

Minutes of the Meeting
COMMITTEE ON LOCAL GOVERNMENT FINANCE
August 19, 2021, 10:00 a.m.

The meeting was held at the Department of Taxation, 1550 College Parkway, Carson City, Nevada with teleconference to the Department of Taxation, 2550 Paseo Verde Parkway, Henderson, Nevada as well as via zoom.

COMMITTEE MEMBERS PRESENT:

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

COUNSEL TO COMMITTEE:

Peter Keegan

DEPT OF TAXATION STAFF PRESENT:

Jeffrey Mitchell
Cheryl Erskine
Kelly Langley
Ande Thorpe
Jaynalynn Seley
Keri Gransbery
Evelyn Barragan
Christina Griffith
Chali Spurlock

MEMBERS OF THE PUBLIC PRESENT:

Name	Representing
Fred Herron	Southern NV Regional Housing
Dan McArthur	Daniel C McArthur, Ltd
Ruth Lee	Esmeralda County
Andrew Feuling	Carson City School District
Timothy Hipp	Commissioner, Esmeralda County
Bob Glennen	Esmeralda County
Vera Boyer	Esmeralda County
Rost Olsen	Deputy Attorney General
Alan Kalt	Himself
Jackie Bruno	Herself
Joni Brun	Herself
Neil Jones	Himself
Tammi Davis	Washoe County Treasurer

ITEM 1. ROLL CALL AND OPENING REMARKS

Member Mary Walker was absent, Member Marty Johnson was late. All other members were present during the meeting.

Chairman Leavitt advised that Peter Keegan would be leaving the Committee on Local Government Finance (CLGF). Mr. Keegan confirmed he accepted another position and introduced Mr. Rost Olsen stating he may take over as Deputy Attorney General for CLGF, but that has not been confirmed.

Chairman Leavitt noted his appreciation for Mr. Keegan's service for the committee and is sorry to see him go.

ITEM 2. PUBLIC COMMENT

Chairman Leavitt noted there was written public comment submitted by Neil Jones. Mr. Jones read his submission to the committee. There was no other public comment.

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

(a) For Possible Action: Discussion and Consideration of Southern Nevada Regional Housing Authority (SNRHA)

1. Report by the Department and SNRHA on the Following Matters:

- a) Update by SNRHA regarding a plan to comply with the requirements beginning with the FY 21/22 Budget
- b) Update by SNRHA on any success achieved with the Legislature

Kelly Langley, with the Department of Taxation (the Department), noted Fred Herron with Southern Nevada Regional Housing Authority (SNRHA) was available for comment. She stated they have done an excellent job providing the budget and indebtedness report and have attempted to provide everything needed.

Mr. Herron stated they communicated with the legislature to amend the bill requiring them to report as a local government, however; the session closed. They are still hopeful and will possibly try during special session or the next session. They requested a change to their fiscal year for the budget and audit, if approved it would be changed for June 2023. They will continue to try to be removed, update their fiscal year, or try for an exception to the fiscal year requirement.

Chairman Leavitt appreciates what they have done. He thinks they could continue as they have been until this is resolved. He believes it would be acceptable to the Department.

Ms. Langley stated they have complied with the Department's timelines on other reports. It would be helpful if the audit could be provided in December. Everything SNRHA has is federal, no local taxes are being paid. She agreed this works or the Department also.

Chairman Leavitt asked for a motion. Member Ciesynski moved to have SNRHA continue with their current approach for the coming period until changed. Member Vuletich seconded. Mr. Herron thanked the committee.

(b) For Possible Action: Discussion and Consideration of Esmeralda County Financial Condition

1. Report by the Department regarding Esmeralda County on the Following Matters:

a. a) Update from the County regarding progress of corrections to audit violations

Ms. Langley stated she believed Vera Boyer, Lucinda Elgin, and Timothy Tipp with Esmeralda County (the county) should be available on the phone. She reminded the committee they asked them back to discuss improvements made. The Department has been in touch with their auditor and they still have software concerns they are trying to resolve. The county provided training certificates. The Department is frustrated that the indebtedness report was 10 days late. She stated she has seen improvement but there is still work to be done.

Chairman Leavitt asked Dan McArthur, the auditor for Esmeralda County to speak.

