 430,151.93	\$ 286,767.95	\$ 286,767.95	\$ 286,767.95	\$ 286,767.95	\$ 286,767.95	\$ 430,151.93	\$ 286,767.95	\$ 286,767.95	\$ 143,383.98	\$ -	\$ -	\$ 3,905,921.00	\$ 3,905,921.00	\$ -	16.67%	15.57%			
Judicial - Benefits	Exp Summary Rpt	\$ 65,141.30	\$ -	\$ 157,256.16	\$ 134,384.93	\$ 195,423.90	\$ 130,282.60	\$ 130,282.60	\$ 130,282.60	\$ 130,282.60	\$ 130,282.60	\$ 195,423.90	\$ 130,282.60	\$ 130,282.60	\$ 65,141.30	\$ -	\$ -	\$ 1,789,891.00	\$ 1,789,891.00	\$ -	16.67%	16.29%			
Judicial - Services & Supplies	Exp Summary Rpt	\$ 68,703.45	\$ -	\$ 209,472.50	\$ 251,689.00	\$ 141,766.20	\$ 110,262.60	\$ 110,262.60	\$ 110,262.60	\$ 110,262.60	\$ 94,510.80	\$ 78,759.00	\$ 110,262.60	\$ 110,262.60	\$ 68,703.45	\$ 68,703.45	\$ -	\$ 1,575,180.00	\$ 1,575,180.00	\$ -	16.67%	29.28%			
Judicial - Capital Outlay	Exp Summary Rpt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16.67%	#DIV/0!		
Public Safety - Salaries	Exp Summary Rpt	\$ 260,195.48	\$ -	\$ 728,465.93	\$ 502,065.99	\$ 780,586.45	\$ 520,390.96	\$ 520,390.96	\$ 520,390.96	\$ 520,390.96	\$ 520,390.96	\$ 780,586.45	\$ 520,390.96	\$ 520,390.96	\$ 260,195.48	\$ -	\$ -	\$ 7,215,028.00	\$ 7,215,028.00	\$ -	16.67%	17.06%			
Public Safety - Benefits	Exp Summary Rpt	\$ 155,127.37	\$ -	\$ 367,816.92	\$ 291,767.66	\$ 465,382.10	\$ 310,254.73	\$ 310,254.73	\$ 310,254.73	\$ 310,254.73	\$ 310,254.73	\$ 465,382.10	\$ 310,254.73	\$ 310,254.73	\$ 155,127.37	\$ -	\$ -	\$ 4,227,514.00	\$ 4,227,514.00	\$ -	16.67%	15.60%			
Public Safety - Services & Supplies	Exp Summary Rpt	\$ 67,990.13	\$ 67,990.13	\$ 52,477.97	\$ 129,174.11	\$ 91,331.64	\$ 71,035.72	\$ 71,035.72	\$ 71,035.72	\$ 71,035.72	\$ 60,887.76	\$ 50,739.80	\$ 71,035.72	\$ 71,035.72	\$ 67,990.13	\$ 67,990.13	\$ 67,990.13	\$ 1,014,796.00	\$ 1,014,796.00	\$ -	16.67%	17.90%			
Public Safety - Capital Outlay	Exp Summary Rpt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16.67%	#DIV/0!		
Public Works - Salaries	Exp Summary Rpt	\$ 2,528.62	\$ -	\$ 6,301.39	\$ 4,432.27	\$ 7,585.87	\$ 5,057.25	\$ 5,057.25	\$ 5,057.25	\$ 5,057.25	\$ 5,057.25	\$ 7,585.87	\$ 5,057.25	\$ 5,057.25	\$ 2,528.62	\$ -	\$ -	\$ 68,892.00	\$ 68,892.00	\$ -	16.67%	15.58%			
Public Works - Benefits	Exp Summary Rpt	\$ 1,092.44	\$ -	\$ 3,817.27	\$ 2,796.55	\$ 3,277.33	\$ 2,184.89	\$ 2,184.89	\$ 2,184.89	\$ 2,184.89	\$ 2,184.89	\$ 3,277.33	\$ 2,184.89	\$ 2,184.89	\$ 1,092.44	\$ -	\$ -	\$ 31,740.00	\$ 31,740.00	\$ -	16.67%	20.84%			
Public Works - Services & Supplies	Exp Summary Rpt	\$ 3,300.61	\$ 3,300.61	\$ 548.33	\$ 1,509.20	\$ 2,832.48	\$ 2,203.04	\$ 2,203.04	\$ 2,203.04	\$ 2,203.04	\$ 2,203.04	\$ 1,888.32	\$ 1,573.60	\$ 2,203.04	\$ 3,300.61	\$ 3,300.61	\$ 3,300.61	\$ 31,472.00	\$ 31,472.00	\$ -	16.67%	6.54%			
Public Works - Capital Outlay	Exp Summary Rpt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16.67%	#DIV/0!		
Health - Salaries	Exp Summary Rpt	\$ 9,464.61	\$ -	\$ -	\$ -	\$ 28,393.83	\$ 18,929.22	\$ 18,929.22	\$ 18,929.22	\$ 18,929.22	\$ 18,929.22	\$ 28,393.83	\$ 18,929.22	\$ 18,929.22	\$ 9,464.61	\$ -	\$ -	\$ 217,686.00	\$ 217,686.00	\$ -	16.67%	0.00%			
Health - Benefits	Exp Summary Rpt	\$ 4,456.39	\$ -	\$ -	\$ -	\$ 13,369.17	\$ 8,912.78	\$ 8,912.78	\$ 8,912.78	\$ 8,912.78	\$ 8,912.78	\$ 13,369.17	\$ 8,912.78	\$ 8,912.78	\$ 4,456.39	\$ -	\$ -	\$ 102,497.00	\$ 102,497.00	\$ -	16.67%	0.00%			
Health - Services & Supplies	Exp Summary Rpt	\$ 7,115.75	\$ 7,115.75	\$ -	\$ -	\$ 5,055.93	\$ 3,932.39	\$ 3,932.39	\$ 3,932.39	\$ 3,932.39	\$ 3,932.39	\$ 5,055.93	\$ 3,932.39	\$ 3,932.39	\$ 7,115.75	\$ 7,115.75	\$ 7,115.75	\$ 56,177.00	\$ 56,177.00	\$ -	16.67%	0.00%			
Health - Capital Outlay	Exp Summary Rpt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16.67%	#DIV/0!		
Contingency	Exp Summary Rpt	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	16.67%	0.00%		
Total Disbursements		\$ 1,383,580.67	\$ 78,406.50	\$ 3,460,147.39	\$ 2,468,639.63	\$ 3,437,635.83	\$ 2,364,401.86	\$ 2,364,401.86	\$ 2,364,401.86	\$ 2,364,401.86	\$ 2,291,757.22	\$ 3,147,057.27	\$ 2,364,401.86	\$ 2,364,401.86	\$ 2,311,525.35	\$ 1,383,580.67	\$ 78,406.50	\$ 32,765,161.00	\$ 32,765,161.00	\$ (200,000.00)	16.67%	17.99%			
Total Disbursements Y-T-D		\$ 1,383,580.67	\$ 78,406.50	\$ 3,460,147.39	\$ 5,928,787.02	\$ 9,366,422.85	\$ 11,730,824.71	\$ 14,095,226.56	\$ 16,459,628.42	\$ 18,824,030.28	\$ 21,115,787.50	\$ 24,262,844.77	\$ 26,627,246.62	\$ 28,991,648.48	\$ 31,303,173.84	\$ 32,686,754.50	\$ 32,765,161.00	\$ 277,617,683.94							
CASH BALANCE																									
Net change in Cash		\$ 102,821.85	\$ 1,166,636.25	\$ (3,034,788.43)	\$ 847,437.98	\$ (1,592,898.67)	\$ 331,606.02	\$ 142,275.95	\$ (650,824.65)	\$ 349,161.70	\$ (64,716.70)	\$ (525,018.12)	\$ (63,233.40)	\$ (430,079.64)	\$ 2,111,306.63	\$ (13,049.52)	\$ 1,105,194.85	\$ (1,487,626.00)							
Beginning Cash		\$ 3,437,562.87	\$ 3,540,384.72	\$ 4,707,020.98	\$ 1,672,232.55	\$ 2,519,670.53	\$ 926,771.86	\$ 1,258,377.88	\$ 1,400,653.83	\$ 749,829.18	\$ 1,098,990.88	\$ 1,034,274.17	\$ 509,256.05	\$ 446,022.65	\$ 15,943.02	\$ 2,127,249.64	\$ 2,114,200.13	\$ 4,707,020.98							
End Cash Balance		\$ 3,540,384.72	\$ 4,707,020.98	\$ 1,672,232.55	\$ 2,519,670.53	\$ 926,771.86	\$ 1,258,377.88	\$ 1,400,653.83	\$ 749,829.18	\$ 1,098,990.88	\$ 1,034,274.17	\$ 509,256.05	\$ 446,022.65	\$ 15,943.02	\$ 2,127,249.64	\$ 2,114,200.13	\$ 3,219,394.98	\$ 3,219,394.98							

UNAUDITED

PROJECTIONS ARE NOT A GUARANTEE OF FUTURE RESULTS

ATTACHMENT 2

NYE COUNTY NEVADA
GENERAL FUND CASH FLOW ANALYSIS 2015/2016
UNAUDITED

	July	August	September	October	November	December	January	February	March	April	May	June	Year to Date
Cash Balance July 1, 2015	693,160.07	3,129,465.41	2,512,320.48	1,530,473.20	2,518,498.59	2,895,238.49	2,371,716.32	1,216,470.24	1,173,197.50	2,054,735.88	1,310,148.01	2,466,541.76	693,160.07
Cash Inflows													
Property Taxes	277,505.92	2,307,069.15	467,266.82	1,579,160.11	1,152,898.87	473,128.66	1,258,860.46	694,711.35	1,594,120.66	355,320.18	1,205,634.28	44,602.07	11,410,278.53
Consolidated Taxes	986,375.14	1,174,220.54	1,018,620.72	889,735.57	1,091,600.32	947,445.52	1,099,904.13	1,227,334.87	847,807.15	939,292.65	1,234,424.36	1,035,634.19	12,492,395.16
Federal in Lieu	-	-	-	241,550.00	-	-	-	-	-	-	-	3,108,497.00	3,350,047.00
Interfund Transfer	3,000,000.00	-	-	-	-	-	-	-	-	-	-	-	3,000,000.00
Other	230,499.59	287,489.52	325,111.94	242,109.61	399,700.04	331,726.45	423,884.74	373,887.35	895,943.05	404,642.77	765,509.41	345,285.44	5,025,789.91
Total Revenues	4,494,380.65	3,768,779.21	1,810,999.48	2,952,555.29	2,644,199.23	1,752,300.63	2,782,649.33	2,295,933.57	3,337,870.86	1,699,255.60	3,205,568.05	4,534,018.70	35,278,510.60
Disbursements													
Payroll	(1,355,289.31)	(3,039,453.37)	(1,869,085.27)	(1,547,302.01)	(1,889,835.38)	(1,856,068.91)	(3,146,029.06)	(1,965,342.93)	(1,628,486.87)	(1,964,026.18)	(1,906,424.86)	(2,862,020.69)	(25,029,364.84)
Service and Supplies	(702,786.00)	(1,346,470.77)	(923,761.49)	(417,227.89)	(377,623.95)	(419,753.89)	(791,866.35)	(373,863.38)	(827,845.61)	(479,817.29)	(142,749.44)	(700,976.90)	(7,504,742.96)
Total Expenditures	(2,058,075.31)	(4,385,924.14)	(2,792,846.76)	(1,964,529.90)	(2,267,459.33)	(2,275,822.80)	(3,937,895.41)	(2,339,206.31)	(2,456,332.48)	(2,443,843.47)	(2,049,174.30)	(3,562,997.59)	(32,534,107.80)
Cash Balance at End of Month	3,129,465.41	2,512,320.48	1,530,473.20	2,518,498.59	2,895,238.49	2,371,716.32	1,216,470.24	1,173,197.50	2,054,735.88	1,310,148.01	2,466,541.76	3,437,562.87	3,437,562.87



Nye County

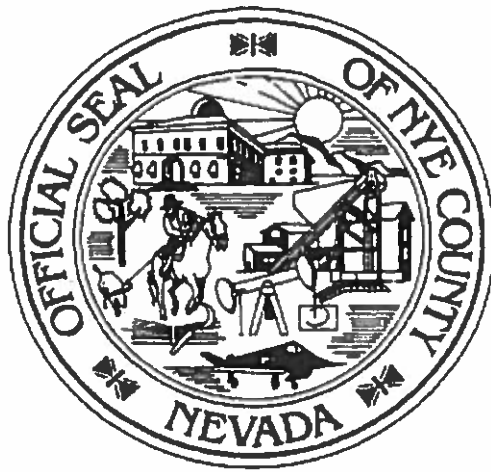
Budget to Unaudited Revenue Report For Fiscal Year 2016

Revenues:	2016 Budget	Unaudited Revenue Collected	% Received (of budget)
Beginning Fund Balance	1,838,734	1,569,536	85%
Real Property Taxes <i>(installments: 08/17/15, 10/05/15, 01/04/16, 03/07/16)</i>	7,785,602	7,975,966	102%
Personal Property Taxes	1,961,767	1,851,247	94%
Centrally Assessed Property Taxes	902,491	1,010,996	112%
Net proceeds - May	1,087,020	1,135,997	105%
Federal in lieu tax - June <i>(\$241,550 received 10/30/15)</i>	3,073,375	3,350,047	109%
Consolidated tax <i>(Jul - June collected)</i>	12,152,822	12,605,245	104%
Intergovernmental <i>(\$250k Fed Lease Land typically received in Aug)</i>	694,394	464,173	67%
Charges for services <i>(Department fees)</i>	1,755,735	1,711,010	97%
Licenses and Permits <i>(Liquor, gaming, etc.)</i>	344,545	438,011	127%
Fines and forfeitures <i>(Court fines, etc.)</i>	450,000	738,984	164%
Other	1,380,006	1,166,501	85%
Total Revenue	33,426,491	34,017,713	102%



Nye County General Fund Fiscal year 2015-2016 Budget Status

<u>FY 2016</u>				
Department	Category	Budget	Unaudited Actual	Variance
10-General Government				
	Salaries	4,409,108	4,303,426	105,682
	Benefits	3,722,789	3,507,180	215,609
	Services & Supplies	4,121,909	4,413,393	(291,483)
10-General Government		12,253,806	12,223,998	29,808
20-Judicial				
	Salaries	3,870,844	3,750,546	120,298
	Benefits	1,761,173	1,746,211	14,962
	Services & Supplies	1,596,985	1,351,207	245,778
20-Judicial		7,229,002	6,847,964	381,038
30-Public Safety				
	Salaries	7,408,213	7,135,985	272,228
	Benefits	4,258,781	4,037,399	221,382
	Services & Supplies	1,540,222	1,550,677	(10,455)
30-Public Safety		13,207,216	12,724,061	483,155
40-Public Works				
	Salaries	89,611	80,624	8,987
	Benefits	40,555	41,281	(726)
	Services & Supplies	31,472	27,563	3,909
40-Public Works		161,638	149,469	12,169
97-Interfund Transfer				
	Contingency	91,446	50,577	40,869
97-Interfund Transfer		91,446	50,577	40,869
TOTAL		32,943,108	31,996,069	1,398,753



Nye County Treasurer

August 2016

Treasurer's Report

And

Bank Reconciliation



**NYE
COUNTY
TREASURER**

RICHARD E. BILLMAN

Main Office:

PO Box 473
Tonopah, NV 89049
(775) 482-8147
(775) 482-8193

Date: September 20, 2016

Re: Elected Official & County Officer's Monthly Collection Reports

MEMORANDUM

All Nye County Elected Officials and County Officers have submitted their Monthly Collection Reports and Deposits timely for the month of August 2016.

Nye County, Nevada
Treasurer's Report
August 31, 2016

New Fund	Description	Balance per G/L Beg of Month	Beginning Balance Period 13 Adj	Reconciled Balance Beg of Month	FY16 June Period 13 Receipts	FY17 August Receipts	Vendor & Net Payroll Checks	FY16 Period 12 & 13 Journal Entries	FY17 Period 2 Journal Entries	Reconciled Balance End of Month
10101	County General	1,384,626.94	-	1,384,626.94	1,218,377.64	3,392,826.08	(2,576,005.91)	37,555.28	3,680.90	3,461,060.93
10201	Stabilization	0.19	-	0.19	-	-	-	(0.19)	-	0.00
10202	Compensated Absences	1,506.03	-	1,506.03	-	-	-	-	-	1,506.03
10203	Trust Property Expenses	674.68	-	674.68	-	-	-	-	-	674.68
10204	Land Sales Costs	945.16	-	945.16	-	-	-	-	-	945.16
10205	Road	307,202.22	-	307,202.22	471,634.16	3,557.56	(434,547.96)	1,114,000.00	19,352.72	1,481,198.70
10206	Regional Streets & Highways	34,521.82	-	34,521.82	706.41	-	-	-	-	35,228.23
10207	Regional Trans Comm	605,200.14	-	605,200.14	371,085.08	-	(18,790.92)	-	-	957,494.30
10208	Public Transit	3,621,767.33	-	3,621,767.33	106,841.92	-	(46,927.65)	(1,114,000.00)	-	2,567,681.60
10209	Airport	4,327.18	-	4,327.18	259.45	850.00	(2,016.81)	-	-	3,419.82
10213	911 Emergency Systems	217,967.94	-	217,967.94	-	25,898.49	(182,633.27)	-	-	61,233.16
10214	Museum	3,814.65	-	3,814.65	-	23,486.55	(10,192.61)	-	-	17,108.59
10218	Agricultural Extension	113,746.03	-	113,746.03	-	302.34	(33,181.87)	-	-	80,866.50
10220	State/County Room Tax	42,349.56	-	42,349.56	-	8,444.73	(12,578.24)	-	-	38,216.05
10230	Juvenile Probation	3,476.01	-	3,476.01	2,971.33	229,418.94	(108,233.92)	11,479.78	-	139,112.14
10232	Forfeitures	72,236.18	-	72,236.18	-	-	(890.00)	-	-	71,346.18
10233	Public Safety Sales Tax	604,572.89	-	604,572.89	-	-	(61,011.85)	-	-	543,561.04
10234	Public Safety Sales Tax - Sheriff Co.	66,659.72	-	66,659.72	4,408.21	-	-	-	-	71,067.93
10235	Public Safety Sales Tax - Fire Co.	60,435.33	-	60,435.33	4,408.21	-	-	-	-	64,843.54
10241	Victim Restitution	427.01	-	427.01	-	50.00	-	-	-	477.01
10242	DA Bad Check Program	13,076.73	-	13,076.73	-	-	-	-	-	13,076.73
10243	Offender Registration	-	-	-	-	-	-	-	-	-
10244	Court Collections Fees	602,539.28	-	602,539.28	-	12,785.43	(6,057.86)	-	-	609,266.85
10245	J P Court Fines/NRS 176	399,163.93	-	399,163.93	-	6,153.50	(3,587.18)	-	-	401,730.25
10246	J P Facility Assessment	362,904.57	-	362,904.57	-	10,660.00	(21,156.24)	-	-	352,408.33
10247	District Court Improvement	383,683.79	-	383,683.79	-	8,085.00	(15,800.44)	-	-	375,968.35
10248	Drug Court Proceeds	427,255.64	-	427,255.64	-	47,144.00	(78,180.55)	-	-	396,219.09
10249	Law Library	69,623.34	-	69,623.34	-	1,740.00	-	-	-	71,363.34
10250	Impact Fees	1,677,888.84	-	1,677,888.84	-	9,978.30	-	-	-	1,687,867.14
10253	Public Improvement Fees	4,101,623.28	-	4,101,623.28	-	35,950.00	-	-	-	4,137,573.28
10254	Building Department	216,494.20	-	216,494.20	-	46,211.48	(78,075.46)	(59,549.59)	-	125,080.63
10255	Renewable Energy Projects	21,587.13	-	21,587.13	-	-	-	-	-	21,587.13
10256	Economic Development	0.02	-	0.02	-	-	-	-	-	0.02
10257	Public Lands	-	-	-	-	-	-	-	-	-
10269	Mining Maps	139,402.65	-	139,402.65	-	3,518.50	(2,805.00)	-	-	140,116.15
10281	Senior Nutrition Spec Rev	12,020.20	-	12,020.20	7,608.00	19,995.00	(11,974.00)	-	-	27,649.20
10282	Ambulance & Health	111,617.92	-	111,617.92	(180.75)	58,749.12	(30,217.07)	(1,306.98)	-	138,662.24
10283	Indigent	307,501.75	-	307,501.75	1,200.00	231,789.25	(36,016.88)	-	(3,680.90)	500,793.22
10284	Dedicated Medical Indigent	144,669.91	-	144,669.91	-	59,775.74	-	-	-	204,445.65
10285	Health Clinics	92,018.71	-	92,018.71	-	32,980.83	(3,414.69)	-	-	121,584.85
10286	Child Support IV-D Incentive	0.00	-	0.00	-	-	-	-	-	0.00
10291	County-Owned Buildings	854,690.48	-	854,690.48	-	15,694.49	(19,076.46)	(42,967.77)	(16,637.60)	791,703.14
10301	Nye Co Spec Projects	24,219.59	-	24,219.59	-	-	-	-	-	24,219.59
10302	Educational Endowment	0.00	-	0.00	-	-	-	-	-	0.00
10303	Health Service	0.00	-	0.00	-	-	-	-	-	0.00
10304	Emergency Fund	-	-	-	-	-	-	-	-	-
10320	Recorder Technology	374,914.38	-	374,914.38	-	3,699.00	(12,536.34)	-	-	366,077.04
10321	District Court Technology	301.27	-	301.27	-	32.00	-	-	-	333.27
10322	Assessor Technology	139,430.26	-	139,430.26	-	10,635.84	(5,000.00)	16,066.94	-	161,133.04
10323	Clerk Technology	884.88	-	884.88	-	35.00	-	-	-	919.88
10330	Yucca On-Site Oversight	0.03	-	0.03	-	-	-	-	-	0.03
10331	Yucca Public Safety	10.00	-	10.00	-	-	-	-	-	10.00
10332	Yucca Transportation	0.01	-	0.01	-	-	-	-	-	0.01
10333	Yucca Early Warning Drilling	25.02	-	25.02	-	-	-	-	-	25.02
10334	Yucca Interest	-	-	-	-	-	-	-	-	-
10335	Yucca Scientific Grant	-	-	-	-	-	-	-	-	-
10336	Yucca Project Oversight	5,134.65	-	5,134.65	-	-	-	-	-	5,134.65
10340	Grants	(249,142.61)	6,997.54	(242,145.07)	66,167.60	73,069.64	(128,172.64)	(4,029.21)	-	(235,109.68)

