

Assembly

GOVERNMENT AFFAIRS COMMITTEE
MINUTES OF THE MEETING
FEBRUARY 25, 1971

56 ASSEMBLY SESSION

188

ALL MEMBERS PRESENT

ALSO PRESENT: STAN COLTON, CC EMPLOYEE-MANAGEMENT COMMITTEE
JOHN CERVERI, CITY OF RENO EMPLOYEES ASSOCIATION
JAMES WEHE, CITY OF RENO EMPLOYEES ASSOCIATION
AL TAMAGNI, CITY OF SPARKS EMPLOYEES ASSOCIATION
JIM GIST, CITY OF LAS VEGAS EMPLOYEES ASSOCIATION
CLAY HAMER, CITY OF LAS VEGAS EMPLOYEES ASSOCIATION
KEITH HENDRIKSON, PEACE OFFICERS AND FIRE FIGHTERS
LEN ROBINSON, NSEA
CARL SULLIVAN, NSEA
VINCE SANICORE, CCCTA
DONALD ANDERSON)
ROBERT STELLON) RETIREMENT BOARD
GRAY PRESNELL)
DR. R.C. WEEMS, RETIREMENT BOARD MEMBER
RICHARD DUNN, INVESTMENT COUNSEL
BOB GAGNIER, SNEA
KEN BUCK, SNEA

Chairman Smith called the meeting to order.

AB 284 - Revises composition of Public Employees' Retirement Board and provides for election of members by employee group.

Mr. Hendrekson spoke first restating the position of the Police Officers and Firefighters supporting this bill. Mr. Hendrickson stated that he agreed with Mr. Lauri's suggestion of two additional members on the board.

Assemblyman Lauri stated that there had been a misunderstanding, as this was not his suggestion.

Mr. Hendrekson stated that it was the recommendation of his association that the two additional members be included.

The representatives of the City of Reno and the City of Sparks non-uniform employees spoke in favor of the bill.

Mr. Gist and Mr. Hamer of the City of Las Vegas Employees' Association also spoke in favor of the bill.

Assemblyman Getto questioned how the local employees could possibly elect members when they have no state-wide organization.

Mr. Gist replied that some organizational work was being done in this area and if the bill passes they will have two years to organize.

Assemblyman Getto voiced his concern that the majority of the members would be elected from the Las Vegas area as the greater number of public employees are in that area.

Assemblyman Branch replied that since the Governor will appoint the first board from all over the state those members who do a good job will very likely be re-elected.

Len Robinson stated that the teachers were in favor of the bill, but would have no objection to having the board increased to include two members from the general public.

Mr. Colton, representing 1200 Clark County employees, stated that his group favored the bill.

Assembly

GOVERNMENT AFFAIRS COMMITTEE
MINUTES OF THE MEETING
FEBRUARY 25, 1971
PAGE 2

In response to Assemblyman Lauri's question, if Mr. Colton would have any objections to the addition of two members of the board from the general public, Mr. Colton stated that although he had not discussed the matter with his board, he personally objected to the additional members. -189

Assemblyman Bryan voiced his concern as to how the board could be elected without state-wide organizations of public employees. He stated that he felt some guidelines should be included in the bill to take care of the election or selection of members of the board. Assemblyman Branch stated that Mr. McDonald had suggested that such guidelines could be established by the first appointed board. Assemblyman Bryan also suggested that the Governor should be given the authority to appoint a replacement to the board if there was a vacancy.

Mr. Colton agreed that this might be advisable.

Mr. Buck stated that he was not for or against the bill and had not studied it, but he wanted to point out several areas that he felt should be given consideration.

1. The non-voting members were of little value.
2. He saw no difference between city, county or state employees.
3. The non-teaching school personnel was not mentioned.

He also told the committee that the general public representatives have be of great value to the Board.

Mr. Sanicore, of the Clark County Classroom Teachers' Association, stated that his organization was in favor of the bill and would not object to increasing the board to seven members, however, he strongly objected to removing the three non-voting members. He also felt the non-teaching school district employees would feel that they were represented by the county organizations.

Chairman Smith suggested that the bill be redrafted.

Richard Dunn, investment counselor, explained to the committee the general investment policy of the retirement board and strongly suggested that the limit of 20% of the fund now allowed to be invested in common stocks be increased to 40%. His reason being that stocks provide a hedge against inflation. He stated that at present 17% of the fund is invested in common stock, and the amount of stock that would be bought if the limit were raised would depend on the market. Assemblyman Getto asked if the cash inflow would be enough to cover the money that must be paid out every month.

Mr. Dunn answered that the interest would cover the retirement benefits.

At the request of the committee Dean Weems, member of the Retirement Board, explained his ideas on the funding of the fund. He stated that at present he felt there was no reason for panic. There are many states that do not have a fully funded fund and only a few who do. He explained the amount of funding required from the general fund would depend on the increase in benefits granted by the Legislature. He suggested that the rate of contributions be slowly raised over the next ten years. It is his belief that a fully funded fund will not be necessary until there are more people retiring than there are new employees coming into the system.

Mr. Buck suggested that the committee keep in mind the fact that the retirement system in Nevada was designed to be a pay as you go system and has worked well. He stated that there has been some talk which might scare some of the committee members into feeling that the system was in very poor condition.

Dean Weems said that he felt that some of the groups of government employees have a misconception as to the powers of the Retirement Board and that he felt the present board does a fine job. He said that perhaps there has been a lack of communication between the board and the employees. It was his opinion that the employee groups could obtain their objectives by closer contact with the members of the legislature and the Governor, as the board only carries out the wishes of the legislature, who are the real bosses. Assemblyman Getto asked if the increase to 8% was necessary just to keep the fund even.

Dean Weems replied that he did not think so as long as the state keep growing.

Chairman Smith asked for Dean Weems' recommendation as to a long range plan to fund the system.

Dean Weems replied that he would suggest an increase to 7% this session and perhaps in two years to 7½%, and two years later to 8%.

Assemblyman Getto asked how soon the fund should be fully funded.

Dean Weem said that he doubted it would ever be necessary to have a fully funded fund, however he did feel that any additional benefits should be funded as granted.

Chairman Smith asked the cost to the State of Nevada if the contribution to the fund was raised to 7%.

Mr. Hendrikson replied that to raise the rate to 8% would cost 1,200,000. per year.

Chairman Smith thanked Dean Weems and Mr. Buck for explaining to the committee so much about the retirement fund.

AB 289 - Amends Elko city charter to correct statutory error concerning forthcoming city elections.

Assemblyman Ronzone moved that AB 289 be indefinitely postponed.

Assemblyman Bryan seconded the motion.

The motion carried.

Chairman Smith asked for committee introduction of several BDRs, which had been given him by the bill drafters.

Assemblyman Ronzone moved committee introduction of the BDRs.

Assembly

GOVERNMENT AFFAIRS COMMITTEE
MINUTES OF THE MEETING
FEBRUARY 25, 1971
PAGE 4

1- 191

Assemblyman Bryan seconded the motion.
The motion carried unanimously.

The meeting was adjourned.

PUBLIC EMPLOYEES RETIREMENT SYSTEM OF THE STATE OF NEVADA*

The retirement system for state and local employees in Nevada was established in 1948; in 1949 the state-wide teachers' system, after a two-thirds vote of the active and retired members, was absorbed into the public employees' retirement system. Contributions of members of the teachers' retirement system were refunded unless their benefits had already accrued. The state's contributions to the teachers' system were retained by the state department of education to be used in paying employer contributions to the public employees' retirement system.

The last amendatory legislation was enacted in 1969. Statutory citation: Nevada Revised Statutes, sec. 286.010 to 286.816.

Membership

Membership includes all state employees, all public-school employees, and the employees of covered political divisions whose positions normally require 1,200 or more hours of service a year. Membership is compulsory except for elective officers who may choose whether or not to participate. Effective July 1, 1969, professional staff members of the University of Nevada have the option of participating in this system or in the Teachers Insurance and Annuity Association.

As of June 30, 1969, the system had 21,595 active members.

Creditable Service

Prior service is creditable for all service rendered before the system was established, without cost to the member.

Military service performed between September 15, 1940, and December 31, 1946, on and after June 27, 1950 to January 31, 1955, and from August 4, 1964, to the date to be proclaimed for the cessation of Viet Nam hostilities, is creditable if the member entered military service from and returned to covered employment within one year after release from active duty and completed five years of membership service following his return.

Teaching in overseas dependents schools and out-of-state service are not creditable.

Withdrawals and Refunds

A member who leaves the service may withdraw his contributions, without interest. There is no service charge.

Provisions for Members' Borrowing

None.

Vesting and Deferred Allowances

Benefits vest after 20 years of service, and a deferred allowance is payable at age 60. The benefit formula for deferred retirants is the same as for normal retirement.

Benefits also vest after 15 years of service. The normal benefit formula is used with a reduction of 4 percent for each year under 20 years of service.

Retirement Requirements and Benefit Formulas

Normal retirement for public-school employees is at age 60 with 10 years of service, or at age 55 with 30 years of service. Contributions continue for as long as the member remains in service. The benefit is based on the average salary of the three highest years in the last 10 years of service, limited to the salary on which contributions were allowed. The salary limit for contributions was \$400 per month prior to July 1, 1959, \$600 per month from July 1, 1959, to July 1, 1963. After July 1, 1963, contributions are made on total salary.

The retirement allowance is 25 percent of average salary for the first 10 years of service, plus an additional 2-1/2 percent of average salary for each of the next 10 years of service (to 20 years), plus an additional 1-1/2 percent for each of the next 10 years. Fractions of years are prorated. The maximum allowance is 65 percent of average salary for 30 or more years of service.

*Verified by Kenneth Buck, Executive Secretary, Public Employees Retirement System of the State of Nevada, 110 W. Telegraph Street, P. O. Box 637, Carson City, Nevada 89701.

Post-retirement adjustment Beginning on July 1 following the calendar year of retirement, the allowance is automatically increased by 1-1/2 percent of the original allowance on each succeeding July 1.

There is no provision for early retirement for public-school employees other than at age 55 with 30 years of service, at which time a normal benefit is payable.

Disability retirement is available at any age to members with 10 or more years of continuous service, if the member is totally unable to work owing to mental or physical disability. A six-month employment period must precede incapacitation unless there is a service-connected injury. The disability allowance is calculated as for normal retirement.

Five optional payment plans are available for age and service retirement, but not for disability retirement.

Compulsory retirement is not required by the retirement law, but the employer may set a compulsory retirement age.

Work Restrictions After Retirement

Retirants may earn up to \$2,400 in a calendar year in employment with the state of Nevada or any of its political subdivisions participating in this retirement system without suspension of the benefit. There are no earnings restrictions or limitations on any other employment, including employment in political subdivisions in the state which do not participate in this retirement system.

Death and Survivor Benefits

The beneficiary of the estate of a member with less than two years of service who dies before retirement receives a lump-sum refund of the member's contributions without interest.

