

CHAPTER 354 - LOCAL FINANCIAL ADMINISTRATION

COMMITTEE ON LOCAL GOVERNMENT FINANCE

[NRS 354.105](#) Creation; appointment of members; terms; vacancies; Chair and Vice Chair; meetings; quorum; allowances and expenses; administrative support.
[NRS 354.107](#) Regulations.

COUNTY FINANCES

APPORTIONMENT AND TRANSFERS OF COUNTY REVENUE

[NRS 354.140](#) Distribution of federal money from forest reserves; reimbursement for cost of audit.
[NRS 354.150](#) Transfer of balance of dormant fund.

CLAIMS AND WARRANTS

[NRS 354.170](#) Order of district judge or district court drawing money from county treasury.
[NRS 354.180](#) Claim by sheriff or constable for delivery of prisoner committed to county jail by justice of the peace.
[NRS 354.190](#) Payment of county debts after original allowance: Limitation; exceptions.
[NRS 354.200](#) Payment of warrants in order of issuance.
[NRS 354.210](#) Publication or posting and maintenance on website of statements of amount of bills allowed; availability of each bill allowed.

REFUNDS

[NRS 354.220](#) Applicability.
[NRS 354.230](#) Limitation of time for claim.
[NRS 354.240](#) Determination by board of county commissioners; refunds by county treasurer; delegation of authority by board of county commissioners to approve certain claims; monthly list of refunds made by county treasurer.
[NRS 354.250](#) Action against county authorized if claimant aggrieved by action of board of county commissioners.

ACCOUNTS RECEIVABLE

[NRS 354.255](#) Establishment of uniform procedures for collection of accounts and removal of uncollectible accounts.
[NRS 354.256](#) Notification of county auditor concerning uncollectible account; application for removal of information concerning uncollectible accounts from records of county.
[NRS 354.257](#) Authority for removal of information concerning uncollectible accounts from records of county.

STATEMENTS AND ACCOUNTINGS

[NRS 354.270](#) Issuance of receipts; apportionment of revenue.
[NRS 354.280](#) Contents of monthly statement of county treasurer.
[NRS 354.290](#) County auditor to audit apportionments and keep record of receipts and expenditures; statements.
[NRS 354.310](#) Provisions of [NRS 354.270](#), [354.280](#) and [354.290](#) mandatory; penalties.

BUDGETS OF LOCAL GOVERNMENTS

[NRS 354.470](#) Short title.
[NRS 354.472](#) Purposes of Local Government Budget and Finance Act.
[NRS 354.474](#) Applicability to local governments; "local government" defined.
[NRS 354.475](#) Exemption of certain special districts from certain requirements of Local Government Budget and Finance Act; conditional exemption from requirement of providing annual audit; request for audit of exempt special district by board of county commissioners; regulations.

[NRS 354.476](#) Definitions.
[NRS 354.479](#) "Accrual basis" defined.
[NRS 354.4815](#) "Administrative entity" defined.
[NRS 354.4817](#) "Anticipated revenue" defined.
[NRS 354.482](#) "Appropriation" defined.
[NRS 354.484](#) "Assets" defined.
[NRS 354.486](#) "Audit" defined.
[NRS 354.492](#) "Budget" defined.
[NRS 354.493](#) "Budget augmentation" defined.
[NRS 354.496](#) "Budget year" defined.
[NRS 354.499](#) "Capital assets" defined.
[NRS 354.4995](#) "Capital projects fund" defined.
[NRS 354.506](#) "Contingency account" defined.
[NRS 354.510](#) "Debt service fund" defined.
[NRS 354.516](#) "Encumbrances" defined.
[NRS 354.517](#) "Enterprise fund" defined.

| | |
|---------------------------------|---|
| NRS 354.520 | “Expenditure” defined. |
| NRS 354.523 | “Expense” defined. |
| NRS 354.5237 | “Fiduciary fund” defined. |
| NRS 354.524 | “Final budget” defined. |
| NRS 354.526 | “Fiscal year” defined. |
| NRS 354.529 | “Function” defined. |
| NRS 354.530 | “Fund” defined. |
| NRS 354.533 | “Fund balance” defined. |
| NRS 354.534 | “General fund” defined. |
| NRS 354.535 | “General long-term debt” defined. |
| NRS 354.536 | “Governing body” defined. |
| NRS 354.543 | “Internal service fund” defined. |
| NRS 354.548 | “Liabilities” defined. |
| NRS 354.550 | “Modified accrual basis” defined. |
| NRS 354.553 | “Proprietary fund” defined. |
| NRS 354.557 | “Regional facility” defined. |
| NRS 354.560 | “Reserve” defined. |
| NRS 354.562 | “Revenue” defined. |
| NRS 354.570 | “Special revenue fund” defined. |
| NRS 354.571 | “Supplemental city-county relief tax” defined. |
| NRS 354.574 | “Tax rate” defined. |
| NRS 354.578 | “Tentative budget” defined. |
| NRS 354.590 | Actions of governing body by resolution or ordinance. |
| NRS 354.592 | Publication of notice: Requirements; cost. |
| NRS 354.594 | Committee on Local Government Finance to determine and advise local governments of regulations, procedures and report forms. |
| NRS 354.5943 | Regulations establishing procedures for transferring function from one local government to another. |
| NRS 354.5945 | Capital improvement plan: Preparation and submission; provision to Director of Legislative Counsel Bureau upon request; filing for public inspection; limitation on amount of expenditures; required contents; reconciliation of capital outlay; exemption. |
| NRS 354.5947 | Annual report concerning capital improvements owned, leased or operated by local government: Compilation; requirements; submission to Department of Taxation; provision to Director of Legislative Counsel Bureau upon request. |
| NRS 354.596 | Tentative budget: Preparation, submission and filing; notice and public hearing; certificate of compliance or lack of compliance from Department of Taxation; amendment to effect compliance. |
| NRS 354.5965 | Tentative budget: Inclusion and availability of list of certain contracts. |
| NRS 354.597 | Tentative budget and final budget: Reduction of estimate of revenues by amount of taxes ad valorem expected to be delinquent. |
| NRS 354.598 | Final budget: Adoption; budget by default; certification; appropriations; limitations; changes. |
| NRS 354.598005 | Procedures and requirements for augmenting or amending budget. |
| NRS 354.59801 | Local government to file copy of final budget and final plan for capital improvements for public inspection. |
| NRS 354.59803 | Reporting of expenditures of local government for lobbying activities: Requirements; filing with Department of Taxation; availability for inspection. |
| NRS 354.59811 | Limitation upon revenue from taxes ad valorem: Calculation. |
| NRS 354.59813 | Limitation upon revenue from taxes ad valorem: Levy of additional tax ad valorem for operating purposes under certain circumstances. |
| NRS 354.59815 | Limitation upon revenue from taxes ad valorem: Levy of additional tax ad valorem for capital projects without approval of voters. |
| NRS 354.598155 | Special ad valorem capital projects fund. |
| NRS 354.59817 | Limitation upon revenue from taxes ad valorem: Levy of additional tax ad valorem for capital projects upon approval of voters. |
| NRS 354.59818 | Limitation upon revenue from taxes ad valorem: Levy of additional tax ad valorem for operation of regional facility without approval of voters. |
| NRS 354.59819 | Separate fund for revenue used for operation of regional facility. |
| NRS 354.5982 | Limitation upon revenue from taxes ad valorem: Authority to exceed pursuant to vote of people; addition of imposed costs. |
| NRS 354.59821 | Limitation upon revenue from taxes ad valorem: Forms for submission of ballot question and examples of previous questions to be provided by Committee on Local Government Finance. |
| NRS 354.5987 | Establishment of allowed revenue from taxes ad valorem of certain local governments by Nevada Tax Commission. |
| NRS 354.59874 | Adjustment of allowed revenue from taxes ad valorem upon assumption by local government of function or provision of service previously performed by another local government pursuant to agreement between local governments. |
| NRS 354.598743 | Adjustment of allowed revenue from taxes ad valorem upon assumption by local government of function previously performed by another local government that no longer exists. |
| NRS 354.598747 | Calculation of amount distributed from Local Government Tax Distribution Account to local government, special district or enterprise district that assumes functions of another local government or district. |
| NRS 354.59875 | Calculation and imposition of common levy for unincorporated town; preparation and availability of document showing services provided. |
| NRS 354.59881 | Limitations on fees applicable to public utilities: Definitions. |
| NRS 354.598812 | Limitations on fees applicable to public utilities: “Customer” defined. |
| NRS 354.598813 | Limitations on fees applicable to public utilities: “Delinquent amount” defined. |
| NRS 354.598814 | Limitations on fees applicable to public utilities: “Fee” defined. |
| NRS 354.598815 | Limitations on fees applicable to public utilities: “Jurisdiction” defined. |
| NRS 354.598816 | Limitations on fees applicable to public utilities: “Personal wireless service” defined. |
| NRS 354.5988165 | Limitations on fees applicable to public utilities: “Place of primary use” defined. |
| NRS 354.598817 | Limitations on fees applicable to public utilities: “Public utility” defined. |
| NRS 354.598818 | Limitations on fees applicable to public utilities: “Revenue” defined. |
| NRS 354.59883 | Limitations on fees applicable to public utilities: Adoption of ordinance imposing or increasing fee prohibited under certain circumstances. |
| NRS 354.59885 | Limitations on fees applicable to public utilities: Submission of certain information by public utility before commencement of service; quarterly statements of revenue required; identification of customers provided to public utility; information included in bill. |
| NRS 354.59887 | Limitations on fees applicable to public utilities: Rate; quarterly payments; collection; penalties and interest on delinquent amounts; apportionment among customers of public utility. |
| NRS 354.59888 | Limitations on fees applicable to public utilities: Procedure for resolving alleged errors concerning billing of customers of public utility that sells or resells personal wireless services for certain fees or designation of place of primary use. |
| NRS 354.59889 | Limitations on fees applicable to public utilities: Change of fees. |
| NRS 354.5989 | Limitations on fees for business licenses; exceptions. |

| | |
|-------------------------------|---|
| NRS 354.59891 | Limitations on fees for building permits, barricade permits and encroachment permits; exceptions. |
| NRS 354.59893 | Advisory committee to review enterprise fund for issuance of building permits, barricade permits and encroachment permits: Establishment; appointment and terms of members; officers; duties and powers. |
| NRS 354.599 | Specified source of additional revenue required under certain circumstances when Legislature directs local governmental action requiring additional funding. |
| NRS 354.600 | Contents of budget. |
| NRS 354.601 | Construction of capital improvement without funding for operation and maintenance included in approved budget prohibited. |
| NRS 354.6015 | Fiscal report of local government: Requirements; publication of summary; regulations. |
| NRS 354.6025 | Annual report of indebtedness of local government: Requirement; compilation into state report. |
| NRS 354.603 | Separate accounts in bank, credit union, savings and loan association or savings bank for school district, county hospital, consolidated library district and district library. |
| NRS 354.604 | Funds maintained by local governments. |
| NRS 354.608 | Contingency account: Establishment; limit on appropriations; expenditures. |
| NRS 354.609 | Petty cash, imprest or revolving account. |
| NRS 354.6105 | Fund for extraordinary maintenance, repair or improvement of capital projects. |
| NRS 354.6113 | Fund for construction of capital projects. |
| NRS 354.6115 | Fund to stabilize operation of local government and mitigate effects of natural disaster. |
| NRS 354.6116 | Revenue from taxes ad valorem from lessee or user of certain taxable property to be deposited in or transferred to certain funds. |
| NRS 354.6117 | Limitation on amount of money transferred to certain funds; exception. |
| NRS 354.6118 | Interfund loans or loans to other local governments: Public hearing required. |
| NRS 354.612 | Establishment of one or more funds by resolution required; contents of resolution; accounting requirements; copy of resolution to be provided to Department of Taxation; proprietary funds; enterprise funds. |
| NRS 354.613 | Enterprise funds: Loan or transfer of money in or associated with fund; increase in amount of fee imposed for purpose of fund; compliance reports; remedy for violation; regulations; applicability; plan to eliminate certain transfers from fund. |
| NRS 354.6135 | Governing body authorized to loan or transfer money from enterprise fund; authorized use of money received; reporting requirements; regulations; applicability. [Expired by limitation.] |
| NRS 354.616 | Adjustment of expenses and revenues. |
| NRS 354.620 | Unencumbered balance of appropriation lapses at end of fiscal year; reversion to fund. |
| NRS 354.6215 | Limitation on use of reserves or balances of funds created to insure risks. |
| NRS 354.624 | Annual audit: Requirements; designation of auditor; scope and disposition; dissemination; prohibited provision in contract with auditor. |
| NRS 354.6241 | Contents of statement provided by local government to auditor; expenditure of excess reserves in certain funds; restrictions on use of budgeted ending fund balance in certain circumstances. |
| NRS 354.6245 | Review of annual audits by Department of Taxation; referral of accountant who issued noncompliant audit to Nevada State Board of Accountancy; plan of correction of violations. |
| NRS 354.625 | Records relating to property and equipment; control of inventory. |
| NRS 354.6256 | Use of proceeds of certain obligations to pay operating expenses prohibited; exceptions. |
| NRS 354.626 | Unlawful expenditure of money in excess of amount appropriated; penalties; exceptions. |

DELINQUENT DOCUMENTS AND PAYMENTS; FISCAL WATCH; TECHNICAL FINANCIAL ASSISTANCE; SEVERE FINANCIAL EMERGENCY

| | |
|------------------------------|--|
| NRS 354.655 | Definitions. |
| NRS 354.657 | Purpose; liberal construction. |
| NRS 354.665 | Delinquent documents: Notification; explanation to Committee on Local Government Finance; withholding of payments. |
| NRS 354.671 | Delinquent payments to Public Employees' Benefits Program: Notification; explanation to Committee on Local Government Finance; withholding of payments. |
| NRS 354.675 | Technical financial assistance from Department of Taxation: Request; notice and hearing; order; request by Department for assistance of Committee on Local Government Finance; allocation from Contingency Account. |
| NRS 354.685 | Severe financial emergency: Conditions; notification of local government by Department of Taxation; plan of corrective action; review of plan by Committee on Local Government Finance; order of Nevada Tax Commission requiring Department to take over management of local government. |
| NRS 354.695 | Severe financial emergency: Powers and duties of Department of Taxation; reimbursement for expenses; allocation from Contingency Account; recommendations by local government; cooperation of state agencies; delegation of powers and duties to financial manager; method for termination of management. |
| NRS 354.705 | Severe financial emergency: Preparation of plan of revenue enhancement and expense mitigation by Executive Director; review and potential revision of plan regarding additional taxes or charges; hearing on plan by panel; adoption of plan; imposition and duration of additional taxes or charges; report of failure to satisfy expenses of local government; periodic report to Legislature regarding financial condition of local government. |
| NRS 354.715 | Severe financial emergency: Enforcement of compliance by local government with certain requests of Department of Taxation; penalties for willful failure to comply with requests. |
| NRS 354.721 | Severe financial emergency: Creation of Severe Financial Emergency Fund; investment and use of money in Fund; requirements relating to loans from Fund. |
| NRS 354.723 | Severe financial emergency: Procedure for disincorporation or dissolution of local government in certain circumstances; requirement for local government to take remedial action in certain circumstances. |
| NRS 354.7235 | Severe financial emergency: Management of Department of Taxation ceases at time of disincorporation or dissolution. |
| NRS 354.725 | Severe financial emergency: Termination or modification of management of local government on motion of Nevada Tax Commission or at request of local government or Committee on Local Government Finance. |

ALTERNATIVE METHODS OF FINANCING BY LOCAL GOVERNMENTS

| | |
|-----------------------------|--|
| NRS 354.740 | Use of lease-purchase and installment-purchase agreements: Legislative findings and declaration. |
| NRS 354.750 | Alternative method for local government to borrow money or purchase or lease property. |

PAYMENTS OF MONEY FOR SERVICES PROVIDED BY LOCAL GOVERNMENTS

[NRS 354.760](#)
[NRS 354.770](#)
[NRS 354.780](#)
[NRS 354.790](#)

Notice to debtor of required payee of negotiable instrument.
Acceptance of payments by credit card, debit card or electronic transfers of money.
Placement of automated tellers at locations where local government receives payments.
Additional fee for providing service to customer in expeditious or convenient manner.

COMMITTEE ON LOCAL GOVERNMENT FINANCE

NRS 354.105 Creation; appointment of members; terms; vacancies; Chair and Vice Chair; meetings; quorum; allowances and expenses; administrative support.

1. The Committee on Local Government Finance, consisting of 11 members, is hereby created.
2. The following associations shall each appoint three members to serve on the Committee:
 - (a) Nevada League of Cities;
 - (b) Nevada Association of County Commissioners; and
 - (c) Nevada Association of School Boards.
3. The Nevada State Board of Accountancy shall appoint two members to serve on the Committee.
4. Each appointment must be for a term of 3 years, and each member appointed may be reappointed to additional terms.
5. A vacancy must be filled as soon as practicable by the appointing authority of the person who vacated the seat.
6. If any of the associations listed in subsection 2 cease to exist, the appointments required by subsection 2 must be made by the association's successor in interest or, if there is no successor in interest, one each by the other appointing authorities.
7. The members of the Committee shall elect by majority vote a member as Chair and another member as Vice Chair, who shall serve for terms of 3 years or until their successors are elected.
8. The Committee shall meet not less than twice per year and may meet at other times upon the call of the Chair or a majority of the members of the Committee.
9. A majority of the members of the Committee constitutes a quorum, and a quorum may exercise all the power and authority conferred on the Committee.
10. Members of the Committee serve without compensation, except that for each day or portion of a day during which a member of the Committee attends a meeting of the Committee or is otherwise engaged in the business of the Committee, the member is entitled to receive the per diem allowance and travel expenses provided for state officers and employees generally.
11. The Department of Taxation shall provide administrative support to the Committee.
 (Added to NRS by [2001.1793](#); A [2015.723](#))

NRS 354.107 Regulations.

1. The Committee on Local Government Finance may adopt such regulations as are necessary for the administration of this chapter.
2. The Committee on Local Government Finance shall adopt regulations prescribing the format of the financial statement posted on the Internet website of a city or county pursuant to [NRS 244.225](#), [268.030](#) and [354.210](#).
3. Any regulations adopted by the Committee on Local Government Finance must be adopted in the manner prescribed for state agencies in [chapter 233B](#) of NRS.
 (Added to NRS by [2001.2317](#); A [2011.3579](#))

COUNTY FINANCES

Apportionment and Transfers of County Revenue

NRS 354.140 Distribution of federal money from forest reserves; reimbursement for cost of audit.

1. The money paid to the State of Nevada by the Secretary of the Treasury under the provisions of 16 U.S.C. § 500, providing for the payment to states and territories of a fixed percentage of the money received by the Government of the United States from the forest reserves established therein, must be distributed respectively to the county or counties in which the forest reserves are situated, to be expended for the benefit of the public schools and the public roads of the county or counties in equal proportion for each object. The proportion for schools must be paid into the county school district fund. If there is a county road fund, the proportion for roads must be paid into the county road fund. If there is no county road fund, the proportion for roads must be paid into the county general fund for public road purposes.
2. When any forest reserve is in more than one state or county, the distributive share to each must be proportional to its area therein, following as near as may be the figures submitted to the State of Nevada respecting net forest area and county acreage therein by the Forest Service, United States Department of Agriculture.
3. The agency which is responsible for completing any audit required for the continuation of the payments must be reimbursed for the cost of the audit from the funds to which the payments were distributed proportionately according to the percentage of the payment which was distributed to each fund.
 [1:191:1907; A 1919, 262; 1919 RL p. 2955; NCL § 5931] — (NRS A [1983.238](#); [2009.1317](#))

NRS 354.150 Transfer of balance of dormant fund.

1. Subject to the provisions of subsection 2, a board of county commissioners may order the transfer of any balance which is dormant in any fund to the county general fund whenever the money remaining in the fund is no longer required for the purpose for which the fund was established.
2. When the dormant fund accrued from taxes levied upon the taxpayers of a fire protection district, road district, cemetery district, unincorporated town, or other type of special assessment or taxing district, the fund may be transferred only to the general fund thereof and not to the county general fund.
 [1:121:1947; A [1953.117](#)] — (NRS A [1975.159](#); [1983.132](#))

Claims and Warrants

NRS 354.170 Order of district judge or district court drawing money from county treasury. Except as otherwise provided in [NRS 6.160](#) or [50.225](#), in every case in which the district court or district judge is authorized by law to order any money to be paid out of the county treasury, this order must be first presented to the county auditor, who shall number and register the order and issue his or her warrant on any fund in

the county treasury not otherwise specially appropriated or set apart.

[1:15:1885; BH § 2528; C § 2576; RL § 1583; NCL § 2064] — (NRS A [1975.1387](#); [1985.54](#); [1987.552](#))

NRS 354.180 Claim by sheriff or constable for delivery of prisoner committed to county jail by justice of the peace.

1. The board of county commissioners is authorized to examine, audit and allow to the sheriff or a constable the actual fare paid by such officer in the conveyance or transportation of any one or more prisoners committed to the county jail by a justice of the peace of the county.

2. The amount provided for in subsection 1 shall be in addition to the amount allowed by law for the safekeeping and delivering of prisoners to the county jail.

3. A bill for fare actually paid pursuant to the provisions of this section shall be accompanied with a receipt showing the amount paid, and by what conveyance the prisoner or prisoners were conveyed to the county jail. In no case shall a greater sum be allowed for a private conveyance than is usually charged by public conveyance for a similar distance, and such amount shall always be determined by the board of county commissioners in accordance with the best judgment and information of the county commissioners.

4. The county auditor is authorized and directed to draw his or her warrant upon the general fund for the payment of such sum as may be allowed by the board of county commissioners from time to time, in accordance with the provisions of subsection 1, and the county treasurer is directed to pay the sum upon presentation in regular order.

[1:69:1879; BH § 1999; C § 2165; RL § 1544; NCL § 1980] + [2:69:1879; BH § 2000; C § 2166; RL § 1545; NCL § 1981]

NRS 354.190 Payment of county debts after original allowance: Limitation; exceptions.

1. The owner of an indebtedness of a county must demand payment of the indebtedness from the county not later than 1 year after the date of the original allowance.

2. If the payment of an indebtedness of the county is not demanded within 1 year after the original allowance, except as otherwise provided in subsection 3, the payment thereof shall be forever barred.

3. If the payment of an indebtedness of the county is demanded more than 1 year after the original allowance, the board of county commissioners may allow the payment. Nothing in this subsection requires the board to allow the payment of an indebtedness that is demanded more than 1 year after the original allowance.

4. Nothing in this section shall be so construed as to affect or repeal any law providing for the redemption or funding of the indebtedness of any county.

[1:15:1881; BH § 2018; C § 2171; RL § 1536; NCL § 1969] — (NRS A [2015.1149](#))

NRS 354.200 Payment of warrants in order of issuance.

1. All warrants or certificates of indebtedness issued by a county auditor shall be paid in the order in which they are issued.

2. Whenever any county warrant or certificate of indebtedness shall not be presented for payment within 6 months after notice shall have been given that the warrant or certificate is payable, the money held for payment of such warrant shall be paid out as other county funds, but whenever any warrant shall thereafter be presented the same shall be deemed then due and payable.

3. Nothing in this section shall be so construed as to prevent the transfer of money from one county fund to another, as provided by law.

[1:98:1885; BH § 2178; C § 2339; RL §§ 1563, 1582; NCL §§ 2044, 2063]

NRS 354.210 Publication or posting and maintenance on website of statements of amount of bills allowed; availability of each bill allowed.

1. Except as provided in subsection 3, the board of county commissioners shall cause a statement of the total amount of bills allowed by it to be published in some newspaper published in the county. The statement must:

(a) Inform the public of the provisions of subsection 5;

(b) If the county maintains an official Internet website, inform the public of where the financial statement is posted on the Internet website pursuant to subsection 4;

(c) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents;

(d) Provide the address of the county office or offices where the public may view the detailed financial documents; and

(e) Be published for a period of at least 5 consecutive days.

2. The amount paid for such publication shall not exceed the statutory rate for publication of legal notices, and the publication shall not extend beyond a single insertion.

3. Where no newspaper is published in a county, the board of county commissioners may cause to be published, in some newspaper having a general circulation within the county, the allowances provided for in subsection 1, or shall cause the clerk of the board to post such allowances at the door of the courthouse.

4. If a county maintains an official Internet website, the board of county commissioners shall maintain and update quarterly on the official Internet website of the county a statement of the bills allowed by it. The statement must:

(a) Inform the public of the provisions of subsection 5;

(b) Provide a telephone number the public may call for further instructions on how to obtain the detailed financial documents; and

(c) Provide the address of the county office or offices where the public may view the detailed financial documents.