Nye County, Nevada
Treasurer's Report
August 31, 2016

10391	County Debt Service	21,707.31	-	21,707.31	-	-	-	-	-	21,707.31	
10401	Capital Projects	9,685,942.91	-	9,685,942.91	-	1.43	(339,806.94)	-	-	9,346,137.40	
10402	Special Capital Projects	572,162.88	-	572,162.88	-	145,749.06	(2,829.30)	24.75	-	715,107.39	
10451	Bonds - County Jail 2010	1,161,110.43	-	1,161,110.43	-	-	-	-	-	1,161,110.43	
10493	Capital Projects Endowment	4,972,892.85	-	4,972,892.85	-	-	-	-	-	4,972,892.85	
10510	Solid Waste	2,612,097.15	-	2,612,097.15	1,943.50	1,080,157.54	(105,849.41)	-	-	3,588,348.78	
10511	Solid Waste - Open & Close	7,554,701.39	-	7,554,701.39	-	201,028.72	(791.67)	-	-	7,754,938.44	
10512	Landfill Financial Assur.	917,965.70	-	917,965.70	-	-	-	-	-	917,965.70	
10601	Motor Pool	-	-	-	-	-	-	-	-	-	
10602	Radio Communication	0.32	-	0.32	-	-	-	-	-	0.32	
10603	Property Self Insurance	36,144.34	-	36,144.34	-	-	-	-	-	36,144.34	
10604	Employee Health Insurance	(0.14)	-	(0.14)	-	-	-	-	-	(0.14)	
10701	Trust Property Proceeds	519,202.39	-	519,202.39	-	-	-	-	-	519,202.39	
10720	F H Flint Scholarship	26,204.99	-	26,204.99	-	-	-	-	-	26,204.99	
21101	Tonopah Town	2,088,143.59	-	2,088,143.59	34,988.79	92,364.02	(85,459.39)	36.12	(768.88)	2,129,304.25	
21201	Special Revenue Tourism Fund	842.82	-	842.82	-	-	-	-	-	842.82	
21202	OPEB Reserve - Tonopah & TPU	82,586.15	-	82,586.15	-	-	-	-	-	82,586.15	
21215	Tonopah Convention Center	-	-	-	-	-	-	-	-	-	
21220	Tonopah State Room Tax 5/8	91,669.34	-	91,669.34	12,625.00	3,637.87	(2,084.99)	-	-	105,847.22	
21234	Public Safety Sales Tax Sheriff	31,199.00	-	31,199.00	7,082.43	-	-	-	-	38,281.43	
21235	Public Safety Sales Tax Fire	88,459.49	-	88,459.49	7,082.43	-	-	-	-	95,541.92	
21290	Tonopah Mural Fund	20,158.89	-	20,158.89	-	-	-	-	-	20,158.89	
21299	Tonopah Mining Park	326.03	-	326.03	-	-	-	-	-	326.03	
21391	Tonopah Debt Service	-	-	-	-	-	-	-	-	-	
21401	Tonopah Capital Projects	51,915.53	-	51,915.53	-	-	-	-	-	51,915.53	
21402	Tonopah Special Capital Projects	43,111.91	-	43,111.91	-	-	-	-	-	43,111.91	
21410	Tonopah Mining Park Capital Projects	33,279.34	-	33,279.34	-	-	-	-	-	33,279.34	
21502	TPU Water	1,234,287.28	-	1,234,287.28	(2,717.89)	71,093.11	(34,237.21)	(59,960.77)	(22,978.47)	1,185,486.05	
21503	TPU Sewer	695,762.58	-	695,762.58	2,717.89	51,758.59	(27,258.13)	-	-	722,980.93	
21515	TPU Deposits	25,505.76	-	25,505.76	-	1,875.00	34.36	(894.20)	(4,147.10)	22,373.82	
21516	TPU Privilege Fee	5.32	-	5.32	-	-	-	-	-	5.32	
21517	TPU Surcharge	38,375.41	-	38,375.41	-	-	-	-	-	38,375.41	
21532	TPU Water Construction Arsenic	0.00	-	0.00	-	-	-	-	-	0.00	
21533	TPU Sewer Construction - Reuse	(0.01)	-	(0.01)	-	-	-	-	-	(0.01)	
21542	TPU Water Construction	6,455.58	-	6,455.58	-	-	-	-	-	6,455.58	
21543	TPU Sewer Construction	16,019.62	-	16,019.62	-	-	-	-	-	16,019.62	
21551	TPU Arsenic Debt Services	(10,246.79)	-	(10,246.79)	-	-	(11,604.00)	1,866.90	14,763.57	(5,220.32)	
21552	TPU Water Debt Service	42.25	-	42.25	-	-	-	-	-	42.25	
21553	TPU Sewer Debt Service	0.18	-	0.18	-	-	-	-	-	0.18	
21554	2014 Water Revenue Bond Debt Service	3,262.31	-	3,262.31	-	-	(6,181.00)	-	12,362.00	9,443.31	
21555	Grant Depreciation	266,287.93	-	266,287.93	-	434.13	-	48,981.07	-	315,703.13	
21561	TPU Arsenic Debt Reserve	45,928.04	-	45,928.04	-	-	-	-	-	45,928.04	
21562	Water Revenue Bond	23.10	-	23.10	-	-	-	-	-	23.10	
21563	TPU Sewer Revenue Bond Reserve	1.60	-	1.60	-	-	-	-	-	1.60	
21564	2014 Water Revenue Bond Reserve	19,897.49	-	19,897.49	-	-	-	-	-	19,897.49	
22101	Round Mountain Town	2,570,990.35	-	2,570,990.35	32,507.63	81,136.40	(73,362.94)	-	-	2,611,271.44	
22205	Round Mountain Road	325,694.84	-	325,694.84	9,542.44	-	(1,192.24)	-	-	334,045.04	
22234	Public Safety Sales Tax Sheriff	40,105.78	-	40,105.78	2,246.84	-	-	-	-	42,352.62	
22235	Public Safety Sales Tax Fire	40,106.78	-	40,106.78	2,246.84	-	-	-	-	42,353.62	
22401	Round Mountain Capital Projects	81,314.51	-	81,314.51	-	-	-	-	-	81,314.51	
22402	Round Mountain Special Capital Projects	76,984.31	-	76,984.31	-	-	-	-	-	76,984.31	
22502	Round Mountain Water	157,749.31	-	157,749.31	9,137.28	20,799.57	(22,614.24)	68,625.00	-	233,696.92	
22503	Round Mountain Utility Capital Projects	502,160.80	-	502,160.80	-	-	(480,536.05)	(68,625.00)	-	(47,000.25)	
23101	Gabbs Town	343,744.76	-	343,744.76	9,529.61	12,472.10	(9,942.71)	-	-	355,803.76	
23234	Public Safety Sales Tax Sheriff	14,642.19	-	14,642.19	708.24	-	-	-	-	15,350.43	
23235	Public Safety Sales Tax Fire	14,641.19	-	14,641.19	708.24	-	-	-	-	15,349.43	
23402	Gabbs Special Capital Projects	10,350.36	-	10,350.36	-	-	-	-	-	10,350.36	
23502	Gabbs Water	254,477.83	-	254,477.83	-	11,837.21	(6,008.64)	-	-	260,306.40	
23503	Gabbs Sewer	1,952.37	-	1,952.37	-	1,344.81	(187.18)	-	-	3,110.00	
23504	Gabbs Standpipe	4,832.51	-	4,832.51	-	1,644.00	-	-	-	6,476.51	
23512	Gabbs Water Utility Reserve Cash Fund	43,262.59	-	43,262.59	-	-	-	-	-	43,262.59	

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23552	Gabbs Water Debt Service	-	-	-	-	-	-	-	-	-	-
23553	Gabbs Sewer Debt Service	-	-	-	-	-	-	-	-	-	-
24101	Beatty Town	1,937,896.84	-	1,937,896.84	39,655.53	19,223.91	(44,562.81)	-	-	1,952,213.47	-
24220	Beatty Room Tax	121,852.97	-	121,852.97	-	9,101.77	(5,704.34)	-	-	125,250.40	-
24234	Public Safet Sales Tax Sheriff	42,894.10	-	42,894.10	2,637.60	-	-	-	-	45,531.70	-
24235	Public Safety Sales Tax Fire	42,895.09	-	42,895.09	2,637.60	-	-	-	-	45,532.69	-
24401	Beatty Capital Projects	530,603.39	-	530,603.39	-	-	(4,500.00)	-	-	526,103.39	-
24402	Beatty Special Capital Projects	168,857.72	-	168,857.72	-	-	-	-	-	168,857.72	-
24403	Beatty Room Tax Capital Projects	152,825.42	-	152,825.42	-	1,820.37	-	-	-	154,645.79	-
25101	Pahrump Town	5,111,350.55	-	5,111,350.55	76,598.54	1,157,345.04	(414,408.36)	-	-	5,930,885.77	-
25205	Pahrump Roads & Streets	135,285.41	-	135,285.41	35,324.70	-	-	-	(17,762.33)	152,847.78	-
25217	Pahrump Fall Festival	22,548.70	-	22,548.70	-	-	-	-	-	22,548.70	-
25220	Pahrump State Room Tax 5/8	59,564.27	-	59,564.27	8,000.00	3,284.62	(9,318.85)	-	(285.10)	61,244.94	-
25221	Pahrump 1/5 Economic Development	288,105.02	-	288,105.02	-	5,255.43	(1,702.84)	-	-	291,657.61	-
25222	Pahrump 3/5 Tourism	163,362.46	-	163,362.46	-	15,782.64	(23,201.06)	-	285.10	156,229.14	-
25223	Pahrump 1/10 Parks	348,514.42	-	348,514.42	-	2,627.70	(11,783.59)	-	-	339,358.53	-
25224	Pahrump 1/10 Arena	408,320.53	-	408,320.53	-	2,627.70	-	-	-	410,948.23	-
25225	Pahrump Airport Room Tax	595,986.81	-	595,986.81	-	10,511.35	-	-	-	606,498.16	-
25234	Public Safety Sales Tax Sheriff	1,143,452.58	-	1,143,452.58	101,022.38	-	-	-	-	1,244,474.96	-
25235	Public Safety Sales Tax Fire	1,440,835.64	-	1,440,835.64	101,022.38	-	-	-	-	1,541,858.02	-
25251	Pahrump Fire Impact Fee	496,075.16	-	496,075.16	-	-	-	-	-	496,075.16	-
25252	Pahrump Parks Impact Fee	311,007.79	-	311,007.79	-	-	(4,821.50)	-	-	306,186.29	-
25268	Pahrump Business License	347,435.11	-	347,435.11	-	23,500.00	(6,983.92)	-	-	363,951.19	-
25272	Pahrump Cemetery	135,506.45	-	135,506.45	-	1,590.58	(434.64)	-	-	136,662.39	-
25273	Pahrump Cemetery Perpetual	167,624.12	-	167,624.12	-	783.42	-	-	-	168,407.54	-
25274	Pahrump Pool	225,878.12	-	225,878.12	6,020.72	36,696.82	(36,484.45)	-	-	232,111.21	-
25298	Pahrump Numbering System	0.24	-	0.24	-	-	-	-	-	0.24	-
25340	Pahrump Airport	24.41	-	24.41	-	-	-	-	-	24.41	-
25391	Pahrump Debt Service	0.16	-	0.16	-	-	-	-	-	0.16	-
25401	Pahrump Capital Projects	1,050,182.56	-	1,050,182.56	-	-	-	-	-	1,050,182.56	-
25402	Pahrump Special Capital Projects	10,732.84	-	10,732.84	-	-	-	-	-	10,732.84	-
25411	Pahrump Arena Capital Projects	73,912.62	-	73,912.62	-	100.00	-	-	-	74,012.62	-
25412	Pahrump TV Construction	64,570.30	-	64,570.30	-	-	-	-	-	64,570.30	-
25413	Pahrump Vehicle Fire Capital Projects	17.81	-	17.81	-	-	-	-	-	17.81	-
25414	Pahrump Room Tax Fairgrounds	1,350,395.64	-	1,350,395.64	-	17,434.89	(4,721.82)	-	-	1,363,108.71	-
25415	Pahrump Ambulance Capital Projects	286,818.15	-	286,818.15	-	-	-	-	-	286,818.15	-
25520	Pahrump Ambulance	(4,204.17)	-	(4,204.17)	-	275,268.96	(244,704.35)	-	-	26,360.44	-
26101	Amargosa Town	466,648.67	-	466,648.67	13,371.01	55,912.68	(16,583.47)	-	(821.51)	518,527.38	-
26216	Amargosa Community Center & Park	16,159.53	-	16,159.53	-	1,523.51	(3,398.51)	-	-	14,284.53	-
26217	Amargosa Events Committee	251.06	-	251.06	-	-	-	-	-	251.06	-
26221	Amargosa Economic Development	81,079.93	-	81,079.93	-	2,285.28	(389.95)	-	-	82,975.26	-
26234	Public Safety Sales Tax Sheriff	58,437.24	-	58,437.24	3,663.33	-	-	-	-	62,100.57	-
26235	Public Safety Sales Tax Fire	56,912.64	-	56,912.64	3,663.33	-	(1,350.00)	-	-	59,225.97	-
26258	Amargosa VFD Committee	107.56	-	107.56	-	-	-	-	-	107.56	-
26272	Amargosa Memorial Committee	390.87	-	390.87	-	-	-	-	-	390.87	-
26273	Amargosa Cemetery Committee	133.46	-	133.46	-	-	-	-	-	133.46	-
26402	Amargosa Special Capital Projects	5,761.69	-	5,761.69	-	-	-	-	-	5,761.69	-
27101	Manhattan Town	91,824.31	-	91,824.31	527.56	2,422.50	(9,438.32)	-	-	85,336.05	-
27234	Public Safety Sales Tax Sheriff	4,779.32	-	4,779.32	341.91	-	-	-	-	5,121.23	-
27235	Public Safety Sales Tax Fire	4,778.32	-	4,778.32	341.91	-	-	-	-	5,120.23	-
27402	Manhattan Special Capital Projects	30,650.82	-	30,650.82	-	-	-	-	-	30,650.82	-
27502	Manhattan Water	109,695.03	-	109,695.03	-	3,735.00	(4,256.96)	-	-	109,173.07	-
27503	Manhattan Water Restricted Debt Service	3,887.28	-	3,887.28	-	-	-	-	-	3,887.28	-
27504	Manhattan Short Lived Asset	6,128.03	-	6,128.03	-	-	-	-	-	6,128.03	-
41101	Tonopah Library	293,446.69	-	293,446.69	443.89	32,685.03	(11,297.56)	-	-	315,278.05	-
41401	Tonpah Library Capital Projects	18,211.36	-	18,211.36	-	-	(5,781.20)	-	-	12,430.16	-
41702	Tonopah Library Trust	11.92	-	11.92	-	-	-	-	-	11.92	-
42101	Smoky Valley Library	176,642.75	-	176,642.75	2,662.42	88,182.63	(59,748.32)	-	-	207,739.48	-
42401	Smoky Valley Library Capital Projects	3,492.10	-	3,492.10	-	-	-	-	-	3,492.10	-
44101	Beatty Library	24,425.49	-	24,425.49	667.64	19,479.05	(7,885.81)	-	-	36,686.37	-
44270	Beatty Library Gift	611.95	-	611.95	-	-	-	-	-	611.95	-

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44271	Beatty Library Other Purpose	2,220.68	-	2,220.68	-	-	-	-	-	2,220.68
44401	Beatty Library Capital Projects	1,897.05		1,897.05	-	-	-	-	-	1,897.05
45101	Pahrump Library	566,610.37	300,000.00	866,610.37	10,292.04	220,820.81	(49,994.84)	-	-	1,047,728.38
45391	Pahrump Library Debt Service	533.92	-	533.92	-	-	-	-	-	533.92
45401	Pahrump Library Capital Projects	962,891.74	(300,000.00)	662,891.74	-	-	-	-	-	662,891.74
45702	Marion C. Hutchison Trust	0.96	-	0.96	-	-	-	-	-	0.96
46101	Amargosa Library	156,771.24	-	156,771.24	938.42	31,052.91	(18,109.73)	-	-	170,652.84
61101	Nye Co Water District	334,825.45	-	334,825.45	-	215,134.75	(22,274.45)	-	-	527,685.75
64101	Beatty Gen Improve Dist	164,109.03	-	164,109.03	-	18,353.63	(18,380.93)	-	-	164,081.73
68101	Smoky Valley TV District	48,094.44	-	48,094.44	-	-	(616.91)	-	-	47,477.53
71101	Nye County Schools	762,365.88	-	762,365.88	-	2,168,398.75	(40,613.62)	-	-	2,890,151.01
71250	NCSD Capital Projects School Impact Fees	109,295.12	-	109,295.12	-	8,000.00	(39,662.34)	-	-	77,632.78
71391	Nye County School District Debt	7,574,662.70	-	7,574,662.70	-	1,692,515.41	(750.00)	-	-	9,266,428.11
72101	Nye Regional Hospital	14.16	-	14.16	-	0.85	-	-	-	15.01
72291	Nye Regional Hospital Contract	-	-	-	-	-	-	-	-	-
72391	Nye Regional Hospital Debt	3.95	-	3.95	-	0.07	-	-	-	4.02
73101	Pahrump Hospital District	43.29	-	43.29	-	-	-	-	-	43.29
73391	Pahrump Hospital Debt	52.13	-	52.13	-	-	-	-	-	52.13
73401	Pahrump Hospital Capital Projects	-	-	-	-	-	-	-	-	-
74101	Northern Nye Hospital District	651,363.87	-	651,363.87	-	100,360.99	(6,257.14)	42,967.77	16,637.60	805,073.09
74711	State of Nevada	387,413.36	-	387,413.36	-	857,719.29	(90,654.64)	-	-	1,154,478.01
74712	State of Nevada Medical Indigent	144,928.24	-	144,928.24	-	44,336.09	-	-	-	189,264.33
75730	Range Improvement	92,099.31	-	92,099.31	-	-	(3,009.06)	-	-	89,090.25
76750	Habitat Cons & Mitigation	6,115.03	-	6,115.03	-	-	-	-	-	6,115.03
77750	Endangered Species Act	6,004.85	-	6,004.85	-	-	-	-	-	6,004.85
Sub Total before P/R control		85,474,353.62	6,997.54	85,481,351.16	2,795,669.44	13,296,724.80	(6,372,779.79)	(9,730.10)	(0.00)	95,191,235.51
10650	Payroll Control	1,987,874.98	(383,217.50)	1,604,657.48		75.00	(45,402.72)	-	-	1,559,329.76
Subtotal before closed funds		87,462,228.60	(376,219.96)	87,086,008.64	2,795,669.44	13,296,799.80	(6,418,182.51)	(9,730.10)	(0.00)	96,750,565.27
Funds not on Tyler/Eden G/L but to be closed into General Fund:										
10216	Parks and Recreation	45,106.09	-	45,106.09		-	-	-	-	45,106.09
10231	Forensic Services	1,251.02	-	1,251.02		-	-	-	-	1,251.02
		87,508,585.71	(376,219.96)	87,132,365.75	2,795,669.44	13,296,799.80	(6,418,182.51)	(9,730.10)	(0.00)	96,796,922.38

**Nye County Treasurer's
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Bank Account Name	Beginning of Month	Deposits	Withdrawals	FY16 Period 13 Adj	FY16 Journal Entry	End of Month
NSB Deposit A/C	2,131,162.75	4,497,544.38	(4,553,803.78)	-	-	2,074,903.35
NSB Payroll A/C	151,646.69	2,450,000.00	(1,596,990.24)	-	-	1,004,656.45
NSB Vendor A/C	2,372,994.95	4,799,992.00	(4,416,881.75)	-	-	2,756,105.20
NSB Tax Receiver A/C	739,694.10	11,128,249.88	(11,683,938.99)	-	-	184,004.99
NSB Merchant Card A/C	47,071.51	-	-	-	-	47,071.51
WNTC Tax receiver trust	7,114,430.33	16,268,430.48	(7,250,000.00)	-	-	16,132,860.81
WNTC Unallocated fund	316,821.38	11,680,000.00	(11,582,675.01)	-	-	414,146.37
WNTC Building fund trust	55,738.64	11.39	-	-	-	55,750.03
WNTC Amargosa Valley Landfill	242,529.06	(85.26)	-	-	-	242,443.80
WNTC Pahrump Landfill Trust	865,597.30	2,830.15	-	-	-	868,427.45
WNTC Round Mountain Landfill	630,240.45	511.60	-	-	-	630,752.05
WNTC Tonopah Landfill Trust	950,187.67	465.70	-	-	-	950,653.37
State Treasurer LGIP - Nye County	434,262.16	224.71	-	-	-	434,486.87
State Treasurer LGIP - Pahrump Library	133,446.77	69.05	-	-	-	133,515.82
State Treasurer LGIP - Tonopah Library	185,694.55	96.09	-	-	-	185,790.64
Flint Scholarship	27,075.20	-	-	-	-	27,075.20
Wells Fargo	73,773,247.16	112,994.12	-	-	-	73,886,241.28
Petty cash	120,520.23	-	-	-	-	120,520.23
	90,292,360.90	50,941,334.29	(41,084,289.77)			100,149,405.42
OUTSTANDING CHKS						
Beginning of month:						
Vendor account	(818,007.71)	-	818,007.71			-
Payroll account	(23,320.92)	-	23,320.92			-
End of month:						
Vendor account	-	-	(1,148,770.42)			(1,148,770.42)
Payroll account	-	-	(18,135.90)			(18,135.90)

**Nye County Treasurer's
Bank Reconciliation
August 2016**

INVEST						
Deposit account (from tax receiver trust)	8,442.03	2,168.79	8.00	-	-	10,618.82
Deposit account (from unallocated fund)	(225.18)	(104.98)	-	-	-	(330.16)
Building fund trust	(21.68)	(11.39)	-	-	-	(33.07)
Pahrump Landfill Trust	8,641.18	(2,830.15)	-	-	-	5,811.03
Amargosa Landfill	(3,745.92)	85.26	-	-	-	(3,660.66)
Round Mtn. Landfill	(1,055.10)	(511.60)	-	-	-	(1,566.70)
Tonopah Landfill	544.83	(465.70)	-	-	-	79.13
State Treasurer LGIP (Nye County)	(455.30)	(224.71)	-	-	-	(680.01)
State Treasurer LGIP (Pahrump Library)	(139.91)	(69.05)	-	-	-	(208.96)
State Treasurer LGIP (Tonopah Library)	(194.69)	(96.09)	-	-	-	(290.78)
Wells Fargo	(1,991,732.29)	(112,994.12)	-	-	-	(2,104,726.41)
DEPOSIT						
06/28/16 - Deposit not Recorded Amb/PW	(360.00)		-	-	-	(360.00)
07/27/16 - Deposit not recorded	(306.27)	306.27	-	-	-	-
07/27/16 - Deposit not recorded	(3,750.40)	3,750.40	-	-	-	-
07/29/16 - Deposit not recorded	(199.91)	199.91	-	-	-	-
07/29/16 - Deposit not recorded	(1,057.65)	1,057.65	-	-	-	-
07/29/16 - Wire not recorded	(10,309.05)	10,309.05	-	-	-	-
08/02/16 - Deposit in Transit	91,978.57	(91,978.57)	-	-	-	-
08/10/16 - Deposit in Transit	136,704.88	(136,704.88)	-	-	-	-
08/22/16 - Deposit not recorded	-	(354.17)	-	-	-	(354.17)
08/23/16 - NSF Chk PW	-	55.00	-	-	-	55.00
08/29/16 - Deposit not recorded	-	(6,094.34)	-	-	-	(6,094.34)
08/31/16 - Deposit not recorded	-	(25.00)	-	-	-	(25.00)
09/01/16 - Deposit in Transit	-	8,873.83	-	-	-	8,873.83
09/02/16 - Deposit in Transit	-	613.56	-	-	-	613.56
09/03/16 - Deposit in Transit	-	45.31	-	-	-	45.31
09/06/16 - Deposit in Transit	-	8,401.13	-	-	-	8,401.13
09/06/16 - Deposit in Transit	-	2,971.33	-	-	-	2,971.33
09/06/16 - Deposit in Transit	-	21,926.09	-	-	-	21,926.09
09/07/16 - Deposit in Transit	-	54,889.78	-	-	-	54,889.78

**Nye County Treasurer's
Bank Reconciliation
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<u>VENDOR</u>						
07/13/16 - NCSD Wire not recorded	80,275.96	-	(80,275.96)	-	-	-
07/21/16 - PACT Pymt not recorded	383,217.50	-		(383,217.50)	-	-
09/31/16 - C/S not Recorded	-	-	1,535.13	-	-	1,535.13
<u>PAYROLL</u>	-	-	-			-
<u>TAX RECEIVER</u>						
Outstanding checks - beginning of the month	(59,391.75)	-	59,391.75	-	-	-
- end of the month	-	-	(59,964.10)	-	-	(59,964.10)
Refunds payable - beginning of the month	(6,574.34)	6,574.34		-	-	-
- end of the month	-	(20,458.61)	4,511.34	-	-	(15,947.27)
Unapportioned receipts - begin of the month	(587,130.76)	587,130.76		-	-	-
- end of the month	-	(118,740.11)		-	-	(118,740.11)
Unrecorded credit card fee income	2,514.38	-	-	-	-	2,514.38
Unrecorded writeoffs, net of overages	2,398.46	(81.25)	-	-	-	2,317.21
Bank Transfer Error	29,044.97	-	-	-	-	29,044.97
<u>TRANSFERS</u>						
From tax receiver trust to payroll A/C		(2,450,000.00)	2,450,000.00		-	-
From tax receiver trust to vendor A/C		(4,800,000.00)	4,800,000.00		-	-
From deposit account to tax receiver trust		(4,550,000.00)	4,550,000.00		-	-
From unallocated fund to tax receiver trust		(11,582,675.01)	11,582,675.01		-	-
From Tax Receiver Acct. to Unallocated		(11,680,000.00)	11,680,000.00		-	-
From deposit account to Tax Receiver acct.	-	(3,803.78)	3,803.78		-	-
From Wells Fargo to Vendor Acct.	-	-	-		-	-
<u>MISC</u>						
06/30/14 - Audit Adjustment	(12,284.12)			-	-	(12,284.12)
04/30/16 - Journal Entry Error	(277.46)			-	(9,730.10)	(10,007.56)
06/30/16 - Balance Adj FY16	(6,997.54)			6,997.54	-	-
Totals	87,508,585.71	16,092,469.24	(6,418,182.51)	(376,219.96)	(9,730.10)	96,796,922.38