Mr. McArthur stated he has seen improvements. He added the Tyler software is still an issue and understands Tyler is working with them and doing training. He noted they do have an issue with journal entries. He does not perceive an untimely audit, but that will depend on Tyler.

Chairman Leavitt stated it sounds like they are making progress and resolving problems. Mr. McArthur confirmed, adding they are taking steps and do show progress.

Chairman Leavitt sympathizes for the implementation of new software. He added that everyone in the state needs to be compliant on reports and submit them by due dates. He suggested they make a schedule, and agreed they are making progress.

Ms. Langley asked if Ms. Boyer was available. Ms. Boyer stated they have had Tyler there since Monday and it is working better. She added that they would pay better attention to the due dates for reports.

Ms. Langley asked Ms. Boyer if monthly financials are provided to their committee, and if they are available to the public. Ms. Boyer replied that hers are online and accessible to the public, they are working on Cindy's.

Member O'Carroll asked if the 26-hour bookkeeping course that was completed was what was needed, or if that is enough. Mr. McArthur replied that he suggested ongoing training, the 26 hours is the first in a series and it would be good to continue. Member O'Carroll understood.

Chairman Leavitt noted small counties may be finding it difficult to find people with expertise and agrees with continued training. Member Vuletich also supports training. She was curious if the county was a member of the Government Finance Association as they offer additional training, a lot of which is online.

Ms. Langley commented that the Department asked they take additional training and requested the counties Board of Trustees to allow training and continue to pay for it and authorize those memberships. She believes training is important for them to have a better understanding.

Member Vuletich noted the information is available if they have access to it. Chairman Leavitt added virtual training is sometimes inexpensive.

Member Marty Johnson joined the meeting.

Member Paul Johnson wanted clarification that bank recs are up to date, and the fiscal department has the proper support and budget to fix their accounting and get training and education. Commissioner Hipp responded that additional training is available, he is not aware of more right now but is sure it will be approved if requested.

Chairman Leavitt asked if they have enough staff. Commissioner Hipp believes they do.

There were no further comments regarding Esmeralda County.

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

- (a) Discussion on the final budgets, audit summaries, and room taxes
- (b) Discussion and update on the funding models for the School Districts
- (c) Legislative and Department update
- (d) Briefing on Advisory Opinion Request Process

(It is noted the numbering was off on the Agenda, no Item 4 was listed)

Chairman Leavitt stated Item 5(a) and (b) will be deferred to the next meeting.

Jeffrey Mitchell, with the Department, stated there were legislative bills that could affect the Committee. He also advised that Director Young was leaving the Department of Taxation and would be replaced by Shellie Hughes.

Mr. Mitchell stated there were 50 bills that affect the Department, eight of those affect local governments. He briefed the Committee on AB2, AB63, AB139, AB495, SB98, SB294, SB423, and SB442.

Member Colvin asked about innovation zones. Mr. Mitchell is not aware of any conversations. She stated they were keeping an eye on them, Mr. Mitchell added he was also.

Member Cronk stated it sounds like there will not be a special session to distribute the ARPA funds, Mr. Mitchell has not heard on that.

Chairman Leavitt moved on to the Advisory Opinion item.

Mr. Mitchell briefly described the advisory opinion request process, adding this is governed by NRS 354.940 and 942. He noted the executive director has 45 days to supply a response and the response to the opinion recently requested is currently in process.

6. REVIEW AND APPROVAL OF MINUTES

(a) For Possible Action: CLGF Committee Meeting – May 12, 2021

Member Rackley motioned to approve the minutes as presented, Member Cronk seconded the motion. Motion passed.

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

Ms. Langley suggested items 5(a) and (b) be on the next Agenda. She also added the Department will have the indebtedness report completed in the next week and will distribute it to the Committee. It will be available for discussion at the next meeting.

Chairman Leavitt would also like an update on Esmeralda County's audit. He noted they may want a brief discussion on various local governments. Ms. Langley stated the indebtedness report is good for that and will show the amount of debt reduced.

Chairman Leavitt added the committee could use a summary of final budgets and a report, like at the last meeting, of the financial condition of various local governments.

Chairman Leavitt suggested the end of October, beginning of November for the next meeting. Ms. Langley suggested the end of October.

8. PUBLIC COMMENT

There was no public comment.

9. **FOR POSSIBLE ACTION: ADJOURNMENT**

Meeting was adjourned at 10:55 a.m.