

## NEVADA LEGISLATURE - SPECIAL SESSION

## SENATE FINANCE COMMITTEE

February 15, 1968

A meeting of the Senate Finance Committee was held in Room 50, State Capitol Building on February 15, 1968 at 10:30 a.m.

All members of the Senate Finance Committee were present.

Also present: Senator Fisher

Mr. Howard Barrett, Budget Director

Mr. Frank Daykin, Chief Deputy Legislative Counsel

Chairman Floyd Lamb opened the meeting at 10:30 a.m. for the consideration of Assembly Bill No. 3. He stated no action would be taken, but the meeting was for the purpose of discussion.

Senator Franzway opened the discussion by stating he felt the Community College at Elko was a glorified hobby program, and not worthy of tax support. He stated there are extension courses available at the University, and Adult Education classes at the High Schools, and he felt if the Finance Committee passed this bill, they would be guilty of fiscal irresponsibility.

Senator Slattery said he was forced to oppose it too, and would definitely not go along with it.

Senator Pozzi said he believed they should be a little more objective occasionally, and that it was not necessary for legislators to be anti everything all of the time. He stated times change and he did not feel the same as his father had felt about things; that if adults wanted to increase their education, more power to them, and stated that a lot of kids getting out of High School that are not academically trained have no where to go. He said he approved it. The people wanting this education are citizens of the state.

Senator Fisher agreed with Senators Slattery and Franzway. He said they didn't have that kind of money in his county, and that he didn't think the state had it.

Senator Lamb suggested asking Elko County for 50% of the money.

Senator Gibson said he thinks they have a real problem in this bill, that they are putting the cart before the horse because the Committee is being asked to fund a program, that they do not as yet know what the cost will be. He stated he was going to ask the Committee to take out the \$29,000 and then require the County to go to the tax roll to match whatever the State Aid would be. He thinks it would be favorable to have the opinion of the people on it.

Senator Lamb asked if the Governor did not think this college should be self-supporting, and was told this was true.

Senator Brown said he had very serious doubts on Community Colleges. For one thing the enrollment at Elko now numbered 540, and he felt that help to those under twenty one years of age should have priority.

Senator Titlow agreed with this, saying that there are counties whose high schools are sadly in need of equipment. He stated that his daughter is now at the University of Nevada and had just looked through a microscope for the first time. In the Chemistry Lab in Tonopah, they did not even have a test tube in their chemistry equipment.

Senator Franzway stated that before the meeting closed, he would like to answer Senator Pozzi's comments. He stated that he is not anti everything, and that the original technical - vocational bill introduced here four years ago was introduced by him. However, he stated his objections at this time were because he did not feel the state could afford it.

Chairman Floyd Lamb announced that they would continue this meeting to another time.

Chairman Floyd Lamb then held the Committee over for consideration of Senate Bill No. 7, which concerns apportionment of \$50,000 to the Department of Welfare. He stated some of the programs are long are funds, some are short of their budget, and balanced out, there is a deficit of \$51,393. The \$50,000 requested will be a categorical fund which will be added to whatever funds needed to be balanced out. He said they were requested that they be allowed to transfer the surplus into those funds that have a deficit. He said it was possible to go into next year's monies to pay off the shortage this year, but there was a deficit of \$50,000. In the past it has been indicated that the Welfare Department was not to decrease the grants if they received a greater caseload.

Senator Slattery asked what happened when Social Security increased their payments to Old Age Recipients. He said he wanted to know where the money went. Howard Barrett told him that he understands the Social Security payments will increase something like 13% or \$9.51 per person, and said that this then is additional income for the Old Age recipient who also receives money from the State Program. This reduces his need so there is a reduction in the State's check.

Senator Slattery said he still wanted to know what they did with that money.

Mr. Barrett said half of that money is Federal funds, thus Federal never gives the State that amount and the other half reverts back to the Welfare Fund.

Senator Gibson stated that the matter was controlled right in the Legislature. If the caseload increases that money just goes to help cover it.

Mr. Barrett stated their schedules were set in 1957 or somewhere thereabouts.


Discussion followed on increase of the ADC program, and the harmony between the Welfare Department and the Budget Division, on their figures.

Senator Brown made the motion that the bill be passed.

Senator Gibson seconded the motion.

Senate Bill No. 7 passed unanimously.

