

Minutes of the Meeting
COMMITTEE ON LOCAL GOVERNMENT FINANCE
August 6, 2013
9:00 a.m.

The meeting was held at the Legislative Building located at 401 South Carson Street, Room 2135, Carson City, Nevada, and video-conferenced to the Grant Sawyer State Office Building located at 555 East Washington Avenue, Room 4412, Las Vegas, Nevada.

COMMITTEE MEMBERS PRESENT:

Marvin Leavitt, Chairman
Michael Alastuey, Vice Chairman
Andrew Clinger
Alan Kalt
Beth Kohn-Cole
Jeff Weiler
Mark Vincent
Mary Walker

COMMITTEE MEMBERS ABSENT:

Marty Johnson
John Sherman

COUNSEL TO COMMITTEE

Dawn Buoncristiani

DEPT OF TAXATION STAFF PRESENT:

Terry Rubald
Kelly Langley
Warner Ambrose
Heidi De'Angelo
Jeff Mitchell
Penny Hampton
Susan Lewis
Janie Ware

MEMBERS OF THE PUBLIC PRESENT:

Name	Representing
Dan McArthur	Beatty GID
Gary L. Reid	Beatty GID
Lance Warren	Beatty GID
John Brown	City of Caliente
Stana Hurlburt	City of Caliente
Al Zochowski	City of North Las Vegas
Debbie Barton	City of North Las Vegas
Jan Fullmer	City of North Las Vegas
Jeff Barr	City of North Las Vegas
Tim Colbert	City of North Las Vegas
Tim Hacker	City of North Las Vegas
Jeff Cronk	City of Sparks
Nick Providenti	City of Sparks
Michael Sullivan	Town of Pahrump
Jeffrey Share	Clark County
Jessica Colvin	Clark County
Gregg Titus	Bank of America
Brian McAnallen	LV Metro Chamber of Commerce
Brian O'Callaghan	LV Metro Police Department
Tony Rogers	LV Metro Police Department
Michael Yarter	NLVPOA
Carole Vilardo	Nevada Taxpayers Association
Cy Ryan	Las Vegas Sun

1. Roll Call

The meeting was called to order at 9:02 a.m. by Chairman Marvin Leavitt. Warner Ambrose, Budget Analyst, Department of Taxation, took roll call and stated there was a quorum.

2. Public Comment

Chairman Leavitt asked for public comment. Terry Rubald, Deputy Executive Director, Department of Taxation came forward. She introduced the new supervisor of Local Government Finance, Kelly Langley, who comes to us from the State Treasurer's Office, where she was a Senior Deputy Treasurer. She handled oversight of budget preparation as well as financial administration of the state's bank accounts. We are very happy to have her back because she used to be the Supervisor of Centrally Assessed Properties. She is very familiar with

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property tax processes of the Department. Before that, she was the Treasurer for U.S. Bioenergy Corporation where she managed the Treasury Division and performed budget to actual analysis of financial statements and worked with underwriters researching various financing options so they could raise capital for their company. She also worked for many years with Sierra Pacific Resources in their treasury operations, working her way up to Manager of Shareholder Relations. Kelly is very well qualified for this position, and we are happy to welcome her onboard.

Vice Chairman Alastuey acknowledged the arrival of the Mayor of North Las Vegas, John Lee. Vice Chairman Alastuey suggested that the agenda be accommodating to his schedule so that Mayor Lee might comment on any issue.

Chairman Leavitt commented that he had talked to Mayor Lee several days ago, and he requested that we move the North Las Vegas agenda item to the beginning of Item 5 on the agenda. We will do this when we get to that point. The first item we have now is to recess for the Regulation Workshop.

3. For Possible Action: RECESS FOR ATTENDANCE AT REGULATION WORKSHOP
The Department of Taxation will hold a workshop on behalf of the Committee on Local Government Finance to receive input on proposed language changes to the Nevada Administrative Code Chapter 354, as follows:

LCB File No. R010-13 regarding the appropriate financial reporting and liability disclosure of health care and disability benefits required by NRS Chapter 617 for local government public safety employees.

Terry Rubald came forward and stated that this workshop is regarding how local governments should report the liabilities associated with providing benefits to public safety employees as required under NRS Chapter 617. The types of benefits we are talking about are disability insurance and compensation to eligible public safety employees and eligible non-current public safety employees for certain occupational diseases, such as heart and lung disease, cancer and hepatitis. You may recall that this body adopted a temporary regulation that was in effect for this last year. We submitted the temporary regulation to the Legislative Counsel Bureau (LCB) for their review. They came back to us with this LCB file with language in their format. In this package, along with the LCB file, are the minutes from the adoption hearing last November as well as some written comments we received from Wayne Carlson, who, as you know, was instrumental in helping the subcommittee formulate the language. Terry Rubald asked the Chairman if he wanted her to go through the regulation to refresh everyone's memory as to what it says. In general, all of the important points that were in the temporary regulation do appear in this LCB version.

Chairman Leavitt asked Terry Rubald to discuss Mr. Carlson's comments.

Terry Rubald referred to Section 10. The original language is requiring the local governments that employ public safety employees and are subject to these particular kinds of benefits, to file a report. We had approximately nine local governments comply with that report that were self-funded. Forty-one entities that are part of PACT report to us. It became apparent that there are some problems with the reporting.

Kelly Langley, Supervisor, Local Government Finance, summarized what has been reported so far on Form 33. We have approximately 51 entities that did report and provide information to us. Approximately 80% of those entities are self-insured through the PACT. The remaining nine are pay-as-you-go. For those that are self-insured with the PACT, the information that was asked for was budgeted information, what their premiums are on an annual basis (FY 2013-14, FY 2014-15). It was determined that this budgeted information was for the premium overall and not specifically for heart and lung. It is hard to give an analysis of what the

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costs are in association with that specific program when the information we are getting is for a broader program.

Terry Rubald stated, realizing that, and also the fact that 41 members are PACT, what we did not get was a report from PACT. We can call Wayne Carlson, and when we issue a final report, we will do that. The regulations do not require PACT to do that. Going back to Section 10, what Mr. Carlson is suggesting here is that we split this report into three groups. The first would be that the self-insured local government has to report, then an association of self-insured public agencies that insure public safety employees would have to report, then a private insurer would have to report. Of the associations, we actually had two. The vast majority were PACT. We also had Humboldt General Hospital report they were insured through LiCON. We have to draft these regulations to accommodate more than the vast majority of the information.