**Nye County
Receipts Summary
Month Ending August 31, 2016**

Number(s)	F/Y 17	F/Y 16	Deposited		
	Period 2	Period 13	Date	Amount	
AR Receipt #7646		613.56	9/2/2016	613.56	Admin
AR Receipt #7666		21,926.09	9/6/2016	21,926.09	Treas/DOE
Treas Rec# 8340		0.00	8/3/2016	0.00	Correction
Treas Rec#'s 8341-8347		12,478.29	8/8/2016	12,478.29	
Treas Rec#'s 8370-8373		492,205.75	8/3/2016	444,390.37	May Gas Tax, Social Services, Twn Tonopah
			8/1/2016	19,674.38	
			8/2/2016	12,625.00	
			8/4/2016	15,516.00	
Treas Rec#'s 8415-8422		24,288.68	8/17/2016	24,288.68	Towns, Libraries, Sheriff, Various
Treas Rec #'s 8423-8427		22,162.05	7/29/2016	10,309.05	Rebate, Amb. St Gaming, Grant
			8/8/2016	648.04	
			8/15/2016	3,385.71	
			8/11/2016	8,000.00	
			8/17/2016	-180.75	
Treas Rec #'s 8469-8472		2,210,622.56	8/24/2016	447,116.47	June Gas Tax, June CTX
			8/31/2016	2,662.42	
			8/31/2016	667.64	
			8/31/2016	1,760,176.03	
Treas Rec #'s 8508-8509		11372.46	9/6/2016	8,401.13	Social Services, Admin
			9/6/2016	2,971.33	
Total Rec for FY16 Period 13		2,795,669.44		2,795,669.44	
Permit Receipts	54,889.78		9/7/2016	54,889.78	Bldg & Safety
Permit Receipts	17,190.93		8/12/2016	17,190.93	Planning
Permit Receipts	225.00		8/4/2016	225.00	Public Works
Permit Receipts	150.00		8/11/2016	150.00	Public Works
Permit Receipts	13,490.38		8/31/2016	13,490.38	Planning
Permit Receipts	225.00		8/18/2016	225.00	Public Works
Permit Receipts	150.00		8/25/2016	150.00	Public Works
AR Rec # 7475-7484	2,125.00		8/4/2016	2,125.00	Public Works
AR Rec # 7485-7532	18,432.57		8/4/2016	18,432.57	Human Resources
AR Rec # 7533-7559	2,085.00		8/11/2016	2,085.00	Public Works
AR Rec # 7560	45,683.91		8/10/2016	45,683.91	Treas/DOE
AR Rec # 7561-7574	945.00		8/18/2016	945.00	Public Works
AR Rec # 7575-7581	970.00		8/25/2016	970.00	Public Works

**Nye County
Receipts Summary
Month Ending August 31, 2016**

Number(s)	F/Y 17	F/Y 16	Deposited		
	Period 2	Period 13	Date	Amount	
AR Rec # 7582-7583	10,168.92		8/18/2016	10,168.92	Public Works
AR Rec # 7584	45.31		9/3/2016	45.31	Public Works
AR Rec # 7585-7587	2,268.82		8/31/2016	2,268.82	Human Resources
AR Rec # 7588	783.22		8/31/2016	783.22	Human Resources
AR Rec # 7589-7636	18,432.57		8/31/2016	18,432.57	Human Resources
Treas Rec # 8349-8366	132,180.96		8/4/2016	132,180.96	Leases, Libraries, Towns, Assessor
Treas Rec # 8367-8369	319,026.91		8/3/2016	14,782.28	Grant, Town Pahrump, Rent
			8/3/2016	150.00	
			8/3/2016	304,094.63	
Treas Rec # 8374-8381	466,137.87		8/11/2016	466,137.87	Clerk, Justice Courts, Recorder, NCSO
Treas Rec # 8382-8390	76,601.65		8/11/2016	6,340.00	Amb, DA, Drug Court, Clerk, Ems
			8/12/2016	25,134.00	
			8/11/2016	1,630.00	
			8/12/2016	25,350.96	
			8/9/2016	252.46	
			7/27/2016	4,256.58	
			8/5/2016	1,633.35	
			8/1/2016	4,867.59	
			8/3/2016	2,767.00	
			8/12/2016	252.00	
			8/10/2016	3,775.00	
			8/10/2016	330.00	
			8/8/2016	12.71	
Treas Rec # 8391-8414	237,586.76		8/17/2016	237,586.76	911, Towns, Libraries & Various
Treas Rec # 8428-8438	36,868.95		8/23/2016	36,868.95	Towns, Libraries, B&G, Equip Svc & Various
Treas Rec # 8439-8468	136,909.66		8/30/2016	136,909.66	Room Tax
Treas Rec # 8473-8487	11,602,876.71		8/30/2016	3,719.62	Treas/Taxes, Drug Court, Amb, Grant
			8/30/2016	360.00	
			8/17/2016	2,236.00	
			8/24/2016	2,352.00	
			8/30/2016	-183.75	
			7/29/2016	1,057.65	
			8/17/2016	10,660.18	
			8/30/2016	11,582,675.01	
Treas Rec # 8488-8507	21,339.98		8/31/2016	21,339.98	HR, Water Dist, Towns, Amb & Various

**Nye County
Receipts Summary
Month Ending August 31, 2016**

Number(s)	F/Y 17	F/Y 16	Deposited	
	Period 2	Period 13	Date	Amount
Treas Rec # 8525-8529	79,008.94		08/12-30/16	9,835.75
			8/30/2016	1,755.00
			9/1/2016	8,873.83
			8/30/2016	58,544.36
				<u>13,296,799.80</u>
Grand Total	<u>13,296,799.80</u>	2,795,669.44		<u>16,092,469.24</u>

1.00 Deposit Over

Nye County, Nevada
Disbursement Summary
Month ending August 31, 2016

	Total
Vendor checks recorded	4,378,741.25
Vendor checks voided	(1,126.85)
Payroll checks recorded	78,918.43
Payroll checks voided	-
Direct deposits	1,513,227.16
Direct deposits- Voids	(348.37)
IRS Tax Pymts	350,709.93
Wire transfers USDA	17,785.00
NCSD Wire	80,275.96
Total per Treasurer's Report and Bank Reconciliation	6,418,182.51

Nye County Comptroller

Pahrump Office:

2101 E. Calvada Blvd., #200
Pahrump, NV 89048

Tonopah Office:

PO Box 3999 | 101 Radar Road
Tonopah, NV 89049

Accounting – Contracts – Finance
Grants – Purchasing



09/19/2016

NORTHERN NYE COUNTY HOSPITAL DISTRICT FISCAL WATCH REPORT

Nye County entered into a lease agreement with Renown Health for the facilities located in Tonopah and formerly known as Nye Regional Hospital. The agreement has been provided to DTAX for review and is the only document or agreement executed between Nye County and Renown Health. The Hospital District has not entered into an agreement with Renown Health. In July, 2016, the Board of Trustees for the Northern Nye County Hospital District entered into a Professional Services Agreement with Larry Trilops of Metier Services Group, LLC to provide education, assist in the development of the charter & by-laws and prepare a timeline of goals for the District.

On September 13, a workshop was held for the newly elected trustees. Mr. Trilops presented the challenges and opportunities and necessary education that face the new board. He will work with the current Trustees as well as the newly elected Trustees to develop a plan for potential additional services to be coordinated with the provider on the medical campus. All options for services are being considered.

The income from taxes for the district in FY 16 are approximately \$700k, and will be available in FY 17 for planning purposes by the Trustees. Additional revenue from Ad Valorem taxes are not possible without changes to the formula that moves the Districts taxes outside of the cap calculation.

Thank you,

Savannah Rucker, Nye County Comptroller

NORTHERN NYE HOSPITAL DISTRICT

Cash Flow Projections

Fiscal Year 2016-17

NORTHERN NYE COUNTY HOSPITAL DISTRICT FUND CASH FLOW PROJECTIONS FOR FY 2016-17

Reflect Budget/Actual		Actual	Actual	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget	Budget		2016-17 Final Budget	Variance	Percent	Percentage	
		July	August	September	October	November	December	January	February	March	April	May	June		Total Actual + Budgeted	Budget to Actual	Time Elapsed	Received/ Spent
RECEIPTS/DEPOSITS Source:																		
Property Tax (Prop and Rev Status Rpt)		\$ 3,803.62	\$ 100,078.49	\$ 47,311.60	\$ 53,225.55	\$ 35,483.70	\$ 29,569.75	\$ 41,397.65	\$ 35,483.70	\$ 29,569.75	\$ 29,569.75	\$ 29,569.75	\$ 156,331.69	\$ 591,395.00	\$ 591,395.00	\$ -	16.67%	17.57%
Other Rev Status Rpt		\$ -												\$ -	\$ -	\$ -		
Total Receipts		\$ 3,803.62	\$ 100,078.49	\$ 47,311.60	\$ 53,225.55	\$ 35,483.70	\$ 29,569.75	\$ 41,397.65	\$ 35,483.70	\$ 29,569.75	\$ 29,569.75	\$ 29,569.75	\$ 156,331.69	\$ 591,395.00	\$ 591,395.00	\$ -	16.67%	17.57%
Total Receipts Y-T-D		\$ 3,803.62	\$ 103,882.11	\$ 151,193.71	\$ 204,419.26	\$ 239,902.96	\$ 269,472.71	\$ 310,870.36	\$ 346,354.06	\$ 375,923.81	\$ 405,493.56	\$ 435,063.31	\$ 591,395.00	\$ 3,437,774.47				
EXPENDITURES/PAYMENTS																		
Salaries Exp Summary Rpt		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Benefits Exp Summary Rpt		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Services & Supplies Exp Summary Rpt		\$ -	\$ 6,257.14	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 7,500.00	\$ 154,000.00	\$ 145,000.00	\$ 163,000.00	\$ 175,000.00	\$ 213,242.86	\$ 900,000.00	\$ 900,000.00	\$ -	16.67%	0.70%
Capital Outlay Exp Summary Rpt		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Contingency Exp Summary Rpt		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 7,000.00	\$ 27,000.00	\$ 27,000.00	\$ -	16.67%	0.00%
Any Legal Litigation		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Total Disbursements		\$ -	\$ 6,257.14	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 9,000.00	\$ 7,500.00	\$ 159,000.00	\$ 150,000.00	\$ 168,000.00	\$ 180,000.00	\$ 220,242.86	\$ 927,000.00	\$ 927,000.00	\$ -	16.67%	0.67%
Total Disbursements Y-T-D		\$ -	\$ 6,257.14	\$ 15,257.14	\$ 24,257.14	\$ 33,257.14	\$ 42,257.14	\$ 49,757.14	\$ 208,757.14	\$ 358,757.14	\$ 526,757.14	\$ 706,757.14	\$ 927,000.00	\$ 927,000.00				
CASH BALANCE																		
Net change in Cash		\$ 3,803.62	\$ 93,821.35	\$ 38,311.60	\$ 44,225.55	\$ 26,483.70	\$ 20,569.75	\$ 33,897.65	\$ (123,516.30)	\$ (120,430.25)	\$ (138,430.25)	\$ (150,430.25)	\$ (63,911.17)	\$ (335,605.00)				
Beginning Cash		\$ 707,053.27	\$ 710,856.89	\$ 804,678.24	\$ 842,989.84	\$ 887,215.39	\$ 913,699.09	\$ 934,268.84	\$ 968,166.49	\$ 844,650.19	\$ 724,219.94	\$ 585,789.69	\$ 435,359.44	\$ 371,448.27				
End Cash Balance		\$ 710,856.89	\$ 804,678.24	\$ 842,989.84	\$ 887,215.39	\$ 913,699.09	\$ 934,268.84	\$ 968,166.49	\$ 844,650.19	\$ 724,219.94	\$ 585,789.69	\$ 435,359.44	\$ 371,448.27	\$ 35,843.27				

UNAUDITED

NORTHERN NYE HOSPITAL DISTRICT

Actual Cash Flow

Fiscal Year 2015-16

NORTHERN NYE COUNTY HOSPITAL DISTRICT FUND CASH FLOW FOR FY 2015-16

	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June
CASH BALANCE												
Net change in Cash	\$ -	\$ 96,109.94	\$ 19,119.25	\$ 80,977.69	\$ 18,014.63	\$ 14,644.22	\$ 47,240.41	\$ 57,991.00	\$ 98,937.48	\$ 23,818.10	\$ 209,925.38	\$ 40,275.17
Beginning Cash	\$ -	\$ -	\$ 96,109.94	\$ 115,229.19	\$ 196,206.88	\$ 214,221.51	\$ 228,865.73	\$ 276,106.14	\$ 334,097.14	\$ 433,034.62	\$ 456,852.72	\$ 666,778.10
End Cash Balance	\$ -	\$ 96,109.94	\$ 115,229.19	\$ 196,206.88	\$ 214,221.51	\$ 228,865.73	\$ 276,106.14	\$ 334,097.14	\$ 433,034.62	\$ 456,852.72	\$ 666,778.10	\$ 707,053.27

UNAUDITED



Northern Nye County Hospital District Fiscal year 2015-2016 Budget Status

<u>FY 2016</u>				
Department	Category	Budget	Unaudited Actual	Variance
10-General Government				
	Salaries	0	0	0
	Benefits	0	0	0
	Services & Supplies	298,962	0	298,962
10-General Government		298,962	0	298,962
	TOTAL	298,962	0	298,962



Northern Nye County Hospital District

Budget to Unaudited Revenue Report

For Fiscal Year 2016

Revenues:	2016 Budget	Unaudited Revenue Collected	Variance
Beginning Fund Balance	-	-	-
Real Property Taxes <i>(installments: 08/17/15, 10/05/15, 01/04/16, 03/07/16)</i>	298,962	303,033	4,071
Personal Property Taxes	0	76,984	76,984
Centrally Assessed Property Taxes	0	114,643	114,643
Net proceeds - May	0	209,481	209,481
Other	0	2,863	2,863
Total Revenue	298,962	707,004	408,041

Comparison of General County Property Tax Revenue on the Secured Roll Billed - Pre and Post Abatement

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	PROJECTED FY 2017 (Net AV)
CARSON CITY						
Assessed Value	1,445,109,585	1,272,620,168	1,176,063,569	1,231,908,314	1,313,262,395	1,389,783,116
YOY Change AV		-11.94%	-7.59%	4.75%	6.60%	5.83%
Tax Rate Levied	1.7072	2.1800	2.1800	2.1600	2.1400	2.1400
Pre Abated PT	23,619,365.53	26,522,177.58	24,464,414.48	25,311,291.44	26,874,366.63	29,744,936.03
PT Net of Abatement	18,964,675.02	21,832,446.16	22,285,188.02	22,699,150.23	23,138,583.42	24,448,750.77
YOY Change		15.12%	2.07%	1.86%	1.94%	5.66%
% of Revenue abated	19.71%	17.68%	8.91%	10.32%	13.90%	17.81%
Effective Tax Rate	1.3123	1.7156	1.8949	1.8426	1.7619	1.7592
CHURCHILL						
Assessed Value	466,159,160	425,554,166	420,894,652	444,754,415	471,062,267	503,835,114
YOY Change AV		-8.71%	-1.09%	5.67%	5.92%	6.96%
Tax Rate Levied	1.2229	1.2229	1.2229	1.2529	1.2529	1.2529
Pre Abated PT	5,639,163.34	5,160,378.21	5,099,093.94	5,514,786.07	5,817,981.69	6,313,186.29
PT Net of Abatement	5,482,207.84	5,091,083.75	5,044,184.92	5,327,879.71	5,377,573.45	5,568,603.26
YOY Change		-7.13%	-0.92%	5.62%	0.93%	3.55%
% of Revenue abated	2.78%	1.34%	1.08%	3.39%	7.57%	11.79%
Effective Tax Rate	1.1760	1.1963	1.1984	1.1979	1.1416	1.1052
CLARK						
Assessed Value	65,534,386,823	60,601,599,772	60,706,796,123	67,992,213,503	76,844,079,604	81,492,601,725
YOY Change AV		-7.53%	0.17%	12.00%	13.02%	6.05%
Tax Rate Levied	0.6541	0.6541	0.6541	0.6541	0.6541	0.6541
Pre Abated PT	346,788,332.40	315,709,412.85	327,387,214.23	371,469,658.68	421,020,763.64	448,916,096.15
PT Net of Abatement	339,604,616.04	307,051,869.43	311,784,373.19	322,318,594.77	335,272,444.62	337,470,102.02
YOY Change		-9.59%	1.54%	3.38%	4.02%	0.66%
% of Revenue abated	2.07%	2.74%	4.77%	13.23%	20.37%	24.83%
Effective Tax Rate	0.5182	0.5067	0.5136	0.4741	0.4363	0.4141
DOUGLAS						
Assessed Value	2,748,888,357	2,571,754,597	2,475,257,327	2,610,563,998	2,684,587,447	2,822,066,565
YOY Change AV		-6.44%	-3.75%	5.47%	2.84%	5.12%
Tax Rate Levied	1.1335	1.1680	1.1680	1.1680	1.1680	1.1680
Pre Abated PT	30,090,909.46	29,118,411.44	28,032,678.76	29,611,641.03	30,425,031.09	32,866,045.10
PT Net of Abatement	21,551,405.85	22,830,163.91	23,182,492.82	24,002,053.24	24,345,826.18	25,617,056.24
YOY Change		5.93%	1.54%	3.54%	1.43%	5.22%
% of Revenue abated	28.38%	21.60%	17.30%	18.94%	19.98%	22.06%
Effective Tax Rate	0.7840	0.8877	0.9366	0.9194	0.9069	0.9077
ELKO						
Assessed Value	957,323,955	1,011,728,493	1,099,202,074	1,197,094,592	1,091,902,075	1,193,748,804
YOY Change AV		5.68%	8.65%	8.91%	-8.79%	9.33%
Tax Rate Levied	0.8386	0.8386	0.8386	0.8386	0.8386	0.8386
Pre Abated PT	7,672,435.63	8,125,631.99	8,819,817.28	9,604,552.06	9,054,135.12	10,062,475.50
PT Net of Abatement	7,431,017.22	7,844,422.19	8,395,154.18	9,129,380.42	8,875,607.04	9,568,504.52
YOY Change		5.56%	7.02%	8.75%	-2.78%	7.81%
% of Revenue abated	3.15%	3.46%	4.81%	4.95%	1.97%	4.91%
Effective Tax Rate	0.7762	0.7753	0.7637	0.7626	0.8129	0.8016

ESMERALDA

Assessed Value	25,068,751	25,561,222	25,710,095	25,496,539	27,202,638	28,743,497
YOY Change AV		1.96%	0.58%	-0.83%	6.69%	5.66%
Tax Rate Levied	2.0995	2.0995	2.0995	2.0995	2.0995	2.0995
Pre Abated PT	517,779.88	529,032.06	530,479.43	513,785.73	563,256.83	605,308.82
PT Net of Abatement	490,196.66	508,107.68	509,618.24	503,790.55	535,281.90	567,279.60
YOY Change		3.65%	0.30%	-1.14%	6.25%	5.98%
% of Revenue abated	5.33%	3.96%	3.93%	1.95%	4.97%	6.28%
Effective Tax Rate	1.9554	1.9878	1.9822	1.9759	1.9678	1.9736

EUREKA

Assessed Value	735,616,850	748,301,992	793,818,835	929,063,333	1,001,463,382	752,288,003
YOY Change AV		1.72%	6.08%	17.04%	7.79%	-24.88%
Tax Rate Levied	0.8458	0.8458	0.8458	0.8458	0.8458	0.9458
Pre Abated PT	4,213,806.23	4,301,856.78	4,516,552.64	5,671,443.01	6,172,489.68	7,115,513.16
PT Net of Abatement	4,197,545.54	4,283,742.34	4,455,467.30	5,601,136.47	6,095,474.56	6,742,334.01
YOY Change		2.05%	4.01%	25.71%	8.83%	10.61%
% of Revenue abated	0.39%	0.42%	1.35%	1.24%	1.25%	5.24%
Effective Tax Rate	0.5706	0.5725	0.5613	0.6029	0.6087	0.8962

HUMBOLDT

Assessed Value	510,107,006	537,369,174	578,447,847	615,927,924	624,197,839	564,664,764
YOY Change AV		5.34%	7.64%	6.48%	1.34%	-9.54%
Tax Rate Levied	0.7512	0.7512	0.7512	0.7512	0.7512	0.7512
Pre Abated PT	3,355,426.11	3,547,641.89	3,806,541.73	4,031,350.18	4,037,405.07	4,247,328.51
PT Net of Abatement	3,257,234.12	3,421,636.20	3,359,522.62	3,730,166.16	3,501,833.25	4,010,872.53
YOY Change		5.05%	-1.82%	11.03%	-6.12%	14.54%
% of Revenue abated	2.93%	3.55%	11.74%	7.47%	13.27%	5.57%
Effective Tax Rate	0.6385	0.6367	0.5808	0.6056	0.5610	0.7103

LANDER

Assessed Value	186,284,683	210,740,887	215,090,742	267,315,245	285,905,340	214,083,728
YOY Change AV		13.13%	2.06%	24.28%	6.95%	-25.12%
Tax Rate Levied	1.9243	1.9243	1.9243	1.9243	1.9243	1.9243
Pre Abated PT	3,114,717.72	3,563,868.47	3,438,408.72	4,072,531.80	4,156,538.92	4,119,662.97
PT Net of Abatement	3,051,231.04	3,488,660.98	3,370,477.60	3,484,698.65	3,475,237.77	4,036,745.05
YOY Change		14.34%	-3.39%	3.39%	-0.27%	16.16%
% of Revenue abated	2.04%	2.11%	1.98%	14.43%	16.39%	2.01%
Effective Tax Rate	1.6379	1.6554	1.5670	1.3036	1.2155	1.8856

LINCOLN

Assessed Value	132,255,760	117,835,859	119,764,471	142,504,058	143,454,555	144,824,623
YOY Change AV		-10.90%	1.64%	18.99%	0.67%	0.96%
Tax Rate Levied	1.3375	1.3375	1.3375	1.3375	1.3375	1.3375
Pre Abated PT	1,763,860.83	1,570,624.79	1,597,761.05	1,384,803.59	1,912,957.91	1,937,188.04
PT Net of Abatement	1,628,253.66	1,484,334.97	1,503,788.25	1,315,494.72	1,832,624.83	1,861,804.75
YOY Change		-8.84%	1.31%	-12.52%	39.31%	1.59%
% of Revenue abated	7.69%	5.49%	5.88%	5.00%	4.20%	3.89%
Effective Tax Rate	1.2311	1.2597	1.2556	0.9231	1.2775	1.2856

LYON

Assessed Value	1,152,960,120	1,048,249,758	1,006,873,255	1,084,862,747	1,221,015,079	1,344,968,558
YOY Change AV		-9.08%	-3.95%	7.75%	12.55%	10.15%
Tax Rate Levied	0.8644	0.8644	0.9287	0.9287	0.9287	0.9287
Pre Abated PT	9,923,374.10	9,001,354.48	9,291,253.52	10,025,648.87	11,280,766.98	12,496,749.92
PT Net of Abatement	9,420,791.39	8,722,506.69	8,690,633.48	8,989,375.91	9,304,825.77	9,373,100.63
YOY Change		-7.41%	-0.37%	3.44%	3.51%	0.73%
% of Revenue abated	5.06%	3.10%	6.46%	10.34%	17.52%	25.00%
Effective Tax Rate	0.8171	0.8321	0.8631	0.8286	0.7621	0.6969

MINERAL

Assessed Value	57,002,590	58,755,082	58,247,906	58,097,941	58,773,207	58,501,635
YOY Change AV		3.07%	-0.86%	-0.26%	1.16%	-0.46%
Tax Rate Levied	2.0900	2.0900	2.1900	2.2600	2.2600	2.2900
Pre Abated PT	1,169,600.08	1,203,141.45	1,251,804.14	1,290,206.44	1,304,864.75	1,339,737.38
PT Net of Abatement	1,087,202.45	1,115,237.97	1,163,493.60	1,207,224.78	1,234,702.38	1,275,889.36
YOY Change		2.58%	4.33%	3.76%	2.28%	3.34%
% of Revenue abated	7.04%	7.31%	7.05%	6.43%	5.38%	4.77%
Effective Tax Rate	1.9073	1.8981	1.9975	2.0779	2.1008	2.1809

NYE

Assessed Value	873,183,052	812,829,898	858,191,802	900,389,495	948,321,039	1,084,303,023
YOY Change AV		-6.91%	5.58%	4.92%	5.32%	14.34%
Tax Rate Levied	1.3468	1.3468	1.3468	1.3468	1.3468	1.3468
Pre Abated PT	11,473,691.11	10,652,323.86	11,238,236.89	11,543,385.83	12,027,491.22	14,658,142.88
PT Net of Abatement	10,965,920.45	10,260,242.03	10,252,407.48	10,227,292.71	10,453,927.46	10,958,600.11
YOY Change		-6.44%	-0.08%	-0.24%	2.22%	4.83%
% of Revenue abated	4.43%	3.68%	8.77%	11.40%	13.08%	25.24%
Effective Tax Rate	1.2559	1.2623	1.1947	1.1359	1.1024	1.0107

PERSHING

Assessed Value	88,957,502	92,578,896	93,431,996	103,585,700	101,357,219	104,094,064
YOY Change AV		4.07%	0.92%	10.87%	-2.15%	2.70%
Tax Rate Levied	1.3568	1.3568	1.3568	1.3568	1.3568	1.3568
Pre Abated PT	1,196,807.96	1,244,765.05	1,255,740.92	1,396,628.20	1,365,552.92	1,414,022.87
PT Net of Abatement	1,119,932.29	1,150,238.93	1,190,055.40	1,251,033.84	1,262,159.61	1,332,826.40
YOY Change		2.71%	3.46%	5.12%	0.89%	5.60%
% of Revenue abated	6.42%	7.59%	5.23%	10.42%	7.57%	5.74%
Effective Tax Rate	1.2590	1.2424	1.2737	1.2077	1.2453	1.2804

STOREY

Assessed Value	310,163,275	297,118,004	291,366,040	291,647,649	320,157,551	357,381,693
YOY Change AV		-4.21%	-1.94%	0.10%	9.78%	11.63%
Tax Rate Levied	2.3960	2.3960	2.3960	1.8514	1.8514	1.8514
Pre Abated PT	7,417,641.08	7,103,093.02	6,965,883.16	5,388,654.94	5,917,006.79	6,619,161.97
PT Net of Abatement	7,092,316.97	6,864,479.06	6,728,648.29	5,173,779.04	5,491,329.01	5,708,921.22
YOY Change		-3.21%	-1.98%	-23.11%	6.14%	3.96%
% of Revenue abated	4.39%	3.36%	3.41%	3.99%	7.19%	13.75%
Effective Tax Rate	2.2866	2.3104	2.3093	1.7740	1.7152	1.5974

*The Fire Protection District was established in FY 2015 as a district independent of the county.