The following survivor benefits are available to eligible dependents of deceased active members with two or more years of service: \$75 per month is payable for each child under age 18, to a total of \$210 per month for three or more children, the benefit continuing for an indefinite period to a child over age 18 who is mentally or physically incapacitated; \$100 per month is payable to a widow without minor children, the benefit ceasing if the widow remarries or is adjudged capable of gainful employment, but the widow is paid the surplus of the member's contributions over the payments already received; \$100 per month is payable to a widow with minor children, with cessation of the payment if the widow receives regular monthly income which exceeds \$5,000 per year after payment of income taxes.

If the deceased member had 15 or more years of service, there is payable to the widow at age 60 the sum of \$100 per month, or 50 percent of the member's average salary as defined above, whichever is less. The widow of a deceased member with 20 or more years of service is entitled to the lesser of \$125 per month, or 50 percent of the member's average salary, provided the member had not previously elected an optional retirement plan. Widow benefits cease on remarriage.

A dependent widower is entitled to the same survivor benefits as a widow. If no widow or dependent children survive, \$75 per month is payable to each dependent parent.

At time of eligibility for retirement a member may elect to receive in lieu of the maximum retirement allowance any one of four options which allow for survivor-beneficiary payments upon the death of the retirant.

Financing

Benefits are financed jointly by member contributions and public revenues.

Members contribute 6 percent of gross salary. As of April 20, 1969, 1/4 of 1 percent finances survivor benefits and 3/4 of 1 percent finances post-retirement adjustments. In addition, an administration fee of 24 cents is charged for each full month of employment. There is no provision for additional voluntary contributions for supplementary benefits.

The employer matches the member's contribution and the administration fee. The state pays the employer's share for public-school teachers. The employer's contributions are not credited to the members' account.

No interest is credited on members' contributions.

Tax-Sheltered Annuities

Not available to members from the system.

Investments

Subject to certain statutory restrictions and limitations, the retirement board has authority to invest funds in bonds of the United States, or any of its agencies or instrumentalities; bonds of the Dominion of Canada or any of its provinces or municipalities; bonds of any state or any political subdivision thereof or the District of Columbia; bonds of domestic or

Canadian corporations; common carrier equipment trust obligations or certificates; preferred and common stocks of domestic corporations; first mortgages on improved unencumbered real estate; and in bonds and notes that are guaranteed by the Veterans Administration or insured under the National Housing Act or the Farm Home Administration Act.

Portfolio limits are 10 percent of the assets of the fund in Canadian bonds, 10 percent in corporate preferred stocks, 20 percent in common stocks, and, except for U.S. bonds and investments made prior to July 1, 1959, no more than 5 percent of the assets at any one time in any combination of investments in any one institution, agency, corporation, or political subdivision.

The board may employ investment counsel. Investments are subject to review by the state board of finance each quarter.

As of June 1969, total investments, exclusive of cash, were \$109,041,467; cash on hand was \$851,331.

1- 131

Administration

The system is administered by a retirement board of five members appointed by the governor for 4-year terms. Two members must not be public employees; the remaining three must have at least 10 years of public service in the state of Nevada and must be members of the system.

Social Security Coverage

None.

Number of Retirants and Benefits Paid

As of June 30, 1969, a total of 1,992 retirants were receiving benefits. During the last retirement year, 284 members retired.

Examples of Benefits Paid

Monthly salary (annual ÷ 12)	Monthly retirement allowance for member retiring June 1969				
	Age 55, 30 years' credit	Age 60, 20 years' credit	Age 62, 37 years' credit	Age 65, 40 years' credit	Age 70, 45 years' credit
\$1,000	\$650	\$500	\$650	\$650	\$650
900	585	450	585	585	585
800	520	400	520	520	520
700	455	350	455	455	455
600	390	300	390	390	390
500	325	250	325	325	325
400	260	200	260	260	260
300	195	150	195	195	195
200	130	100	130	130	130

Colorado

September 1969

195

THE PUBLIC EMPLOYEES' RETIREMENT ASSOCIATION OF COLORADO*

In 1943, school districts in Colorado were authorized by the legislature to join the state employees' retirement system; in 1952, participation was made mandatory except for Denver which has its separate public-school retirement plan. The state employees' retirement system had been established in 1931; the name of the system was changed in 1944 to the Public Employees' Retirement Association of Colorado. The last amendatory legislation was enacted in 1969. Statutory citation: Colorado Revised Statutes, 1963, Ch. 111.

Membership

Membership in the school division of the retirement system comprises all school district employees, except in Denver. Other divisions of the retirement system include state employees, municipal employees, and judges. The provisions and statistics summarized here apply to school employees. Membership is compulsory.

As of June 30, 1969, the school division of the retirement system had 35,898 active members.

Creditable Service

No prior-service credit is provided for service rendered before the establishment of the retirement system (1944, for school employees). However, by state legislation apart from the retirement law, a teacher emeritus fund provides for prior-service credit with a maximum allowance of \$150 per month.

Military service is creditable when a member is inducted into active military service with the National Guard, U.S. Army or Navy, or other branch of service engaged in the national defense. Contributions equal to the amount which would have been made had the member remained in service are required unless the compensation received is less than the last rate of salary while in public service.

Teaching in overseas dependents schools is not creditable.

Credit for public-school teaching service is transferable among school, state, and municipal divisions within the state.

Out-of-state service is not creditable.

Withdrawals and Refunds

A member not under contract may withdraw his accumulated contributions without interest. A withdrawn member who returns to service within five years may repay the amount withdrawn with interest and with contributions to cover the period out of service. Although such repayment entitles the member to receive credit for the period of his former service, he does not obtain credit for the period out of service. If the member does not return to service within five years, he may not reinstate his former service credit. There is no service charge except the retention of the original \$5 membership fee.

Provisions for Members' Borrowing

None.

Vesting and Deferred Allowances

Benefits vest after five or more years of coverage, and a deferred allowance is payable at age 65. The benefit formula is 2-1/2 percent of final average salary multiplied by number of years of credited service, not to exceed 20 years.

Retirement Requirements and Benefit Formulas

Normal retirement is at age 60 with 20 years or more of covered service or at age 55 with 35 years of covered service. Contributions continue as long as the member continues in active service. The benefit formula is 2-1/2 percent of final average salary (average of the highest five consecutive years within the last 10 years of service) multiplied by the number of years of service not to exceed 20 years. Additionally, for any service rendered after July 1, 1969, a benefit of 1 percent of final average salary is given for service beyond 20 years up to 40 years, providing a maximum benefit of 70 percent of

*Verified by Jack E. Kennedy, Executive Secretary, The Public Employees' Retirement Association of Colorado, 1390 Logan, 4th Floor, Denver, Colorado 80203.

final average salary. Fractional annuities are provided under the normal benefit formula to a school employee retiring at age 65 with five or more years of covered service.

Post-retirement adjustment--Each May 1, beginning in 1970, the original retirement annuity is to be raised by 1-1/2 percent for each full year of retirement after May 1, 1969, provided the cost of living has increased 1-1/2 percent or more during the year preceding redetermination of benefits. The redetermination is to take into account the consumer price index for the calendar year preceding retirement and for the calendar year preceding redetermination and the number of full years the annuitant has been retired. In a given year, the raise could be less than 1-1/2 percent, or the annuity could be reduced from the previous year if the cost of living did not increase. However, the adjustment is cumulative from the year preceding retirement and the year preceding redetermination. As a result, the annuitant could receive a 1-1/2 percent increase even though the cost of living did not rise at all. The law prohibits a reduction in annuity to less than the original retirement allowance.

Early retirement is provided at age 55 with 35 years of service under the normal retirement formula.

Disability retirement is available at any age to members with 15 consecutive years of covered service, who are permanently unable to carry on regular employment duties, whether the disability is service-incurred or not. The disability benefit is 50 percent of final average salary.

Active members with five years of service who become permanently disabled from injuries received while on the job may qualify for a service-incurred disability allowance. This allowance is 50 percent of final average salary.

Four optional plans of payment are available for age and service, and disability annuities.

Compulsory retirement is not required by the retirement law. Other state legislation ends tenure at age 65.

Work Restrictions After Retirement

Retirants are eligible for employment in any position not covered by the state retirement system without affecting their retirement benefits. If a retirant returns to work under a covered position, benefits are suspended in some cases. A retired teacher may work for a school district or other PERA-affiliated employer up to 90 calendar days per year without suspension or reduction of the annuity.

Death and Survivor Benefits

A lump-sum payment of the member's accumulated contributions is made to the beneficiary if a member dies in active service if no other benefits are payable.

If a deceased member having three or more years of covered service leaves a widow and one or more children under age 18, the widow receives survivor benefits of \$250 per month until the youngest child reaches age 18. Upon the remarriage or death of the widow prior to the youngest child's reaching age 18, the children are entitled to \$100 per month per child not to exceed a total of \$250 per month. /-196

The widow of a deceased member having three years or more of covered service, but having no children under age 18 at the time of the member's death, receives an annuity of either one-half of the member's normal retirement benefit or the lesser of \$150 per month or 25 percent of the member's final average salary commencing when the widow is age 62. The widow of a deceased member having 15 or more year's credited service receives the same benefit at age 50, for life or until remarriage. A dependent widower is entitled to the same survivor benefits as a widow.

Where no children or widow survive, but dependent parents are living, a benefit of \$100 per month for each parent may be paid. Survivor benefits become payable immediately without regard to length of service in case of service-incurred death.

The retirement board maintains two group life decreasing term insurance programs to provide additional survivor benefits for members who choose to utilize them. Payments are made only by the employee. One provides coverage from \$1,000 to \$25,000 depending on age for \$5 per month by payroll deduction. This plan also provides paid-up insurance after retirement. The other plan provides coverage from \$1,000 to \$20,000 depending on age and, in addition, provides accidental death and dismemberment insurance from \$2,500 to \$40,000, also depending upon age. Premiums are \$6 per month by payroll deduction.

Financing

Benefits are financed jointly by member contributions and public revenue.

Members contribute 7 percent of regular salary. There is no provision for voluntary supplementary benefits except the survivor's insurance described above.

The local employer pays 7.5 percent of the employee's gross salary in 1970; 8.5 percent in

1971, and 9.25 percent in . and thereafter. Employer contributions are credited to members' accounts. They are held in members' retirement reserve accounts until retirement and then are transferred to the annuitants' retirement reserve.

No interest is credited on members' accumulated contributions.

Tax-Sheltered Annuities

Not available to members from the system.

Investments

The retirement board, as trustee of the funds, has full power and authority to invest and re-invest the funds of the association. The maximum amount that may be invested in common or preferred stock is 30 percent of the portfolio. There are no other restrictions of amounts to be invested by the fund. The retirement board is charged with the responsibility for investing the funds in a prudent and discretionary manner.

As of June 30, 1969, total investments exclusive of cash were \$188,403,855; cash on hand was \$854,925.

Administrati

All divisions of the system are administered by a single retirement board consisting of the state auditor, the state treasurer, and the secretary of state as ex-officio members, and four state employee members, three school employee members, and two municipal employee members. Employee members are elected by the membership for four-year terms. Members of the board serve without compensation but are reimbursed for necessary expenses. The board appoints an administrative secretary and other employees.