Ms. Rubald then moved on to Section 13, where Mr. Carlson had some small wordsmithing suggestions. He suggested in 13.1(a) to delete the word "other" since its inclusion implies that the association of self-insured public agencies is a private insurer plan, which it is not. Private insurers may offer fully-insured plans, excess insurance over self-insured retention, a group purchase plan or a re-insurance plan. He also wanted to wordsmith subparagraph (e). She had a question about what "person" refers to. Throughout the temporary regulation, we always defined what "eligible persons" were. They were both the active employees as well as the retired. LCB must have thought we should eliminate that throughout the regulation because "eligible persons" is actually defined in the statute.

Ms. Rubald moved on to Section 14 stating that Mr. Carlson suggested we delete subparagraph 1. This is because, on the form, we have asked the association members to report what they are paying to PACT. The amounts are misleading because they report more than what is required by NRS 617. Mr. Carlson explained they do not have any way of breaking it out because when PACT sends them a rate, they pay the rate. He is suggesting that we eliminate that part. With these types of recommendations, perhaps we should refer this back to the subcommittee. Member Sherman is not here today, and he would want to weigh in on this sort of thing.

Chairman Leavitt stated that once we start to make adjustments in one place, we should look at it to be certain that it does not affect other sections. It would be a good idea to send it back to the subcommittee. Mr. Carlson was unable to be here today. We should have him involved in the discussion.

Chairman Leavitt asked for public comment on this particular regulation. There was no public comment. Chairman Leavitt stated that we will plan on sending this back to the subcommittee and close the workshop. We will now reconvene the regular meeting, and the first item we will consider is the North Las Vegas financial condition.

- 5. FINANCIAL CONDITION REPORTS BY THE DEPARTMENT; CONSIDERATION AND POSSIBLE ADOPTION OF RECOMMENDATIONS AND ORDERS**
 - c.) For Possible Action: City of North Las Vegas Financial Condition**
 - 1.) Report by Department on current year financial status, including revenue, expenditures and cash flow analysis**
 - 2.) Report by City on financial condition for FY 2013; status of continuation of FY 2012 labor agreements and concessions; Report on FY 2014 final budget**
 - 3.) Financial status of enterprise funds**
- 6. REQUEST FOR APPROVAL OF LOAN OR TRANSFER OF MONEY FROM AN ENTERPRISE FUND PURSUANT TO AB 503, SECTION 1(2013)**
 - 1.) City of North Las Vegas**

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Member Kohn-Cole requested to recuse herself from this discussion regarding possible conflict of interest.

Terry Rubald stated we asked the City of North Las Vegas to make an appearance to keep you apprised and updated on its current year financial status, particularly cash flow analysis, and to report on its financial condition for FY 2013 and the continuation of the FY 2012 labor agreements and concessions, and finally to report on the FY 2014 final budget. As a matter of record, we do keep track of all of the submissions from the City. We look at the information that we have, and we look at the 26 criteria of severe financial emergency. In general, we find that the City is in compliance.

Warner Ambrose came forward to speak. He stated regarding the severe financial emergency criteria, he has done an update and found, at this particular time, the City is not in violation of any of the 26 criteria.

Chairman Leavitt stated we appreciate the work North Las Vegas staff has done on reporting and budgeting, etc., to bring themselves into compliance. This does not mean they are out of the woods financially as far as resolving all of their problems. Chairman Leavitt stated he would like North Las Vegas to have a discussion with us about where they currently stand with their labor agreements. The whole subject of their financial viability seems to be related to these labor agreements. He understands they have had discussions with the unions. We should discuss this as it relates to the next item on the agenda pertaining to the request for enterprise funds.

Tim Hacker, City Manager, City of North Las Vegas, came forward for comment. He appreciates the opportunity to talk about some positive movement they see with their various unions and the ongoing disputes related to collective bargaining agreements. They are in the second year of a declaration of fiscal emergency. The positives are, they have reached a tentative agreement with their Police Officers Association (POA). They have ratified it overwhelmingly, and the City Council will consider the tentative agreement at the August 7th Council meeting. This is a very positive movement. This is the largest group that has been in legal dispute with the City over the fiscal emergency. There are some conditions that need to be met, which would be approvals of additional use of PILT funds to help satisfy the elements of that agreement. There is the More Cops extension of that levy which is being considered by the County Commission today. They are seeing favorable movements there. They have had a series of meetings with two of the other groups that have produced better understanding and clarity. They have had some good movement with The International Association of Firefighters. They are also working to schedule a meeting with their Police Supervisors Association within the near term. They have had more clarity from the Mayor and Council. They are working with the new Mayor, John Lee, and have had the ability to sit down with him and gain direction on how they need to approach the settlement discussions. The Teamsters Union has not joined the legal challenge. They are going through a grievance process. The Teamsters Union has agreed to delay or actively seek any kind of resolution over the next few months, up to and including the end of November. They are taking a little more passive approach.

There were no questions for Mr. Hacker. Chairman Leavitt asked that either Mr. Hacker or his Finance Director discuss the current financial status of the enterprise funds and what they see as the future viability of those.

Al Zochowski, Finance Director, City of North Las Vegas, came forward to address this matter. He provided the Committee with a report that is labeled "Unrestricted Reserve Balance" for the water and sewer funds. The unrestricted reserve balance is projected out through the year 2017. The assumptions for revenue are that the revenues, the rates for water and sewer services, would increase annually by 3%. This was an ordinance that was passed by their City Council in October 2011, or before. The projections also show there will be a 1% growth in the number of accounts within the water and sewer fund. They believe the projections are very

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conservative and show the revenues will support the operations, the planned transfers of the PILT and provide for a 25% reserve of operating costs, which is required by a 2006 bond issue.

After all these calculations, they see an unreserved balance, in FY 2013 year that just ended, that would have an available portion of about \$31.3 million. The figure does drop down by the end of 2014 to \$20 million. It reaches a low point of about \$11.2 million before it actually begins to rise again. Their long-term projections (which he did not provide to the Committee) show the unreserved portion growing significantly in the years after 2017. The reason he did not provide these figures is because they are still a little speculative, and he did not want to say on the record that these are the actual projected figures. They do see an unreserved fund balance that can support the planned transfers which they are allowed to use after AB471 from the 2011 legislative session. There is still enough to ask for an additional transfer in order for them to meet some of the goals and objectives that were passed in AB503 during the legislative session that just ended.

Chairman Leavitt asked for clarification regarding the transfer shown in the final budget of about \$32 million. He asked if that included the amount proposed under AB503 or if AB503 was in addition to that amount. They show \$1.7 million for operation of the park, and this is one of the items where they plan to use the AB503 transfer.

