NOTICE OF MEETING

The special meeting of the Incline Village General Improvement District will be held starting at **2:00 p.m.** on Thursday, February 5, 2015 in the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

A. PLEDGE OF ALLEGIANCE*

B. ROLL CALL OF THE IVGID BOARD OF TRUSTEES*

C. PUBLIC COMMENTS* (*During the Public Comment section of the agenda, the public may comment on any subject pertaining to Incline Village General Improvement District, that is in Reports and/or on the Consent Calendar and/or is not on the agenda for action. Comments from the public, relating to a General Business agenda item, will be taken during the Board's consideration of that item. When recognized by the Chair, speakers are requested to come to the designated area at the front of the room, state their name and address, and direct their comments to the Chair. All speakers are made aware that their comments will be included in the minutes of the meeting. Speaking time is limited to three minutes and yielding of time is prohibited. Persons are invited to submit comments in writing on the agenda items and/or attend and make comment. The Chair may or may not provide a response or may take the comment under advisement. The Board of Trustees conducts the business of Incline Village and Crystal Bay and its citizens during its meetings. The Chair may order the removal of any person whose conduct disrupts the orderly, efficient or safe conduct of the meeting. Warnings against disruptive behavior may or may not be given prior to removal. Reasonable restrictions may be imposed upon the time, place and manner of speech.)*

D. APPROVAL OF AGENDA *(for possible action)*

E. BOARD OF TRUSTEES MONTHLY RETREAT ITEMS*

ITEM		DESCRIPTION	PRESENTER	TIMING
I.		Legislative Update: NLC&M/NACO Event attended by Chairman Jim Smith on January 22 and January 23, 2015 – Las Vegas, NV	Chairman Jim Smith Pages 1 - 77	10 minutes
II.		Communication Discussion		30 minutes
	a.	Communication with the District	Attorney Jason Guinasso	
	b.	Litigation Communication	Attorney Jason Guinasso	
	c.	District Perspective	General Manager Steve Pinkerton	
	d.	Best Practices	Chairman Jim Smith	
III.		Culture Update	General Manager Steve Pinkerton	5 minutes
IV.		Service Discussion		10 minutes
	a.	Vision	General Manager Steve Pinkerton	
	b.	Viewpoint	Chairman Jim Smith	

ITEM		DESCRIPTION	PRESENTER	TIMING
V.		Beaches and Access for 4th of July 2015	Trustee Tim Callicrate	15 minutes
VI.		Boat Ramp	Chairman Jim Smith	5 minutes
VII.		Transparency Discussion	Chairman Jim Smith	15 minutes
	a.	Homework for the Board of Trustees: Discussion and bring back one idea forward to this Retreat.		
VIII.		Review, by Attorneys Reese, Guinasso, and/or Menchetti of the Code of Ethics and Conflict of Interest as it relates and/or is applicable to the IVGID Board of Trustees	Attorney Jason Guinasso	10 minutes

F. PUBLIC COMMENTS*

G. RECAP, NEXT STEPS AND LONG RANGE CALENDAR REVIEW* – Chairman Jim Smith and General Manager Steve Pinkerton – 10 minutes – pages 78 - 88

H. ADJOURNMENT *(for possible action)*

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Monday, February 2, 2015 at 9:00 a.m., a copy of this agenda (IVGID Board of Trustees Session of February 5, 2015) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were either faxed or e-mailed to those people who have requested; and a copy was posted at the following six locations within Incline Village/Crystal Bay in accordance with NRS 241.020:

1. IVGID Anne Vorderbruggen Building (Administrative Offices)
2. Incline Village Post Office
3. Crystal Bay Post Office
4. Raley's Shopping Center
5. Incline Village Branch of Washoe County Library
6. IVGID's Recreation Center

/s/ Susan A. Herron, CMC
Susan A. Herron, CMC
Clerk to the Board of Trustees (e-mail: sah@ivgid.org/phone # 775-832-1207)

***Board of Trustees**: Jim Smith, Chairman, Tim Callicrate, Kendra Wong, Jim Hammerel, and Bill Devine*

***Notes:** Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Items listed in the Consent Calendar section of the agenda are voted on as a block and will not be read or considered separately unless removed from the Consent Calendar section by Board action. Once a motion is made on the Consent Calendar, Trustees may or may not ask questions regarding an item on the Consent Calendar prior to the vote being taken. Those items followed by an asterisk (*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. Copies of the packets containing background information on agenda items are available for public inspection at the Incline Village Library.*

IVGID'S agenda packets are now available at IVGID's web site, www.yourtahoeplace.com. Go to "Board Meetings and Agendas". A hard copy of the complete agenda packet is also available at IVGID's Administrative Offices located at 893 Southwood Boulevard, Incline Village, Nevada, 89451.

MEMORANDUM

TO: Board of Trustees

FROM: Jim Smith
Chairman

SUBJECT: Legislative Update: Nevada League of Cities and Municipalities (NLC&M)/Nevada Association of Counties (NACO) Event on January 22 and 23, 2015 in Las Vegas, NV

DATE: January 26, 2015

The NLC&M/NACO held a Board meeting on January 22, 2015 which I attended, as the representative of IVGID, and a Local Government Summit on January 23, 2015.

I have attached all materials received at the Board meeting and the presentation that we received, by Jeremy Aguero, Principle Analyst, Applied Analysis, at the Local Government Summit. I have asked Wes Henderson, Executive Director of NLC&M, to provide me with a transcript of the Board meeting and once that transcript is made available, I will share it with the Board of Trustees.

The next meeting of the NLC&M is September 2015 and that meeting is slated to be held in Sparks, Nevada. With your approval, I would like to continue to serve as the Board's representative to this group. Further, I believe it would be good to send an IVGID delegation to this meeting as there is a lot to learn.

Nevada League of Cities and Municipalities
Board of Director's Meeting

City of North Las Vegas City Hall
Rooms 937/938
2250 Las Vegas Blvd., North
North Las Vegas, NV 89030
January 22, 2015
1:00 p.m.

AGENDA

I. Call to Order and Roll Call – Past President Emily Carter

II. Public Comment

III. **For Possible Action** – Approval of Agenda

Recess for Swearing-in Ceremony of 2015 NLC&M Officers

Return to Order – President Anita Wood

IV. **For Possible Action** – Consent Agenda – (These items are considered routine and may be acted on with one motion. Any member of the Board of Directors may request that an item be removed from the Consent Agenda and considered separately.)

a. Approval of Financial Reports for September, October and November 2014
b. Approval or the Minutes of the September 25, 2014 Meeting of the NLC&M Board of Directors.

V. Informational Item – Presidents Report

VI. Informational Item – Executive Director's Report

VII. **For Possible Action** – Discussion and Possible Action to Amend Article IV, Sections 1(b) and (C)of the NLC&M By-laws.

VIII. Informational Item – Presentation Regarding the Nevada Living With Fire Program and the Nevada Network of Fire Adapted Communities – Ms. Sonya Sistare, Marketing Coordinator, Living With Fire Program, University of Nevada, Reno Cooperative Extension

IX. Informational Item – Presentation Regarding the Private Activity Bond Program Administered by the Department of Business and Industry, Mr. Richard Jost, Director, Fennemore Craig Jones Vargas

X. Informational Item – Preview of NLC&M/NACO Local Government Summit to be held Friday, January 23, 2015 at the City of Henderson Convention Center.

XI. **For Possible Action** – Discussion and Possible Action to Name the City of Sparks as Host of the 2016 NLC&M Annual Conference

XII. Informational Item – Upcoming Events
a. 78th Session of the Nevada Legislature – February 2, 2015
b. National League of Cities Congressional Cities Conference – March 7-11, 2015, Washington, DC

XIII. Public Comment

XIV. **Adjournment**

We will have a reception honoring President Anita Wood immediately following the adjournment of the Board of Directors Meeting.

Item IV. (a)
Financial Reports
September, October and November 2014

NV League of Cities Municipalities
Balance Sheet
September 30, 2014

ASSETS		
Current Assets		
Wells Fargo Checking Admin.	$ 178,062.90	
Wells Fargo M/M PR Accruals	24,647.98	
Wells Fargo Investing Account	80,825.50	
Accounts Receivable	60,051.49	
Prepaid Insurance	1,318.63	
Suspense	(40.00)	
Total Current Assets		344,866.50
Property and Equipment		
Fixed Assets - Furniture/Fixt.	31,002.60	
Depreciation - Furniture/Fixt.	(25,338.00)	
Total Property and Equipment		5,664.60
Other Assets		
Total Other Assets		0.00
Total Assets		$ 350,531.10
LIABILITIES AND CAPITAL		
Current Liabilities		
Accrued Retirement Payable	$ 0.53	
Retirement Loans Payable	(0.09)	
Accrued Vac/Sick Leave Payable	21,846.91	
Total Current Liabilities		21,847.35
Long-Term Liabilities		
Total Long-Term Liabilities		0.00
Total Liabilities		21,847.35
Capital		
Opening Balance Equity	486,166.38	
Retained Earnings	(397,118.79)	
Net Income	239,636.16	
Total Capital		328,683.75
Total Liabilities & Capital		$ 350,531.10

NV League of Cities Municipalities
Income Statement
For the Three Months Ending September 30, 2014

	Current Month		Year to Date	
Revenues				
Member Cities Dues	$ 0.00	0.00	$ 230,016.59	71.01
Corporate Members Dues	0.00	0.00	2,250.00	0.69
Affiliate Members Dues	0.00	0.00	18,614.38	5.75
Interest Money Market Res Acct	0.61	0.00	1.87	0.00
Interest Wells Fargo Investing	0.66	0.00	2.04	0.00
Conference Registration Fees	10,700.00	20.03	20,650.00	6.38
Conference Sponsor Fees	31,275.00	58.55	34,025.00	10.50
Conference Exhibitors Fees	750.00	1.40	750.00	0.23
Conference Golf	750.00	1.40	900.00	0.28
Conference POWER Registrations	2,025.00	3.79	3,825.00	1.18
Spouse/Guest Conf Registration	450.00	0.84	1,500.00	0.46
Child Conference Registration	80.00	0.15	80.00	0.02
Conference Raffles	1,085.00	2.03	1,085.00	0.33
Admin. - Hospital Health Plan	6,300.54	11.80	9,919.78	3.06
Admin. - Dental Coverage Plan	0.00	0.00	288.79	0.09
Total Revenues	53,416.81	100.00	323,908.45	100.00
Cost of Sales				
Total Cost of Sales	0.00	0.00	0.00	0.00
Gross Profit	53,416.81	100.00	323,908.45	100.00
Expenses				
Salaries/Wages-Executive Dir.	7,542.32	14.12	22,626.96	6.99
Salaries/Wages-Executive Asst.	3,846.14	7.20	11,521.95	3.56
FICA Taxes Expense	706.08	1.32	2,117.22	0.65
Medicare Taxes Expense	165.12	0.31	495.13	0.15
SUTA Taxes Expense	0.00	0.00	10.37	0.00
Employee Retirement Program	2,391.96	4.48	7,168.80	2.21
Employee Health Insurance	1,570.06	2.94	4,710.18	1.45
Employee Vision Insurance	16.88	0.03	79.52	0.02
Employee Dental Insurance	179.42	0.34	538.26	0.17
Employee Life Insurance	334.79	0.63	842.32	0.26
Fiancial Services	3,000.00	5.62	3,000.00	0.93
Office Lease	900.00	1.68	2,700.00	0.83
Utilities	158.68	0.30	374.83	0.12
Service Contracts	75.00	0.14	150.00	0.05
Liability Insurance	146.00	0.27	438.00	0.14
Bank Service Charges	118.10	0.22	354.30	0.11
Telephone Expense	722.80	1.35	1,422.38	0.44
Postage Expense	20.84	0.04	20.84	0.01
Office Supplies Expenses	300.00	0.56	776.53	0.24
Copy Machine Lease	6.82	0.01	653.67	0.20
Internet Access	115.00	0.22	345.00	0.11
Maintenance & Services	0.00	0.00	300.00	0.09
Teleconference Expense	0.00	0.00	73.85	0.02

NV League of Cities Municipalities
Income Statement
For the Three Months Ending September 30, 2014

	Current Month		Year to Date	
Subscriptions	45.00	0.08	914.40	0.28
Computer Service & Maintenance	92.50	0.17	416.25	0.13
Staff Travel	1,501.90	2.81	1,864.75	0.58
Conference Meals	0.00	0.00	4,420.70	1.36
Entertainment	1,350.00	2.53	1,350.00	0.42
Speaker Expenses	2,097.44	3.93	2,097.44	0.65
Facilities Expense	0.00	0.00	3,500.00	1.08
Gifts & Awards	2,238.20	4.19	2,238.20	0.69
Printing	642.00	1.20	642.00	0.20
PayPal Fees	198.01	0.37	664.86	0.21
Supplies & Badges	170.84	0.32	170.84	0.05
Golf Expenses	0.00	0.00	250.00	0.08
Other Conference Expenses	100.00	0.19	100.00	0.03
Printed & Reference Materials	285.00	0.53	285.00	0.09
Executive Director Travel	104.16	0.19	3,369.04	1.04
Executive Asst. Travel	0.00	0.00	822.50	0.25
Other Travel	0.00	0.00	446.20	0.14
Total Expenses	31,141.06	58.30	84,272.29	26.02
Net Income	$ 22,275.75	41.70	$ 239,636.16	73.98

NV League of Cities Municipalities
Income Statement
Compared with Budget
For the Three Months Ending September 30, 2014

	Budget	Year to Date Actual	Year to Date Variance
Revenues			
Membership Dues	$ 268,630.00	$ 250,880.97	(17,749.03)
Reserve Transfer	49,616.00	0.00	(49,616.00)
Interest Income	25.00	3.91	(21.09)
Annual Conference Income	71,500.00	62,815.00	(8,685.00)
Ins. Administration Income	65,279.00	10,208.57	(55,070.43)
Deferred Comp. Administration	0.00	0.00	0.00
Special Events	0.00	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00
Total Revenues	**455,050.00**	**323,908.45**	**(131,141.55)**
Expenses			
Salaries & Wages	155,500.00	34,148.91	(121,351.09)
Payroll Expenses	92,050.00	15,961.80	(76,088.20)
Contract Lobbyist	25,000.00	0.00	(25,000.00)
Financial Services	12,000.00	3,000.00	(9,000.00)
Office Expenses	22,000.00	4,017.13	(17,982.87)
Office Operations	23,000.00	3,592.27	(19,407.73)
General Expenses	17,000.00	914.40	(16,085.60)
Capital Outlay	0.00	0.00	0.00
Consulting Fees	2,500.00	0.00	(2,500.00)
Technology Expenses	20,000.00	416.25	(19,583.75)
Youth Award Program	0.00	0.00	0.00
Insurance Administration Expen	0.00	0.00	0.00
Travel Expenses	20,000.00	4,637.74	(15,362.26)
Deferred Comp. Admin. Expenses	0.00	0.00	0.00
Public Relations	2,000.00	0.00	(2,000.00)
Annual Conference Expenses	60,000.00	17,298.79	(42,701.21)
President's Expenses	3,000.00	0.00	(3,000.00)
Executive Board Expenses	1,500.00	0.00	(1,500.00)
Legislative Expenses	7,500.00	285.00	(7,215.00)
General Meeting Expenses	2,000.00	0.00	(2,000.00)
Research and Studies	0.00	0.00	0.00
Total Expenses	**465,050.00**	**84,272.29**	**(380,777.71)**
Net Income	**($ 10,000.00)**	**$ 239,636.16**	**$ 249,636.16**
Carry Over From 13-14	**10,000.00**	**0.00**	**(10,000.00)**
Net Income	**$ 0.00**	**$ 239,636.16**	**$ 239,636.16**

NV League of Cities Municipalities
Balance Sheet
October 31, 2014

ASSETS		
Current Assets		
Wells Fargo Checking Admin.	$ 192,510.70	
Wells Fargo M/M PR Accruals	24,648.60	
Wells Fargo Investing Account	80,826.19	
Accounts Receivable	48,507.67	
Prepaid Insurance	1,172.63	
Total Current Assets		347,665.79
Property and Equipment		
Fixed Assets - Furniture/Fixt.	31,002.60	
Depreciation - Furniture/Fixt.	(25,338.00)	
Total Property and Equipment		5,664.60
Other Assets		
Total Other Assets		0.00
Total Assets		$ 353,330.39
LIABILITIES AND CAPITAL		
Current Liabilities		
Accrued Retirement Payable	$ 0.53	
Retirement Loans Payable	(0.09)	
Accrued Vac/Sick Leave Payable	21,846.91	
Total Current Liabilities		21,847.35
Long-Term Liabilities		
Total Long-Term Liabilities		0.00
Total Liabilities		21,847.35
Capital		
Opening Balance Equity	486,166.38	
Retained Earnings	(397,118.79)	
Net Income	242,435.45	
Total Capital		331,483.04
Total Liabilities & Capital		$ 353,330.39

NV League of Cities Municipalities
Income Statement
Compared with Budget
For the Four Months Ending October 31, 2014

	Budget	Year to Date Actual	Year to Date Variance
Revenues			
Membership Dues	$ 268,630.00	$ 254,380.97	(14,249.03)
Reserve Transfer	49,616.00	0.00	(49,616.00
Interest Income	25.00	5.22	(19.78)
Annual Conference Income	71,500.00	97,260.00	25,760.00
Ins. Administration Income	65,279.00	16,516.40	(48,762.60)
Deferred Comp. Administration	0.00	0.00	0.00
Special Events	0.00	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00
Total Revenues	**455,050.00**	**368,162.59**	**(86,887.41)**
Expenses			
Salaries & Wages	155,500.00	45,537.37	(109,962.63)
Payroll Expenses	92,050.00	21,704.47	(70,345.53)
Contract Lobbyist	25,000.00	0.00	(25,000.00
Financial Services	12,000.00	3,000.00	(9,000.00)
Office Expenses	22,000.00	5,439.78	(16,560.22)
Office Operations	23,000.00	7,812.14	(15,187.86)
General Expenses	17,000.00	914.40	(16,085.60)
Capital Outlay	0.00	0.00	0.00
Consulting Fees	2,500.00	0.00	(2,500.00)
Technology Expenses	20,000.00	416.25	(19,583.75)
Youth Award Program	0.00	0.00	0.00
Insurance Administration Expen	0.00	0.00	0.00
Travel Expenses	20,000.00	4,861.32	(15,138.68)
Deferred Comp. Admin. Expenses	0.00	0.00	0.00
Public Relations	2,000.00	0.00	(2,000.00)
Annual Conference Expenses	60,000.00	35,784.20	(24,215.80)
President's Expenses	3,000.00	0.00	(3,000.00)
Executive Board Expenses	1,500.00	0.00	(1,500.00)
Legislative Expenses	7,500.00	257.21	(7,242.79)
General Meeting Expenses	2,000.00	0.00	(2,000.00)
Research and Studies	0.00	0.00	0.00
Total Expenses	**465,050.00**	**125,727.14**	**(339,322.86)**
Net Income	**($ 10,000.00)**	**$ 242,435.45**	**$ 252,435.45**
Carry Over From 13-14	**10,000.00**	**0.00**	**(10,000.00)**
Net Income	**$ 0.00**	**$ 242,435.45**	**$ 242,435.45**

NV League of Cities Municipalities
Income Statement
For the Four Months Ending October 31, 2014