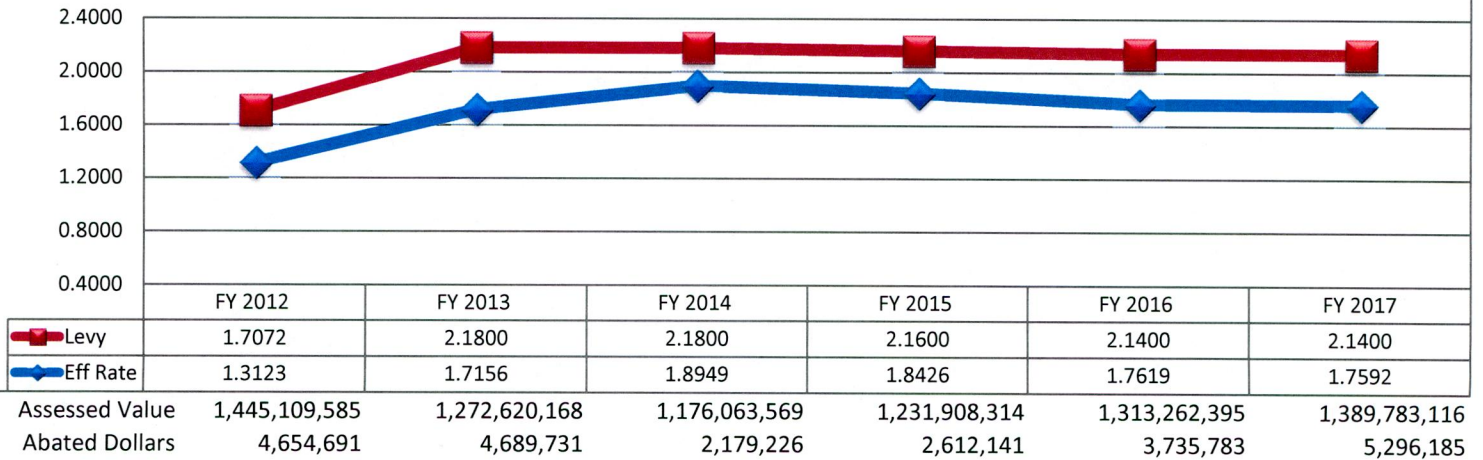
WASHOE

Assessed Value	14,136,273,330	13,823,356,041	13,844,318,381	14,916,839,658	15,930,818,029	16,613,443,204
YOY Change AV		-2.21%	0.15%	7.75%	6.80%	4.28%
Tax Rate Levied	1.3917	1.3917	1.3917	1.3917	1.3917	1.3917
Pre Abated PT	166,016,369.32	159,255,480.47	114,026,646.28	131,293,432.27	192,580,343.38	197,713,599.84
PT Net of Abatement	164,344,817.30	156,920,926.97	111,866,220.95	118,180,149.26	168,349,343.36	169,922,746.22
YOY Change		-4.52%	-28.71%	5.64%	42.45%	0.93%
% of Revenue abated	1.01%	1.47%	1.89%	9.99%	12.58%	14.06%
Effective Tax Rate	1.1626	1.1352	0.8080	0.7923	1.0568	1.0228

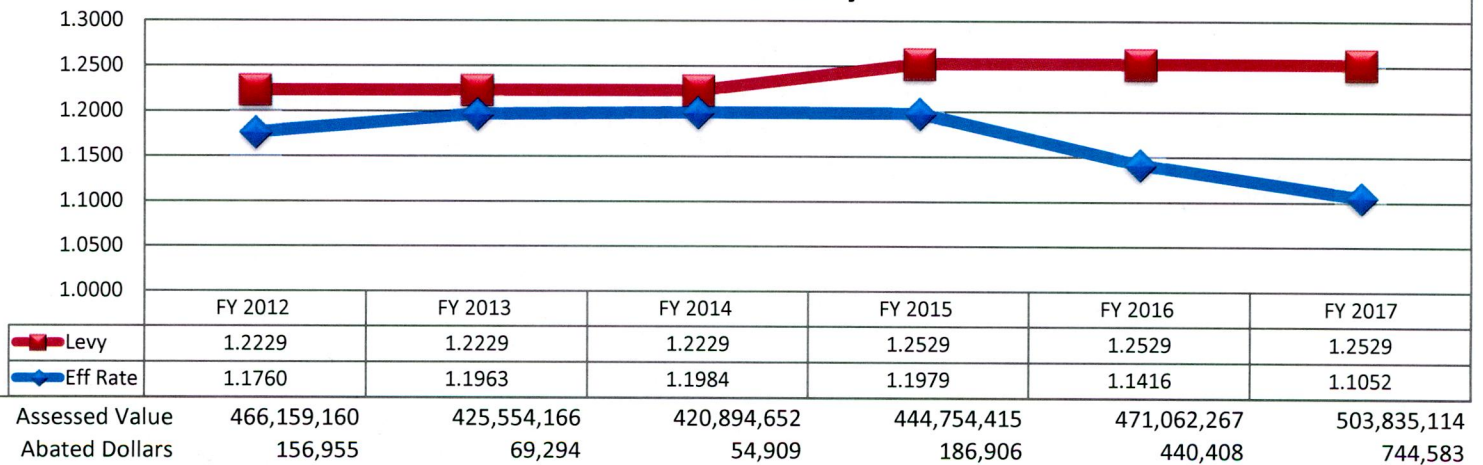
WHITE PINE

Assessed Value	167,381,704	262,318,856	261,984,305	260,307,988	262,672,433	257,419,489
YOY Change AV		56.72%	-0.13%	-0.64%	0.91%	-2.00%
Tax Rate Levied	1.9510	1.9510	1.9510	1.9510	1.9510	1.9510
Pre Abated PT	3,143,662.70	4,966,884.65	4,932,416.17	4,672,948.15	4,707,506.16	5,023,396.95
PT Net of Abatement	2,796,665.44	3,609,252.46	3,629,637.19	3,410,821.68	3,429,255.26	3,771,713.29
YOY Change		29.06%	0.56%	-6.03%	0.54%	9.99%
% of Revenue abated	11.04%	27.33%	26.41%	27.01%	27.15%	24.92%
Effective Tax Rate	1.6708	1.3759	1.3854	1.3103	1.3055	1.4652

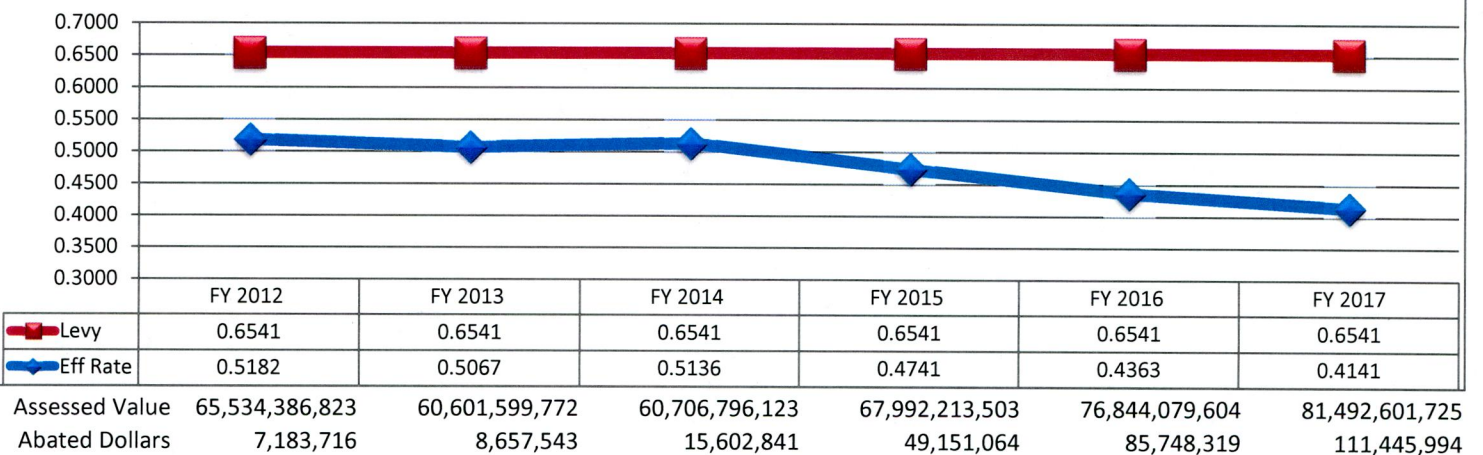
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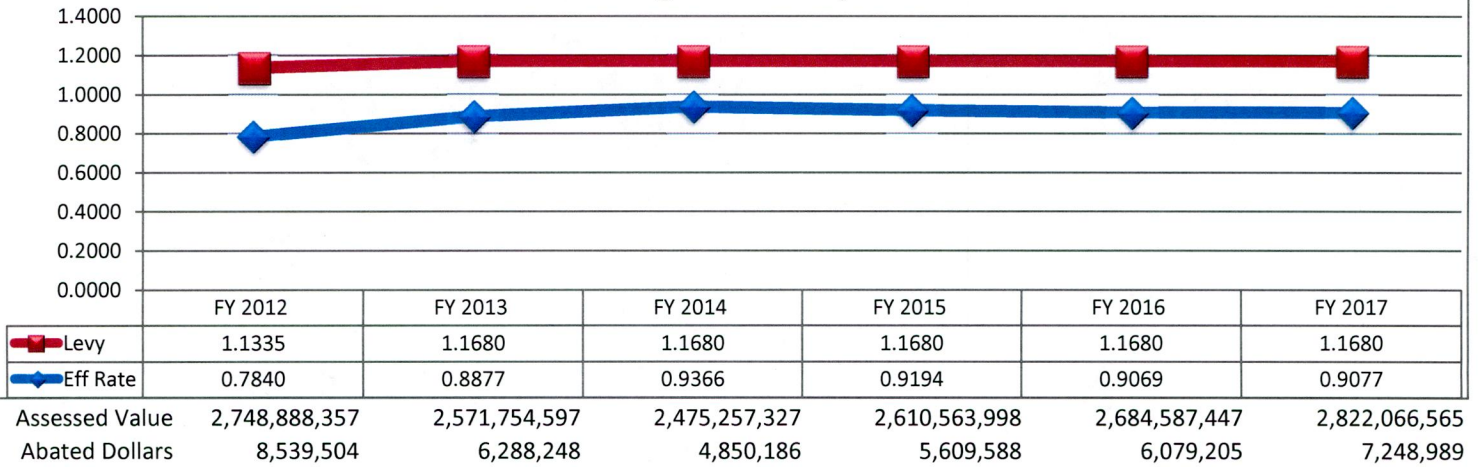
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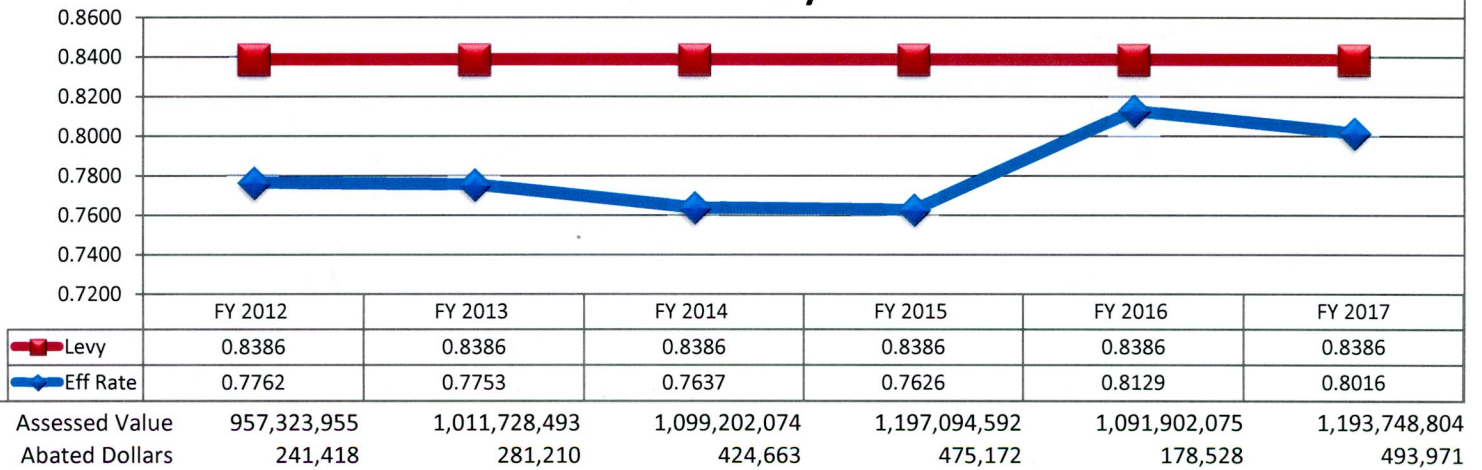
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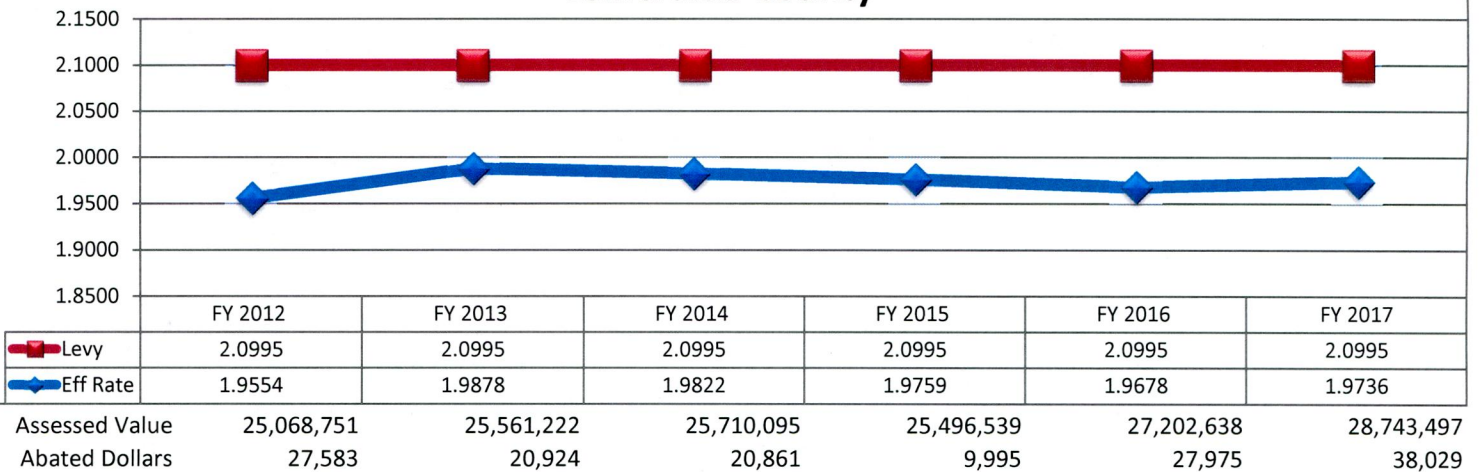
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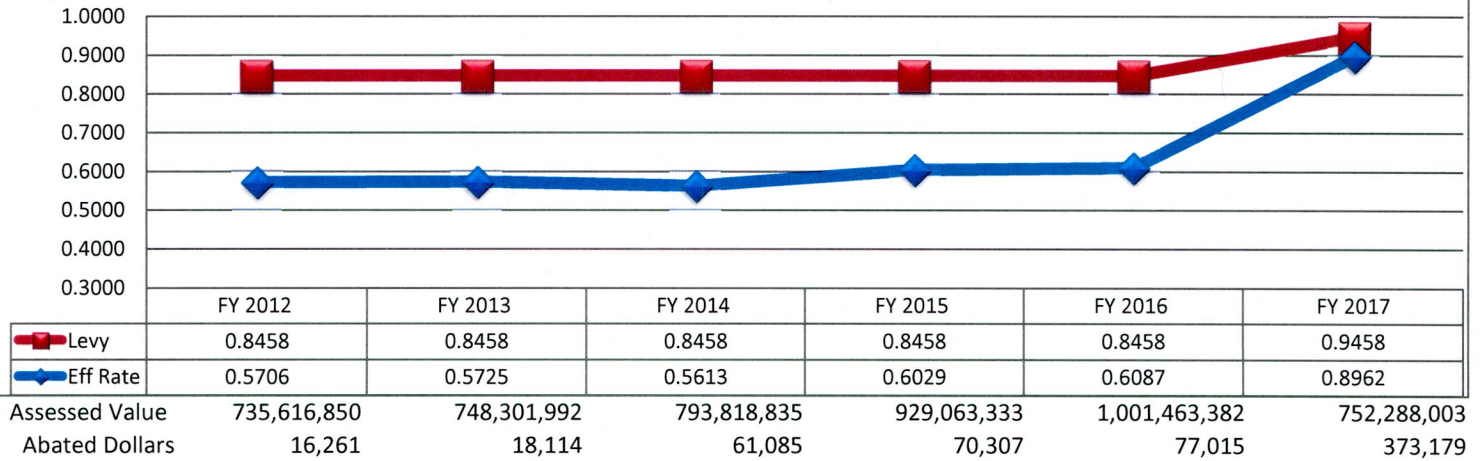
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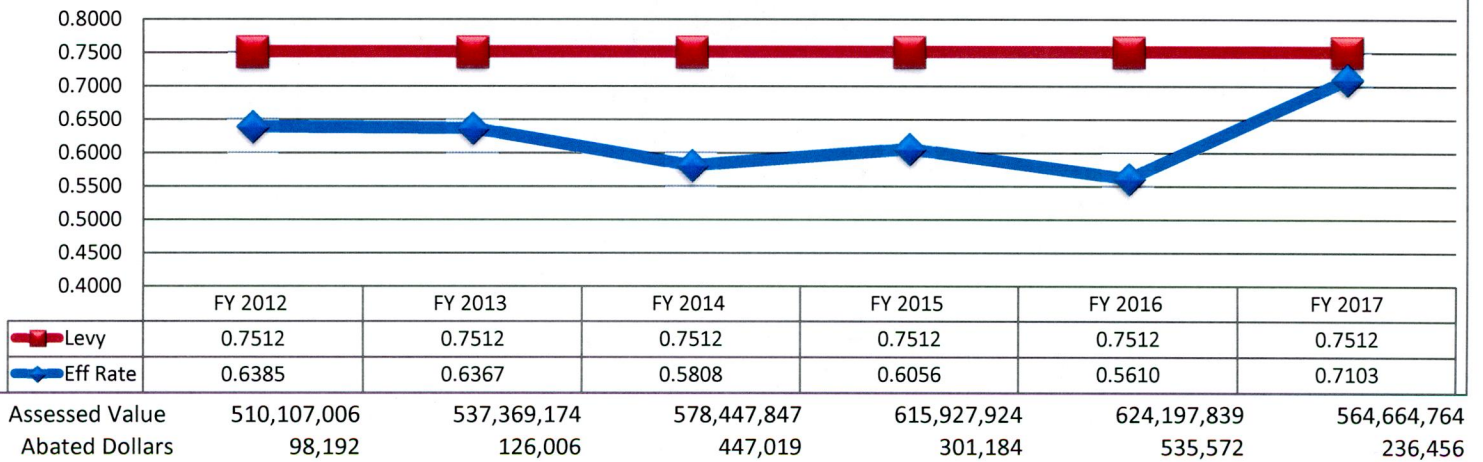
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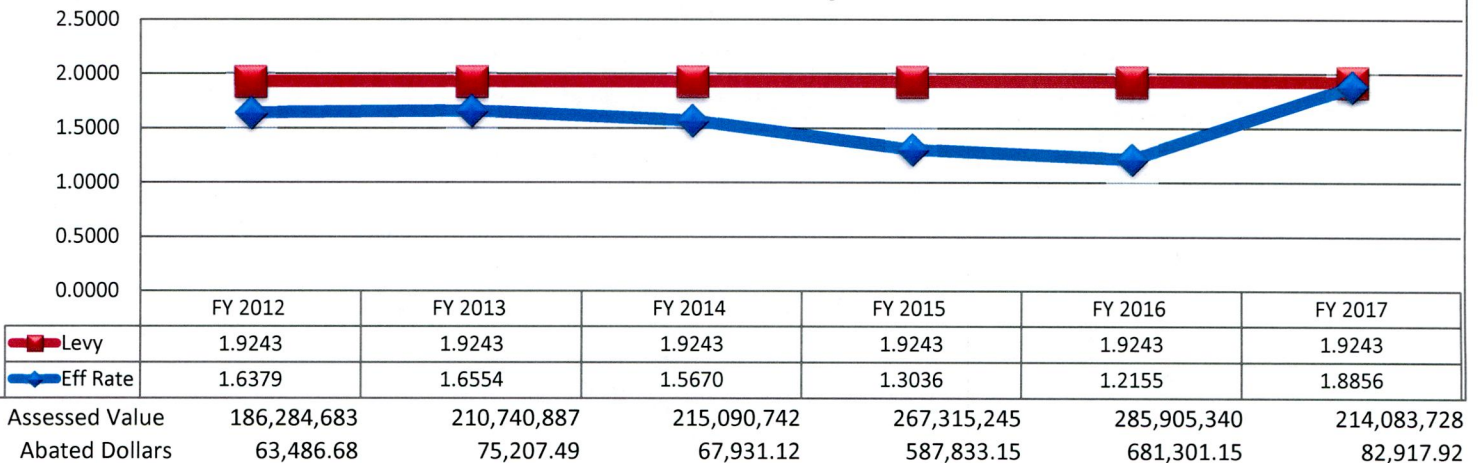
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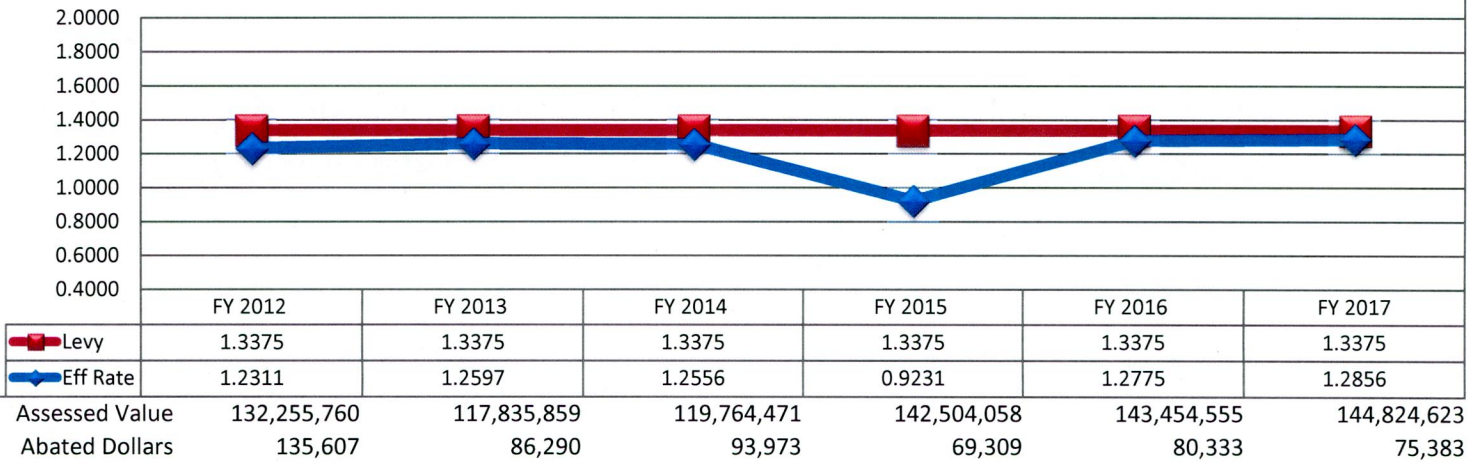
Humboldt County



