

Board of County Commissioners

CLARK COUNTY, NEVADA

TICK SEGERBLOM
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Vice Chair
JIM GIBSON
JUSTIN JONES
MARILYN K. KIRKPATRICK
ROSS MILLER
MICHAEL NAFT

COMMISSION CHAMBERS, GOVERNMENT CENTER
500 SOUTH GRAND CENTRAL PARKWAY
LAS VEGAS, NEVADA 89106
MONDAY, MAY 20, 2024

The Board of County Commissioners of Clark County, Nevada met in special session with the Clark County Redevelopment Agency, Clark County Water Reclamation District Board of Trustees, and the University Medical Center of Southern Nevada Board of Trustees in full conformity with law and bylaws of said Boards, at the regular place of meeting in the Commission Chambers, Government Center, Las Vegas, Clark County, Nevada on Monday, May 20, 2024, at 1:05 p.m. The meeting was called to order at 1:55 p.m. by Chair Segerblom and, on roll call, the following members were present, constituting a quorum of the members thereof:

CALL TO ORDER

CHAIR AND COMMISSIONERS:

Tick Segerblom
William McCurdy II
Jim Gibson
Justin Jones
Ross Miller**
Michael Naft

Absent:

Marilyn K. Kirkpatrick

Also Present:

Kevin Schiller, County Manager
Lisa Logsdon, Deputy District Attorney
Jessica Colvin, Chief Financial Officer
Tammy McMahan, Deputy Clerk
Sue Wohlbrandt, Deputy Clerk

** Via Teleconference

TICK SEGERBLOM Good afternoon. This is the time set for the Clark County Budget Hearing. Mister Schiller.

ITEM 1 Public Comment

KEVIN SCHILLER Good morning, Chairman and Commissioners. The first item on your agenda is public comment.

SEGERBLOM And also let me note that Commissioner Miller is on the line. Commissioner Kirkpatrick is excused.

Public comment. Anyone here wishing to speak on this item? Seeing no one, we'll close the public comment.

ITEM 2. Approval of Agenda (For possible action)

ACTION: Approved as recommended.

SCHILLER We can now move to your agenda, the approval of the agenda.

WILLIAM MCCURDY II I move for approval.

SEGERBLOM There's a motion for approval. Cast your vote. I know that motion passed even if he doesn't show it to us. Commissioner Miller, did you vote yes?

ROSS MILLER Yes. Sorry.

SEGERBLOM Yes.

ROSS MILLER Aye.

SEGERBLOM Aye.

SCHILLER I guess we're not showing. There we go.

SEGERBLOM That motion passes.

VOTE:
VOTING AYE: Tick Segerblom, William McCurdy II, Jim Gibson, Justin Jones, Ross Miller, Michael Naft
VOTING NAY: None
ABSTAIN: None
ABSENT: Marilyn K. Kirkpatrick

Item 3. Conduct a public hearing on the Fiscal Year 2025 Tentative Budget for Clark County. (For possible action)

ACTION: Conducted as recommended.

SCHILLER We can now move to the public hearing section. Item 3 is to conduct a public hearing on the Fiscal Year 2025 Tentative Budget for Clark County.

Good afternoon, Commissioners. Before I get started, I need to read into the record a letter that was submitted to us from Department of Taxation. Following our Preliminary Budget Hearing in March, we filed the Tentative Budget on April 15. Department of Taxation has submitted a letter that provides the compliance with their rules and policies, and it's in regarding the Tentative Budget, Fiscal Year 2024 to 2025 for Clark County, including 16 unincorporated towns and special districts; Clark County Regional Flood Control District, Clark County Water Reclamation District, Southern Nevada Health District, University Medical Center of Southern Nevada, Las Vegas Metropolitan Police Department, Kyle Canyon Water District, University of Nevada Cooperative Extension, and Eighth Judicial District Court. The Department of Taxation has examined the Fiscal Year 2024-2025 Tentative Budget for the above-named entities in accordance with NRS 3540.596, Subsection 5. We find all of the above to be in compliance with applicable statutes and regulations. We'll file this notice with the Clerk today.

I did want to take a minute – we read off all those entities to just recognize the budget staff and the finance staff. It's obviously a very complex budget, probably the most complex in the State of Nevada. And to get a compliance letter the first year for this relatively new team is a very big accomplishment for this group.

And with that, we'll get started. This again is a follow-up from the preliminary Tentative Budget that we presented to you in March of this year. And this has given you a comparison of General Fund Operating Revenues from Fiscal Year '24 to Fiscal Year 2025. And you can see that property taxes increased 10.5%. Again, we are at the statutory cap of 3% for residential and 8% for non-residential. And so, there's additional growth for new property.

Our licenses and permits are having a healthy increase. And similar to the message that we had in March, our intergovernmental or consolidated tax revenue is really starting to show signs of flattening or stabilizing. This increase is consistent with the projections provided by Department of Taxation. And as a reminder, the transfers in increasing 5%. Remember, those transfers in, those are revenues from property tax and consolidated tax revenue that's coming into the town funds. Those revenues come into the General Fund to pay for the expenses or the services that are provided to those towns. So, overall in the fiscal year, we are expecting a \$117 million increase, or 6%.