	Current Month		Year to Date	
Revenues				
Member Cities Dues	$ 0.00	0.00	$ 230,016.59	62.48
Friends of the League	3,500.00	7.91	5,750.00	1.56
Affiliate Members Dues	0.00	0.00	18,614.38	5.06
Interest Money Market Res Acct	0.62	0.00	2.49	0.00
Interest Wells Fargo Investing	0.69	0.00	2.73	0.00
Conference Registration Fees	1,410.00	3.19	22,060.00	5.99
Conference Sponsor Fees	33,075.00	74.74	67,100.00	18.23
Conference Exhibitors Fees	0.00	0.00	750.00	0.20
Conference Golf	75.00	0.17	975.00	0.26
Conference POWER Registrations	(265.00)	(0.60)	3,560.00	0.97
Spouse/Guest Conf Registration	150.00	0.34	1,650.00	0.45
Child Conference Registration	0.00	0.00	80.00	0.02
Conference Raffles	0.00	0.00	1,085.00	0.29
Admin. - Hospital Health Plan	5,818.52	13.15	15,738.30	4.27
Admin. - Dental Coverage Plan	489.31	1.11	778.10	0.21
Total Revenues	44,254.14	100.00	368,162.59	100.00
Cost of Sales				
Total Cost of Sales	0.00	0.00	0.00	0.00
Gross Profit	44,254.14	100.00	368,162.59	100.00
Expenses				
Salaries/Wages-Executive Dir.	7,542.32	17.04	30,169.28	8.19
Salaries/Wages-Executive Asst.	3,846.14	8.69	15,368.09	4.17
FICA Taxes Expense	706.08	1.60	2,823.90	0.77
Medicare Taxes Expense	165.18	0.37	660.31	0.18
SUTA Taxes Expense	0.00	0.00	10.37	0.00
Workers' Compensation Expense	213.25	0.48	213.25	0.06
Employee Retirement Program	2,391.96	5.41	9,560.76	2.60
Employee Health Insurance	1,570.06	3.55	6,280.24	1.71
Employee Vision Insurance	19.88	0.04	99.40	0.03
Employee Dental Insurance	179.42	0.41	717.68	0.19
Employee Life Insurance	496.84	1.12	1,339.16	0.36
Fiancial Services	0.00	0.00	3,000.00	0.81
Office Lease	900.00	2.03	3,600.00	0.98
Utilities	142.60	0.32	517.43	0.14
Service Contracts	75.00	0.17	225.00	0.06
Liability Insurance	146.00	0.33	584.00	0.16
Bank Service Charges	159.05	0.36	513.35	0.14
Telephone Expense	528.78	1.19	1,951.16	0.53
Postage Expense	0.00	0.00	20.84	0.01
Office Supplies Expenses	495.31	1.12	1,271.84	0.35
Legal & Accounting Services	2,650.00	5.99	2,650.00	0.72
Copy Machine Lease	355.05	0.80	1,008.72	0.27
Internet Access	115.00	0.26	460.00	0.12

NV League of Cities Municipalities
Income Statement
For the Four Months Ending October 31, 2014

	Current Month		Year to Date	
Maintenance & Services	75.73	0.17	375.73	0.10
Teleconference Expense	0.00	0.00	73.85	0.02
Subscriptions	0.00	0.00	914.40	0.25
Computer Service & Maintenance	0.00	0.00	416.25	0.11
Staff Travel	990.18	2.24	2,854.93	0.78
Conference Meals	14,729.60	33.28	19,150.30	5.20
Entertainment	0.00	0.00	1,350.00	0.37
Speaker Expenses	325.39	0.74	2,422.83	0.66
Facilities Expense	0.00	0.00	3,500.00	0.95
Gifts & Awards	320.00	0.72	2,558.20	0.69
Printing	0.00	0.00	642.00	0.17
PayPal Fees	0.00	0.00	664.86	0.18
Supplies & Badges	404.05	0.91	574.89	0.16
Golf Expenses	1,671.19	3.78	1,921.19	0.52
Other Conference Expenses	45.00	0.10	145.00	0.04
Printed & Reference Materials	0.00	0.00	285.00	0.08
Meeting Expenses	(27.79)	(0.06)	(27.79)	(0.01)
Executive Director Travel	223.58	0.51	3,592.62	0.98
Executive Asst. Travel	0.00	0.00	822.50	0.22
Other Travel	0.00	0.00	446.20	0.12
Total Expenses	41,454.85	93.67	125,727.74	34.15
Net Income	$ 2,799.29	6.33	$ 242,434.85	65.85

NV League of Cities Municipalities
Balance Sheet
November 30, 2014

ASSETS		
Current Assets		
Wells Fargo Checking Admin.	$ 168,495.22	
Wells Fargo M/M PR Accruals	24,649.21	
Wells Fargo Investing Account	80,826.85	
Accounts Receivable	48,507.67	
Prepaid Insurance	1,026.63	
Total Current Assets		323,505.58
Property and Equipment		
Fixed Assets - Furniture/Fixt.	31,002.60	
Depreciation - Furniture/Fixt.	(25,338.00)	
Total Property and Equipment		5,664.60
Other Assets		
Total Other Assets		0.00
Total Assets		$ 329,170.18
LIABILITIES AND CAPITAL		
Current Liabilities		
Accrued Retirement Payable	$ 3,930.95	
Retirement Loans Payable	351.97	
Accrued Vac/Sick Leave Payable	21,846.91	
Total Current Liabilities		26,129.83
Long-Term Liabilities		
Total Long-Term Liabilities		0.00
Total Liabilities		26,129.83
Capital		
Opening Balance Equity	486,166.38	
Retained Earnings	(397,118.79)	
Net Income	213,992.76	
Total Capital		303,040.35
Total Liabilities & Capital		$ 329,170.18

NV League of Cities Municipalities
Income Statement
For the Five Months Ending November 30, 2014

	Current Month		Year to Date	
Revenues				
Member Cities Dues	$ 0.00	0.00	$ 230,016.59	62.55
Friends of the League	0.00	0.00	5,750.00	1.56
Affiliate Members Dues	0.00	0.00	18,614.38	5.06
Interest Money Market Res Acct	0.61	0.14	3.10	0.00
Interest Wells Fargo Investing	0.66	0.15	3.39	0.00
Conference Registration Fees	0.00	0.00	22,060.00	6.00
Conference Sponsor Fees	0.00	0.00	67,100.00	18.25
Conference Exhibitors Fees	0.00	0.00	750.00	0.20
Conference Golf	0.00	0.00	975.00	0.27
Conference POWER Registrations	(450.00)	(100.28)	3,110.00	0.85
Spouse/Guest Conf Registration	0.00	0.00	1,650.00	0.45
Child Conference Registration	0.00	0.00	80.00	0.02
Conference Raffles	0.00	0.00	1,085.00	0.30
Admin. - Hospital Health Plan	0.00	0.00	15,738.30	4.28
Admin. - Dental Coverage Plan	0.00	0.00	778.10	0.21
Total Revenues	(448.73)	(100.00)	367,713.86	100.00
Cost of Sales				
Total Cost of Sales	0.00	0.00	0.00	0.00
Gross Profit	(448.73)	(100.00)	367,713.86	100.00
Expenses				
Salaries/Wages-Executive Dir.	13,264.29	2,955.96	43,433.57	11.81
Salaries/Wages-Executive Asst.	3,846.14	857.12	19,214.23	5.23
FICA Taxes Expense	1,060.84	236.41	3,884.14	1.06
Medicare Taxes Expense	248.08	55.28	908.39	0.25
SUTA Taxes Expense	0.00	0.00	10.37	0.00
Workers' Compensation Expense	0.00	0.00	213.25	0.06
Employee Retirement Program	4,783.92	1,066.10	14,344.68	3.90
Employee Health Insurance	0.00	0.00	6,280.24	1.71
Employee Vision Insurance	0.00	0.00	99.40	0.03
Employee Dental Insurance	179.42	39.98	897.10	0.24
Employee Life Insurance	259.99	57.94	1,599.15	0.43
Fiancial Services	0.00	0.00	3,000.00	0.82
Office Lease	0.00	0.00	3,600.00	0.98
Utilities	125.22	27.91	642.65	0.17
Service Contracts	75.00	16.71	300.00	0.08
Liability Insurance	146.00	32.54	730.00	0.20
Bank Service Charges	177.15	39.48	690.50	0.19
Telephone Expense	84.83	18.90	2,035.99	0.55
Postage Expense	0.00	0.00	20.84	0.01
Office Supplies Expenses	85.17	18.98	1,357.01	0.37
Legal & Accounting Services	750.00	167.14	3,400.00	0.92
Copy Machine Lease	0.00	0.00	1,008.72	0.27
Internet Access	0.00	0.00	460.00	0.13

NV League of Cities Municipalities
Income Statement
For the Five Months Ending November 30, 2014

	Current Month		Year to Date	
Maintenance & Services	0.00	0.00	375.73	0.10
Teleconference Expense	0.00	0.00	73.85	0.02
Subscriptions	801.90	178.70	1,716.30	0.47
Computer Service & Maintenance	0.00	0.00	416.25	0.11
Staff Travel	221.71	49.41	3,076.64	0.84
Conference Meals	0.00	0.00	19,150.30	5.21
Entertainment	0.00	0.00	1,350.00	0.37
Speaker Expenses	0.00	0.00	2,422.83	0.66
Facilities Expense	0.00	0.00	3,500.00	0.95
Gifts & Awards	0.00	0.00	2,558.20	0.70
Printing	0.00	0.00	642.00	0.17
PayPal Fees	0.00	0.00	664.86	0.18
Supplies & Badges	0.00	0.00	574.89	0.16
Golf Expenses	0.00	0.00	1,921.19	0.52
Other Conference Expenses	0.00	0.00	145.00	0.04
Printed & Reference Materials	0.00	0.00	285.00	0.08
Meeting Expenses	0.00	0.00	(27.79)	(0.01)
Executive Director Travel	1,884.30	419.92	5,476.92	1.49
Executive Asst. Travel	0.00	0.00	822.50	0.22
Other Travel	0.00	0.00	446.20	0.12
Total Expenses	27,993.96	6,238.49	153,721.10	41.80
Net Income	($ 28,442.69)	(6,338.49)	$ 213,992.76	58.20

NV League of Cities Municipalities
Income Statement
Compared with Budget
For the Five Months Ending November 30, 2014

	Budget	Year to Date Actual	Year to Date Variance
Revenues			
Membership Dues	$ 268,630.00	$ 254,380.97	(14,249.03
Reserve Transfer	49,616.00	0.00	(49,616.00)
Interest Income	25.00	6.49	(18.51
Annual Conference Income	71,500.00	96,810.00	25,310.00
Ins. Administration Income	65,279.00	16,516.40	(48,762.60)
Deferred Comp. Administration	0.00	0.00	0.00
Special Events	0.00	0.00	0.00
Miscellaneous Income	0.00	0.00	0.00
Total Revenues	**455,050.00**	**367,713.86**	**(87,336.14)**
Expenses			
Salaries & Wages	155,500.00	62,647.80	(92,852.20)
Payroll Expenses	92,050.00	28,236.72	(63,813.28)
Contract Lobbyist	25,000.00	0.00	(25,000.00)
Financial Services	12,000.00	3,000.00	(9,000.00)
Office Expenses	22,000.00	5,963.15	(16,036.85)
Office Operations	23,000.00	8,732.14	(14,267.86)
General Expenses	17,000.00	1,716.30	(15,283.70)
Capital Outlay	0.00	0.00	0.00
Consulting Fees	2,500.00	0.00	(2,500.00)
Technology Expenses	20,000.00	416.25	(19,583.75)
Youth Award Program	0.00	0.00	0.00
Insurance Administration Expen	0.00	0.00	0.00
Travel Expenses	20,000.00	6,745.62	(13,254.38)
Deferred Comp. Admin. Expenses	0.00	0.00	0.00
Public Relations	2,000.00	0.00	(2,000.00)
Annual Conference Expenses	60,000.00	36,005.91	(23,994.09)
President's Expenses	3,000.00	0.00	(3,000.00)
Executive Board Expenses	1,500.00	0.00	(1,500.00)
Legislative Expenses	7,500.00	257.21	(7,242.79)
General Meeting Expenses	2,000.00	0.00	(2,000.00)
Research and Studies	0.00	0.00	0.00
Total Expenses	**465,050.00**	**153,721.10**	**(311,328.90)**
Net Income	**($ 10,000.00)**	**$ 213,992.76**	**$ 223,992.76**
Carry Over From 13-14	**10,000.00**	**0.00**	**(10,000.00)**
Net Income	**$ 0.00**	**$ 213,992.76**	**$ 213,992.76**

Item IV. (b)
Board of Directors Meeting
September 25, 2014
Minutes

Board of Director's Meeting
Texas Station
North Las Vegas, NV
September 25, 2014– 2:45 p.m.

Minutes

I. Call to Order & Roll Call

President Emily Carter called the meeting to order at 2:45 p.m., September 25, 2014.

Roll Call

Officers Present:

President Emily Carter, Mayor, City of West Wendover
1st Vice President, Anita Wood, Councilwoman, City of North Las Vegas
2nd Vice President, Mayor Mike Giles, City of Lovelock
3rd Vice President Bill Dolan, Vice Chairman, Town of Pahrump
Secretary/Treasurer Geno Martini, Mayor, City of Sparks
Past President Debra March, Councilwoman, City of Henderson

Members Present:

Councilwoman Peggy Leavitt, City of Boulder City
Mayor Stana Hurlburt, City of Caliente
Mayor Chris Johnson, City of Elko
Chair Linda Slater, Town of Gardnerville
Chair Joe Wolfe, Incline Village GID
Chair Natalie Yanish, Kingsbury Grade GID
Councilman Steve Ross, City of Las Vegas
Vice Mayor Geno Withelder, City of Mesquite
Town Manager Susan Holecheck, Town of Pahrump

Others Present:

Javi Trujillo, Intergovernmental Relations Manager, City of Henderson
Tom Dallaire, Town Manager, Town of Gardnerville
John Lafrano, General Manger, Indian Hills GID
Adam Mayberry, Community Relations/Government Affairs Mgr., City of Sparks
David Fraser, City Manager, City of Boulder City

Staff Present:

Wes Henderson, Executive Director
Jo Walker, Executive Assistant

II. Public Comment

President Emily Carter called for public comments; however, no comment was presented.

III. For Possible Action – Approval of Agenda

President Emily Carter requested a motion to approve the Agenda.

Past President Debra March moved to approve the Agenda as presented, seconded by Secretary/Treasurer Geno Martini and carried unanimously.

IV. Information Item – Consent Agenda – (These items are considered routine and may be acted on with one motion. Any member of the Board of Directors may request that an item be removed from the Consent Agenda and considered separately.)

a. Approval of Financial Reports for February, March and April 2014.

b. Approval of the Minutes of the September 25, 2014, Board of Directors Meeting.

President Emily Carter requested a motion to approve the consent items as presented.

3rd Vice President Bill Dolan moved to approve the consent items as presented, seconded by Secretary/Treasurer Geno Martini and carried unanimously.

V. Informational Item – **Executive Director's Annual "State of the League" Report.**

Mr. Wes Henderson reported on League activities and reviewed several changes that will be implemented in 2015. He reported that the Membership Committee met and recommended several changes to the structure of the membership and executive committee which were adopted by the Board of Directors at their February 27, 2014 meeting. Not only will it strengthen the League but will give all municipalities equal representation on the executive committee. Each term will be a full year, beginning on the first Monday in January and ending December 31st.

The dues formula has also been modified to ensure that the League can return to a sound financial position with adequate resources to fulfill our mission.

This past year Kingsbury Grade GID joined the League and the Town of Minden is seriously considering becoming a member as well. We will continue our recruiting efforts into the next year.

The rollout of the "Friends of the League" continues to be successful and will continue our efforts in expanding the program.

VI. Informational Item – Presentation Regarding Changes to the Officers and Executive Board Approved by the Executive Board at their February 27, 2014, Meeting.

Mr. Wes Henderson reviewed the current Executive Committee structure and reported on the Executive Board recommendations and approvalof the following changes to the structure of the committee.

The Executive Committee will consist of the President, Vice President, Secretary/Treasurer, Past President and three at large members, one from a large city, one from a small city or large town and one from a small town or general improvement district. This will ensure that all municipalities will have equal representation and they will also be eligible to be President of the League.

VII. Informational Item – Nominating Committee Report

President Emily Carter reported that the Executive Board and members of the Nominating Committee meet earlier and recommended the following people to serve as at large members of the Executive Committee: Las Vegas Councilman Steve Ross, (large city), Mesquite Councilman Geno Withelder, (small city or large town), and Kingsbury GID Chairman Natalie Yanish (small town or GID).

VIII. For Possible Action – Election of 2015 League Officers and At-Large Members of the Executive Board

President Emily Carter requested a motion to accept the new Executive Committee Members.

3rd Vice President Bill Dolan moved to approve the new Executive Committee members as presented, seconded by Past President Debra March and carried unanimously.

IX. Informational Item – President Elect's Address – 1st Vice President Anita Wood

Councilwoman Anita Wood addressed the board and promised to lead the League. She expressed her appreciation at being elected as President and her plans to take an active role in the upcoming Legislative session.

X. Informational Item – Upcoming Events

a. National League of Cities Conference – Austin, TX, November 18-22, 2014
b. 78th Session of the Nevada Legislature – February 2, 2015

XI. Public Comment

XII. Adjourn

Item VII.
NLC&M By-Laws
Article IV. Proposed Amendments

NLC&M Board of Directors Meeting
January 22, 2015
Item VII
Proposed amendment to NLC&M By laws

ARTICLE IV - BOARD OF DIRECTORS

SECTION 1. Composition, Selection of Members, Qualifications, Terms and Powers.

(a) OFFICERS

Officers shall consist of ... one term in any office.

(b) Executive Board

The Executive Board is comprised of the Officers and three at large members elected by the Board of Directors. At large members must be ***an*** elected ~~officials~~ ***member of the governing board*** from a member entity, ***a County Commissioner acting as a member of the governing board of a town without an elected or appointed advisory board or an appointed member of a Town Advisory Board.*** At large members may not be from the same member entity as an officer. One at large member shall be from a member city with a population of 75,000 or more, one from a member city with a population of 75,000 or less or from a member town with a population over 25,000 and one from a member town with a population under 25,000 or GID. At large members are elected at the business meeting held in conjunction with the annual conference. Terms of at large members of the Executive Board begin on the first Monday of January and end on December 31. At large members may serve a maximum of three one-year terms.

No member entity may have more than one representative on the Executive Board.

The Executive Board will be responsible for decisions between quarterly Board of Directors meetings requiring immediate action.

(1) The Executive Board will serve as advisory members on the League's committees.

(c) Board of Directors

The NLC&M Board of Directors is comprised of the officers, at large members of the Executive Board and a Director who is an elected ~~official~~ ***member of the governing board*** from each member entity, ***a County Commissioner acting as a member of the governing board of a town without an elected or appointed advisory board or an appointed member of a Town Advisory Board.*** In addition, LOGMAN appoints two directors to the board (one from a member entity with a population of 75,000 or more and one from a member entity with a population less than 75,000. No member entity may have more than two representatives on the Board of Directors.

All Directors serve a one-year term beginning the first Monday of January and ending on December 31.

No member entity may have more than two representatives on the Board of Directors.

Members of the Board of Directors may be replaced for non-excused absences of 25% or more of the quarterly board meetings.