Social Security Coverage

None.

Number of Retirants and Benefits Paid

As of June 30, 1969, for the school division the total number of retirants and survivor beneficiaries receiving benefits was 2,568. The average annual retirement allowance was \$1,808. During the last retirement year 405 members retired. For this group the average annual retirement allowance was \$2,377.

Examples of Benefits Paid

Monthly salary (annual ÷ by 12)	Monthly retirement allowance for member retiring July 1969*				
	Age 55, 35 years' credita/	Age 60, 20 years' credit	Age 62, 37 years' credita/	Age 65, 40 years' credita/	Age 70, 45 years' credita/
\$1,200	\$600	\$600	\$600	\$600	\$600
1,000	500	500	500	500	500
900	450	450	450	450	450
800	400	400	400	400	400
700	350	350	350	350	350
600	300	300	300	300	300
500	250	250	250	250	250
400	200	200	200	200	200

*These figures are for Option 1 terminating at the death of the annuitant. Four optional forms of payment are available.

a/ In the future, members will receive 2.5 percent of final average salary for the first 20 years of service and 1 percent of final average salary per year for any service after July 1, 1969. The maximum benefit will be 70 percent.

Teacher Retirement System
Prepared by the Office of Teacher Retirement
and NEA Research Division in cooperation with
the National Council on Teacher Retirement
1201 16th St., N.W., Washington, D.C. 20036

RETIREMENT
Series 3--Statewide Public Employee System 198
to which Teachers Belong
(Without Social Security)

Maine

September 1969

MAINE STATE RETIREMENT SYSTEM*

The retirement system for state and local employees in Maine was established on July 1, 1942, and in 1947 the teachers became affiliated and were absorbed into this system. The last amendatory legislation was enacted in 1969. Statutory citation: Maine Revised Statutes Annotated, Title 5.

Membership

Membership includes all state employees, all teachers and the employees of covered political subdivisions. Membership is compulsory except for elected officers or appointees for fixed terms who may elect membership. There is no age limitation. As of June 30, 1969, the system had 42,519 active members.

Creditable Service

Prior service is creditable for all service prior to July 1, 1942, for state employees and prior to July 1, 1947, for teachers.

Military service is creditable at no cost to the member who enters the service from his position and returns to his position within 90 days after his military discharge.

Other military service is creditable up to four years by the payment of the normal contribution for each year of military service at the rate of contributions in effect when the military service was performed.

Out-of-state service and teaching service in overseas dependents schools are creditable.

Withdrawals and Refunds

Upon separation from employment a member may withdraw contributions and all interest granted. There is no service charge.

Provisions for Members' Borrowing

None.

Vesting and Deferred Allowances

Benefits vest at any age with 10 years of service, and a deferred benefit is payable at age 60. The benefit formula is the same as for normal retirement.

*Verified by E. L. Walter, Executive Secretary, Maine State Retirement System, State House, Augusta, Maine 04330.

Retirement Requirements and Benefit Formulas

Normal retirement is at age 60 regardless of number of years of service. Contributions continue as long as the member remains in active service. The benefit formula is the average of the three highest years of service, divided by 60, times the number of years of creditable service from July 1, 1947 (membership service), and the average of the three highest years of service, divided by 70, times the number of years of creditable service prior to July 1, 1947 (prior service).

Early retirement is at any age under 60 with 30 years of service. The allowance is the actuarial equivalent of the normal retirement allowance.

Disability retirement is available at any age after 10 years of service. The formula is the same as for normal retirement except that there is a minimum guarantee of 25 percent of the average highest salary. Service-incurred disability is available at any age, regardless of years of service. The allowance is 66-2/3 percent of average highest salary.

Other Benefit Payment Provisions

Cost-of-living increases are granted at the same percentage received by active employees in general salary adjustments.

The retirement law provided for compulsory retirement at age 70.

Work Restrictions After Retirement

Retirants may be employed in a covered position after retirement and may earn annually up to the average highest compensation.

Death and Survivor Benefits

Members are protected under survivor benefits upon completion of 18 months of creditable service (no minimum number of years or months is required if the death occurs through a

service-incurred accident) which provides payments of from \$100 to \$300 a month to survivors.

The state provides coverage by group life insurance up to double the annual salary at a cost of 15 cents per week per \$1,000. Double indemnity protection under accidental death, and protection under dismemberment clauses is provided. Coverage continues after retirement and the employer pays the premium. The amount of coverage after retirement is on a reducing basis to a minimum of 25 percent of the amount held at retirement.

Financing

Benefits are financed jointly by members' contributions and public revenue. Members contribute 6.14 percent of salary, including maintenance, if any.

The employer pays an amount sufficient with members' contributions to pay the cost of the retirement allowances and the administrative costs.

Tax-Sheltered Annuities

Not available to members from the system.

Investments

Investments are made by a bank fiduciary under the "prudent man" theory.

1- 139

As of June 30, 1969, total investments, exclusive of cash, were \$150,501,422; cash balances totaled \$218,455.

Administration

The system is administered by a Board of Trustees comprised of seven members, three of whom are appointed by the Governor, one representing municipalities, one representing teachers, one representing state employees, and one representing retired persons. Members serve three-year terms.

Social Security

None.

Number of Retirants and Benefits Paid

As of June 30, 1969, the total number of retirants and survivor beneficiaries was 7,216. The average monthly retirement allowance was \$164.41. During the last retirement year, 631 members retired. The median annual retirement allowance for this group was \$477.02.

Examples of Benefits Paid

Monthly salary (annual ÷ 12)	Monthly retirement allowance for member retiring June 1970				
	Age 55, 30 years' credit	Age 60, 20 years' credit	Age 62, 37 years' credit	Age 65, 40 years' credit	Age 70, 45 years' credit
\$1,000	\$438	\$333	\$616	\$666	\$750
900	394	300	555	600	675
800	350	266	493	533	600
700	306	233	431	467	525
600	262	199	369	401	450
500	218	166	307	335	375
400	174	132	245	269	300
300	130	98	183	203	225
200	86	65	120	137	150

EMPLOYEES' RETIREMENT SYSTEM OF THE STATE OF RHODE ISLAND*

200

The system became operative on July 1, 1936. The last amendatory legislation was enacted in 1967. Statutory citation: General Laws of Rhode Island, Ch. 16-16-1 to 16-16-39; Ch. 36-8-1 to 36-10-34.

Membership

Membership comprises all public-school teachers which includes principals, assistant principals, superintendents, assistant superintendents, nurse teachers, attendance officers, and substitute teachers who serve during three-fourths of the school year, and teachers in state schools of higher education, and state employees. Where the provisions differ for state employees and teachers of the cities and towns, the provisions summarized here apply only to teachers of the cities and towns. Membership is compulsory for those mentioned above and optional for elected officials of the state. Teachers of state colleges or universities have the option to join the system or participate in the T. I. A. A. program.

As of June 30, 1969, the system had 9,249 active teacher-members.

Creditable Service

Prior-service credit for teaching service rendered prior to July 1, 1949, is provided at no cost to the member.

Military service is creditable under certain conditions.

Teaching in overseas dependents schools is creditable as part of out-of-state service.

Out-of-state service credit is purchasable by the member to a maximum of 10 years, provided it was rendered at least 10 years before retirement.

Withdrawals and Refunds

A member who leaves covered service may withdraw his contributions. There is no service charge.

Provisions for Members' Borrowing

None.

*Verified by Joseph G. Iannelli, Executive Secretary, Employees' Retirement System of the State of Rhode Island, 304 State House, Providence, Rhode Island 02903.

Vesting and Deferred Allowances

Benefits vest at any age after 10 years of service, and a deferred retirement allowance is payable at age 60. The benefit is calculated as for normal retirement.

Retirement Requirements and Benefit Formulas

Normal retirement is at age 60, with 10 years of service, or at any age with 35 years of service. Contributions of members cease after 45 years of service. The benefit formula is 1-2/3 percent of average compensation (average of the highest three consecutive years) times years of credited service to a maximum of 45 years. A retired teacher with 20 or more years of service is guaranteed a minimum retirement allowance of \$2,000 per year.

Early retirement is provided at any age with 30 years of service. The allowance is the normal allowance actuarially reduced for ages under 60.

Disability retirement is available at any age to members with seven years of service if the disability is non-duty connected. The member is entitled to 1-2/3 percent of average compensation for each year of service. The minimum allowance is 25 percent of average compensation.

If disability is duty-connected, the member, regardless of age or years of service, is entitled to 66-2/3 percent of salary at the time of disability, reduced by workmen's compensation payments. For members who entered service after age 45, the allowance is limited to the amount of a normal retirement allowance which would have been payable had he remained in service until age 60.

The retirement law provides for compulsory retirement at age 70, except that the employer may grant year-to-year extensions.

Work Restrictions After Retirement

Retired teachers may serve as substitute teachers in the Rhode Island public schools for not more than 75 days without affecting the

retirement allowance. There are no restrictions on employment in public schools outside Rhode Island, or on other employment in or outside the state.

Death and Survivor Benefits

The benefit payable upon death of a member due directly to occupational causes is the refund of the member's contributions plus 50 percent of the member's salary at date of death payable monthly to the widow. If no widow survives or if the widow remarries, the benefit is payable to minor children until their attainment of age 18. If no widow or children survive, the benefit is payable to a dependent father or mother for life.

Death of a member, while in service, from other than occupational causes, results in a refund to his beneficiary of his contributions to the system plus a lump-sum payment equal to \$250 per year of credited service to a minimum of \$1,000 and a maximum of \$5,000. For service of less than one year the \$1,000 benefit is reduced by the difference between the member's accumulated contributions at death and the amount he would have accumulated had he contributed for a full year.

Teachers retiring on or after May 26, 1966, receive continued coverage for ordinary death benefit in amounts reduced 25 percent each year after the first year to a minimum of 25 percent of the full benefit at retirement but not less than \$1,000.

Upon the death of a retired member not choosing an option, the beneficiary is entitled a refund which is the greater of the excess of his contributions over pension benefits received to a minimum of five monthly payments or \$300.

If a deceased member has contributed to the survivors' benefit fund for six consecutive months prior to death or retirement and leaves a widow and no children, the widow receives a survivor benefit at age 62 ranging from \$48.70 per month to \$104.80, depending upon the last annual salary of the member. Benefits for widows with children under 18 range from \$88.50 per month to a widow with one child to \$254.00 per month to a widow with 3 or more children, depending on the last annual salary of the member. When the youngest child reaches 18, the widow is entitled to receive a widow's annuity at a reduced rate.

Survivor benefits are also available to children under age 18 when there is no widow and to dependent parents when there is no widow or child under 18 and the parents are 65 and not entitled to social security benefits based on their own earnings which are greater or equal to the retirement system's survivor benefit.

If a member dies in active service without leaving dependents eligible for benefits, his contributions to the survivors' benefit fund plus interest are payable to his estate. A member with 5 years of service who withdraws from the system is entitled to a refund of his contributions to the survivors' fund. There is no refund if service is less than five years.