And then, moving on again, looking at our General Fund Operating Expenditures, Final Budget 2024 to Final Budget 2025, again, you're seeing overall a 6% increase. A couple of things I wanted to note here is it looks like when you look at Health and Welfare, that there's actually a decrease of \$8.7 million or 5.5%. There is a note here that during that year, in 2025, we're actually contributing \$22 million to the Community Housing Fund. That should be contemplated when you're looking at that Health and Welfare expenditure. And that transfer out is included in Transfers Out below. And in this budget, we did not provide you with a recommendation for supplemental expenditure, so there is \$8 million available for supplemental expenditures in Fiscal Year 2025. Right now, that's included in Other General Expense. That budget will be reallocated to various functions in the budget once we bring a recommendation to you and you give approval of that allocation. Any questions before I move on?

These next two slides is really just preparing for you what we've presented as far as the Tentative Budget for 2025 and what we filed on April 15, compared to any changes we are proposing to file on June 1 with the Final Budget. And for revenues, the only change that we have compared to what we filed in tentative is \$800,000 that would be coming in from the Airport. The Airport has agreed and would like to add additional fire service positions. So, you'll see that increase.

COLVIN And doing the same exercise, looking at the Tentative Budget for 2025 to final, looking at the expenditures, you can see that Public Safety has also increased \$800,000. That matches the fire service positions. That will be included in your supplemental later this summer that'll be paid for by the Airport. And the only other change between the tentative and final is when you look at Other General Expense and Transfers Out, that \$8 million in supplemental position costs was included as a transfer out in the Tentative Budget. We've re-classed that to Other General Expense. It'll be included as miscellaneous expenditures. So, overall, pretty nominal changes to the General Fund budget for revenues and expenditures from tentative to final.

And we'll be filing today with the Clerk, a list of all of the budget changes from tentative to final. We could provide that to you as well, for each fund in the County budget.

So, our next steps from here, if there are no questions, is we'll be filing the Final Budget that you have in front of you on June 1 with the Department of Taxation. And then, we'll be coming back to you in the July or August timeframe to present to you our supplemental position and capital project recommendations for your approval.

SEGERBLOM Does that complete your presentation?

COLVIN It does.

SEGERBLOM All right. So, this is a public hearing. Anyone here wishing to comment about what you just heard, and praise the staff for their amazing work in making this thing all fit together? Please, come forward. Seeing no one, we'll close the public hearing, and I guess turn it over to – Commissioner McCurdy?

MCCURDY II There are no questions for members of the Board. I move for approval of the 2025 Tentative Budget.

SEGERBLOM There's a motion pending.

LISA LOGSDON You don't need a motion on this one. These are the public hearings. And then, five and six, the next ones –

SEGERBLOM Oh, sorry. So, no one here on the public hearing until we'll move forward to the next two votes.

ITEM 4. Conduct a public hearing on the Fiscal Year 2025 Tentative Budget for the Clark County Redevelopment Agency. (For possible action)

ACTION: Conducted as recommended.

SCHILLER Commissioners, your next item is to conduct a public hearing on the Fiscal Year 2025 Tentative Budget for the Clark County Redevelopment Agency.

COLVIN Commissioners, again, this is the public hearing for the Redevelopment Agency. I wanted to – we should have a compliance letter from Department of Taxation that hasn't been received yet. We've had verbal notification that we are in compliance. We'll just make sure we get a copy and file that with the Clerk before June 1.

The Clark County Redevelopment Agency was created in December 2002. The boundaries include the Paradise Town, Sunrise Manor Town, and Winchester. The

COLVIN

assessed values of the parcels within those areas were established as of July 1, 2003. And that is known as the Base Year Valuation.

A couple of definitions here. And increment is the change in the current assessed values within the redevelopment area compared to the base year. When there's a positive change that generates ad valorem revenue that would be credited to the redevelopment area, and if there's a negative change that would reduce the year's ad valorem revenue. And if there's no change or if there's a negative value, then there's no revenue that will go to the RDA. So, to give you a visual of that, we provided, quickly, for each town within the RDA, you can see the assessed values, and that gold line represents the base year. So, you could see where there's been growth. So, pre-recession and then going into the recession, those values declined. And in Paradise, they have steadily inclined in this area.

The same is true for Sunrise Manor, where there was significant increase in assessed values prior to the recession, and then pretty flat to the base year. Until recently, in 2019, we've seen some growth in that incremental value.

But where you really have the significant growth is in Winchester Town. Again, the gold line being the base year, and the assessed values above that represent the increment. So with assessed value growth, you're also – before I segue into that – this is just a combination. So again, the largest growth in assessed value is going to be in Winchester town compared to the base value year with the gold line.

And so, with the growth and assessed value, you can see that from the base year to 2025 Assessed Valuation, there's been approximately \$1.1 billion in assessed value growth, which should be considered the incremental change. And with that growth and assessed value, although limited by property tax caps, and abatements, there is property tax revenue that is now dedicated to the redevelopment agency. The majority of that property tax revenue is coming from Winchester town of \$15.8 million, which is pretty much the entire property tax revenue in the RDA, which is estimated for Fiscal Year 2025.