Item XI.
Resolution 3270
Supporting the City of Sparks
Hosting the 2016 NLC&M Conference

RESOLUTION NO. 3270

INTRODUCED BY SPARKS CITY COUNCIL
12/8/2014 A.I. 9.1

A RESOLUTION SUPPORTING THE CITY OF SPARKS HOSTING THE 2016 NLC&M CONFERENCE

WHEREAS, the City of Sparks, Nevada has been an active member with the Nevada League of Cities & Municipalities (NLC&M) since 2012; and

WHEREAS, Sparks Mayor Geno R. Martini is currently a member of the Executive Board of the NLC&M, and Councilman Ron Schmitt has served on the Board and as President of the NLC&M in years past and was selected as the Public Official of the Year in 2005; and

WHEREAS, the NLC&M has existed since 1959 and serves as the state's primary champion of local government and promotes positive and continuous community development through public formation, legislative advocacy, shared data, and timely communication; and

WHEREAS, the NLC&M plans and organizes an annual conference to bring NLC&M members together to a city or municipality in Nevada for shared learning experiences, relationship building, and collaboration between elected and appointed local government leaders; and

WHEREAS, the NLC&M annual conference provides an economic impact for the host city; and

WHEREAS, the Sparks Mayor and City Council invite the NLC&M to host the 2016 annual conference in Sparks, NV and commit $15,000 to support sponsoring the event; and

NOW, THEREFORE, BE IT RESOLVED by the Sparks City Council that Geno R. Martini, Mayor of the City of Sparks supports hosting the 2016 annual conference of the NLC&M which will showcase Sparks to other cities and municipalities across our great state.

PASSED AND ADOPTED this 8th day of December 2014, by the following vote of the City Council:

AYES: Ratti, Lawson, Smith, Bybee, Schmitt

NAYS: None

ABSENT: None

ABSTAIN: None

Approved this 8th day of December 2014, by following vote of the City Council:

Geno R. Martini, Mayor

ATTEST:

Teresa Gardner, City Clerk

APPROVED TO AS FORM:

Chet Adams, City Attorney

TO BOT, COUNSEL
STAFF,
PUBLIC

NLC&M/NACO 2015 Local Government Summit (JS)
January 23, 2015
8:30 a.m. – Noon
Henderson Convention Center
200 Water Street
Henderson, NV 89015

AGENDA

I. Call to order – NLC&M PresidentAnita Wood, City of North Las Vegas and NACO President Lorinda Wichman, Nye County

II. Pledge of Allegiance

III. Introductions

IV. Special Orders – (Call to order of individual governing boards)

V. Opening Remarks – Presidents Wood and Wichman

VI. Public Comment

VII. Executive Directors' Reports

VIII. Local Government BDRs – Executive Directors (see attachment)
AB19; AB25; SB22; SB28; SB51

IX. Overview of Local Government Fiscal Working Group - Jeremy Aguero, Principle Analyst, Applied Analysis

X. Session Expectations – Legislative Leadership / Government Affairs Chairs

XI. Discussion Regarding Local Government Positions and Session Priorities

XII. Closing Remarks – Presidents Wood and Wichman

XIII. Public Comment

XIV. Special Orders – (Adjournment of individual governing boards)

XV. Adjourn

NLC&M

2015 Bills

The Nevada League of Cities and Municipalities is authorized by statute (NRS 218D.210) to submit five Bill Draft Requests for each legislative session. Subsection 2 of the statute requires that the BDRs be prefiled by December 20th of the year preceding a legislative session. Listed below is a brief summary of the League's bills for the 2015 session of the Nevada Legislature.

AB19 (BDR456) - Revises provisions governing timing of budget hearings by local governments. Current law (NRS 354.596(4)) requires local governments to hold a hearing on their tentative budgets on a specific date. In many cases this causes a local government to hold a special meeting. This bill would allow for the hearing on the tentative budget to occur at a regularly scheduled meeting of the governing body.

AB25 (BDR 454) – Revises provisions governing the authorized uses of the proceeds of the Residential Construction Tax. This BDR seeks to clarify that improvements to existing parks or facilities are allowable uses of revenue generated by the residential construction tax (NRS 278.49839). The bill would also add a definition of improvements to the statute.

SB22 (BDR 455) - Revises provisions governing state licenses required for liquor importers, wholesale dealers of wines and liquors, wholesale dealers of beer, wine makers, instructional wine-making facilities, breweries, brew pubs and craft distilleries to require approval of governing body of city instead of county if principal place of business is located in a city. Current law (NRS 369.180) requires that persons that wish to engage in certain businesses obtain a license or permit from the State. The law further requires that applicants obtain the approval of the county commission even if the business is wholly located within a city. This is duplicative and requires the applicant to seek approval from both the city and county. In practice, the county business license departments will not forward the application to the county commission without agreement by the city. This bill would change the final approval for applications for businesses wholly within the confines of a city to the governing body of the city.

SB28 (BDR 464) - Clarifies provisions governing the fees that may be charged for providing copies of public records. Current law (NRS 239) governs public records. Chapter 239 further governs the provision of copies of public records and the fees that may be charged by the custodian of the public record (NRS 239.0107, NRS 239.052 – NRS 239.055). NRS 239.055

allows a governmental entity to impose an additional fee if complying with a request for a public document requires the entity "to make extraordinary use of its personnel or technological resources." This bill would add a definition of what constitutes an extraordinary use of its personnel or technological resources" to the statue.

SB51 (BDR 463) - Establishes state coordinating agency for the "Main Streets" program of the National Main Street Center of the National Trust for Historic Preservation. Nevada does not currently have a coordinating agency for the "Main Streets" program under the National Main Street Center, a subsidiary of the National Trust for Historic Preservation. As a result, any of Nevada's cities or towns cannot be recognized as an official "Main Street" program. According to their website, For the past 34 years, the Main Street Four Point Approach® has been used successfully in approximately 2,000 communities, producing $59.6 billion in investment, creating 502,728 jobs and resulting in the rehabilitation of more than 246,158 buildings (see more on our reinvestment statistics). Building on this successful foundation, the National Main Street Center is committed to expanding the impact of Main Street by providing a new generation of research and resources to existing Main Street programs and extending our reach to older commercial districts that are not yet part of the Main Street Network. This bill would establish a state coordinating agency for the program to be housed in the Executive branch and fund its operations.

SUMMARY OF JOINT POLICY STATEMENTS

Nevada Association of Counties and
Nevada League of Cities and Municipalities

Below are summaries of joint policy statements that were adopted by the Nevada Association of Counties (NACO) and the Nevada League of Cities and Municipalities (NLC&M) in 2013. Attached are the complete versions.

Diversion of Local Government Revenue

Opposition to the diversion of local government revenue to the State: includes opposition to any increase in fees for or provision of services by counties that have historically been provided by the State.

Relinquishment of Roads

The relinquishment of roads between the State and local governments should occur only by mutual agreement.

Remote Sales

Support for legislation creating a system to collect sales and use taxes on online sales. (Marketplace Fairness Act).

Service Responsibility

The State of Nevada should use its statewide revenue base to provide funding for federally mandated health and human services functions, as well as those state programs that it provides, so as to avoid cost-shifting to local governments. Respectively, local governments should continue to provide for locally administered programs based on the unique needs of their populations. NACO and NLC&M support a State, county, city, municipality, and public-private partnership that would seek to eliminate duplication of cost and services, as well as create a baseline for services.

Authority of Local Governments Regarding Activities on Public Lands

The State should support the right of local governments to require that activities occurring on public lands comply with local land use, zoning, special event, and public health and safety codes.

Unfunded Mandates

Regarding service delivery: the State should work in concert with all affected local government service providers to determine where responsibilities lie for the provision of any newly mandated services. This joint policy statement includes opposition to shifting additional responsibility for the provision of services onto local government, especially if existing local government revenue sources cannot be identified to pay for any newly mandated new services.

JOINT POLICY STATEMENT

Nevada Association of Counties and
Nevada League of Cities and Municipalities

DIVERSION OF LOCAL GOVERNMENT REVENUE

NACO and NLC&M oppose the diversion of local government revenues to the state's use or to reimburse the state for services that have historically been provided by the state. Local governments are limited by statute in the types of revenues they are able to generate. Statutes further limit the rate of various taxes and fees for services that local governments may impose. Local governments are mandated to provide numerous services and perform other duties by the state. Diversion of revenue by the state, whether it is placed in the state general fund to offset state budget shortages or by requiring local governments to reimburse the state for services that the state has historically provided, places an additional burden on local governments already struggling to meet an increased demand for services with diminished revenue due to current economic conditions.

An advisory question appeared on the 2010 General Election ballot in 16 of Nevada's counties. This question asked:

"SHALL THE CONSENT OF THE GOVERNING BODY OF THE LOCAL GOVERNMENT BE REQUIRED BEFORE THE STATE LEGISLATURE CAN ACT TO DECREASE REVENUES OR RESERVES COLLECTED BY, DISTRIBUTED TO, OR HELD BY THE LOCAL GOVERNMENT, OR IMPOSE FEES ON OR MANDATE NEW OR DIFFERENT SERVICES BE PERFORMED BY THE LOCAL GOVERNMENT?"

The question passed in every county except Nye.

Adopted by Nevada Association of Counties Board of Directors
January 25, 2013

Adopted by Nevada League of Cities & Municipalities Board of Directors
April 18, 2013

JOINT POLICY STATEMENT

Nevada Association of Counties and
Nevada League of Cities and Municipalities

RELINQUISHMENT OF ROADS

NACO and NLC&M believe that the relinquishment of roads between the state and local governments must be done only by mutual agreement. Due to the changing demographics and traffic patterns within the state there are times when it makes sense for the responsibility for the maintenance of certain roads to be transferred from the state to a local government or from a local government to the state. These transfers should only be done when all parties agree that such a transfer is mutually acceptable and will not result in an undue financial burden on the accepting party.

Adopted by Nevada Association of Counties Board of Directors
January 25, 2013

Adopted by Nevada League of Cities & Municipalities Board of Directors
April 18, 2013

JOINT POLICY STATEMENT

Nevada Association of Counties and
Nevada League of Cities and Municipalities

REMOTE SALES

NACO and NLC&M support the enactment of legislation that would create an equitable system for the collection of sales and use taxes on remote sales. Sales tax is one of the most important sources of revenue for local governments in Nevada and they are not receiving sales tax revenue from most internet sales transactions. In addition to reducing the amount of resources available to local governments to provide the basic governmental services their constituents depend on the current system of voluntary sales tax collection by remote sellers or reporting by purchasers places many local brick-and-mortal retailers at an unfair competitive disadvantage.

Adopted by Nevada Association of Counties Board of Directors
January 25, 2013

Adopted by Nevada League of Cities & Municipalities Board of Directors
April 18, 2013

JOINT POLICY STATEMENT

Nevada Association of Counties and
Nevada League of Cities and Municipalities

SERVICE RESPONSIBILITY

The provision of public services in Nevada is dependent upon a partnership between federal, state and local government that recognizes the need to blend private and public resources to promote efficient and cost effective government. Governments in Nevada must, as a matter of public policy, organize themselves so as to promote efficient administration and provision of services.

As such, the State of Nevada with its statewide responsibility to ensure equity and uniform comprehensive services, should use its statewide revenue base to underwrite federally mandated health and human services and other such regulatory functions necessary to provide for the health, safety and welfare of the citizens of Nevada. Failure to provide adequate funding for the state programs and federal mandates has resulted in program and cost shifting to local governments already burdened by ever growing local demands and the loss of assessed value and tax revenues through land exchanges and purchases by federal land management agencies.

Local government should provide for locally administered programs based largely on the unique needs of its population without regard for the all-encompassing needs of the overall population of the state. This service-driven alignment of responsibility requires a broad-based system of taxation and fees. The local property tax should be reserved for locally determined needs and voter approved debt. This would provide local government with growth and stability to augment the complex system of state and local shared revenues borne out of the tax reform movement of the later 1970's and early 1980's; however, flexibility in how local governments determine service needs and priorities should be a hallmark of state policy. The broad dimensions of determining how to best provide services to local communities should not be restricted by statute. Instead, new laws providing authority to local government to structure itself and to meet the unique needs of their constituency should be implemented as a basic component of state policy.

The Nevada Associate of Counties and Nevada League of Cities and Municipalities support a state, county, municipality and public-private partnership that seeks to eliminate costly duplication of effort, streamlines administration and provides a baseline for services. A dynamic partnership based on the state assuming full responsibility for underwriting major statewide needs will enable local government and the private sector to work to meet the needs of our individual counties and communities statewide. Such a partnership cannot be achieved without the mutual consent of the involved entities and the provision of permanent funding to underwrite new or exchanged services at all levels of government.

Adopted by Nevada Association of Counties Board of Directors
January 25, 2013

Adopted by Nevada League of Cities & Municipalities Board of Directors
April 18, 2013

JOINT POLICY STATEMENT

Nevada Association of Counties and
Nevada League of Cities and Municipalities

AUTHORITY OF LOCAL GOVERNMENTS REGARDING ACTIVITIES ON PUBLIC LANDS

Nevada is host to vast expanses of public lands. Over 83 percent of the land in the state is managed by the federal government. The uses of these public lands are important to the customs, cultures and economies of the cities and counties of Nevada. The right of the local governments to ensure activities which occur on these lands is compliant with local land use, zoning, special event and public health and safety codes should be supported by the state and not infringed upon or limited in any manner. NACO and NLC&M jointly endorse local governments' right to enforce local ordinances and special use permit conditions on activities that occur on the public lands and jointly call for the Legislature and agencies of the state to assert this right.

Adopted by Nevada Association of Counties Board of Directors
January 25, 2013

Adopted by Nevada League of Cities & Municipalities Board of Directors
April 18, 2013

JOINT POLICY STATEMENT

Nevada Association of Counties and
Nevada League of Cities and Municipalities

UNFUNDED MANDATES

Increasingly, over the last quarter century, efforts have been underway to limit the taxing ability of government. This effort has been particularly effective at the local level. One of the unintended consequences of this action has been to limit the ability of public programs and policy to respond to simultaneously increasing demands for service at all levels of government. While well intentioned, one response to dealing with these increased demands for service has been for Federal and state governments to shift the burden for service provision to the local units of government.

Over time, states and local governments have created protocols for dealing with these unfunded mandates, as they have come to be known. In Nevada, voters approved, by an 82% affirmative vote, an advisory ballot question in 1992 that directed the state to not transfer responsibility for service delivery to local governments or create new governmental programs without providing a source of funding to accompany the responsibility shift/new program.

As a matter of policy, NACO and the Nevada League of Cities and Municipalities believe that in the first instance, the state legislature should not pursue a strategy of shifting the burden to local units of government merely as a means of appearing to solve the service or program issue at hand. Rather, the decision on where service and program responsibility lies should be carefully thought out, and a determination made in concert with all affected local government service providers. It should also conform to an overall state/local government strategic plan for program and service delivery. Too frequently in the past, decisions have been made in the legislative process that, while will intentioned, have shifted the burden to local government without identifying the true costs involved and requiring that those services be funded out of existing revenue sources. Hence, not only is the burden shifted from one governmental sector to another, it often results in a reduction of other services thus taking services from one group of citizens to another in order to fund the "unfunded mandate."

In an effort to refine how these unfunded mandates are recognized and addressed at the state legislature, our associations request and supports, as a matter of policy, that the minimum dollar threshold established in NRS 354.599 be reduced to $2,000 in order to define when an additional service or program is considered to be a mandate. Additionally, so that all involved (the public, legislators, legislative and executive staff, local government representatives, and other interested parties) in the legislative process will know, it is requested that a statement be displayed on the face of each bill that has an impact of more than $2,000 to any one entity that states that the bill does contain a mandate and may require an additional funding source to be designated by the legislature.

Adopted by Nevada Association of Counties Board of Directors
January 25, 2013

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April 18, 2013

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NEVADA

SIMPLIFYING NEVADA'S TAXES: A FRAMEWORK FOR THE FUTURE

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TAX FOUNDATION
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A Brief Overview of Nevada's Tax System

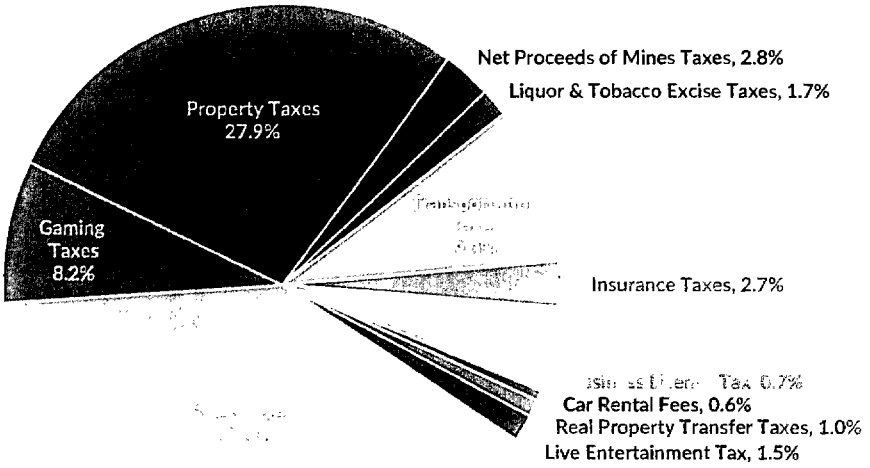
Nevada's tax system is one of the most unique in the country. Because of the historical strength of the state's tourism and gaming industry, Nevada has been able to depend heavily on gaming-related taxes and taxes that are easily exported to nonresidents (such as lodging taxes, sales and excise taxes on tourist purchases, and entertainment taxes). However, this model is not sustainable in the long run as international gaming locations become more developed and Nevada's tax rates become too high.

The largest tax collection source for Nevada's state and local governments is the sales tax, amounting to 37.3 percent of total combined state and local tax collections. Property taxes are the next largest source (27.9 percent of total), followed by transportation-related taxes (such as gasoline taxes and car taxes, which tend not to fund general operations, at 9.0 percent of total), gaming taxes (8.2 percent), and Nevada's version of a payroll tax (the Modified Business Tax, at 4.1 percent of total).

In addition to these five larger sources, a myriad of smaller taxes are levied on specific industries and activities. These include: taxes on mining, liquor and tobacco, insurance premiums, car rentals, transfers of real property, live entertainment, insurance premiums, hotels and lodging, bank branches, and financial institutions. Figure 20, below, shows the tax collection breakdown for the 2012 fiscal year.[26]

Figure 20. Nevada State & Local Tax Revenue Sources

Percent of Total Combined State & Local Tax Revenues (FY 2012)



Note. Bank Branch Excise Fees not pictured because revenues comprise such a small share of total.
Source. Nevada Legislative Council Bureau. *Revenue Reference Manual* (Jan. 2013 ed.)

Though Nevada state and local tax collections have grown, as shown in Figure 21, this increase must be viewed in the context of the state's expanding economy and net influx of people. Most important to consider is how tax collections behaved during and after the most recent recession. Collections have yet to recover to their pre-recession high.

26 The only taxes and fees included are those reflected in the *Revenue Reference Manual* published every other year by the Nevada Department of Taxation. "Transportation Taxes" include the gas excise tax, special fuel tax, jet fuel tax, and governmental services tax. "Gaming Taxes" include the gaming percentage fee, slot license fees, fl nes, advance license fees, annual slot taxes, and annual fee on games.

Figure 21. Total Tax Collections

Combined State & Local (FY 1992-FY 2012, in 2012 Dollars)

Note: Dollar amounts are adjusted for inflation and expressed in 2012 dollars using the Consumer Price Index for All Urban Consumers (CPI-U) from the Bureau of Labor Statistics.

Source: Nevada Legislative Council Bureau *Revenue Reference Manuals* (Jan. 1993 - Jan. 2013)

Introduction

This chapter will first explain the sales tax and the Live Entertainment Tax, then describe the issues with the current structure of these taxes. It will then conclude with tax reform options—one revenue neutral and one revenue positive.