Financing

Benefits are financed jointly by member contributions and public revenue.

Members contribute as follows: teachers in state schools of higher education, 5 percent of total salary; teachers of the cities and towns, 6 percent of total salary, plus 1-1/2 percent of salary to \$4,800 for survivors' benefits. The cities and towns match the 1-1/2 percent contribution for survivor benefits.

There is no provision for additional voluntary deposits for supplementary benefits.

Public contributions for retirement benefits are made by the state and the cities and towns on an equal basis. Present rate is 3.90 percent of payroll by each for a total of 7.80 percent. The state contributes 5.55 percent on behalf of teachers in state schools. The state must appropriate regularly enough in combination with members' contributions and interest on investments to provide the benefits. The state's appropriation for the fiscal year ending June 30, 1968, was \$2,289,171.

Interest on accumulated contributions is not credited to members' accounts.

Tax-Sheltered Annuities

Not available to members from the system.

Investments

Investments may be made in any securities or investments in which sinking funds of the state of Rhode Island may be invested or in which deposits in savings banks and participation deposits in banks and trust companies may be legally invested.

The investment authority is vested in the Investment Commission.

Administration

The system is administered by an 11 member board of trustees comprised of the state treasurer, director of business regulation, director of administration, commissioner of education,

chairman of the House Finance Committee, and chairman of the Senate Finance Committee, all ex officio, and a member elected by the state employees, a member elected by the teachers, and a member appointed by the governor and two municipal members. The treasurer serves as chairman. Terms are for three years. The chief of the system serves as executive secretary to the board.

and towns which selected social security. Teachers in state schools of higher education are covered by social security.

Number of Retirants and Benefits Paid

1- 202

Social Security Coverage

Teachers of cities and towns are not covered by social security except for some in cities

As of June 30, 1969, a total of 1,487 teacher-retirants or their survivor beneficiaries were receiving benefits. During the last retirement year, 172 teachers retired.

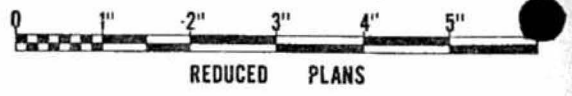
Example of Benefits Paid

Monthly salary (annual ÷ 12)	Monthly retirement allowance for member retiring June 1969				
	Age 55, 30 years' credit	Age 60, 20 years' credit	Age 62, 37 years' credit	Age 65, 40 years' credit	Age 70, 45 years' credit
\$1,000	\$350.00	\$333.34	\$616.79	\$666.80	\$750.15
900	315.00	300.00	555.00	600.00	675.00
800	280.00	266.80	493.58	533.60	600.30
700	245.00	233.40	431.79	466.80	525.15
600	210.00	200.00	370.00	400.00	450.00
500	175.00	166.80	308.58	333.60	375.30
400	140.00	133.40	246.79	266.80	300.15
300	105.00	100.00	185.00	200.00	225.00
200	70.00	66.60	123.21	133.20	149.85

There are only 4 states in the union that have an inclusive public employees retirement system such as we have in Nevada. Other than Nevada, these states are Colorado, Maine, and Rhode Island.

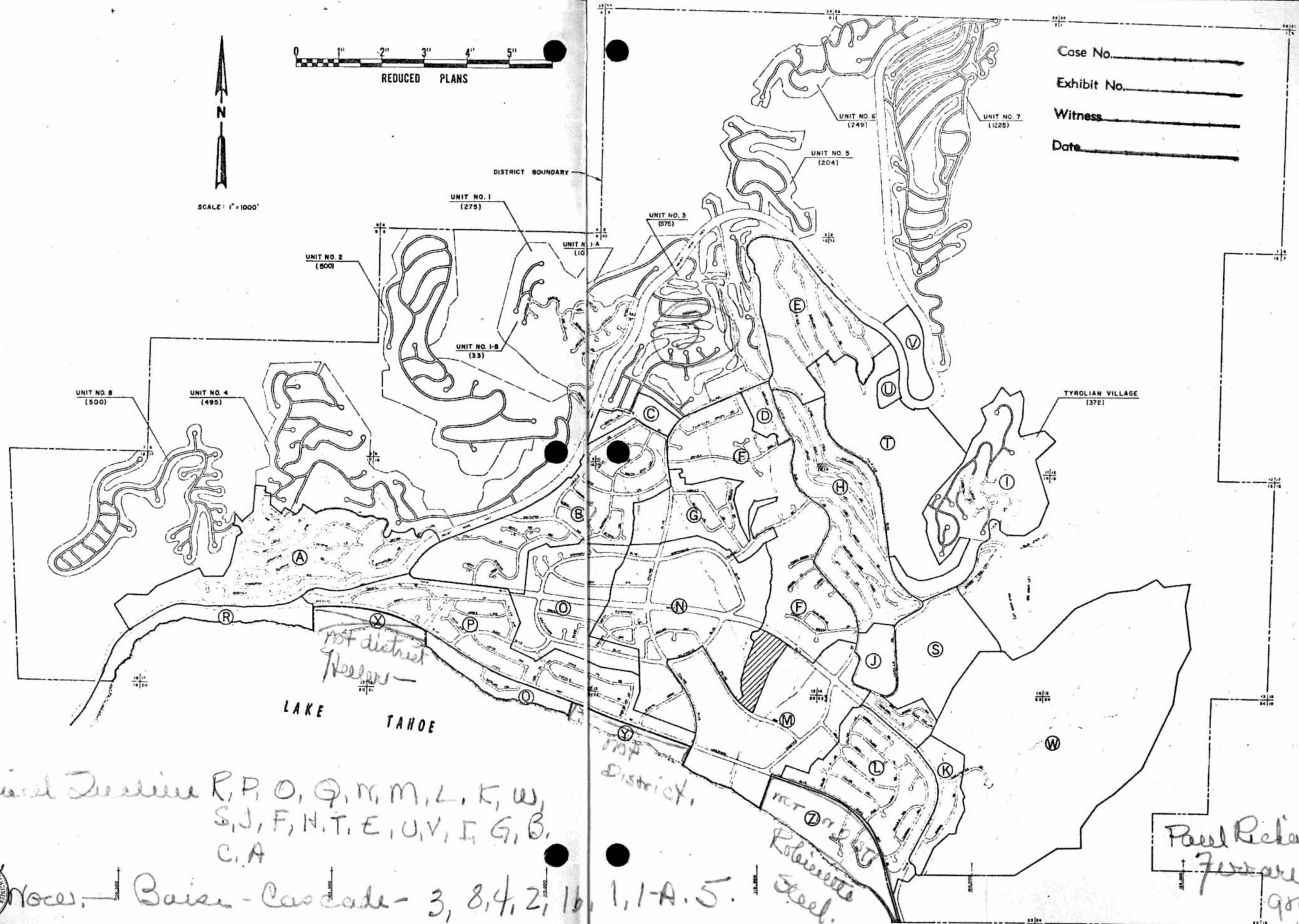
As of October, 1970

	NEVADA	RANK	COLORADO	RANK	MAINE	RANK	RHODE ISLAND	RANK	
Membership	21,595	3	(Teachers only) 35,898	2	42,519	1	9,249	4	
Contrib. & Refund	Mbrs. Cont No interest		Mbrs. cont No interest		Mbrs. cont + all int.		Mbrs. cont No interest		
Vesting	20 years	4	5 years	1	10 years	2	10 years	2	
Age 60 Benefits 20 years	\$500	1	\$500	1	\$333	4	\$333.34	3	Per thousand monthly income
Number of Public Employees on Retirement Board	3 of 5		9 of 9		4 of 7		2 of 11		
(Member) Financing	6%	4	7%	2	6.14%	3	Sliding 7.5%	1	
(Employer) Financing	6%	4	8.5% 71 9.25% 72	1	8.50%	2	7.8%	3	
Number of Retirants	1,992		(Teachers only) 2,568		7,216		(Teachers only) 1,487		1969
Aug Benefit	N.A.		\$2,377.00 ^A		\$477.02 Ann.		N.A.		^A For those who retired 1969 (Teachers)



SCALE: 1" = 1000'

Case No. _____
Exhibit No. _____
Witness _____
Date _____



*Original District R, P, O, Q, N, M, L, K, W,
S, J, F, H, T, E, U, V, I, G, B,
C, A*

Notes: - Boise - Cascade - 3, 8, 4, 2, 1b, 1, 1-A, 5.

*Paul Richards
Ferrari
group*



APP. *Paul Richards*
CHIEF CIVIL ENGINEER
DATE NOVEMBER, 1968

REVISIONS

6 & 7 are not being considered
CLAIR A. HILL & ASSOCIATES
CONSULTING ENGINEERS
1528 COURT STREET
REDDING, CALIFORNIA