Respectfully submitted,

  
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Viola R. Bonawitz - Secretary

  
\_\_\_\_\_  
Floyd R. Lamb - Chairman

CONSOLIDATED BOND AND INTEREST REDEMPTION FUND  
ANALYSIS OF ESTIMATED FUND BALANCES  
FOR FISCAL YEARS 1967-68 AND 1968-69

## EXHIBIT B

	<u>Fiscal Year</u>		<u>Combined Totals</u>
	<u>1967-68</u>	<u>1968-69</u>	
<u>FUNDS AVAILABLE:</u>			
Appropriation - General Fund (1967 Legislature)	\$ 1,038,377.00	\$ 5,582,698.00	\$ 6,621,075.00
Balance Carried Forward, June 30, 1967	96,828.00	--	96,828.00
Refund of Interest Expense-1967	19,120.03	--	19,120.03
<b>Total Funds Available</b>	<b><u>\$ 1,154,325.03</u></b>	<b><u>\$ 5,582,698.00</u></b>	<b><u>\$ 6,737,023.03</u></b>
<u>FUNDS REQUIRED TO BE SPENT:</u>			
Bond and Interest Redemption:			
Fiscal Year 1967-68 - Schedule No. 1	\$ 1,210,463.37	\$ --	\$ 1,210,463.37
Fiscal Year 1968-69 - Schedule No. 2	--	1,300,617.12	1,300,617.12
Service Charges	300.00	600.00	900.00
<b>Total Funds Required to be Spent</b>	<b><u>\$ 1,210,763.37</u></b>	<b><u>\$ 1,301,217.12</u></b>	<b><u>\$ 2,511,980.49</u></b>
 Balance June 30, 1968 and 1969	 <u>\$ ( 56,438.34)</u>	 <u>\$ 4,281,480.88</u>	 <u>\$ 4,225,042.54</u>

BOND AND INTEREST REDEMPTION  
FISCAL YEAR 1967-68

SCHEDULE NO. 1

	Total Bonded Indebtedness	Payments		
		Principal	Interest	Total
<u>BONDED INDEBTEDNESS, JUNE 30, 1967:</u>				
1947-Nevada State Prison	\$ 40,000.00	\$ 40,000.00	\$ 900.00	\$ 40,900.00
1949-Nevada State Prison	15,000.00	10,000.00	375.00	10,375.00
1953-State Office Building	96,000.00	16,000.00	2,880.00	18,880.00
1953-State Hospital	85,000.00	10,000.00	2,550.00	12,550.00
1955-Manzanita Hall	80,000.00	10,000.00	2,325.00	12,325.00
1955-Prison Heating	29,000.00	4,000.00	840.00	4,840.00
1955-Office Building-Carson City	135,000.00	40,000.00	3,750.00	43,750.00
1955-Office Building-Carson City	185,000.00	---	5,550.00	5,550.00
1955-Nevada Southern	85,000.00	10,000.00	2,475.00	12,475.00
1955-School Construction	208,000.00	26,000.00	6,045.00	32,045.00
1955-Ext. & Hatch Bldg. U. of Nev.	185,000.00	25,000.00	5,325.00	30,325.00
1962-Minimum Security Prison	70,000.00	70,000.00	1,312.50	71,312.50
1962-Minimum Security Prison	210,000.00	---	8,400.00	8,400.00
1962-Minimum Security Prison	70,000.00	70,000.00	1,312.50	71,312.50
1962-Minimum Security Prison	210,000.00	---	8,400.00	8,400.00
1964-Minimum Security Prison	290,000.00	---	11,600.00	11,600.00
1963-Marlette Lake	1,404,000.00	82,000.00	42,120.00	124,120.00
1963-G.O. Building Bonds	1,505,000.00	215,000.00	35,958.75	250,958.75
1965-G.O. Building Bonds	1,255,000.00	100,000.00	36,500.00	136,500.00
1965-G.O. Building Bonds	<u>2,655,000.00</u>	<u>145,000.00</u>	<u>83,925.00</u>	<u>228,925.00</u>
Totals	\$ 8,812,000.00	\$873,000.00	\$262,543.75	\$1,135,543.75
9/1/67 G.O. Improvement Bonds	<u>4,085,000.00</u>	<u>---</u>	<u>74,919.62</u>	<u>74,919.62</u>
Totals	<u>\$12,897,000.00</u>	<u>\$873,000.00</u>	<u>\$337,463.37</u>	<u>\$1,210,463.37</u>
<u>BONDED INDEBTEDNESS, JUNE 30, 1968</u>	<u>\$12,024,000.00</u>			