Summary of Sales Tax and Live Entertainment Tax Reform Solutions (Reform Option F):

(1) Expand the sales tax base to services.
(2) Lower the 6.85 percent state-levied rate over time subject to revenue triggers.
(3) Exempt manufacturing machinery from the sales tax base.
(4) Provide an exemption from the sales tax for all business input goods and services by issuing an identification number, registered with the Department of Taxation, to all businesses that pay the Modified Business Tax or the Business License Fee which excludes them from the sales tax base.
(5) Repeal the Live Entertainment Tax (while simultaneously adding all admissions charges and food, beverages, and merchandise sold at all venues that charge admission to the sales tax base to the extent that it is not already taxable).

Sales and Use Tax[27]

Nevada's sales tax structure is narrow, outdated, and complicated. They are levied at the state and local level and fund state general operations, local governments, and education.

State-Levied Sales Tax Rate

Nevada's state-levied sales tax rate of 6.85 percent is composed of four separate component parts, all of which are levied by the state but distributed to different levels of government for a variety of purposes.[28] The 6.85 percent rate does not include any local option sales taxes, which will be discussed in the following subsection.

The state-level sales tax subcomponents are:

1. The **State Sales Tax** (2 percent), which goes to the State General Fund and is protected by the Nevada State Constitution.[29] Neither the rate nor the base can be changed without a vote of the people via referendum.
2. The **Local School Support Tax** (2.6 percent), which goes to the school districts in which it was collected (for in-state sales) and to the Distributive School Account (for out-of-state sales). A small share of collections goes to the State General Fund to cover collection and administration costs.[30]
3. The **Basic City-County Relief Tax** (0.5 percent), which is distributed to local governments (less a small amount to the State General Fund to cover costs) based on a

27 Though the statutory identification of the tax is the sales and use tax, we will refer to it simply as the sales tax.
28 Nevada Department of Taxation, *Annual Report Fiscal 2012-2013* (2014) at 12 [hereinafter *Annual Report*], http://tax.nv.gov/uploadedFiles/taxnvgov/Content/TaxLibrary/AnnualReport_FY13_final.pdf.
29 Nevada Legislative Council Bureau, Fiscal Analysis Division, *Revenue Reference Manual, Tax Revenue Summaries: Sales Taxes* (Jan. 2013) at 19, https://www.leg.state.nv.us/Division/Fisca 2013.pdf.
30 *Id.* at 22. The Local School Support Tax rate was mporarily from 2.25 percent to 2.6 percent through June 30, 2015.

statutory formula.[31] This distribution formula is calculated under the Consolidated Tax, which will be discussed in the subsequent subsection.

4. The **Supplemental City-County Relief Tax** (1.75 percent), which is also distributed to local governments (less a small amount to the State General Fund) based on a formula.[32] Distribution of this tax also falls under the Consolidated Tax.

Since each of the four taxes are applied to an identical tax base (the sale of tangible personal property), together they operate as one combined-rate sales tax levied by the state.

Local Option Sales Tax Rates

Since 1981, county governments have been able to levy local option sales taxes for specific purposes on top of the 6.85 percent state-levied rate, if approved by the legislature. The legislature may or may not require voter approval. The first local option sales taxes approved by the legislature were for transportation and tourism.[33] The majority of the collections from such taxes stay within the county in which they were levied, though there are specific restrictions on how such revenues may be utilized.

After 1981, several special acts have allowed certain counties to levy additional sales taxes, such as the Local Government Tax Act in 1991, which allowed "certain counties that were negatively impacted by the change to the Supplemental County/City Relief Tax distribution formula" to offset revenues by levying a 0.25 percent sales tax to be used for general purposes.[34] Cities and other local government entities do not have the authority to levy Local Option Sales Taxes.

A small portion of local option sales tax collections goes to the State General Fund (1.75 percent of total collections), while the remainder is returned to the county.[35] Table 1 shows current Local Option Sales Taxes.

Table 1. Nevada's Local Option Sales Taxes

County	Uses of Local Option Sales Tax Collections	Total Percentage for All Local Option Taxes	Total Sales Tax Rate for County (State + Local)
Carson City	Public Roads, V&T Railroad Bonds	1.00%	7.85%
Churchill	Public Roads, Infrastructure	0.75%	7.60%
Clark	Regional Transportation, Southern Nevada Water Authority, Flood Control, Additional Police	1.25%	8.10%
Douglas	Construction of Facilities, Agriculture Protection	0.25%	7.10%
Elko	None	None	6.85%
Esmeralda	None	None	6.85%
Eureka	None	None	6.85%
Humboldt	None	None	6.85%
Lander	Water Treatment	0.25%	7.10%
Lincoln	School & Public Utilities	0.25%	7.10%
Lyon	Infrastructure	0.25%	7.10%
Mineral	None	None	6.85%
Nye	Public Roads	0.75%	7.60%
Pershing	Infrastructure	0.25%	7.10%
Storey	Tourism, School & Public Utilities	0.75%	7.60%
Washoe	Regional Transportation, Flood & Public Safety, All Railroad Grade Separation	0.875%	7.725%
White Pine	School Capital Improvement, Public Roads, Swimming Pool, Operating Costs under Severe Financial Emergency, Infrastructure & Public Safety	0.875%	7.725%

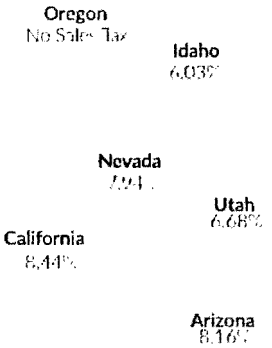
Source: Nevada Department of Taxation, *Annual Report Fiscal 2012-2013*; Tax Foundation, *State and Local Sales Tax Rates Midyear 2014*.

31 *Id.* at 20.
32 *Id.* at 21.
33 *See Annual Report, supra* note 2, at 26.
34 *See Annual Report, supra* note 2, at 27.
35 *See Annual Report, supra* note 2, at 26.

When the state-levied rate of 6.85 percent is combined with these local option taxes, the combined state-local rate ranges from a low of 6.85 percent in Elko, Esmeralda, Eureka, Humboldt, and Mineral counties to a high of 8.10 percent in Clark County. The average combined state-local rate in Nevada is 7.94 percent—thirteenth highest in the country and third highest among neighboring states.[36] Figure 22 shows average combined state-local sales tax rates for Nevada and its neighbors.

Figure 22. Combined State & Local Sales Tax Rates

Nevada and Neighboring States (as of September 2014)



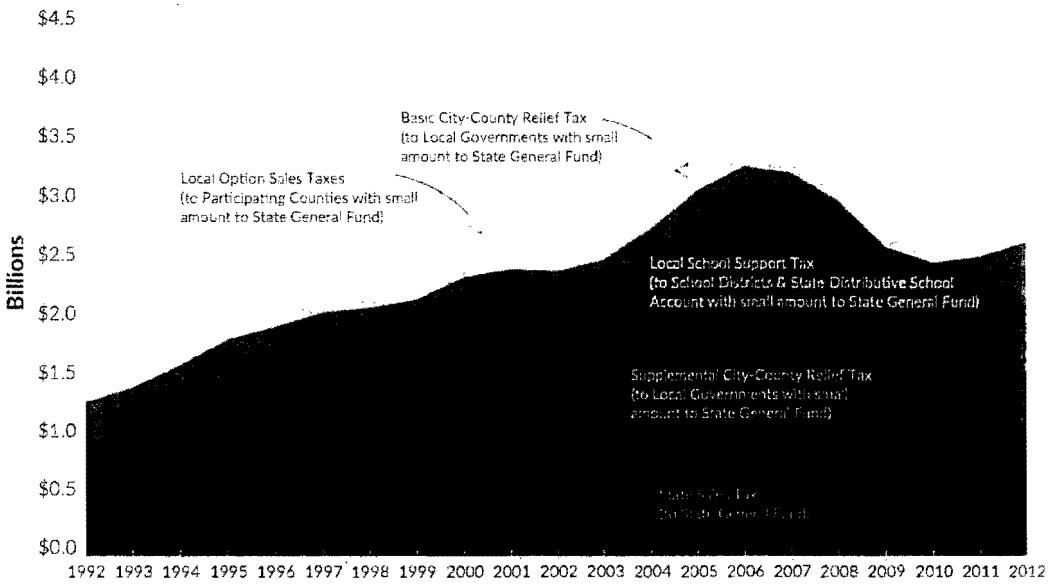
Source: Tax Foundation, *State and Local Tax Rates Midyear 2014*.

Sales Tax Collections

Altogether, state-levied sales taxes brought in $2.89 billion in the 2012 fiscal year, while local option taxes raised $436.7 million[37] Figure 23 shows total Nevada state and local sales tax collections since 1992 (adjusted for inflation).

Figure 23. Total Sales Tax Collections

Combined State & Local (FY 1992–FY 2012, in 2012 Dollars)



Note: Dollar amounts are adjusted for inflation and expressed in 2012 dollars using the Consumer Price Index for All Urban Consumer (CPI-U) from the Bureau of Labor Statistics

Source: Nevada Legislative Council Bureau. *Revenue Reference Manuals* (Jan. 1993–Jan. 2013)

36 Scott Drenkard, Liz Emanuel, & Jordan Yahiro, *State and Local Sales Tax Rates Midyear 2014*, Tax Foundation Fiscal Fact No. 438 (Sept. 16, 2014), http://taxfoundation.org/article/state-and-local-sales-tax-rates-midyear-2014.

37 Nevada Legislative Council Bureau, Fiscal Analysi *evenue Reference Manual, Tax Revenue Summaries: Sales Taxes* (Jan. 2013), https://www.leg.state.nv.us/Division/Fiscal/Finall df.

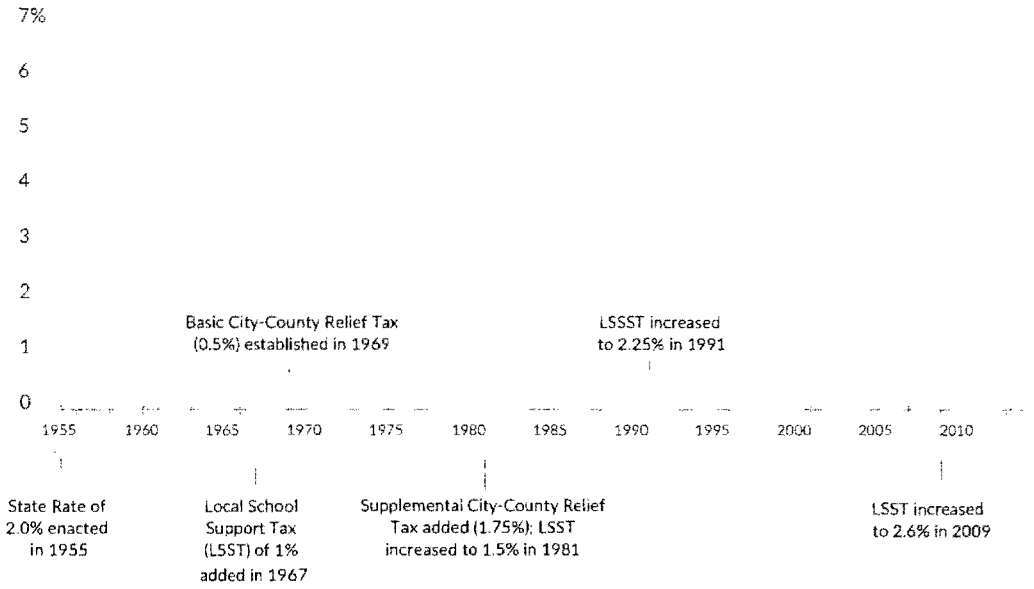
Collections dipped sharply during the most recent recession. As of 2011, total collections still had not recovered to the pre-recession peak.

Sales Tax History

The narrow, complicated, and fragmented structure of the sales tax is a historical relic and a direct result of the constitutional protection given to the 2 percent State Sales Tax. Over time, the combined state-levied rate has climbed from 2 percent in 1955 when the tax was originally enacted to 6.85 percent today. Figure 24 shows these rate increases over time.

Figure 24. Nevada Combined State & Local Sales Tax Rate

Includes Major Sales Tax Rate Policy Changes (1995-2014)



Note. Does not include Local Option Sales Taxes.

Source: Applied Analysis, *Local Governments and a Nevada Service Tax* (Feb. 2, 2012)

While most other states adopted sales taxes in the 1930s in the wake of the Great Depression, Nevada is one of the few that waited until much later.[38] Discussion of the idea began after the Second World War but did not gain real traction until 1954:

> By 1954, . . . the State was facing a financial crisis in public schools, compelling [the Governor] . . . to call for a special session of the legislature to deal with [the issue] . . . . Proponents (largely from small counties) argued for the tax based on the state's fiscal need, while the opponents (organized by urban labor) held out for a tax source that would not force low income taxpayers to bear a disproportional share of the net tax solution. The proponents prevailed. . . . As a result, school aid increased dramatically.[39]

A year after the tax was enacted, opponents pushed for repeal of the sales tax, but supporters of keeping the tax in place pushed to protect it "in the form of a Constitutional referendum" which was adopted by voters in 1956.[40] Unfortunately, this approach had consequences still felt to this day.

38 Liz Emanuel & Richard Borean, *When Did Your State Adopt Its Sales Tax?*, Tax Foundation Tax Policy Blog, July 11, 2014, http://taxfoundation.org/blog/when-did-your-state-adopt-its-sales-tax.

39 The Urban Institute & Price Waterhouse, *State Revenues and State and Local Debt*, in Fiscal Affairs of State and Local Governments in Nevada 14-2 (Nov. 1988).

40 *Id.* at 14-2 to 14-3.

Table 5. Existing Sales Tax Expenditures

Exemption for food for human consumption	Exemption for property sold to members of the Nevada National Guard on active duty and their families
Exemption for utilities (gas, electricity, and water)	Exemption for manufactured homes and mobile homes (repeal should occur in concert with adding sales tax to the purchase of site-built homes)
Exemption for personal property sold by or to nonprofit organizations created for religious, charitable, or education purposes	Exemption for meals and food products sold to students or teachers by school, organizations of students, or PTAs
Exemption for prosthetic devices, orthotic appliances, certain supports and casts, appliances, supplies relating to ostomy, and products for medicine and hemodialysis	Exemption for newspapers
Exemption for textbooks sold within the Nevada System of Higher Education (this provision was voter approved)	Partial abatement for renewable energy facilities
Subtraction for trade in allowances on the purchase of a motor vehicle (this provision was voter approved)	Exemption for broadcasting activities

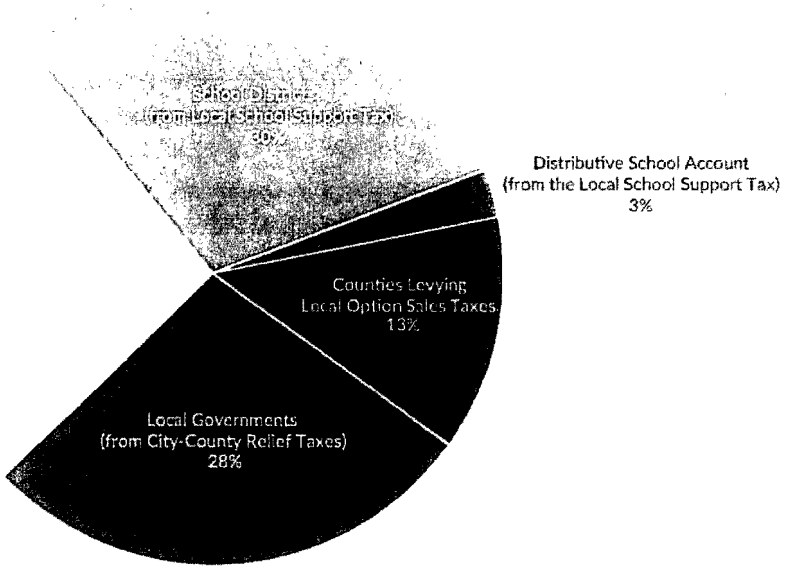
Source: Nevada Department of Taxation, *2013-2014 Tax Expenditure Report*.

Sales Tax Distribution

The majority of total state- and local-levied sales taxes collected in Nevada is distributed back to the local level (counties, cities, school districts, and special districts). In fact, 74 percent of total sales tax collections are distributed locally (in the form of state aid or collected directly by the local government), while 26 percent goes to the State General Fund. Figure 28 shows the distribution for total sales tax collections in the 2012 fiscal year.

Figure 28. Combined State & Local Sales Tax Distribution

Percent of Total Combined State & Local Sales Tax Collections, by Distribution (FY 2012)



Source: Nevada Legislative Council Bureau, *Revenue Reference Manual* (Jan. 2013 ed.)

Collections going to local governments are distributed among local entities in a variety of ways, including a statutory formula known as the Consolidated Tax, local option sales taxes, and the Local School Support Tax.

The Consolidated Tax

Of all the sales taxes collected in Nevada, 28 percent go directly to local governments' general funds and are distributed via the Consolidated Tax system. Also known as the C-Tax, the Consolidated Tax is a means of distributing the taxes collected under the Basic and Supplemental City-County Relief Taxes (in addition to four other taxes) among Nevada's local governments. In total, the C-Tax has six components that are distributed among local governments each month, which are outlined below. Note that for the taxes listed in (3), (4), and (5), only a small portion of the total taxes collected are distributed via the C-Tax.

1. the Basic City-County Relief Tax (a 0.5 percent subcomponent of the total state sales tax rate, as noted above);
2. the Supplemental City-County Relief Tax (another subcomponent of the total state sales tax rate, at 1.75 percent);
3. Real Property Transfer Taxes;
4. Cigarette and Other Tobacco Product Excise Taxes;
5. Liquor Excise Taxes; and
6. the Government Services Tax (a type of property tax levied on motor vehicles).

Revenues from these six components are deposited into what is known as the Local Government Tax Distribution Account, a fund created in 1997.[68] The statutory formula governing the distribution of Consolidated Tax revenues is a complicated, two-step distribution formula whereby C-Tax revenues are first distributed among Nevada's seventeen counties and then, in a second-tier distribution formula, are allocated within those counties to cities, towns, and special districts. The lion's share of Consolidated Tax revenue is made up of sales taxes (87 percent of total).[69]

Local Option Sales Taxes: Serving Several Purposes

As discussed previously in this section, Local Option Sales Taxes go to the counties in which they were levied to fund specific purposes. Option taxes comprise 13 percent of all sales taxes collected in Nevada.

School Districts via the Local School Support Tax

Education is by far the largest beneficiary from Nevada sales taxes. Recall that the state-levied sales tax of 6.85 percent includes a 2.6 percent Local School Support Tax (LSST). Collections from in-state businesses are distributed directly to the school districts in which they were collected. Collections from out-of-state businesses are placed in the Distributive School Account (which ultimately goes back to school districts). In total, these amount to 33 percent of all sales tax collections in the state.

68 Nevada Legislative Council Bureau, *Appendix C: History and Overview of the Local Government Tax Distribution Account*, in Allocation of Money Distributed From the Local Government Tax Distribution Account (Jan. 2013) at 59.

69 Nevada Department of Taxation, *Consolidated Tax D[illegible]* (Aug. 2014) at 5, http://tax.nv.gov/uploadedFiles/taxnvgov/Content/TaxLibrary/Consolidated_Tax_15.pdf.pdf.

Introduction

Nevada relies on property taxation to fund local governments, including school districts, and for the state's bond debt redemption.[98] However, Nevada's property tax system values property differently from all others in the United States. Unique features include a depreciation factor and a "ratchet" effect in the property tax cap that has presented challenges for local governments. Although the concerns that prompted these features remain valid, the resulting system is cumbersome, convoluted, and unstable, especially in the wake of a recession.