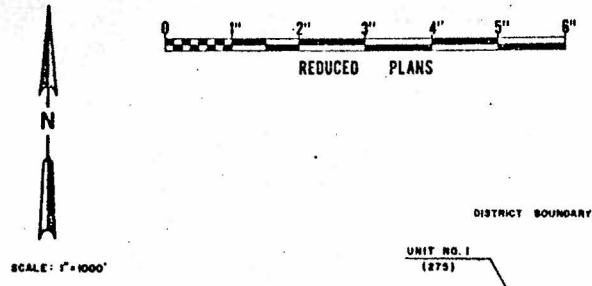
CLAIR A. HILL & ASSOCIATES
CONSULTING ENGINEERS
REDDING, CALIFORNIA

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
POPULATION SUB-AREAS

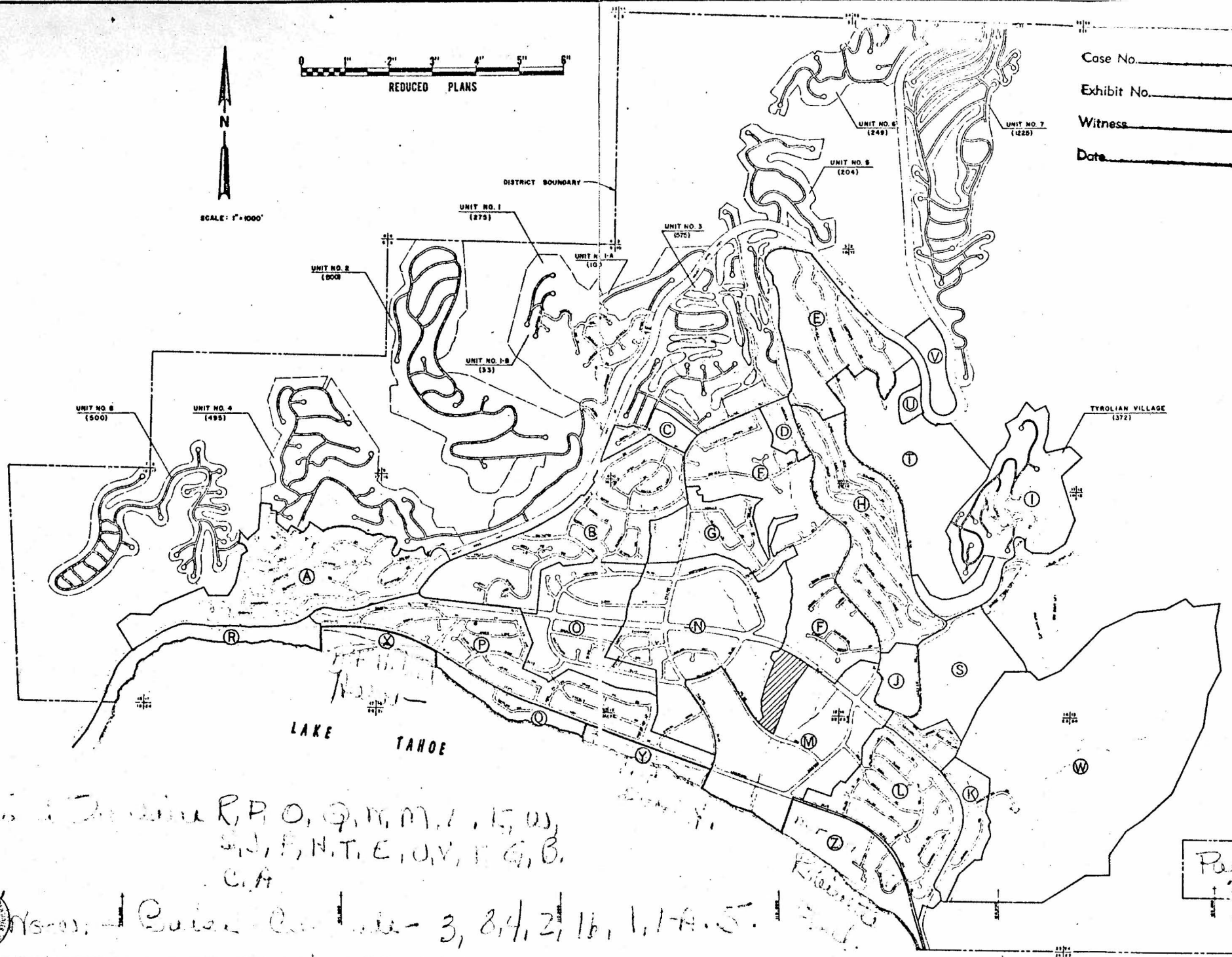
DWG. NO. **P-1**
JOB NO. _____

502-1

1-206



Case No. _____
 Exhibit No. _____
 Witness _____
 Date _____



Handwritten notes:
 R, P, O, Q, M, N, L, S, U,
 S, J, B, N, T, E, U, V, F, G, B.
 C, A



Handwritten notes:
 15-001 - 1 - 3, 8, 4, 2, 16, 1, 1-A, 5.

Handwritten notes:
 Paul R. ...
 1700 ...

APP. *Clair A. Hill*
 CHIEF CIVIL ENGINEER
 NOVEMBER, 1958

REVISIONS
 6 & 7 are not being ...

CLAIR A. HILL & ASSOCIATES
 CONSULTING ENGINEERS
 1636 COURT STREET
 REDDING, CALIFORNIA

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
POPULATION SUB-AREAS

DWG. NO.
P-1
 JOB NO. 1707

MAYOR ORAN K. GRAGSON

Commissioners

James Corey
Wesley G. Howery
Alexander Coblentz, M.D.
Hank Thornley

City Attorney

Earl P. Gripentrog

City Manager

A. R. Trelease

CITY OF



LAS VEGAS

Planning Department
February 25, 1971

1-207

Assemblyman Keith Ashworth
Assembly Building
Carson City, Nevada

Dear Keith:

Mayor Gragson advised me that you wish to have a map showing the relationship of the Tule Springs property to the City boundaries. Attached are three (3) maps. Exhibit (A) shows the Tule Springs property in green, the area embraced by the City limits in brown and the area in the County in white. You will quickly note that there are several small "islands" of County area completely surrounded by the City and that the annexation of the Tule Springs property will create several more "island" situations. Exhibit (B) shows the area of the City after the Tule Springs property is annexed and the pattern of County "islands". Exhibit (C) shows the area of the City including the Tule Springs property and including the "islands" as annexed area.

I simply point this pattern of "islands" out to you in the event the Legislature should desire to include the "islands" along with the Tule Springs property in the annexation legislation. I believe you already have been furnished a legal description for the Tule Springs annexation; however, I am attaching a legal description of the "islands", in case you wish to include it.

If you have any questions, please advise.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'DJS'.

DON J. SAYLOR, AIP
Director of Planning
Coordinator of Urban Renewal

DJS:kt

Attachments

COUNTY

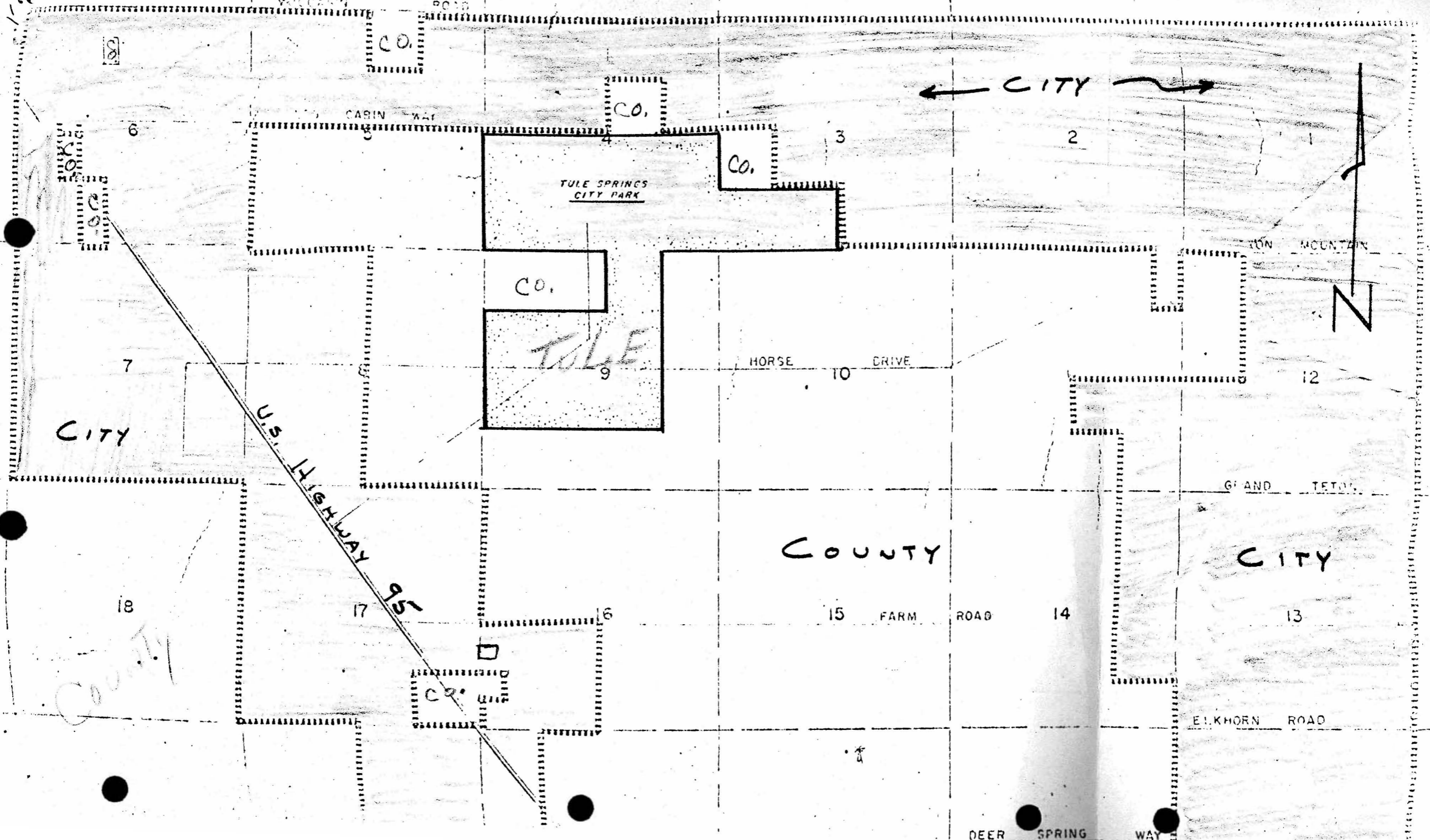


Exhibit (B)

WOCASIN ROAD

CABIN WAY

TULE SPRINGS CITY PARK

Tule

HORSE DRIVE

NON MOUNTAIN

GRAND TETON

FARM ROAD

ELKHORN ROAD

6

6

4

6

2

7

9

10

12

18

17

6

15

14

13

Exhibit (c)