5. The original and any duplicate or copy of each bill, including, without limitation, the amount of the bill, the name of the person to whom such allowance is made and for what such allowance is made, or any other document that supports a transaction, the amount of which is shown in the statement published pursuant to this section, is a public record that is available for inspection and copying by any person pursuant to the provisions of [chapter 239](#) of NRS.

[1:5:1893; A 1927, 33; NCL § 1977] + [2:5:1893; A [1949.155](#); 1943 NCL § 1978] — (NRS A [1957.364](#); [2011.3579](#))

Refunds

NRS 354.220 Applicability. [NRS 354.220](#) to [354.250](#), inclusive, apply in making applications for refund of money which has been paid into the county treasuries in cases where:

1. Through mistake or inadvertence, a county and school district tax for any 1 tax year has, by reason of the assessment of the same piece of property, been paid two or more times.

2. A remission of the assessed valuation on a patented mine or mining claim has been ordered by a board having jurisdiction of the matter because annual assessment work was performed thereon, and the remission has not been made by the proper county officers, and taxes on the full valuation have been paid under protest by the owner of the patented mining claims.

3. Licenses or taxes have been twice paid on the same band of sheep.

4. In the opinion of the board of county commissioners, or the county treasurer in those cases in which the county treasurer is authorized to

make a refund, the applicant for refund has a just cause for making the application and the granting of the refund would be equitable.

[Part 1:89:1923; NCL § 6637] — (NRS A [1987.129](#); [1989.45](#); [1997.1586](#))

NRS 354.230 Limitation of time for claim. The claim for a refund of money must be presented to the board of county commissioners, or the county treasurer in those cases in which the county treasurer is authorized to make a refund, within 3 years after the time the claim was incurred.

[3:89:1923; A [1951.244](#)] — (NRS A [1987.129](#))

NRS 354.240 Determination by board of county commissioners; refunds by county treasurer; delegation of authority by board of county commissioners to approve certain claims; monthly list of refunds made by county treasurer.

1. If a board of county commissioners determines by competent evidence that money has been paid into the treasury of the county under any of the circumstances mentioned in [NRS 354.220](#), the board of county commissioners, by its unanimous resolution, may direct the county treasurer to refund to the applicant the amount of money paid into the county treasury in excess of the amount legally payable.

2. In the case of a claim for a refund of property tax, if the board has unanimously found that the applicant is entitled to a refund, it shall direct the county treasurer to refund to the applicant the amount claimed if the claim is made within 3 years after the tax was due. The county may withhold amounts refunded from its subsequent apportionments of revenues from property tax to the other taxing units in the county which levied a tax represented in the combined tax rate.

3. If the county treasurer determines by competent evidence that money in the amount of \$500 or less has been paid into the county treasury under any of the circumstances listed in [NRS 354.220](#), the county treasurer may, upon receiving the written approval of the district attorney, refund to the applicant the amount paid which is in excess of the amount legally payable.

4. In the case of a claim for a refund of property tax which has been authorized and approved in the manner provided in subsection 3, the county treasurer shall make a refund to the applicant in the amount claimed if the claim is made within 3 years after the tax was due. The county may withhold amounts refunded from its subsequent apportionments of revenues from property tax to the other taxing units in the county which levied a tax represented in the combined tax rate.

5. A board of county commissioners may, in the case of a claim for a refund of a registration fee or deposit paid to the county department of parks and recreation, delegate the authority to approve all such claims of less than \$1,000, to:

- (a) The county manager or the designee of the county manager;
- (b) The county administrator or the designee of the county administrator; or
- (c) In a county that has neither a county manager nor a county administrator, any other county employee.

6. A board of county commissioners may, in the case of a claim for a refund of any charges, fees or deposits paid to the county department of aviation, delegate the authority to approve all such claims of less than \$100, to:

- (a) The county manager or the designee of the county manager;
- (b) The county administrator or the designee of the county administrator; or
- (c) In a county that has neither a county manager nor a county administrator, any other county employee.

7. A county treasurer, upon receiving written approval of a claim pursuant to subsection 5 or 6, may refund to the applicant the amount of the refund due.

8. At the end of each month the county treasurer shall provide to the board of county commissioners a list of all refunds made by the county treasurer during that month. The list must contain the name of each taxpayer or other person to whom a refund was made and the amount of the refund. The county treasurer shall maintain a copy of the list and make it available for public inspection.

[2:89:1923; NCL § 6638] — (NRS A [1977.475](#); [1987.129](#); [1991.53](#); [1995.51](#); [1997.1586](#); [2007.2192](#))

NRS 354.250 Action against county authorized if claimant aggrieved by action of board of county commissioners. If any person shall feel aggrieved by the action taken by any board of county commissioners on any such claim, an action may be prosecuted thereon for and on behalf of any such person against the county as on other rejected county claims.

[6:89:1923; NCL § 6642]

Accounts Receivable

NRS 354.255 Establishment of uniform procedures for collection of accounts and removal of uncollectible accounts.

1. The board of county commissioners of each county shall establish uniform procedures for the collection of accounts receivable owed to the county and the removal of uncollectible accounts receivable from the records of the county. The procedures may provide for the collection of accounts receivable by a centralized collection system established pursuant to [NRS 244.207](#) or by the office of the district attorney.

2. The procedures established pursuant to subsection 1 must provide for:

(a) The steps a department of the county must follow in collecting an account receivable, including a requirement that a department send a follow-up invoice to each debtor at 30-, 60- and 90-day intervals;

(b) The transfer of an account receivable to the centralized collection system or the district attorney for collection if the department is unsuccessful in its efforts to collect the account receivable;

(c) Review by the centralized collection system or the district attorney of each account receivable that is transferred for collection and a determination of whether the account receivable is collectible or uncollectible; and

(d) Application by the county auditor to the board of county commissioners to have the amount of the account receivable and the name of the debtor removed from the records of the county.

(Added to NRS by [1993.1199](#))

NRS 354.256 Notification of county auditor concerning uncollectible account; application for removal of information concerning uncollectible accounts from records of county.

1. If at any time, in the opinion of the centralized collection system or the district attorney, it becomes impossible or impractical to collect an account receivable owed to the county because:

- (a) The debtor has filed bankruptcy;
- (b) The debtor has died;
- (c) The amount of the account receivable is less than the amount it would cost to collect it; or
- (d) Of some other reason or circumstance,

→ the centralized collection system or the district attorney shall notify the county auditor in writing that the account receivable is uncollectible and the reasons therefor.

2. Upon receiving notification that an account receivable is uncollectible, the county auditor may apply to the board of county commissioners to have the amount of the account receivable and the name of the debtor removed from the records of the county.

3. The application must include:

- (a) The amount of the account receivable;
- (b) The name of the debtor;
- (c) A record of the efforts made to collect the account receivable; and
- (d) The written notice provided pursuant to subsection 1.

4. If the board of county commissioners approves the application, the county auditor shall remove the amount of the account receivable and the name of the debtor from the county records.

(Added to NRS by [1993, 1199](#))

NRS 354.257 Authority for removal of information concerning uncollectible accounts from records of county. Except as otherwise provided by specific statute, the board of county commissioners may remove from the records of the county the amount of an account receivable and the name of the debtor, upon a determination by a centralized collection system established pursuant to [NRS 244.207](#) or the district attorney that the account receivable is uncollectible and the recommendation of the county auditor that the account be removed.

(Added to NRS by [1993, 1198](#))

Statements and Accountings

NRS 354.270 Issuance of receipts; apportionment of revenue.

1. If a county treasurer does not use an automated accounting system, the county treasurer shall issue a receipt in triplicate for all money received by him or her. The original must be delivered to the payee, the duplicate immediately filed by the county treasurer with the county auditor, and the triplicate retained by the county treasurer. The duplicate and triplicate receipts must, in addition to showing the amount and source of revenue, contain an apportionment to the proper funds as follows:

(a) All revenue collected for general, administrative, current expense, salary, indigent and contingent purposes must be apportioned to the general fund.

(b) All revenue collected for special purposes must be apportioned to special funds, or to separate accounts established under the provisions of [NRS 354.603](#), that have been or may be created, the purpose of which must be indicated in the title of each special fund.

2. If a county treasurer uses an automated accounting system, the county treasurer shall enter information regarding all money received by him or her, including the amount and source of the money and the manner in which it must be apportioned, into the system. The county treasurer shall retain all of the original documentation regarding each transaction. The treasurer is not required to issue a receipt to a payee unless the payee so requests.

3. A county treasurer failing to comply with the provisions of this section shall be punished as provided in [NRS 354.310](#).

[1:184:1919; 1919 RL p. 2702; NCL § 2067] + [Part 4:184:1919; A 1923, 346; 1933, 60; 1931 NCL § 2070] — (NRS A [1971, 1339; 1975, 1798; 1993, 122](#))

NRS 354.280 Contents of monthly statement of county treasurer. The county treasurer shall:

1. Keep a complete record of the source and amount of all receipts, apportionments to, payments from, and balances in all funds; and

2. Submit to the board of county commissioners each month at any regular or special meeting a statement containing the information required in subsection 1 for the previous month, giving the balance in each county, state and special fund, together with a statement of all money on deposit, outstanding checks against that money and cash on hand.

[2:184:1919; 1919 RL p. 2702; NCL § 2068] + [Part 4:184:1919; A 1923, 346; 1933, 60; 1931 NCL § 2070] — (NRS A [1971, 1339; 1975, 1798; 1981, 1757](#))

NRS 354.290 County auditor to audit apportionments and keep record of receipts and expenditures; statements.

1. The county auditor of each county shall:

(a) Audit all apportionments made by the county treasurer.

(b) Keep a complete record of all such apportionments to and disbursements from funds established under [NRS 354.604](#).

(c) Keep accounts showing the amount of revenue received from each of the various sources, the amount of expenditures of the various departments and the object of the expenditures.

2. At a regular meeting of the board of county commissioners in October, January, April and September, the county auditor shall submit to the board a statement containing the information required by subsection 1 in such detail as may be required, but the statement must, in any event, show the amount of outstanding warrants against and the available balance in each county, state and special fund, together with an analysis of revenues and expenditures for the previous quarter by account and fund. The analysis must use the same accounts and funds as were used in the budget adopted by the board of county commissioners for the applicable fiscal year and must be so organized as to relate directly to that budget.

3. This section is mandatory, and any county auditor failing to comply with the provisions of this section shall be punished as provided in [NRS 354.310](#).

[3:184:1919; 1919 RL p. 2703; NCL § 2069] + [Part 4:184:1919; A 1923, 346; 1933, 60; 1931 NCL § 2070] — (NRS A [1957, 236; 1971, 1340; 1975, 1799; 1981, 1757](#))

NRS 354.310 Provisions of [NRS 354.270](#), [354.280](#) and [354.290](#) mandatory; penalties. [NRS 354.270](#), [354.280](#) and [354.290](#) shall be considered mandatory, and any county treasurer or county auditor failing to comply with the provisions thereof is guilty of malfeasance, misfeasance or nonfeasance in office.

[Part 4:184:1919; A 1923, 346; 1933, 60; 1931 NCL § 2070] — (NRS A [1975, 640](#))

BUDGETS OF LOCAL GOVERNMENTS

NRS 354.470 Short title. [NRS 354.470](#) to [354.626](#), inclusive, may be cited as the Local Government Budget and Finance Act.

(Added to NRS by [1965, 725](#); A [1971, 1012, 1340; 1973, 1080; 1977, 509; 1983, 1618; 1987, 1031; 1995, 2553; 1997, 3294; 1999, 833; 2001, 1421, 1795; 2003, 78; 2005, 576, 1402; 2011, 1688; 2013, 2711](#))

NRS 354.472 Purposes of Local Government Budget and Finance Act.

1. The purposes of [NRS 354.470](#) to [354.626](#), inclusive, are:

(a) To establish standard methods and procedures for the preparation, presentation, adoption and administration of budgets of all local governments.

(b) To enable local governments to make financial plans for programs of both current and capital expenditures and to formulate fiscal policies

to accomplish these programs.

(c) To provide for estimation and determination of revenues, expenditures and tax levies.

(d) To provide for the control of revenues, expenditures and expenses in order to promote prudence and efficiency in the expenditure of public money.

(e) To provide specific methods enabling the public, taxpayers and investors to be apprised of the financial preparations, plans, policies and administration of all local governments.

2. For the accomplishment of these purposes, the provisions of [NRS 354.470](#) to [354.626](#), inclusive, must be broadly and liberally construed.

(Added to NRS by [1965.725](#); A [1971.1012](#), [1340](#); [1981.1758](#); [2001.1795](#); [2005.576](#); [2011.1689](#); [2013.2711](#))

NRS 354.474 Applicability to local governments; “local government” defined.

1. Except as otherwise provided in subsections 2 and 3, the provisions of [NRS 354.470](#) to [354.626](#), inclusive, apply to all local governments. For the purpose of [NRS 354.470](#) to [354.626](#), inclusive:

(a) “Local government” means every political subdivision or other entity which has the right to levy or receive money from ad valorem or other taxes or any mandatory assessments, and includes, without limitation, counties, cities, towns, boards, school districts and other districts organized pursuant to [chapters 244A, 318, 318A](#) and [379](#) of NRS, [NRS 450.550](#) to [450.750](#), inclusive, and [chapters 474, 541, 543](#) and [555](#) of NRS, and any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision.

(b) “Local government” includes:

(1) The Nevada Rural Housing Authority for the purpose of loans of money from a local government in a county whose population is less than 100,000 to the Nevada Rural Housing Authority in accordance with [NRS 354.6118](#). The term does not include the Nevada Rural Housing Authority for any other purpose.

(2) A regional authority formed pursuant to [NRS 315.7805](#) but, except as otherwise provided in subparagraph (1), does not include any other housing authority created by or pursuant to [chapter 315](#) of NRS.

2. An irrigation district organized pursuant to [chapter 539](#) of NRS shall fix rates and levy assessments as provided in [NRS 539.667](#) to [539.683](#), inclusive. The levy of such assessments and the posting and publication of claims and annual financial statements as required by [chapter 539](#) of NRS shall be deemed compliance with the budgeting, filing and publication requirements of [NRS 354.470](#) to [354.626](#), inclusive, but any such irrigation district which levies an ad valorem tax shall comply with the filing and publication requirements of [NRS 354.470](#) to [354.626](#), inclusive, in addition to the requirements of [chapter 539](#) of NRS.

3. An electric light and power district created pursuant to [chapter 318](#) of NRS shall be deemed to have fulfilled the requirements of [NRS 354.470](#) to [354.626](#), inclusive, for a year in which the district does not issue bonds or levy an assessment if the district files with the Department of Taxation a copy of all documents relating to its budget for that year which the district submitted to the Rural Utilities Service of the United States Department of Agriculture.

(Added to NRS by [1965.726](#); A [1967.937](#), [1387](#); [1969.1390](#); [1971.13](#), [1013](#), [1341](#); [1977.539](#); [1979.361](#); [1993.1150](#); [1995.815](#), [2553](#); [2005.576](#); [2011.1377](#), [1689](#), [2727](#); [2013.2711](#); [2017.1960](#), [2037](#), [2721](#))

NRS 354.475 Exemption of certain special districts from certain requirements of Local Government Budget and Finance Act; conditional exemption from requirement of providing annual audit; request for audit of exempt special district by board of county commissioners; regulations.

1. All special districts subject to the provisions of the Local Government Budget and Finance Act with annual total expenditures of less than \$300,000 may petition the Department of Taxation for exemption from the requirements of the Local Government Budget and Finance Act for the filing of certain budget documents and audit reports. Such districts may further petition to use a cash basis of accounting.

2. A special district subject to the provisions of the Local Government Budget and Finance Act with budgeted annual total expenditures of \$300,000 or more in a fiscal year that reasonably anticipates its actual annual total expenditures for that fiscal year will be less than \$300,000 may petition the Department of Taxation for a conditional exemption from the requirement of providing for an annual audit pursuant to [NRS 354.624](#) for that fiscal year. If the actual annual total expenditures of the special district are \$300,000 or more, the special district shall provide for an annual audit for that fiscal year.

3. A petition filed with the Department of Taxation:

(a) Pursuant to subsection 1 must be received by the Department of Taxation on or before March 1 to be effective for the succeeding fiscal year; or

(b) Pursuant to subsection 2 must be received by the Department of Taxation on or before March 1 to be effective for the current fiscal year.

4. A board of county commissioners may request the Department of Taxation to audit the financial records of a special district that is exempt from the requirement of providing for an annual audit pursuant to this section.

5. If a petition filed by a special district pursuant to subsection 1 is granted by the Department of Taxation:

(a) The minimum required of the special district is the filing with the Department of Taxation of an annual budget on or before April 15 of each year and the filing of fiscal reports in accordance with [NRS 354.6015](#); and

(b) The special district is exempt from all publication requirements of the Local Government Budget and Finance Act, except that the Department of Taxation by regulation shall require an annual publication of a notice of budget adoption and filing.

6. The Committee on Local Government Finance shall adopt regulations pursuant to [NRS 354.594](#) which are necessary to carry out the purposes of this section.

7. The revenue recorded in accounts that are kept on a cash basis must consist of cash items.

8. As used in this section, “cash basis” means the system of accounting under which revenues are recorded only when received and expenditures or expenses are recorded only when paid.

(Added to NRS by [1973.440](#); A [1975.1684](#); [1981.1759](#); [1983.253](#); [1989.321](#); [1991.646](#); [2001.1421](#), [1795](#), [2318](#); [2003.78](#), [83](#), [801](#); [2017.188](#))

NRS 354.476 Definitions. As used in [NRS 354.470](#) to [354.626](#), inclusive, unless the context otherwise requires, the words and terms defined in [NRS 354.479](#) to [354.578](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by [1965.726](#); A [1971.1013](#), [1341](#); [1981.1759](#); [1987.1675](#); [1989.2074](#); [1991.1434](#); [1995.1934](#), [2554](#); [1997.647](#); [2001.537](#), [1497](#), [1796](#); [2003.52](#); [2005.577](#); [2009.432](#); [2011.1690](#), [2728](#); [2013.2712](#))

NRS 354.479 “Accrual basis” defined. “Accrual basis” means the basis of accounting under which expenditures or expenses are recorded as soon as they result in liabilities for benefits received and revenues are recorded when earned, despite the possibility that the receipt of the revenue or the payment for the expense may take place, in whole or in part, in another accounting period.

(Added to NRS by [1967.940](#); A [1971.183](#); [1981.1759](#))

NRS 354.4815 “Administrative entity” defined. “Administrative entity” means an entity created pursuant to an interlocal agreement or interlocal contract between two or more counties to operate a regional facility.

(Added to NRS by [2001.536](#))

NRS 354.4817 “Anticipated revenue” defined. “Anticipated revenue” means the amount of revenue anticipated to be collected or accrued during a given period.

(Added to NRS by [1965.728](#); A [1981.1762](#); [2001.1797](#))

NRS 354.482 “Appropriation” defined. “Appropriation” means an authorization by a governing body to make expenditures and to incur obligations for specified purposes.

(Added to NRS by [1965.726](#))

NRS 354.484 “Assets” defined. “Assets” means property which:

1. Is owned by a governmental unit; and
2. Has a monetary value.

(Added to NRS by [1965.726](#); A [1981.1760](#))

NRS 354.486 “Audit” defined. “Audit” means the examination and analysis of financial statements, accounting procedures and other evidence made in conformity with generally accepted auditing standards in the United States for one or more of the following purposes:

1. Determining the propriety and mathematical accuracy of material financial transactions;
2. Ascertaining whether financial transactions have been properly recorded;
3. Ascertaining whether the financial statements prepared from the accounting records fairly present in all material respects the financial position and the results of financial operations and cash flows of the governmental unit in accordance with generally accepted accounting principles in the United States and on a basis which is consistent with that of the preceding year;
4. Evaluating internal accounting controls over financial reporting of the handling of the public money and public property;
5. Determining whether the fiscal controls established by law and administrative regulations are being properly applied;
6. Determining whether there is any evidence that fraud or dishonesty has occurred in the handling of funds or property;
7. Determining whether the acquisition, depreciation and disposition of property and equipment are accounted for in accordance with generally accepted accounting principles in the United States; and
8. Determining whether the removal of the uncollectible accounts receivable from the records of a governmental unit is done in accordance with the procedure established by law and administrative regulations.

(Added to NRS by [1965.726](#); A [1981.1760](#); [1993.1199](#); [2001.1796](#))

NRS 354.492 “Budget” defined. “Budget” means a plan of financial operation embodying an estimate of proposed expenditures and expenses for a given period and the proposed means of financing them.

(Added to NRS by [1965.727](#); A [1981.1760](#))

NRS 354.493 “Budget augmentation” defined. “Budget augmentation” is a procedure for increasing appropriations of a fund with the express intent of employing previously unbudgeted resources of the fund for carrying out the increased appropriations.

(Added to NRS by [1971.1012](#); A [1981.1761](#))

NRS 354.496 “Budget year” defined. “Budget year” means the fiscal year for which a budget is being prepared.

(Added to NRS by [1965.727](#))

NRS 354.499 “Capital assets” defined. “Capital assets” means assets of a long-term character which are intended to continue to be held or used such as land, buildings, machinery, furniture and other equipment.

(Added to NRS by [1965.728](#); A [2001.1797](#))

NRS 354.4995 “Capital projects fund” defined. “Capital projects fund” means a fund created to account for resources used for the acquisition or construction of designated capital assets by a governmental unit except those financed by proprietary or trust funds.

(Added to NRS by [1983.1636](#); A [1989.402](#); [2001.1798](#))

NRS 354.506 “Contingency account” defined. “Contingency account” means an account showing money that has been appropriated to provide for unforeseen expenditures or anticipated expenditures of an uncertain amount.

(Added to NRS by [1965.727](#); A [1981.1761](#); [2001.1797](#))

NRS 354.510 “Debt service fund” defined. “Debt service fund” means a fund to account for the accumulation of resources for and the payment of principal or interest on any general long-term debt or medium-term obligation.

(Added to NRS by [1965.727](#); A [1981.1761](#); [2001.1797](#))

NRS 354.516 “Encumbrances” defined. “Encumbrances” means commitments related to unperformed contracts for goods or services, the accounting for which is used to ensure effective budgetary control and accountability and to promote effective cash planning and control. For reporting purposes, encumbrances outstanding at a year’s end represent the estimated amount of the expenditure ultimately to result if the unperformed contracts existing at the year’s end are performed. Encumbrances outstanding at a year’s end do not constitute expenditures or liabilities.

(Added to NRS by [1965.728](#); A [1981.1761](#))

NRS 354.517 “Enterprise fund” defined. “Enterprise fund” means a fund established to account for operations:

1. Which are financed and conducted in a manner similar to the operations of private business enterprises, where the intent of the governing body is to have the expenses (including depreciation) of providing goods or services on a continuing basis to the general public, financed or recovered primarily through charges to the users; or
2. For which the governing body has decided that a periodic determination of revenues earned, expenses incurred and net income is consistent with public policy and is appropriate for capital maintenance, management control, accountability or other purposes.

(Added to NRS by [1971.200](#); A [1981.1761](#))

NRS 354.520 “Expenditure” defined.

1. “Expenditure” means:

(a) If the accounting records are kept on the modified accrual basis, the cost of goods delivered or services rendered, whether paid or unpaid. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term liabilities which should be recognized when due.

(b) If accounts are kept on the cash basis, only cash disbursements for the purposes listed in paragraph (a).

2. Encumbrances are not considered expenditures.

(Added to NRS by [1965.728](#); A [1981.1762](#); [2001.1797](#))

NRS 354.523 “Expense” defined. “Expense” means any charge incurred, under the accrual basis, whether paid or unpaid, for operation, maintenance or interest or any other charge which is presumed to provide benefit in the current fiscal period.

(Added to NRS by [1981.1756](#); A [2001.1797](#))

NRS 354.5237 “Fiduciary fund” defined. “Fiduciary fund” means a fund used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the programs of the local government.

(Added to NRS by [2001.1793](#))

NRS 354.524 “Final budget” defined. “Final budget” means the budget which has been adopted by a local governing body or adopted by default as defined by [NRS 354.470](#) to [354.626](#), inclusive, and which has been determined by the Department of Taxation to be in compliance with applicable statutes and regulations.

(Added to NRS by [1965.728](#); A [1971.1013](#); [1975.1684](#); [2001.1797](#); [2011.1690](#))

NRS 354.526 “Fiscal year” defined. “Fiscal year” means the 12-month period beginning on the first day of July and ending on the last day of June.

(Added to NRS by [1965.728](#))

NRS 354.529 “Function” defined. “Function” means a group of related activities aimed at accomplishing a major service or regulatory program for which a governmental unit is responsible, including, without limitation, general government, public safety, public works, health, welfare, culture and recreation, conservation of natural resources, urban redevelopment and housing, economic development and assistance, economic opportunity and activities relating to the judiciary.

(Added to NRS by [1981.1756](#); A [2001.1797](#))

NRS 354.530 “Fund” defined. “Fund” means a fiscal and accounting entity having a self-balancing set of accounts, recording cash and other financial resources together with all related liabilities and residual equities or balances, or changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with specific regulations, restrictions or limitations.