Al Zochowski stated the transfer of \$32 million was what was budgeted prior to the adoption of AB503. It does not include it.

Vice Chairman Alastuey commented that in observing the bottom line, unrestricted reserve in these funds, if the \$4.33 million included in the resolution, in addition to the \$32 million shown in the final budget, is added to the transfers depicted here, they have, instead of the \$13.6 million in 2015 by the time the next legislature meets, something reduced by \$4.3 million twice over. There is really a significant low point in 2015 and beyond. There is probably a greater jeopardy shown on this particular sheet, acknowledging that this was prepared prior to the resolution.

Al Zochowski addressed this comment. What they are basically saying with this report is that the most that could be transferred from PILT, in addition to the already planned transfer, is just under \$11.2 million, and still maintain the 25% reserve. There are things that will happen within the next year, although they provided information to the Legislature at the time they were looking at AB503, that showed continuing transfers over the next four years. There are efficiency things happening within the City of North Las Vegas, and particularly within the operation of their recreation division, which may allow the opportunity not to need those types of transfers in future years. They are very aware that the maximum amount that can be transferred is the \$11.2 million. Their objective is to not transfer more than the available amount.

Member Vincent told the North Las Vegas staff that they have done a remarkable job working through this situation. Obviously, there is more work to be done. It is a remarkable feat to have no current deficiencies. We can look at your utility fund, cash and cash equivalents, and see that there is an issue there.

Member Clinger stated that he had a different view. The \$32 million per year from the enterprise fund to the general fund, to the tune of 25% plus of the operating budget in the general fund, concerns him. It is the integrity of the enterprise fund. The enterprise fund is for the purpose of accounting for business activities, and the revenues are typically charged to cover the expenses, the depreciation, basically the operation of that enterprise. What they are doing is taking \$32 million per year of user charges and transferring to the general fund. Where is the plan to get off of these transfers? What is the transparency to the users paying these fees which they are paying for public safety? You call it payment in lieu of taxes. Do you show a line item on the sewer bill that says payment in lieu of taxes? The rate payers need to know where these funds are going.

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Member Walker echoed Member Clinger's concerns. She does not see a plan to get off the subsidy. In 2013, they had \$32 million being transferred, and by 2017, there is \$29.5 million being transferred. That is not a good step toward getting off of this subsidy. She is also confused about the comment Mr. Zochowski made regarding the \$11.2 million. It is not as if they can use all of that down to zero. There must be reserves. The \$32 million in addition to the \$4 million-plus concerns her a great deal as to the long-term financial sustainability of this enterprise fund and their general fund. Maybe it is a timing issue since they are still in negotiations and trying to finalize certain things, and they do not have all the information. At this point, she does not see a plan for long-term financial sustainability.

Vice Chairman Alastuey agrees; if you look at the pro forma absent the resolution, you see a downward trend in the status of the utility funds. If you look at three out of the last four years, the general fund and the utility funds taken together, as if they were one fund absent the transfers and all of the controversy about the transfers, things have been on a downslide. Every sign we see is unsustainable at this point. That said, the staff and Council of the City of North Las Vegas are up against a unique set of circumstances, legally. On one hand, we have the underlying existing law that says that such transfers can be made up through 2021. That is one timetable. Superimposed upon that timetable, recognizing circumstances in play here today, we have the Assembly Bill that allows, by conflicting language with the underlying law, these transactions to take place. What Member Clinger and Member Walker are saying regarding long-term sustainability is absolutely correct. However, he complements the staff of the City of North Las Vegas for dealing with two different timetables with the overlying umbrella of this litigation.

Member Vincent stated that when they started this review, the impacts of the labor contracts were substantial. It was his understanding that part of what we are looking at is a way to provide the funds necessary to settle some of these outstanding legal issues with the bargaining groups. Member Vincent asked the City of North Las Vegas to share the logic they have gone through regarding this.

Tim Hacker responded that this is not a typical situation. They have taken an atypical approach to not trying to shirk responsibility, but trying to step up to responsibility. They have a Mayor and City Council that have taken a very difficult action with declaring a fiscal emergency. This has allowed them to have conversations and tentative agreements with the largest bargaining group, the Police Officers Association, regarding the legal challenge. As Member Vincent said, this is a necessary step in getting them further ahead. It should not be ignored that not very many years ago the City of North Las Vegas was transferring upwards of \$45 million from the utilities. They are down to \$32 million. That is a dramatic decrease. Also, Mr. Zochowski has engaged Applied Analysis to do a further refinement of payment in lieu of taxes. They desire to have transparency. They desire to have their customer base be aware of where the dollars are going. Again, North Las Vegas is not typical. North Las Vegas residents have taken it upon themselves to encumber themselves with additional taxes, be it property taxes overrides for emergency service provisions or property tax overrides to provide street repair and maintenance, parks, fire equipment and apparatus. In addition, when utility rates are increased, it is done at a public meeting. It is posted. There are public hearings. Every time there is a public meeting regarding an increase in utility rates, the public pays attention. The media pays attention. The Chamber of Commerce pays attention. They hold the elected officials to a very high standard. When the City of North Las Vegas has imposed the utility rates, they have had very open deliberations and discussions. They need to allow their Mayor and City Council, who were elected by their community, to have access to these dollars, as the Legislature saw fit to provide additional transfers in upwards of \$11 million, so they can get things moving in the right direction. That needs to happen today.

Chairman Leavitt stated that he was happy to see that the property tax assessed valuation seems to have stabilized. He noticed that the City Hall bonds principal payment is about \$1.3 million and asked if they were structured so that there is a big jump in principle payment further down the line.

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Al Zochowski responded that in 2011, the City went through a restructuring of the bonds in order to provide some cash flows for a few years. The restructuring was done in such a way, that in about 2017, the debt service on the bonds will go up to where they would have been all along and continues to the end of the bond life.

The restructuring decreased the debt service payments from 2011 through 2016. This is calculated in their operating projections, and they are very aware that these amounts are going up.

Vice Chairman Alastuey asked about the structure on the debt for the utility funds.

Al Zochowski responded that he recalled the restructuring took place only on the 2006 building funds. He will check with his utilities manager.

Member Clinger asked what has been done to educate the rate payers, either water or sewer, that part of their rate is supporting the general operation of North Las Vegas.