BOND AND INTEREST REDEMPTION  
FISCAL YEAR 1968-69

SCHEDULE NO. 2

<u>BONDED INDEBTEDNESS, JUNE 30, 1968:</u>	<u>Total Bonded Indebtedness</u>	<u>Payments</u>		
		<u>Principal</u>	<u>Interest</u>	<u>Total</u>
1949-Nevada State Prison	\$ 5,000.00	\$ 5,000.00	\$ 75.00	\$ 5,075.00
1953-State Office Building	80,000.00	16,000.00	2,400.00	18,400.00
1953-State Hospital	75,000.00	15,000.00	2,250.00	17,250.00
1955-Manzanita Hall	70,000.00	10,000.00	2,025.00	12,025.00
1955-Prison Heating	25,000.00	4,000.00	720.00	4,720.00
1955-Office Building-Carson City	95,000.00	40,000.00	2,550.00	42,550.00
1955-Office Building-Carson City	185,000.00	---	5,550.00	5,550.00
1955-Nevada Southern	75,000.00	10,000.00	2,175.00	12,175.00
1955-School Construction	182,000.00	26,000.00	5,265.00	31,265.00
1955-Ext. & Hatch Bldg. U. of Nev.	160,000.00	25,000.00	4,575.00	29,575.00
1962-Minimum Security Prison	210,000.00	70,000.00	7,000.00	77,000.00
1962-Minimum Security Prison	210,000.00	70,000.00	7,000.00	77,000.00
1962-Minimum Security Prison	290,000.00	---	11,600.00	11,600.00
1963-Marlette Lake	1,322,000.00	82,000.00	39,660.00	121,660.00
1963-G.O. Building Bonds	1,290,000.00	215,000.00	30,852.50	245,852.50
1965-G.O. Building Bonds	1,155,000.00	100,000.00	33,000.00	133,000.00
1965-G.O. Building Bonds	<u>2,510,000.00</u>	<u>145,000.00</u>	<u>77,400.00</u>	<u>222,400.00</u>
Totals	\$ 7,939,000.00	\$833,000.00	\$234,097.50	\$1,067,097.50
9/1/67 G.O. Improvement Bonds	<u>4,085,000.00</u>	<u>85,000.00</u>	<u>148,519.62</u>	<u>233,519.62</u>
Totals	<u>\$12,024,000.00</u>	<u>\$918,000.00</u>	<u>\$382,617.12</u>	<u>\$1,300,617.12</u>
<u>BONDED INDEBTEDNESS, JUNE 30, 1968</u>	<u>\$11,106,000.00</u>			

GENERAL FUND  
COMPARISON OF REVENUE PROJECTIONS  
AND GENERAL FUND BALANCES

	<u>Fiscal Analyst</u>	<u>Budget Director</u>	<u>Fiscal Analyst Over (Under)</u>
<u>GENERAL FUND BALANCE, JUNE 30, 1967</u>	<u>\$ 5,533,011.51</u>	<u>\$ 5,533,011.54</u>	<u>\$ ( .03)</u>
<u>FISCAL YEAR 1967-68:</u>			
Estimated Revenue-Schedule No. 1	\$64,277,800.00	\$65,266,521.00	\$ ( 988,721.00)
Add: Estimated Reversions	500,000.00	450,000.00	50,000.00
Total	<u>\$64,777,800.00</u>	<u>\$65,716,521.00</u>	<u>\$ ( 938,721.00)</u>
Total Estimated Funds Available	<u>\$70,310,811.51</u>	<u>\$71,249,532.54</u>	<u>\$ ( 938,721.03)</u>
Appropriations-1967 General Session	\$66,610,722.00	\$66,610,722.00	\$ --
Recommended Appropriations-1968 Special Session	1,165,938.00	1,165,938.00	--
Estimated Cost of 1968 Spec. Session	150,000.00	150,000.00	--
Total Appropriations	<u>\$67,926,660.00</u>	<u>\$67,926,660.00</u>	<u>\$ --</u>
<u>GENERAL FUND BALANCE, JUNE 30, 1968</u>	<u>\$ 2,384,151.51</u>	<u>\$ 3,322,872.54</u>	<u>\$ ( 938,721.03)</u>
<u>FISCAL YEAR 1968-69:</u>			
Estimated Revenue-Schedule No. 2	\$67,174,700.00	\$68,660,406.00	\$(1,485,706.00)
Add: Estimated Reversions:			
Bond Int. and Redemption Fund	4,225,042.54	4,260,746.00	( 35,703.46)
Other Reversions	1,500,000.00	1,139,961.00	360,039.00
Total	<u>\$72,899,742.54</u>	<u>\$74,061,113.00</u>	<u>\$ (1,161,370.46)</u>
Total Estimated Funds Available	<u>\$75,283,894.05</u>	<u>\$77,383,985.54</u>	<u>\$ (2,100,091.49)</u>
Appropriations-1967 General Session	\$70,997,895.00	\$70,997,895.00	\$ --
Recommended Appropriations-1968 Special Session	1,303,644.00	1,303,644.00	--
Estimated Cost of 1969 Spec. Session	500,000.00	--	500,000.00
Total Appropriations	<u>\$72,801,539.00</u>	<u>\$72,301,539.00</u>	<u>\$ 500,000.00</u>
<u>GENERAL FUND BALANCE, JUNE 30, 1969</u>	<u>\$ 2,482,355.05</u>	<u>\$ 5,082,446.54</u>	<u>\$ (2,600,091.49)</u>
<u>ADJUSTMENT:</u>			
General Fund Balance, June 30, 1967	\$ 2,482,355.05	\$ 5,082,446.54	\$ 2,600,091.49
Estimated Cost of 1969 General Session	<u>--</u>	<u>500,000.00</u>	<u>500,000.00</u>
Adjusted Balance, June 30, 1969	<u>\$ 2,482,355.05</u>	<u>\$ 4,582,446.54</u>	<u>\$ 2,100,091.49</u>