So, in building the budget, we wanted to make sure that we give the RDA the full authority to spend all of the resources, so we will give you a little summary. We are estimating that Beginning Fund Balance, which is a carryover from Fiscal Year 2024, will total \$25.5 million. When you add the 2025 Property Tax of \$15.9 million and some incremental interest income, we expect Total Resources to total \$41.4 million. And we've appropriated that in total. So, your expenditures total \$41.4 million, Estimated and Ending Fund Balance of zero. Now I don't know that the complete \$41 million will be spent in fiscal year twenty-twenty-five, but you have the ability to spend it and legal authority to spend it.

Today, we don't have a complete presentation for you of what those programs or projects will be out of the RDA. But at a future RDA meeting, Shani Coleman and Kevin Schiller should be able to provide you with an overview of what's anticipated, with some recommendations for this fund or for this agency. And that concludes my presentation unless you have any questions?

SEGERBLOM

Any questions? Commissioner Jones?

JUSTIN JONES

Thank you, Mister Chair. I just want to confirm what I think I probably know, if we didn't have property tax abatements, the revenue going into the Redevelopment Agency would be much higher, just so it would be for the General Fund?

JONES

COLVIN

Yes, it would.

JONES That's what I thought.

SEGERBLOM Is that a motion to change the abatement for businesses? All right, that was the end of that public hearing. So, is there a third public hearing? Is that it?

SCHILLER No.

LOGSDON Go ahead and open the public hearing.

SEGERBLOM Okay. All right. This is a public hearing. Anyone here wishing to speak about that item, please come forward. Seeing no one, we'll close that public hearing and add one more item.

ITEM 5. Adopt the Final Budget for Clark County, the Unincorporated Towns and Special Districts, the University Medical Center and the Clark County Water Reclamation District for the Fiscal Year 2025, and direct staff to transmit the approved documents to the State of Nevada Department of Taxation as prescribed by law. (For possible action)

ACTION: Approved as recommended.

SCHILLER Commissioners, we can now move to the business section of your agenda. Item 5 is to adopt the Final Budget for Clark County, the unincorporated towns and special districts, the University Medical Center, and the Clark County Water Reclamation District for the Fiscal Year 2025, and direct staff to transmit the approved documents to the State of Nevada Department of Taxation, as prescribed by law.

MCCURDY II Mister Chair, I move for approval.

SEGERBLOM There's a motion. Cast your vote. Commissioner Miller?

MILLER Aye. Yes.

SEGERBLOM That motion passes.

VOTE:

VOTING AYE:	Tick Segerblom, William McCurdy II, Jim Gibson, Justin Jones, Ross Miller, Michael Naft
VOTING NAY:	None
ABSTAIN:	None
ABSENT:	Marilyn K. Kirkpatrick

ITEM 6. Adopt the Final Budget for the Clark County Redevelopment Agency for the Fiscal Year 2025, and direct staff to transmit the approved documents to the State of Nevada Department of Taxation as prescribed by law. (For possible action)

ACTION: Approved as recommended.

SCHILLER Item 6 is to adopt the Final Budget for Clark County Redevelopment Agency for Fiscal Year 2025, and direct staff to transmit the approved documents to the State of Nevada Department of Taxation, as prescribed by law.

SEGERBLOM We'll let Commissioner Miller make this motion. Commissioner Miller?

MILLER I move for approval.

SEGERBLOM All right, cast your vote.
MILLER Yes.
SEGERBLOM I don't know if I heard you say aye. Yes? Did you get Commissioner Miller? Okay, good. That motion passes.

VOTE: **VOTING AYE:** Tick Segerblom, William McCurdy II, Jim Gibson, Justin Jones, Ross Miller, Michael Naft
VOTING NAY: None
ABSTAIN: None
ABSENT: Marilyn K. Kirkpatrick

ITEM 7. Go into closed session, pursuant to NRS 241.015(4)(c) as amended by AB52, to receive information from the District Attorney regarding potential or existing litigation involving a matter over which the Board has supervision, control, jurisdiction or advisory power, and to deliberate toward a decision on the matter, and pursuant to NRS Chapter 288.220, to receive a report on the status of ongoing labor negotiations; and direct staff accordingly. (For possible action)

ACTION: A closed session was held. No action was taken by the Board.

PUBLIC COMMENTS

SCHILLER Commissioners, we can now move to the second section set aside for public comment.

SEGERBLOM This is a second period for public comment. Anyone wishing to speak on any item can come forward at this point and speak for three minutes. Seeing no one, we'll close the second period of public comment, and –

SCHILLER And then, we do have a closed-door session.

SEGERBLOM All right, great. Thank you so much. And thanks to the staff. Fantastic job.

There being no further business to come before the Board at this time, at the hour of 2:11p.m., Chair Segerblom adjourned the meeting.

APPROVED:

TICK SEGERBLOM, CHAIR

ATTEST:

LYNN MARIE GOYA, COUNTY CLERK