

Minutes of the Committee Meeting
COMMITTEE ON LOCAL GOVERNMENT FINANCE
August 18, 2022, 9:30 a.m.

The meeting was held at the Department of Taxation, 1550 College Parkway, Carson City as well as via zoom.

COMMITTEE MEMBERS PRESENT:

Marvin Leavitt
Christine Vuletich
Mary Walker
Marty Johnson
Paul Johnson
Jim McIntosh
Jessica Colvin
Tom Ciesynski
Mary Walker
Felicia O'Carroll
Gina Rackley

COUNSEL TO COMMITTEE:

Rost Olsen

**DEPT OF TAXATION STAFF
PRESENT:**

Jeffrey Mitchell
Yvonne Nevarez-Goodson
Kelly Langley
Kellie Grahmann
Keri Gransbery
Evelyn Barragan
Ande Thorpe
Christina Griffith
Denesa Johnston
Chali Spurlock
Hector Sepulveda

MEMBERS OF THE PUBLIC PRESENT:

Name	Representing
Ralph Keyes	Esmeralda County
Vera Boyer	Esmeralda County
Sherry Wideman	Churchill County
Diane Bartholemew	Clark County School District
Roberta Becker	Clark County School District
Alan Kalt	Himself
Jeffrey Share	Clark County
Raelynn Powers	Nye County
Lorina Dellinger	Nye County
Lucinda Elgin	Esmeralda County
Dan McArthur	Esmeralda County
Bob Glennen	Esmeralda County
Justin Zimmerman	Nye County Assessor's Office
Lily	
Frank Carbone	Nye County
Cindy Creighton	Nevada Taxpayers Association
Savannah Rucker	Nye County
George Hritz	NTA
Amanda Osborn	Elko County
Susan Paprocki	Elko County

ITEM 1. ROLL CALL AND OPENING REMARKS

Chairman Leavitt opened the meeting. Members O'Carroll, McIntosh, and Colvin were absent. All other members were present.

ITEM 2. PUBLIC COMMENT

There was no public comment.

ITEM 3. FINANCIAL CONDITION REPORTS BY THE DEPARTMENT; CONSIDERATION AND POSSIBLE ADOPTION OF RECOMMENDATIONS AND ORDER

(a) Report and update from Elko County regarding the FY 21/22 Annual Audit including any violations or non-compliance

Keri Gransbery, with the Department of Taxation, expressed concerns about Elko County's actions and would like assurances on their audit being filed timely.

Susan Papraki, with Elko County, explained their new policies and procedures.

Mary Kane, with Eide Bailly, assured the Committee they have been working with Elko County and if the county submits the audit to them timely, there will be no problem.

Chairman Leavitt questioned Elko County's improvement.

Member Vuletich questioned what processes Elko County has in place regarding their corrective action plan. Ms. Paprocki explained they are putting it in their own format and reviewing it monthly.

Member Vuletich and Chairman Leavitt asked about staffing. Ms. Paprocki discussed their staffing and the multiple steps they are taking. She stated their staffing is adequate and they manage.

Ms. Langley asked about Cash Minor's replacement. Amanda Osborn explained they would not be replacing him, and that Ms. Paprocki and the auditors will do his job.

Chairman Leavitt would like them back at the next meeting to report on the audit and fiscal watch will be considered at that time if the audit is not completed.

(b) Report and update from Esmeralda County regarding the FY 21/22 Annual Audit including any violations or non-compliance

Ms. Gransbery introduced Esmeralda County and expressed the Department's concerns regarding their audit, corrective action plan, violations and deficiencies.

Dan McArthur gave an update on Esmeralda County, their staffing, and issues with net proceeds and minerals.

Vera Boyer explained they have been working hard to be timely this year.

Chairman Leavitt asked about the new system and Ms. Boyer updated the Committee on it.

Commissioner Ralph Keyes provided an update on the Treasurer's office.

Member Ciesynski asked about credit card issues to which Commissioner Keyes replied that he was unsure, but that they were working on it.

Chairman Leavitt would like them to return at the next meeting.

(c) Report and update from Nye County Treasurer's Office regarding the ability to provide timely reconciliation reports to the County Commission

Raelynn Powers, with Nye County, reported on FY23, stating they were caught up.

Chairman Leavitt questioned cross training. Ms. Powers replied they have paused that until September, and she will do oversight.

Chairman Leavitt was happy to see their progress and would like them back at the next meeting for an update and does not think they will need to come regularly again.

Mr. McArthur is comfortable the report will be timely.

ITEM 4. BRIEFING TO AND FROM THE COMMITTEE ON LOCAL GOVERNMENT FINANCE AND LOCAL GOVERNMENT FINANCE STAFF

(a) Discussion on audit report

Ms. Langley updated the Committee on the Audit report noting improvements and mentioned some counties have been caught off guard with Net Proceeds and Minerals (NPM). Chairman Leavitt noted NPM is volatile.

Member Walker thanked staff for the reports.

Chairman Leavitt questioned the last budget cycle. Ms. Langley discussed how it went smoothly. Chairman Leavitt also asked if the Department was satisfied with the forms. Ms. Langley explained the schools are having confusion and they will work on that.

Member Ciesynski commented on fund balance growth. Ms. Langley discussed last year's balances from the education fund. Member Ciesynski would like to know the information on cities and counties also. Ms. Langley will look at CTX as some fees increased.

Member Cronk added that the federal stimulus is helping and there will be a greater reliance on CTX. Chairman Leavitt mentioned property tax and how it relates to single family residences.

Member Vuletich added the labor market recovered quickly. Member Rackley mentioned the effect on other local governments.

- (b) Discussion on PERS liability situation and how it may relate to committee actions and potential statute violations

Chairman Leavitt opened the discussion on whether overspending violations should be treated like other violations.

Member Cronk noted they see it as credit ratings and his concern is how it is perceived. Member Marty Johnson added this has been a fight for years, and the Committee can't do anything about ratings. He does not feel overspending should be treated as a violation. Member Ciesynski added this is a national issue.

- (c) Subcommittee reports regarding consideration and evaluation of NAC 354.660(2)

Jeffrey Mitchell, with the Department of Taxation, updated the Committee that the language has been received from the Legislative Counsel Bureau (LCB). He expects it will be brought forward at the next meeting after the Subcommittee meets. Chairman Leavitt asked about any changes from LCB. Mr. Mitchell explained it would be discussed at a workshop.

Chairman Leavitt mentioned the roles shifting in the Department. Mr. Mitchell introduced Yvonne Nevarez-Goodson and noted the staff will remain. Ms. Nevarez-Goodson replied that she looks forward to working with the Committee.

ITEM 5. REVIEW AND APPROVAL OF MINUTES

(a) For Possible Action: CLGF Committee Meeting – March 29, 2022

Member Marty Johnson motioned to approve the minutes with a change on page two clarifying Paul Johnson. Member Vuletich seconded.

ITEM 6. FOR POSSIBLE ACTION: SCHEDULE DATE AND REVIEW AGENDA TOPICS FOR THE NEXT MEETING

The Committee would like Elko County, Esmeralda County, and Nye County to return for the next meeting.

Ms. Langley will have the Indebtedness report.

Chairman Leavitt would like the next meeting after the Audit Reports, in the middle of December.

Ms. Langley will also have the Legislative reports.

ITEM 7. PUBLIC COMMENT

There were no public comments.

ITEM 8. FOR POSSIBLE ACTION: ADJOURNMENT

Meeting adjourned at 10:42 a.m.