Summary of Property Tax Solutions (Option C, Item 1):

(1) Change the assessment method from replacement cost to market value, in addition to eliminating the depreciation factor.
(2) Adjust and reform tax caps.
(3) Enact a "circuit breaker" for elderly and low-income homeowners.

General Property Tax Calculation

When calculating property taxes, officials first assess the value of a property. In some states, including Nevada, only a percentage of this **assessed value** is then taxable. Multiplying the assessed value by this percentage (in Nevada, 35 percent) equals taxable value. This value is then multiplied by the **tax rate** (which is usually expressed as a certain number of dollars and cents per $100 of assessed value) to equal property tax liability owed by the property owner. State and local governments often grant property tax abatements, credits, or administer other programs that will reduce a property owner's gross tax liability. Subtracting out any of these programs gives the net property tax liability on the property. Expressing the final net property tax liability as a portion of the property's market value gives the property's **effective tax rate**. Table 12 demonstrates this formula.

Table 12. General Property Tax Calculation Formula
(with hypothetical example)

Market Value		$200,000
x	Assessment Percentage	x 100%
=	Taxable Value	= $200,000
x	Property Tax Rate	x 0.01
=	Gross Property Tax Liability	= $2,000
-	Any Abatements or Credits	- $500
=	Net Property Tax Liability	= $1,500
Effective Tax Rate		
	(Net Liability / Market Value)	= 0.75%

Assessing the Value of Property

Unlike most states that begin with cash market value—the value the property would sell for at this present time—Nevada since 1981 has taxed land based on cash market value but improvements based on replacement cost minus depreciation set by state law. **Replacement cost** is how much the property costs to replace if it were lost or destroyed, which may not equal market value. Nevada is the only state in the country to apply a **depreciation factor** in its property taxes, reducing assessed value by

98 Nevada Taxpayers Association, *Understanding Nevada's Property Tax System* (2013-2014 ed.) at 4, http://www.nevadataxpayers.org/pdf/property-tax-2013.pdf. The State Board of Finance has the authority to redeem state securities issued or secured by the state. Broadly speaking, state bonds fall into two categories: general obligation bonds, which are tax-supported (guaranteed by the state's taxing authority), and revenue bonds, which are (sed to finance capital projects and are paid from a designated revenue stream generated by the supported project.

1.5 percent of the improvement's replacement cost for each year of the property's lifetime for fifty years. (The depreciation factor was 2 percent until 1985, and there have been occasional calls for its further reduction or elimination.)

If this "cost summation" approach produces a taxable value higher than the full cash value, appraisers are instructed to subtract obsolescence present relative to similarly situated property (the sales comparison approach) or apply a valuation based on the net present value of future earnings and benefits from the property (the income capitalization approach). The acceptance of these three approaches enables nonresidential property owners to appeal on the basis of the approach that is most beneficial.

The depreciation allowance and the replacement cost assessment method can lead to inequitable tax bills between similarly situated properties. A property tax analysis by Ekay Economic Consultants outlines an instructive example involving two homes that each sold for $200,000 in 2011:

> The first home, located in Reno, was constructed in 1963, making it 48 years old in 2011. The home has 2,028 square feet of improvements on a 25,352 square foot lot. The home was sold in 2011 for $200,000, but has a total taxable value of $110,048. The Sparks home was constructed in 2002, making it nine years old in 2011. The home has 1,662 square feet of improvements on an 8,123 square foot lot. The home was also sold in 2011 for $200,000, but its taxable value is $149,758. Already we can see that while the homes have a similar market value, the age of the older home has resulted in a lower taxable value for this home, despite the larger size of its land and improvements.[99]

Property Tax Rate

Article 10 of the Nevada State Constitution limits the maximum tax rate on real and personal property to $5.00 per $100 of assessed value.[100] State law sets the rate at $3.64 per $100 of taxable value, a change made in 1979 in the aftermath of California's Proposition 13.[101] As of 2014, this rate includes:

- $0.17 per $100 state-level rate, composed of a 15 cent state debt rate included in the statutory cap and 2 cents outside the cap;
- $0.75 per $100 for school districts;
- rates imposed by general or special improvement districts;
- legislatively approved overrides of the baseline statutory rates, e.g., authorization for counties to levy a property tax of 1.5 cents per $100 to fund the cost of providing medical treatment to indigent persons injured in automobile accidents; and
- additional tax levies approved by voter overrides on a general or special election ballot.[102] Special elections for the purpose of increasing taxes may only be held in a declared fiscal emergency.

The $3.64 cap does not include a $0.02 state rate that exists outside the cap (part of a voter-approved state-level rate), effectively bringing the maximum property tax rate to $3.66 per $100 in assessed

99 Ekay Consultants, *State of Nevada Property Tax System Recommendations for System Improvements Including Removal of Depreciation and Changes to Property Valuation* (Mar. 2011) at 6, http://www.ekayconsultants.com/Prop%20Tax%20Paper.pdf.

100 Nevada Taxpayers Association, Tax & Budget 101 (Aug. 26, 2014).

101 Nevada Legislature Research Division, *Nevada Tax Relief: 1978–1983*, Background Paper 83-7 at 4, https://www.leg.state.nv.us/Division/Research/Publications/Bkground/BP83-07.pdf.

102 Nevada Department of Taxation, *Nevada Property Tax: Elements and Appl* 18, 2013) at 22-24, http://tax.nv.gov/LocalGovt/PolicyPub/Active_Publications/Elements_and_Applications/2013_Nevac _Tax_-_Elements_and_Application/.

value. At present, two counties (Mineral County and White Pine County) and the cities of Caliente, Carson City, and Reno assess the maximum $3.66 per $100 rate. The lowest rate is in Eureka County, at $1.77 per $100 of assessed value. Table 13 lists the tax rates in Nevada's counties as well as in a few select cities for fiscal year 2012, which do not include other property tax components, which can include special districts, school taxes, the indigent fund rate, the state rate, and others.[103]

Table 13. Property Tax Rates for Nevada Counties and Select Cities

County/City	Rate (FY 2012)
Carson City	3.6600
Churchill County	2.8029
Clark County	2.7264
Henderson	2.8969
Las Vegas	3.2782
Douglas County	2.8699
Elko County	2.5623
Esmeralda County	3.0195
Eureka County	1.7743
Humboldt County	2.2016
Lander County	3.3552
Lincoln County	2.9985
Lyon County	2.9326
Mineral County	3.6600
Nye County	2.8518
Pershing County	3.0968
Storey County	3.4607
Washoe County	2.7002
Reno	3.6600
Sparks	3.6163
White Pine County	3.6600

Note: Rates given in dollars per $100 of value.
Source: Nevada Department of Taxation.

The school tax rate is established at a minimum of 75 cents per $100 but can be increased by referendum. It ranges from the baseline 75 cents in Esmeralda County and Eureka County to a high of $1.50 in Elko County.[104] Special district tax rates, meanwhile, range from zero to $0.82 in the city of Yerington in Lyon County.[105]

The result of this rate structure is that total property tax rates end up containing many different parts, making them difficult to understand. Table 14 illustrates this complexity by showing the property tax rate breakdown for Yerington, a city in Lyon County.

Table 14. Anatomy of a Tax Rate (City of Yerington)

Combined Tax Rate	0.4044
County Tax Rate	0.8644
Combined Special District Tax Rate	0.8202
School Tax Rate	1.3367
State Tax Rate	0.1700
Total Property Tax Rate	**3.5957**

Note: Rates given in dollars per $100 of value.
Source: Nevada Department of Taxation.

103 *Id.* at 26.
104 The Elko County rate includes 75 cents for pay-as-you-go school construction. Had this construction been funded by debt instead, the 75 cents would have been classified as schoc ng the general school rate at 75 cents.
105 *Id.* at 27-29.

Property Tax Cap

In 2005, Nevada enacted a cap on the amount that property tax liability can increase each year. At the time, real estate prices (and, consequently, assessments) were rising fast, and the caps were meant to provide relief to homeowners facing soaring tax bills.

The cap is structured as a partial abatement, whereby the property tax bill on owner-occupied residential property cannot increase more than 3 percent annually unless the increase is due to improvements. If the property owner's liability, when calculated, exceeds the partial abatement, then the current year's tax bill cannot exceed the prior year's tax bill by an amount greater than the abatement. Other property is capped at the average percentage change in the assessed value of property in a county over a ten-year period, or twice the increase in CPI for the previous year, whichever is greater, so long as this does not exceed 8 percent.[106] New construction in its first year is excluded from the cap.[107]

If a property decreases in value more than 15 percent in one year, and the following year increases by more than 15 percent, the property owner must repay the tax not levied in the prior year due to the cap, payable over three years in a mechanism known as "recapture."[108]

However, multiyear valuation changes are not subject to recapture, as illustrated by recent experience. Between 2008 and 2012, Nevada assessed property values tumbled 43 percent, as shown in Figure 37.

Figure 37. Total Assessed Property Values

Nevada Statewide (FY 2004–FY 2013, in 2013 Dollars)

Note: Dollar amounts are adjusted for inflation and expressed in 2013 dollars using the Consumer Price Index for All Urban Consumers (CPI-U) from the Bureau of Labor Statistics
Source: Nevada Department of Taxation, *2012-13 Statistical Analysis of the Roll*

As assessed values fell, the property tax cap reset at these lower levels, creating a "ratchet" effect. Now, as assessed values begin to return to prior values, taxable values substantially lag, because they can only grow up to 3 percent per year (or up to 8 percent in the case of non-residential property).

106 Ekay Consultants, *State of Nevada Property Tax System Recommendations for System Improvements Including Removal of Depreciation and Changes to Property Valuation* (Mar. 2011) at 2, http://www.ekayconsultants.com/Prop%20Tax%20Paper.pdf.

107 Nevada Taxpayers Association, *Tax Facts* (2013–2014 ed.) at 89.

108 Nevada Taxpayers Association, *Understanding Nevada's Property Tax Syste* (2013–2014 ed.) at 13-14, http://www.nevadataxpayers.org/pdf/property-tax-2013.pdf.

The abatement of property tax liability increases above the 3 and 8 percent annual cap is by far the largest property tax expenditure on the books, behind only the exemption for property owned by local, state, and federal governmental entities.[109] In fiscal year 2014, a total of $123.4 million in property taxes was abated—$91.3 million under the non-residential cap and $32.1 million under the residential cap.[110]

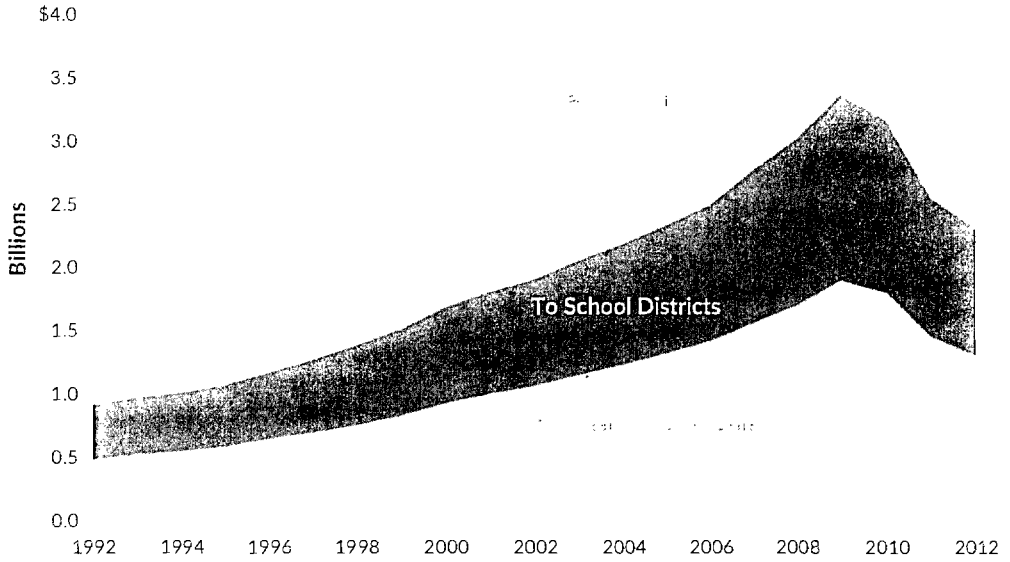
Further complicating the system and limiting property tax growth is a state cap on the growth in the amount of total property tax collections that can be brought in by a locality each year. This growth is capped at 6 percent, though this excludes new construction added to the tax roll.[111]

Property Tax Collections

Property tax collections have increased over time even after adjusting for inflation, from just over $1 billion in 1992 to $2.5 billion in 2012. This increase was the product of a rapidly expanding base as real property both expanded and increased in value. Figure 38 shows property tax collections in Nevada for the last two decades.

Figure 38. Property Tax Collections, FY1992–FY2012

Combined State & Local (2012 Dollars)



Note: Dollar amounts are adjusted for inflation and expressed in 2012 dollars using the Consumer Price Index for All Urban Consumers (CPI-U) from the Bureau of Labor Statistics.
Source: Nevada Legislative Council Bureau *Revenue Reference Manuals* (Jan. 1993–Jan. 2013)

Figure 38 uses a slightly different data source involving a longer time series to show the effect of various property tax policies enacted over the years. Property tax collections decrease sharply right after 1979 and 1981. At the far right end of the figure, the sizeable "downward ratchet" post-recession can be seen.

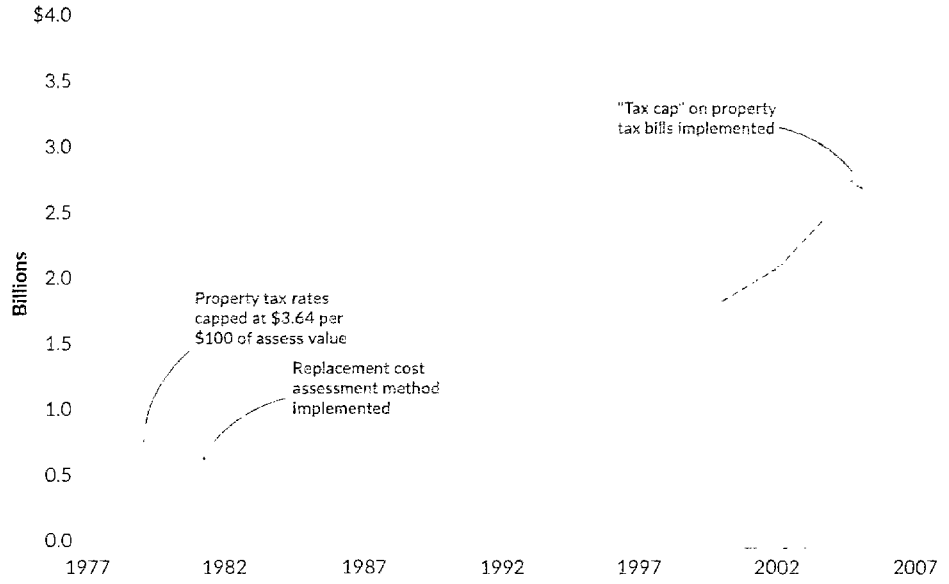
109 *Nevada Department of Taxation, 2013-2014 Tax Expenditure Report*. at 94, 117, 131, 161-162, 169, http://tax.nv.gov/uploadedFiles/taxnvgov/Content/TaxLibrary/Tax_Expenditure_Report_2013-2014.pdf. In all, there are $654.6 million worth of itemized tax expenditures within the property tax system, with roughly $500 million of these "expenditures" are actually the exemption of governmental property and most of the rest the tax cap abatement. Note, however, that the total figure is larger, as the Department of Taxation is unable to calculate the value of some exemptions. Other exemptions include charities ($8.3 million tax expenditure in fiscal year 2014), property of churches ($16.8 million), property owned by daycares and charitable and religious residences (no figures available), low-income housing, non-profit private and charter schools, specific foundations, lodges and benevolent associations, hospitals, property owned by veterans who incur service-related disabilities, and a $1,000 exemption for surviving spouses. Partial abatements are also available for LEED-certified buildings and renewable energy facilities.

110 *Id.* at 144-146.

111 Nevada Taxpayers Association, Tax & Budget 101 [illegible] 014).

Figure 39. Property Tax Collections, 1977–2011

Combined State & Local (2011 Dollars)



Note: Dollar amounts are adjusted for inflation and expressed in 2011 dollars using the Consumer Price Index for All Urban Consumers (CPI-U) from the Bureau of Labor Statistics. Local data of 2001 and 2003 is not available from this source so those points were excluded here
Source: Census Bureau, *State and Local Government Finance*

Property Tax Administration

The Council on State Taxation (COST) releases a report detailing the property tax administration practices of the fifty states, in addition to giving each state's system a letter grade based on their practices. According to COST,

> [I]t is essential for state legislators and tax administrators to ensure the tax is administered fairly and without perceptions of bias or undue administrative burdens. Taxpayers are much more willing to fairly and fully comply with a property tax system perceived as unbiased, equitable and efficient.[112]

States are evaluated based on the following criteria (taken directly from COST's report): whether or not they have a uniform tax base and rates, efficient filing procedures, centralized review and uniform appeal procedures, and tax payment requirements on contested valuations.[113]

Based on these criteria, Nevada receives a grade of C-, which is among the worst of the fifty states. Contributing to this poor score is Nevada's practice of waiting five years between most property reassessments (state law requires at least every five years; only 13 of 17 counties reappraise annually), a lack of unequal interest rates for repaying past due taxes, a heavy burden of proof on the taxpayer under the appeal process, a lack of ability to escrow or partially pay disputed tax bills, and a lack of equal cap value between residential and commercial properties, among others.[114]

112 Council on State Taxation, *The Best and Worst in Property Tax Administration* (May 2011) at 1, http://www.cost.org/workarea/downloadasset.aspx?id=78745.
113 *Id.* at 2.
114 *Id.*

BDT, STAFF, PUBLIC COUNSEL
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State of Nevada Assembly

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www.leg.state.nv.us

January 22, 2015

Esteemed Elected Official,

Since the beginning of the economic downturn, local governments have been asking for more flexibility and control to deal with budget shortfalls.

To that end, the Republican Assembly Caucus has determined that public sector collective bargaining reform will be a top priority of the 78th Nevada Legislative Session. We are committed to reforming state law in a way that returns to you the power your communities have entrusted you with. For far too long, the Legislature has dictated what local governments can and cannot do for their constituents and employees.

By giving local leaders the flexibility to manage the budgets they are elected to oversee, we will improve accountability and increase responsibility to our shared constituents. Cities, counties, and school boards should be the experts of personnel and priorities, not a part-time legislature.

We have a bill draft submitted that will provide you the tools to make any changes to the current collective bargaining system as you deem necessary. Should your manager or superintendent believe that you are able to meet the needs of your constituents within the current framework, you will be free to do so. These types of questions the voters trust you to answer.

As the bill moves forward we will be seeking your feedback and support. Please feel free to contact my Chief of Staff Craig Hulse (craig.hulse@asm.state.nv.us), so we can coordinate our efforts with you. Thank you.