(Added to NRS by [1965.728](#); A [1981.1762](#))

NRS 354.533 “Fund balance” defined. “Fund balance” means the excess of assets over liabilities in a governmental fund.

(Added to NRS by [1981.1757](#); A [2001.1797](#))

NRS 354.534 “General fund” defined. “General fund” means the fund used to account for all financial resources except those required to be accounted for in another fund.

(Added to NRS by [1965.728](#); A [1981.1762](#))

NRS 354.535 “General long-term debt” defined. “General long-term debt” means debt which is legally payable from general revenues and is backed by the full faith and credit of a governmental unit. The term includes obligations issued by a local government pursuant to [chapter 350](#) of NRS and other long-term liabilities, including, without limitation, accrued compensated absences and claims for workers’ compensation.

(Added to NRS by [1981.1757](#); A [1995.1818](#); [1999.277](#); [2001.1798](#), [2318](#); [2003.78](#))

NRS 354.536 “Governing body” defined. “Governing body” means the board, council, commission or other body in which the general legislative and fiscal powers of the local government are vested. The term includes, without limitation, the commissioners of a regional authority formed pursuant to [NRS 315.7805](#), if the general legislative and fiscal powers of the regional authority are vested in the commissioners.

(Added to NRS by [1965.728](#); A [2017.1961](#))

NRS 354.543 “Internal service fund” defined. “Internal service fund” means a fund used to account for the financing of goods or services furnished by a designated department or agency to governmental units within its own organization or to other departments or agencies on the basis of reimbursement for costs.

(Added to NRS by [1971.200](#); A [1981.1762](#))

NRS 354.548 “Liabilities” defined. “Liabilities” means, for the purpose of financial reporting, debts or other legal obligations arising out of transactions in the past which must be liquidated or refunded at some future date.

(Added to NRS by [1965.729](#); A [1981.1763](#))

NRS 354.550 “Modified accrual basis” defined. “Modified accrual basis” means the basis of accounting under which expenditures other than accrued interest on general long-term debt are recorded at the time liabilities are incurred and revenues are recorded when they become measurable and available to finance expenditures of the fiscal period.

(Added to NRS by [1965.729](#); A [1971.183](#); [1981.1763](#))

NRS 354.553 “Proprietary fund” defined. “Proprietary fund” means an internal service fund or enterprise fund.

(Added to NRS by [2001.1793](#))

NRS 354.557 “Regional facility” defined. “Regional facility” means a facility that is used by each county that levies a tax ad valorem for its operation pursuant to [NRS 354.59818](#) and provides services related to public safety, health or criminal justice. The term includes a regional facility for the treatment and rehabilitation of children for which an assessment is paid pursuant to [NRS 62B.160](#).

(Added to NRS by [2001.536](#); A [2003.1135](#); [2017.4398](#))

NRS 354.560 “Reserve” defined. “Reserve” means, in accounting and reporting of government funds, a portion of the fund equity which is not appropriable for expenditures or is segregated by law or contract for a specific future use.

(Added to NRS by [1965.729](#); A [1971.183](#); [1981.1763](#); [1987.631](#))

NRS 354.562 “Revenue” defined. “Revenue” means the gross receipts and receivables of a local government derived from taxes and all other sources except from appropriations and allotments.

(Added to NRS by [1965.729](#); A [1967.937](#); [1981.1763](#); [2001.1798](#))

NRS 354.570 “Special revenue fund” defined. “Special revenue fund” means a fund used to account for specific revenue sources, other than sources for major capital projects, which are restricted by law to expenditure for specified purposes.

(Added to NRS by [1965.729](#); A [1971.200](#); [1981.1763](#); [2001.1798](#))

NRS 354.571 “Supplemental city-county relief tax” defined. “Supplemental city-county relief tax” means the fees, taxes, interest and penalties which derive from that portion of the city-county relief tax which exceeds the original tax levied at the rate of one-half of 1 percent.

(Added to NRS by [1981.305](#))

NRS 354.574 “Tax rate” defined. “Tax rate” means the amount of tax stated in terms of a unit of the tax base.

(Added to NRS by [1965.730](#))

NRS 354.578 “Tentative budget” defined. “Tentative budget” means the budget that is prepared initially, published and recorded by each local government for an ensuing fiscal year prior to its approval by the Department of Taxation and such other supervisory bodies as are charged by law with the examination of tentative budgets, and prior to its subsequent adoption.

(Added to NRS by [1965.730](#); A [1975.1684](#))

NRS 354.590 Actions of governing body by resolution or ordinance. Whenever the terms of [NRS 354.470](#) to [354.626](#), inclusive, require or refer to action of a governing body by resolution, the governing body may at its discretion act by ordinance, if it is otherwise authorized by law to adopt ordinances.

(Added to NRS by [1965.730](#); A [1971.1013](#), [1342](#); [2013.2712](#))

NRS 354.592 Publication of notice: Requirements; cost. Whenever the terms of [NRS 354.470](#) to [354.626](#), inclusive, require publication of notice, such requirement shall be deemed to have been met when such notice is published once in some newspaper published within the area encompassed or served by the local government. However, if no such newspaper is published within that area such notice shall be published in some newspaper published in the State of Nevada and having a general circulation in the area. The cost of publications shall be a proper charge against the appropriate fund of the local government.

(Added to NRS by [1965.730](#); A [1971.1014](#), [1342](#))

NRS 354.594 Committee on Local Government Finance to determine and advise local governments of regulations, procedures and report forms. The Committee on Local Government Finance shall determine and advise local government officers of regulations, procedures and report forms for compliance with [NRS 354.470](#) to [354.626](#), inclusive.

(Added to NRS by [1965.726](#); A [1967.938](#); [1971.734](#), [1014](#), [1342](#); [1975.1685](#); [1989.238](#); [1995.143](#); [2001.2318](#); [2009.432](#); [2011.1690](#); [2013.2712](#))

NRS 354.5943 Regulations establishing procedures for transferring function from one local government to another.

1. The Committee on Local Government Finance shall adopt regulations to establish procedures for transferring a function from one local government to another local government.

2. The regulations adopted by the Committee on Local Government Finance pursuant to subsection 1 must:

(a) Be adopted in the manner prescribed for state agencies in [chapter 233B](#) of NRS.

(b) Include provisions requiring:

(1) Except as otherwise provided in subsection 3, at least 180 days’ notice to the affected local governments of the intent to transfer a function from one local government to another local government, unless a different period of notification is required by a statute or by contractual agreement.

(2) The exchange of such information between the affected local governments as is necessary to complete the transfer, including, without limitation, such matters as a complete description of the function to be transferred and the mechanism to be used to pay for the performance of that function.

3. Affected local governments may, by mutual agreement, waive the requirements set forth in subparagraph (1) of paragraph (b) of subsection 2.

(Added to NRS by [2009.431](#))

NRS 354.5945 Capital improvement plan: Preparation and submission; provision to Director of Legislative Counsel Bureau upon request; filing for public inspection; limitation on amount of expenditures; required contents; reconciliation of capital outlay; exemption.

1. Except as otherwise provided in subsection 7, each local government shall annually prepare, on a form prescribed by the Department of Taxation for use by local governments, a capital improvement plan for the fiscal year ending on June 30 of that year and the ensuing 5 fiscal years.

2. On or before August 1 of each year, each local government shall submit a copy of the capital improvement plan of the local government to the:

(a) Department of Taxation; and

(b) Debt management commission of the county in which the local government is located.

→ The Department of Taxation shall provide a copy of a capital improvement plan of a local government to the Director of the Legislative Counsel Bureau upon his or her request.

3. Each local government shall file a copy of the capital improvement plan of the local government for public record and inspection by the public in the offices of:

(a) The clerk or secretary of the governing body; and

(b) The county clerk.

4. The total amount of the expenditures contained in the capital improvement plan of the local government for the next ensuing fiscal year must equal the total amount of expenditures for capital outlay set forth in the final budget of the local government for each fund listed in that budget.

5. The capital improvement plan must include the estimated or actual revenues and expenditures for each capital project and the estimated or actual date for completion of each capital project.

6. The capital improvement plan must reconcile the capital outlay in each fund in the final budget for the first year of the capital improvement plan to the final budget in the next ensuing fiscal year. The reconciliation must identify the minimum level of expenditure for items classified as capital assets in the final budget and the minimum level of expenditure for items classified as capital projects in the capital improvement plan. The reconciliation of capital outlay items in the capital improvement plan must be presented on forms created and distributed by the Department of Taxation.

7. Local governments that are exempt from the requirements of the Local Government Budget and Finance Act pursuant to subsection 1 of [NRS 354.475](#) are not required to file a capital improvement plan.

(Added to NRS by [1999, 832](#); A [2001, 1798](#); [2003, 802](#); [2005, 128, 1402](#); [2017, 1041](#))

NRS 354.5947 Annual report concerning capital improvements owned, leased or operated by local government: Compilation; requirements; submission to Department of Taxation; provision to Director of Legislative Counsel Bureau upon request.

1. In addition to the records and inventory controls established and maintained pursuant to [NRS 354.625](#), the governing body of each local government shall, for each fiscal year, compile a report concerning the capital improvements owned, leased or operated by the local government.

2. The report of the capital improvements required pursuant to subsection 1 must be prepared in such detail as is required by generally accepted accounting principles.

3. The governing body shall submit, in any format including an electronic format, a copy of the report compiled pursuant to subsection 1 on or before February 1 of the year next succeeding the period to which the report pertains to the Department of Taxation. The Department of Taxation shall provide a copy of the report compiled pursuant to subsection 1 to the Director of the Legislative Counsel Bureau upon his or her request.

(Added to NRS by [2005, 1402](#); A [2017, 1041](#))

NRS 354.596 Tentative budget: Preparation, submission and filing; notice and public hearing; certificate of compliance or lack of compliance from Department of Taxation; amendment to effect compliance.

1. The officer charged by law shall prepare, or the governing body shall cause to be prepared, on appropriate forms prescribed by the Department of Taxation for the use of local governments, a tentative budget for the ensuing fiscal year. The tentative budget for the following fiscal year must be submitted to the county auditor and filed for public record and inspection in the office of:

- (a) The clerk or secretary of the governing body; and
- (b) The county clerk.

2. On or before April 15, a copy of the tentative budget must be submitted:

- (a) To the Department of Taxation; and
- (b) In the case of school districts, to the Department of Education.

3. At the time of filing the tentative budget, the governing body shall give notice of the time and place of a public hearing on the tentative budget and shall cause a notice of the hearing to be published once in a newspaper of general circulation within the area of the local government not more than 14 nor less than 7 days before the date set for the hearing. The notice of public hearing must state:

- (a) The time and place of the public hearing.
- (b) That a tentative budget has been prepared in such detail and on appropriate forms as prescribed by the Department of Taxation.
- (c) The places where copies of the tentative budget are on file and available for public inspection.

4. The public hearing on the tentative budget must be held by the governing body not sooner than the third Monday in May and not later than the last day in May.

5. The Department of Taxation shall examine the submitted documents for compliance with law and with appropriate regulations and shall submit to the governing body at least 3 days before the public hearing a written certificate of compliance or a written notice of lack of compliance. The written notice must indicate the manner in which the submitted documents fail to comply with law or appropriate regulations.

6. Whenever the governing body receives from the Department of Taxation a notice of lack of compliance, the governing body shall forthwith proceed to amend the tentative budget to effect compliance with the law and with the appropriate regulation.

(Added to NRS by [1965, 730](#); A [1969, 1081](#); [1973, 404](#); [1975, 160, 1685](#); [1979, 1372](#); [1985, 1054, 1729](#); [1987, 163](#); [2001, 1799](#); [2005, 1403](#); [2015, 222](#))

NRS 354.5965 Tentative budget: Inclusion and availability of list of certain contracts.

1. In preparing a tentative budget pursuant to [NRS 354.596](#), the governing body of a local government shall prepare and include a list of any existing contracts the local government has with persons or temporary employment services, the proposed expenditures for such contracts in the next 2 fiscal years and the reasons for the use of such persons or services. If such contracts include privatization contracts, the local government must include in the list:

- (a) The duration of such contracts;
- (b) The number of privatization contracts proposed for the next 2 fiscal years and the estimated expenditures for such contracts; and
- (c) A summary of the number of persons the local government proposes to employ pursuant to each contract, reflected as their equivalent full-time positions if the persons were employed regularly by the local government, and their equivalent hourly wage.

2. The list prepared pursuant to this section is a public record and must be open to public inspection.

3. As used in this section, "privatization contract" means a contract executed by or on behalf of a local government which authorizes a private entity to provide public services which are:

- (a) Substantially similar to the services provided by the public employees of the local government; and
- (b) In lieu of the services otherwise authorized or required to be provided by the local government.

(Added to NRS by [2011, 2727](#))

NRS 354.597 Tentative budget and final budget: Reduction of estimate of revenues by amount of taxes ad valorem expected to be delinquent.

1. In preparing a tentative budget, the governing body of a local government, except a school district, which determines that the amount of revenue to be received from taxes ad valorem during the ensuing fiscal year will be reduced because one or more lessees or users of property which is taxable pursuant to [NRS 361.157](#) or [361.159](#) will be delinquent in paying the tax, may, upon approval by the Executive Director of the Department of Taxation, reduce the estimate of revenue from taxes ad valorem by the amount of the tax expected to be delinquent.

2. In adopting a final budget, the governing body of a local government, except a school district, shall reduce the estimate of revenue from

taxes ad valorem by the amount determined pursuant to subsection 1, unless the governing body has determined since the preparation of the tentative budget that some or all of the tax expected to be delinquent will be paid. The governing body shall increase the estimate of revenue from taxes ad valorem by the amount of tax no longer expected to be delinquent, if any.

3. The provisions of this section do not affect the calculation of the limitation upon revenue from taxes ad valorem pursuant to [NRS 354.59811](#) or any estimate of assessed valuation used to distribute revenue among local governments or determine the debt limit of the State, a local government or a school district.

(Added to NRS by [1997.1113](#))

NRS 354.598 Final budget: Adoption; budget by default; certification; appropriations; limitations; changes.

1. At the time and place advertised for public hearing, or at any time and place to which the public hearing is from time to time adjourned, the governing body shall hold a public hearing on the tentative budget, at which time interested persons must be given an opportunity to be heard.

2. At the public hearing, the governing body shall indicate changes, if any, to be made in the tentative budget and shall adopt a final budget by the favorable votes of a majority of all members of the governing body. Except as otherwise provided in this subsection, the final budget must be adopted on or before June 1 of each year. The final budgets of school districts must be adopted on or before June 8 of each year. Should the governing body fail to adopt a final budget that complies with the requirements of law and the regulations of the Committee on Local Government Finance on or before the required date, the budget adopted and used for certification of the combined ad valorem tax rate by the Department of Taxation for the current year, adjusted as to content and rate in such a manner as the Department of Taxation may consider necessary, automatically becomes the budget for the ensuing fiscal year. When a budget has been so adopted by default, the governing body may not reconsider the budget without the express approval of the Department of Taxation. If the default budget creates a combined ad valorem tax rate in excess of the limit imposed by [NRS 361.453](#), the Nevada Tax Commission shall adjust the budget as provided in [NRS 361.4547](#) or [361.455](#).

3. The final budget must be certified by a majority of all members of the governing body, and a copy of it, together with an affidavit of proof of publication of the notice of the public hearing, must be transmitted to the Nevada Tax Commission. If a tentative budget is adopted by default as provided in subsection 2, the clerk of the governing body shall certify the budget and transmit to the Nevada Tax Commission a copy of the budget, together with an affidavit of proof of the notice of the public hearing, if that notice was published. Certified copies of the final budget must be distributed as determined by the Department of Taxation.

4. Upon the adoption of the final budget or the amendment of the budget in accordance with [NRS 354.598005](#), the several amounts stated in it as proposed expenditures are appropriated for the purposes indicated in the budget.

5. No governing body may adopt any budget which appropriates for any fund any amount in excess of the budget resources of that fund.

6. If a local government makes a change in its final budget which increases the combined ad valorem tax rate, the local government shall submit the amended final budget to the county auditor within 15 days after making the change.

(Added to NRS by [1965.731](#); A [1967.938](#); [1969.1083](#); [1975.161](#), [1686](#); [1979.1240](#), [1373](#); [1981.311](#); [1987.164](#); [1993.1432](#); [1995.1031](#); [1997.1778](#); [1999.1358](#); [2001.1800](#), [2319](#); [2003.162](#); [2003.19th Special Session.84](#))

NRS 354.598005 Procedures and requirements for augmenting or amending budget.

1. If anticipated resources actually available during a budget period exceed those estimated, a local government may augment a budget in the following manner:

(a) If it is desired to augment the appropriations of a fund to which ad valorem taxes are allocated as a source of revenue, the governing body shall, by majority vote of all members of the governing body, adopt a resolution reciting the appropriations to be augmented, and the nature of the unanticipated resources intended to be used for the augmentation. Before the adoption of the resolution, the governing body shall publish notice of its intention to act thereon in a newspaper of general circulation in the county for at least one publication. No vote may be taken upon the resolution until 3 days after the publication of the notice.

(b) If it is desired to augment the budget of any fund other than a fund described in paragraph (a) or an enterprise or internal service fund, the governing body shall adopt, by majority vote of all members of the governing body, a resolution providing therefor at a regular meeting of the body.

2. A budget augmentation becomes effective upon delivery to the Department of Taxation of an executed copy of the resolution providing therefor.

3. Nothing in [NRS 354.470](#) to [354.626](#), inclusive, precludes the amendment of a budget by increasing the total appropriation for any fiscal year to include a grant-in-aid, gift or bequest to a local unit of government which is required to be used for a specific purpose as a condition of the grant. Acceptance of such a grant and agreement to the terms imposed by the granting agency or person constitutes an appropriation to the purpose specified.

4. A local government need not file an augmented budget for an enterprise or internal service fund with the Department of Taxation but shall include the budget augmentation in the next quarterly report.

5. Budget appropriations may be transferred between functions, funds or contingency accounts in the following manner, if such a transfer does not increase the total appropriation for any fiscal year and is not in conflict with other statutory provisions:

(a) The person designated to administer the budget for a local government may transfer appropriations within any function.

(b) The person designated to administer the budget may transfer appropriations between functions or programs within a fund, if:

(1) The governing body is advised of the action at the next regular meeting; and

(2) The action is recorded in the official minutes of the meeting.

(c) Upon recommendation of the person designated to administer the budget, the governing body may authorize the transfer of appropriations between funds or from the contingency account, if:

(1) The governing body announces the transfer of appropriations at a regularly scheduled meeting and sets forth the exact amounts to be transferred and the accounts, functions, programs and funds affected;

(2) The governing body sets forth its reasons for the transfer; and

(3) The action is recorded in the official minutes of the meeting.

6. In any year in which the Legislature by law increases or decreases the revenues of a local government, and that increase or decrease was not included or anticipated in the local government's final budget as adopted pursuant to [NRS 354.598](#), the governing body of any such local government may, within 30 days of adjournment of the legislative session, file an amended budget with the Department of Taxation increasing or decreasing its anticipated revenues and expenditures from that contained in its final budget to the extent of the actual increase or decrease of revenues resulting from the legislative action.

7. In any year in which the Legislature enacts a law requiring an increase or decrease in expenditures of a local government, which was not anticipated or included in its final budget as adopted pursuant to [NRS 354.598](#), the governing body of any such local government may, within 30 days of adjournment of the legislative session, file an amended budget with the Department of Taxation providing for an increase or decrease in expenditures from that contained in its final budget to the extent of the actual amount made necessary by the legislative action.

8. An amended budget, as approved by the Department of Taxation, is the budget of the local government for the current fiscal year.

9. On or before January 1 of each school year, each school district shall adopt an amendment to its final budget after the average daily

enrollment of pupils is reported for the preceding quarter pursuant to subsection 1 of [NRS 387.1223](#). The amendment must reflect any adjustments necessary as a result of the report.

(Added to NRS by [2001.1793](#); A [2015.3731](#))

NRS 354.59801 Local government to file copy of final budget and final plan for capital improvements for public inspection. Each local government shall file in the office of the clerk or secretary of its governing body, for public record and inspection:

1. A copy of its final budget; and
2. A copy of its final plan for capital improvements prepared pursuant to [NRS 354.5945](#) and, if applicable, [NRS 350.013](#).

(Added to NRS by [1985.1054](#); A [1989.188](#); [1999.833](#); [2001.1801](#))

NRS 354.59803 Reporting of expenditures of local government for lobbying activities: Requirements; filing with Department of Taxation; availability for inspection.

1. In each year in which the Legislature convenes, a local government which expends more than \$6,000 on activities designed to influence the passage or defeat of any legislation shall file with the Department of Taxation within 30 days after the close of the legislative session a report supplemental to its final budget which includes separate items for expenses relating to that activity, including, without limitation:

- (a) Transportation.
- (b) The amount of money spent on:
 - (1) The lodging and meals of its officers, lobbyists and employees;
 - (2) The salary or wages paid to its officers and employees; and
 - (3) Compensation paid to any lobbyists, to the extent that such information does not duplicate the information required pursuant to subparagraphs (1) and (2).
- (c) The amount of money spent on entertainment, gifts or other expenses which are required to be reported pursuant to [chapter 218H](#) of NRS.
- (d) The amount of money spent in Carson City on supplies, equipment and facilities and other personnel and services needed to support the activity.
- (e) An identification of the fund, account or other source against which the expenses were charged.

2. The local government shall make a copy of the supplemental report available for inspection within 30 days after the close of the legislative session.

(Added to NRS by [1985.1518](#); A [2001.2477](#))

NRS 354.59811 Limitation upon revenue from taxes ad valorem: Calculation.

1. Except as otherwise provided in [NRS 244.377](#), [278C.260](#), [354.59813](#), [354.59815](#), [354.59818](#), [354.5982](#), [354.5987](#), [354.705](#), [354.723](#), [450.425](#), [450.760](#), [540A.265](#) and [543.600](#), for each fiscal year beginning on or after July 1, 1989, the maximum amount of money that a local government, except a school district, a district to provide a telephone number for emergencies or a redevelopment agency, may receive from taxes ad valorem, other than those attributable to the net proceeds of minerals or those levied for the payment of bonded indebtedness and interest thereon incurred as general long-term debt of the issuer, or for the payment of obligations issued to pay the cost of a water project pursuant to [NRS 349.950](#), or for the payment of obligations under a capital lease executed before April 30, 1981, must be calculated as follows:

(a) The rate must be set so that when applied to the current fiscal year's assessed valuation of all property which was on the preceding fiscal year's assessment roll, together with the assessed valuation of property on the central assessment roll which was allocated to the local government, but excluding any assessed valuation attributable to the net proceeds of minerals, assessed valuation attributable to a redevelopment area and assessed valuation of a fire protection district attributable to real property which is transferred from private ownership to public ownership for the purpose of conservation, it will produce 106 percent of the maximum revenue allowable from taxes ad valorem for the preceding fiscal year, except that the rate so determined must not be less than the rate allowed for the previous fiscal year, except for any decrease attributable to the imposition of a tax pursuant to [NRS 354.59813](#) in the previous year.

(b) This rate must then be applied to the total assessed valuation, excluding the assessed valuation attributable to the net proceeds of minerals and the assessed valuation of a fire protection district attributable to real property which is transferred from private ownership to public ownership for the purpose of conservation, but including new real property, possessory interests and mobile homes, for the current fiscal year to determine the allowed revenue from taxes ad valorem for the local government.

2. As used in this section, "general long-term debt" does not include debt created for medium-term obligations pursuant to [NRS 350.087](#) to [350.095](#), inclusive.

(Added to NRS by [1983.557](#); A [1983.1058](#); [1987.368](#), [434](#), [1341](#), [1686](#), [2034](#); [1989.46](#), [806](#), [2074](#); [1995.1818](#), [1895](#); [1997.550](#), [1340](#), [2561](#), [2573](#); [1999.87](#), [277](#), [2537](#); [2001.60](#), [61](#), [537](#), [1801](#), [2319](#); [2003.162](#), [480](#); [2005.1767](#); [2013.3136](#))

NRS 354.59813 Limitation upon revenue from taxes ad valorem: Levy of additional tax ad valorem for operating purposes under certain circumstances.