Tim Hacker responded that the rates in place were put in place prior to his coming. He cannot speak to this. If he was to look back at agendas, there would be public hearings and minutes that would speak to this. In the two years he has been responsible for putting together a budget, the payment in lieu of taxes transfer has received a great deal of attention and discussion. They do not hide the fact that they are making this transfer. They talk about the fact that by 2021 they will have in place a cost allocation plan, and that they will be able to support the transfers through the cost allocation plan.

Member Clinger asked if the Committee would see the cost allocation plan before 2020.

Tim Hacker responded that it was his understanding that it was well underway. By this fall, they should have the final documents vetted through their internal financial systems. They will share them with the Committee on Local Government Finance (CLGF).

Member Clinger asked if there had been any direct communication with the rate payers. If they are paying attention to the media, they will be aware of the transfers. If they are not, and they are just looking at their bill, they will not know.

Tim Hacker clarified that he was not here when the rate structure was put into place. There is a utility advisory board that, in a very systematic process, holds hearings and open meetings. At the adoption of the budget, the Mayor and City Council spent a great deal of time going over the revenues and making sure people understand where these revenue streams come from.

Chairman Leavitt stated we have the responsibility to draft regulations regarding the implementation of AB503. As part of that regulation, there could be a requirement that rate payers be notified as to how the money is being used.

Member Walker inquired about the timing of this request since we have not put the regulation into effect yet. There may be other requirements, such as requiring a plan to get off of the subsidy. We need to do our due diligence. She asked if this was just for FY 2013-14 or for several years out.

Tim Hacker responded that the resolution the City Council passed at the beginning of July is for one year. The City of North Las Vegas provided the information that had been used in the consultation with the Legislature during the formulation of passage of AB503. They are not looking at dipping into the 25% reserve that would be there for utility.

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Member Walker asked what they are going to do in FY 2014-15 considering this is just for one year, and they are planning on restoring services throughout the City based on the \$4.3 million.

Tim Hacker responded that the snapshot they have provided is based on very conservative estimates, not just for the utility funds, but for all of the other issues. They are starting to see that the actions of the Legislature are going to continue to move them in the right direction. They have seen a stabilization of their EAV. They have continued to gain certainty in their labor situations, which will help. Asking this Committee to acknowledge that the Mayor and City Council need latitude in using upwards of \$11 million today, is to help the circumstance, not harm the circumstance. He wishes he could provide absolute clarity of where every dollar will go, but they have no problem coming back to this Committee or anyone else and giving very clear and transparent clarity as to where those dollars go.

Member Kalt asked if the overall utility infrastructure was a relatively new system or if it would need significant repair in the future.

Tim Hacker responded that the spreadsheet shows an expense of upwards of \$7 million for annual repairs. Their system is relatively new, including a new treatment facility that just went online within the last two years. They are reinvesting into their systems. These are planned expenditures from these funds.

Chairman Leavitt read from the bill and stated that if the following year is the year we are in right now, and the prior year is the year that ended June 30th of this year, then the first time we are going to know if they qualify is at the time they have an audit report – the 9% -- which they do not have yet. We do not know, at the current moment, whether they qualify under the provisions of the bill.

Al Zochowski stated that they found the language strange because they would not have audited financial statements until late September or early October. It would be difficult to plan that year waiting for those figures, and then if they needed a transfer, to then come before the CLGF. In their prior fiscal year, they had an ending fund balance of 7.57%, which was audited. They interpreted this to mean they could use that audited figure as whether or not they were beneath the 9% threshold.

Chairman Leavitt stated that the language seemed fairly clear. It states the prior year and the current fiscal year. He does not see any other way to read that.

Al Zochowski asked if the prior year could have been June 30, 2012. That is the way they were interpreting it – that it was talking about June of the prior fiscal year from the time that they were preparing their budget documents.

Chairman Leavitt stated that in talking about the following fiscal year, which would be the year that ended June 30, 2013, and they did not do anything in that year. If the year we are talking about is June 30, 2012, then they would have needed to do something during the year ended June 30, 2013, and spent money in that year, which they obviously did not do.

Al Zochowski stated this was why they thought the language was ambiguous. They are planning for their FY 2013-14 during the 2012-13 fiscal year. They know at that time whether they will need additional resources and have to come before the CLGF to ask for an additional transfer. Since they did not even close that year by that time, they thought the language in the bill was referring to the prior fiscal year.

Chairman Leavitt stated that he did not believe the language of the bill was ambiguous. Maybe the implementation of it is difficult given the language, but the language is fairly clear.

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Vice Chairman Alastuey stated he agreed because the proposed transfers of \$4.33 million were not implemented or represented by expenditure in the year ended 2013. The Craig Ranch is still in the final stages of development. The City is requesting funds for operation maintenance at the Craig Ranch. There is the brown out issue for fire protection and funding for routine police officers whose grant funding will not expire until the end of this year.

Member Clinger agreed the language in the bill is very clear. In order for a local government to get approval from this Committee for a loan, they must have prior year audited financial statements.

Member Walker agreed it was clear. We also need to establish regulations, and there is time over the next few months to establish those regulations. By then, the audit reports will be completed, and we can move forward with these different requests. At this time, the request does not meet the timing.

Tim Hacker stated as the formation of AB503 was going through the legislative process, he spent a lot of time on the phone and providing testimony at various legislative hearings. It was made clear to them that these dollars to restore services was for this fiscal year. Parks and recs services cannot be delayed until December to open additional pools and providing additional rec hours. They are anticipated now, and based on what he believes was the legislative intent, they are underway. It is his understanding that the intention of this bill was that those dollars would be made available. In fact, certain legislators indicated that by August, they needed to have a plan to restore those services. They have done that. To start planning for the restoration or continuation of police officers when the grant expires would be negligence on their behalf. They know they expire in December. They must have plans in place so that those twelve impacted officers know that their jobs will continue with the brown outs of equipment which had resulted in occasional brown outs of a station. As far as fire services, they needed to immediately start restoring those services. They understand the audit provision was put into play; however the way it was described to him on the phone and even during the hearings, it would be the preceding and concluded audit. They show a reduction in service in this current budget of 2013-14. AB503 was intended to restore those services. Although not for the June 30, 2013 conclusion, they definitely have a current audit which shows those figures being well below the 9% threshold.

Chairman Leavitt stated that regardless of anyone's intent, it seems the language of the bill is clear. We could ask for an opinion from legal counsel.

Dawn Buoncristiani, Deputy Attorney General, made several points. The CLGF is charged with interpreting these statutes. The next rule is that in terms of statutory construction, when there is a plain meaning, you do not go to the legislative history. It is her opinion that if the CLGF agrees that there is a plain meaning here, they would not go to the legislative history. There is a rule that even a legislator cannot testify as to what the intent was at the time of the hearings. You would go to the written history that the legislature has in order to get their intent.