WAGGAMAN ROAD

CABIN WAY

TULE SPRINGS CITY PARK

HORSE DRIVE

CON MOUNTAIN ROAD

GRAND TETON ROAD

U.S. HWY. 95

COUNTY

CITY

FARM ROAD

ELKHORN ROAD

6

2

7

12

18

17

6

15

14

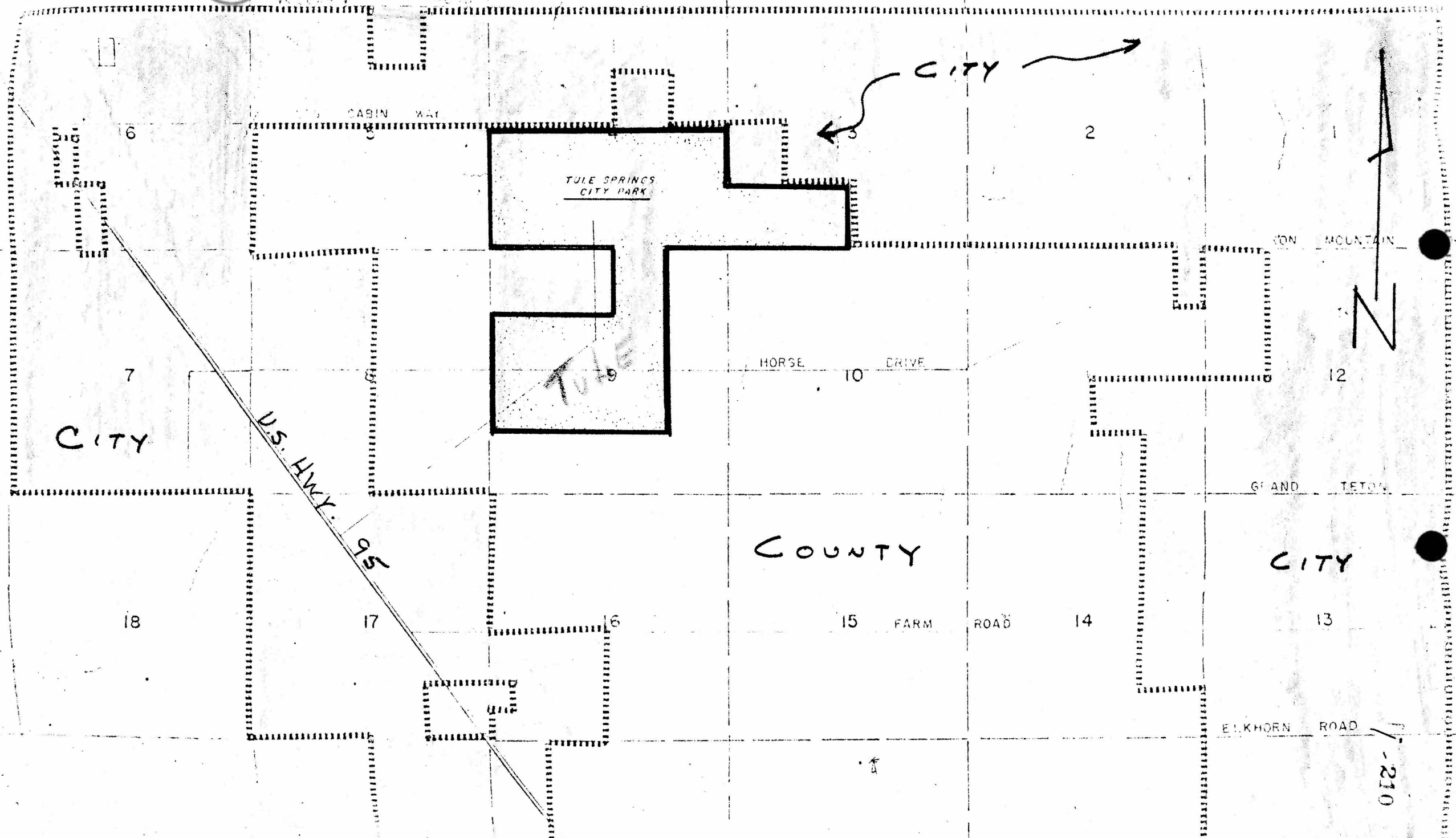
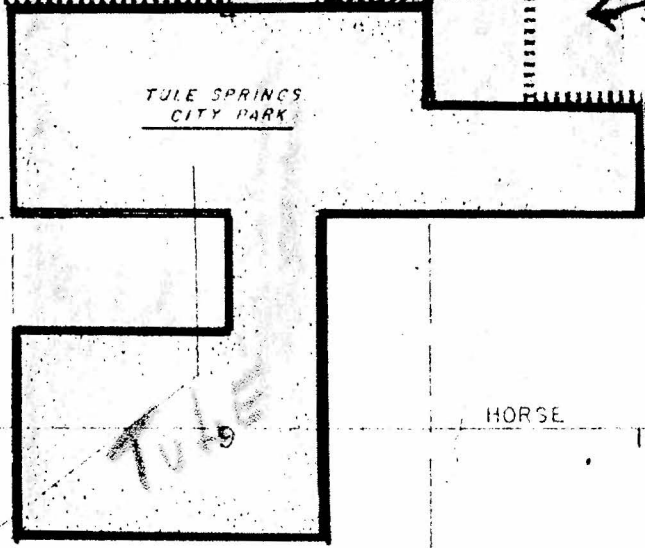
13

CITY

CITY

N

17-210



LEGAL DESCRIPTION

"ISLANDS"

The NW 1/4 of the SW 1/4 of Section 3, T. 19 S., R. 60 E.,
M. D. B. & M.

The SW 1/4 of the NE 1/4 of Section 4, T. 19 S., R. 60 E.,
M. D. B. & M.

The NW 1/4 of the NE 1/4, Section 5, T. 19 S., R. 60 E.,
M. D. B. & M.

The W 1/2 of the SE 1/4 of the NE 1/4 of the NW 1/4, and
the E 1/2 of the E 1/2 of the NW 1/4 of the SW 1/4, and the
W 1/2 of the SE 1/4 of the SW 1/4, all in Section 6, T. 19 S.,
R. 60 E., M. D. B. & M.

The N 1/2 of the NW 1/4, Section 9, T. 19 S., R. 60 E.,
M. D. B. & M. excepting therefrom the East 75 feet.

The S 1/2 of the NW 1/4 of the NW 1/4 of the SW 1/4, and
the NW 1/4 of the SW 1/4 of the SW 1/4, all in Section 16,
T. 19 S., R. 60 E., M. D. B. & M.

The SE 1/4 of the SE 1/4 of Section 17, T. 19 S., R. 60 E.,
M. D. B. & M.

LAW OFFICES
LESTER H. BERKSON

POST OFFICE BOX 269, LAKE TAHOE
STATELINE, NEVADA 89449
AREA CODE 702 - 588-4555

24 February 1971

1-212

Mr. Hal Smith
Chairman, Governmental Affairs Committee
Nevada State Legislature
Carson City, Nevada

Reference Reasonable Annexation Fee for
Improvement Districts / AB 160,
AB 264 and AB 421

Dear Hal

AB 264 amends the existing annexation law by allowing a "reasonable annexation charge". The opponents to this amendment are willing to pay a reasonable charge but feel that the final determination of "reasonable charge" should not be left solely to the district board of trustees. The opponents also desire the right of appeal from a determination of reasonable charge.

Both of these objections can be overcome by amending AB 264 to provide that the annexation charge shall be subject to the approval of the Public Service Commission. The Public Service Commission has the expertise to adequately review and approve a reasonable annexation charge. Built in the Public Service Commission statutes is the right of court appeal to the PSC decision.

Thank you for your immediate consideration.

Cordially


Lester H. Berkson

LHB/ps

Copy / Trustees, Incline Village General Improvement District
Mr. Wally W. White
Mr. Paul Richards
Mr. Roy Torvinen
Mr. Lawrence Jacobson



DONALD D. ANDERSON
EXECUTIVE SECRETARY

STATE OF NEVADA
PUBLIC EMPLOYEES RETIREMENT BOARD

P.O. Box 637
CARSON CITY, NEVADA 89701

BOARD
ELBERT B. EDWARDS
CHAIRMAN
BOULDER CITY
CLARENCE SWAIN
ELY
THOMAS L. WAR
LAS VEGAS
ROBERT C. WEEMS
RENO
JAMES H. SULLIVAN
RENO

February 25, 1971

Hon. Nick Laurie
Governmental Affairs Committee

Dear Sir:

At your request the writer is present to tidy up a few questions that were asked a week ago concerning retirement bills being considered.

- A. B. 36 (interest on withdrawn contributions). There would be about 50 computations per month - but a thorough scanning of about 700 records. We do not have the crew to do this. Our average of 11 persons "on deck" are at the saturation point. Our per capita load is illustrated in the chart of 20 similar systems.
- A. B. 158 (page 6, lines 24 and 27) changing proportion of common stocks in the portfolio to a limit of 40% from 20%.

We introduce: Mr. Richard Dunn
of Scudder, Stevens & Clark
Investment Counselors
San Francisco

Note: In answer to a specific question -

The counsel fee is based:

\$33,250 annually on the first \$50,000,000
in the portfolio plus
.0004 % on portions above that figure.

Our last quarterly fee paid was \$14,079
based on the portfolio of \$114,268,825.
(many items are not in the portfolio).

Note: present also is our board member:

Dr. Robert C. Weems
Dean, College of Business Administration
University of Nevada, Reno Campus.

Donald D. Anderson
Donald D. Anderson
Executive Secretary

1-214

PUBLIC EMPLOYEES RETIREMENT SYSTEM
PROJECTED RETIREMENT COSTS OF MEMBERS
1971-72 AND 1972-73
10% PAY INCREASE
 (IN THOUSANDS)

20

Member Group	1971-1972				1972-1973			
	Gross Payroll	Contributions			Gross Payroll	Contributions		
		At 6%	At 8%	Diff. of 2%		At 6%	At 8%	Diff. of 2%
Highway Department	15220.3	913.2	1217.6	304.4	16742.3	1004.5	1339.4	334.9
University	14994.8	899.7	1199.6	299.9	16494.3	989.7	1319.5	329.8
Employment Security	3382.3	202.9	270.6	67.7	3720.5	223.2	297.6	74.4
Industrial Commission	1420.5	85.2	113.6	28.4	1562.6	93.8	125.0	31.2
State Hospital	2638.1	158.3	211.0	52.7	2901.9	174.1	232.2	58.1
All Other State Agencies	<u>22774.0</u>	<u>1366.4</u>	<u>1821.9</u>	<u>455.5</u>	<u>25051.4</u>	<u>1503.1</u>	<u>2004.1</u>	<u>501.0</u>
Subtotal - State	<u>60430.0</u>	<u>3625.7</u>	<u>4834.3</u>	<u>1208.6</u>	<u>66473.0</u>	<u>3988.4</u>	<u>5317.8</u>	<u>1329.4</u>
Counties	32267.0	1936.0	2581.4	645.4	35493.7	2129.6	2839.5	709.9
Cities	28884.7	1733.1	2310.8	577.7	31773.2	1906.4	2541.9	635.5
School Districts	24194.6	1451.7	1935.6	483.9	26614.1	1596.8	2129.1	532.3
County Hospitals	19504.7	1170.3	1560.4	390.1	21455.2	1287.3	1716.4	429.1
Utilities	1172.5	70.4	93.8	23.4	1289.8	77.4	103.2	25.8
Other	1149.9	69.0	92.0	23.0	1264.9	75.9	101.2	25.3
Teachers	<u>57882.2</u>	<u>3472.9</u>	<u>4630.6</u>	<u>1157.7</u>	<u>63670.4</u>	<u>3820.2</u>	<u>5093.6</u>	<u>1273.4</u>
Subtotal - Other	<u>165055.6</u>	<u>9903.4</u>	<u>13204.6</u>	<u>3301.2</u>	<u>181561.3</u>	<u>10893.6</u>	<u>14524.9</u>	<u>3631.3</u>
Total	<u>225485.6</u>	<u>13529.1</u>	<u>18038.9</u>	<u>4509.8</u>	<u>248034.3</u>	<u>14882.0</u>	<u>19842.7</u>	<u>4960.7</u>

PUBLIC EMPLOYEES RETIREMENT SYSTEM
PROJECTED RETIREMENT COSTS OF MEMBERS
1971-72 AND 1972-73
15% PAY INCREASE
 (IN THOUSANDS)

Member Group	1971-1972				1972-1973			
	Gross Payroll	Contributions			Gross Payroll	Contributions		
		At 6%	At 8%	Diff. of 2%		At 6%	At 8%	Diff. of
Highway Department	16635.3	998.1	1330.8	332.7	19130.6	1147.8	1530.4	382
University	16389.0	983.3	1311.1	327.8	18847.4	1130.8	1507.8	377
Employment Security	3696.8	221.8	295.7	73.9	4251.3	255.1	340.1	85
Industrial Commission	1552.6	93.2	124.2	31.0	1785.5	107.1	142.8	35
State Hospital	2883.4	173.0	230.7	57.7	3315.9	199.0	265.3	66
All Other State Agencies	<u>24891.4</u>	<u>1493.5</u>	<u>1991.3</u>	<u>497.8</u>	<u>28625.1</u>	<u>1717.5</u>	<u>2290.0</u>	<u>572</u>
Subtotal - State	<u>66048.5</u>	<u>3962.9</u>	<u>5283.8</u>	<u>1320.9</u>	<u>75955.8</u>	<u>4557.3</u>	<u>6076.4</u>	<u>1519</u>
Counties	35266.9	2116.0	2821.4	705.4	40556.9	2433.4	3244.6	811
Cities	31570.2	1894.2	2525.6	631.4	36305.7	2178.3	2904.5	726
School Districts	26444.0	1586.6	2115.5	528.9	30410.6	1824.6	2432.8	608
County Hospitals	21318.0	1279.1	1705.4	426.3	24515.7	1470.9	1961.3	490
Utilities	1281.6	76.9	102.5	25.6	1473.8	88.4	117.9	29
Other	1257.0	75.4	100.6	25.2	1445.6	86.7	115.6	28
Teachers	<u>63263.8</u>	<u>3795.8</u>	<u>5061.1</u>	<u>1265.3</u>	<u>72753.4</u>	<u>4365.2</u>	<u>5820.3</u>	<u>1459</u>
Subtotal - Other	<u>180401.5</u>	<u>10824.0</u>	<u>14432.1</u>	<u>3608.1</u>	<u>207461.7</u>	<u>12447.5</u>	<u>16597.0</u>	<u>4149</u>
Total	<u>246450.0</u>	<u>14786.9</u>	<u>19715.9</u>	<u>4929.0</u>	<u>283417.5</u>	<u>17004.8</u>	<u>22673.4</u>	<u>5668</u>

The following schedule reports the amount of each state's unfunded liability and the estimated number of years they anticipate it will take to fund this liability.