1. In addition to the allowed revenue from taxes ad valorem determined pursuant to [NRS 354.59811](#), if the estimate of the revenue available from the supplemental city-county relief tax to the county as determined by the Executive Director of the Department of Taxation pursuant to the provisions of subsection 10 of [NRS 360.690](#) is less than the amount of money that would be generated by applying a tax rate of \$1.15 per \$100 of assessed valuation to the assessed valuation of the county, except any assessed valuation attributable to the net proceeds of minerals, the governing body of each local government may levy an additional tax ad valorem for operating purposes. The total tax levied by the governing body of a local government pursuant to this section must not exceed a rate calculated to produce revenue equal to the difference between the:

(a) Amount of revenue from supplemental city-county relief tax estimated to be received by the county pursuant to subsection 10 of [NRS 360.690](#); and

(b) The tax that the county would have been estimated to receive if the estimate for the total revenue available from the tax was equal to the amount of money that would be generated by applying a tax rate of \$1.15 per \$100 of assessed valuation to the assessed valuation of the county, multiplied by the proportion determined for the local government pursuant to subparagraph (2) of paragraph (a) of subsection 4 of [NRS 360.690](#), subparagraph (2) of paragraph (a) of subsection 5 of [NRS 360.690](#) or subsection 6 of [NRS 360.690](#), as appropriate.

2. Any additional taxes ad valorem levied as a result of the application of this section must not be included in the base from which the allowed revenue from taxes ad valorem for the next subsequent year is computed.

3. As used in this section, "local government" has the meaning ascribed to it in [NRS 360.640](#).

(Added to NRS by [1989.2073](#); A [1991.1434](#); [1997.3294](#); [1999.1099](#); [2003.1637](#); [2005.13](#); [2013.19](#), [3137](#))

NRS 354.59815 Limitation upon revenue from taxes ad valorem: Levy of additional tax ad valorem for capital projects without approval of voters.

1. In addition to the allowed revenue from taxes ad valorem determined pursuant to [NRS 354.59811](#), the board of county commissioners may

levy a tax ad valorem on all taxable property in the county at a rate not to exceed 5 cents per \$100 of the assessed valuation of the county.

2. If a tax is levied pursuant to subsection 1 in:

(a) A county whose population is less than 100,000, the board of county commissioners shall direct the county treasurer to distribute quarterly the proceeds of the tax among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all of the local governments in the county for the 1990-1991 Fiscal Year.

(b) A county whose population is 100,000 or more but less than 700,000, the board of county commissioners shall direct the county treasurer to distribute quarterly, from the proceeds of the tax for:

(1) The fiscal year beginning on July 1, 2008:

(I) Eighty-eight percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and

(II) Twelve percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of [NRS 408.235](#).

(2) The fiscal year beginning on July 1, 2009:

(I) Seventy-six percent of those proceeds to the State Treasurer for deposit in the State General Fund; and

(II) Twenty-four percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of [NRS 408.235](#).

(3) The fiscal year beginning on July 1, 2010:

(I) Sixty-four percent of those proceeds to the State Treasurer for deposit in the State General Fund; and

(II) Thirty-six percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of [NRS 408.235](#).

(4) The fiscal year beginning on July 1, 2011:

(I) Fifty-two percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and

(II) Forty-eight percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of [NRS 408.235](#).

(5) Each fiscal year beginning on or after July 1, 2012:

(I) Forty percent of those proceeds among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 Fiscal Year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 Fiscal Year; and

(II) Sixty percent of those proceeds to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of [NRS 408.235](#).

(c) A county whose population is 700,000 or more, from the proceeds of the tax for each fiscal year beginning on or after July 1, 2013:

(1) Forty percent of those proceeds must be divided among the county and the cities within the county as provided in this subparagraph. The board of county commissioners shall direct the county treasurer to retain 30 percent and distribute quarterly the remaining 70 percent among the county and the cities within the county in the proportion that the projected assessed value of the unincorporated areas of the county and each of those cities for the fiscal year bears to the sum of the projected assessed values of the unincorporated areas and all those cities for that fiscal year.

(2) Sixty percent of those proceeds must be remitted quarterly by the county treasurer to the State Treasurer for deposit in the State Highway Fund for administration pursuant to subsection 7 of [NRS 408.235](#).

➤ As used in this paragraph, "projected assessed value" means the assessed value of real and personal property in a county or city, as applicable, excluding real or personal property in any redevelopment area, which is projected by the Department of Taxation in the report prepared pursuant to [NRS 361.4535](#).

3. The board of county commissioners shall not reduce the rate of any tax levied pursuant to the provisions of subsection 1 without the approval of the State Board of Finance and each of the local governments that receives a portion of the tax, except that, if a local government declines to receive its portion of the tax in a particular year the levy may be reduced by the amount that local government would have received.

(Added to NRS by [1989.2073](#); A [1991.1435](#); [2007.1588](#), [1968](#); [2009.2075](#); [2013.803](#))

NRS 354.598155 Special ad valorem capital projects fund.

1. Each local government that receives a portion of the revenue from the tax levied pursuant to the provisions of [NRS 354.59815](#) shall establish a special ad valorem capital projects fund and shall deposit all revenue received pursuant to the provisions of [NRS 354.59815](#) in that fund. All interest and income earned on the money in the fund must also be deposited in the fund.

2. The money in the fund may only be used for:

(a) The purchase of capital assets including land, improvements to land and major items of equipment;

(b) The renovation of existing governmental facilities not including normal recurring maintenance; and

(c) The repayment of a medium-term obligation issued to fund a project described in paragraph (a) or (b).

3. Money may be retained in the fund for not more than 10 years to allow the funding of projects without the issuance of bonds or other obligations. For the purpose of determining the length of time a deposit of money has been retained in the fund, all money withdrawn from the fund shall be deemed to be taken on a first-in, first-out basis.

4. The annual budget and audit report of each local government must specifically identify this fund and must indicate in detail the projects that have been funded with money from the fund. Any planned accumulation of the money in the fund must also be specifically identified.

(Added to NRS by [1989.2073](#); A [1995.1819](#))

NRS 354.59817 Limitation upon revenue from taxes ad valorem: Levy of additional tax ad valorem for capital projects upon approval of voters.

1. In addition to the allowed revenue from taxes ad valorem determined pursuant to [NRS 354.59811](#), upon the approval of a majority of the registered voters of a county voting upon the question, the board of county commissioners may levy a tax ad valorem on all taxable property in the county at a rate not to exceed 15 cents per \$100 of the assessed valuation of the county. A tax must not be levied pursuant to this section for more than 10 years.

2. The board of county commissioners shall direct the county treasurer to distribute quarterly the proceeds of any tax levied pursuant to the provisions of this section among the county and the cities and towns within that county in the proportion that the supplemental city-county relief tax distribution factor of each of those local governments for the 1990-1991 fiscal year bears to the sum of the supplemental city-county relief tax distribution factors of all the local governments in the county for the 1990-1991 fiscal year.

3. The board of county commissioners shall not reduce the rate of any tax levied pursuant to the provisions of this section without the approval of each of the local governments that receives a portion of the tax, except that, if a local government declines to receive its portion of the tax in a particular year, the levy may be reduced by the amount that local government would have received.

4. The governing body of each local government that receives a portion of the revenue from the tax levied pursuant to this section shall establish a separate capital projects fund for the purposes set forth in this section. All interest and income earned on the money in the fund must also be deposited in the fund. The money in the fund may only be used for:

- (a) The purchase of capital assets, including land, improvements to land and major items of equipment;
- (b) The construction or replacement of public works; and
- (c) The renovation of existing governmental facilities, not including normal recurring maintenance.

➔ The money in the fund must not be used to finance the issuance or the repayment of bonds or other obligations, including medium-term obligations and installment-purchase agreements.

5. Money may be retained in the fund for not more than 10 years to allow the funding of projects without the issuance of bonds or other obligations. For the purpose of determining the length of time a deposit of money has been retained in the fund, all money withdrawn from the fund shall be deemed to be taken on a first-in, first-out basis. No money in the fund at the end of the fiscal year may revert to any other fund, nor may the money be a surplus for any other purpose than those specified in this section.

6. The annual budget and audit report of each local government must specifically identify this fund and must indicate in detail the projects that have been funded with money from the fund. Any planned accumulation of the money in the fund must also be specifically identified.

7. The projects on which money raised pursuant to this section will be expended must be approved by the voters in the question submitted pursuant to subsection 1 or in a separate question submitted on the ballot at a general or special election.

(Added to NRS by [1993, 1149](#); A [1997, 555](#); [2001, 1802, 2320](#); [2003, 162](#))

NRS 354.59818 Limitation upon revenue from taxes ad valorem: Levy of additional tax ad valorem for operation of regional facility without approval of voters.

1. In addition to the allowed revenue from taxes ad valorem determined pursuant to [NRS 354.59811](#), the boards of county commissioners of at least two counties may levy a tax ad valorem on all taxable property in their respective counties at a rate not to exceed 5 cents per \$100 of the assessed valuation of each county to pay the costs of operating a regional facility.

2. Counties that levy a tax ad valorem pursuant to subsection 1 may enter into an interlocal agreement or interlocal contract to create an administrative entity to operate a regional facility.

3. The revenue of a tax collected pursuant to this section must be remitted on the first day of the first month of each calendar quarter to:

- (a) If the regional facility is operated by a county, the treasurer of the county; or
- (b) If the regional facility is operated by an administrative entity, the administrative entity.

4. By the end of each fiscal year, the board of county commissioners of each county that levies a tax pursuant to this section must determine the rate of tax required to produce revenue in an amount which is sufficient to pay the operating costs of the regional facility for the ensuing fiscal year. When calculating a rate pursuant to this section, the board of county commissioners of each county shall consider the amount of money remaining in the fund created pursuant to [NRS 354.59819](#), if such a fund is created, unless the amount of money remaining in the fund is 10 percent or less of the revenue deposited for the current fiscal year.

(Added to NRS by [2001, 536](#))

NRS 354.59819 Separate fund for revenue used for operation of regional facility.

1. If two or more counties create an administrative entity pursuant to [NRS 354.59818](#), the administrative entity shall establish a separate fund to account for the revenue received from taxes levied pursuant to [NRS 354.59818](#).

2. The money in the fund may only be withdrawn by the administrative entity and must be used only to pay the expenses of operating the regional facility that is operated by the administrative entity.

3. All interest and income from money deposited in the fund must be credited to the fund.

4. The annual budget and audit report of an administrative entity that establishes a fund pursuant to this section must:

- (a) Identify the fund;
- (b) Indicate in detail all revenue received for the year;
- (c) Indicate in detail all expenses for the year which were paid with money from the fund; and
- (d) Specifically identify any planned accumulation of money in the fund.

5. Money remaining in the fund at the end of a fiscal year must not revert to any other fund.

6. Upon termination of an interlocal agreement or interlocal contract that creates an administrative entity, the money remaining in a fund established pursuant to this section must be transmitted to the treasurer of each county which was a party to the interlocal agreement or interlocal contract and which levied a tax pursuant to [NRS 354.59818](#). Each county that is entitled to receive a portion of the money remaining in the fund must receive an amount equal to the same proportion of the total amount of revenue the county contributed to the fund. A county that receives money pursuant to this section shall deposit the money in a fund established pursuant to [NRS 354.6113](#) or [354.6115](#) for use in the same manner as other money deposited in that fund.

7. Nothing in this section may be construed to require a board of county commissioners that is a party to an interlocal agreement or interlocal contract to levy a tax pursuant to [NRS 354.59818](#).

(Added to NRS by [2001, 537](#))

NRS 354.5982 Limitation upon revenue from taxes ad valorem: Authority to exceed pursuant to vote of people; addition of imposed costs.

1. The local government may exceed the limit imposed by [NRS 354.59811](#) upon the calculated receipts from taxes ad valorem only if its governing body proposes to its registered voters an additional property tax, and the proposal is approved by a majority of the voters voting on the question at a general election, a general city election or a special election called for that purpose. The question submitted to the voters must contain the rate of the proposed additional property tax stated in dollars and cents per \$100 assessed valuation, the purpose of the proposed additional property tax, the duration of the proposed additional property tax and an estimate established by the governing body of the increase in the amount of property taxes that an owner of a new home with a fair market value of \$100,000 will pay per year as a result of the passage of the question. The duration of the levy must not exceed 30 years. The governing body may discontinue the levy before it expires and may not thereafter reimpose it in whole or in part without following the procedure required for its original imposition.

2. A special election may be held:

(a) At any time, including, without limitation, on the date of a primary city election or a primary state election, if the governing body of the local government determines, by a unanimous vote, that an emergency exists; or

(b) On the second Tuesday after the first Monday in June of an odd-numbered year, whether or not the local government also holds a general

city election on that date.

3. The determination made by the governing body pursuant to subsection 2 that an emergency exists is conclusive unless it is shown that the governing body acted with fraud or a gross abuse of discretion. An action to challenge the determination made by the governing body must be commenced within 15 days after the governing body's determination is final. As used in this subsection, "emergency" means any unexpected occurrence or combination of occurrences which requires immediate action by the governing body of the local government to prevent or mitigate a substantial financial loss to the local government or to enable the governing body to provide an essential service to the residents of the local government.

4. To the allowed revenue from taxes ad valorem determined pursuant to [NRS 354.59811](#) for a local government, the Executive Director of the Department of Taxation shall add any amount approved by the Legislature for the cost to that local government of any substantial program or expense required by legislative enactment.

(Added to NRS by [1981, 305](#); A [1981, 1245](#); [1983, 495, 554, 1051](#); [1987, 434, 1386](#); [1989, 47, 939, 2075, 2087](#); [1991, 1435](#); [1993, 1068, 2660, 2662](#); [1997, 3294](#); [1999, 1083](#); [2001, 602](#); [2015, 1886](#))

NRS 354.59821 Limitation upon revenue from taxes ad valorem: Forms for submission of ballot question and examples of previous questions to be provided by Committee on Local Government Finance.

1. The Committee on Local Government Finance shall annually provide to each city clerk, county clerk and district attorney:

(a) Forms for submitting a ballot question to the registered voters of a local government for the imposition of an additional property tax pursuant to [NRS 354.5982](#); and

(b) Examples of past ballot questions for the imposition of an additional property tax.

2. The city clerk, county clerk or district attorney may make these forms and examples available to the general public.

(Added to NRS by [1999, 1083](#))

NRS 354.5987 Establishment of allowed revenue from taxes ad valorem of certain local governments by Nevada Tax Commission.

1. For the purposes of [NRS 354.59811](#), the allowed revenue from taxes ad valorem of any local government must be established by the Nevada Tax Commission for the first fiscal year it is in existence.

2. Except as otherwise provided in subsections 3 and 5, if the local government for which the allowed revenue from taxes ad valorem is to be established performs a function previously performed by another local government, the total revenue allowed to all local governments for performance of substantially the same function in substantially the same geographical area must not be increased. To achieve this result, the Nevada Tax Commission shall request the Committee on Local Government Finance to prepare a statement of the prior cost of performing the function for each predecessor local government. Within 60 days after receipt of such a request, the Committee on Local Government Finance shall prepare a statement pursuant to the request and transmit it to the Nevada Tax Commission. The Nevada Tax Commission may accept, reject or amend the statement of the Committee on Local Government Finance. The decision of the Nevada Tax Commission is final. Upon making a final determination of the prior cost of performing the function for each predecessor local government, the Nevada Tax Commission shall:

(a) Determine the percentage that the prior cost of performing the function for each predecessor local government is of the allowed revenue from taxes ad valorem of that local government; and

(b) Apply the percentage determined pursuant to paragraph (a) to the allowed revenue from taxes ad valorem and subtract that amount from the allowed revenue from taxes ad valorem of the predecessor local government.

➤ The allowed revenue from taxes ad valorem attributable to the new local government for the cost of performing the function must equal the total of the amounts subtracted for the prior cost of performing the function from the allowed revenue from taxes ad valorem of all the predecessor local governments.

3. If the local government for which the allowed revenue from taxes ad valorem is to be established is an unincorporated town which provides a service not previously provided by another local government, and the board of county commissioners has included the unincorporated town in a resolution adopted pursuant to the provisions of [NRS 269.5755](#), the Nevada Tax Commission shall, if the unincorporated town does not receive revenue from taxes ad valorem, establish the allowed revenue of the town from taxes ad valorem at an amount which is in the same ratio to the assessed valuation of the town as the combined allowed revenues from taxes ad valorem are to the combined assessed valuations of the other unincorporated towns included in the common levy.

4. Except as otherwise provided in subsection 5, the allowed revenue from taxes ad valorem of all local governments in the county, determined pursuant to [NRS 354.59811](#), must not be increased, but the total allowed revenue from taxes ad valorem must be reallocated among the local governments consistent with subsection 2 to accommodate the amount established for the new local government pursuant to subsection 1.

5. In establishing the allowed revenue from taxes ad valorem of a county, city or town pursuant to this section, the Nevada Tax Commission shall allow a tax rate for operating expenses of at least 15 cents per \$100 of assessed valuation in addition to the tax rate allowed for any identified and restricted purposes and for debt service.

6. As used in this section:

(a) "Predecessor local government" means a local government which previously performed all or part of a function to be performed by the local government for which the allowed revenue from taxes ad valorem is being established pursuant to subsection 1.

(b) "Prior cost of performing the function" means the amount expended by a local government to perform a function which is now to be performed by another local government. The amount must be determined on the basis of the most recent fiscal year for which reliable information is available.

(Added to NRS by [1981, 307](#); A [1983, 558, 1052](#); [1985, 1653](#); [1989, 1046, 1564, 2076, 2088](#); [1991, 1436](#); [1995, 143, 2179](#); [1997, 3295](#); [2001, 1803](#))

NRS 354.59874 Adjustment of allowed revenue from taxes ad valorem upon assumption by local government of function or provision of service previously performed by another local government pursuant to agreement between local governments. Except as otherwise provided in subsection 2 of [NRS 354.5987](#) and [NRS 354.598743](#) and [354.598747](#), if one local government takes over a function or provides a service previously performed by another local government pursuant to an agreement between the local governments, upon petition by the participating local governments, the Executive Director of the Department of Taxation shall:

1. Reduce the allowed revenue from taxes ad valorem calculated pursuant to [NRS 354.59811](#) of the local government which previously performed the function or provided the service, for the first year the service is provided or the function is performed by an amount equal to the cost of performing the function or providing the service; and

2. Increase the allowed revenue from taxes ad valorem calculated pursuant to [NRS 354.59811](#) of the local government which assumed the performance of the function or the provision of the service, for the first year the service is provided or the function is performed by an amount equal to the amount by which the reduction was made pursuant to subsection 1.

(Added to NRS by [1989, 805](#); A [1989, 2087](#); [1991, 1438](#); [1997, 3298](#))

NRS 354.598743 Adjustment of allowed revenue from taxes ad valorem upon assumption by local government of function previously performed by another local government that no longer exists. Except as otherwise provided in [NRS 354.598747](#), if one or more local governments assume the functions previously performed by a local government that no longer exists, the Nevada Tax Commission shall add to the allowed revenue from taxes ad valorem otherwise allowable to the local government or local governments pursuant to [NRS 354.59811](#) an amount equal to the allowed revenue from taxes ad valorem for the last fiscal year of existence of the local government whose functions were assumed. If more than one local government assumes the functions, the additional revenue must be divided among the local governments on the basis of the proportionate costs of the functions assumed. The Nevada Tax Commission shall not allow any increase in the allowed revenue from taxes ad valorem if the increase would result in a decrease in revenue of any local government in the county that does not assume those functions.
(Added to NRS by [1997.3292](#))

NRS 354.598747 Calculation of amount distributed from Local Government Tax Distribution Account to local government, special district or enterprise district that assumes functions of another local government or district.

1. To calculate the amount to be distributed pursuant to the provisions of [NRS 360.680](#) and [360.690](#) from a county's subaccount in the Local Government Tax Distribution Account to a local government, special district or enterprise district after it assumes the functions of another local government, special district or enterprise district:

(a) Except as otherwise provided in this section, the Executive Director of the Department of Taxation shall:

(1) Add the amounts calculated pursuant to subsection 1 or 2 of [NRS 360.680](#) for each local government, special district or enterprise district and allocate the combined amount to the local government, special district or enterprise district that assumes the functions; and

(2) If applicable, add the average change in population and average change in the assessed valuation of taxable property that would otherwise be allowed to the local government or special district whose functions are assumed, including the assessed valuation attributable to a redevelopment agency but excluding the portion attributable to the net proceeds of minerals, pursuant to subsection 4 or 5 of [NRS 360.690](#), as appropriate, to the average change in population and average change in assessed valuation for the local government, special district or enterprise district that assumes the functions.

(b) If two or more local governments, special districts or enterprise districts assume the functions of another local government, special district or enterprise district, the additional revenue must be divided among the local governments, special districts or enterprise districts that assume the functions on the basis of the proportionate costs of the functions assumed.

➤ The Nevada Tax Commission shall not allow any increase in the allowed revenue from the taxes contained in the county's subaccount in the Local Government Tax Distribution Account if the increase would result in a decrease in revenue of any local government, special district or enterprise district in the county that does not assume those functions. If more than one local government, special district or enterprise district assumes the functions, the Nevada Tax Commission shall determine the appropriate amounts calculated pursuant to subparagraphs (1) and (2) of paragraph (a).

2. If a city disincorporates, the board of county commissioners of the county in which the city is located must determine the amount the unincorporated town created by the disincorporation will receive pursuant to the provisions of [NRS 360.600](#) to [360.740](#), inclusive.

3. As used in this section:

(a) "Enterprise district" has the meaning ascribed to it in [NRS 360.620](#).

(b) "Local government" has the meaning ascribed to it in [NRS 360.640](#).

(c) "Special district" has the meaning ascribed to it in [NRS 360.650](#).

(Added to NRS by [1997.3293](#); A [1999.7](#), [1095](#), [1099](#); [2001.70](#); [2003.1637](#); [2005.14](#); [2013.20](#), [3137](#))

NRS 354.59875 Calculation and imposition of common levy for unincorporated town; preparation and availability of document showing services provided.

1. If the board of county commissioners of a county has established a common levy authorized pursuant to [NRS 269.5755](#), it shall calculate the rate of that levy by combining the amount of revenue from taxes ad valorem authorized for each of the unincorporated towns participating in the common levy, including any adjustment permitted by statute or authorized by the Nevada Tax Commission, and dividing that sum by the combined assessed valuation of those unincorporated towns. The resulting common rate must be imposed on all taxable property located in those unincorporated towns.

2. Whether or not a common levy has been established, each board of county commissioners shall cause to be prepared and made available as a public record a document showing:

(a) The services provided throughout the county and financed from the rate levied for the county as such; and

(b) The services provided in each area for which an additional rate is levied and financed from that rate.

(Added to NRS by [1985.2254](#))

NRS 354.59881 Limitations on fees applicable to public utilities: Definitions. As used in [NRS 354.59881](#) to [354.59889](#), inclusive, unless the context otherwise requires, the words and terms defined in [NRS 354.598812](#) to [354.598818](#), inclusive, have the meanings ascribed to them in those sections.

(Added to NRS by [1995.2188](#); A [1997.1987](#), [2742](#); [1999.603](#), [604](#); [2001.1644](#); [2007.1383](#))

NRS 354.598812 Limitations on fees applicable to public utilities: "Customer" defined. "Customer" does not include any customer of a provider of a telecommunication service other than a retail customer.

(Added to NRS by [1997.2741](#))

NRS 354.598813 Limitations on fees applicable to public utilities: "Delinquent amount" defined. "Delinquent amount" means any portion of a fee collected from a customer by a public utility that is not paid to the city or county by the public utility within 30 days after the last day of the quarter in which the fee is due.

(Added to NRS by [1997.2741](#))

NRS 354.598814 Limitations on fees applicable to public utilities: "Fee" defined. "Fee" means a charge imposed by a city or county upon a public utility for a business license, franchise or right-of-way over streets or other public areas, except any charge paid pursuant to the provisions of [NRS 709.110](#), [709.230](#) or [709.270](#).

(Added to NRS by [1997.2741](#); A [2007.1383](#))

NRS 354.598815 Limitations on fees applicable to public utilities: "Jurisdiction" defined. "Jurisdiction" means:

1. In the case of a city, the corporate limits of the city.

2. In the case of a county, the unincorporated area of the county.

(Added to NRS by [1997.2741](#))

NRS 354.598816 Limitations on fees applicable to public utilities: “Personal wireless service” defined. “Personal wireless service” has the meaning ascribed to it in 47 U.S.C. § 332(c)(7)(C) as that provision exists on July 16, 1997.

(Added to NRS by [1997.2742](#))

NRS 354.5988165 Limitations on fees applicable to public utilities: “Place of primary use” defined. “Place of primary use” has the meaning ascribed to it in 4 U.S.C. § 124(8), as that section existed on August 1, 2002.

(Added to NRS by [2001.1644](#))

NRS 354.598817 Limitations on fees applicable to public utilities: “Public utility” defined.

1. “Public utility” includes a person or local government that:

(a) Provides electric energy or gas, regardless of whether the person or local government is subject to regulation by the Public Utilities Commission of Nevada, except that the term “public utility” does not include a person who is subject to the provisions of [NRS 590.465](#) to [590.645](#), inclusive;

(b) Is a telecommunication carrier as that term is defined in 47 U.S.C. § 153 on July 16, 1997, if the person or local government holds a certificate of public convenience and necessity issued by the Public Utilities Commission of Nevada and derives intrastate revenue from the provision of telecommunication service to retail customers; or

(c) Sells or resells personal wireless services.