Jeff Barr, City Attorney, City of North Las Vegas, came forward. He stated that, from a legal perspective, what the Legislature did in AB503 is unprecedented. The Legislature is empowering this Committee to tell the City how to spend its own funds. He appreciates all of the oversight and guidance that the Committee has given them, but there are some serious constitutional questions about this Committee and its ability to tell another sovereign how to spend its own funds. He would like this on the record, particularly when the City's Council has decided how to allocate these funds. As far as the interpretation of AB503, he agrees with your Counsel that you have the ability to interpret. He would also suggest that legislative intent should govern here. The Legislature's intent was to help the City of North Las Vegas out in this current fiscal year.

Chairman Leavitt stated the audit report is due at the end of November, which is seven months prior to the end of this current fiscal year.

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Member Clinger stated he would agree that the help is available this fiscal year. It is just a matter of receiving the audit report. He believes the language of the bill is very clear when speaking about the following fiscal year, and is not subject to interpretation or intent. There would be an opportunity for this Committee, if those conditions are met and once the audit report is in, to make those transfers in the current fiscal year.

Member Walker stated, that in looking at the resolution, it was passed and adopted on the 3rd day of July. It was passed and adopted in this current fiscal year, which means it would go back to the audit report of June 30, 2013.

Vice Chairman Alastuey stated we are seeing the confluence of a number of significant events. There is need for the greatest possible compression in a timetable – the audit, the regulations, the reporting as a condition of the transfers, the answer of additional questions on the part of the Committee by the staff of the City of North Las Vegas and any other significant events on a critical path towards resolution of these issues.

Chairman Leavitt stated that November 30th is the last day for the audit report. He asked if it would be possible to get it prior to that.

Warner Ambrose stated it would depend on timing of the scheduling of the audit by the City, when the auditor arrives and completes his field work. There is the possibility of getting a draft of the audit report that would not be finalized. We could make the request to the City regarding having a draft of at least the general fund activity and the utility fund activity.

Member Weiler asked the City of North Las Vegas when they were planning to make the transfer.

Tim Hacker responded that they would continue to use great restraint. They do not want to make the transfers until absolutely necessary. Historically, they expend all of their revenue sources. They have given a conservative worse-case scenario, but need some certainty to make plans. How do they enter into good negotiations with unions or vendors to provide services without knowing where their revenue streams are going to come from? Shutting down libraries is a dramatic reduction in services. Mr. Hacker also spoke about the stress of limited hours of their swimming pools, planning on the loss of grant funds for officers and planning on restoring a consistent level of fire services. It was always their understanding that they were not only justified but almost directed to bring the resolution to the City Council and the CLGF as soon as possible.

Member Vincent commented he believes Mr. Zochowski stated they had not budgeted for this transfer. Therefore, for this fiscal year, they cannot execute the transfer unless they augment their budget. They cannot augment their budget unless they have the revenue source to do so. He was wondering if this had been considered.

Chairman Leavitt responded that this was why he had asked if it had been included in the \$32 million. They have to augment their budget to get the authority to spend it. Chairman Leavitt asked the City Attorney of North Las Vegas to read the provisions in the bill to see if there is any other interpretation.

Jeff Barr stated the bill does not say which annual report.

Chairman Leavitt stated it talks about the resolution in the following fiscal year.

Jeff Barr stated that it certainly says the following fiscal year, but it does not say which annual report.

Chairman Leavitt asked if they had a resolution in the following fiscal year if they are using June 30, 2012, as the report.

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Jeff Barr stated it would be impossible for them to have passed a resolution prior to the passage of AB503.

Chairman Leavitt asked how else they could interpret this.

Jeff Barr stated there is potentially an ambiguity, in which case one would go to the legislative intent to interpret this and to enact regulations that interpret this. The legislative intent was to clearly help the City of North Las Vegas immediately in this fiscal year.

Chairman Leavitt reiterated that it says during the following fiscal year.

Jeff Barr agrees that is what it says, but they can disagree on the interpretation. That is obviously what he is going to do – disagree on the interpretation. Again, the legislative intent was to help the City of North Las Vegas and cities like the City of North Las Vegas in this fiscal year – in the current fiscal year – the year following the passage of AB503.

Member Clinger stated he did not want to get into a debate on this. Clearly, the legislative intent was to help North Las Vegas with this bill. But it is also clear that they put language in there for qualification purposes. What we are talking about is whether they qualify for this transfer. If we follow the language of AB503, we will not know that until they have the annual audited report. He does not dispute what the Legislature's intent was with this. There is a difference in their intent and actually executing it, which is not uncommon with legislation.

Member Walker stated the law is the law, and we must execute due diligence to make sure we follow the law. Member Walker read the portion of the bill being discussed. Her concern is that the resolution was passed July 3rd, which is FY 2013-14. That is the following year. FY 2013-14 is when they would qualify to submit a request. The prior year is June 30, 2013. This bill is effective based on the date of passage and approval which would have been some time at the very latest mid-June. If they had requested it in June, they could have gone back to June 30, 2012, because they would have been making the resolution and request in the following fiscal year. Because the request was made in FY 2013-14, the prior fiscal year is 2012-13, so we need to have the audit report.

Chairman Leavitt stated what we are going to do. They will schedule a meeting of the Committee as quickly as possible after they have the audit report as defined in NRS 354.624. If they have it prior to the end of November, they will have seven months in which to spend the money in this fiscal year. We will not approve it today.

Chairman Leavitt stated we have another item on the agenda relating to the permanent regulation. He asked if Mayor Lee had anything to say regarding North Las Vegas.

