

**LOCAL GOVERNMENT
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: February 12, 2015

Agency Submitting: Local Government

| Items of Revenue or Expense, or Both | Fiscal Year 2014-15 | Fiscal Year 2015-16 | Fiscal Year 2016-17 | Effect on Future Biennia |
|---|--------------------------------|--------------------------------|--------------------------------|-------------------------------------|
| | | | | |
| Total | 0 | 0 | 0 | 0 |

Explanation

(Use Additional Sheets of Attachments, if required)

See attached.

Name Michael Nakamoto

Title Deputy Fiscal Analyst

The following responses from local governments were compiled by the Fiscal Analysis Division. The Fiscal Analysis Division can neither verify nor comment on the figures provided by the individual local governments.

Local Government Responses
A.B. 80 / BDR 32 - 466

| School District: Carson City School District Approved by: Andrew J Feuling, Director of Fiscal Services Comment: Carson City School District does not receive net proceeds monies and if this bill allows the current collection method to continue, then there should be no impact to the district's state aid. | | | | |
|---|------------|------------|------------|----------------|
| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
| No Impact | \$0 | \$0 | \$0 | \$0 |

| School District: Clark County School District Approved by: Nicole Thorn, Deputy CFO Comment: Proceeds of mining are a small portion of funding that is received by CCSD. Actual revenue received for fiscal year 14 was \$78,700 and budgeted revenue for fiscal year 15 is \$20,000. This proposal could possibly have an impact on CCSD if the advance payment provision is not extended in the event the DSA payment to all counties (including CCSD) that do not have significant mining proceeds are made to take a reduction in DSA per pupil funding to offset the impact to the counties that receive significant mining proceeds. | | | | |
|---|------------|------------|------------|----------------|
| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
| Has Impact | \$0 | \$80,000 | \$80,000 | \$160,000 |

| School District: Douglas County School District Approved by: HOLLY LUNA, CFO, BUSINESS SERVICES Comment: Douglas County School District receives minimal revenues from this tax. | | | | |
|---|------------|------------|------------|----------------|
| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
| No Impact | \$0 | \$0 | \$0 | \$0 |

| School District: Humboldt County School District Approved by: David Jensen, Superintendent Comment: HCSD is unable to calculate the benefit of the continuation given the variability of gold prices. However, we strongly support a continuation of the ANPM as the reversion of the advanced will create a year in which no NPM is received. This negative impact will be enhanced based on the significant decline in NPM over the past several years to include a reversion of over payments. Please support this bill allowing for a continuation of the Advanced Payment. | | | | |
|--|------------|------------|------------|----------------|
| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
| Has Impact | \$0 | \$0 | \$0 | \$0 |

School District: **Lincoln County School District**

Approved by: Steve Hansen, Superintendent

Comment: The non prepayment of taxes on net proceeds could be a reduction in revenues for School Districts, however, the impact in Lincoln County is minimal because of negligible net proceeds revenue. For other districts and the State, I support the delay of the expiration of advanced payment of the tax on the net proceeds of minerals and extending the requirement until June 30 2017.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| Has Impact | \$0 | \$0 | \$0 | \$0 |

School District: **Lyon County School District**

Approved by: Philip Cowee, Director of Finance

Comment: The Lyon County School District receives an immaterial amount of net proceeds. The amount of net proceeds is not budgeted because of volatility with the revenue source.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|----------------------|-------------------|-------------------|-------------------|-----------------------|
| Cannot Be Determined | \$0 | \$0 | \$0 | \$0 |

School District: **Nye County School District**

Approved by: Kerry Paniagua, Executive Secretary

Comment: Since this BDR further pushes back the sunset of the law, it will have no fiscal impact on the Nye Co. School District.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| No Impact | \$0 | \$0 | \$0 | \$0 |

School District: **Pershing County School District**

Approved by: Dan Fox, Superintendent

Comment: The net result should be neutral since Net Proceeds are factored into the DSA funding formula, however, there would certainly be cash flow issues if not enacted.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| Has Impact | \$0 | \$0 | \$0 | \$0 |