2. The term does not include a video service provider, as defined in [NRS 711.151](#).

(Added to NRS by [1997.2742](#); A [1999.603, 604](#); [2007.591, 1384](#))

NRS 354.598818 Limitations on fees applicable to public utilities: “Revenue” defined. “Revenue” does not include:

1. Any proceeds from the interstate sale of natural gas to:

(a) A provider of electric energy that holds a certificate of public convenience and necessity issued by the Public Utilities Commission of Nevada; or

(b) A wholesale provider of electric energy; or

2. Any revenue of a provider of a telecommunication service other than intrastate revenue that the provider collects from retail customers.

(Added to NRS by [1997.2742](#); A [1999.603, 604](#); [2007.1384](#); [2011.890](#))

NRS 354.59883 Limitations on fees applicable to public utilities: Adoption of ordinance imposing or increasing fee prohibited under certain circumstances. A city or county shall not adopt an ordinance imposing or increasing a fee:

1. If that ordinance would alter the terms of any existing franchise agreement between the city or county and a public utility.

2. That applies to any public utility which does not derive revenue from customers located within the jurisdiction of the city or county.

3. If, after the adoption of the ordinance:

(a) Any part of a fee to which the ordinance applies will be based upon any revenue of a public utility other than its revenue from customers located within the jurisdiction of the city or county.

(b) The total cumulative amount of all fees the city or county imposes upon a public utility to which the ordinance applies will exceed:

(1) Except as otherwise provided in subparagraph (2), 5 percent of the utility’s gross revenue from customers located within the jurisdiction of the city or county.

(2) For a public utility that sells or resells personal wireless services, 5 percent of its gross revenue from the first \$15 charged monthly for each line of access for each of its customers whose place of primary use is located within the jurisdiction of the city or county.

(Added to NRS by [1995.2188](#); A [1997.1988, 2743](#); [1999.492](#); [2001.1644](#))

NRS 354.59885 Limitations on fees applicable to public utilities: Submission of certain information by public utility before commencement of service; quarterly statements of revenue required; identification of customers provided to public utility; information included in bill. If a city or county adopts an ordinance imposing or increasing a fee:

1. Each public utility to which the ordinance applies or which intends to derive revenue from customers located within the jurisdiction of the city or county shall, not later than 60 calendar days after the effective date of the ordinance or 30 calendar days before the public utility begins to provide electric energy, gas or a telecommunication service to those customers, whichever occurs later, provide to the city or county:

(a) An acknowledgment that the public utility is operating or intends to operate within the jurisdiction of that city or county; and

(b) The date when the public utility began or intends to begin to derive revenue from customers located within the jurisdiction of the city or county.

2. In addition to the requirements of subsection 1, each public utility to which the ordinance applies shall, not later than 30 calendar days after the end of each calendar quarter, provide to the city or county a statement of the amount of revenue the public utility derived during that calendar quarter from the sale of electric energy, gas or a telecommunication service to each of its customers located within the jurisdiction of that city or county.

3. The city or county shall, at no charge, provide to each public utility to which the ordinance applies any information that is necessary to identify each customer that is affected by the fee imposed or increased by the city or county, including the address of each customer. If the public utility requests the city or county to provide the information in a specific form, the city or county may charge a fee for the cost of providing the information in that form.

4. Upon receipt of the information that the city or county is required to provide pursuant to the provisions of subsection 3, the public utility may indicate on the bills that it sends to its customers the fee that is imposed or increased by the city or county.

5. A public utility that indicates the fee on the bills it sends to its customers pursuant to the provisions of subsection 4:

(a) Shall be deemed to have complied with the provisions of this section and [NRS 354.59887](#); and

(b) Is not liable to the city or county for any damages for the failure to comply with the provisions of this section and [NRS 354.59887](#),

➤ if it reasonably relies upon the information that it receives from the city or county pursuant to the provisions of subsection 3.

(Added to NRS by [1995.2189](#); A [1997.2743](#))

NRS 354.59887 Limitations on fees applicable to public utilities: Rate; quarterly payments; collection; penalties and interest on delinquent amounts; apportionment among customers of public utility. If a city or county adopts an ordinance imposing or increasing a fee:

1. The entire amount of any fee to which the ordinance applies must be:

(a) Imposed at the same rate upon each public utility that provides similar services within the jurisdiction of the city or county; and

(b) Paid by the public utility to the city or county in legal tender of the United States or in a check, draft or note that is payable in legal tender of

the United States.

2. The city or county:

(a) Shall require each public utility to which the ordinance applies to pay quarterly the fees imposed upon it that it has collected from its customers.

(b) May, to the extent it determines that it is impracticable to collect from a public utility to which the ordinance applies any of the fees imposed upon the public utility, collect any of those fees directly from the customers of the public utility located within the jurisdiction of the city or county in proportion to the amount of revenue the public utility derives from each of those customers.

(c) May, except as otherwise provided in this paragraph, assess combined penalties and interest of not more than 2 percent per month of the delinquent amount of any fee to which the ordinance applies. If a city annexes any land, it may not assess any penalties or interest pursuant to this paragraph regarding any fee imposed for the operation of a public utility within the annexed land during any period:

(1) Before the effective date of the annexation; or

(2) More than 30 days before the city provides the public utility with notice of the annexation,

↪ whichever occurs later.

(d) May provide, by ordinance, that the fees imposed upon the public utility may be collected from a governmental entity of the State if that entity is a customer of the public utility.

3. A public utility to which the ordinance applies shall, except for any fees collected by the city or county pursuant to paragraph (b) of subsection 2, collect the aggregate of all its fees imposed by the city or county directly from its customers located within the jurisdiction of the city or county in proportion to the amount of revenue the public utility derives from each of those customers. The fees may be shown on a customer's bill individually or collectively.

4. A public utility to which the ordinance applies shall not collect from a customer any penalties or interest assessed pursuant to paragraph (c) of subsection 2.

(Added to NRS by [1995.2189](#); A [1997.2744](#))

NRS 354.59888 Limitations on fees applicable to public utilities: Procedure for resolving alleged errors concerning billing of customers of public utility that sells or resells personal wireless services for certain fees or designation of place of primary use.

1. If a customer of a public utility that sells or resells personal wireless services believes that the amount of a fee imposed pursuant to [NRS 354.59881](#) to [354.59889](#), inclusive, or the designation of a place of primary use is incorrect, the customer may notify the public utility in writing of the alleged error. The notice must include:

(a) The street address for the place of primary use of the customer;

(b) The account number and name shown on the billing statement of the account for which the customer alleges the error;

(c) A description of the alleged error; and

(d) Any other information which the public utility may reasonably require to investigate the alleged error.

2. Within 60 days after receiving a notice sent pursuant to subsection 1, the public utility shall review the records which the public utility uses to determine the place of primary use of its customers.

3. If the review indicates:

(a) That the alleged error exists, the public utility shall correct the error and refund or credit the customer for the amount which was erroneously collected for the applicable period, not to exceed the 24 months immediately preceding the date on which the customer notified the public utility of the alleged error.

(b) That no error exists, the public utility shall provide a written explanation to the customer who alleged the error.

4. A customer may not bring a cause of action against a public utility that sells or resells personal wireless services for fees incorrectly imposed pursuant to [NRS 354.59881](#) to [354.59889](#), inclusive, unless the customer first complies with this section.

(Added to NRS by [2001.1643](#))

NRS 354.59889 Limitations on fees applicable to public utilities: Change of fees.

1. A city or county shall not change any of its fees except through the adoption of an ordinance which provides that the change does not become effective until at least 90 days after the city or county complies with the provisions of subsection 3 of [NRS 354.59885](#).

2. The cumulative amount of any increases in fees imposed by a city or county during any period of 24 months must not exceed 1 percent of the gross revenue of any public utility to which the increase applies from customers located within the jurisdiction of that city or county.

(Added to NRS by [1995.2190](#); A [1997.1988, 2745](#); [1999.492](#))

NRS 354.5989 Limitations on fees for business licenses; exceptions.

1. A local government shall not increase any fee for a business license or adopt a fee for a business license issued for revenue or regulation, or both, except as permitted by this section. This prohibition does not apply to fees:

(a) Imposed by hospitals, county airports, airport authorities, convention authorities, the Las Vegas Valley Water District or the Clark County Sanitation District;

(b) Imposed on public utilities for the privilege of doing business pursuant to a franchise;

(c) Imposed in compliance with the provisions of [NRS 711.670](#) on video service providers for the privilege of doing business pursuant to [chapter 711](#) of NRS;

(d) For business licenses which are calculated as a fraction or percentage of the gross revenue of the business;

(e) Imposed pursuant to [NRS 244.348, 268.0973, 268.821](#) or [269.182](#); or

(f) Regulated pursuant to [NRS 354.59881](#) to [354.59889](#), inclusive.

2. The amount of revenue the local government derives or is allowed to derive, whichever is greater, from all fees for business licenses except:

(a) The fees excluded by subsection 1, for the fiscal year ended on June 30, 1991; and

(b) The fees collected for a particular type of business during the immediately preceding fiscal year ending on June 30 that a local government will not collect in the next subsequent fiscal year,

↪ is the base from which the maximum allowable revenue from such fees must be calculated for the next subsequent fiscal year. To the base must be added the sum of the amounts respectively equal to the product of the base multiplied by the percentage increase in the population of the local government added to the percentage increase in the Consumer Price Index for the year ending on December 31 next preceding the year for which the limit is being calculated. The amount so determined becomes the base for computing the allowed increase for each subsequent year.

3. A local government may not increase any fee for a business license which is calculated as a fraction or percentage of the gross revenue of the business if its total revenues from such fees have increased during the preceding fiscal year by more than the increase in the Consumer Price Index during that preceding calendar year. The provisions of this subsection do not apply to a fee:

(a) Imposed in compliance with the provisions of [NRS 711.670](#) on video service providers for the privilege of doing business pursuant to [chapter 711](#) of NRS;

(b) Imposed pursuant to [NRS 244.348](#), [268.0973](#), [268.821](#) or [269.182](#); or

(c) Regulated pursuant to [NRS 354.59881](#) to [354.59889](#), inclusive.

4. A local government may submit an application to increase its revenue from fees for business licenses beyond the amount allowable pursuant to this section to the Nevada Tax Commission, which may grant the application only if it finds that the rate of a business license of the local government is substantially below that of other local governments in the State.

5. The provisions of this section apply to a business license regardless of the fund to which the revenue from it is assigned. An ordinance or resolution enacted by a local government in violation of the provisions of this section is void.

6. As used in this section, "fee for a business license" does not include a tax imposed on the revenues from the rental of transient lodging.

(Added to NRS by [1981.308](#); A [1981.1254](#); [1983.1053](#); [1987.808](#); [1989.2078](#); [1991.34](#), [1439](#); [1993.1179](#), [2325](#); [1995.695](#), [2190](#); [1999.1312](#); [2007.1384](#))

NRS 354.59891 Limitations on fees for building permits, barricade permits and encroachment permits; exceptions.

1. As used in this section:

(a) "Barricade permit" means the official document issued by the building officer of a local government which authorizes the placement of barricade appurtenances or structures within a public right-of-way.

(b) "Building permit" means the official document or certificate issued by the building officer of a local government which authorizes the construction of a structure.

(c) "Building permit basis" means the combination of the rate and the valuation method used to calculate the total building permit fee.

(d) "Building permit fee" means the total fees that must be paid before the issuance of a building permit, including, without limitation, all permit fees and inspection fees. The term does not include, without limitation, fees relating to water, sewer or other utilities, residential construction tax, tax for the improvement of transportation imposed pursuant to [NRS 278.710](#), any fee imposed pursuant to [NRS 244.386](#) or [268.4413](#) or any amount expended to change the zoning of the property.

(e) "Current asset" means any cash maintained in an enterprise fund and any interest or other income earned on the money in the enterprise fund that, at the end of the current fiscal year, is anticipated by a local government to be consumed or converted into cash during the next ensuing fiscal year.

(f) "Current liability" means any debt incurred by a local government to provide the services associated with issuing building permits that, at the end of the current fiscal year, is determined by the local government to require payment within the next ensuing fiscal year.

(g) "Encroachment permit" means the official document issued by the building officer of a local government which authorizes construction activity within a public right-of-way.

(h) "Operating cost" means the amount paid by a local government for supplies, services, salaries, wages and employee benefits to provide the services associated with issuing building permits.

(i) "Working capital" means the excess of current assets over current liabilities, as determined by the local government at the end of the current fiscal year.

2. Except as otherwise provided in subsections 3 and 4, a local government shall not increase its building permit basis by more than an amount equal to the building permit basis on June 30, 1989, multiplied by a percentage equal to the percentage increase in the Western Urban Nonseasonally Adjusted Consumer Price Index, as published by the United States Department of Labor, from January 1, 1988, to the January 1 next preceding the fiscal year for which the calculation is made.

3. A local government may submit an application to increase its building permit basis by an amount greater than otherwise allowable pursuant to subsection 2 to the Nevada Tax Commission. The Nevada Tax Commission may allow the increase only if it finds that:

(a) Emergency conditions exist which impair the ability of the local government to perform the basic functions for which it was created; or

(b) The building permit basis of the local government is substantially below that of other local governments in the State and the cost of providing the services associated with the issuance of building permits in the previous fiscal year exceeded the total revenue received from building permit fees, excluding any amount of residential construction tax collected, for that fiscal year.

4. Upon application by a local government, the Nevada Tax Commission shall exempt the local government from the limitation on the increase of its building permit basis if:

(a) The local government creates an enterprise fund pursuant to [NRS 354.612](#) exclusively for building permit fees, fees imposed for the issuance of barricade permits and fees imposed for encroachment permits;

(b) The purpose of the enterprise fund is to recover the costs of operating the activity for which the fund was created, including overhead;

(c) Any interest or other income earned on the money in the enterprise fund is credited to the enterprise fund;

(d) The local government maintains a balance of unreserved working capital in the enterprise fund that does not exceed 50 percent of the annual operating costs and capital expenditures for the program for the issuance of barricade permits, encroachment permits and building permits of the local government, as determined by the annual audit of the local government conducted pursuant to [NRS 354.624](#); and

(e) The local government does not use any of the money in the enterprise fund for any purpose other than the actual direct and indirect costs of the program for the issuance of barricade permits, encroachment permits and building permits, including, without limitation, the cost of checking plans, issuing permits, inspecting buildings and administering the program. The Committee on Local Government Finance shall adopt regulations governing the permissible expenditures from an enterprise fund pursuant to this paragraph.

5. Any amount in an enterprise fund created pursuant to this section that is designated for special use, including, without limitation, prepaid fees and any other amount subject to a contractual agreement, must be identified as a restricted asset and must not be included as a current asset in the calculation of working capital.

6. If a balance in excess of the amount authorized pursuant to paragraph (d) of subsection 4 is maintained in an enterprise fund created pursuant to this section at the close of 2 consecutive fiscal years, the local government shall reduce the fees for barricade permits, encroachment permits and building permits it charges by an amount that is sufficient to ensure that the balance in the enterprise fund at the close of the fiscal year next following those 2 consecutive fiscal years does not exceed the amount authorized pursuant to paragraph (d) of subsection 4.

(Added to NRS by [1987.808](#); A [1989.2080](#); [1991.35](#), [290](#), [1440](#); [2001.385](#), [2321](#); [2003.1960](#); [2005.577](#); [2013.780](#))

NRS 354.59893 Advisory committee to review enterprise fund for issuance of building permits, barricade permits and encroachment permits: Establishment; appointment and terms of members; officers; duties and powers.

1. Each local government that creates an enterprise fund pursuant to [NRS 354.59891](#) shall establish an advisory committee to review the operations of, and make recommendations relating to, the enterprise fund.

2. The governing body of the local government or its designee shall appoint at least five members to the committee which:

(a) Must include:

(1) A representative of the residential construction industry;

(2) A representative of the commercial development industry; and

(3) A representative of the construction industry; and

(b) May include:

- (1) A public officer or employee of the local government who manages the fiscal affairs of the local government; and
- (2) A public officer or employee of the local government who oversees directly the operation of the enterprise fund.

3. Each member of the committee must be appointed for a term of at least 2 years but not to exceed 4 years. The governing body or its designee may renew the term of any member of the committee.

4. The members of the committee shall select a chair from among their membership.

5. The committee may issue opinions and recommendations to the governing body of the local government concerning, without limitation:

(a) The adequacy of the fees that the local government charges for barricade permits, encroachment permits and building permits;

(b) The financial objectives and annual budget of the program for the issuance of barricade permits, encroachment permits and building permits; and

(c) Any other relevant issue related to the operation of the enterprise fund.

6. As used in this section:

(a) "Barricade permit" has the meaning ascribed to it in paragraph (a) of subsection 1 of [NRS 354.59891](#).

(b) "Building permit" has the meaning ascribed to it in paragraph (b) of subsection 1 of [NRS 354.59891](#).

(c) "Encroachment permit" has the meaning ascribed to it in paragraph (g) of subsection 1 of [NRS 354.59891](#).

(Added to NRS by [2005.575](#))

NRS 354.599 Specified source of additional revenue required under certain circumstances when Legislature directs local governmental action requiring additional funding. If the Legislature directs one or more local governments to:

1. Establish a program or provide a service; or

2. Increase a program or service already established which requires additional funding,

and the expense required to be paid by each local government to establish, provide or increase the program or service is \$5,000 or more, a specified source for the additional revenue to pay the expense must be authorized by a specific statute. The additional revenue may only be used to pay expenses directly related to the program or service. If a local government has money from any other source available to pay such expenses, that money must be applied to the expenses before any money from the revenue source specified by statute.

(Added to NRS by [1969.800](#); A [1971.236](#); [1975.1686](#); [1979.1241](#); [1981.312](#); [1987.1669](#); [1993.1349](#); [1999.1181](#); [2001.1804](#))

NRS 354.600 Contents of budget. Each budget must include:

1. Detailed estimates of revenues, balances in other funds and other sources of financing for the budget year classified by funds and sources in a manner and on forms prescribed by the Department of Taxation.

2. Detailed estimates of expenditures and other uses of money for the budget year classified in a manner and on forms prescribed by the Department of Taxation.

3. A separate statement of the anticipated expenses relating to activities designed to influence the passage or defeat of any legislation, setting forth each separate category of expenditure that is required to be included in a supplemental report pursuant to subsection 1 of [NRS 354.59803](#).

(Added to NRS by [1965.732](#); A [1975.1687](#); [1997.2486](#); [2001.1805](#), [2477](#); [2003.178](#))

NRS 354.601 Construction of capital improvement without funding for operation and maintenance included in approved budget prohibited. A local government shall not begin the construction of a capital improvement unless the funding for the operation and maintenance of the improvement during the current fiscal year, including personnel, is included in an approved budget.

(Added to NRS by [1997.2486](#))

NRS 354.6015 Fiscal report of local government: Requirements; publication of summary; regulations.

1. Except as otherwise provided in subsection 3, the governing board of a local government shall:

(a) Submit electronically a fiscal report of the local government to the Department of Taxation in accordance with the requirements prescribed by the Committee on Local Government Finance pursuant to subsection 2; and

(b) Publish a summary of the fiscal report, which must contain the information required by the Committee on Local Government Finance pursuant to subsection 2, in a newspaper of general circulation in the county in which the local government is situated.

2. The Committee on Local Government Finance shall prescribe, by regulation:

(a) The dates and times for filing a fiscal report, which must require a local government to file at least one fiscal report per year;

(b) The content of a fiscal report, which must include, without limitation, revenues, expenditures, fund balances, cash balances, components of assessed value, debt schedules and any other information that the Committee on Local Government Finance determines to be appropriate for determining the financial status of a local government;

(c) The content for a summary of a fiscal report that must be published pursuant to subsection 1; and

(d) A uniform method for creating and submitting a fiscal report electronically pursuant to this section. The method must facilitate the storage and reproduction of the fiscal report in electronic format by the Department of Taxation.

3. The Committee on Local Government Finance may establish, by regulation, an exception to the requirement that a fiscal report be submitted to the Department of Taxation in electronic format. The exception must be limited to local governments that the Committee determines do not have the financial ability to comply with the method for submitting a fiscal report to the Department of Taxation prescribed by the Committee. If the Committee on Local Government Finance provides an exception pursuant to this subsection, the Committee shall provide, by regulation, specific standards that it will use to determine whether a local government qualifies for an exemption pursuant to this subsection.

4. The Committee on Local Government Finance shall adopt regulations pursuant to this section in the manner prescribed for state agencies in [chapter 233B](#) of NRS.

(Added to NRS by [2001.1420](#))

NRS 354.6025 Annual report of indebtedness of local government: Requirement; compilation into state report.

1. Each local government shall submit to the Department of Taxation, annually, an itemized report showing all its outstanding indebtedness. The Department of Taxation shall prescribe the form and time of filing for all such reports.

2. Upon receipt of the annual local government reports of indebtedness, the Department of Taxation shall compile the information into a state report of local government indebtedness. Copies of such report shall be submitted to the Governor and the Fiscal Analysis Division of the Legislative Counsel Bureau.

3. As used in this section, "indebtedness" does not include any liability which is incurred by a local government for the purchase of goods and services on open accounts.

(Added to NRS by [1977.508](#); A [1977.350](#); [2009.1028](#))

NRS 354.603 Separate accounts in bank, credit union, savings and loan association or savings bank for school district, county hospital, consolidated library district and district library.

1. The board of trustees of any county school district, the board of hospital trustees of any county hospital or the board of trustees of any consolidated library district or district library may establish and administer separate accounts in:

- (a) A bank whose deposits are insured by the Federal Deposit Insurance Corporation;
- (b) A credit union whose deposits are insured by the National Credit Union Share Insurance Fund or by a private insurer approved pursuant to [NRS 678.755](#); or

(c) A savings and loan association or savings bank whose deposits if made by the State, a local government or an agency of either, are insured by the Federal Deposit Insurance Corporation, or the legal successor of the Federal Deposit Insurance Corporation, for money deposited by the county treasurer which is by law to be administered and expended by those boards.

2. The county treasurer shall transfer the money to a separate account pursuant to subsection 1 when the following conditions are met:

(a) The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library adopts a resolution declaring an intention to establish and administer a separate account in accordance with the provisions of this section.

(b) The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library sends a certificate to the county treasurer, the county auditor, the board of county commissioners and, in the case of the board of trustees of the county school district, to the Department of Education, attested by the secretary of the board, declaring the intention of the board to establish and administer a separate account in accordance with the provisions of this section.

(c) The board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library submits monthly reports, listing all transactions involving the separate account, to the county treasurer, the county auditor and the board of county commissioners. The reports must be certified by the secretary of the board. In addition, the board shall give a full account and record of all money in such an account upon request of the board of county commissioners.

3. The separate account of the board of trustees of the county school district established under the provisions of this section must be composed of:

- (a) The county school district fund; and
- (b) The county school district building and sites fund.

4. The separate account established by the board of county hospital trustees is designated the county hospital fund.

5. The separate account of the board of trustees of the consolidated library district or district library established under the provisions of this section must be composed of:

- (a) The fund for the consolidated library or district library, as appropriate; and
- (b) The capital projects fund of the consolidated library or district library, as appropriate.

6. No expenditures from an account may be made in excess of the balance of the account.

7. Such an account must support all expenditures properly related to the purpose of the fund, excluding direct payments of principal and interest on general obligation bonds, and including, but not limited to, debt service, capital projects, capital outlay and operating expenses.

8. The board of county commissioners, if it determines that there is clear evidence of misuse or mismanagement of money in any separate account, may order the closing of the account and the return of the money to the county treasury to be administered in accordance with existing provisions of law. The board of trustees of the county school district, the board of hospital trustees of the county hospital or the board of trustees of the consolidated library district or district library is entitled to a hearing before the board of county commissioners.

(Added to NRS by [1971, 1338](#); A [1975, 12](#), [1800](#); [1979, 537](#), [1884](#), [1886](#); [1981, 685](#), [1764](#); [1989, 615](#); [1993, 215](#), [2783](#), [2818](#); [1995, 2204](#); [1999, 1474](#); [2001, 1805](#))

NRS 354.604 Funds maintained by local governments. Each local government shall maintain, according to its own needs:

1. The following kinds of governmental funds:

- (a) General fund;
- (b) Special revenue fund;
- (c) Capital projects fund;
- (d) Debt service fund; and
- (e) Permanent fund.

2. The following kinds of proprietary funds:

- (a) Enterprise fund; and
- (b) Internal service fund.

3. The following kinds of fiduciary funds:

- (a) Pension and other employee benefits funds;
- (b) Investment trust funds;
- (c) Private-purpose trust funds; and
- (d) Agency funds.