Mayor Lee came forward and stated it has been very disheartening to sit back there and see what the Committee has been putting up with. He understands the same frustration as he has just become aware of these situations. He stated he is not here to blame anyone. He is just here to say the circumstances are as we see them. He thanked Chairman Leavitt. To Ms. Walker and Mr. Clinger, he stated he can explain the difference between the cash and accrual system, but that is it. They are his good friends, and they are trying to protect the state and have in their best interest the City of North Las Vegas. He agrees where performance is measured, performance increases. The Committee has not been given the information they are trying to get to help the City of North Las Vegas. He does not know if that error comes from the fact that the City is living hand to mouth just trying to get to certain milestones. Or generally, the City does not know what they are doing in certain areas. They are in negotiations. Staff is scrambling as hard as they can to answer the immediate questions rather than the long-term questions. But those long-term questions need to be asked. The Committee has done a great job today. He has reached out to Chairman Leavitt and Ms. Rubald

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regarding coming into the City and being a partner with them, to know exactly what they are doing. That would make Mr. Vincent and Mr. Alastuey happy. Mr. Lee stated he knows the Committee will help where they can. North Las Vegas is in an emergency situation. Emergency measures now need to be taken. Where he can, he is trying to save money. He was able to sit down with both lobbyists from the last session and express his appreciation. He asked if they would be able to continue to help North Las Vegas in a pro bono manner. They cannot afford to spend that amount of money on lobbyists when they have staff that can attend meetings. They have the League of Cities that can work with them, and they have great relationships with other local entities that he will be asking for help. He has a meeting with the City of Las Vegas staff to talk about certain things they can do together such as parks and recreation. Recently, their wonderful library director has retired after 32 years. This gives them an opportunity to see what they are doing with their libraries and if it would be better to consolidate the libraries. He will ask the City Council to put an interim director in place until they decide what they will do with their library service. He has recently met with some brilliant people that will help him maximize their unoccupied buildings. They need to control their new hires in City Hall. With City Council's approval, he is going to make a recommendation that before any employees, assistant directors or directors are hired, the City Council knows exactly what is going on. He does not believe it is fair that the City Manager does not have a chance to explain why he needs these employees. It is up to the City Council to direct him. Much of the responsibility that the staff has been carrying needs to be shifted to the City Council. The whole City Council needs to be responsible for what the City Manager is going through. Mr. Clinger's comment about notifying the residents is one of the smartest things he has heard today. The residents need to know everything that is going on and to hold the City officials accountable to follow through with the plan. With the Committee's approval, he will do this in the appropriate manner which the Committee believes it should be done, whether it is a letter to the newspaper or an individual letter to every resident in the City of North Las Vegas. He would like the Committee to advise him as to what would be the best way to notify the residents. They will do that immediately. He wants the Committee to know the union negotiations have been going extremely well. The bargaining agents have exceptional leadership, and they understand the situation. There is a sense of respect with the City and with the unions. He has the misfortune to tell the Committee that the County Commission, ten minutes ago, voted six to one to hold the More Cops issue. He believes that hold is for two weeks, but he is not sure. There is one regional park they are trying to open for the community. He understands the Committee's frustration. He will do everything he can for the long-term. He does not understand Ms. Walker's and Chairman Leavitt's contention about July 3rd. Mayor Lee stated that their legal counsel is trying to do his best for the City. The way he interprets the law is how the City Council interprets the law. If they are wrong, they are very interested in figuring out how the Committee perceived this. Mayor Lee asked for more time. He is looking forward to working with the Committee, and he understands that the Committee's goal is to get the City of North Las Vegas out of this hole. He will do what it takes to get off of the agenda. Mayor Lee thanked the Committee for this courtesy.

Chairman Leavitt gave assurance that as soon as we have the documents in hand that we need to proceed with this, we will schedule a meeting to act upon it. The Committee's intent is not to delay or cause problems. We know the Legislature intended this money to come to them. The Committee did not ask to be put in the chain of events. The Legislature chose to put the Committee in the chain of events. Based on this, we will act as indicated in the bill.

Mayor Lee stated that it was the Legislature's intent to use the Committee's wisdom. This was a wise decision that they made.

Member Clinger thanked Mayor Lee for being here today. He appreciates his comments and his willingness to work with the Committee. The Committee definitely wants to work with the City of North Las Vegas. He hopes that no one takes his previous comments as an unwillingness to help. He understands the predicament they are in. Member Clinger congratulated Mayor Lee, and he appreciates his leadership in North Las Vegas.

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Chairman Leavitt asked to proceed with discussion on Agenda Item 7(b), regarding the implementation of this bill.

7. For Possible Action: REPORTS ON REGULATORY MATTERS

b.) Develop and review permanent regulations and quarterly reporting forms related to AB 503, Section 1(3)

Terry Rubald stated that she has not drafted any regulations, but would be happy to expedite this. There is a possibility of emergency regulations, but that must be approved by the Governor's Office. She asked if Chairman Leavitt wanted her to do that, or proceed the regular way to have it in place in a couple of months.

Chairman Leavitt asked how soon we could have a regulation in place going the normal route.

Terry Rubald responded that the typical steps are to have a workshop. There is then a 30-day notice period for an adoption. It then goes to the Legislative Commission for approval. She is not certain what their meeting dates are. Emergency regulations are temporary. If we were to get the approval of the Governor's Office to go forward on that, she is not sure whether it must also go to the Legislative Commission. She would have to do some research. Assuming we could get a subcommittee together today, and meet in the next week or two, it would help her know what issues to address in the draft.

Chairman Leavitt suggested establishing a subcommittee of members coming from the south. North Las Vegas could give their input, and we could act on this expeditiously.

Vice Chairman Alastuey thought this was a great suggestion. The discussion today leads us to the bill, Section 1, Subsection 4(d) -- fee increases, salaries and benefits, collective bargaining issues. This could be expanded considerably in the regulation. There is the need for more transparency and disclosure. Just glancing at the pro forma projection for the status of utility funds, we see in the current year that roughly one third of the combined water and sewer rate payer remittances are going to general operations. Only two-thirds remain with the enterprises. Things like these would be good for the subcommittee to consider. As Ms. Walker commented, we should not lose sight of the long-term objective of getting away from the transfers from the enterprise fund into the general fund. We cannot lose sight of 2021 even though this particular bill expires in 2017. Between now and 2017, he does not believe either the City or this Committee wants to do anything to add to the 2021 problem.

Member Walker commented if we did not have the timing issue today, and this was granted, she would still be concerned with developing a plan to fund the services in the following fiscal year after this one-year period. She would not want to approve \$4.3 million of additional funding to increase the level of service only for July 1, 2014. Then it would have to be cut back again because they did not have ongoing resources to pay for it. We need to think this through.

Chairman Leavitt asked if Member Vincent would be willing to serve as chairman of this subcommittee.

Member Vincent agreed.

Chairman Leavitt stated that we need to plan on meeting soon.

Terry Rubald clarified that the members from the south are members of this subcommittee.

Chairman Leavitt stated that the Committee would go back to Agenda Item 5 (a) and (b), take a short break and return to the rest of the agenda.