	Initials	Date
Prepared By		7/6/68
Approved By		

GENERAL FUND  
COMPARISON OF REVENUE PROJECTIONS  
FISCAL YEAR - 1967-68

R. E. BRUCE

SCHEDULE No. 1

	(1)	(2)	(3)
	FISCAL ANALYST	BUDGET DIRECTOR	FISCAL ANALYST OVER < UNDER >
1 PROPERTY TAX	\$ 3,662,200	\$ 3,684,000	\$ < 21,800 >
2			
3 SALES TAX	2,392,270	2,441,763	< 49,493 >
4			
5 GAMING TAXES	2,201,800	2,242,969	< 41,169 >
6			
7 CASINO ENTERTAINMENT TAX	4,929,600	5,020,000	< 90,400 >
8			
9 LIQUOR TAX	3,723,200	3,644,178	79,022
10			
11 INSURANCE PREMIUM TAX	2,455,800	2,400,000	55,800
12			
13 REAL ESTATE TRANSFER TAX	119,000	118,750	250
14			
15 LICENSES	1,370,400	1,383,260	< 12,860 >
16			
17 FEES AND FINES	398,400	416,000	< 17,600 >
18			
19 CHARGES FOR SERVICES	274,000	216,500	57,500
20			
21 USE OF MONEY AND PROPERTY	896,000	1,071,503	< 175,503 >
22			
23 ALL OTHER RECEIPTS	508,500	465,000	43,500
24			
25 <u>TOTAL ESTIMATED REVENUES</u>	<u>\$ 6,427,780</u>	<u>\$ 6,526,521</u>	<u>\$ &lt; 98,741 &gt;</u>

NOTE:

THE BUDGET DIRECTOR'S PROJECTED REVENUE FOR THE FISCAL YEAR 1967-68 IS 1.54% GREATER THAN THE PROJECTION MADE BY THE FISCAL ANALYST.



	Initials	Date
Prepared By		2/6/68
Approved By		

GENERAL FUND  
COMPARISON OF REVENUE PROJECTIONS  
FISCAL YEAR - 1968-69

RE. BRUCE

SCHEDULE No. 2

	(1)	(2)	(3)
	FISCAL ANALYST	BUDGET DIRECTOR	FISCAL ANALYST OVER <UNDER>
1	PROPERTY TAX	\$3881900	\$3905000 <23100>
2			
3	SALES TAX	24551500	25179370 <627870>
4			
5	GAMING TAXES	22918900	23820203 <901303>
6			
7	CASINO ENTERTAINMENT TAX	5422600	5522000 <99400>
8			
9	LIQUOR TAX	3,909300	3857070 52230
10			
11	INSURANCE PREMIUM TAX	2,701300	2,600000 101300
12			
13	REAL ESTATE TRANSFER TAX	476000	475000 1000
14			
15	LICENSES	1401200	1368760 32440
16			
17	FEES AND FINES	453500	478000 <24500>
18			
19	CHARGES FOR SERVICES	48000	38500 9500
20			
21	USE OF MONEY AND PROPERTY	896000	951503 <55503>
22			
23	ALL OTHER RECEIPTS	514500	465000 49500
24			
25	TOTAL ESTIMATED REVENUES	\$67,174,700	\$68,660,406 <1,485,706>

NOTE:

THE BUDGET DIRECTOR'S PROJECTED REVENUE FOR THE FISCAL YEAR 1968-69 IS 2.21% GREATER THAN THE PROJECTION MADE BY THE FISCAL ANALYST.