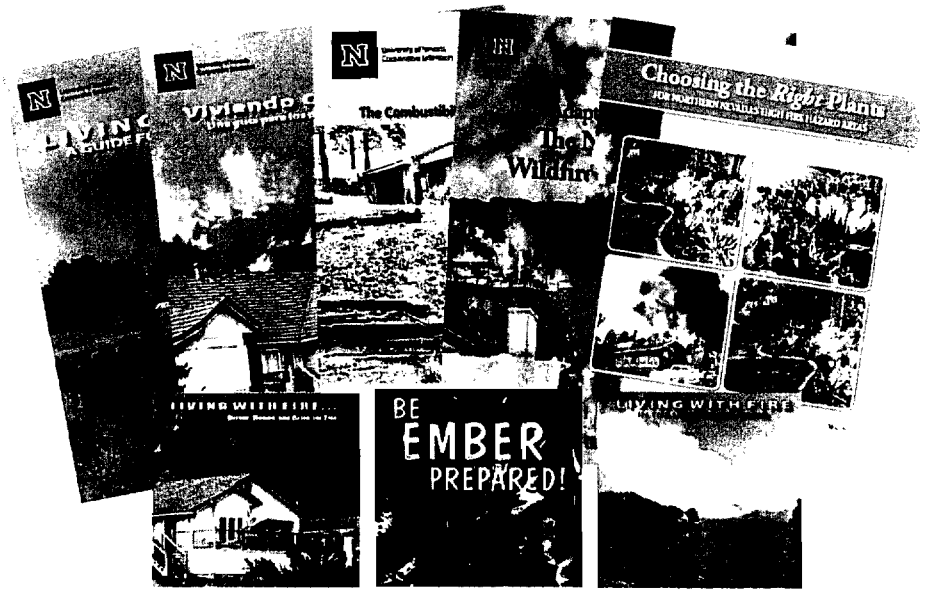
Sincerely,

Speaker Designate John Hambrick

University of Nevada
Cooperative Extension

Living With Fire

Did you know? There are easy-to-use templates available online to create or update Community Wildfire Protection Plans for communities throughout Nevada.



See these publications and much more by visiting our website: ***LivingWithFire.info***
and follow us on Facebook : ***facebook.com/LivingWithFire***

Program History

Living With Fire is an interagency program, coordinated and implemented by University of Nevada Cooperative Extension, that teaches Nevadans how to live more safely in wildfire prone areas. Started in 1998 by Cooperative Extension specialists, on campus researchers and Nevada's firefighting agencies, Living With Fire has grown from a local, western Nevada effort to a nationally recognized program. Living With Fire accomplishes its educational mission through a variety of delivery methods including peer reviewed publications, curricula materials, classes, conferences, television and radio programs, websites, social media, public service announcements and more.

How We Can Help You

We can help you in your outreach and community education efforts. We will:

- Provide free materials for you to distribute within your community
- Conduct a workshop or give a presentation upon request
- Help you promote a local wildfire awareness event or activity you have organized in your area
- Supply you with free promotional giveaway items for your events when available
- Loan you an educational display for use at an event or program
- Assist you in customizing a flyer or publication for your community

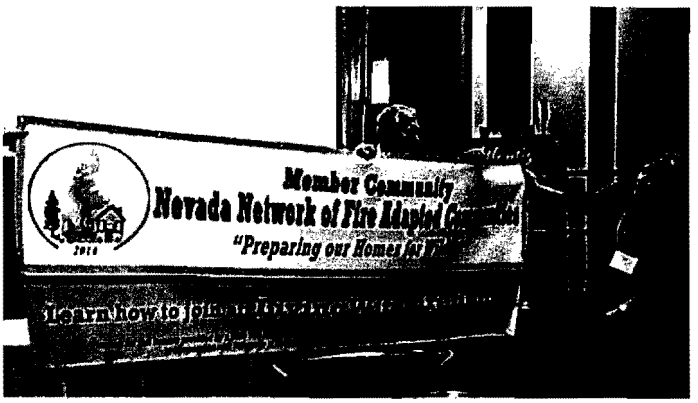
The Living With Fire Program has expanded to include the Nevada Network of Fire Adapted Communities (The Network). Targeting whole communities, The Network provides a method for Nevada community groups to share information and ideas, provides opportunities to collaborate, offers assistance with grant writing and much more. Read about their first annual conference on the next page.

Nevada Wildfire Awareness Month (NWAM)

The purpose of NWAM is to increase awareness and promote action concerning Nevada wildfire issues during the month of May. This statewide endeavor is just the start of our year-long efforts. Originally held for only one week, Cooperative Extension conceived of and initiated Nevada Wildfire Awareness Week in 2006. Since then, it has been held annually and has steadily grown; as a result of this success, the week was expanded to the entire month of May in 2014. A summary of 2014 efforts include:

- Participation by all 17 counties
- 165 events or activities
- Collaboration by 153 partners
- 4,424 participants at these events
- Proclamations issued by Governor Sandoval, 13 counties, the Nevada League of Cities and three member cities
- Distributed 4,018 pieces of educational and promotional materials

We need your help to reach more Nevada residents. Contact Sonya Sistare at 775-336-0271 to get involved with this effort.



Representatives from the first Member Community receive a banner during the first annual conference, held in Reno.

Nevada Network of Fire Adapted Communities First Annual Conference

On October 24, 2014 The Nevada Network of Fire Adapted Communities (The Network) held its first annual conference in Reno. The Network was created to assist members of Nevada communities in working towards the goal of becoming fire adapted. Key results of the conference include:

- 80 participants from 11 counties and 4 states
- 38% of the participants were community representatives from 21 different communities
- 25% of the participants were fire department/ district/volunteer representatives from 7 career and 3 volunteer departments or districts
- 100% of the participants who submitted an evaluation indicated that they were more aware of how they can work toward becoming a Fire Adapted Community

The Living With Fire Program is supported by grant funding from the Bureau of Land Management, the Nevada Division of Forestry, U. S. Forest Service and others.

In 2014, we...

- **Distributed 13,850 copies of 19 different publications.**
- **Recorded 24,255 online visits to 40 different publications.**
- **Tracked 15,570 unique visits to our websites, gained 123 new fans to our Facebook page and received 1,159 views to our blog articles.**

For more information contact Sonya Sistare, University of Nevada Cooperative Extension (775) 336-0271 or sistares@unce.unr.edu

Tax-Exempt Revenue Bonds

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A revenue bond is a special type of municipal bond distinguished by its source of repayment *solely* from revenues generated by a specified revenue generating entity associated with the purpose of the bonds, rather than a tax. *The municipality is not responsible for the repayment of the loan except for pledged revenues, and the bond does not have an impact on the municipality's general obligation debt capacity.*

City Economic Development Revenue Bonds in Nevada and Nevada Local Statutes

1. **Industrial Development Revenue Bonds Offer Cheaper Capital to Private Manufacturers (NRS 268.512-NRS 268.568).**

Industrial Development Revenue Bonds (IDRBs) are one of the various types of tax-exempt bonds that municipalities have the power to offer. Private manufacturers are offered these bonds as incentives to either locate, or to expand their business in Nevada by providing a lower cost of capital. Revenue from the bonds is to be utilized for the purpose of financing or defraying the cost of acquiring, improving and equipping a manufacturing project. Local governments offer Tax-Exempt Revenue Bonds as a way to encourage relocations and expansions of companies that provide jobs and expand economic opportunities for residents and the community. Factors such as the location of the facility, the number of new jobs created, the wages of those jobs, and energy efficiency are considered when deciding whether to issue these bonds. Ninety-five percent of the bond proceeds must be utilized to finance the manufacturing process, buildings and equipment.

2. **Cities can assist in economic development without levying a tax by providing revenue financings for utilities (NRS 268.672-NRS 268.740).**

Any governing body of a municipality, upon its behalf may at any time or from time to time acquire, improve, equip, operate and maintain any of the following by way of a special obligation bond: a building project; a cemetery project; a communications project; a drainage project or flood control project; an electric project; a fire protection project; a flood management project; a natural gas project; an off-street parking project; an overpass project; a park project; a propane gas project; a recreational project; a refuse project; a sewerage project; a sidewalk project, a street project, a transportation project; an underpass project; and/or a water project.

3. **Redevelopment Bonds (NRS 279.516-NRS 279.609)**

After coordinating with the Planning Commission, the City has the power declare a certain area or portion of its territory as a "redevelopment area" if it finds that the area has predominate and injurious conditions which are detrimental to public health, safety or welfare. After declaring to issue redevelopment bonds for the purpose of aiding and cooperating in the planning, undertaking, construction and operation of redevelopment projects. Further, the City has the power to expend the proceeds for their sale in carrying out a redevelopment plan. The bonds are generally issued as special obligations. After formation of the redevelopment area, the property value will increase due to the improvements. Property taxes collected from the allocated area pay the special obligations.

4. **Special Assessment Bonds may be issued for infrastructure needed for economic development (NRS 271).**

A governing body may issue bonds to defray the costs of a project which are payable solely from the proceeds of an assessment known as special assessment obligations. Special assessment obligations are securities payable from "special" assessments levied against property within a specific part of a government's territory that is "specially" benefited by installation of the improvements financed with the bonds. Some of the most common examples of these projects include: street paving, sidewalk projects, and sewer and water projects. The obligations from the bond issue are paid back with taxes collected from the assessments levied against those areas that are "specially" benefitted from the project.

1. Small Issue Industrial Development Bonds (SIDBs)
2. Qualified 501(c)(3) Bonds
3. Solid Waste Disposal Facility Revenue Bonds (SWDBs)

1. Small Issue Industrial Development Bonds (SIDBs)

SIDBs can be used to finance certain projects, including any land, building, or other improvement for "industrial uses, including assembling, fabricating, manufacturing, processing or warehousing" and "commercial enterprises," under Nevada law, NRS 349.510(1). Small Issue Industrial Development Bonds are only available to finance the new investment of land, buildings, or manufacturing equipment under federal tax law. SIDBs are not available for refinancings. SIDBs are limited to either $1 million, or $10 million depending upon the election of the issuer. Ninety-five percent of the bond issue proceeds must be used to acquire or develop "core manufacturing" facilities.

2. Qualified 501(c)(3) Bonds

Qualified 501(c)(3) Bonds are available only to IRS qualified 501(3)(c) corporations. The most common examples of these include: Private Nonprofit Educational Organizations (such as charter schools and colleges and universities), Cultural Organizations (such as museums, libraries and aquariums), Charitable Organizations (such as charities and foundations), Health Care Organizations (such as hospitals and clinics), and nonprofit Multifamily Rental Housing developers. Pursuant to NRS. 349.510(1), projects can include any land, building, or other improvement for "[t]he purposes of a corporation for public benefit," which is defined to include a corporation that is "[r]ecognized as exempt pursuant to section 501(c)(3) of the Internal Revenue Code of 1986, ...future amendments to that section and the corresponding provisions of future internal revenue laws..." As a result, just about any 501(c)(3) corporation is eligible for 501(c)(3) Bond financing under Nevada law.

3. Solid Waste Disposal Facility Revenue Bonds (SWDBs)

SWDBs may be applied to finance not only traditional municipal solid waste-related capital expenditures (such as landfill costs, rolling stock, MRFs and equipment), but also potentially other categories of facilities such as: waste-to-energy (burn) facilities, wood pellets production, or synthetic fuel production. Pursuant to NRS 349.510(1), these include any land, building, or other improvement for "industrial uses, including, fabricating, manufacturing, assembling, processing or warehousing" and "commercial enterprises." Ninety-five percent of the proceeds of the bond issue must be used to acquire, improve, construct, or reconstruct land or depreciable property for "solid waste disposal facilities." This generally includes buildings, fixtures, machinery, and equipment.

Procedures and Requirements for Tax Exempt Revenue Programs

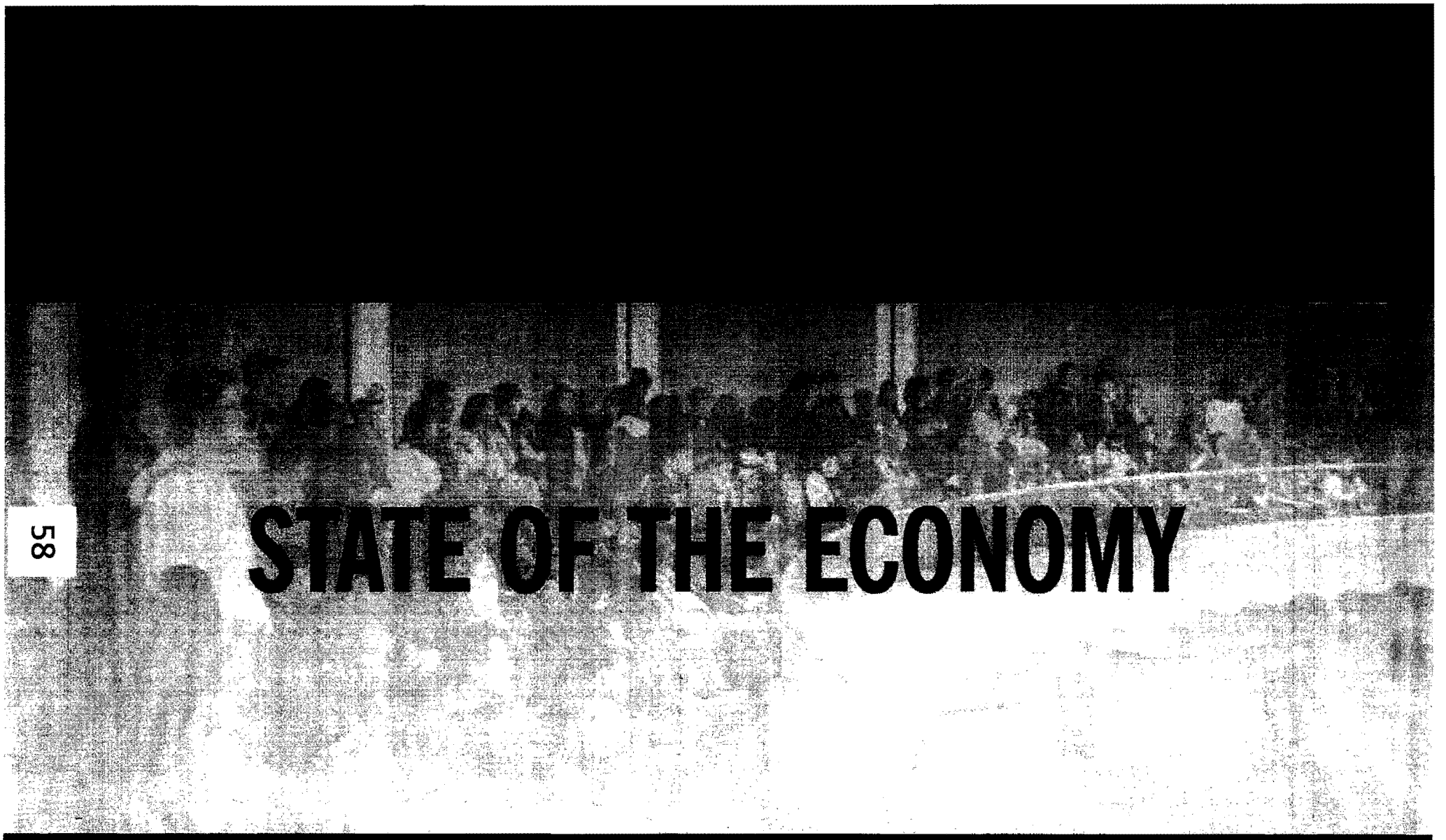
1. The Issuer gathers the information needed to determine if it can finance a proposed project and whether bonds issued for such purpose will be tax-exempt from discussions with the project sponsor and from the written application submitted by the project sponsor.
2. The Issuer circulates copies to the Issuer's legal and financial experts for review.
3. A project that appears to be eligible for financing may require the submission of additional clarifying information.
4. The Issuer sends to the sponsor a written confirmation of the Issuer's intention to issue bonds to finance the project up to a stated amount and subject to the state and federal law requirements outlined in the letter.
5. The project sponsor makes a deposit with the Issuer, which will be used to pay for the Issuer's costs to process the transaction and obtain the required state and local government approvals.
6. Nevada law and the federal tax code require that a public hearing be held after giving reasonable public notice, at which the public may comment on the proposed financing.
7. Nevada state law requires that the Issuer make written determinations concerning the public benefits of the transaction.
8. The sponsor receives bond proceeds in the amount necessary to build and equip a successful project that makes lots of money for the sponsor, increases the tax base for the State of Nevada, and provides employment for qualified workers.

About Fennemore Craig

Fennemore Craig is a full service law firm for business with more than 200 attorneys and offices in Las Vegas, Reno, Phoenix, Tucson, Nogales, and Denver. Our attorneys have a wealth of legal talent and experience combined with fresh thinking and the latest technology that help us work quickly, efficiently and effectively on our clients' behalf. For more information, visit www.fennemorecraig.com.

NEVADA LEAGUE OF CITIES AND MUNICIPALITIES

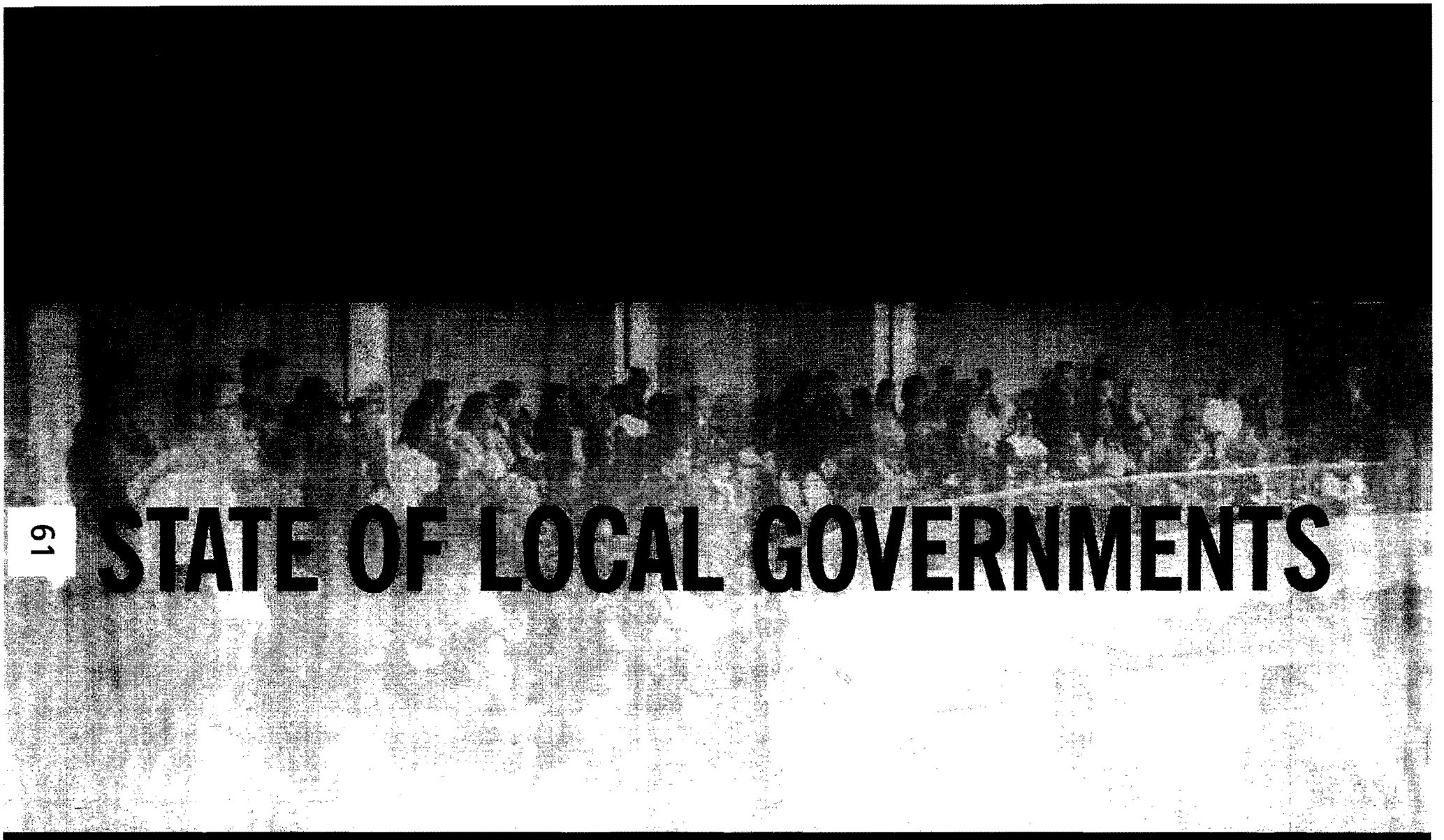
BOARD OF DIRECTORS MEETING



STATE OF THE ECONOMY

Indicators	Prior Year		Present		%△
Total Nonfarm Employment	Nov-13	**1,172,133**	Nov-14	**1,212,383**	**+3.4%**
Avg. Weekly Hours Worked	Nov-13	**33.5**	Nov-14	**33.5**	**0.0%**
Unemployment Rate	Nov-13	**10.0%**	Nov-14	**7.8%**	**-2.2%**
Initial UI Claims	Dec-13	**190,395**	Dec-14	**175,232**	**-8.0%**
Private Businesses	Q2-13	**72,304**	Q2-14	**73,911**	**+2.2%**
ersonal Income (billions)	Q3-13	**$110.0**	Q3-14	**$114.3**	**+4.0%**
Residential Units Permitted	Nov-13	**11,258**	Nov-14	**12,888**	**+14.5%**
Housing Price Index	Q3-13	**205.4**	Q3-14	**244.2**	**+18.9%**
Taxable Retail Sales (billions)	Oct-13	**$46.1**	Oct-14	**$48.3**	**+4.8%**
Gross Gaming Revenue (billions)	Nov-13	**$11.06**	Nov-14	**$11.10**	**+0.4%**
Visitor Volume (millions)	Jun-13	**52.1**	Jun-14	**52.8**	**+1.5%**
Hotel Occupancy	Jun-13	**79.4%**	Jun-14	**80.5%**	**+1.4%**