(Added to NRS by [1965, 732](#); A [1971, 200](#), [1014](#), [1342](#); [1981, 1765](#); [1983, 1636](#); [1989, 403](#); [2001, 1806](#))

NRS 354.608 Contingency account: Establishment; limit on appropriations; expenditures. A contingency account may be established in any governmental fund. The maximum amount which may be appropriated for such a contingency account is 3 percent of the money otherwise appropriated to the fund, exclusive of any amounts to be transferred to other funds. No expenditure may be made directly from such a contingency account, except as a transfer to the appropriate account, and then only in accordance with the procedure established in [NRS 354.598005](#).

(Added to NRS by [1965, 733](#); A [1981, 1766](#); [2001, 1807](#))

NRS 354.609 Petty cash, imprest or revolving account.

1. The governing body of any local government may, by resolution, establish one or more petty cash accounts, imprest accounts or revolving accounts in a bank or credit union to assist in the administration of any activities in which the local government is authorized by law to engage.

2. A resolution establishing any petty cash account, imprest account or revolving account in a bank or credit union shall, in detail, set forth the following:

- (a) The object and purpose of the account.
- (b) The source of money to be used to establish and maintain the account.
- (c) The method of controlling expenditures from the account.
- (d) The maximum dollar amount of any single expenditure.

3. Payments made out of any such accounts in accordance with the establishing resolution may be made directly without approval of the

governing body of any local government.

4. Reimbursement of any such petty cash, imprest or revolving accounts must be made no less often than monthly. The reimbursement must be supported by proper evidences of expenditures made from the account and must be approved by the governing body in the same manner as other claims against the fund to which the reimbursement is to be charged.

(Added to NRS by [1973.1080](#); A [1975.369](#); [1999.1475](#))

NRS 354.6105 Fund for extraordinary maintenance, repair or improvement of capital projects.

1. A local government may establish a fund for the extraordinary maintenance, repair or improvement of capital projects.

2. Any interest and income earned on the money in the fund in excess of any amount which is reserved for rebate payments to the Federal Government pursuant to 26 U.S.C. § 148, as amended, or is otherwise required to be applied in a specific manner by the Internal Revenue Code of 1986, as amended, must be credited to the fund.

3. Except as otherwise provided in [NRS 374A.020](#), the money in the fund may be used only for the extraordinary maintenance, repair or improvement of capital projects or facilities that replace capital projects of the entity that made the deposits in the fund. The money in the fund at the end of the fiscal year may not revert to any other fund or be a surplus for any purpose other than the purpose specified in this subsection.

4. As used in this section, "extraordinary maintenance, repair or improvement" means all expenses ordinarily incurred not more than once every 5 years to maintain a local governmental facility or capital project in a fit operating condition.

(Added to NRS by [1995.2552](#); A [1997.56](#); [2001.1807](#), [2323](#); [2003.162](#))

NRS 354.6113 Fund for construction of capital projects.

1. The governing body of a local government may, by resolution, establish a fund for the construction of capital projects.

2. Any interest or income earned on money in the fund in excess of any amount which is reserved for rebate payments to the Federal Government pursuant to 26 U.S.C. § 148, as amended, or is otherwise required to be applied in a specific manner by the Internal Revenue Code of 1986, as amended, must be credited to the fund.

3. The money in the fund must be used only for the construction of capital projects which are included in the plan for capital improvement of the local government prepared pursuant to [NRS 350.013](#). The money in the fund at the end of the fiscal year may not revert to any other fund or be a surplus for any purpose other than the purpose specified in this subsection.

4. The annual budget and audit report of the local government prepared pursuant to [NRS 354.624](#) must specifically identify the fund and:

- (a) Indicate in detail the capital projects that have been constructed with money from the fund;
- (b) Specify the amount of money, if any, that will be deposited in the fund for the next fiscal year;
- (c) Specify any proposed capital projects that will be constructed with money from the fund during the next fiscal year; and
- (d) Identify any planned accumulation of the money in the fund.

➔ The audit report must include a statement by the auditor whether the local government has complied with the provisions of this subsection.

(Added to NRS by [1995.2551](#))

NRS 354.6115 Fund to stabilize operation of local government and mitigate effects of natural disaster.

1. The governing body of a local government may, by resolution, establish a fund to stabilize the operation of the local government and mitigate the effects of natural disasters.

2. The money in the fund must be used only:

(a) If the total actual revenue of the local government falls short of the total anticipated revenue in the general fund for the fiscal year in which the local government uses that money; or

(b) To pay expenses incurred by the local government to mitigate the effects of a natural disaster.

➔ The money in the fund at the end of the fiscal year may not revert to any other fund or be a surplus for any purpose other than a purpose specified in this subsection.

3. The money in the fund may not be used to pay expenses incurred to mitigate the effects of a natural disaster until the governing body of the local government issues a formal declaration that a natural disaster exists. The governing body shall not make such a declaration unless a natural disaster is occurring or has occurred. Upon the issuance of such a declaration, the money in the fund may be used for the payment of the following expenses incurred by the local government as a result of the natural disaster:

(a) The repair or replacement of roads, streets, bridges, water control facilities, public buildings, public utilities, recreational facilities and parks owned by the local government and damaged by the natural disaster;

(b) Any emergency measures undertaken to save lives, protect public health and safety or protect property within the jurisdiction of the local government;

(c) The removal of debris from publicly or privately owned land and waterways within the jurisdiction of the local government that was undertaken because of the natural disaster;

(d) Expenses incurred by the local government for any overtime worked by an employee of the local government because of the natural disaster or any other extraordinary expenses incurred by the local government because of the natural disaster; and

(e) The payment of any grant match the local government must provide to obtain a grant from a federal agency for an eligible project to repair damage caused by the natural disaster within the jurisdiction of the local government.

4. The balance in the fund must not exceed 10 percent of the expenditures from the general fund for the previous fiscal year, excluding any federal funds expended by the local government.

5. The annual budget and audit report of the local government prepared pursuant to [NRS 354.624](#) must specifically identify the fund.

6. The audit report prepared for the fund must include a statement by the auditor whether the local government has complied with the provisions of this section.

7. Any transfer of money from a fund established pursuant to this section must be completed within 90 days after the end of the fiscal year in which the natural disaster for which the fund was established occurs.

8. As used in this section:

(a) "Grant match" has the meaning ascribed to it in [NRS 353.2725](#).

(b) "Natural disaster" means a fire, flood, earthquake, drought or any other occurrence that:

(1) Results in widespread or severe damage to property or injury to or the death of persons within the jurisdiction of the local government;

and

(2) As determined by the governing body of the local government, requires immediate action to protect the health, safety and welfare of persons residing within the jurisdiction of the local government.

(Added to NRS by [1995.2553](#); A [1999.1660](#); [2001.1808](#); [2013.3443](#))

NRS 354.6116 Revenue from taxes ad valorem from lessee or user of certain taxable property to be deposited in or transferred to

certain funds. A local government, except a school district, that receives revenue from taxes ad valorem from a lessee or user of property which is taxable pursuant to [NRS 361.157](#) or [361.159](#) shall deposit the revenue in or transfer the revenue to one or more of the funds established by the local government pursuant to [NRS 354.6113](#) or [354.6115](#) and use that revenue only for the purposes authorized by those sections if the revenue was received in:

1. A fiscal year after the fiscal year the taxes were owed; or
2. The fiscal year the taxes are owed and the taxes were excluded from the estimate of revenue from taxes ad valorem for the local government pursuant to [NRS 354.597](#).

(Added to NRS by [1997, 1113](#); A [2001, 1809](#))

NRS 354.6117 Limitation on amount of money transferred to certain funds; exception.

1. Except as otherwise provided in subsection 2, the total amount of money which may be transferred in a fiscal year from the general fund of a local government to the funds established pursuant to [NRS 354.6113](#) and [354.6115](#) must not exceed 10 percent of the total amount of the budgeted expenditures of the general fund, plus any money transferred from the general fund, other than the money transferred to those funds, for that fiscal year.

2. Any money that a local government, pursuant to [NRS 354.6116](#), deposits in or transfers to one or more of the funds established by the local government pursuant to [NRS 354.6113](#) or [354.6115](#):

- (a) Is not subject to the limitation on the amount of money that a local government may transfer to those funds pursuant to subsection 1.
- (b) Must not be included in the determination of the total amount of money transferred to those funds for the purposes of the limitation set forth in subsection 1.

(Added to NRS by [1995, 2553](#); A [1997, 1113](#); [2001, 1809](#))

NRS 354.6118 Interfund loans or loans to other local governments: Public hearing required. Before making an interfund loan or loaning money to another local government, the governing body of the local government that wishes to make the loan must:

1. Determine at a public hearing that:
 - (a) A sufficient amount of money is available for the loan and that money is not restricted as to its use; and
 - (b) The loan of the money will not compromise the economic viability of the fund from which the money is loaned; and
2. Establish at the public hearing conducted pursuant to subsection 1:
 - (a) The amount of time the money will be on loan from the fund;
 - (b) The terms and conditions for repaying the loan; and
 - (c) The rate of interest, if any, to be charged for the loan.

(Added to NRS by [2001, 1497](#); A [2003, 52](#))

NRS 354.612 Establishment of one or more funds by resolution required; contents of resolution; accounting requirements; copy of resolution to be provided to Department of Taxation; proprietary funds; enterprise funds.

1. A local government shall establish by resolution one or more funds. The resolution establishing the fund must set forth in detail:

- (a) The object or purpose of the fund;
- (b) The resources to be used to establish the fund;
- (c) The source or sources from which the fund will be replenished;
- (d) The method for controlling expenses and establishing revenues of the fund; and
- (e) The method by which a determination will be made as to whether the balance, reserve or retained earnings of the fund are reasonable and necessary to carry out the purpose of the fund.

2. Financial statements and other schedules required for funds must be prepared in accordance with generally accepted accounting principles.

3. Upon adoption of a resolution establishing a fund, a local government shall provide an executed copy of the resolution to the Department of Taxation.

4. In establishing a proprietary fund, a local government shall, besides furnishing working capital for the fund, provide that one of its financial objectives is to recover the complete costs of operation of the activity being financed, including overhead, without producing any significant amount of profit in the long run.

5. Each enterprise fund established must account for all charges properly related to the purpose of the enterprise fund, including, without limitation, debt service, capital outlay and operating expenses. Upon dissolution of the enterprise fund, no transfer of equity that may be made available to other funds or functions may be declared until after all proper obligations have been charged against the enterprise fund.

(Added to NRS by [1965, 734](#); A [1971, 201](#); [1981, 1767](#); [1991, 390](#); [2001, 1810](#); [2005, 579](#))

NRS 354.613 Enterprise funds: Loan or transfer of money in or associated with fund; increase in amount of fee imposed for purpose of fund; compliance reports; remedy for violation; regulations; applicability; plan to eliminate certain transfers from fund.

1. Except as otherwise provided in this section, the governing body of a local government may, on or after July 1, 2011, loan or transfer money from an enterprise fund, money collected from fees imposed for the purpose for which an enterprise fund was created or any income or interest earned on money in an enterprise fund only if the loan or transfer is made:

(a) In accordance with a medium-term obligation issued by the recipient in compliance with the provisions of [chapter 350](#) of NRS, the loan or transfer is proposed to be made and the governing body approves the loan or transfer under a nonconsent item that is separately listed on the agenda for a regular meeting of the governing body, and:

(1) The money is repaid in full to the enterprise fund within 5 years; or

(2) If the recipient will be unable to repay the money in full to the enterprise fund within 5 years, the recipient notifies the Committee on Local Government Finance of:

- (I) The total amount of the loan or transfer;
- (II) The purpose of the loan or transfer;
- (III) The date of the loan or transfer; and
- (IV) The estimated date that the money will be repaid in full to the enterprise fund;

(b) To pay the expenses related to the purpose for which the enterprise fund was created;

(c) For a cost allocation for employees, equipment or other resources related to the purpose of the enterprise fund which is approved by the governing body under a nonconsent item that is separately listed on the agenda for a regular meeting of the governing body; or

(d) Upon the dissolution of the enterprise fund.

2. Except as otherwise provided in this section, the governing body of a local government may increase the amount of any fee imposed for the purpose for which an enterprise fund was created only if the governing body approves the increase under a nonconsent item that is separately listed on the agenda for a regular meeting of the governing body, and the governing body determines that:

- (a) The increase is not prohibited by law;
- (b) The increase is necessary for the continuation or expansion of the purpose for which the enterprise fund was created; and
- (c) All fees that are deposited in the enterprise fund are used solely for the purposes for which the fees are collected.

3. Upon the adoption of an increase in any fee pursuant to subsection 2, the governing body shall, except as otherwise provided in this subsection, provide to the Department of Taxation an executed copy of the action increasing the fee. This requirement does not apply to the governing body of a federally regulated airport.

4. The provisions of subsection 2 do not limit the authority of the governing body of a local government to increase the amount of any fee imposed upon a public utility in compliance with the provisions of [NRS 354.59881](#) to [354.59889](#), inclusive, for a right-of-way over any public area if the public utility is billed separately for that fee. As used in this subsection, "public utility" has the meaning ascribed to it in [NRS 354.598817](#).

5. This section must not be construed to:

(a) Prohibit a local government from increasing a fee or using money in an enterprise fund to repay a loan lawfully made to the enterprise fund from another fund of the local government; or

(b) Prohibit or impose any substantive or procedural limitations on any increase of a fee that is necessary to meet the requirements of an instrument that authorizes any bonds or other debt obligations which are secured by or payable from, in whole or in part, money in the enterprise fund or the revenues of the enterprise for which the enterprise fund was created.

6. The Department of Taxation shall provide to the Committee on Local Government Finance a copy of each report submitted to the Department on or after July 1, 2011, by a county or city pursuant to [NRS 354.6015](#). The Committee shall:

(a) Review each report to determine whether the governing body of the local government is in compliance with the provisions of this section; and

(b) On or before January 15 of each odd-numbered year, submit a report of its findings to the Director of the Legislative Counsel Bureau for transmittal to the Legislature.

7. A fee increase imposed in violation of this section must not be invalidated on the basis of that violation. The sole remedy for a violation of this section is the penalty provided in [NRS 354.626](#). Any person who pays a fee for the enterprise for which the enterprise fund is created may file a complaint with the district attorney or Attorney General alleging a violation of this section for prosecution pursuant to [NRS 354.626](#).

8. For the purposes of paragraph (c) of subsection 1, the Committee on Local Government Finance shall adopt regulations setting forth the extent to which general, overhead, administrative and similar expenses of a local government of a type described in paragraph (c) of subsection 1 may be allocated to an enterprise fund. The regulations must require that:

(a) Each cost allocation makes an equitable distribution of all general, overhead, administrative and similar expenses of the local government among all activities of the local government, including the activities funded by the enterprise fund; and

(b) Only the enterprise fund's equitable share of those expenses may be treated as expenses of the enterprise fund and allocated to it pursuant to paragraph (c) of subsection 1.

9. Except as otherwise provided in subsections 10 and 11, if a local government has subsidized its general fund with money from an enterprise fund for the 5 fiscal years immediately preceding the fiscal year beginning on July 1, 2011, the provisions of subsection 1 do not apply to transfers from the enterprise fund to the general fund of the local government for the purpose of subsidizing the general fund if the local government:

(a) Does not increase the amount of the transfers to subsidize the general fund in any fiscal year beginning on or after July 1, 2011, above the amount transferred in the fiscal year ending on June 30, 2011, except for loans and transfers that comply with the provisions of subsection 1; and

(b) Does not, on or after July 1, 2011, increase any fees for any enterprise fund used to subsidize the general fund except for increases described in paragraph (b) of subsection 5.

10. On and after July 1, 2021, the provisions of subsection 1 apply to transfers from an enterprise fund described in subsection 9 to the general fund of a local government for the purpose of subsidizing the general fund unless:

(a) On or before July 1, 2018, the Committee on Local Government Finance has approved a plan adopted by the governing body of the local government to eliminate transfers from an enterprise fund to subsidize the general fund of the local government that are not made in compliance with subsection 1, which must include, without limitation, a plan to reduce, by at least 3.3 percent each fiscal year during the term of the plan, the amount of the transfers from the enterprise fund to the general fund of the local government for the purpose of subsidizing the general fund; and

(b) In accordance with the plan approved by the Committee on Local Government Finance pursuant to paragraph (a), for each fiscal year during the term of the plan, the local government reduces by at least 3.3 percent the amount of the transfers from the enterprise fund to the general fund of the local government for the purpose of subsidizing the general fund.

11. Each plan approved by the Committee on Local Government Finance pursuant to subsection 10 is subject to annual review by the Committee.

12. After the expiration of the term of a plan approved by the Committee on Local Government Finance pursuant to subsection 10, the provisions of subsection 1 apply to the local government that adopted the plan.

(Added to NRS by [2011, 1686](#); A [2011, 1692](#); [2013, 2712](#); [2017, 1046, 1049](#))

NRS 354.6135 Governing body authorized to loan or transfer money from enterprise fund; authorized use of money received; reporting requirements; regulations; applicability. Expired by limitation. (See chapter 461, [Statutes of Nevada 2013, at page 2716](#).)

NRS 354.616 Adjustment of expenses and revenues.

1. A local governing body may provide for the adjustment of expenses as defined by [NRS 354.470](#) to [354.626](#), inclusive. Receipts from adjustment of expenses shall be credited to the governmental function to which the reimbursed expense was originally charged.

2. A local governing body may provide for the adjustment of revenues as defined by [NRS 354.470](#) to [354.626](#), inclusive. Disbursements for adjustment of revenues shall be charged to the revenue account to which the refunded revenue was originally credited.

(Added to NRS by [1965, 735](#); A [1971, 1015, 1344](#))

NRS 354.620 Unencumbered balance of appropriation lapses at end of fiscal year; reversion to fund. Any unencumbered balance on an accrual or modified accrual basis or any unexpended balance on a cash basis remaining to the credit of any appropriation shall lapse at the end of the fiscal year and shall revert to the available balance of the fund from which appropriated.

(Added to NRS by [1965, 735](#); A [2001, 1810](#))

NRS 354.6215 Limitation on use of reserves or balances of funds created to insure risks. Except as otherwise provided in [NRS 354.6241](#), if a local government provides a fund for self-insurance of property, for any form of insurance for the benefit of its employees, or for any other risk that it is permitted by law to assume, the reserves or balance of a fund thus provided must not be expended for any purpose other than that for which the fund was established, except that when the governing body deems the reserve or balance to be no longer required, either in whole or in part, it shall transfer the excess balance to the general fund of the local government. Any such transfer must be reported to the Department of Taxation within 30 days. Money so transferred is not available as a basis for augmentation of the local government's budget during the year of

transfer.

(Added to NRS by [1981.310](#); A [1995.1934](#))

NRS 354.624 Annual audit: Requirements; designation of auditor; scope and disposition; dissemination; prohibited provision in contract with auditor.

1. Each local government shall provide for an annual audit of all of its financial statements. A local government may provide for more frequent audits as it deems necessary. Except as otherwise provided in subsection 2, each annual audit must be concluded and the report of the audit submitted to the governing body as provided in subsection 6 not later than 5 months after the close of the fiscal year for which the audit is conducted. An extension of this time may be granted by the Department of Taxation to any local government that submits an application for an extension to the Department. If the local government fails to provide for an audit in accordance with the provisions of this section, the Department of Taxation shall cause the audit to be made at the expense of the local government. All audits must be conducted by a certified public accountant or by a partnership or professional corporation that is registered pursuant to [chapter 628](#) of NRS.

2. The annual audit of a school district must:

(a) Be concluded and the report submitted to the board of trustees as provided in subsection 6 not later than 4 months after the close of the fiscal year for which the audit is conducted.

(b) If the school district has more than 150,000 pupils enrolled, include an audit of the expenditure by the school district of public money used:

(1) To design, construct or purchase new buildings for schools or related facilities;

(2) To enlarge, remodel or renovate existing buildings for schools or related facilities; and

(3) To acquire sites for building schools or related facilities, or other real property for purposes related to schools.

3. The governing body may, without requiring competitive bids, designate the auditor or firm annually. The auditor or firm must be designated, and notification of the auditor or firm designated must be sent to the Department of Taxation not later than 3 months before the close of the fiscal year for which the audit is to be made.

4. Each annual audit must cover the business of the local government during the full fiscal year. It must be a financial audit conducted in accordance with generally accepted auditing standards in the United States, including findings on compliance with statutes and regulations and an expression of opinion on the financial statements. The Department of Taxation shall prescribe the form of the financial statements, and the chart of accounts must be as nearly as possible the same as the chart that is used in the preparation and publication of the annual budget. The report of the audit must include:

(a) A schedule of all fees imposed by the local government which were subject to the provisions of [NRS 354.5989](#);

(b) A comparison of the operations of the local government with the approved budget, including a statement from the auditor that indicates whether the governing body has taken action on the audit report for the prior year;

(c) If the local government is subject to the provisions of [NRS 244.186](#), a report showing that the local government is in compliance with the provisions of paragraphs (a) and (b) of subsection 1 of [NRS 244.186](#); and

(d) If the local government is subject to the provisions of [NRS 710.140](#) or [710.145](#), a report showing that the local government is in compliance with the provisions of those sections with regard to the facilities and property it maintains and the services it provides outside its territorial boundaries.

5. Each local government shall provide to its auditor:

(a) A statement indicating whether each of the following funds established by the local government is being used expressly for the purposes for which it was created, in the form required by [NRS 354.6241](#):

(1) An enterprise fund.

(2) An internal service fund.

(3) A fiduciary fund.

(4) A self-insurance fund.

(5) A fund whose balance is required by law to be:

(I) Used only for a specific purpose other than the payment of compensation to a bargaining unit, as defined in [NRS 288.028](#); or

(II) Carried forward to the succeeding fiscal year in any designated amount.

(b) A list and description of any property conveyed to a nonprofit organization pursuant to [NRS 244.287](#) or [268.058](#).

(c) If the local government is subject to the provisions of [NRS 244.186](#), a declaration indicating that the local government is in compliance with the provisions of paragraph (c) of subsection 1 of [NRS 244.186](#).

(d) If the local government is subject to the provisions of [NRS 710.140](#) or [710.145](#), a declaration indicating that the local government is in compliance with the provisions of those sections with regard to the facilities and property it maintains and the services it provides outside its territorial boundaries.

6. The opinion and findings of the auditor contained in the report of the audit must be presented at a meeting of the governing body held not more than 30 days after the report is submitted to it. Immediately thereafter, the entire report, together with the management letter required by generally accepted auditing standards in the United States or by regulations adopted pursuant to [NRS 354.594](#), must be filed as a public record with:

(a) The clerk or secretary of the governing body;

(b) The county clerk;

(c) The Department of Taxation; and

(d) In the case of a school district, the Department of Education.

7. After the report of the audit is filed by the local government, the report of the audit, including, without limitation, the opinion and findings of the auditor contained in the report of the audit, may be disseminated by or on behalf of the local government for which the report was prepared by inclusion, without limitation, in or on:

(a) An official statement or other document prepared in connection with the offering of bonds or other securities;

(b) A filing made pursuant to the laws or regulations of this State;

(c) A filing made pursuant to a rule or regulation of the Securities and Exchange Commission of the United States; or

(d) A website maintained by a local government on the Internet or its successor,

without the consent of the auditor who prepared the report of the audit. A provision of a contract entered into between an auditor and a local government that is contrary to the provisions of this subsection is against the public policy of this State and is void and unenforceable.

8. If an auditor finds evidence of fraud or dishonesty in the financial statements of a local government, the auditor shall report such evidence to the appropriate level of management in the local government.

9. The governing body shall act upon the recommendations of the report of the audit within 3 months after receipt of the report, unless prompter action is required concerning violations of law or regulation, by setting forth in its minutes its intention to adopt the recommendations, to adopt them with modifications or to reject them for reasons shown in the minutes.

(Added to NRS by [1965.735](#); A [1967.939](#); [1969.800](#); [1971.1344](#); [1973.184](#); [1975.451](#), [1688.1801](#); [1977.547](#); [1981.313](#), [1768](#); [1987.1043](#); [1989.620](#); [1995.1896](#), [1935](#); [1997.574](#), [1611](#), [1739](#); [1999.472](#), [2945](#); [2001.1810](#); [2003.1231](#); [2005.292](#), [1344](#))

NRS 354.6241 Contents of statement provided by local government to auditor; expenditure of excess reserves in certain funds; restrictions on use of budgeted ending fund balance in certain circumstances.

1. The statement required by paragraph (a) of subsection 5 of [NRS 354.624](#) must indicate for each fund set forth in that paragraph:
 - (a) Whether the fund is being used in accordance with the provisions of this chapter.
 - (b) Whether the fund is being administered in accordance with generally accepted accounting procedures.
 - (c) Whether the reserve in the fund is limited to an amount that is reasonable and necessary to carry out the purposes of the fund.
 - (d) The sources of revenues available for the fund during the fiscal year, including transfers from any other funds.
 - (e) The statutory and regulatory requirements applicable to the fund.
 - (f) The balance and retained earnings of the fund.