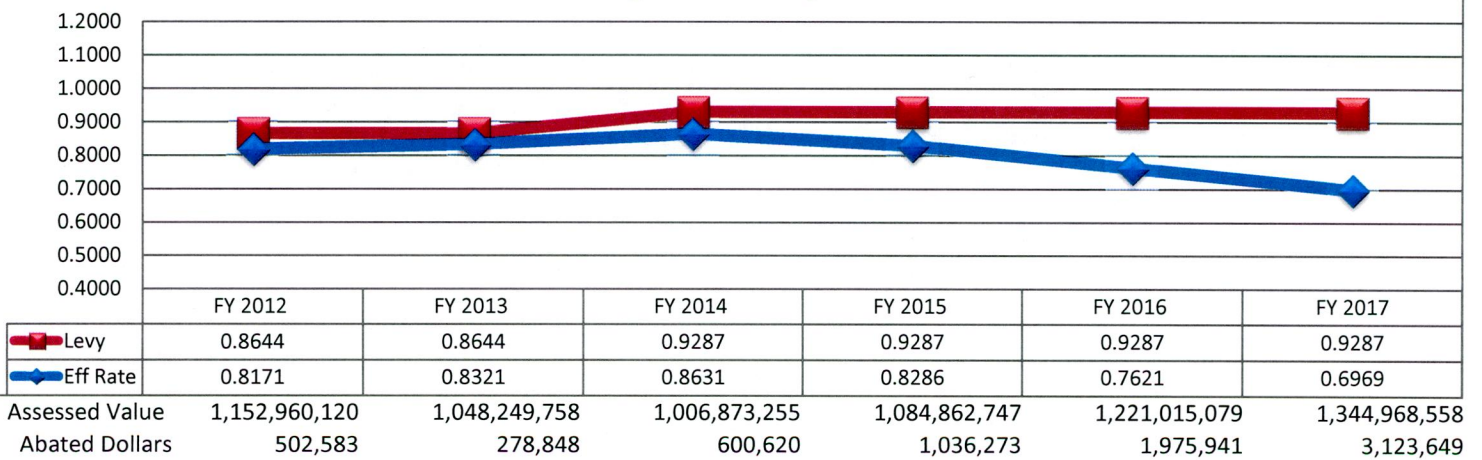
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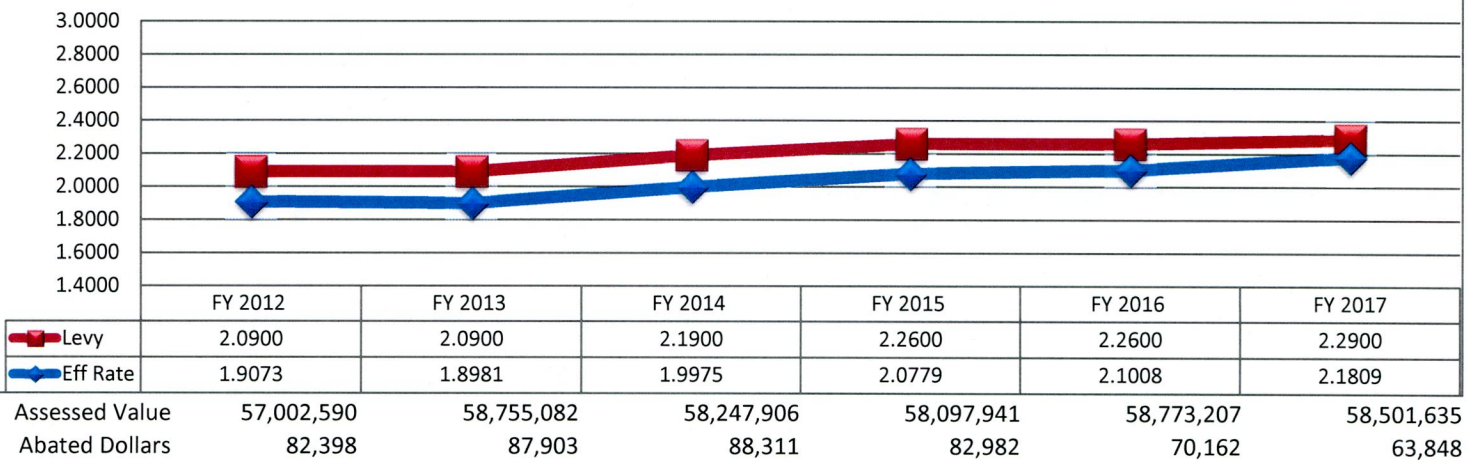
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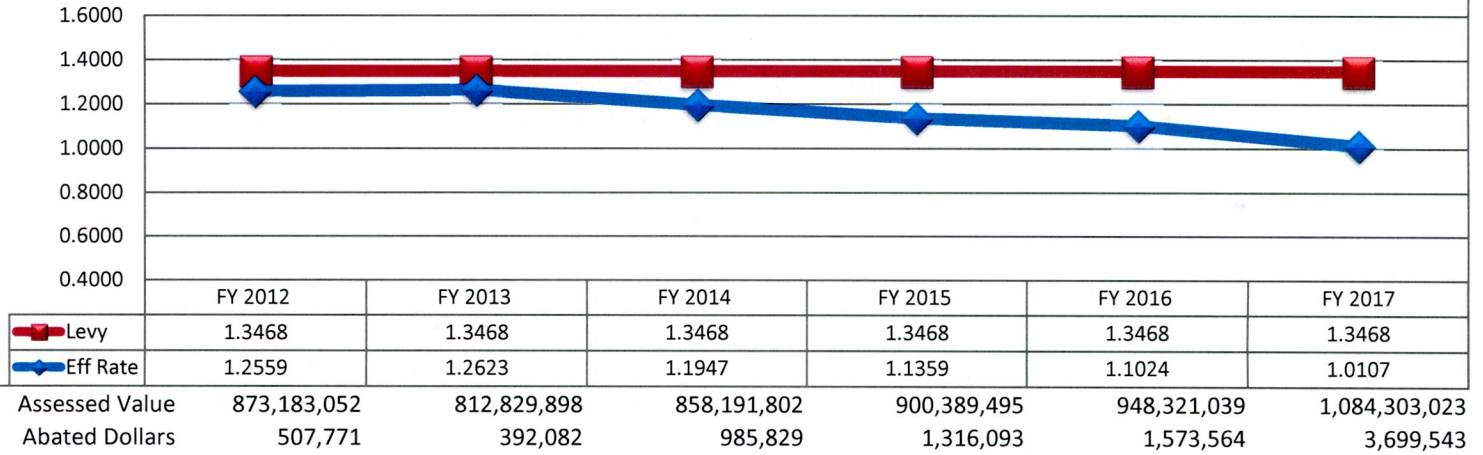
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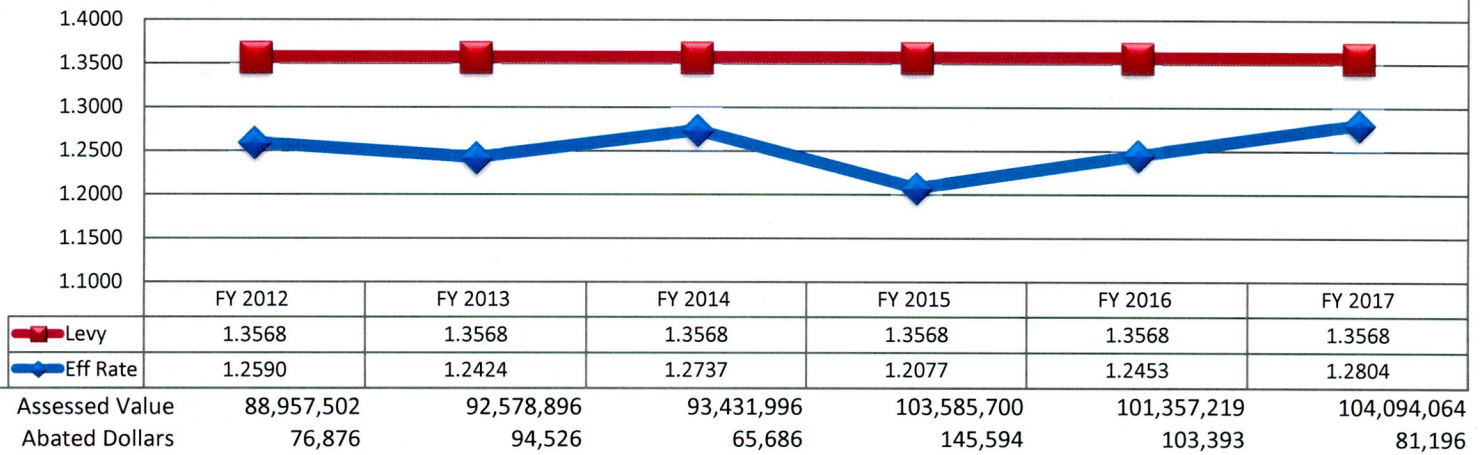
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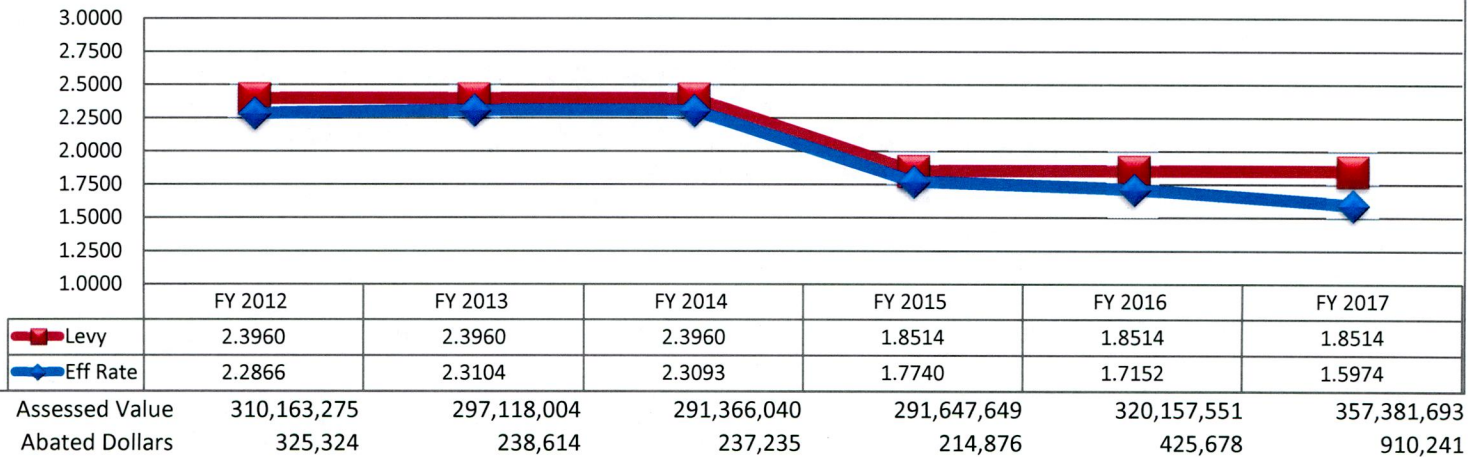
Nye County



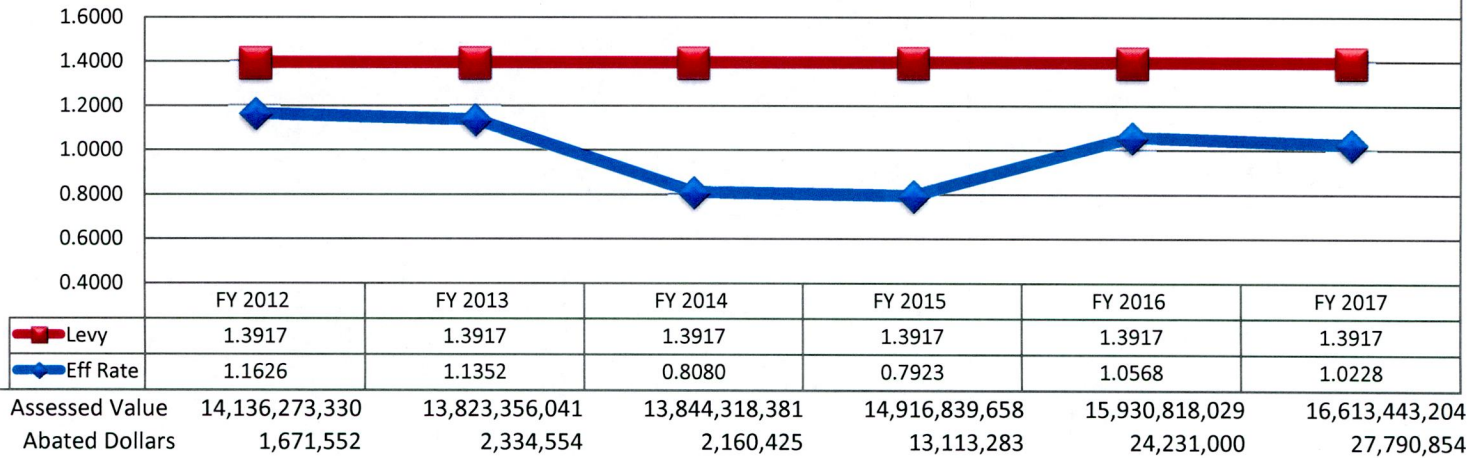
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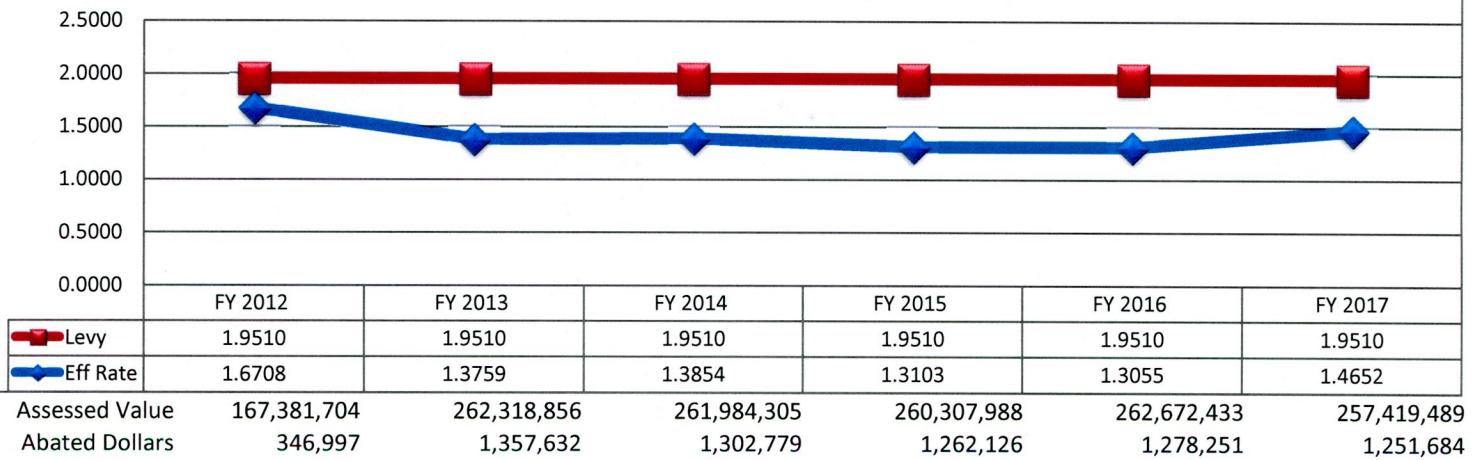
Storey County



Washoe County



White Pine County



**2016-2017 General Tax Cap Unusually Low in Nine Counties; and Affects Residential Tax Cap
(Carson City, March 1, 2016)**

The Department of Taxation has published the preliminary general "Tax Cap" table for use by county officials to forecast the amount of property taxes that must be abated in each county. The Tax Cap provides property owners relief from rising property values by capping the amount of property taxes which can be assessed. State law provides that any property tax amount greater than 3% over the prior year taxes for residential properties must be abated. Property taxes for all other property, including commercial and industrial property, must also be abated using a more complicated formula that is customized to each county.

For all property except residential property, State law provides a formula that first takes the greater of twice the consumer price index ("CPI") percentage change in the prior year and the rolling percentage average change of assessed value over a ten-year period for each county. The greater number of the first comparison is then compared to 8% and whichever is lower becomes the general Tax Cap for that county. If the general Tax Cap is less than the residential Tax Cap of 3%, then the residential Tax Cap must be reduced to equal the general Tax Cap.

In 2015, the annual average percentage change in the CPI published by the federal Bureau of Labor Statistics was unusually low at .1% (one-tenth of one percent). At the same time, the rolling percentage average change of assessed value for several counties over a ten-year period was lower due to the effects of many years during the recession when assessed values were dropping. The result is that the general Tax Cap for nine counties in the State is less than 3%. The residential Tax Cap in those counties will therefore be reduced to the same level as the general Tax Cap.

The final general "Tax Cap" won't be published until about May 1st. County treasurers use the final Tax Cap table to determine how much property tax will be abated on each property on the property tax bill issued in July.

Nevada Department of Taxation
Division of Local Government Services

FINAL NRS 361.4722 TAX CAP FACTORS

FISCAL 2016 - 2017

Tax cap may be no higher than:

3.00%

8.00%

COUNTY	MOVING AVERAGE GROWTH RATE	2 X 0.1% CPI CHANGE	RESIDENTIAL CAP	GENERAL CAP	RESIDENTIAL CAP FACTOR	GENERAL CAP FACTOR
CARSON CITY	-0.6%	0.2%	0.2%	0.2%	1.002	1.002
CHURCHILL	1.9%	0.2%	1.9%	1.9%	1.019	1.019
CLARK	-2.7%	0.2%	0.2%	0.2%	1.002	1.002
DOUGLAS	-1.7%	0.2%	0.2%	0.2%	1.002	1.002
ELKO	6.4%	0.2%	3.0%	6.4%	1.030	1.064
ESMERALDA	6.8%	0.2%	3.0%	6.8%	1.030	1.068
EUREKA	5.0%	0.2%	3.0%	5.0%	1.030	1.050
HUMBOLDT	6.3%	0.2%	3.0%	6.3%	1.030	1.063
LANDER	25.0%	0.2%	3.0%	8.0%	1.030	1.080
LINCOLN	6.9%	0.2%	3.0%	6.9%	1.030	1.069
LYON	-0.2%	0.2%	0.2%	0.2%	1.002	1.002
MINERAL	7.1%	0.2%	3.0%	7.1%	1.030	1.071
NYE	-0.1%	0.2%	0.2%	0.2%	1.002	1.002
PERSHING	5.5%	0.2%	3.0%	5.5%	1.030	1.055
STOREY	2.9%	0.2%	2.9%	2.9%	1.029	1.029
WASHOE	0.0%	0.2%	0.2%	0.2%	1.002	1.002
WHITE PINE	1.5%	0.2%	1.5%	1.5%	1.015	1.015
STATEWIDE	-2.1%	0.2%	0.2%	0.2%	1.002	1.002

Note (1) : The General Tax Cap is calculated by taking the greater of the moving average growth rate or twice the CPI, up to a maximum of 8%. See NRS 361.4722(1)(b).

Note (2): The Residential Tax Cap is 3% unless the General Tax Cap is less than 3%. If the General Tax Cap is less than 3%, then the Residential Tax Cap must equal the General Tax Cap. See NRS 361.4723(2)(b).

Note (3): The Consumer Price Index ("CPI") used is All Urban Consumers, Series ID CUUR0000SA0, Not Seasonally Adjusted, U.S. City Average All Items, Annual Average. Source: Bureau of Labor Statistics. This year, the CPI annual average for 2015 is 0.1%. Twice the CPI is 0.2%.

Note (4): The Moving Average Growth Rate is based on data from the Statistical Analysis of the Roll from 2007-08 through 2014-15 published by the Department of Taxation; the October 2015 Segregation Report for the 2015-16 Secured and Unsecured Rolls; and the March 2016 Final Projected Segregation Report for 2016-17 Secured and Unsecured Rolls reported by County Assessors.

ITEM 4

For Possible Action: REPORT FROM SUBCOMMITTEE REGARDING PROPOSED GUIDANCE LETTER

Regarding the Review of Current and Pending GASB standards on Lease Accounting; Requirements for Reporting Installment-purchase Agreements; and Types of Installment-purchase Agreements and Medium Term Obligations Subject to Approval by the Department of Taxation



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JAMES DUVOLLD
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Fax: (702) 486-3377

Guidance Letter 16-004

Date: September 26, 2016

To: Local Government Finance Officers; Local Government Auditing Firms

From: Terry E. Rubald, Deputy Executive Director, Department of Taxation
Co-authored by Kelly Langley, Supervisor, Local Government Finance, Division of Local Government Services

cc: Committee on Local Government Finance, Marvin Leavitt, Chairman
Deonne Contine, Executive Director, Department of Taxation

Subject: Review of Current and Pending GASB standards on Lease Accounting; Requirements for Reporting Installment-purchase Agreements; and Types of Installment-purchase Agreements and Medium Term Obligations Subject to Approval by the Department of Taxation

SUMMARY

Local governments regularly enter into leases for various reasons. Leasing provides alternative financing solutions allowing government to have the benefit of necessary items such as vehicles, heavy equipment, and buildings without having to purchase them outright. Leasing may be the solution which allows local governments to preserve capital dollars for other projects for which leasing is not an option; enables improvement of cash flow; and incorporates flexible structuring to meet budget needs.

The purpose of this Guidance Letter is to clarify the types of installment purchase and medium-term obligation financing transactions subject to approval by the Department of Taxation pursuant to NRS 350.089. In addition, this Guidance Letter reviews the existing Governmental Accounting Standards Board ("GASB") standard on leases as well as the latest GASB exposure draft on lease accounting to assist the reader in understanding how to treat and report various financial lease arrangements pursuant to Nevada law. Finally, the Guidance Letter makes recommendations for reporting to the Department and on local government financial statements consistent with generally accepted accounting principles and Nevada law.

AUTHORITY FOR THIS LETTER

NRS 354.472(1)(d): One of the purposes of the Local Government Budget and Finance Act is to provide for the control of revenues, expenditures and expenses in order to promote prudence and efficiency in the expenditure of public money. NRS 354.612(2) requires fund financial

statements and other schedules to be prepared in accordance with generally accepted accounting principles.

DISCUSSION

Statutory and Regulatory Framework

NRS 350.089 provides that medium-term obligations and installment-purchase agreements adopted by a local government must be approved by the Executive Director of the Department of Taxation ("Department"). A medium-term obligation is defined in NRS 350.007 as an obligation to repay borrowed money evidenced by a note or bond and having a term of 10 years or less, except for terms of less than 1 year which are payable in full from money appropriated for the same fiscal year that the obligation is incurred.

An installment-purchase agreement is specifically defined in NRS 350.0055 as the purchase of real or personal property by installment, lease, or other transaction types described in NRS 350.800 and which will be discussed in more detail below. Historically the Department has treated most capital leases as a type of installment purchase agreement subject to approval pursuant to NRS 350.089. Under NRS 350.089, however, installment-purchase agreements do not include obligations to pay rent pursuant to a lease which contains no option or right to purchase or which contain only an option or right to purchase the property without any credit towards the purchase price for lease or rental payments. With the advent of more creative leasing arrangements in recent times, it becomes important to understand the characteristics of leases in order to determine whether the lease is subject to Department approval.

NRS 350.013 requires the annual submission to the Department of Taxation and to the appropriate Debt Management Commission, of a report of the outstanding general obligation debt, other general obligations or special obligations, or levies of any special elective tax. In counties whose population is 100,000 or more, the statements may be updated more often than once a year to include items related to installment purchases that do not count against a debt limit.

NAC 350.010 describes the information which must be included in the Annual Statement and Report by municipalities required by NRS 350.013. In addition to various schedules concerning general obligation debt, the report must also include the amount of any other debts, such as mortgages or capital leases, which the governing body contemplates incurring before the end of the fiscal year following the date of the schedule.

NRS 350.014(1) requires the submission of proposed installment-purchase agreements with a term of more than 10 years to be approved by the appropriate debt management commission.