Indicators	Peak		Present		%△
Total Nonfarm Employment	Jan-08	**1,292,533**	Nov-14	**1,212,383**	**-6.2%** ▼
Avg. Weekly Hours Worked	Dec-07	**37.3**	Nov-14	**33.5**	**-10.2%** ▼
Unemployment Rate	Apr-07	**4.3%**	Nov-14	**7.8%**	**+3.5%** ▲
Initial UI Claims	Feb-06	**129,012**	Dec-14	**175,232**	**+35.8%** ▲
Private Businesses	Q4-08	**75,809**	Q2-14	**73,911**	**-2.6%** ▼
ersonal Income (billions)	Q3-14	**$114.3**	Q3-14	**$114.3**	**0.0%** ◡
Residential Units Permitted	Mar-06	**50,883**	Nov-14	**12,888**	**-74.7%** ▼
Housing Price Index	Q4-06	**407.8**	Q3-14	**244.2**	**-40.1%** ▼
Taxable Retail Sales (billions)	Mar-07	**$49.6**	Oct-14	**$48.3**	**-2.7%** ▼
Gross Gaming Revenue (billions)	Oct-07	**$13.0**	Nov-14	**$11.1**	**-14.4%** ▼
Visitor Volume (millions)	Dec-07	**54.6**	Jun-14	**52.8**	**-3.3%** ▼
Hotel Occupancy	Jun-07	**85.2%**	Jun-14	**80.5%**	**-5.6%** ▼



61

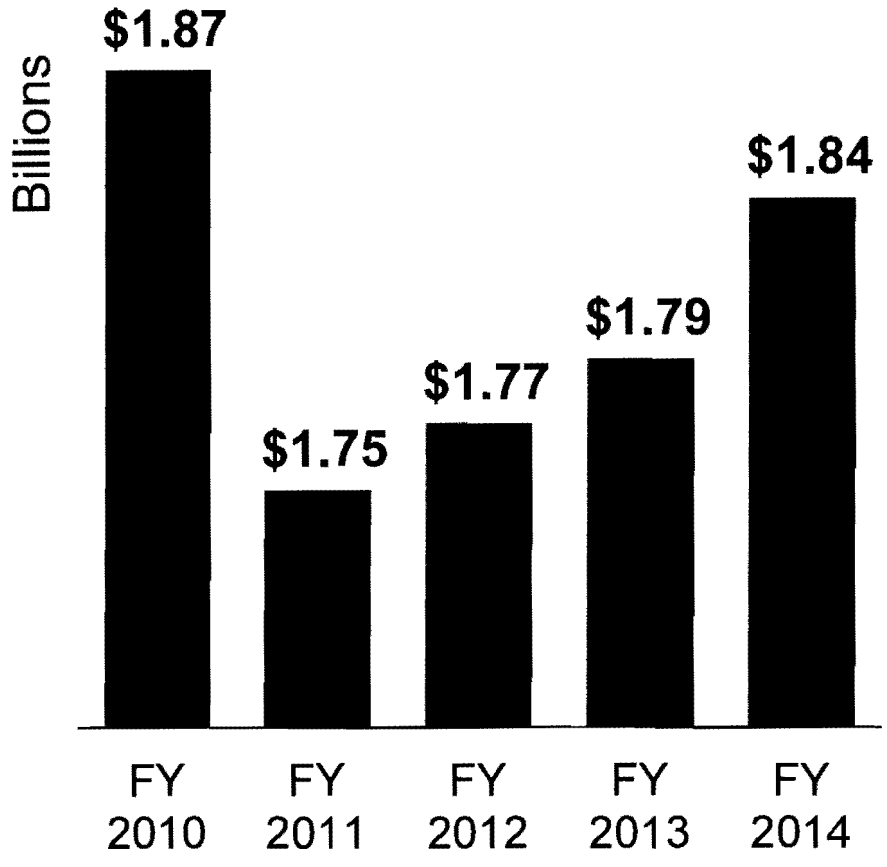
STATE OF LOCAL GOVERNMENTS

APPLIED ANALYSIS

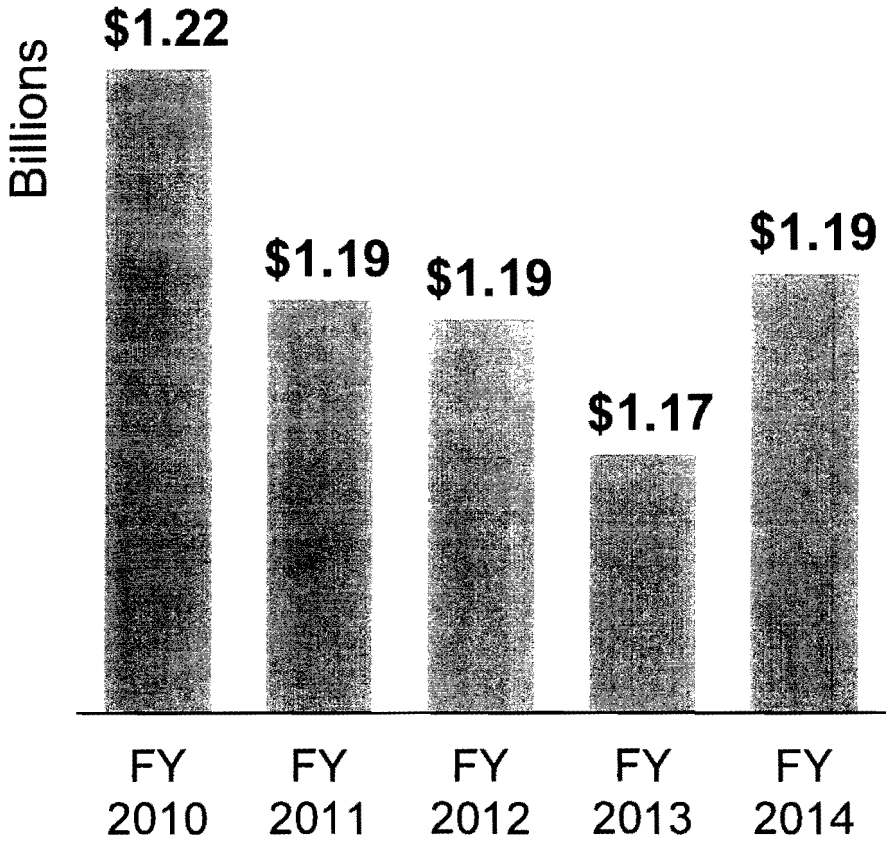
BOARD OF DIRECTORS MEETING
JANUARY 23, 2015

General Fund | *Counties*

Total Revenues



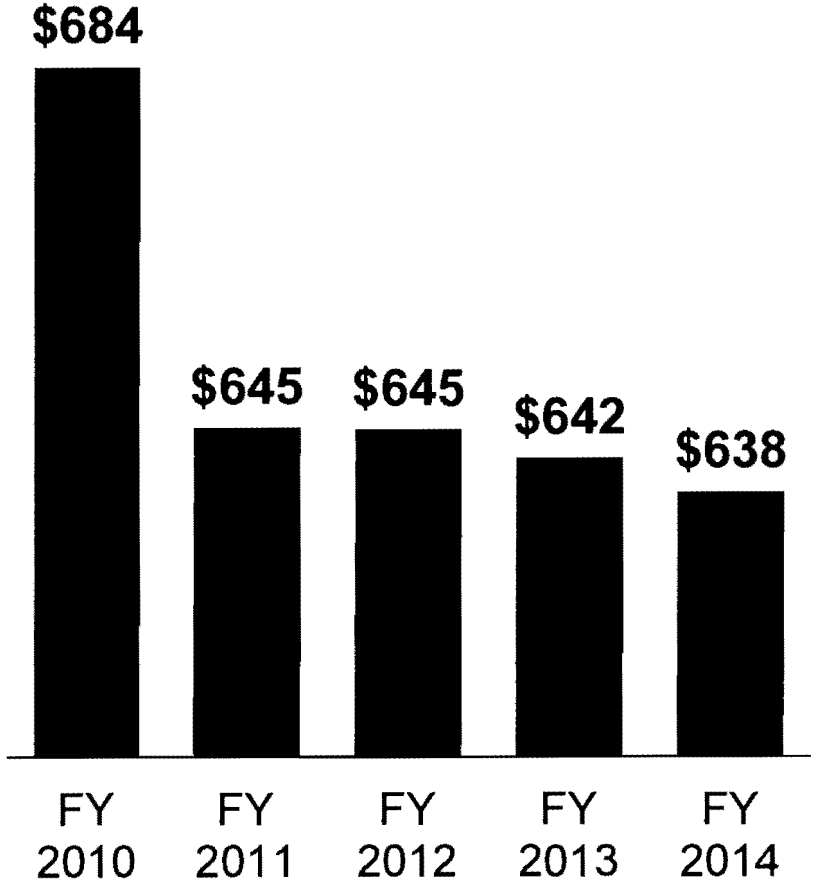
Total Expenditures



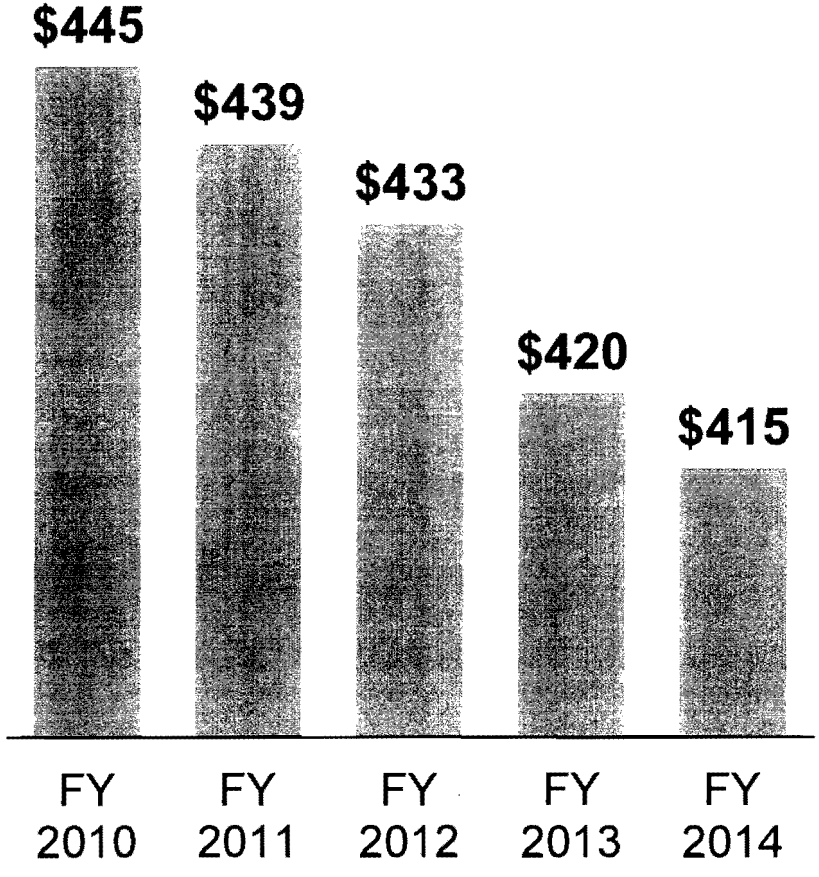
Source: Nevada Department of Taxation; data is preliminary

General Fund | *Counties*

Revenues Per Capita

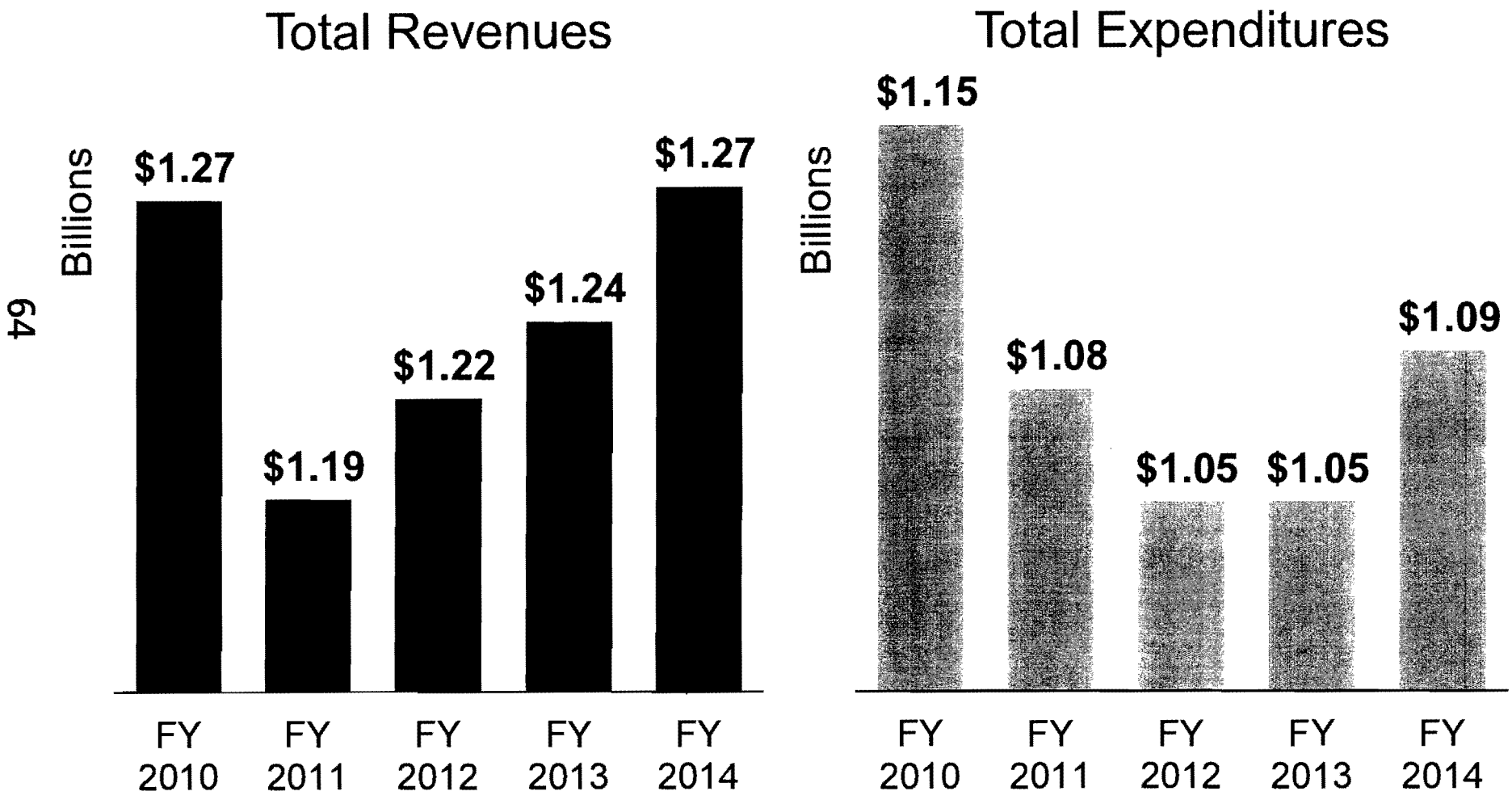


Expenditures Per Capita



Source: Nevada Department of Taxation; data is preliminary

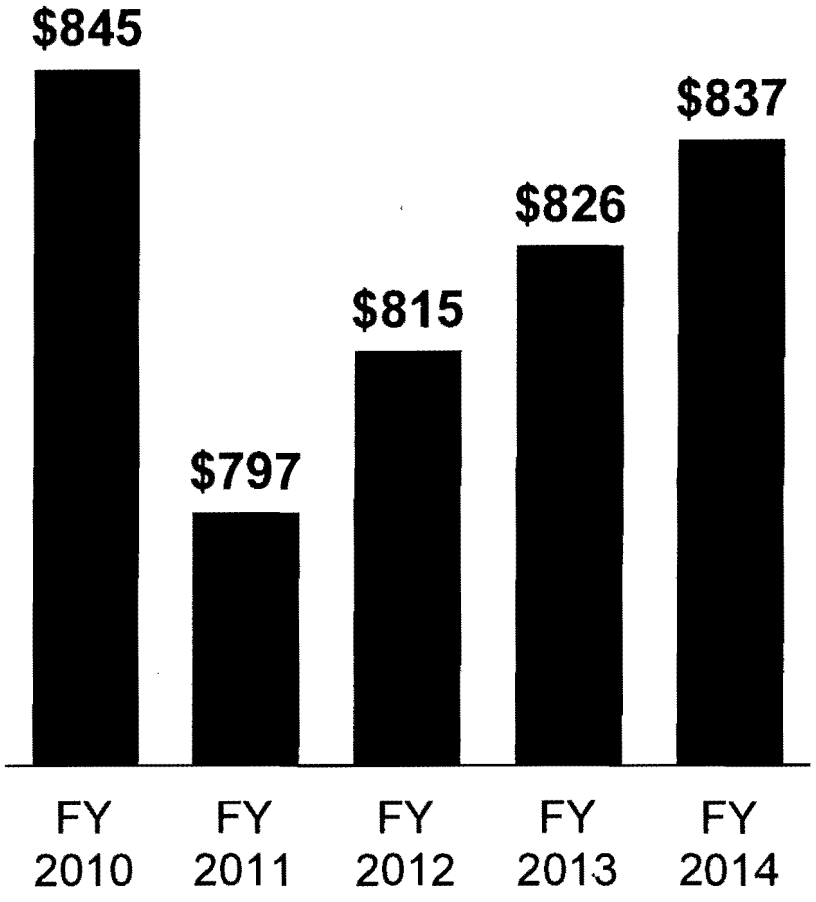
General Fund | *Cities*



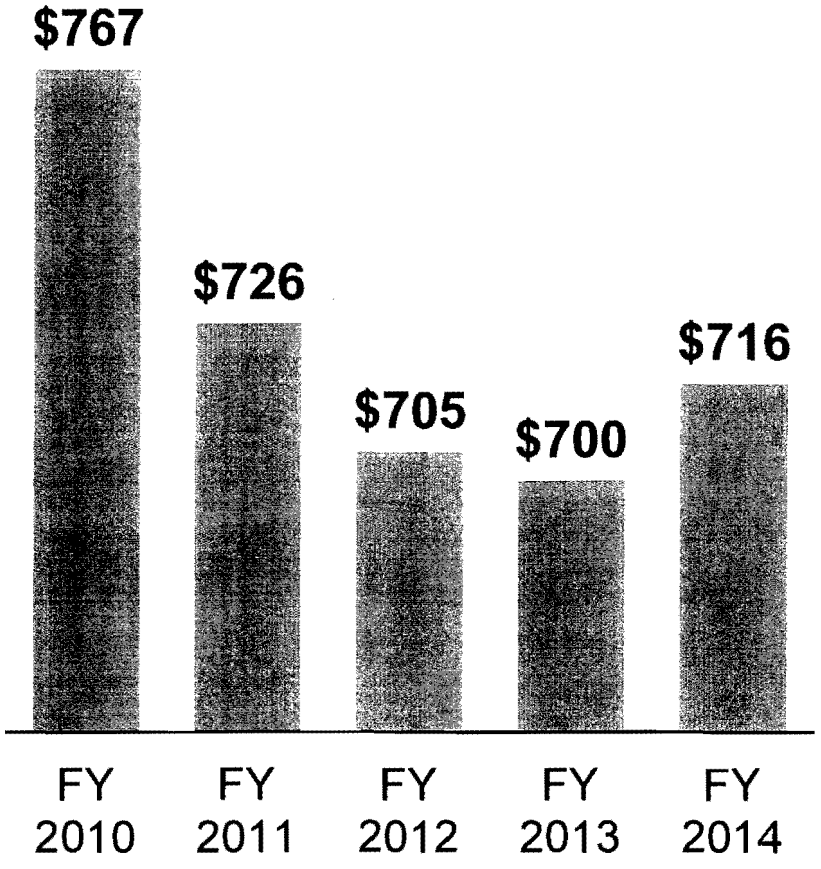
Source: Nevada Department of Taxation; data is preliminary