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

a.) For Possible Action: City of Caliente Financial Condition

- 1.) Report by City on status of FY 2013 general fund ending fund balance; including plan on treatment of ending fund balance for FY 2014 budget**
- 2.) Request to explain lack of filing of quarterly economic surveys**
- 3.) Report by City on net losses experienced by enterprise fund**

Heidi De'Angelo, Budget Analyst, Department of Taxation, came forward to give an overview. We called the City of Caliente before you because we are not receiving financial information, specifically their quarterly economic surveys. We received them last Tuesday, all four quarters. Back in April, we asked them for a balance sheet showing all of the items, specifically the unassigned ending fund balance for whatever current month they had and what they projected for the end of the year. We did not receive that. They had a problem with their accounting program. What we do have is from their quarterly economic survey showing an ending fund balance from their general fund of \$42,000. That does not give us an unassigned ending fund balance. We do not know what is spendable and what is not. The same thing is true of their enterprise funds. All we have is an accumulative total of their balance. We do not know how their enterprise funds are doing individually. The concern is that they have some negative net assets. Their sewer fund was running on a net loss of \$108,000. That was the budgeted amount for FY 2014, which further exacerbates their negative net assets. Their enterprise fund balance is slowly going down. We do not have much information from them.

Terry Rubald expressed to Chairman Leavitt the reason we bring these things to his attention, when normally we would work to resolve this with the entity, is because we have a communication gap. We want to encourage the local governments and let them know we are here to help them, not hurt them.

Chairman Leavitt stated this is not the first time we have had the City of Caliente in here regarding problems. We received assurance last time that we were not going to have these problems any more.

John Brown, City Attorney, City of Caliente, came forward. He stated one of the primary issues referenced when they have been here in the past is that a few years ago, the City of Caliente had a low ending fund balance. They talked at length about the different issues and the different ways the City was going to address this. The City has addressed this. A few years ago, the ending fund balance was \$2,000. Last year, they were up to about \$20,000. The auditor just gave him the numbers over the weekend, showing an ending fund balance for this year of \$49,000. When we are talking about an entire government budget of \$310,000, \$49,000 is very good. They feel it is working well. They do understand the communication problems and that the quarterly reports were not turned in on time. There has been a personnel problem. The number of persons actually working in the City offices is three. If they lose one of them, or someone goes out on medical leave or is terminated, there is a huge reduction in services. Over the past 14 months, they have gone through three different deputy city clerks. This has resulted in some of these reports being delinquent. They are doing everything they can to supply the information to you. All of the information is good information. They are not trying to conceal this because they are afraid of what the answers will show. They are actually quite proud of what the information says. The City is making huge strides moving forward. Over the past three fiscal years, the City has made tremendous movement in having money there. They understand the concern over the enterprise funds. The reduction in the enterprise funds is solely a result of depreciation. Cash on hand has actually gone up over the past three years. In a perfect world, they try to offset that depreciation with increases in fees and cost. The City of Caliente is a very small community of 1,100 people. It has an average income of approximately 45% less than the average household income in the State of Nevada. It is a very low income, on average, area. Because of this, the City Council has opted not to raise rates in a significant amount, but try to break them in over a course of time. Over the past few years they have increase the garbage fund. They

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have moved to increase the water fund. There is more work to be done in that area. The sentiment of the past City Council was that when the time came to replace the systems, they would rather take out a loan than to have a million dollars in the bank that they have taken off the backs of these people who have suffered. They understand the obstacles to that, as well. They will continue to work on the communication problems. He does not want to come back in six months and make the same statement again. He cannot promise that this will not happen. They will work as hard as they can to fix the problem.

Chairman Leavitt asked when the next economic survey report was due.

John Brown responded that the next one is due September 30, 2013.

Chairman Leavitt responded that they must have someone on board that knows how to do them, since they just completed four of them. He would like a promise that in September we will have the next one.

John Brown stated absolutely.

Chairman Leavitt commented about the missing information on the enterprise fund reports. He asked how soon we could have that information. He would like a date.

John Brown asked if it would be satisfactory to provide the reports in two weeks.

Chairman Leavitt agreed that the enterprise fund information would be provided to the Department in two week, and the Department will notify him if they do not receive the information in two weeks.

5. FINANCIAL CONDITION REPORTS BY THE DEPARTMENT; CONSIDERATION AND POSSIBLE ADOPTION OF RECOMMENDATIONS AND ORDERS
b.) For Possible Action: Beatty General Improvement District Financial Condition Report concerning Beatty GID regarding lack of compliance in submitting 2013-14 quarterly economic survey reports, and 2011-2012 audit

Warner Ambrose came forward to give an overview. A request letter has been sent to the Treasurer of the Beatty General Improvement District requesting their appearance today to explain their non-compliance. We have not received any quarterly economic surveys. As of today, we have not received any quarterly economic surveys for the entire year of FY 2013. We also asked the District to have a representative present to explain why the Department has not received the FY 2011-12 audit report. We also sent a copy of this request letter to Dan McArthur, CPA, who does the audit for the District. There has been a communication problem with the representatives of the District. Mr. Ambrose stated he usually does not get a response to email or telephone requests.

Chairman Leavitt clarified this was the audit report for year ended June 30, 2012, which was due November 30, 2012.

Warner Ambrose stated this is correct.

Gary Reid, Board Secretary, Beatty General Improvement District, came forward for comment. With him was Lance Warren, Vice Chairman, Beatty General Improvement District. Dan McArthur, CPA, stated he was present to respond to the audit questions.

Chairman Leavitt asked why we do not have the audit.

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Dan McArthur stated the reason the audit is not complete is due to lack of documentation which he has not been able to obtain from the District. There are issues related to bank account information. The District has a bank account they operate themselves. There are also funds that are under the control of the Nye County Treasurer's Office, which he has access to. Approximately ten days ago, he received missing bank statements he needed from the District. There are minutes of several Board meetings which he has not been able to obtain. He has spoken with the District, and they are working diligently to get those to him. He believes he will have the minutes within the next two weeks. The minutes are important to the audit because the District is managed by the Board. The minutes show the decisions of the Board. Discussions with the Financial Clerk indicate over the past 12 to 18 months, there have been significant changes in the Board structure and an inability to have a quorum at some of the meetings. There are Board members here today that can address that in more detail. These are the principle issues he is dealing with. He is hopeful that in the next two weeks he will have this information and be able to wrap up the audit and file it with the Department of Taxation.

Chairman Leavitt asked for a promise that we will have the audit report in three weeks.

Lance Warren stated that he will get the information to Mr. McArthur within the next three weeks. He guarantees it. He will personally make sure that this gets done.

Dan McArthur stated he needs the information within two weeks, so he can finish it and have it to the Department in three weeks.