STATE OF NEVADA
PUBLIC EMPLOYEES' RETIREMENT SYSTEM
SUMMARY OF VARIOUS STATES' UNFUNDED LIABILITY
OCTOBER, 1970

<u>State</u>	<u>Unfunded Liability</u>				<u>WORKP. INDIC</u>
	<u>As Of</u>	<u>Amount</u>	<u>Action Taken to Fund</u>	<u>No. of Years to Amortize</u>	
ARIZONA					
Public Employees	6/30/69	\$ 8,411,006	Yes	20	100-5
COLORADO					
State Employees		\$ 62,239,843			
School Employees		80,988,515			
Municipal Employees		2,398,960			
Judges Division		449,791			
Total	6/30/69	<u>\$146,077,109</u>	Yes	60	100-5
IDAHO					
Public Employees	6/30/69	\$106,448,000	Yes	30	100-6
MONTANA					
Public Employees	6/30/68	\$ 48,990,284	Yes	82	100-6
NEVADA					
Public Employees	6/30/68	\$117,051,530	No	--	
OREGON					
Public Employees	6/30/67	\$ 23,100,000	Yes	30	100-6
UTAH					
Public Employees	12/31/67	\$ 19,401,218	Yes	40	
School Employees	6/30/68	28,007,640	Yes	40	100-6
Total		<u>\$ 47,408,858</u>			
WASHINGTON					
State and Local Employees			Yes	40	100-6
Teachers			Yes	40	
Total					
WYOMING					
Public Employees	--	-0-	--	--	(1) 100-7

Note:
 (1) Fully funded. Money purchase plan for retirement benefits.

Table I

Case No. _____

Exhibit No. 3

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
NUMBER OF LIVING UNITS

Witness _____

Date 1-217
Ultimate

Nov. 70

Present Nov. 68

Res.	Mobile		Hotel		Res.	Mobile		Hotel	
	Apts.	Home	Home	Motel		Apts.	Home	Motel	

AREA WITHIN DISTRICT

A
B
C
D
E
F
G
H
I
J
K
L
M
N
O
P
Q
R
S
T
U
V
W

58					366				
167					335				100
	57	30				99	142		
	22					243			
5					200				
21					199				
	59					575			
10					231				
30					253	277			
12	28				85	300			
									200
111					280				
	89			214					1,923
1	28				1	100			1,366
	339					1,565			
74					295				
23					49				
	129					290			
					150	141			
					188	84			
									100
									300
					300	200			

TOTAL

~~482~~ ~~751~~ 30 214 2,932 3,874 142 3,989

INCLINE INC.

UNIT 1
UNIT 1A
UNIT 1B
UNIT 2
UNIT 3
UNIT 4 (425 LOTS - 495 UNITS)*
UNIT 5 (163 LOTS - 204 UNITS)*
UNIT 6 (181 LOTS - 249 UNITS)*
UNIT 7
UNIT 8

132	796	72	468	1396				
525	150			275				
657	946			100160				
				33 32				
				490 491				
				200 241	334 394			
				432 495	102			
				159 204				
				678 249	282			
				445 500				

TOTAL

0 0 0 0 3,812 334 0 0

OUTSIDE DISTRICT

X
Y
Z

6				30			
20				32			
51				96			

TOTAL

77 0 0 0 158 0 0 0

GRAND TOTAL

559 751 30 214 ~~6,902~~ 4,208 142 3,989

* Breakdown between multiple-family and residential units for Incline Inc.

Units 4, 5, and 6 was not available, so totals were considered as all residential.

5900 living units 8789.8
 4035.0
 12824.8
 7094

(5963 4652)
14746

Table II

1/218

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
POPULATION

Type of Dwelling	Living Units	No. 68 Present		No. 70		Ultimate Φ max.
		Population*	Unit	Pop	Living Units	
RESIDENCE	559	2,236	734 - 793	6,902	27,608	73852
APARTMENT	751	2,065	946 - 960	24,208	11,572	12793
MOBILE HOME	30	75	72 - 180	142	355	
HOTEL-MOTEL	214	428	468 - 936	3,989	7,978	
TOTAL	1,554	4,804	2280 - 14,746	15,241	47,513	44,978

*Population is based on the following:

present population 6654.

- RESIDENCE (RES.) - 4.0 PERSONS PER LIVING UNIT
- APARTMENT (APT.) - 2.75 PERSONS PER LIVING UNIT
- MOBILE HOME - 2.5 PERSONS PER LIVING UNIT
- MOTEL-HOTEL - 2.0 PERSONS PER LIVING UNIT

$$\frac{2280}{14746} = 14\% = 0.57 \text{ mgd.}$$

$$14746 - 100\% = 3.57 \text{ mgd.}$$

plant capacity 3.0 mgd.

Case No. _____

Exhibit No. 14

Witness _____

Date _____

RETIREMENT SYSTEMS (Under 30,000 Members)

STATE	TYPE	NO. OF MEMBERS	AVG. WORK LOAD PER EMP.	ADM. COST PER EMP. YR.
ARKANSAS	Teachers	27,333	1,952	\$ 4.21
GEORGIA	Public	29,883	1,494	14.03
IDAHO	Public	9,807	1,226	11.51
LOUISIANA	School	10,816	1,803	7.63
MISSOURI	State	24,811	2,757	5.08
MONTANA	Public	19,665	1,513	5.42
MONTANA	Teachers	11,600	1,657	6.24
NEBRASKA	Public	18,005	1,500	4.16
NEW HAMPSHIRE	Public	17,026	1,419	5.10
NEW MEXICO	School	22,500	2,250	5.36
NEW MEXICO	Public	23,277	1,369	7.63
NORTH DAKOTA	Teachers	9,830	1,638	4.29
OKLAHOMA	Public	23,504	1,808	5.35
RHODE ISLAND	Public	26,100	1,374	5.83
SOUTH DAKOTA	Teachers	8,600	1,720	5.72
TEXAS	City Emp.	23,580	2,358	6.51
VERMONT	Teachers	6,339	1,057	9.20
WASHINGTON	City Emp.	4,650	1,567	7.75
WEST VIRGINIA	Public	25,500	1,594	5.69
WYOMING	Public	15,250	2,179	3.52
TOTALS	(20 Systems)	358,076	33,407	\$138.15
AVERAGES		17,904	1,670	6.91 <
NEVADA	Public	19,425	1,751	5.09 <

RETIREMENT SYSTEMS (Under 30,000 Members)

STATE	TYPE	NO. OF MEMBERS	AVG. WORK LOAD PER EMP.	ADM. COST PER EMP. YR.
ARKANSAS	Teachers	27,333	1,952	\$ 4.21
GEORGIA	Public	29,883	1,494	14.03
IDAHO	Public	9,807	1,226	11.51
LOUISIANA	School	10,816	1,803	7.63
MISSOURI	State	24,811	2,757	5.08
MONTANA	Public	19,665	1,513	5.42
MONTANA	Teachers	11,600	1,657	6.24
NEBRASKA	Public	18,005	1,500	4.16
NEW HAMPSHIRE	Public	17,026	1,419	5.10
NEW MEXICO	School	22,500	2,250	5.36
NEW MEXICO	Public	23,277	1,369	7.63
NORTH DAKOTA	Teachers	9,830	1,638	4.29
OKLAHOMA	Public	23,504	1,808	5.35
RHODE ISLAND	Public	26,100	1,374	5.83
SOUTH DAKOTA	Teachers	8,600	1,720	5.72
TEXAS	City Emp.	23,580	2,358	6.51
VERMONT	Teachers	6,339	1,057	9.20
WASHINGTON	City Emp.	4,650	1,567	7.75
WEST VIRGINIA	Public	25,500	1,594	5.69
WYOMING	Public	15,250	2,179	3.52
TOTALS	(20 Systems)	358,076	33,407	\$138.15
AVERAGES		17,904	1,670	6.91 <
NEVADA	Public	19,425	1,751	5.09 <

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

AREA CODE (702) 831-0717
POST OFFICE BOX 78
INCLINE VILLAGE, NEVADA
89450

219

W. W. WHITE
GENERAL MANAGER

February 24, 1971

Assemblyman Hal Smith
Government Affairs Committee
Nevada State Legislature
Carson City, Nevada 89701

Dear Mr. Smith:

At yesterday's discussion of the three bills, A.B. 160, A.B. 264 and S.B. 173, as the representative of the District approval was indicated of the wording of A.B. 264. Most of those testifying agreed to the provisions of A.B. 264 and even the two dissidents reluctantly agreed under questioning that they were willing to accept a reasonable charge and pay their own way.

District would not object to the amendment of A.B. 264 to include "reasonable annexation charge", which the Board may fix and uniformly assess and is subject to the approval of Public Service Commission. We, frankly, believe that in this case this could well cost these people much more than the figures given to you because an assessment cost could then include streets and roads, which is another multimillion dollar bond issue.

Accompanying this letter is a map of the District. The original subdivision of the old Crystal Bay Company had 12,824.8 units. A unit by definition is:

"Zone E1--Single Family Dwellings shall be assessed one (1) equivalent living unit for each subdivided lot of record. Where land is zoned E1, but is not presently subdivided, such land shall be assessed two and one-half (2½) equivalent living units per acre."

For your purpose this should be sufficient indication, but spelled out in the engineering report are Zone E2 - single family dwellings, one and one-half (1½) living units per lot and Zone R3 - one unit for each subdivided condominium or apartment. As I previously stated, there were 12,824.8 such units.