Governmental Accounting Standards Board Statements

The Department finds that Governmental Accounting Standards Board ("GASB") Statements, including but not limited to, No. 62, Codification of Accounting and Financial reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA Pronouncements and No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments are appropriate standards for the preparation of financial statements for all funds and comply with the requirements of NRS 354.612(2) as generally accepted accounting principles. In particular, Statement No. 34 establishes the components of basic financial

statements for general purpose governments. Statement No. 62 provides lease accounting standards for reporting leases in local government financial statements, including criteria for determining whether a lease is a capital or operating lease. GASB 62 criteria are useful in classifying leases subject to reporting and/or approval by the Department.

In addition, the Department recognizes GASB is in the process of adopting an Exposure Draft regarding financial reporting for leases by state and local governments. The GASB Exposure Draft coordinates with the Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") on leases. The Department anticipates that when the updated GASB standard becomes effective on December 15, 2018, it will also comply with NRS 354.612(2).¹ The updated GASB standard will establish a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under both the updated GASB and FASB standards, a lessee will be required to recognize a lease liability and an intangible right-to-use lease asset. A lessor will be required to recognize a lease receivable and a deferred inflow of resources."² The goal of the revised ASU is to provide guidance in how to uniformly reflect actual lease liabilities in financial statements.

Lease Accounting

Under GASB 62, a lease is defined as an agreement conveying the right to use capital assets (land and/or depreciable assets) but does not include agreements that are contracts for services that do not transfer the right to use capital assets from one contracting party to the other.³

GASB Statement No. 62 at paragraph 212 classifies leases into capital leases and operating leases from the standpoint of the lessee. From the standpoint of the lessor, leases may be classified as sales-type leases, direct financing leases, leveraged leases, or operating leases.

Criteria for Classifying Leases:

GASB 62, Paragraph 213 provides the criteria by which a lease may be classified as a capital or operating lease by the lessee. The criteria are summarized below.

Capital Leases

If at inception a lease meets at least one of the criteria outlined in paragraph 213 of GASB 62, the lease should be classified as a capital lease by the lessee. Otherwise, it should be classified as an operating lease. Capital leases are essentially treated as a loan for book accounting purposes. The four criteria are:

¹ Effective date is stated in the Exposure Draft, paragraph B129, page 49.

² GASB Exposure Draft, January 25, 2016 "Leases", pg iv. In addition, the 2016 GAAP Guide Volume II notes that the Financial Accounting Standards Board, ("FASB") has also released an Exposure Draft of an Accounting Standards Update ("ASU") on Leases that may have an important impact on the preparation of financial statements in the future. This proposed ASU is part of a joint project with the International Accounting Standards Board ("IASB") to develop a new approach to lease accounting that will ensure that assets and liabilities arising from lease agreements are reflected on an entity's statement of financial position. See Wolters Kluwer 2016 GAAP Guide Volume II Restatement and Analysis of Current FASB. Standards, Chapter 54 ASC 840, pg. 54,053

³ GASB Statement 62, Paragraph 211, p. 87.

- The lease transfers ownership of the property to the lessee by the end of the lease term.
- The lease contains a bargain purchase option (i.e., less than the fair market value)
- The lease term is greater than 75% of estimated economic life of the equipment
- The present value at the beginning of the lease term of the minimum lease payments equals or exceeds 90% of leased property's fair market value.⁴

A capital lease is treated by the lessee as both the borrowing of funds and the acquisition of an asset to be depreciated; thus the lease is recorded on the lessee's balance sheet as an asset and corresponding liability (lease payable). Periodic lessee expenses consist of interest on the debt and depreciation of the asset.⁵

Operating Leases

Operating leases are all leases that cannot otherwise be classified as capital leases.⁶ In general, an operating lease must have all of the following characteristics:

- The lease term is less than 75% of the estimated economic life of the equipment
- The present value of the lease payments is less than 90% of the leased property's fair market value
- The lease cannot contain a bargain purchase option (i.e., less than fair market value)
- Ownership is retained by the lessor during and after the lease term
- An operating lease is accounted for by the lessee without showing an asset (for the equipment) or a liability (for the lease payment obligations) on its balance sheet. Periodic payments are accounted for by the lessee as operating expenses for the period)

In addition, if none of the criteria for a capital lease are present and both the collectability of the minimum lease payments is reasonably predictable and no important uncertainties surround the amount of un-reimbursable costs yet to be incurred by the lessor under the lease, the lease is classified as an operating lease.

Paragraph 222 of GASB 62 notes that normally, rental on an operating lease should be charged to expense/expenditure over the lease term as it becomes payable. If rental payments are not made on a straight-line basis, rental expense/expenditure nevertheless should be recognized on a straight-line basis unless another systematic and rational basis is more representative of the time pattern in which use benefit is derived from the leased property, in which case that basis should be used.

Lease / Installment-purchase Agreements⁷:

An Installment-purchase Agreement is defined as an agreement for the purchase of real or personal property by installment or lease. In addition, an installment-purchase agreement includes other transactions in which a municipality acquires real or personal property and

⁴ GASB 62, Paragraph 213 contains an exception to the minimum lease payment criterion. If the beginning of the lease term falls within the last 25% of the total estimated economic life of the leased property, including earlier years of use, this criterion should not be used for purposes of classifying the lease. A lessor should compute the present value ("PV") of the minimum lease payment using the interest rate implicit in the lease. A lessee should compute the PV using its incremental borrowing rate, with additional caveats.

⁵ GASB 62, Paragraph 216, p. 91; Paragraph 218, p. 92.

⁶ GASB 62, Paragraph 212 (1)(2), p. 88

⁷ Nevada Revised Statute (NRS) 350.0055

another person acquires or retains a security interest in that or other property. A security interest transaction must be counted against a municipality's debt limit, unless the obligation by its terms is extinguished by a failure of the governing body to appropriate money for the ensuing fiscal year for payment of the amounts then due (a "non-funding clause"); or the municipality's budget includes a provision for the discharge of the obligation in full in the same fiscal year as when the transaction occurs.⁸

Under NRS 350.089, an Installment-purchase Agreement also includes transactions not required to be counted against the municipality's debt limit if those transactions are (a) greater than \$100,000 for local governments in a county whose population is 100,000 or more; or (b) greater than \$50,000 for a local government in a county whose population is less than 100,000. However, if the Installment-purchase Agreement contains no option or right to purchase at the conclusion of the lease term; or if the lease contains an option or right to purchase the property but does not credit the lease payments towards the purchase price, then the lease is not considered an Installment-purchase Agreement for purposes of enforcement of NRS 350.089.

Application of GASB Standards

A local government which adopts a resolution authorizing a medium-term obligation or installment-purchase agreement whether or not subject to direct approval by the Department under NRS 350.089, however, is still obligated to prepare fund financial statements using generally accepted accounting principles pursuant to NRS 354.612(2). As stated above, GASB Statement No. 62, as well as the GASB and FASB Exposure Drafts soon to be finalized regarding the recognition and measurement of lease liabilities are viewed by the Department as generally accepted accounting principles. As such, local governments should recognize and measure lease liabilities pursuant to the model provided in the GASB and FASB Statements as of their effective dates.

The following discussion reviews GASB standards for lessees, however, the reader should be aware there are additional reporting requirements if the local government is the lessor.

For example, Paragraph 223 in GASB 62 requires disclosure of the following information with respect to leases in the notes to the lessee's financial statements:

- a. For capital leases:
 1. The gross amount of assets recorded under capital leases as of the date of each set of financial statements presented by major classes according to nature or function. This information may be combined with the comparable information for owned assets.
 2. The total of minimum sublease rentals to be received in the future under noncancelable subleases as of the date of the latest financial statements presented.
 3. Total contingent rentals actually incurred for each period for which a cash flows statement is presented
 4. Assets recorded under capital leases and the accumulated amortization thereon. Unless the expense resulting from amortization of assets recorded under capital leases is included with depreciation expense and the fact that it

⁸ NRS 350.800(1)(a-b)

is so included is disclosed, the amortization expense should be disclosed in the notes to the financial statements.

- b. For operating leases having initial or remaining non-cancelable lease terms in excess of one year, the total of minimum rentals to be received in the future under non-cancelable subleases as of the date of the latest financial statements presented.
- c. For all operating leases, rental expense/expenditure for each period for which a cash flows statement is presented, with separate amounts for minimum rentals, contingent rentals, and sublease rentals, Rental payments under leases with terms of a month or less that were not renewed need not be included.
- d. A general description of the lessee's leasing arrangements including, but not limited to the following:
 - (1) The basis on which contingent rental payments are determined
 - (2) The existence and terms of renewal or purchase options and escalation clauses
 - (3) Restrictions imposed by lease agreements, such as those concerning additional debt and further leasing

Under GASB 62, Paragraph 234, leases involving land and building(s) should be accounted for by the lessee by separately capitalizing each asset if the lease contains a provision to transfer ownership by the end of the term of the lease or if the lease contains a bargain purchase option. "For this purpose, the present value of the minimum lease payments after deducting executory costs, including any gain thereon, should be allocated between the two elements in proportion to their fair values at the inception of the lease." The reader should review GASB 62 for other standards if the lease involves land only, if the lease involves equipment as well as real estate, or if the lease involves only part of a building.

GASB 62, Paragraphs 244-256 also establish standards of accounting and financial reporting by a seller-lessee for sale-leaseback transactions involving real estate. For example, Paragraph 245 states that sale-leaseback accounting should be used by a seller-lessee only if a sale-leaseback transaction includes a lessee-lessor relationship that involves the active use of the property by the seller-lessee in consideration for payment of rent; the payment terms and provisions adequately demonstrate the buyer-lessor's initial and continuing investment in the property; and the payment terms and provisions transfer all of the other risks and rewards of ownership as demonstrated by the absence of any other continuing involvement by the seller-lessee. Paragraph 255 indicates that the notes to financial statements of a seller-lessee should include a description of the terms of the sale-leaseback transaction, including future commitments, obligations, provisions, or circumstances that require or result in the seller-lessee's continuing involvement.

For the future, the GASB Exposure Draft concludes a lessee will recognize a lease liability and a lease asset at the beginning of a lease, and the lease liability will be measured at the present value of payments expected to be made for the lease term. The lease asset will be measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the beginning of the lease and certain indirect costs.⁹

Paragraph 29 of the GASB Exposure Draft indicates that if a lease agreement is expected to be financed from general government resources, the lease should be accounted for and reported on a basis consistent with governmental fund accounting principles. Paragraph 31 indicates that a lessee's accounting for lease liability would include a description of leasing arrangements;

⁹ GASB Exposure Draft, 1-25-2016, p. iv

the amount of lease assets recognized; the amount of lease assets by major classes of underlying assets, to be disclosed separately from other capital assets; and a schedule of future lease payments to be made in the notes to financial statements.

APPLICATION:

1. Until December 15, 2018, local governments should account for and report leases in the local government financial statements on a basis consistent with GASB 62. Thereafter, the local government may rely on the final adopted version of the proposed GASB statement, which is currently known as the GASB Exposure Draft dated January 25, 2016. If the local government is considering early implementation of the new standard, implementation will require recognition and measurement of any previously unrecorded leases (i.e., operating leases) on the local government's financial statements.
2. NRS 350.013(1) requires local governments to submit a complete statement of current general obligation debt and special elective taxes, and a report of current debt and special assessments and retirement schedules, in the detail and form established by the Committee on Local Government Finance, known informally as the Indebtedness Report. Local governments may anticipate revised forms to accommodate the inclusion and listing of those leases recorded on the financial statements consistent with the requirements of NRS 350.013(4), NRS 350.014(1), and NAC 350.010.
3. Lease accounting as provided in GASB 62 should only be applied to the lease elements of a contract; other elements of a contract should be treated according to the GASB standard appropriate to the contract element.
4. Local governments should review the terms of the agreement and determine whether the agreement is a medium-term obligation or installment-purchase or lease agreement subject to review and approval by the Department. If the agreement meets the definition in NRS 350.007 for a medium-term obligation or the definition in NRS 350.0055 for an installment-purchase agreement, prepare the documentation necessary for review and approval by the Department.
5. Guidelines and references with regard to the procedures for procuring approval of medium-term obligations and installment-purchase agreements, are available on the Department's website at http://tax.nv.gov/LocalGovt/PolicyPub/ArchiveFiles/Local_Government_Finance_Documents/
6. Evaluate the lease agreement to determine whether there is an option or right to purchase. For example, determine whether there is a bargain purchase option as that term is defined in GASB 62, Paragraph 271 at page 119. A bargain purchase option is a provision allowing the lessee the option to purchase the leased property for a price that is sufficiently lower than the expected fair value of the property at the date the option becomes exercisable such that exercise of the option appears, at the inception of the lease, to be reasonably assured. If such a provision is present, and the terms of the agreement otherwise meet the definition of an installment-purchase agreement, the lease agreement is subject to review and approval by the Department.
7. Evaluate the lease agreement to determine whether the lease or rental payments are credited towards the purchase price. If the title to the subject property and the buildings thereon

vest in the local government at the expiration of the lease, either automatically or upon written notice or request by the local government with no further payment, the lease should be considered a capital lease requiring approval by the Department.

8. If the local government is contemplating a transaction that is difficult to classify, the local government should consult with both its auditors and Department staff as to how the financial statements of the local government should reflect the transaction. For example, consider a financing arrangement known as a "lease-leaseback project" in which property owned by a local government is leased to any person for a minimum amount, as long as such lease requires the other party to construct (or provide for the construction of) a building or buildings upon the subject property. ~~and title to the subject property and the buildings vest in the local government at the expiration of the lease, either automatically or upon written notice or request by the local government.~~

The lease-leaseback approach is realized when a local government enters into two leases with a chosen design/build contractor or financing entity. One lease is a Site Lease and the other is a Facilities Lease. The Site Lease is the document in which the local government leases the real property to the builder or financing entity for a nominal amount (say, \$1 per year). The Facilities Lease is the document the local government will utilize to lease back the real property and completed facilities. It is through the lease payments by the local government that the design/build contractor or financing entity will be paid. **Because the local government may simply request title be transferred** ~~The vesting of title~~ at the expiration of the Facilities Lease, the transaction **may** constitute an option to purchase in which the lease payments are **considered** credited towards the purchase price for purposes of NRS 350.0055.

The local government should consult with its auditors and the Department as to the proper classification of this type of transaction or other unusual transactions prior to completion of the obligation in order to avoid any potential reporting violations.

SELECTED REFERENCES

Nevada Revised Statutes, Chapters 350, 354, and 450:

NRS 350.0055 “Installment-purchase agreement” defined.

NRS 350.087 Resolution authorizing medium-term obligation or installment-purchase agreement: Adoption; contents; notice.

NRS 350.089 Approval of resolution for medium-term obligation or installment-purchase agreement by Executive Director of Department of Taxation; appeal to Nevada Tax Commission.

NRS 350.013 Municipalities to submit annually statement of current and contemplated general obligation debt and special elective taxes, statement of debt management policy, plan for capital improvement or alternate statement and certain information regarding chief financial officer; update of information; exceptions

NRS 350.014 Approval or notification of commission required for certain proposals.

NRS 350.0145 Notice and submission of statement of certain proposals to commission; procedure for approval or disapproval.

NRS 354.472 Purposes of Local Government Budget and Finance Act.

NRS 450.665 Powers of board of trustees: Borrowing of money and incurrence or assumption of indebtedness; limitations and conditions.

Nevada Administrative Code, Chapter 350

NAC 350.010 Annual statement and report by municipalities.

NAC 350.120 Forwarding of documents to Department of Taxation following authorization.

NAC 350.130 Authorization void after 18 months.

Governmental Accounting Standards Board

Exposure Draft on Leases (January 25, 2016, Project No. 3-24E), as retrieved from the internet on September 8, 2016 at

<http://www.gasb.org/jsp/GASB/Page/GASBSectionPage&cid=1175804830991>

Governmental Accounting Standards Board Statement No. 62, Codification of Accounting and Financial reporting Guidance Contained in Pre-November 30, 1989 FASB and AICPA

Pronouncements, as retrieved from the internet on September 8, 2016 at

http://www.gasb.org/cs/ContentServer?site=GASB&c=Document_C&pagename=GASB%2FDocument_C%2FGASBDocumentPage&cid=1176159967625

Governmental Accounting Standards Board Statement No. 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, as retrieved from the internet on September 8, 2016 at

http://www.gasb.org/cs/ContentServer?site=GASB&c=Document_C&pagename=GASB%2FDocument_C%2FGASBDocumentPage&cid=1176160029121

Financial Accounting Standards Board

Financial Accounting Standards Board Statement 13, Accounting for Leases, as retrieved from the internet on September 8, 2016 at <http://www.fasb.org/pdf/fas13.pdf>

Exposure Draft on Leases (Topic 842) dated May 16, 2013, as retrieved from the internet on September 8, 2016 at

http://www.fasb.org/cs/ContentServer?c=Document_C&pagename=FASB%2FDocument_C%2FDocumentPage&cid=1176162613656

National Council on Governmental Accounting (NCGA)

Statement 5, *Accounting and Financial Reporting Principles for Lease Agreements of State and Local Governments*

**If you have any questions about this guidance letter, please call the Local Government Finance
Section of
the Division of Local Government Services, Department of Taxation at (775) 684-2100.**

WEBSITE LOCATIONS:

Nevada Revised Statutes (NRS): <http://www.leg.state.nv.us/NRS/>

Nevada Administrative Code: <http://www.leg.state.nv.us/NAC/CHAPTERS.html>

Department of Taxation Guidance letters: <http://www.tax.state.nv.us>; then select "Publications;" then select
Assessment

Standards Publications and "Guidance letters."

ITEM 5

BRIEFING TO AND FROM THE COMMITTEE ON LOCAL GOVERNMENT FINANCE AND LOCAL GOVERNMENT FINANCE STAFF

- (a) Report by Department on Local Government Finance comparison between the actual tax rate that is levied and the effective rate that is actually received reflecting the “Tax Cap” abatement.
- (b) Report on status of LCB File No. R053-16 amending NAC 354.660.

Unusually low general tax cap will lead to flat or lower property tax revenues for some local governments and school districts for 2016-2017

The Department of Taxation has published the final general “Tax Cap” table for use by county officials to forecast the amount of property taxes that must be abated in each county. The Tax Cap provides property owners relief from rising property values by capping the amount of property taxes which can be assessed. The Tax Cap report may be found on the Department’s website at: http://tax.nv.gov/LocalGovt/PolicyPub/ArchiveFiles/General_Abatement_Factors/

General Tax Cap

For all property except residential property, State law provides a two-step formula that first takes the greater of: 1) twice the consumer price index (“CPI”) percent change in the prior year; or 2) the rolling percentage average change of assessed value over a ten year period for each county. The result is then compared to 8%, and whichever is less becomes the tax cap. The law provides a floor of zero so that if the CPI or average growth is negative, then the general abatement percentage cap cannot fall below zero.

Residential Tax Cap

State law also provides a residential property tax cap of 3%. However, if the general Tax Cap is less than the residential Tax Cap of 3%, then the residential Tax Cap must be reduced to equal the general Tax Cap.

Tax Cap Applicability for 2016-2017

In 2015, the annual average percentage change in the CPI published by the federal Bureau of Labor Statistics was unusually low at .1% (one-tenth of one percent). At the same time, the rolling percentage average change of assessed value for several counties over a ten-year period was lower due to the effects of many years during the recession when assessed values were dropping. Accordingly, the General Tax Cap for ten counties in the State is less than 3% and, therefore, the Residential Tax Cap must be reduced to the same level as the general Tax Cap in those 10 counties. The result is flat or lower property tax revenue available to local government and school districts for the 2016-2017 fiscal year.

The final general “Tax Cap” was published on May 1st. County treasurers use the final Tax Cap table to determine how much property tax will be abated on each property on the property tax bill issued in July.

Nevada Department of Taxation
Division of Local Government Services

FINAL NRS 361.4722 TAX CAP FACTORS

FISCAL 2016 - 2017

Tax cap may be no higher than:

3.00%

8.00%

COUNTY	MOVING AVERAGE GROWTH RATE	2 X 0.1% CPI CHANGE	RESIDENTIAL CAP	GENERAL CAP	RESIDENTIAL CAP FACTOR	GENERAL CAP FACTOR
CARSON CITY	-0.6%	0.2%	0.2%	0.2%	1.002	1.002
CHURCHILL	1.9%	0.2%	1.9%	1.9%	1.019	1.019
CLARK	-2.7%	0.2%	0.2%	0.2%	1.002	1.002
DOUGLAS	-1.7%	0.2%	0.2%	0.2%	1.002	1.002
ELKO	6.4%	0.2%	3.0%	6.4%	1.030	1.064
ESMERALDA	6.8%	0.2%	3.0%	6.8%	1.030	1.068
EUREKA	5.0%	0.2%	3.0%	5.0%	1.030	1.050
HUMBOLDT	6.3%	0.2%	3.0%	6.3%	1.030	1.063
LANDER	25.0%	0.2%	3.0%	8.0%	1.030	1.080
LINCOLN	6.9%	0.2%	3.0%	6.9%	1.030	1.069
LYON	-0.2%	0.2%	0.2%	0.2%	1.002	1.002
MINERAL	7.1%	0.2%	3.0%	7.1%	1.030	1.071
NYE	-0.1%	0.2%	0.2%	0.2%	1.002	1.002
PERSHING	5.5%	0.2%	3.0%	5.5%	1.030	1.055
STOREY	2.9%	0.2%	2.9%	2.9%	1.029	1.029
WASHOE	0.0%	0.2%	0.2%	0.2%	1.002	1.002
WHITE PINE	1.5%	0.2%	1.5%	1.5%	1.015	1.015
STATEWIDE	-2.1%	0.2%	0.2%	0.2%	1.002	1.002

Note (1) : The General Tax Cap is calculated by taking the greater of the moving average growth rate or twice the CPI, up to a maximum of 8%. See NRS 361.4722(1)(b).

Note (2): The Residential Tax Cap is 3% unless the General Tax Cap is less than 3%. If the General Tax Cap is less than 3%, then the Residential Tax Cap must equal the General Tax Cap. See NRS 361.4723(2)(b).

Note (3): The Consumer Price Index ("CPI") used is All Urban Consumers, Series ID CUUR0000SA0, Not Seasonally Adjusted, U.S. City Average All Items, Annual Average. Source: Bureau of Labor Statistics. This year, the CPI annual average for 2015 is 0.1%. Twice the CPI is 0.2%.

Note (4): The Moving Average Growth Rate is based on data from the Statistical Analysis of the Roll from 2007-08 through 2014-15 published by the Department of Taxation; the October 2015 Segregation Report for the 2015-16 Secured and Unsecured Rolls; and the March 2016 Final Projected Segregation Report for 2016-17 Secured and Unsecured Rolls reported by County Assessors.

ITEM 6

REVIEW AND APPROVAL OF MINUTES

(a) For Possible Action: CLGF Committee Meeting – June 7, 2016

Minutes of the Meeting
COMMITTEE ON LOCAL GOVERNMENT FINANCE
June 7, 2016
9:00 a.m.

The meeting was held at the Nevada State Legislative Building, 401 S. Carson Street, Room 2135, Carson City, Nevada, and video-conferenced to the Grant Sawyer State Office Building, 555 E. Washington Avenue, Room 4401, Las Vegas, Nevada. This meeting was also part of a teleconference.

COMMITTEE MEMBERS PRESENT:

Marvin Leavitt, Chairman
John Sherman, Vice Chairman
Andrew Clinger
Beth Kohn-Cole
Marty Johnson
Jim McIntosh
Jeff Zander
Jessica Colvin
Alan Kalt

COMMITTEE MEMBERS ABSENT:

Mark Vincent
Mary Walker

COUNSEL TO COMMITTEE

Dawn Buoncristiani

DEPT OF TAXATION STAFF PRESENT:

Terry Rubald
Kelly Langley
Heidi Rose
Penny Hampton
Susan Lewis
Keri Gransberry
Christina Griffith

MEMBERS OF THE PUBLIC PRESENT:

Name	Representing
Clifford F. Dobler	Self
Bob Erickson	City of Fallon
Holly Luna	Douglas County School District
Steve Nielsen	FDS6
Dan Newman	Elko Conv. & Visitors Authority
Sandra Sheldon	Churchill Co. School District
Anna Thornley	NV Taxpayers Association
Jeff Church	Reno Public Safety Org
Jeff Fontaine	NACO
Phyllis Dowd	Churchill County School District
Ron Dreher	P.O.R.A.N.
Peter Keegan	NVAG
Shawn Heusser	Lyon County School District
Linda Newman	Citizen
Jill Oynch	Henderson
Tomi Baker	Henderson
Stacie Hemmerling	City of Sparks
Frank Carboni	Nye County Commission Chair
Pam Webster	Nye County Manager

Item 1. Roll Call and Opening Remarks

Chairman Leavitt called the meeting to order at 9:28 a.m. Roll call was taken and it was determined that a quorum for the Committee on Local Government Finance was present.

Item 2. Public Comment

Clifford Dobler, a resident of Incline Village, came forward to speak on the special revenue funds the General Improvement District established in May of 2015.