General Fund | *Cities*

Revenues Per Capita



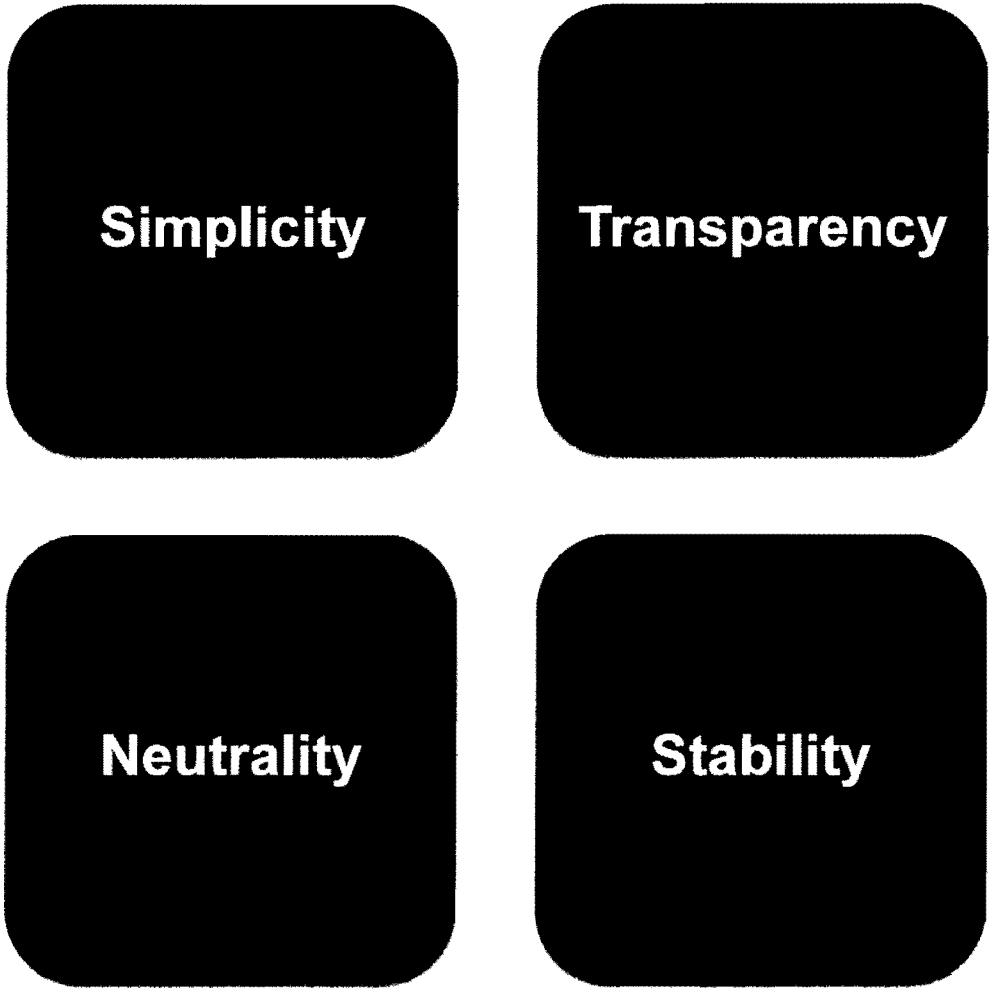
Expenditures Per Capita



Source: Nevada Department of Taxation; data is preliminary

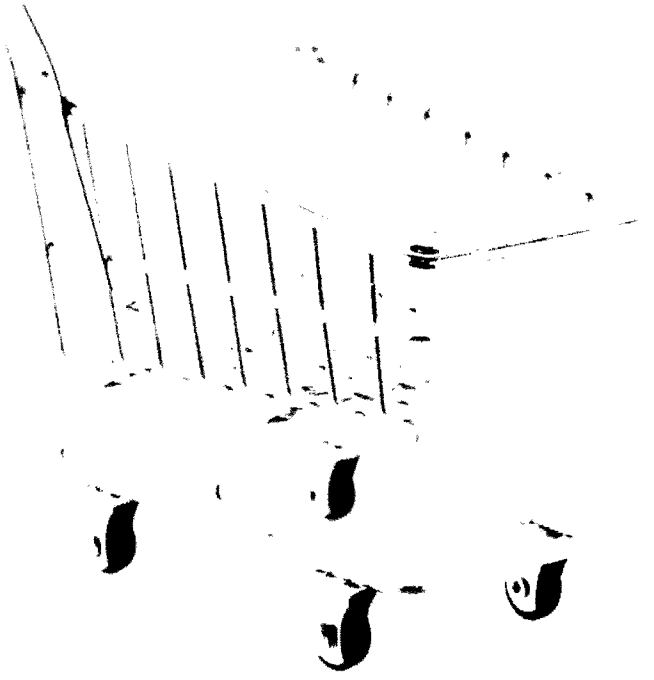
REVENUES AND REVENUE ALTERNATIVES

Principles of Good Tax Policy



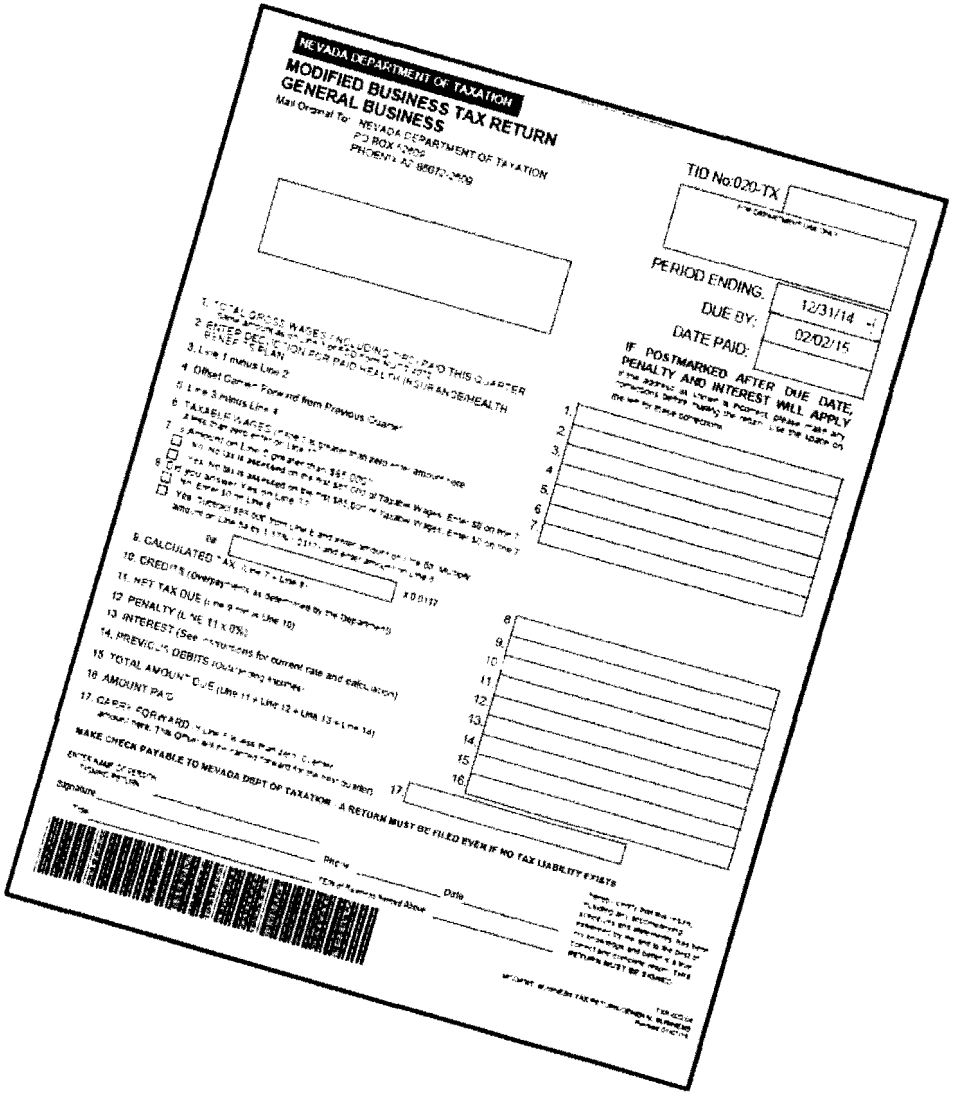
Property Tax

Sales and Use Tax



Live Entertainment Tax

General Business Taxes


NEVADA DEPARTMENT OF TAXATION
MODIFIED BUSINESS TAX RETURN
GENERAL BUSINESS
Mail Original To: NEVADA DEPARTMENT OF TAXATION
PO BOX 52609
PHOENIX AZ 85072-2609

TID No:020-TX

PERIOD ENDING: 12/31/14
DUE BY: 02/02/15
DATE PAID:

IF POSTMARKED AFTER DUE DATE, PENALTY AND INTEREST WILL APPLY

1. TOTAL GROSS WAGES (INCLUDING TIPS) PAID THIS QUARTER
2. ENTER DEDUCTION FOR PAID HEALTH INSURANCE/HEALTH BENEFITS PLAN
3. Line 1 minus Line 2
4. Offset Carried Forward from Previous Quarter
5. Line 3 minus Line 4
6. TAXABLE WAGES
7. Amount on Line 6 greater than $85,000
8. Yes, No tax is assessed on the first $85,000 of Taxable Wages. Enter $0 on line 7
9. CALCULATED TAX (Line 7 + Line 8) x 0.0117
10. CREDITS (Overpayments as determined by the Department)
11. NET TAX DUE (Line 9 minus Line 10)
12. PENALTY (LINE 11 x 0%)
13. INTEREST (See instructions for current rate and calculation)
14. PREVIOUS DEBITS (Outstanding Income)
15. TOTAL AMOUNT DUE (Line 11 + Line 12 + Line 13 + Line 14)
16. AMOUNT PAID
17. CARRY FORWARD (If Line 5 is less than zero, Quarter amount here. This Offset will be carried forward for the next quarter)

MAKE CHECK PAYABLE TO NEVADA DEPT OF TAXATION - A RETURN MUST BE FILED EVEN IF NO TAX LIABILITY EXISTS

Signature
Title
Phone
Date
TEN of Revenues Named Above

RETURN MUST BE SIGNED

Business License Fees

Excise Taxes

Net Proceeds of Minerals Tax

Other Revenue Considerations

Closing Considerations

- Revenue strategies will be tied to education
- Make up of the legislature is a critical consideration (new + Republican control)
- State legislators' focus will be on the state; local government a secondary consideration
- Leveraging local governments will surface as an option during the legislative session (revenues + expenditures)
- Tax hearings will be an opportunity or a threat; local government should be unified where possible

NEVADA LEAGUE OF CITIES AND MUNICIPALITIES

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BOARD OF DIRECTORS MEETING

DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				FEBRUARY 2015	
01/23/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
01/27/2015	Tuesday			**Board Retreat Packet is made available**	Distribution will be no later than 5 p.m.
02/05/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
02/13/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
02/16/2015	Monday			Regular Monthly Board Packet is made available	Distribution will be no later than 5 p.m.
02/25/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
02/25/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	Utility Rate Study Presentation 7/4 and 7/5 (2014) activities (R) MIG Contract (GB) Cert. of Authority – Bank Accounts (CC) Set Various Public Hearing Dates: ✓ Ordinance 2 amendments ✓ Ordinance 4 amendments ✓ Preliminary Facility Fee ✓ Final Facility Fee ✓ Preliminary 2015/2016 Budget Approval ✓ Final 2015/2016 Budget Approval

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* = Chateau is unavailable, private event already booked
(CC) = Consent Calendar Item
(GB) = General Business Item
(PH) = Public Hearing
(R) = Report Item

DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				MARCH 2015	
02/20/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
02/24/2015	Tuesday			**Board Retreat Packet is made available**	Distribution will be no later than 5 p.m.
03/05/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
03/03/2015	Friday	12 noon			
03/10/2015	Tuesday				Distribution will be no later than 5 p.m.
03/19/2015	Thursday	1 to 4 p.m.	Chateau		2015-2016 District Budget Items Utility Rate Information (if required)
03/13/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
03/16/2015	Monday			Regular Monthly Board Packet is made available	Distribution will be no later than 5 p.m.
03/25/2015	Wednesday	5 to 5:30 p.m.	Chateau	**Audit Committee Meeting**	
03/25/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
03/25/2015	Wednesday	6:30 p.m.	Chateau	**Regular Monthly Board Meeting**	Auditor Approval (GB)
				Quarterly Community Workshop	Topic(s):

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DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				APRIL 2015	
03/20/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
03/24/2015	Tuesday			**Board Retreat Packet is made available**	Distribution will be no later than 5 p.m.
04/02/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
03/27/2015	Friday	12 noon			
03/31/2015	Tuesday				Distribution will be no later than 5 p.m.
04/09/2015	Thursday	1 to 4 p.m.	Chateau		2015-2016 District Budget Items
04/10/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
04/13/2015	Monday			Regular Monthly Board Packet is made available	Distribution will be no later than 5 p.m.
04/29/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
04/29/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	Public Hearing on Ord. 2 and 4 including Utility Rates Ord. 2 and 4 including Utility Rates (GB)

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DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				MAY 2015	
				Board Retreat Materials due to IVGID Staff	
04/28/2015	Tuesday			**Board Retreat Packet is made available**	Distribution will be no later than 5 p.m.
05/07/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
05/08/2015	Friday	12 noon		Regular Monthly Meeting Board Materials	
05/12/2015	Tuesday			Regular Monthly Board Meeting Packet	Distribution will be no later than 5 p.m.
05/21/2015	Thursday	9 a.m.	Chateau	Regular Monthly Board Meeting	2015-2016 District Budget
~~05/18/2015~~	~~Tuesday~~			~~Board Packet is made available~~	~~Distribution will be no later than 5 p.m.~~
~~05/27/2015~~	~~Wednesday~~	~~6 to 6:30 p.m.~~	~~Chateau~~	~~Meet and Greet~~	Cancelled at the request of the Board of Trustees on 1/15/2014
~~05/27/2015~~	~~Wednesday~~	~~6:30 p.m.~~	~~Chateau~~	~~Regular Monthly Board Meeting~~	Cancelled at the request of the Board of Trustees on 1/15/2014

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DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				JUNE 2015	
05/22/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
05/26/2015	Tuesday			**Board Retreat Packet is made available**	Distribution will be no later than 5 p.m.
06/04/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
06/12/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
06/15/2015	Monday			Board Packet is made available	Distribution will be no later than 5 p.m.
06/24/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
06/24/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	
				Quarterly Community Workshop	Topic:

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DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				JULY 2015	
06/26/2015	Friday			**Board Retreat Materials due to IVGID Staff**	
06/30/2015	Tuesday			**Board Retreat Packet is made available**	*Distribution will be no later than 5 p.m.*
07/09/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
07/17/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
07/20/2015	Monday			Board Packet is made available	*Distribution will be no later than 5 p.m.*
07/29/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
07/29/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	

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DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				AUGUST 2015	
07/24/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
07/28/2015	Tuesday			**Board Retreat Packet is made available**	*Distribution will be no later than 5 p.m.*
08/06/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
08/14/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
08/17/2015	Monday			Board Packet is made available	*Distribution will be no later than 5 p.m.*
08/26/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
08/26/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	

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DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				SEPTEMBER 2015	
08/21/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
08/25/2015	Tuesday			**Board Retreat Packet is made available**	*Distribution will be no later than 5 p.m.*
09/03/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
09/18/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
09/21/2015	Monday			Board Packet is made available	*Distribution will be no later than 5 p.m.*
09/30/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
09/30/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	
				Quarterly Community Workshop	Topic:

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(R) = Report Item

DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				OCTOBER 2015	
09/18/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
09/22/2015	Tuesday			**Board Retreat Packet is made available**	*Distribution will be no later than 5 p.m.*
10/01/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
10/16/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
10/19/2015	Monday			Board Packet is made available	*Distribution will be no later than 5 p.m.*
10/28/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
10/28/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	

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DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				NOVEMBER 2015	
10/23/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
10/27/2015	Tuesday			**Board Retreat Packet is made available**	
11/05/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
11/06/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
11/09/2015	Monday			Board Packet is made available	
11/18/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
11/18/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	

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(R) = Report Item

DATE	DAY OF THE WEEK	TIME	LOCATION	MEETING	ITEMS SLATED FOR CONSIDERATION
				DECEMBER 2015	
11/20/2015	Friday	12 noon		**Board Retreat Materials due to IVGID Staff**	
11/24/2015	Tuesday			**Board Retreat Packet is made available**	
12/03/2015	Thursday	2 to 4 p.m.	Chateau	**Board Retreat**	
12/04/2015	Friday	12 noon		Regular Monthly Board Meeting Materials due to IVGID Staff	
12/07/2015	Monday			Board Packet is made available	
12/16/2015	Wednesday	6 to 6:30 p.m.	Chateau	**Meet and Greet**	
12/16/2015	Wednesday	6:30 p.m.	Chateau	Regular Monthly Board Meeting	
				Quarterly Community Workshop	Topic:

Items sitting in the parking lot (to be discussed but not yet scheduled for a specific Board meeting)
Personnel Policies Update (CC)
Ordinance 1 (tabled on 1/14/2015)

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(R) = Report Item