2. Except as otherwise provided in subsection 3 and [NRS 354.59891](#) and [354.613](#), to the extent that the reserve in any fund set forth in paragraph (a) of subsection 5 of [NRS 354.624](#) exceeds the amount that is reasonable and necessary to carry out the purposes for which the fund was created, the reserve may be expended by the local government pursuant to the provisions of [chapter 288](#) of NRS.

3. For any local government other than a school district, for the purposes of [chapter 288](#) of NRS, a budgeted ending fund balance of not more than 25 percent of the total budgeted expenditures, less capital outlay, for a general fund:

(a) Is not subject to negotiations with an employee organization; and

(b) Must not be considered by a fact finder or arbitrator in determining the financial ability of the local government to pay compensation or monetary benefits.

(Added to NRS by [1995.1934](#); A [2001.387](#), [1812](#); [2011.1690](#); [2015.2967](#))

NRS 354.6245 Review of annual audits by Department of Taxation; referral of accountant who issued noncompliant audit to Nevada State Board of Accountancy; plan of correction of violations.

1. The Department of Taxation shall review each annual audit to determine whether it complies with regulations adopted pursuant to [NRS 354.594](#). Any independent auditor's report, whether upon financial position and results of operations or upon internal financial controls, which the Department believes may not comply with those regulations must be referred by the Department to the Nevada State Board of Accountancy for investigation and such action in respect to the issuing accountant as the Board may find appropriate in the circumstances.

2. In its review of the annual audits submitted, the Department shall identify all violations of statute and regulation reported therein. Within 60 days after the delivery of the annual audit to the local government, the governing body shall advise the Department what action has been taken to prevent recurrence of each violation of law or regulation or to correct each continuing violation. The Department shall evaluate the local government's proposed plan of correction and, if the plan is satisfactory, shall so advise the governing body. If the plan is not satisfactory, the Department shall advise the governing body that it deems the plan inadequate and propose an alternative plan. Within 30 days thereafter the governing body shall report its assent to the Department's plan or request a hearing before the Nevada Tax Commission. This hearing must be held at the next meeting of the Commission, but the hearing must not be held more than 90 days after such a request is received. The determination of the Nevada Tax Commission is final.

3. If the governing body fails to submit a proposed plan of correction pursuant to subsection 2, or the Executive Director of the Department of Taxation determines that the plan established is not being complied with, he or she must, through the Office of the Attorney General, seek a writ from a court of competent jurisdiction to compel compliance.

(Added to NRS by [1981.310](#); A [1983.252](#))

NRS 354.625 Records relating to property and equipment; control of inventory. The governing body of every local government shall:

1. Cause to be established and maintained adequate property and equipment records and, where appropriate, adequate inventory controls. Any local government created after July 1, 1975, shall establish such records and controls within 1 year after its creation unless the Department of Taxation grants an extension of time.

2. Require that all such property, equipment and inventory records clearly indicate specific ownership.

3. Designate, by entry in the minutes of the governing body, the officer, employee or officers or employees responsible for the maintenance of property and equipment records and, where appropriate, inventory records, and notify the Department of Taxation of such designation.

(Added to NRS by [1967.940](#); A [1975.157](#), [1689](#))

NRS 354.6256 Use of proceeds of certain obligations to pay operating expenses prohibited; exceptions. The proceeds from any obligation issued by a local government that has a term which is more than 1 year must not be used to pay operating expenses, except that:

1. The proceeds of any obligation issued to construct or acquire a facility may be used to pay operating expenses for the period provided in subsection 7 of [NRS 350.516](#).

2. The proceeds of a medium-term obligation issued by a local government with respect to which the Nevada Tax Commission has determined that a severe financial emergency exists pursuant to [NRS 354.685](#) may be used to pay operating expenses with the approval of the Executive Director of the Department of Taxation.

(Added to NRS by [2001.2318](#))

NRS 354.626 Unlawful expenditure of money in excess of amount appropriated; penalties; exceptions.

1. No governing body or member thereof, officer, office, department or agency may, during any fiscal year, expend or contract to expend any money or incur any liability, or enter into any contract which by its terms involves the expenditure of money, in excess of the amounts appropriated for that function, other than bond repayments, medium-term obligation repayments and any other long-term contract expressly authorized by law. Any officer or employee of a local government who willfully violates [NRS 354.470](#) to [354.626](#), inclusive, is guilty of a misdemeanor and upon conviction thereof ceases to hold his or her office or employment. Prosecution for any violation of this section may be conducted by the Attorney General or, in the case of incorporated cities, school districts or special districts, by the district attorney.

2. Without limiting the generality of the exceptions contained in subsection 1, the provisions of this section specifically do not apply to:

(a) Purchase of coverage and professional services directly related to a program of insurance which require an audit at the end of the term thereof.

(b) Long-term cooperative agreements as authorized by [chapter 277](#) of NRS.

(c) Long-term contracts in connection with planning and zoning as authorized by [NRS 278.010](#) to [278.630](#), inclusive.

(d) Long-term contracts for the purchase of utility service such as, but not limited to, heat, light, sewerage, power, water and telephone service.

(e) Contracts between a local government and an employee covering professional services to be performed within 24 months following the date of such contract or contracts entered into between local government employers and employee organizations.

(f) Contracts between a local government and any person for the construction or completion of public works, money for which has been or will be provided by the proceeds of a sale of bonds, medium-term obligations or an installment-purchase agreement and that are entered into by the local government after:

(1) Any election required for the approval of the bonds or installment-purchase agreement has been held;

(2) Any approvals by any other governmental entity required to be obtained before the bonds, medium-term obligations or installment-purchase agreement can be issued have been obtained; and

(3) The ordinance or resolution that specifies each of the terms of the bonds, medium-term obligations or installment-purchase agreement, except those terms that are set forth in subsection 2 of [NRS 350.165](#), has been adopted.

↪ Neither the fund balance of a governmental fund nor the equity balance in any proprietary fund may be used unless appropriated in a manner provided by law.

(g) Contracts which are entered into by a local government and delivered to any person solely for the purpose of acquiring supplies, services and equipment necessarily ordered in the current fiscal year for use in an ensuing fiscal year and which, under the method of accounting adopted by the local government, will be charged against an appropriation of a subsequent fiscal year. Purchase orders evidencing such contracts are public records available for inspection by any person on demand.

(h) Long-term contracts for the furnishing of television or FM radio broadcast translator signals as authorized by [NRS 269.127](#).

(i) The receipt and proper expenditure of money received pursuant to a grant awarded by an agency of the Federal Government.

(j) The incurrence of obligations beyond the current fiscal year under a lease or contract for installment purchase which contains a provision that the obligation incurred thereby is extinguished by the failure of the governing body to appropriate money for the ensuing fiscal year for the payment of the amounts then due.

(k) The receipt by a local government of increased revenue that:

(1) Was not anticipated in the preparation of the final budget of the local government; and

(2) Is required by statute to be remitted to another governmental entity.

(l) An agreement authorized pursuant to [NRS 277A.370](#).

(Added to NRS by [1965.736](#); A [1969.801](#); [1971.1016](#), [1345](#); [1973.68](#), [1155](#); [1975.40](#), [279](#), [711](#); [1981.1769](#); [1985.648](#); [1987.1720](#); [1995.1908](#); [1997.573](#); [1999.833](#); [2001.1812](#), [2324](#); [2003.162](#), [802](#); [2005.579](#); [2009.432](#), [852](#); [2011.1690](#), [2728](#); [2013.2715](#))

DELINQUENT DOCUMENTS AND PAYMENTS; FISCAL WATCH; TECHNICAL FINANCIAL ASSISTANCE; SEVERE FINANCIAL EMERGENCY

NRS 354.655 Definitions. As used in [NRS 354.655](#) to [354.725](#), inclusive, unless the context requires otherwise:

1. "Basic function" means an activity of a local government for the purpose of accomplishing a primary service or function of the local government, including, without limitation, those services and functions relating to general governance, public safety, public works, public health, public welfare and judicial services or functions for which the local government is responsible.

2. "Commission" means the Nevada Tax Commission.

3. "Committee" means the Committee on Local Government Finance.

4. "Department" means the Department of Taxation.

5. "Executive Director" means the Executive Director of the Department.

6. "Fiscal watch" means the monitoring of a local government pursuant to a notice issued pursuant to subsection 1 of [NRS 354.675](#).

7. "Holder" includes, without limitation, any owner or other person described in [NRS 350.530](#), a trustee, guarantor, insurer and credit enhancer, and a bank that issues a letter of credit.

8. "Local government" means any local government subject to the provisions of the Local Government Budget and Finance Act.

9. "Technical financial assistance" means assistance provided by the Department to a local government, including, without limitation, assistance with developing budgets, reviewing contracts, analyzing cost allocations, debt management, feasibility analyses and revenue forecasting.

10. The words and terms defined in the Local Government Budget and Finance Act have the meanings ascribed to them in that act.

(Added to NRS by [1995.141](#); A [1995.1901](#); [1999.1032](#), [2538](#); [2001.1814](#); [2005.1392](#); [2015.724](#))

NRS 354.657 Purpose; liberal construction.

1. The purpose of [NRS 354.655](#) to [354.725](#), inclusive, is to:

(a) Restore and maintain the financial solvency of any local government in financial distress;

(b) Provide basic functions for which a local government in financial distress is responsible; and

(c) Provide a tiered program of financial oversight and assistance by the State based on the existing financial conditions of a local government, including, without limitation, placing the local government on fiscal watch, providing technical financial assistance to the local government and assisting the local government if it is found to exist in a state of severe financial emergency.

2. To accomplish the purpose set forth in subsection 1, the provisions of [NRS 354.655](#) to [354.725](#), inclusive, must be broadly and liberally construed.

(Added to NRS by [2001.1795](#); A [2005.1392](#); [2007.2882](#); [2015.725](#))

NRS 354.665 Delinquent documents: Notification; explanation to Committee on Local Government Finance; withholding of payments.

1. If a local government does not file a statement, report or other document as required by the provisions of [NRS 350.013](#), [354.5945](#), [354.6015](#), [354.6025](#), [354.624](#), [354.6245](#) or [387.303](#) within 15 days after the day on which it was due, the Executive Director shall notify the governing body of the local government in writing that the report is delinquent. The notification must be noted in the minutes of the first meeting of the governing body following transmittal of the notification.

2. If the required report is not received by the Department within 45 days after the day on which the report was due, the Executive Director shall notify the governing body that the presence of a representative of the governing body is required at the next practicable scheduled meeting of the Committee to explain the reason that the report has not been filed. The notice must be transmitted to the governing body not less than 5 days before the date on which the meeting will be held.

3. If an explanation satisfactory to the Committee is not provided at the meeting as requested in the notice and an arrangement is not made for the submission of the report, the Committee may instruct the Executive Director to request that the State Treasurer withhold from the local government the next distribution from the Local Government Tax Distribution Account, if the local government is otherwise entitled to receive such a distribution, the local school support tax if the local government is a school district or any other property taxes, taxes on the net proceeds of minerals or grants to which the local government may otherwise be entitled as a distribution from the State. Upon receipt of such a request, the State Treasurer shall withhold the payment and all future payments until the State Treasurer is notified by the Executive Director that the report has been received by the Department, except that the State Treasurer shall not withhold any payment necessary for the local government to make a timely payment that is due and owing to a holder.

(Added to NRS by [1995.1891](#); A [2001.1421](#), [1814](#); [2003.78](#); [2015.725](#))

NRS 354.671 Delinquent payments to Public Employees' Benefits Program: Notification; explanation to Committee on Local Government Finance; withholding of payments.

1. Upon receipt of notification by the Board of the Public Employees' Benefits Program pursuant to [NRS 287.0434](#) that a local government is delinquent by more than 90 days on an amount due to the Public Employees' Benefits Program pursuant to paragraph (b) of subsection 4 of [NRS 287.023](#), the Executive Director shall notify the governing body that the presence of a representative of the governing body is required at the next practicable scheduled meeting of the Committee to explain the reason that the payment has not been made. The notice must be transmitted to the governing body at least 5 days before the date on which the meeting will be held.

2. If an explanation satisfactory to the Committee is not provided at the meeting as requested in the notice and an arrangement is not made for the submission of the payment, the Committee may instruct the Executive Director to request that the State Treasurer withhold from the local government an amount equal to the amount of the delinquent payment from the next distribution from the Local Government Tax Distribution Account, if the local government is otherwise entitled to receive such a distribution, the local school support tax if the local government is a school district or any other property taxes, taxes on the net proceeds of minerals or grants to which the local government may otherwise be entitled as a distribution from the State. Upon receipt of such a request, the State Treasurer shall withhold that amount from the payment or any future payment as necessary until the State Treasurer is notified by the Executive Director that the delinquent payment has been received by the Department, except that the State Treasurer shall not withhold any payment necessary for the local government to make a timely payment that is due and owing to a holder. The Department shall transmit the delinquent payment to the Public Employees' Benefits Program upon receipt.

(Added to NRS by [2007.2882](#); A [2015.726](#))

NRS 354.675 Technical financial assistance from Department of Taxation: Request; notice and hearing; order; request by Department for assistance of Committee on Local Government Finance; allocation from Contingency Account.

1. If the Department determines that one or more of the conditions identified in paragraphs (a) to (aa), inclusive, of subsection 2 of [NRS 354.685](#) exist in a local government, and after giving consideration to the severity of each such condition, the Department shall provide written notice to the local government, the Commission and the Committee that the local government has been placed on fiscal watch by the Department. The Department shall not remove a local government from fiscal watch until the Executive Director determines that such conditions no longer exist or the Executive Director submits a recommendation to the Committee pursuant to subsection 2 of [NRS 354.685](#).

2. If a local government is placed on fiscal watch pursuant to subsection 1, the governing body of the local government may adopt a resolution requesting the Commission to order the Department, in consultation with the local government and the Committee, to provide appropriate technical financial assistance to the local government.

3. Upon receipt of a resolution adopted pursuant to subsection 2, the Nevada Tax Commission shall place the request for technical financial assistance on the agenda for the next practicable scheduled meeting of the Commission and notify the governing body of the local government of the time and place at which one or more representatives of the local government must appear to present the request.

4. After hearing the request for technical financial assistance and any recommendations of the Committee, if the Nevada Tax Commission finds that the local government is in need of technical financial assistance, the Commission shall order the Department to provide the assistance. The order must include such terms and conditions as the Commission deems appropriate and may include a schedule or rate of payment for the services of the Department.

5. If the governing body adopts a resolution accepting the terms and conditions established pursuant to subsection 4, the Department shall provide such technical financial assistance to the local government as the Department deems necessary and appropriate.

6. The Department may request from the Committee any assistance it deems appropriate to carry out the provisions of this section.

7. The Department shall continue to provide assistance to the local government pursuant to this section until the Nevada Tax Commission issues an order requiring the Department to cease providing the assistance. The Nevada Tax Commission may issue such an order upon its own motion, upon receipt of a request for such an order from the Department or the Committee, or upon receipt of a resolution adopted by the governing body requesting such an order.

8. If no payment for the services of the Department is required by the order or such payments are not sufficient to pay the costs of providing the technical financial assistance required pursuant to this section, the Department may request an allocation by the Interim Finance Committee from the Contingency Account pursuant to [NRS 353.266](#), [353.268](#) and [353.269](#) to pay the costs of providing the technical financial assistance required pursuant to this section.

(Added to NRS by [1995.1895](#); A [2015.726](#))

NRS 354.685 Severe financial emergency: Conditions; notification of local government by Department of Taxation; plan of corrective action; review of plan by Committee on Local Government Finance; order of Nevada Tax Commission requiring Department to take over management of local government.

1. The Committee may, upon the recommendation of the Executive Director pursuant to subsection 2 or at the request of a local government pursuant to subsection 3, conduct one or more hearings to determine whether a severe financial emergency exists in a local government.

2. The Executive Director may, after giving consideration to the severity of each condition identified in paragraphs (a) to (aa), inclusive, which is found to exist in a local government, recommend that the Committee conduct one or more hearings to determine whether a severe financial emergency exists in a local government if the Department finds that one or more of the following conditions exist in the local government:

(a) Required financial reports have not been filed or are consistently late.

(b) The audit report reflects the unlawful expenditure of money in excess of the amount appropriated in violation of the provisions of [NRS 354.626](#).

(c) The audit report shows funds with deficit fund balances.

(d) The local government has incurred debt beyond its ability to repay.

(e) The local government has not corrected violations of statutes or regulations adopted pursuant thereto as noted in the audit report.

(f) The local government has serious internal control problems noted in the audit report which have not been corrected.

(g) The local government has a record of being late in its payments for services and supplies.

(h) The local government has had insufficient cash to meet required payroll payments in a timely manner.

(i) The local government has borrowed money or entered into long-term lease arrangements without following the provisions of NRS or regulations adopted pursuant thereto.

(j) The governing body of the local government has failed to correct problems after it has been notified of such problems by the Department.

(k) The local government has not separately accounted for its individual funds as required by [chapter 354](#) of NRS.

(l) The local government has invested its money in financial instruments in violation of the provisions of [chapter 355](#) of NRS.

(m) The local government is in violation of any covenant in connection with any debt issued by the local government.

(n) The local government has not made bond and lease payments in accordance with the approved payment schedule.

(o) The local government has failed to control its assets such that large defalcations have occurred which have impaired the financial condition of the local government.

- (p) The local government has recognized sizeable losses as a result of the imprudent investment of money.
 - (q) The local government has allowed its accounting system and recording of transactions to deteriorate to such an extent that it is not possible to measure accurately the results of operations or to ascertain the financial position of the local government without a reconstruction of transactions.
 - (r) The local government has consistently issued checks not covered by adequate deposits.
 - (s) The local government has loaned and borrowed money between funds without following the proper procedures.
 - (t) The local government has expended money in violation of the provisions governing the expenditure of that money.
 - (u) Money restricted for any specific use has been expended in violation of the terms and provisions relating to the receipt and expenditure of that money.
 - (v) Money has been withheld in accordance with the provisions of [NRS 354.665](#).
 - (w) If the local government is a school district, a loan has been made from the State Permanent School Fund to the school district pursuant to [NRS 387.526](#).
 - (x) An employer in the county that accounts for more than 15 percent of the employment in the county has closed or significantly reduced operations.
 - (y) The local government has experienced a cumulative decline of 10 percent in population or assessed valuation for the past 2 years.
 - (z) The ending balance in the general fund of the local government has declined for the past 2 years or is less than 4 percent of the actual expenditures from the general fund of the local government for the immediately preceding fiscal year.
 - (aa) The local government has failed to pay, in a timely manner, contributions to the Public Employees' Retirement System, workers' compensation or payroll taxes or fails to pay, at any time, a payment required pursuant to the Federal Insurance Contributions Act, 26 U.S.C. §§ 3101 et seq., or the Federal Unemployment Tax Act, 26 U.S.C. §§ 3301 et seq.
3. If the governing body of a local government determines by the affirmative vote of a majority of its members that, because the local government is involved in litigation or threatened litigation, a severe financial emergency will exist in the local government, the governing body may submit a request to the Committee to conduct a hearing to determine whether a severe financial emergency exists in the local government.
4. If the Committee conducts a hearing pursuant to subsection 2 or 3 and determines that a severe financial emergency exists, the Department, on behalf of the Committee, shall:
- (a) Notify the local government about the determination;
 - (b) Request from the local government any information that the Department deems to be appropriate to determine the extent of the condition; and
 - (c) Require the local government to formulate a plan of corrective action to mitigate the possible financial emergency.
5. Not later than 45 days after receiving notification pursuant to subsection 4, a local government shall submit to the Committee any information requested by the Department and a plan of corrective action.
6. If the Committee determines that a severe financial emergency exists pursuant to subsection 4, the Committee shall:
- (a) Review the plan of corrective action submitted by a local government pursuant to subsection 5;
 - (b) Provide observations and recommendations for the local government; and
 - (c) If the Committee deems necessary, periodically review the status of and conduct additional hearings to review the financial operations of the local government.
7. In addition to any notice otherwise required, the Department shall give notice of any hearing held pursuant to this section to the governing body of each local government whose jurisdiction overlaps with, or in the case of a city, whose jurisdiction is contiguous to, the jurisdiction of the local government whose financial condition will be considered at least 10 days before the date on which the hearing will be held.
8. If the Committee, following a hearing conducted pursuant to this section, determines that a severe financial emergency exists in a local government, the Committee shall, as soon as practicable, provide notice of its findings, including any recommendations of the Committee, to the Commission.
9. The Commission shall, upon receiving a notice and any recommendations from the Committee pursuant to subsection 8, hold a hearing at which the Department and the Committee must recommend a course of action to mitigate the financial conditions that are the cause of the severe financial emergency which exists in the local government. The Commission shall afford the local government whose financial condition will be considered and each local government whose jurisdiction overlaps with, or in the case of a city, whose jurisdiction is contiguous to, the jurisdiction of the local government whose financial condition will be considered an opportunity to be heard. If, after the hearing, the Nevada Tax Commission determines that a severe financial emergency exists, the Commission shall issue an order requiring the local government to follow a remedial course of action and requiring the Department to take over the management of the local government as soon as practicable.

(Added to NRS by [1995, 1892](#); A [1997, 2711](#); [1999, 599](#); [2001, 1814](#); [2015, 727](#))

NRS 354.695 Severe financial emergency: Powers and duties of Department of Taxation; reimbursement for expenses; allocation from Contingency Account; recommendations by local government; cooperation of state agencies; delegation of powers and duties to financial manager; method for termination of management.

1. As soon as practicable after taking over the management of a local government, the Department shall, with the approval of the Committee:
- (a) Establish and implement a management policy and a financing plan for the local government;
 - (b) Provide for the appointment of a financial manager for the local government who is qualified to manage the fiscal affairs of the local government;
 - (c) Provide for the appointment of any other persons necessary to enable the local government to provide the basic services for which it was created in the most economical and efficient manner possible;
 - (d) Establish an accounting system and separate accounts in a bank or credit union, if necessary, to receive and expend all money and assets of the local government;
 - (e) Impose such hiring restrictions as deemed necessary;
 - (f) Negotiate and approve all contracts entered into by or on behalf of the local government before execution and enter into such contracts on behalf of the local government as the Department deems necessary;
 - (g) Negotiate and approve all collective bargaining contracts and other employment contracts to be entered into by the local government with an employee organization or any employee, except that the Department shall not negotiate or approve issues submitted to a fact finder whose findings and recommendations are final and binding pursuant to the provisions of the Local Government Employee-Management Relations Act;
 - (h) If the Committee made a recommendation to the Commission that a severe financial emergency exists in the local government based upon the existence of one or more conditions described in paragraph (c), (d), (g), (h), (n), (o), (p), (r) or (aa) of subsection 2 of [NRS 354.685](#):
 - (1) Open and renegotiate in good faith, or assist the local government in renegotiating, any existing collective bargaining agreement or other employment contract relating to compensation or monetary benefits during the period of severe financial emergency; and
 - (2) Assume all rights, duties and powers pursuant to [NRS 288.150](#) that are otherwise reserved to the local government during a period of severe financial emergency;
 - (i) Approve all expenditures of money from any fund or account and all transfers of money from one fund to another;

- (j) Employ such technicians as are necessary for the improvement of the financial condition of the local government;
 - (k) Meet with any holders and the creditors of the local government to negotiate in good faith and formulate a debt liquidation program that may include, without limitation, the adjustment of bonded indebtedness by the exchange of existing bonds for new bonds with a later maturity date and a different interest rate;
 - (l) If the Department has taken over the management of a local government because the local government is involved in litigation or threatened litigation, carry out the duties of the Department pursuant to subsection 2 of [NRS 31.010](#);
 - (m) Approve the issuance of bonds or other forms of indebtedness by the local government;
 - (n) Discharge any of the outstanding debts and obligations of the local government; and
 - (o) Take any other actions necessary to ensure that the local government provides the basic functions for which it was created in the most economical and efficient manner possible.
2. The Department may provide for reimbursement from the local government for the expenses the Department incurs in managing the local government. If such reimbursement is not possible, the Department may request an allocation by the Interim Finance Committee from the Contingency Account pursuant to [NRS 353.266](#), [353.268](#) and [353.269](#).
3. The governing body of a local government which is being managed by the Department pursuant to this section may make recommendations to the Department or the financial manager concerning the management of the local government.
4. Each state agency, board, department, commission, committee or other entity of the State shall provide such technical financial assistance concerning the management of the local government as is requested by the Department.
5. The Department may delegate any of the powers and duties imposed by this section to the financial manager appointed pursuant to paragraph (b) of subsection 1. A financial manager acting within the scope of his or her delegation pursuant to this subsection is responsible only to the Department for his or her actions.
6. Except as otherwise provided in [NRS 354.723](#) and [450.760](#), once the Department has taken over the management of a local government pursuant to the provisions of subsection 1, that management may only be terminated pursuant to [NRS 354.725](#).
- (Added to NRS by [1995, 141](#); A [1995, 1901](#); [1999, 88](#), [1476](#), [2538](#); [2001, 91](#), [1816](#); [2005, 1393](#); [2015, 730](#))

NRS 354.705 Severe financial emergency: Preparation of plan of revenue enhancement and expense mitigation by Executive Director; review and potential revision of plan regarding additional taxes or charges; hearing on plan by panel; adoption of plan; imposition and duration of additional taxes or charges; report of failure to satisfy expenses of local government; periodic report to Legislature regarding financial condition of local government.

