

**LOCAL GOVERNMENT
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: February 20, 2017

Agency Submitting: Local Government

Items of Revenue or Expense, or Both	Fiscal Year 2016-17	Fiscal Year 2017-18	Fiscal Year 2018-19	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. 106 / BDR 53 - 865

City/County: City of Henderson Approved by: Mike Cathcart, Business Operations Manager Comment: This legislation requires that all private sector employers increase the minimum hourly wage paid to their employees. While this legislation does not apply to public agencies, in order to remain competitive with the private sector especially for its part-time labor for recreational services, the City of Henderson may need to keep pace with phased minimum wage increases. The cost to the City cannot be determined at this time.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

City/County: City of Las Vegas Approved by: Michelle Thackston, Administrative Assistant Comment: No Impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: City of Sparks Approved by: Jeff Cronk, Financial Services Director Comment: No Impact				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: City of Reno Approved by: Tillery Williams, Management Analyst Comment: No anticipated fiscal impact to the City of Reno.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Carson City Approved by: Nancy Paulson, CFO Comment: No fiscal impact to Carson City.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Churchill County

Approved by: Eleanor Lockwood, County Manager

Comment: BDR 53-865 as it relates to fiscal impacts to Churchill County, would increase the minimum wage, incrementally over five years, to \$12/hour. As the bill currently reads, there would be no fiscal impact because it says it only applies to private employers. If the bill is expanded to include public employers, there would be an impact. All of the county's year-round (regular) employees currently are paid over \$12/hour. The main impact will be felt on casual positions (Office Interns, Lifeguards, Parks Maintenance Aides, Camp Counselors, etc.). If it is applied to our casual positions which are paid under \$12 per hour, it would impact 33 employees. Using an assumption of 10 hours per week per affected employee (520 hours per year), the impact would be \$49,672 per year (at the \$12/hour minimum wage). If this legislation were to pass and impact the private sector, the likelihood is high that the counties would be forced to raise their pay scales as well.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: Clark County

Approved by: David Dobrzynski, Asst Director of Finance

Comment: Increase minimum wage by \$0.75 per hour each year until the minimum wage is \$11 or \$12 per hour depending on health insurance offered by employer. Part-time hourly employees of Clark County would not be eligible for health benefits, under this assumption per the bill the minimum an employee could be paid would be \$12 per hour worked. Clark County employs 1,185 part time employees making under \$12 an hour. Raising the minimum wage to \$12 an hour would cost approximately \$6,775,506 over a 5 year span as the minimum wage increases by \$.75 per year until reaching \$12 an hour. The 2 year fiscal impact is \$623,495.

Clark County does not employ any full-time Employees making under \$12 an hour.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$71,287	\$552,208	\$3,224,664

City/County: Esmeralda County

Approved by: Karen Scott, Auditor/Recorder

Comment: This BDR will affect only our part time employees as the full time is already at \$12.35/hour. The BCC may want to do an adjustment for the employees that have longevity as the new employees will be making the same wage. This estimate is unforeseen. It all depends on how the bill is implemented as to what the Commissioners will do.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$24,080	\$0	\$0

City/County: **Humboldt County**

Approved by: Gina Rackley, Comptroller

Comment: This would not have an impact on Humboldt County as our current Salary Matrix does not have any starting hourly wages less than \$12.00 an hour.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **Washoe County**

Approved by: Lisa Gianoli, Lobbyist

Comment: No Impact

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

City/County: **White Pine County**

Approved by: Elizabeth Frances, Finance Director

Comment: Increased wages in the private sector will result in increased wages in the public sector. An increase totaling \$3.75/hour over a five year period will cost over \$300,000 in the first year, over \$600,000 in the second year and over \$1.5 million in the fifth year. The County cannot afford this without drastically reducing services as it is already at the maximum tax cap. Additionally, these increases will ripple through the economy resulting in increased prices to the government for goods purchased from private industry. A realistic estimate of these additional costs cannot be made at this time.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$302,149	\$610,340	\$1,572,393

School District: **Carson City School District**

Approved by: Andrew J Feuling, Director of Fiscal Services

Comment: If I understand the intent, the minimum wage would only be raised on private enterprise jobs. However, to remain competitive, it essentially would force public entities to meet the same increase. This would increase our total compensation costs by approximately \$160,000 each year.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$160,000	\$160,000	\$160,000	\$160,000

School District: Clark County School District Approved by: Dillon Kay, Assistant Budget Director Comment: This bill does not affect governmental positions by definition, however if the private employment minimum increases CCSD would need to increase the wages in order to stay competitive in the job market.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Churchill County School District Approved by: Phyllis Dowd, Director of Business Services Comment: There would be increased costs to the district as we have part time staff that make less than \$12 and do not qualify for health insurance. The costs is not significant for those employees, but it is anticipated that the rest of the staff would negotiate an increase if some received an increase to meet minimum wage.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Douglas County School District Approved by: TWhite, Superintendent Comment: While BDR 53-865 is intended to address minimum wage for private employers, this bill would still impact public employers such as DCSD. We currently have five (5) ranges on our classified salary schedule which fall under the \$11.00 per hour minimum wage this bill would require for employers who offer their employees' health insurance. To remain competitive in hiring qualified candidates, the passage of this bill would require DCSD to adjust our classified salary schedule. To take our range 10, step 1 to the \$11.00 per hour rate, we would have to increase the salary by 4.7%. This would then require DCSD to adjust our entire schedule by 4.7% to insure the same per hour difference between the various ranges and steps on our salary schedule. Total cost of a 4.7% increase, plus increased benefit costs, would be approximately \$532,682.00.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$532,682	\$0	\$0

School District: Humboldt County School District Approved by: David Jensen, Superintendent Comment: Current salary schedules exceed proposed minimum wage levels for all employees. As a result, no fiscal impact is noted.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Lincoln County School District Approved by: Pam Teel, Superintendent Comment: All hourly employees could be impacted causing a expense to the district that currently cannot be determined				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

School District: Lyon County School District Approved by: Shawn Heusser, Director of Finance Comment: Increasing minimum wage would require increases of at least the same amount per hour to all other employees of the school district. These numbers are based on a straight \$.75 per year increase per employee. If it resulted in a percentage increase as bargaining units would likely request, it would be substantially more.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$2,304,000	\$4,608,000	\$16,128,000

School District: Nye County School District Approved by: Kelly Wood, Executive Secretary Comment: There would be no impact for Nye County School District. We are a public entity.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: Pershing County School District Approved by: Russell D. Fecht, Superintendent Comment: May have impact on contracted project costs.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: Washoe County School District Approved by: Lindsay E. Anderson, Director of Government Affairs Comment: This legislation impacts private employers only. While this will not impact our salary schedule, it will be important for Washoe County School District to keep a competitive salary schedule.				
Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
No Impact	\$0	\$0	\$0	\$0

School District: **White Pine School District**

Approved by: Paul Johnson, CFO

Comment: This bill will definitely affect the cost of goods and services purchased but there is no way to quantify the impact. Any increase in wages should also influence tax revenue but this also cannot be quantified at this time.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$0	\$0	\$0

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