Jeff Church, a resident of Washoe County came forward to talk about Washoe County 1. He is seeking guidance from CLGF or taxation on what the increase applies to. He is also concerned that Washoe County

and their people are advocating for the ballot measure. He claims they are advocating in favor of it in a brochure and have also done so in public meetings. He further claimed that Washoe County has been giving conflicting information on the amount of taxes having gone from 85 million to 135 million. His concern is that it is waste, fraud and abuse.

Item 3. FINANCIAL CONDITION REPORTS BY THE DEPARTMENT; CONSIDERATION AND POSSIBLE ADOPTION OF RECOMMENDATIONS AND ORDERS

(a) For Possible Action: Discussion and Consideration of Nye County Financial Condition:

Report by the County on the following matters:

- 1) FY 16/17 Final Budget, including revenue, expenditures, cash flow analysis and scheduled debt repayments;**
- 2) Update on Northern Nye County Regional Hospital District and 16/17 Budget impacts, status update on contract negotiations for hospital provider;**
- 3) Update on financial condition of the County and the Northern Nye County Regional Hospital District, including ending fund balance of the General Fund**

Member Kohn-Cole recused herself from any discussion regarding this matter.

Terry Rubald mentioned the report from Nye County, in response to the fiscal watch the Department of Taxation had placed Nye County on last January due to concerns about county finances brought forward in the fiscal year 2015 audit as well as cash flow problems. In addition they were placed on fiscal watch for the Northern Nye County hospital district due to the closure of the hospital last September. She explained the Department of Taxation followed the notice up with additional explanation of the kinds of recording the Department expects over the next year. She believed the county was prepared to talk about its budget, cash flow analysis and general financial condition for both Nye County and the Hospital District. She introduced Pam Webster, Nye County Manager and Frank Carboni, Nye County Commission Chair.

Pam Webster spoke about the three year look she put together of the revenue expenditures and ending fund balance. The concern for the FY17 was a \$2 million shortfall. Their initial challenge was from 15-16 net proceeds had dropped \$1 million from receipts in 15 to the budget in 16. Through the year they received extra \$1 million in consolidated tax from the budget. That is projected to go forward. They have held the same level even though initial trends from the budgeting documentation budgeted that it would go up. They have held that at a conservative projection equal to what they project to get in 16. She thinks it will come in slightly higher than that, but the extra million for 16 and 17 were able to offset the concern going into 17. To date they have received \$25 million in revenue for the general fund. They have PILT to yet receive the remaining C-tax which will take them to the \$35 million projection for 16.

Marvin Leavitt, Chairman, stated he understands they have had a hard time, and the committee wants them to succeed. He asked about the PILT money coming in June for the current year. Ms. Webster stated she had done that to tie out the budget to the cash flow sheet, as typically that may come in later than that. He asked if that typically goes into the general fund, she answered yes.

He then asked her to address the final budget numbers showing receipts and disbursements that were larger than the receipts. She stated she did, and reiterated that the consolidated tax from FY16 that exceeded the budget would help them with shortfalls for FY17. She clarifying that the FY16 overage would roll into the ending fund balance and be used in FY17. He asked if we look at FY17 by itself, if we were still talking about expenditures exceeding revenue for that year. She answered yes.

Mr. Leavitt stated his concern that at some point they have to get their revenues and expenditures in line. Ms. Webster stated she understood, but this year they do not have their proceeds, and they have to accommodate for that situation. He stated the problem is with net proceeds there is no guarantee they will

have net proceeds for the future. She stated she recognizes that, but with what they have had to go through they are trying to get it balanced.

Frank Carboni stated it would be nice if they had something more stable, and appreciates the Chairman's concerns.

Mr. Leavitt asked them to address the past violations of statutes relating to over expenditures and negative fund balances. He asked if they anticipate that there will be more of those when they see this year's audit.

Ms. Webster stated she has hired a comptroller, which they did not have in the past couple of months. She is overseeing this personally. They do not expect to have those things continue. They are monitoring those departments that have had significant issues in the past, monitoring them weekly with their expenditures and their encumbrances to make sure they do not have that kind of a situation. She assured the committee that the Ambulance fund has had the issues with the negative ending fund balance in the past but it will not this year.

Mr. Leavitt asked about where they stand on the medical hospital situation. Ms. Webster explained that Nye County has entered into a lease agreement with Renown health who began operations June 1, in the form of a clinic. It is not an operating agreement; they are not subsidizing the operation in any form. Nye County is merely leasing the building to them and providing building maintenance. At this time there is no intent to have any kind of subsidy with them on behalf of Nye County. They have received an LCB opinion regarding the use of the hospital building to contract for medical services with a hospital outside of the district as well as within the district. They have included money in the budget if the ability to expend money if the hospital district chooses to, but there is no plan to do so at this time.

Mr. Leavitt asked what parts of the county the services from Renown include. Ms. Webster stated that it includes anything north of Beatty; Tonopah, Gabbs, Hadley, Round Mountain, all of the Northern communities. He clarified that they are getting medical services for all of the northern part of the counties. She stated yes, in the form of a clinic. Mr. Leavitt clarified that they do not have any hospital services. She stated no hospital or Urgent Care at this time. Mr. Carboni stated they are exploring those at this point in time.

Mr. Leavitt asked if they have further discussed seeking a legislative change to clarify the hospital situation that they discussed at the last meeting. Ms. Webster stated they were waiting for the LCB opinion to see the legislation as it existed enables them to provide those services, and it appears it does. They are still going through the LCB opinion to see how they can put it in play. Mr. Leavitt stated it appears there are conflicting opinions from the LCB and the Attorney General, he said if that's the case it looks like they are better off getting it clarified through legislation. Mr. Carboni stated they are looking into that as well. Mr. Leavitt reiterated that it is really important that they resolve the problems they have had in the past with violations of statute. He went on to state that they will be looking really carefully into the audit reports at the end of this month to be sure they don't have any of those. He reminded them if they are, they still have time to take care of those things, and to look carefully at their reports.

Member Sherman echoed the Chairman's concerns, and warned that they have seen over the years local governments not rectify certain issues which leads to increased problems. Being more specific to the last fiscal years audit were lack of bank reconciliation and timely and accurate posting to books and records, which leads one to make decisions based on incomplete and inaccurate information. Particularly troublesome was the bank reconciliations and the \$5.8 million transfer from a PILT fund to a general fund which appeared to be to deal with cash flow problems in the general fund. He stressed that comingling funds to deal with cash flow problems can magnify those problems in the future. He strongly encouraged them to make sure their accounting records are maintained timely and accurately and the absolutely need to do bank reconciliations and without it they could drive over a fiscal cliff without knowing it. He is hopeful that the current fiscal year audit will show those issues rectified.

Mr. Carboni stated that he thinks they will be happy to see those problems have been fixed and that having two comptrollers leave them, they are still trying to make sure the policy is staying whole. He brought up that they have been working hard to bring in business to assist with their tax issues. He mentioned some of the business that have come to the area and brought in more jobs, another looking to move in. They are not able to give away tax money; they are doing what they can to help them get in place. He assured they are working hard to bring in more revenue.

Kelly Langley asked for clarification on the tentative and final budget. She asked if the \$900,000 tax proceeds would be used to pay for services and supplies on the lease agreement with Renown. Ms. Webster clarified it is a lease agreement. Renown will pay Nye County \$1 per year to lease the facilities. Nye County will not pay for any operations at the clinic. The money that was put in the budget was only put in to spend if the Board of Trustees decided to. There is nothing coming from the hospital to the county to fund the hospital. Ms. Langley also asked about disposal expenses. Ms. Webster stated they are paying building maintenance including waste disposal. Ms. Langley clarified that the \$900,000 would not be funding that. Ms. Webster stated they would not. That would be coming from the county owned building fund.

Mr. Sherman brought up the question if the hospital district imposes property tax and collects revenue but has no identified use of the funds, what the purpose of the district would be. Ms. Webster stated that they have been dealing with the ability of the hospital district to fund a hospital if it chose too, and that the LCB opinion states that. But at this time, she does not have any intended use because she does not know if they want to use that to expand the operating capabilities of the clinic. At this time she does not have any documentation or decisions from the board to expend that money on anything specific. Mr. Carboni stated the election for the Board is in November, they do not want to do something without the consideration of new board members and that Ms. Webster is trying to show where the money is at, not that they are trying to hide anything. She stated that they needed to get the hospital open and get medical services, so they issued a lease agreement with Renown, pure and simple.

Mr. Sherman stated he appreciated the answers, and he didn't believe there was a dispute with this committee that they needed medical services. He went on to state that because there appears to be conflicting legal opinions as to the formation and purpose of the hospital district that he would hope they would resolve those matters rather shortly. He stated it seems odd to have a hospital tax without a hospital to go with it and has no current plan to use the property tax proceeds. He thinks the chairman mentioned that there appears to be a need to resolve the legal dispute that they work with their representatives to craft some language to get into the next legislative session to resolve those issues. He stated that amount of money sitting in an account that they are collecting taxes to fund but have no use for, at least now, is troublesome. He hopes those matters will be resolved and that they can report at the next committee meeting to give an update on steps taken to resolve those issues.

Chairman reiterated he has the same problems. To levy property taxes against the citizens when you don't know have the slightest idea how you are going to spend it is not the best decision in the world.

Mr. Carboni interrupted that they didn't know what they were going to do until they got the LCB opinion.

Ms. Webster stated they have only had the LCB opinion 4 weeks, so they are moving forward with it. She stated she does not have any other opinion, if there is an AG opinion, she would love to have it.

Chairman asked if there were any further comments.

Mr. Sherman made one last point that he does not believe Nevada Tax Commission has certified the Department tax rates in the state. Ms. Rubald stated no, that would be on June 27. Mr. Sherman asked if their item would be brought to their attention. Ms. Rubald clarified if it was in regards to the hospital district, which Mr. Sherman affirmed. She stated they could if that's the pleasure of the committee. He stated the thought crossed his mind, and maybe they could bring it up later in the meeting. If there was a legal or financial issue related to the tax they are imposing, he couldn't remember the amount. Ms. Rubald clarified it

was 20 cents. Member Sherman went on that 20 cents per 100 may be prudent to bring to their attention. He further stated something is troublesome to him and he can't let it go until those questions get answered.

Mr. Carboni asked if it was because they had 2 different opinions.

Member Sherman stated that, and he knows there is attorney client confidential conversations between the Department of Taxation and the Attorney General, that they have a written opinion from LCB which is good for them and what they are trying to do, but it doesn't resolve the matter of why. It's not unknown in this state that there are different legal opinions between the legislature council and the attorney general. He thinks that the big one two in his mind is not only a legal basis is that they are imposing a tax on their citizens and has no plans to use that money.

Mr. Carboni interrupted that they did have a plan, to put a hospital together. But because of the issues at the last meeting they were told they couldn't do that until they got legislation changed so they got an LCB opinion. Now they want to go further and go after legislation changed, he believes Pico Guchia and James Oscarson they will pursue that if that's what is required. But right now they are working off the LCB they just received to go forward. They are working with the DA to make sure they do not step on any more toes. They are trying to move forward. They appreciate all the concerns, but they are looking for the Committees help to move forward.

Member Sherman clarified that this is to help them, they are looking for potential challenges that might frustrate their intent.

Chairman stated they definitely don't want a citizen filing a lawsuit for levying taxes that they don't have intent, or plan to spend, and that the committee is not trying to be antagonistic towards them.

Member Kalt had comments and concerns about Nye County itself. He was looking at the final budget for FY 17, under Schedule A. The beginning fund balance in the aggregate of all funds was 44.7 million, estimated ending balance 23.3 million, a 47% reduction in their overall ending fund balance of over 21 million. He thinks it's quite a concern that another year like that their fund balances would nearly be 0. Regarding PILT, 3 million looks like the total received for the general fund. He thinks long term those things should be used for capital items, not ongoing operating costs. In the General fund, fund balance went from 7.5 million to 5.8, a reduction of 22%, however the ending fund balance is 17.86% so it is healthy compared to the overall rate. He stated their burn rate is going in the wrong direction. If they were to continue, and if actual equaled budget they'd be having potential problems and from a watch point he just wanted to bring those items up so the county can reflect on their practices to see if it makes sense on a long term basis.

Chairman asked if there were any other comments or questions from members of the committee.

Member Colvin had questions as to where the operating transfers in were coming from. Ms. Webster stated there are none for FY17. Ms. Colvin clarified she wanted to know for 15 and 16 if these were one time revenues, not available for 17 or future years. Ms. Webster stated they were from the dissolution of some endowment funds. Ms. Colvin thinks it would be beneficial for 16 if they would put together a calculation of the actual deficit, the one-time revenues and one-time expenses that are built into this so they can see the true deficit. Ms. Webster said ok, and Mr. Carboni said thank you.

There were no further comments or questions.

(b) For Possible Action: Discussion and Consideration of City of North Las Vegas Financial Condition:

Report by City on the following matters: FY 16/17 Final Budget, including revenue, expenditures, cash flow analysis and scheduled debt repayments;

Member Kohn-Cole recused herself from any discussion regarding this matter.

Member Johnson disclosed that he owns bonds that North Las Vegas issued they are a small part of his portfolio, and shouldn't affect any decisions that they would make, or at least his judgment in him helping to make those decisions.

Terry Rubald introduced the cash flow projection for the general fund for fiscal year FY16 which indicates a positive ending for the balance and the city's budget is also in the Committees packet and that Mr. Adair would be presenting today.

Darren Adair reiterated that they have included the cash flow through March, 2016. He went on to state they anticipate to be in a positive, above 8%, ending general fund balance. He also stated they included the budget workshop presentation from the tentative budget, which he will explain the reason for the inclusion, as well as the final budget presentation. He noticed Ms. Rubald included a copy of the review journal article by Alex Corey discussing results and the discussion they had with the final budget. He thinks it was a good inclusion. And then of course, detailed budget state forms for the final budget.

He wanted to share certain parts of the packet to summarize where they are as a city. He directed the Committee to the 3rd page, of their packets, cover letter for the tentative budget, 4th and 5th paragraph. In the 4th paragraph, he read, the city anticipates FY16 general fund to come in close to the budget, increases are expected in C-Tax, business licenses, license and permitting, however; reduction in medical marijuana, due to delayed openings, and charges for services, fines and forfeitures municipal court are expected to offset most of those increases. Projected expenditures expected to meet budget at this time, which you saw on the cash flow, resulting in the FY16 ending general fund balance of \$13,105,575 which is approximately 9.9% of the total expenditures. In the next paragraph, he added, included in this tentative budget is a plan to increase staffing levels necessary to meet maintain and increase city services as steady population growth continues. Approximately 2% assumed annually for the last three years. With this tentative budget, the city will still need to identify \$7.7 million reduction plan to allow the city to hire the Department Director's recommendations for minimum staffing levels. Contract service negotiations and possible agreements within the next few weeks with several bargaining groups could significantly impact all or some of the deficit. Otherwise, all or some of the budget reduction line item will be eliminated by reductions in the plan hiring with the general fund and the expenditures will be adjusted accordingly before the public hearing and adoption of that final budget.

He went on to say, in the couple of pages that follow that, there's discussion of financial accomplishments, He suggested the Chairman may appreciate the added graphics, the use of a metaphor of an airplane and where the city is at in its recovery. This is helpful with a lot of discussions we have with various groups who are interested in the city's financial situation.

He further added, that tentative budget addressed outstanding legal obligations as well as general fund balance being restored to 8%, debt service requirements were met, self-insurance reserves were fortified, slight improvement of bond ratings were recognized, and concentrated efforts on economic growth were being identified. Team effort on concessions and balanced budget for the two consecutive years were the accomplishments on the tentative budget.

He stated the next 2 pages talk about the current challenges, that the city's growth is creating increased staffing need. He referred to the Article by Mr. Alex Corey from the Review Journal where he reiterated the fact that the city has from 2006 to 2016, over the last 10 years, has seen an increase in populations, but that the staff has seen a dramatic decreased. Mr. Adair believes he quoted 2000, but that did not include seasonal workers. They are down from about 2400 to about ½ that number, he believes they are about a 46% staffing decrease. That's significantly deeper than some of their peers in the valley, even across the country as they dealt with financial challenges. This is reflected in some of the overtime issues, and workers comp claims the city is experiencing, they recognize this is a challenge for the city and they are trying to address the recovery of those staffing levels. They have identified, taking the approach of looking at whether there's wants, needs or critical needs, and looking at the staffing requirements of the city department heads believe that they need in order to address the opportunities and needs the city has. They have identified about 172 positions, 130 of those in the general fund. That would approximately bring us back in the position

that was about 3 or 4 years ago in their staffing levels. He said, that gives an idea, besides reducing supplies and services, of what the city has done to address its financial deficit under the reporting period they have been in front of this committee. That process has led the city to identify critical justification committees at various levels in the city and have evaluated our needs from a stand point of wants, needs or critical needs, at this point, wants aren't even discussed. Needs are identified as they could become future critical needs, but at this time the city is only dealing with critical needs as far as staffing.

He went on to state, this created a \$7.7 million deficit in their tentative budget, they elected, and he knows Chairman Leavitt in previous meetings has counseled us not to bring a tentative budget without an answer to it, he intentionally included it because he felt it was important for people to understand that the 7 year forecast that has been presented to our city's leadership as well as the community and citizens as a whole, identified that there was going to be an anticipated short fall during this current period for the city and that shortfall the city had responsibly addressed, proactively rather than waiting to get to the point and then expect somebody else to help them. They had done that by this critical review process of their staffing situations as well as their reoccurring expenditures. He went on to state what's ahead for the city is the illustration that the mayor pointed out to Mr. Adair, that the mountains on page 6 of the presentation are intimidating sharply peaked, they represent PILT, which is the continued dependency on about \$24 million annually from their wastewater and water enterprise. This continues to be a challenge for the city. But they believe the seeds they planted with some of the commercial and industrial prospects out at the Northern Beltway Business Park and APEX will produce fruits that ultimately they believe they can report to the state and city that they have a long term plan recovery and reduction of that PILT. They hope to do that at the upcoming legislative session in hope of getting some support for an extension for that time line of 2021. They hope to have the support from this committee, if it was deemed appropriate, in that effort.

Mr. Adair went on to the actual final proposed budget. He referred to the cover letter provided to the Department of Taxation, paragraphs 5 and 6. He read, included in the tentative budget was a plan to increase staffing levels necessary to meet and maintain and increase the city services as steady population growth continues, approximately 2% annually the last three years. As part of the preliminary tentative budget the city would have had needed to identify 7.7 million reduction plan to allow the city to hire to the department directors recommended minimum staffing levels. The minimum identified staffing needs of 173 full time employees, all funds, 130 in the general fund, has been reduced to 79 all funds with 50 additional full time employees in the general fund. With this reduction of planned hiring all of the associated budget line items were eliminated or adjusted accordingly for the public hearing and adoption of the 2017 financial budget.

He appreciates the recognition from Terry Rubald and Kelly Langley as the work with them through this tentative budget audit process that they recognize and perhaps advise Chairman Leavitt and the committee members from time to time that the deficit that we had projected in their tentative budget that there was a responsible solution, however, that they were raising a very grave concern for their city going forward.

He referred to the next two pages, "What does the budget accomplish?" He believes the Chairman has asked a couple of times for these kinds of questions. He stated it does, in fact, incorporate the service priority set by the council, it does not include any city tax rate increases, which they don't believe would contribute materially to the solution, it does meet the minimum required 8% general funding balance and includes 2017 CIP plan.

He added the 2017 CIP plan, what was unique for this year when they put this budget together, was for the first time for the 2017 plan finally exhausts all the excess bond proceeds they have had for some capital projects. They have been stretching that out as long as they could. Going forward from this point, without additional financing for the city, the capital improvements budget process outside initiative or outside agency funded dollars coming in will now become a demand on the general fund. They had hoped to have solutions for before that became the case.

This budget does address all debt service requirements. It includes a net increase of approximately 75 additional staff across all funds, 50 through the general fund. They are pleased to be adding some net positions, they don't believe it is as much as they need, but is in a positive direction.

The next page summarizes from a numerical standpoint that the changes from the budget workshop to the final budget were almost exclusively related to the staffing. He stated there was really not much room to move in the final budget. They had done a very good job, he believes in nailing down in the tentative budget process exactly what they have and what they needed and through the final budget process there was very little change.

He noted the other thing that might be of interest, is about midway through just before the state forms for the final budget is the newspaper article from the Las Vegas Review Journal that is entitled "North Las Vegas budget calls for more Police, Fire, and business staff." It does include in there, the city is anticipating a 5 million revenue increase for additional taxes and permit dollars that could cover the 50 full time employee positions, but the additional staffing, to go to the full staffing, would be the \$7.7 million.

He also wanted to tell the committee, he has listened to the comments that have been made previously and the concerns from this committee with respect to the difference that exists between a balanced budget and a funded budget. The city has presented to the Department of Taxation a funded budget, rather than a balanced budget, which means their expenditures still exceed their revenues. He states that obviously, when you hire additional employees without evidence of recurring revenue sources it prevents a little bit of a risk to the city. He believes they have done so responsibly. The 50 positions during the current year budget are planned to be scattered throughout the year, it will cost the city about 2.3 million funded out of the ended fund balance that he anticipates they will have. He states that obviously that the next year this will result in a reoccurring expenditures to the city of about 5 million. His hope is that if they hire wisely in those position, most critical to the city, they will result in additional revenues to the city. He says they do believe the city has a bright future that ahead of it. He says they may be revenue challenged, but not opportunity challenged, they have lots of opportunities. And they may be staff challenged, but not talent challenged, they have very talented group of employees that are very committed. They believe this provides a foundation for the city to move forward in the future. They have received positive reaction from the credit rating agencies, that they are not out of the woods, and they still have a responsibility to reduce themselves from the dependencies on the wastewater enterprise, but that they have made significant improvement.

They are seeing slight improvements and recognizing and putting those slight improvements in their reserves. Those reserves over the last year have been related to health insurance and workers comp. They are hoping it will provide the city some stability. They are self-insured at the moment, so unexpected increases, employees or members of employees, significant treatment costs can cause the city to be financially challenged. So they have added to those reserves. In the upcoming budget they hope to address some of the necessary reserves they need to increase to replace vehicles and other equipment for the city. The city has recently gone through a fairly long stretch of not buying new vehicles for our safety response departments, obviously they have been very mindful of using equipment that is still operational and be used to timely respond to the services, but perhaps the useful life is getting closer and closer to when that might be critical that they have to be replaced.

He stated to the Chairman, he is pleased to come back and return a report to the committee on the progress that's been made. He believes the city is headed in the right direction. As an organization, they have tightened their belts, and are working with our peers, including the city of Las Vegas, and the county, the city of Henderson, as well as our supporting peers in the North. They appreciate the support from Reno and others as they have gotten ideas on how to reduce, or streamline some of their reoccurring expenditures. With that, he was open for questions.

Chairman Leavitt asked if there were any comments or questions from members of the committee.

Chairman Leavitt stated that he thinks they have done a really good job of controlling their finances. He stated they were pretty much at the point that if their financial situation is going to get very much better than it is, they would need additional revenues. He stated he was looking at some information from the Department, he noticed North Las Vegas in the 2009 FY had 25,138,858 coming in from property taxes and in the 15 year, they had 7,684,000. He thinks that pretty well says what their problem is and until something

resolves that it will continue to be difficult for them. He thinks their situation is worse because they had huge growth prior to 09 that ran up assessed value and the recession hit and decreased the assessed value. He said he has to give them credit, prior to Adair arriving on the scene, the committee had a group that resisted, but he thinks they have their financial situation under control and now their problem is to get enough staff to provide services for their citizens, which they've said they are making some effort on that.

Mr. Adair commended the Chairman's comments and wanted to add to them that the revenue sources in the city, perhaps the state, especially when it comes to property taxes, the assessments of the property value itself is starting to recover to the prerecession or near prerecession levels. In the city of North Las Vegas, in the absence of the property tax recover, the city has had to depend on obviously water and waste water fees to maintain those minimum service levels. Obviously that's not a prudent practice for an enterprise which should be at a break even model. That's why the city has been advised and mandated to correct that situation. The city of North Las Vegas, the recovery model is as if those property tax caps are lifted or as if there are solutions that come before. The city will embrace the recommendations of this council, and committee, they are grateful for the opportunity to return a report, as well as work with the individual members, as well as the chairman and Department of Taxation with understanding our situation and developing a plan for recovery. They also recognize the model for CTAX a distribution throughout the state, besides the base needs that every community had when it was put into place, it supports the direction of those dollars towards those communities which are in a growing situation. Under the direction of current city leadership, its believed the only way the city can solve it situation is to grow itself. City of North Las Vegas has a lot of undeveloped resources just short of being utilized before the economy dropped. They believe by encouraging development in the 1600 acre commercial properties by the speedway, and the 2600 acres of master planned community near the beltway is promising for support of the commercial and industrial jobs. A lot of attention has been placed on the APEX, about 7 or 8,000 acres of industrial property and the value that will bring to the valley as those jobs are created. They hope to continue to make these things a reality, and continue to report a plan for complete recovery.

