

**LOCAL GOVERNMENT  
FISCAL NOTE**

AGENCY'S ESTIMATES

Date Prepared: March 6, 2017

Agency Submitting: Local Government

<b>Items of Revenue or Expense, or Both</b>	<b>Fiscal Year 2016-17</b>	<b>Fiscal Year 2017-18</b>	<b>Fiscal Year 2018-19</b>	<b>Effect on Future Biennia</b>
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  
**SJR 6 / BDR C - 867**

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

Approved by: Michelle Thackston, Administrative Assistant

Comment: The City currently has 691 hourly employees that would be affected by this bill. The fiscal impact of moving these employees to \$12.00 per hr. would be approximately \$650,000 in wages and \$111,000 in non-health insurance related benefits such as employer taxes.

Additionally, there could be a secondary direct fiscal impact on wages paid, if salaries were to be adjusted to meet equity needs of those employees currently earning over \$12.00 per hour. This amount cannot be determined without a wage study, but an impact would be expected to maintain wage rates corresponding to skill levels.

There could also be a fiscal impact from all the outside services in the private sector that work with the City. We use outside companies for land maintenance, capital improvement projects, contracting to manage City venues and many others that would most likely endure the increase and have to pass the costs along to the City.

Another possible fiscal impact is that some private industry may not be able to sustain their business with this requirement of increased wages and employer paid employment taxes they may go out of business which decreases the city's tax base and business license revenue.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

City/County: **City of Reno**

Approved by: Amber Drlik, Management Analyst

Comment: The fiscal impact to the City of Reno to implement this legislation would be an estimated \$26,755 in additional wages and benefits until 2022. Beginning on January 1, 2022, the fiscal impact would be greater due to the required seventy-five cent increase in pay per hour worked, and would continue to increase until the affected employees reached an hourly pay of \$12.00.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$26,755	\$26,755	\$53,510

City/County: **City of Sparks**

Approved by: Jeff Cronk, Financial Services Director

Comment: The impact on future years is not calculable as it pertains to future staffing requirements that are currently unknown. However, this will certainly increase the City's costs for temporary or seasonal personnel.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

City/County: **Carson City**

Approved by: Nancy Paulson, CFO

Comment: Will result in increases to current employees hourly rate.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$33,000	\$33,000	\$66,000

City/County: **Clark County**

Approved by: David Dobrzynski, Asst Director of Finance

Comment: Increase minimum wage per hour worked from \$8.25 to \$9, and starting in 2022 increase the minimum wage by \$.75 per year until the minimum wage equals \$12. If Federal minimum wage is higher at any point than the Nevada minimum wage, then the Nevada minimum wage will adjust to equal the Federal wage rate.

Currently Clark County employs 115 Part-time employees making under \$9 an hour. An immediate increase to their wage rate would have a fiscal effect of \$71,287 per year until the year 2022 when the rate adjusts by \$.75 a year until reaching the cap of \$12 an hour.

Clark County does not employ any full-time Employees making under \$9 an hour.

Cost of living increases have not been included in out years

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$71,287	\$71,287	\$142,574

City/County: **Churchill County**

Approved by: Eleanor Lockwood, County Manager

Comment: BDR C-867 increases the minimum wage up to \$12/hour over a five-year period. The first increase occurs in 2018, and the remaining increases are annually starting in 2022 (until \$12/hour is reached). Unlike the previous minimum wage bill, this applies to ALL employers, not just private employers. If this bill were to pass, there would be a significant impact to Churchill County. In running potential scenarios, we estimate the fiscal impacts to be:

2018: \$3,500+

2022: \$10,000+

2023: \$21,000+

2024: \$34,000+

2025: \$47,000+

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$3,500	\$10,000	\$50,000

City/County: **Esmeralda County**

Approved by: Karen Scott, Auditor/Recorder

Comment: No Impact

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

City/County: **Humboldt County**

Approved by: Gina Rackley, Comptroller

Comment: No Impact. Humboldt County's minimum wage is already above the dollar amount set forth in this BDR.

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

City/County: **Mineral County**

Approved by: Cherrie A. George, Senior Services Director

Comment: Minimal impact on salaries and benefits for Senior Services Program staff.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$3,400	\$3,485	\$0

City/County: **Washoe County**

Approved by: Jamie Rodriguez, Government Affairs

Comment: Washoe County already pays \$12.50 as its minimum wage which is higher than the current Nevada state minimum wage by several dollars. This bill would have no impact on Washoe County until the 2020's by which time we would have analyzed our internal equity markers and our community bench marks for an ongoing adjustment. If this bill were passed as it, there would be no immediate impact on Washoe County.

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: Increasing the minimum wage will increase all wages as it ripples through the economy. This will have serious adverse impact on the County in the form of increased expense.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$470,896	\$480,314	\$2,943,104

School District: **Carson City School District**

Approved by: Andrew J Feuling, Director of Fiscal Services

Comment: All of our employees currently earn over \$9/hr. I am not sure of the impact after 2022, but I would guess that with wage inflation over that time, there would not be a significant impact.

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

School District: **Clark County School District**

Approved by: Dillon Kay, Assistant Budget Director

Comment: CCSD would be required to increase the hourly rate to \$9.00 per hour. This wage increase is estimated to cost \$200,000. To increase the hourly rate to \$12.00 per hour starting in 2022 would cost an additional estimated amount of \$10,700,000 over the course of 2022-2024.

Impact	FY 2016-17	FY 2017-18	FY 2018-19	Future Biennia
Has Impact	\$0	\$200,000	\$200,000	\$10,700,000

School District: **Douglas County School District**

Approved by: twhite, superintendent

Comment: There would be no impact of this bill to the Douglas County School District until 2024.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: **Lyon County School District**

Approved by: Shawn Heusser, Director of Finance

Comment: Has Impact

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$2,300,000	\$2,500,000	\$5,750,000

School District: **Lincoln County School District**

Approved by: Pam Teel, Superintendent

Comment: Will be an expense to our district with any increase in minimum wage for hourly employees.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Cannot Be Determined	\$0	\$0	\$0	\$0

School District: **Pershing County School District**

Approved by: Russell D. Fecht, Superintendent

Comment: Increase in Salary/Benefits to meet the requirements of the proposed law.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$100,000	\$100,000	\$200,000

School District: **Nye County School District**

Approved by: Kelly Wood, Executive Secretary

Comment: This bill would have a fiscal impact for Nye County School District. The total impact would be approximately \$315,000.00.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$0

School District: **Washoe County School District**

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

Comment: Washoe County School District does not anticipate a direct impact to our budget until 2022.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
No Impact	\$0	\$0	\$0	\$0

School District: **White Pine School District**

Approved by: Paul Johnson, CFO

Comment: Currently the lowest paid support staff position is \$8.99 per hour for employees that choose the employer paid PERS option. For employees that choose to pay half of their PERS contribution, the hourly minimum hourly wage is \$10.26. If the measure of compensation excludes PERS, then the increase to \$12 per hour will be significant. Increasing the base wage of a salary schedule by \$0.75 per year up to \$12.00 would have a cascading affect on collectively bargained and non-bargained wage schedules. For each year the District is required to increase the base wage by \$0.75, it will cost the District approximately 8.5% more for support staff. We estimate that this will increase support staff wages by approximately 30% for a base wage of \$12.00. This excludes any impact that this may have on collective bargaining for teachers and administrators.

<b>Impact</b>	<b>FY 2016-17</b>	<b>FY 2017-18</b>	<b>FY 2018-19</b>	<b>Future Biennia</b>
Has Impact	\$0	\$0	\$0	\$376,388

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