Chairman Leavitt asked about the quarterly economic surveys. He also stated that they need to be working on the 2013 audit. He asked if there was any progress on that.

Lance Warren stated that they are working on this, and it will be completed on time. They just got a new Board, and they are putting their heads together and getting these things taken of.

Gary Reid responded that the quarterly economic surveys are his job. When he took his position, he met with a veritable snowstorm. Also, the records are kept in three different formats, tape, disc and SD card. He is in the process of going through the office and all of the records to categorize and classify. He really wants to get this done.

Chairman Leavitt asked when we might have the four economic surveys.

Terry Rubald commented that her staff is very willing and open to help with completing those forms. If Mr. Reid would give Mr. Ambrose a call, he would be able to help him.

Warner Ambrose stated that he spoke to someone at the Board, Mrs. Wilkinson, who has communicated with the current Treasurer of the Board. He has offered and received conclusion with two other entities in Beatty, the Beatty Library District and the Beatty Water and Sanitation District. He has suggested to Mrs. Wilkinson, if she needed assistance, these entities would be willing to help. They are entities of a similar size, and they are local. He has had limited communication with Mrs. Wilkinson, and it appears there has been no action taken to get assistance at a local level.

Chairman Leavitt asked is we could have the reports by the 1st of September.

Lance Warren responded that yes, we could have the reports be the 1st of September.

Chairman Leavitt asked if they would work with Mr. Ambrose to do what is necessary to complete them.

Lance Warren responded that he would.

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Warner Ambrose thanked the representatives of the Board and Mr. McArthur.

The Committee took a short break.

7. For Possible Action: REPORTS ON REGULATORY MATTERS

a.) Department of Taxation Legislative Overview and Action Plan related to implementation of legislation affecting local government finance

Terry Rubald brought the Committee's attention to Page 199 of the Exhibit Packet, which is a portion of the Department's action plan pertaining to Local Government Finance. The action plan is developed following the legislative session pertaining to various statutes that affect the Department. Most of these items just require monitoring or to take action when there is a new levy. The Committee has already discussed AB503. She will accelerate the due date. Our plan was to draft reporting regulations and develop a reporting form. She wanted the Committee to have this information and be aware that we are following up on these items.

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

a.) For Possible Action: Discussion of Matters Affecting Local Governments

1.) Report concerning City of Ely

Terry Rubald stated it came to our attention there was concern about the City's condition. Warner Ambrose will give an update. We do not believe they are in a severe financial condition at this point.

Warner Ambrose updated the Committee on things that have transpired in the last six weeks in the City of Ely. In the June election, since they are one of the few cities in the state that have elections in odd numbered years, three new City Council members were elected. They took office within a week after the election. One of their first actions was to begin the process to fire the City Clerk, Mr. Alworth. Mr. Alworth was on vacation, so tabled the motion until he returned. He was then fired at a City Council meeting. Mr. Ambrose is not aware of their reasons for this. Mr. Ambrose stated that much of this information he received from the former City Treasurer while she was still in office. She indicated that the new City Council members wanted to take the City in a new direction. The Mayor vetoed the firing of Mr. Alworth, and his veto was overridden. Subsequent to that, the City Treasurer submitted her resignation immediately followed by the resignations of her Deputy Treasurer and also the Utility Billing Clerk. As of July 26th, there was no financial staff in the City of Ely.

Chairman Leavitt asked if the City Clerk was responsible for the records of the City.

Warner Ambrose stated the City Clerk was involved in the budget process. The City Council hired a Public Works Director but made no effort for about two weeks to fill the Treasurer's position. They did hire a Treasurer, who began work yesterday. They made a contract with a former employee to handle some of the utility billings. We are concerned with the continuity and that there might be some problems down the road. There are ongoing problems between the City and County relative to providing police and fire services. There are ongoing discussions. He will update the Committee as he becomes aware of any issues.

Terry Rubald assured the Committee and the staff of the City of Ely that we stand ready to help and train them on the things we need.

Chairman Leavitt asked if they had someone paying their bills.

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Warner Ambrose responded that the former employee they brought in will do the payroll on an interim basis.

- 2.) Report on Nye County over-expenditures by departments; payment of medical indigent match to State

Terry Rubald stated we originally requested Nye County appear to follow up their last appearance; however, it became apparent that everything is resolved. We had spoken with state staff regarding the medical indigent payment they had not received yet. In the Exhibit Packet, on Pages 211 and 212, you will see this has been resolved. The last time they appeared, we discussed the over-expenditure situation. This has also been resolved. They worked with their sheriff and did an augmentation.

Warner Ambrose added that at the last meeting the County indicated the District Attorney had contacted the Attorney General's Office to do an investigation for possible malfeasance of office by the Sheriff. The Attorney General's Office did not feel there was enough evidence to continue an investigation.

- 3.) **Report on Liabilities Associated with Public Safety Employee NRS Chapter 617 Benefits (Budget Form 33)**

Terry Rubald stated that we reported on this during the workshop. We will need to re-work the form to get the information you need.

- 4.) **Report on requests for waivers granted regarding "More Cops" requirements, SB 1, Special Session**

Terry Rubald stated we requested the Clark County Treasurer tell us whether there have been any requests for waivers.

Warner Ambrose stated we sent a letter to the Clark County Treasurer pursuant to the requirements of the bill. We asked for a response by Friday because the bill requires we report to the Legislative Commission by September 1st as to how many entities within Clark County requested a waiver. From what Mayor Lee stated, it appears the County Commission has deferred a decision for two weeks. The written request has been made to Ms. Fitzpatrick.

8. **BRIEFING TO AND FROM THE COMMITTEE ON LOCAL GOVERNMENT FINANCE AND LOCAL GOVERNMENT FINANCE STAFF**
 - b.) **For Possible Action: Discussion by Committee Regarding Matters Affecting the Committee**

There was no discussion on this agenda item.

9. **REVIEW AND APPROVAL OF MINUTES**
For Possible Action: CLGF Meeting, 05-02-13

A motion was made to approve the May 2, 2013 minutes as submitted with a second from Member Kohn-Cole. The motion passed.

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

Terry Rubald stated she needs to work with the subcommittee chairmen, Member Vincent and Member Sherman, on the sets of two regulations.

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Member Vincent stated he will work with Terry and her staff and Jeff Weiler and Mike Alastuey to get going on this as quickly as they can.

11. Public Comment

There was no public comment in Carson City or Las Vegas.

12. For Possible Action: ADJOURNMENT

The meeting adjourned at 11:27 a.m.