1. As soon as practicable after the Department takes over the management of a local government, the Executive Director shall prepare a plan of revenue enhancement and expense mitigation, for consideration by the Committee, that will lead to sustainable financial stability for the local government. In preparing the plan, the Executive Director shall:
- (a) Determine the total amount of expenditures necessary to allow the local government to perform the basic functions for which it was created, with priority given to public safety and the maintenance of roads and highways;
 - (b) Determine the amount of revenue reasonably expected to be available to the local government; and
 - (c) Consider any alternative sources of revenue available to the local government.
2. The Executive Director shall submit the plan prepared pursuant to subsection 1 to the Committee. If the Committee determines that the available revenue of the local government is not sufficient to provide for the payment of required debt service and operating expenses pursuant to the plan, the Committee shall submit a revised plan to the Commission as to which one or more of the following additional taxes or charges should be imposed by the local government:
- (a) The levy of a property tax up to a rate which when combined with all other overlapping rates levied in the State does not exceed \$4.50 on each \$100 of assessed valuation.
 - (b) An additional tax on transient lodging at a rate not to exceed 1 percent of the gross receipts from the rental of transient lodging within the boundaries of the local government upon all persons in the business of providing lodging. Any such tax must be collected and administered in the same manner as all other taxes on transient lodging are collected by or for the local government.
 - (c) Additional service charges appropriate to the local government.
 - (d) If the local government is a county or has boundaries that are conterminous with the boundaries of the county:
 - (1) An additional tax on the gross receipts from the sale or use of tangible personal property not to exceed one-quarter of 1 percent throughout the county. The ordinance imposing any such tax must:
 - (I) Include provisions in substance which comply with the requirements of subsections 2 to 5, inclusive, of [NRS 377A.030](#). The ordinance shall be deemed to require the remittance of the tax to the Department and the distribution of the tax to the local government in the same manner as that provided in [NRS 377A.050](#).
 - (II) Specify the date on which the tax must first be imposed or on which a change in the rate of the tax becomes effective, which must be the first day of the first calendar quarter that begins at least 120 days after the effective date of the ordinance.
 - (2) An additional governmental services tax of not more than 1 cent on each \$1 of valuation of the vehicle for the privilege of operating upon the public streets, roads and highways of the county on each vehicle based in the county except those vehicles exempt from the governmental services tax imposed pursuant to [chapter 371](#) of NRS or a vehicle subject to [NRS 706.011](#) to [706.861](#), inclusive, which is engaged in interstate or intercounty operations. As used in this subparagraph, "based" has the meaning ascribed to it in [NRS 482.011](#).
3. Upon receipt of the plan from the Committee, a panel consisting of three members of the Nevada Tax Commission appointed by the Nevada Tax Commission and three members of the Committee appointed by the Committee shall hold a public hearing at a location within the boundaries of the local government in which the severe financial emergency exists after giving public notice of the hearing at least 10 days before the date on which the hearing will be held. In addition to the public notice, the panel shall give notice to the governing body of each local government whose jurisdiction overlaps with, or in the case of a city, whose jurisdiction is contiguous to, the jurisdiction of the local government in which the severe financial emergency exists.
4. After the public hearing conducted pursuant to subsection 3, the Nevada Tax Commission may adopt the plan as submitted or adopt a revised plan. If the Commission adopts a revised plan, the revised plan must be approved by the members of the Committee serving on the panel described in subsection 3. Any plan adopted pursuant to this section must include the duration for which any new or increased taxes or charges may be collected which must not exceed 5 years.
5. Upon adoption of the plan by the Nevada Tax Commission, the local government in which the severe financial emergency exists shall impose or cause to be imposed the additional taxes and charges included in the plan for the duration stated in the plan or until the severe financial emergency has been determined by the Committee to have ceased to exist. Any levy of additional property tax applies to all taxpayers, regardless of whether the taxes previously imposed have been partially or fully paid pursuant to [NRS 361.483](#).
6. The allowed revenue from taxes ad valorem determined pursuant to [NRS 354.59811](#) does not apply to any additional property tax levied pursuant to this section.
7. If a plan fails to satisfy the expenses of the local government to the extent expected, the Committee shall report such failure to:

- (a) The county for consideration of absorption of services; or
- (b) If the local government is a county, to the next regular session of the Legislature.

8. For any local government that is found to exist in a severe financial emergency, the Department shall:

(a) Prepare a report regarding the financial condition of the local government not less frequently than once every 6 months until the severe financial emergency ceases; and

(b) Not later than 10 days after preparing a report pursuant to paragraph (a), submit the report to the Director of the Legislative Counsel Bureau for transmittal to the Legislature, if the Legislature is in session, or to the Legislative Commission, if the Legislature is not in session.

(Added to NRS by [1995, 1893](#); A [2001, 304, 1817, 2325](#); [2003, 78, 2386](#); [2005, 1778](#); [2009, 2094](#); [2015, 732](#))

NRS 354.715 Severe financial emergency: Enforcement of compliance by local government with certain requests of Department of Taxation; penalties for willful failure to comply with requests.

1. If a local government or any officer or employee of the local government fails to comply with any request made by the Department pursuant to [NRS 354.695](#), the Department may apply to the district court to compel compliance.

2. In any proceeding brought pursuant to subsection 1, the Department may seek a declaration by the district court that the failure to comply with the request of the Department was willful. A willful failure to comply by any:

- (a) Officer of the local government works a forfeiture of his or her office.
- (b) Employee of the local government is grounds for dismissal from his or her employment.

3. Any officer or employee of the local government who willfully fails to comply with any request made by the Department pursuant to [NRS 354.695](#) is guilty of a gross misdemeanor.

(Added to NRS by [1995, 143](#); A [2015, 734](#))

NRS 354.721 Severe financial emergency: Creation of Severe Financial Emergency Fund; investment and use of money in Fund; requirements relating to loans from Fund.

1. The Severe Financial Emergency Fund is hereby created in the State Treasury as a revolving fund. The Executive Director shall administer the Fund.

2. The money in the Fund must be invested as other state funds are invested. Any interest and income earned on the money in the Fund must, after deducting any applicable charges, be credited to the Fund.

3. Money in the Severe Financial Emergency Fund may be:

(a) Distributed by the Executive Director as a loan to a local government for the purpose of paying the operating expenses and general obligations of the local government until the local government receives revenues if:

(1) The Department takes over the management of a local government pursuant to [NRS 354.685](#) to [354.725](#), inclusive;

(2) The Executive Director determines that a loan from the Severe Financial Emergency Fund is necessary to pay the operating expenses and general obligations of the local government; and

(3) The local government adopts a resolution in which the local government agrees to:

(I) Use the money only for the purpose of paying the operating expenses and general obligations of the local government until the local government receives revenues; and

(II) Repay the entire amount of the loan, without any interest, to the Severe Financial Emergency Fund as soon as practicable, but not later than 24 months after the date on which the resolution is adopted.

(b) Used for any other purpose authorized by the Legislature.

4. A loan approved by the Executive Director must be repaid as soon as practicable by the local government, but the duration of the loan must not exceed 24 months after the date on which the loan was made. The Executive Director shall not charge interest on a loan made pursuant to this section.

5. The Executive Director shall report to the Committee on Local Government Finance and to the Nevada Tax Commission as soon as practicable after the date that the loan is approved concerning:

- (a) The status of the loan;
- (b) The purposes for which the local government will use the money from the loan; and
- (c) The resources that the local government will use to repay the loan.

(Added to NRS by [1999, 1031](#); A [2010, 26th Special Session, 11](#); [2015, 734](#))

NRS 354.723 Severe financial emergency: Procedure for disincorporation or dissolution of local government in certain circumstances; requirement for local government to take remedial action in certain circumstances.

1. If the Executive Director determines that a severe financial emergency which exists in a local government under management by the Department is unlikely to cease to exist within 3 years, the Executive Director shall determine:

(a) The amount any tax or mandatory assessment levied by the local government must be raised to ensure a balanced budget for the local government; and

(b) The manner in which the services provided by the local government must be limited to ensure a balanced budget for the local government, and submit his or her findings to the Committee.

2. The Committee shall review the findings submitted by the Executive Director pursuant to subsection 1. If the Committee determines that the severe financial emergency which exists in the local government is unlikely to cease to exist within 3 years and that the findings made by the Executive Director are appropriate, the Committee shall submit its recommendation and findings to the Nevada Tax Commission. If the Committee determines that the financial emergency is likely to cease to exist within 3 years, that decision is not subject to review by the Nevada Tax Commission.

3. The Nevada Tax Commission shall schedule a public hearing not later than 30 days after the Committee submits its recommendation and findings. The Nevada Tax Commission shall provide public notice of the hearing at least 10 days before the date on which the hearing will be held. The Executive Director shall provide copies of all documents relevant to the recommendation and findings of the Committee to the governing body of the local government existing in a severe financial emergency.

4. If, after the public hearing, the Nevada Tax Commission adopts the recommendation and findings of the Committee, the Commission may:

(a) Require the submission of a question to the electors of the local government at the next primary or general municipal election or primary or general state election, as applicable, asking whether the local government should be disincorporated or dissolved; or

(b) Require the local government to take any other remedial action in accordance with the recommendation and findings of the Committee.

5. If the electors of the local government do not approve the disincorporation or dissolution of the local government:

(a) The maximum ad valorem tax levied within the local government, if any, must be raised to \$5 on each \$100 of assessed valuation;

(b) Any other taxes or mandatory assessments levied in the local government, notwithstanding any limitation on those taxes or assessments provided by statute, must be raised in an amount the Nevada Tax Commission determines is necessary to ensure a balanced budget for the local

government; and

(c) The services provided by the local government must be limited in a manner the Nevada Tax Commission determines is necessary to ensure a balanced budget for the local government.

6. If the electors of the local government approve the disincorporation or dissolution of a local government that is:

(a) Created by another local government, it must be disincorporated or dissolved:

(1) Pursuant to the applicable provisions of law; or

(2) If there are no specific provisions of law providing for the disincorporation or dissolution of the local government, by the entity that created the local government. If, at the time of the disincorporation or dissolution of the local government pursuant to this paragraph, there are any outstanding loans or bonded indebtedness of the local government, including, without limitation, loans made to the local government by the county in which the local government is located, the taxes for the payment of the bonds or other indebtedness must continue to be levied and collected in the same manner as if the local government had not been disincorporated or dissolved until all outstanding indebtedness is repaid, but for all other purposes the local government shall be deemed disincorporated or dissolved at the time that the entity which created the local government disincorporates or dissolves the local government. Any other liabilities and any remaining assets shall revert to the entity that created the local government which is being disincorporated or dissolved.

(b) Created by a special or local act of the Legislature, it may only be disincorporated or dissolved by the Legislature. The Executive Director shall submit notification of the vote approving the disincorporation or dissolution of the local government to the Director of the Legislative Counsel Bureau for transmittal to the Legislature. At the first opportunity, the Legislature shall consider the question of whether the special or local act will be repealed.

(c) Created in any other manner, it must be disincorporated or dissolved:

(1) Pursuant to the applicable provisions of law; or

(2) If there are no specific provisions of law providing for the disincorporation or dissolution of the local government, by the governing body of that local government. If, at the time of the disincorporation or dissolution of the local government pursuant to this paragraph, there are any outstanding loans or bonded indebtedness of the local government, including, without limitation, loans made to the local government by the county or counties in which the local government is located, the taxes for the payment of the bonds or other indebtedness must continue to be levied and collected in the same manner as if the local government had not been disincorporated or dissolved until all outstanding indebtedness is repaid, but for all other purposes the local government shall be deemed disincorporated or dissolved at the time that the governing body of the local government disincorporates or dissolves the local government. Except as otherwise provided in this subparagraph, any other liabilities and any remaining assets of the local government shall revert to the board of county commissioners of the county in which the local government is located. If the local government is located in more than one county, the governing body of the local government shall apportion the remaining liabilities and assets among the boards of county commissioners of the counties in which the local government is located.

7. Not later than 10 days after the Nevada Tax Commission requires the submission of a question to the electors to disincorporate or dissolve a local government pursuant to subsection 4, the Executive Director shall notify:

(a) The city clerk, if the local government is a city; or

(b) The county clerk in all other cases,

➤ and provide the clerk with the amount any tax or mandatory assessment levied by the local government must be raised and a description of the manner in which the services provided by the local government must be limited to ensure a balanced budget for the local government.

8. After the Executive Director notifies the city clerk or the county clerk, as applicable, pursuant to subsection 7, the clerk shall cause to be published in a newspaper of general circulation that is printed in the local government a notice of the election once in each calendar week for 2 successive calendar weeks by two weekly insertions a week apart, the first publication to be not more than 30 days nor less than 22 days next preceding the date of the election. If no newspaper is printed in the local government, publication of the notice of election must be made in a newspaper printed in this State and having a general circulation in the local government.

9. The notice required pursuant to subsection 8 must contain the following information:

(a) That the Nevada Tax Commission has determined that the severe financial emergency which exists in the local government is unlikely to cease to exist within 3 years;

(b) That the question of whether the local government should be disincorporated or dissolved will be submitted to the electors of the local government at the next primary or general municipal election or the next primary or general state election, as applicable; and

(c) That if the electors do not approve the disincorporation or dissolution:

(1) The maximum ad valorem tax levied within the local government, if any, will be raised to \$5 on each \$100 of assessed valuation;

(2) Any taxes or mandatory assessment levied in the local government will be raised to ensure a balanced budget for the local government and the amount by which those taxes or mandatory assessments will be raised; and

(3) The services the local government provides will be limited to ensure a balanced budget for the local government and the manner in which those services will be limited.

10. If any provisions providing generally for the disincorporation or dissolution of the local government require that the question of disincorporating or dissolving be published or submitted to a vote of the electors of the local government, the publication required by subsection 3 and the election required by subsection 4 satisfy those requirements. If:

(a) There is any other conflict between the provisions of this section and any provisions providing generally for the disincorporation or dissolution of a local government; or

(b) The provisions providing generally for the disincorporation or dissolution of a local government provide additional rights to protest the disincorporation or dissolution of a local government not provided by this section,

➤ the provisions of this section control a disincorporation or dissolution pursuant to this section and any person wishing to protest such a disincorporation or dissolution must proceed in accordance with the provisions of this section.

11. As used in this section, "local government" does not include a county, a school district or any agency or department of a county or city which prepares a budget separate from that of the parent political subdivision.

(Added to NRS by [1999.2534](#); A [2015.735](#))

NRS 354.7235 Severe financial emergency: Management of Department of Taxation ceases at time of disincorporation or dissolution. The management of the Department ceases at the time of the disincorporation or dissolution of a local government pursuant to [NRS 354.723](#).

(Added to NRS by [1999.2537](#))

NRS 354.725 Severe financial emergency: Termination or modification of management of local government on motion of Nevada Tax Commission or at request of local government or Committee on Local Government Finance.

1. The Nevada Tax Commission may, on its own motion or at the request of a local government or the Committee, terminate the management of a local government by the Department at any time upon a finding that the severe financial emergency has ceased to exist.

2. The governing body of a local government which has complied with all requests made by the Department pursuant to [NRS 354.695](#) may petition the Nevada Tax Commission for termination or modification of the management of the local government by the Department or of any request made by the Department pursuant to [NRS 354.695](#).

3. The Commission shall not terminate or modify the management of a local government pursuant to subsection 1 or 2 without first obtaining a recommendation from the Committee as to the termination or modification.

4. The Nevada Tax Commission shall provide notice, a hearing and a written decision on each such petition.

5. In determining whether a condition of severe financial emergency should be terminated, the Nevada Tax Commission shall give consideration to the following:

(a) The local governing body has shown a desire and capability to manage the financial affairs of the local government in accordance with the provisions of NRS.

(b) The local government has staff available with sufficient financial expertise that they can adequately control the finances of the local government.

(c) All violations of statutes have been corrected.

(d) The local government has no funds with deficit fund balances.

(e) The local government has increased its revenues or made appropriate expenditure reductions so that it is anticipated that it can operate for the next fiscal year in a positive cash and fund balance position without imposing any increased or additional tax pursuant to [NRS 354.705](#).

(f) The governing body has expressed a determination through a resolution submitted to the Department of Taxation to manage the affairs of the local government in accordance with the provisions of NRS relating to financial matters and utilizing sound accounting and financial management practices.

6. The Nevada Tax Commission may require the governing body to submit special reports to the Department for a period not to exceed 5 years as a condition of terminating the management of the local government by the Department.

7. When a petition relating to a specific request is denied, the governing body may not resubmit a petition to terminate or modify that request until 3 months following the date of denial.

(Added to NRS by [1995, 143](#); A [1995, 1902](#); [2015, 738](#))

ALTERNATIVE METHODS OF FINANCING BY LOCAL GOVERNMENTS

NRS 354.740 Use of lease-purchase and installment-purchase agreements: Legislative findings and declaration. The Legislature hereby finds and declares that:

1. The authority provided by other specific statutes for the government of this State and the political subdivisions of this State to use lease-purchase and installment-purchase agreements provides an important and valuable option for these governmental entities and, when this authority is used properly, provides great benefit to the residents of this State.

2. The statutory provisions governing the use of lease-purchase and installment-purchase agreements should be interpreted to allow the process of entering into and carrying out these agreements to be as streamlined and efficient as possible.

3. The government of this State and the political subdivisions of this State should not use lease-purchase and installment-purchase agreements to:

(a) Engage in or allow bid-shopping; or

(b) Avoid or circumvent any requirement regarding the payment of prevailing wages for public works.

4. When using lease-purchase and installment-purchase agreements, the government of this State and the political subdivisions of this State should provide for the preferential hiring of Nevada residents to the extent otherwise required by law.

5. If a lease-purchase or installment-purchase agreement pursuant to this section involves the construction, alteration, repair or remodeling of an improvement:

(a) The person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of the improvement shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of [NRS 338.013](#) to [338.090](#), inclusive.

(b) The government of this State or a political subdivision of this State, the contractor who is awarded the contract or entered into the agreement to perform the construction, alteration, repair or remodeling of the improvement and any subcontractor on the project shall comply with the provisions of [NRS 338.013](#) to [338.090](#), inclusive, in the same manner as if the government of this State or a political subdivision of this State had undertaken the project or had awarded the contract.

(Added to NRS by [2007, 831](#); A [2009, 2072](#); [2015, 30, 2654](#))

NRS 354.750 Alternative method for local government to borrow money or purchase or lease property.

1. A local government may borrow money or purchase or lease property or facilities from a nonprofit corporation or trustee in conjunction with one or more other local governments, and in connection therewith may sell or lease property or facilities to the nonprofit corporation or trustee, in each case with such maturity, term, payment, security, pledge, default, remedy, prepayment, redemption, interest rate and other terms or provisions as may be specified in the loan, loan purchase, installment sale, lease or other agreement or note entered into by the local government for that purpose if:

(a) Each participating local government determines that it will benefit from economies of scale in borrowing money or purchasing or leasing property in conjunction with one or more other local governments pursuant to this section; and

(b) In the case of borrowing to finance operations and other noncapital purposes, the amount borrowed and the interest payable thereon, at the initial interest rate if interest is variable, does not exceed 85 percent of the estimated amount of uncollected taxes, income, revenue, cash receipts and other money of the local government which will be available during the term of the agreement for the repayment of the loan and the interest thereon. As used in this paragraph, "revenue" includes, without limitation, federal and state money received by the local government.

2. A local government may enter into an agreement for liquidity or credit enhancement, with such reimbursement, term, payment, security, pledge, default, remedy, interest rate and other terms, and may invest the proceeds of any borrowing, sale or lease under this section or any certificates of participation therein and any money pledged or set aside for the payment or security thereof in such securities or obligations, as the local government deems necessary or appropriate in connection with any borrowing, sale or lease pursuant to this section. A local government may also do all things and execute all documents that may be necessary or desirable in connection with the issuance of certificates of participation, or other interests, in any loan, note, installment sale, lease or other agreement of the local government entered into pursuant to this section or otherwise necessary to effectuate the purposes of this section, and may authorize a nonprofit corporation or trustee to act as its agent for purposes of entering into any trust, liquidity, credit, investment or other agreement in connection with financing pursuant to this section.

3. This section provides a complete, additional and alternative method for accomplishing the acts authorized by this section and must be liberally construed to accomplish its purposes.

4. As used in this section, "local government" has the meaning ascribed to it in [NRS 354.474](#).

(Added to NRS by [1989, 1259](#))

PAYMENTS OF MONEY FOR SERVICES PROVIDED BY LOCAL GOVERNMENTS

NRS 354.760 Notice to debtor of required payee of negotiable instrument.

1. All invoices or other notices issued by a local government to collect an account receivable must state that if the debtor wishes to pay by check or other negotiable instrument, such negotiable instrument must name as payee:

- (a) The local government; or
- (b) The title of the governmental official charged by law with the collection of such accounts.

↪ In no event may the invoice or other notice state that a check or other negotiable instrument may name a natural person as payee.

2. Notwithstanding the provisions of subsection 1, a local government may deposit into the appropriate account a check or other negotiable instrument which it determines is intended as payment for an account receivable.

3. As used in this section, "local government" means every political subdivision or other entity which has the right to levy or receive money from ad valorem taxes or other taxes or from any mandatory assessments, including, without limitation, counties, cities, towns, boards, authorities, school districts and other districts organized pursuant to [chapters 244, 244A, 318, 318A, 379, 439, 450, 474, 539, 541, 543](#) and [555](#) of NRS.

(Added to NRS by [1997, 1498](#); A [2015, 2229](#); [2017, 2037, 2722](#))

NRS 354.770 Acceptance of payments by credit card, debit card or electronic transfers of money.

1. A local government may enter into contracts with issuers of credit cards or debit cards, or operators of systems that provide for the electronic transfer of money to provide for the acceptance of credit cards, debit cards or electronic transfers of money by the local government:

- (a) For the payment of money owed to the local government for taxes, interest, penalties or any other obligation; or
- (b) In payment for goods or services.

2. If the issuer or operator charges the local government a fee for each use of a credit card or debit card or for each electronic transfer of money, the local government may require the cardholder or the person requesting the electronic transfer of money to pay a convenience fee when appropriate and authorized. The total convenience fees charged by the local government in a fiscal year must not exceed the total amount of fees charged to the local government by the issuer or operator in that fiscal year.

3. As used in this section:

(a) "Cardholder" means the person or organization named on the face of a credit card or debit card to whom or for whose benefit the credit card or debit card is issued by an issuer.

(b) "Convenience fee" means a fee paid by a cardholder or person requesting the electronic transfer of money to a local government for the convenience of using the credit card or debit card or the electronic transfer of money to make such payment.

(c) "Credit card" means any instrument or device, whether known as a credit card or credit plate, or by any other name, issued with or without a fee by an issuer for the use of the cardholder in obtaining money, property, goods, services or anything else of value on credit.

(d) "Debit card" means any instrument or device, whether known as a debit card or by any other name, issued with or without a fee by an issuer for the use of the cardholder in depositing, obtaining or transferring funds.

(e) "Electronic transfer of money" has the meaning ascribed to it in [NRS 463.01473](#).

(f) "Issuer" means a business organization, financial institution or authorized agent of a business organization or financial institution that issues a credit card or debit card.

(g) "Local government" has the meaning ascribed to it in [NRS 354.474](#), except that the term does not include a court that has entered into a contract pursuant to [NRS 1.113](#).

(Added to NRS by [1997, 1323](#); A [1999, 70](#); [2001, 1322](#); [2009, 1573](#))

NRS 354.780 Placement of automated tellers at locations where local government receives payments.

1. A local government may enter into contracts with financial institutions or other business organizations for the placement of automated tellers at locations where the local government receives payments of money.

2. As used in this section:

(a) "Automated teller" means an electronic device that dispenses cash in connection with an account maintained in a financial institution or with another business.

(b) "Local government" has the meaning ascribed to it in [NRS 354.474](#).

(Added to NRS by [1997, 1323](#))

NRS 354.790 Additional fee for providing service to customer in expeditious or convenient manner.

1. Except as otherwise provided by specific statute, a local government may charge, in addition to the fee otherwise imposed for a service provided by the local government, a reasonable fee for providing the service in an expeditious manner or in a manner that is expeditious or convenient to the customer.

2. The fee authorized pursuant to subsection 1 must not exceed 5 percent of the fee otherwise imposed.

3. As used in this section, "local government" has the meaning ascribed to it in [NRS 354.474](#).

(Added to NRS by [1997, 1323](#))