

**LOCAL GOVERNMENT
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 31, 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
S.B. 406 / BDR 23 - 1049

City/County: Carson City Approved by: Nickolas A. Providenti, Finance Director Comment: Section 4 would have a fiscal impact to Carson City. This language is similar to AB-363. We indicated we anticipate it would cost us approximately \$40,000 per year.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$40,000	\$40,000	\$80,000

City/County: Churchill County Approved by: Eleanor Lockwood, County Manager Comment: Has Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: Clark County Approved by: David Dobrzynski, Assistant Director of Finance Comment: Fiscal impact cannot be determined. Section 2, 17 & 26 will reduce the amount of liability on the retirement system. Estimated amount of reduced liability cannot be calculated without actuarial estimation. Section 3 will reduce the amount of liability on the retirement system. Estimated amount of reduced liability cannot be calculated without actuarial estimation. Section 4, 16 & 27, adding these two benefit options will actuarially increase the unfunded liability of the Public Employees' Retirement System. The amount of this increased unfunded liability cannot be determined at this time. Section 5 & 20, increasing the retirement age that qualifies a member for full retirement benefits does three things, increases the number of years the member pays into the system on average, decreases the amount of retirement benefits paid out on average, and increases the average compensation of consecutive months employment, on average. Two of the three items listed here reduce the amount of liability on the retirement system. Estimated amount of reduced liability cannot be calculated without actuarial estimation. Section 6 & 21 will reduce the amount of liability on the retirement system. Estimated amount of reduced liability cannot be calculated without actuarial estimation.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: Humboldt County				
Approved by: Sondra Schmidt, Comptroller				
Comment: Could possibly save the County money with respect to PERS contribution rates.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: Washoe County				
Approved by: Liane Lee, Government Affairs Manager				
Comment: This BDR will have impacts on Washoe County but we do not have the data to calculate the impacts from the proposed changes to the current PERS system.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: White Pine County				
Approved by: Elizabeth Frances, Finance Director				
Comment: Multiple elements in this BDR will result in cost savings for the County. These include felons being required to forfeit their benefits and for those hired after 7/1/2015 reduction of post retirement increases, increasing the age at which employees may retire and limiting the amount of compensation upon which retirement benefits can be calculated. These will all assist in lowering long-term costs of retirement for the County resulting in a positive financial impact. At this time an exact amount of the positive impact cannot be determined.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

City/County: City of Henderson				
Approved by: Mike Cathcart, Business Operations Manager				
Comment: The fiscal impact of this legislation would need to be done by the Public Employee Retirement System Board.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: **City of Las Vegas**

Approved by: Michelle Thackston, Administrative Secretary

Comment: If this Bill should pass there would be an administrative expense to re-program/program for the changes recommended to the judicial PERS retirement plan. There would also be a PERS expense due to the changes of lifetime spousal support for employees who die in the line of duty. The changes proposed will have long term fiscal consequences but the language of the proposal is open ended as far as the fiscal impact and there is not enough data to determine the cost over 3 years.

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

City/County: **City of Reno**

Approved by: Ryan High, Budget/Strat. Initiatives Mgr.

Comment: While there is the potential for a long-term positive effect, a fiscal impact to the City of Reno cannot be determined after initial review without more detailed data and actuarial information.

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

City/County: **City of Sparks**

Approved by: Jeff Cronk, Financial Services Director

Comment: We would be reliant upon the PERS system actuaries to determine the cost impact to the City of Sparks. We do not have such information, thus, we are unable to determine the cost impact at this time.

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

City/County: **Las Vegas Metropolitan Police Department**

Approved by: Rich Hoggan, Chief Financial Officer

Comment: Reduction of benefits for future PERS members will increase the long term solvency of the Plan and likely reduce future rate increases. However, the amount those potential rate increases may be reduced is unknown.

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

School District: Carson City School District Approved by: Andrew J Feuling, Director of Fiscal Services Comment: No Impact				
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: Nikki Thorn, Deputy CFO Comment: CCSD does not expect impact as the proposed items are PERS paid and not a cost to the employer.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Douglas County School District Approved by: HOLLY LUNA, CFO, BUSINESS SERVICES Comment: Douglas County School District would be affected by this BDR from the perspective that PERS provides the rates of employee and employer participation based on actuarial analyses. However, there is not sufficient information to determine or calculate the effects or to provide a meaningful or substantial submittal on behalf of the school district.				
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: Appears to mostly affect retirees drawing out monies, therefore no fiscal impact to current Lincoln County School District PERS payment obligations.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Lyon County School District Approved by: Philip Cowee, Director of Finance Comment: No Impact				
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 district does not have the appropriate information to calculate any potential fiscal impact.				
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: No Impact				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Storey County School District Approved by: Robert Slaby , Superintendent 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: We would have to defer to PERS to determine how this would affect the PERS contribution rate and then apply that rate to all eligible employees.				
Impact	FY 2014-15	FY 2015-16	FY 2016-17	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

The following cities, counties and school districts did not provide a response: Douglas County, Elko County, Esmeralda County, Eureka County, Lander County, Lincoln County, Mineral County, Lyon County, Pershing County, Nye County, Storey County, Boulder City, City of Elko, City of Mesquite, City of North Las Vegas, Churchill County School District, Elko County School District, Esmeralda County School District, Eureka County School District, Humboldt County School District, Lander County School District, Mineral County School District, and Washoe County School District.