Chairman asked Mr. Adair to explain where things currently stand with APEX, and how that will affect their current situation.

Mr. Adair stated from a financial perspective, Faraday future provides the catalyst to an area we've known for a long time had a lot of potential, but did not have the infrastructure to attract them, and without them being their the city couldn't justify the infrastructure. The special session held in the support from the Governor's office of economic development in December, provided a finance vehicle for the city to provide financing for the infrastructure, the state has lent its assistance in doing that. Faraday has moved forward, they recently leased space in the 3rd floor of our city hall bldg. which allows their team and our team to work together to speed up the process. Faraday future has a very aggressive timeline to reach the market with their all electric hybrid automobile, the city aims to support them the best that they can. While also maintaining the Faraday future, with the tax incentives from the city, state and county doesn't help them. But the infrastructure would allow the area to continue to attract other businesses they are recruiting those tax dollars would provide help to the city of Las Vegas and the valley.

In the short term, APEX presents a drain on staff. They have limited staff, arguably they are below minimum levels, the time and effort that is involved is significant. As well as the commercial and residential projects they have going. Financially the city can't throw dollars to these projects. They are grateful for the support they have received from their peers.

He believes the city is mindful of the short term impact, but they must plant the seeds now, and water them as quickly as possible so they can see the fruits that will allow the city to reduce its dependency on waste water fees.

Chairman Leavitt asked if there were any comments or questions from members of the committee.

(c) For Possible Action: Discussion and Consideration of Elko County Convention & Visitors Authority financing:

(1) Report by the Department regarding a financing completed for a \$9,000,000 facility expansion, including discussion on whether financing was an MTO or Lease Installment Purchase Agreement pursuant to NRS 350.087, whether resolution authorizing execution of Ground lease, Facilities Use Agreement and related documents, was properly adopted February 6, 2015 pursuant to NRS 350.087; and If not financed under NRS 350.087, whether financing received Debt Management Commission approval pursuant to NRS 350.014.

2) Response by the Elko County Convention and Visitors Authority regarding the concerns of the Department

Kelly Langley, Supervisor of Local Government Finance, stated this item was brought to the Department's attention during the tentative and final budgeting review for the Elko County Convention & Visitors Authority. Their staff wasn't sure how to reflect the recent payments for a recently completed \$9 million expansion for the conference center and made a \$3 million equity payment towards this project. Upon review, there were a lot of unanswered questions regarding the financing and a lack of transparency and inconsistency presented in their reporting of this transaction in their quarterly reports to the Department of Taxation, as well as their cap for the 14/15. There was uncertainty as to how to properly reflect in 16/17 budget. The review started with the 14/15 audit.

In their note 10, it states that this Capital Lease was due to a gap at the end of the land lease. Upon speaking with their auditor, she mentioned it reverts back to them with all improvements as referenced in the ground lease documents. Under note 4, it reports this as a CIP (construction in progress) balance, as of June 30, of just slightly over \$3 million, therefore not being depreciated. The major change from 13/14 was the transfer of current assets to construction in progress, which was a capital asset of just under \$3 million. It further stated this was part of the equity contribution from ECVA for the construction of the new conference center. In the MD&A of the audit, it stated the total government funds expenditures which included \$2,975,000 in funds paid for construction of the new conference center. The capital outlay which includes the construction in progress transfer is the largest expenditure, followed by salaries and benefits. MD&A further stated the total equity portion of \$3 million towards the construction of the new conference center. In the schedule of revenue, expenditures and changes in fund balance, the facility expansion project reflected a final budget of \$3.1 million as a capital outlay on page 38 of their audit. It also received a \$1.1 million transfer in from the capital projects funds as other financing sources. Department also reviewed the previous QES's of March and June 2013. The June 30, 2013 QES reflected as of April 1, 2015 capital lease for \$9,000,000 construction of a new conference center to begin April 1, 2015. Completion expected in December of 2015 and the capital lease payments were to begin in January 2016, amortized over 25 year period, estimated to be just over ½ million per year.

Going back further the March 31, 2015 QES reflected that there was an execution of a ground lease, facilities use agreement, and development benefiting the Elko Convention and Visitors Authority, giving credit for payments expended. The balance of \$1,835,000 was paid March 27, 2015. The QES also reflected that the Facilities use agreement, or as they called it "lease", of \$9 million was a \$47,128 monthly lease payment effected after the completion of the building construction.

Finally, the Department reviewed the indebtedness report as of June 15, 2015, this transaction was reflected in the other debt as a lease of a new building estimated to begin January 2016, and was reflected for \$284,000, because it was a ½ year for that year. There was also a note on the bottom of it that quote "Upon completion of a new conference center, estimated to be in December of 2015, ECVA anticipates leasing the facility for 25 years, at the end of which it will take possession of this facility." \$284,000 represented approximately 6 months of lease payments in 15/16 FY, it was reflected as debt on the C1 in the 15/16 budget. If this is financing the resolution authorizing the execution of the ground lease, facility use agreement, and related documents back on February 16, 2015, did not have the required 2/3 vote. It was interpreted that only a simple majority was required. It doesn't appear that this financing received debt management commission approval pursuant to 350.014. Upon review of the minutes, staff was concerned that this elaborate financing was potentially providing a method of circumventing not only prevailing wage requirements, but that it doesn't

meet the spirit of the statutes. Staff are additionally concerned that everything they have been told of the lease/lease back structure that eliminates the financial liability to the governmental entity is in direct conflict not only to their own CAFR but also in their MD&A in that CAFR.

Ms. Langley believes this is the 1st time a financing of this type has been completed in Nevada. At the same time, the city of Phoenix has gone outside of AZ for financing a project. Because we have other entities looking for creative ways of achieving financing in these difficult times, Ms. Langley wanted to bring this creative financing conduit to the attention of CLGF, and also ask of the group, the committee, is this an exception to the MTO or lease installment purchase regulations. Should it require approval of the Executive Director of the Department of Taxation, pursuant to NRS 350.088 or approval from the debt management committee pursuant to 350.015. Should this obligation be reflected as financing in the indebtedness report, or is it outside the purview of debt and obligation reporting for the entity? Finally is there a need to create a subcommittee to consider possibly a guidance letter for other entities that may be looking for a similar financing conduit, as well as provide guidance to staff as to how to treat these in the future.

She introduced Don Newman.

Don Newman, Executive Director of the Elko Convention and Visitors authority. He came forward to talk about the challenge of the lack of space they were faced with in their 30 year old facility. It has been maxed out for the last 3 or 4 years. They have been turning away approximately 6 to 10 events a month that they could not provide dates for. Approximately 4 years ago, they started looking at plans to expand. They looked into expansion on a property they already owned. They discussed this annually, and then moved forward. He stated Mr. Steve Nielsen will discuss what they went through. He stated the documents Ms. Langley mentioned are full of misinformation; they were not sure how to categorize a lot of this. They did make a lot of mistakes in the budget and the reporting process.

He stated this is not a purchase; it is a lease/lease back. They did a ground lease to a nonprofit group, and they then developed, they financed, and they built a facility Elko Convention and Visitors authority leases, at the end of the term, when the lease expires, the land has to be returned in its original form. He introduced Mr. Steve Nielsen.

Steve Nielsen, partner in a two person firm called Government Facilities Development Services. They work with a nonprofit called James McGillis Foundation. Their charitable mission is to lessen the burden of government, and provide services in underserved areas in education, healthcare, and government facilities. They do not get paid for that work. The purpose of this program was to lessen the burden for the government agency, privately finance, privately construct, and privately own this facility. In the event of a default the lender will take possession of the property. It was structured to not be a lease purchase agreement or installment lease purchase. They have worked with Nevada law firms, and the attorney for ECVA to figure out what to do. They are trying to create an arms-length transaction. One of their missions is to develop a finance vehicle for needed government facilities that are nonrecourse to the government entity. The more involvement, the closer they break that tie. At the end of the lease term, the nonprofit is to tear down the building and return the land to its original condition. It does say that if the government entity asks them to leave the facility, they are to respect their wishes. It was designed to create an operating lease scenario that is completely no recourse to the government entities. They did studies to determine how much building could be afforded without putting a burden on the government entity, with allowing for future expansion. He stressed this is a nonprofit transaction, there is no buy back.

Don Newman spoke again and stated during this process it was critical to him that they use only Nevada resources. 27 subcontractors, 24 were Nevada, 10 were local Elko companies. The project was completed ahead of schedule and \$80,000.00 under budget. It was a guaranteed maximum value. There wasn't any over runs or additional costs. They ended up with a wonderful community asset. Elko continues to grow. This new building will allow them to host multiple events that will help Elko's economic base as they go forward.

They were not trying to circumvent, they were able to find a system that met their needs. He offered to answer questions, but stated he is not the financial person. He reinstated that they were trying to fit something into a process that they did not do a very good job of.

Chairman Leavitt stated this brings a lot of questions as to how we should report this. He stated we probably ought to create a subcommittee to handle this.

Ms. Langley stated her issue with this is how it is reported in their CAFR. That it is misstated because it references financing.

Chairman Leavitt suggested Member Johnson should be chairman of that subcommittee. He accepted.

Chairman Leavitt asked if there were any other questions on this item.

(d) For Possible Action: Discussion and Consideration of School Districts reporting a 3rd Year of Decline in General Fund Ending Balances pursuant to NRS 387.3045

- 1) Report by the Department regarding the following school districts reporting a 3rd year of decline in General Fund Balances pursuant to NRS 387.3045**
- 2) Response by the Churchill County School District**
- 3) Response by the Douglas County School District**
- 4) Response by the Lyon County School District**
- 5) Response by the White Pine County School District**

Member Johnson recused himself from this matter.

Kelly Langley came forward and called Churchill County School District to comment on the decline of their school district.

Chairman Leavitt made a general comment about the letters talking about what caused the decline. He requested that when they address the committee today, they need to emphasize what they are going to do to stop the decline as opposed to what caused it.

Dr. Sandra Sheldon, Superintendent Churchill County School District came forward and agreed they have had a declining fund balance for the past 4 years. She explained their enrollment has gone down over 1,000 students over the last 8 years. They have lost over 100 employees, both in administrative, licensed and classified. They lost some employees through RIF, others through attrition. This year they cut approximately 9 positions. She stated their fund balance is increasing for the first time this year. They were notified that their DSA has been cut \$69 per FTE, which is \$220,000, with that amount of money they will not be able to cut licensed staff. She stated they will hopefully have to absorb that throughout the next budget. She anticipates a slight increase in the fund balance for the 17 FY.

Chairman Leavitt asked what the fund balance will show when they receive the report this June.

Phyllis Dowd stated that it will show an increase of about a ½ million dollars. They are matching their enrollment with their staffing levels. She reiterated that they have increased their balance since FY15.

Chairman Leavitt inquired what was causing the decline in enrollment.

Dr. Sheldon stated part of it is the Charter School in the District. She went on to say that students have left Fallon as students graduate, and they have not had younger families move into the District. Also, that there are economic developments. She believes Fallon's expected growth is 2% over the next few years.

Chairman Leavitt asked Member Kalt if Fallon has had a decline in population over the last 4 years. Mr. Kalt responded that the population has remained flat.

Member Kohn-Cole asked if they have been affected by the change in the formula.

Phyllis Dowd stated that they have felt it, but have budgeted for it. For FY16 they were over the 5% for Hold Harmless. She pointed out that when the Legislature changed the Hold Harmless ruling that greatly affected the rules. If they lost 4%, that's almost \$1 million. They are not able to lose anymore licensed or administrative staff.

Chairman Leavitt asked if there were any other question.

Kelly Langley introduced Douglas County School District.

Holly Luna, Chief Financial Officer for Douglas County School District came forward to state she has been in the school district for 10 years. She stated that Douglas has been looked at being pretty financially secure. Unfortunately, the last 3 years show otherwise. She stated their focus to negate the continued decline has to be on employees, 85 cents of every dollar is spent on people. She stated there is legislation that does not let them lay off contracted, licensed personnel after the 1st of May, which limits their ability to make adjustments when it comes to employees. Their staffing on the classified end is already minimal, compared to what the certified staff costs the district.

She went on to state that with the last legislative session, there has been a number of new initiatives. They are now looking at what is required of them as a School District. Over the next year, they will be looking at staffing. The loss of Hold Harmless has hurt Douglas County as well, and since their proportional share of state obligation is dependent on enrollment, which has been decreasing.

She commented that Douglas County has had a slight increase in population, but the school district is declining.

Chairman Leavitt asked about the Special Education numbers increasing.

Ms. Luna stated she is not the expert on it, but that it is difficult on the financial side. It is not something they can plan for, but they have to accommodate it. She went on to say one of the frustrations has been that the Department of Education has begun the reallocation of the special ed model. 12 out of 17 school districts do not get anymore money, even though their costs are rising.

Chairman Leavitt questioned the expected increase in funding balance in the coming years.

Ms. Luna corrected him, that they expect a decrease. She projects a decline for the FY15-16 of \$1 million or 21.1% and for the incoming FY, a \$1.8 million decline, or 44.8%.

Ms. Luna stated they are going through their programs. They have already made all the cuts they could in previous years; all that is left is cutting people.

Chairman Leavitt asked how property taxes in her county are currently. She stated they are increasing slightly. He said that Las Vegas has been dropping. He was wondering where they stand compared to the larger cities.

Ms. Langley stated Douglas in FY15 it was \$18 million, the high was in 2010 at \$20 million, it did not have near the drop that Vegas did.

Member Kohn-Cole asked what percentage they expect for their ending fund balance. Ms. Luna answered they will have a 4% ending fund balance.

Ms. Luna stated they will not have as much under spending they have thoroughly looked at trend analysis and that they are matching their budgets up more in alignment with the spend without any buffers. The buffers are now gone and won't be there post 16-17. While they have carried an actual ending fund balance closer to 10%, they won't see that after the decline they expect in the next couple years.

Ms. Luna went on to say that the change in funding models is making it difficult. She explained that they only thing they can really control is personnel. She went on to state that they are looking at that now. They strive to maintain their status as a good school district.

Chairman Leavitt asked if there were any other question.

Kelly Langley introduced Lyon County School District.

Shawn Heusser, Director of Finance and Facilities for Lyon County School District, came forward to say in FY13 ending fund balance was about 10.5%, in FY14 it was about 9.75% and in FY15 it was 8.27%. He stated they will go down again this year due to loss of funding. He thinks it will stabilize somewhere around 7%, and they will continue to monitor that.

Chairman Leavitt commented on how some local governments can have an ending fund balance and still have cash flow problems. He reminded Mr. Heusser that he believes the purpose of the legislation is to get them here to remind them if they've got a problem to not do anything to make it worse.

Chairman Leavitt asked if there were any other question.

Kelly Langley introduced White Pine County School District.

Paul Johnson, Chief Financial Officer for the White Pine County School District stated they have had some ups and downs. He said they do have net proceeds of minerals which have allowed them to defer a lot of the budget cuts in 2008. He said in FY13 their fund balance was 20%, they started to lose revenue from net proceeds of minerals they stabilized their programs and services for students with their fund balance. The legislature chose to fund more in categorical funds than in base funding. Also, the change in Hold Harmless happened after budgets were approved, with that, they lost about \$800,000 based on that decision. They are spending their stabilization fund this year that they were hoping to use to bridge the gap until the next session. They have also been affected by Charter Schools, with the migration of about 15% of their student enrollment; they also lose about 15% of their revenue. He explained that they have to cut programs and services, and mainly staff.

Mr. Johnson went on to discuss Special Education. They transfer about \$1.4 to \$1.5 million to Special Education from their general fund out of their \$12 million budget. He explained that even if a school district suffers a major economic loss, they can't request a waiver for special education.

Mr. Johnson further explained that they have established a committee to identify what can be cut, and create processes to prioritize that. They have cut approximately 18% of their staff, and have looked at cutting programs. They offer blended classrooms which allow them to operate a little more efficiently. He explained that at some point, they will need more resources. He explained that they have had an increase in funding through grants, however those are temporary and most are only good for 2 years, which makes it difficult to recruit for employees.

Chairman Leavitt stated that in the last 3 year period they have dropped from almost \$3 million down to about \$1 million ending fund balance. He asked where they anticipated they will be this June, and next year.

Mr. Johnson explained they will fall around 2% and will be working through the next budget cycle to increase that. They have had a lot of communication with the State Department of Education, the state legislative representative people. He stated he believes they have an inadequacy of funding, not a management issue. He doesn't believe White Pine County School District will be in a deficit again.

Chairman Leavitt asked if they are getting close to a cash flow problem, paying bills.

Mr. Johnson said they are fine with paying bills, he believes that problem only existed when the state issued quarterly payments.

Chairman Leavitt reminded him that they know what their situation is, and not to let it get any worse.

Mr. Johnson assured the committee he does not want to be in this position again. They will do their best to spend within their means and not repeat the mistakes of the past.

Member Kalt made a comment to local governments in total. He stated during the recession many local governments were stressed and were required to develop a budget mitigation plan. It forced staff and entities and their elected officials to look at "what-if" scenarios. He wonders if it is something to consider in the future.

Chairman Leavitt stated the economy has come back pretty well, but local governments and the schools had relied on property taxes, and they are not coming back.

Member Zander commented that he believes from the school district standpoint, this will probably be an increasing trend in regards to issues with fund balance. He believes the problems with Hold Harmless will not hit a lot of schools until this coming FY. He believes the rural counties will be hit harder due to the inability to transfer due to geographic restrictions, decreasing enrollments and make adjustments in certified staffing.

Chairman Leavitt stated some of these school districts can't go much farther until they are having cash flow problems.

Member Zander agreed. He referred to the comments Member Kalt made, and how the fund balance fix only lasts for a year or two. He stated this is a difficult time when you are coming out of a recession and the tools you were given to get you out of it are taken away from you.

Chairman Leavitt moved to the next item.

Item 4. For Possible Action: Adoption of Permanent Regulation

LCB File R053-16 amending NAC 354.660

The proposed regulation amends NAC 354.660 by revising provisions relating to the amount of budgeted ending fund balance not subject to negotiations with other local governments or employee organizations. The amendments conform NAC 354.660 to changes made to NRS 354.6241(3) by SB 168 (2015).

Terry Rubald, Department of Taxation came forward to explain the amendment for NAC 354.660. She discussed the amendment is to expand the language in the bill to determine what amount of the ending fund balance is to be exempt from negotiations for local government general funds as well as special funds and for school general funds. She stated the Department of Taxation did not receive any response from the questionnaire that was sent out. She believes the recommendation of the subcommittee is to adopt the regulation as it is written.

Member Kalt expressed his appreciation to the subcommittee, and stated he believes this will have a positive outcome.

Chairman Leavitt asked if there were any more comments on this matter. The regulation was adopted.

Item 5. For Possible Action: Consideration of rescission of previous adoption of LCB File No. R010-13 - Heart-Lung Liability pursuant to Heart-Lung Subcommittee recommendation

Terry Rubald, Department of Taxation stated this item was placed on the agenda as they did not get a motion or vote about this at the last meeting. She believes the request is to rescind the previous adoption of the regulation and withdraw the regulation from further consideration at this time as it has to be reported to the

legislative commission about the status of all the regulations. She also believes the subcommittees report recommends for this to be rescinded.

Member Sherman moved to rescind LCB File No. R010-13. Adoption was unanimously rescinded.

Item 6. BRIEFING TO AND FROM THE COMMITTEE ON LOCAL GOVERNMENT FINANCE AND LOCAL GOVERNMENT FINANCE STAFF

- (a) Report by Department on recent DMV adjustments of distribution of Government Services Tax to local governments**
- (b) Report by Department on Local Government Finance "Audit Summaries 2006-2015" as prepared for the Committee**
- (c) Approval by Legislative Commission of LCB File No. R078-15, Trust Funds; effective date**

Terry Rubald, Department of Taxation stated this item was placed on the agenda to advise the committee of the recent Department of Motor Vehicles adjustments that were made to the distributions of the GST. She went on to explain that apparently the DMV failed to distribute some of the collections to the State of Nevada General Fund over a three year period and as a result over distributed those monies collected to the local governments. The State is not asking for that money back, but has corrected the distribution error for the future. She explained that one of the problems that arose from the over distribution was the effect on the FY17 projections of revenue. Department of Taxation staff prepared an analysis in a letter to show the effect of the GST distribution on their CTX projections and found the change was minimal. Assuming the Department of Taxation's file budget projections were used. If an entity went off on its own to a different projection, they would need to take into account that the amount of GST is not the same as has been historically been distributed.

Chairman Leavitt asked if this came about from the formula that extended the length of life on vehicle.

Terry Rubald interrupted and clarified that she believes it was due to a DMV programming error, particularly related to online payment of registration fees and there was a glitch in the system.

Kelly Langley, Department of Taxation came forward to talk about the audit summary report. She stated it has historically been provided to LCB, reflecting the county and city school districts. Prior to that, it was done by LCB and only on legislative years.

She went on to explain this report provides the governmental activities, resources, as well as the expenditures or the counties, cities and schools. It provides the fund bi-function resources. She referred to the years 2012/13 as well as 13/14 actual and 2015 is expected and 2016 is the budget in the report, and stated it has been provided as information and to assist. She commented that with the some of the conversations stated today and the decline in property taxes, possibly to show that abatement might be something that is helpful to show the growth as that abatement is increasing over the years, or decreasing.

Chairman Leavitt commented that the effect on the property taxes is really different around the state. He wonders, for instance, say a government, a county levies a property tax rate of 30 cents on the assessed valuation, but we know a substantial portion is abated. He stated it would be interesting to see the comparison between the actual rate that is levied and the effective rate that is actually received.

Ms. Rubald stated she thinks they could do a study like that.

Member Kalt stated when you do that, there are two abatements to look at. The first is the property tax abatement, and the second is economic development. In different entities the abatements related to economic development, different counties have different ones, Storey County for example, their abatements would be

significant. He went on to discuss how Churchill County, for example, has had to raise the apportionment of their property tax rate to the general fund and had to reduce the apportionment to special revenue funds.

Chairman Leavitt commented that he appreciates the work that has been done on this.

Member Kohn-Cole asked about the timing, that the 15 was put in their final budget as expected, not the actual audit. Ms. Langley clarified it is from their audits.

Chairman Leavitt asked if they have any audits that haven't been received. Ms. Langley stated they have all of the budgets. He also asked a general question of how the tentative budgets were, if the quality was any good.

Ms. Langley explained there has been a lot of turnover in the local government offices, so there has been a lot of hand holding, and a lot of calls. Most of the errors have not been carrying through to the final budget. She stated they have been working very hard to get through the final budgets to have the Red Book ready for June 27th.

Mr. Rubald mentioned some feedback on the changes in law as to when the budgets are due. She explained the impact on her office as a lot of the local governments now meet on the same day and it now pours into their office all at the same time instead of being spread out over time.

Chairman Leavitt mentioned how the dates were changed in the past and how it isn't as easy to do as it used to be.

Ms. Langley stated that some of the projection information that has been provided as well as the performance of the various governments, some entities feel that the Department of Taxation and Local Government Finances have been too conservative in their numbers, and then after they find GST had an error and were receiving more money than they should be receiving. One of the impacts is those entities who put a note in chosen to use numbers of their own, instead of what has been provided to them will have to watch closer this coming year, because there has been a problem identified and maybe the numbers weren't so conservative.

Member Kalt commended the hard work of Ms. Langley and the staff.

Chairman Leavitt moved to the next item.

Mr. Rubald commented that the regulation the committee adopted was approved by the legislative commission and the set of Regs in the packet are effective and in place, on the trust funds.

Item 7. REVIEW AND APPROVAL OF MINUTES

(a) For Possible Action: CLGF Subcommittee Meeting - January 6, 2016, Heart & Lung Meeting

(b) For Possible Action: CLGF Committee Meeting – January 26, 2016

(c) For Possible Action: CLGF Subcommittee Meeting - March 7, 2016; amending NAC 354.660

Member Sherman moved to approve the minutes with a change that Mr. Kalt was present at the January 26, 2016 meeting. Beth Kohn-Cole seconded the motion. The motion was passed.

Item 8. For Possible Action: Schedule Date and Review Agenda Topics for the Next Meeting

Agenda items to be included on the next meeting are:

- **North Las Vegas**
- **Nye County**

The next meeting will take place in September. A poll will be sent out to determine the exact date.

Chairman Leavitt asked Ms. Rubald about a date in late September, she stated she would pool the members and find an optimal date.

Ms. Rubald also stated in the meantime she would work with Member Johnson to establish a subcommittee date.

Item 9. Public Comment

There were no public comments.

Item 10. For Possible Action: ADJOURNMENT

The meeting was adjourned at 12:33 p.m.

DRAFT