School District: **Washoe County School District**

Approved by: Lindsay E. Anderson, Director of Government Affairs

Comment: No Impact

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| No Impact | \$0 | \$0 | \$0 | \$0 |

School District: **White Pine County School District**

Approved by: Paul Johnson, CFO

Comment: The District has budgeted \$291,196 for Net Proceeds of Minerals in FY2015. This is approximately 2.4% of total revenue. The District is already looking at significant budget cuts in excess of 10% due to charter school enrollments, depleted fund reserves and, based on preliminary DSA figures, potential loss of revenue. Further erosion of revenue will make it difficult for the District to offer an equitable education to the students in White Pine. If the bill passes it would save approximately \$195,000 in revenue net of the DSA offset.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| Has Impact | \$0 | \$195,000 | \$195,000 | \$390,000 |

City/County: **Carson City**

Approved by: Nickolas A. Providenti, Finance Director

Comment: No fiscal impact to Carson City as we do not receive net proceeds from mines.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| No Impact | \$0 | \$0 | \$0 | \$0 |

City/County: **Churchill County**

Approved by: Eleanor Lockwood, County Manager

Comment: BDR 32-466 would impact the timing of the payment of Net Proceeds of minerals. The actual payment itself; however, the fiscal impact would be the loss of interest earnings on advance payment. Given the market interest rate, the amount would not be significant.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| No Impact | \$0 | \$0 | \$0 | \$0 |

City/County: **Clark County**

Approved by: David Dobrzynski, Assistant Director of Finance

Comment: Fiscal impact to Clark County would be negligible.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| No Impact | \$0 | \$0 | \$0 | \$0 |

City/County: **Elko County**

Approved by: Cash A. Minor, Assistant County Manager/CFO

Comment: Has Impact

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| Has Impact | \$0 | \$700,000 | \$0 | \$700,000 |

City/County: **Esmeralda County**

Approved by: Karen Scott, Auditor/Recorder

Comment: Has no fiscal impact to the County. As the tax distributed to County will be based on actual net proceeds and royalties; it elevates the problem of the County having to set aside funds in case a refund was needed.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| No Impact | \$0 | \$0 | \$0 | \$0 |

City/County: **Humboldt County**

Approved by: Sondra Schmidt, Comptroller

Comment: This would have an impact on our NPM in the first year but there is no way to determine what that amount would be.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|----------------------|-------------------|-------------------|-------------------|-----------------------|
| Cannot Be Determined | \$0 | \$0 | \$0 | \$0 |

City/County: **Lander County**

Approved by: Nan Ancho, Finance Director

Comment: This could reduce our net proceeds revenue for two Fiscal years and could result in an expense to settle up any credits that are due.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| Has Impact | \$0 | \$15,551,850 | \$15,551,850 | \$0 |

City/County: **Pershing County**

Approved by: Karen Wesner, Admin. Assist.

Comment: No Impact

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| No Impact | \$0 | \$0 | \$0 | \$0 |

City/County: **Washoe County**

Approved by: Liane Lee, Government Affairs Manager

Comment: From FY12-FY14, Washoe County's portion of net proceeds of minerals (NPM) averaged just under \$30,000 per year. By moving from an advanced payment basis to a current basis, the County may not see any NPM revenues for one and possibly two years.

| Impact | FY 2014-15 | FY 2015-16 | FY 2016-17 | Future Biennia |
|---------------|-------------------|-------------------|-------------------|-----------------------|
| Has Impact | \$0 | \$30,000 | \$0 | \$0 |

The following school districts and counties did not provide a response: Churchill County School District, Elko County School District, Esmeralda County School District, Eureka County School District, Lander County School District, Mineral County School District, Storey County School District, Douglas County, Eureka County, Lincoln County, Lyon County, Mineral County, Nye County, Storey County, and White Pine County.