The principal to provide sewers on this number of lots which was invested prior to 1968 comes to \$5,885,298. Interest to June 30, 1971, comes to \$2,428,979 giving a total investment

to serve these units of \$8,314,277. This divided by the 12,824.8 units would give that principal cost plus interest for the original subdivisions. We believe it would be reasonable to depreciate that investment to \$4,653,890 so that the per unit investment of all of the individual lots of the original Crystal Bay Development Company comes to \$552.27.

Now, however, comes the 1968-69 program where there was an export system--\$2,704,752, a treatment plant--\$1,492,248, and main trunks and pump stations--\$1,183,880. However, in addition to the 12,824.8 lots there was an addition of Incline Units 1 through 8, 4,035 lots, bringing a total of 16,859.8 living units. This divided into each of the above brings a total of \$248.75, but I would add to this a years interest at 7.7% and the cost is \$291.24, or a total for acquisition of capacity in the plant, the export system and the main collectors and pump stations of \$843.51.

You asked me about the plant. The plant will be completed sometime in August and has an average per day capacity of 3 million gallons. Based on our November, 1970 census, there were 2,280 occupied living units. Based on a maximum for engineering purposes of 14,746 units for the entire subdivisions, then there is 14% build-out at this time. That 14% is producing an average of one-half million gallons of sewage per day so that at total build-out we would need 3.6 million gallons a day. On this basis it is only academic to consider A.B. 421, because we have no capacity for sale as anticipated by A.B. 421. That capacity has been purchased by and it is an assessment against each of the 16,000 lots of the Incline subdivisions, and that capacity is simply not available to anyone excepting the people of Incline.

I assume A.B. 421 is aimed at this District and based on this 14% build-out and the fact that the capacity is already committed, there is no capacity, then A.B. 421 is a waste of your time and consideration.

A.B. 421 refers to "reasonable rate". A rate under Public Service Commission rules to this District limits the rate to operations and maintenance and under this bill District could not recover any part of the original capital improvements or anything other than operation and maintenance costs. We would oppose the bill and it would be extremely unfair to the present property holders.

Assemblyman Hal Smith

- 3 -

February 24, 1971

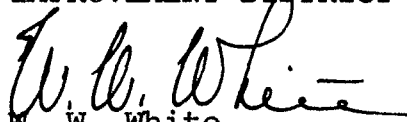
201

District requests notification of any hearings considering A.B. 421.

I am submitting to you the basis of our population and other estimates. I strongly recommend and hope that you can promptly proceed with the enactment of A.B. 264.

Very truly yours,

INCLINE VILLAGE GENERAL
IMPROVEMENT DISTRICT



W. W. White
General Manager

WWW/av

Enclosures

cc: Senator James Gibson
Assemblyman Lawrence Jacobsen
Senator Thomas R. C. Wilson
Lester H. Berkson
Trustees

Office of the Comptroller

CLARK COUNTY COURT HOUSE
LAS VEGAS, NEVADA
89101

1-222
DARREL R. DAINES
Comptroller
Phone: 385-3131

DAVID B. HENRY
County Administrator

February 25, 1971

Honorable R. Hal Smith
Assemblyman, Dist. #3, Clark County
Legislative Building
Carson City, Nevada 89701

Dear Assemblyman Smith:

Please accept for yourself, and convey to the other members of the Government Affairs Committee, my appreciation for the courtesies extended me yesterday at the hearing on A.B. 170. I appreciate being given the opportunity to address this Committee.

Should there be any additional information that you feel I might have access to, I would certainly be willing to respond to your requests.

Sincerely,

Darrel R. Daines

DARREL R. DAINES
Comptroller

DRD/max

RICHARD E. GUGGENHIME
PAUL T. WOLF
ROBERT C. HARRIS
ALBERT M. MONACO
LAWRENCE C. BAKER
LOUIS H. HEILBRON
J. WHITE
W. ROSSTON
SLOSS
JULIAN N. STERN
GEORGE A. BLACKSTONE
MICHAEL J. CULLEN
LLOYD W. DINKELSPIEL, JR.
RICHARD E. TAVLIAN
CHARLES H. CLIFFORD
WILLIAM R. MACKEY
WEYMAN I. LUNDOQUIST
THOMAS B. MCGUIRE
JERRY H. ROBINSON
VICTOR A. HEBERT
M. LAURENCE POPOFSKY
JOHN H. CUTLER
RICHARD L. GOFF
CURTIS M. CATON

HELLER, EHRMAN, WHITE & McAULIFFE

ATTORNEYS

THIRTIETH FLOOR • WELLS FARGO BUILDING
44 MONTGOMERY STREET • SAN FRANCISCO, CALIFORNIA 94104

E. S. HELLER (1889-1926)
F. M. McAULIFFE (1911-1957)

SIDNEY M. EHRMAN
JEROME B. WHITE
JOSEPH D. TOOHIG
F. WHITNEY TENNEY
DONALD W. FALCONER
OF COUNSEL

223

February 25, 1971

CABLE: HELPOW

TELEPHONE: AREA 415
981-5000

Assemblyman Hal Smith
Chairman, Governmental Affairs Committee
Nevada State Legislature
Carson City, Nevada

Re: Assembly Bill 264

Dear Assemblyman Smith:

This office represents several individuals who own property adjoining, but not within, the Incline Village General Improvement District. Our clients for a period of two years have attempted to connect to the district sewer system, but have been unable to make mutually satisfactory arrangements with the District. A part of the problem has been the present language of Section 318.258 N.R.S., which prevents the District from charging an annexation fee for inclusion. Under the circumstances, our clients would be willing to pay a fee which is reasonable.

For these reasons, we support legislation which permits districts to charge reasonable annexation fees, provided that the determination of such fees is not left in the sole discretion of the district. We understand that at hearings on this bill it was proposed that the Public Service Commission be authorized and empowered to review annexation fees. Presumably, the Public Service Commission would review not only annexation fees, but also outright refusals to permit inclusion of an adjoining property owner. Under such conditions, we would emphatically support such an amendment.

Very truly yours,

George H. Clyde, Jr.
for HELLER, EHRMAN, WHITE & McAULIFFE

GHCJr:mk

cc: Lester H. Berkson, Esq.

C O P Y

Box 186
Incline Village, Nevada 89450
August 10, 1970

1-225

TO: Property Owners East of 999 Lakeshore Boulevard and Not Within
Incline Village General Improvement District

SUBJECT: LET'S GET SEWERED!!

MEETING: 2 PM, Sunday August 16th, Incline HS

The deadline of December 1970 is fast approaching when all homes must be hooked up to sewers. It is necessary that all of us whose property is not within Incline Village General Improvement District take all steps needed to get our properties sewered, not only to prevent future pollution of Lake Tahoe, but also to avoid having our homes locked up as no longer inhabitable.

This letter is being sent in an effort to get all of you who are interested in getting your property sewered to join NOW in a concerted effort toward getting sewered at a fair and reasonable cost, and without paying for things which do not benefit us.

Enclosed is a brief history of the situation and a summary of some possible alternatives.

There will be a Property Owners meeting this coming Sunday, August 16th in the Conference Room (main entrance - next to office) at Incline Village High School at 2 PM to discuss the situation and hopefully to determine who is willing to commit to an aggressive course of action, and including joining the proposed Washoe Improvement District #3. Enclosed is a map and superimposed questionnaire. Please blacken the area representing your property and indicate whether you plan to join the new district. A pre-stamped return envelope is provided.

More than one million dollars in Federal funds is going into the expanded sewer facilities and export line of the IVGID. In my analysis, there is not enough water available to the IVGID to use more than a fraction of the expanded sewer capacity; therefore somebody - be it the property owners, Boise, or whoever - can get stuck for major costs without resultant benefits.

One logical alternative would be for the IVGID to contract with one or more outside districts to accept and process their sewerage (at a fair price). Washoe District #1 (primarily the clubs, etc., on the Nevada side of Cal Neva Point) has applied to switch from sewerage in California to a hook-up with the IVGID. Such an arrangement, coupled with the proposed District #3 (and other properties not in the IVGID) would relieve the Incline District of the burden of upwards of a million dollars worth of excess sewer capacity and also result in lower monthly charges for all concerned. Such a unified, cooperative approach would be in the public interest which, of course, is important in view of the substantial public funds involved.

Let's get moving! Please return the enclosed questionnaire (to Box 186, Incline) and participate in the August 16th meeting, if you can.

Respectfully,

Roger Steele
Roger Steele

/jo
Enclosures

Sewers, Property not in the IVGID



BRIEF HISTORY AND POSSIBLE ALTERNATIVES

The Division of Health, State of Nevada, wrote to each of the property owners outside the district on April 2, 1969, pointing out the deadline of 1970 and listing 3 possible means for providing sewerage to this area: (1) construction of our own sewer plant and export line (this procedure, of course, is not practical for the small number of homes involved); (2) form our own District, finance and construct the necessary collection system and contract with the existing Improvement District to take our sewerage; and (3) to annex to the existing Improvement District.

In April 1969 a meeting was held with Mr. White of IVGID wherein he advised the steps to accomplish the second alternative; that is, how to go about forming our own district and installing our own collection system ending up with a pressure line to an Improvement District manhole on Lakeshore Boulevard.

In July 1969 the property owners (or their representatives) representing one-third of a mile of property east of 999 Lakeshore, running from Lakeshore to Lake Tahoe, met to discuss the situation and agreed to: (a) pursue the second alternative above, (b) retain an attorney as necessary to form a district, (c) get a letter out to all contiguous property owners in the area inviting them to participate in such a district, (d) get estimates on the cost of a collection system, and (e) negotiate a contract with IVGID.

Following this meeting a letter was sent to all out-of-district people (preparatory to forming a district) and a bid was obtained for a collection system, including gravity collection lines, a tank, a pump station with controls and line up to Lakeshore Boulevard to sewer that property running east from 999 Lakeshore and including properties on Deborah and Vivian Lanes. The property owners in the Pine Cone area were contacted prior to their annual association meeting in July 1969; however, they advised that they deferred any action on sewers for one year and therefore the above quotation for a sewer collection system did not include the properties on Pine Cone Circle.

The quotation obtained last fall is not now valid, but it does serve at least as a rough figure for estimating or comparison purposes. It worked out to be \$1800 per house on Deborah and Vivian Lanes and \$3600 for each of the larger places to the west. This figure included actual hook-up to each house but did not include our fair share of the costs of the sewer plant and export line.

Following this Mr. White reversed his position of April 1969 regarding accepting sewerage from a separate district and progress ground to a halt.

In a meeting on July 24, 1970, with Mr. Ernest Gregory, Chief, Nevada State Health Division, Bureau of Environmental Health, he again reconfirmed the existing sewer deadline of December 31, 1970, which was set by Federal Conference acting under the Federal Water Pollution Control Act. In the same meeting Mr. Gregory provided the following breakdown of dollar figures concerning the Incline Village sewer plant expansion and export line:

continued . . .

1-227

	Export Line	Plant Expansion	Total
Federal Funds	\$ 699,000	\$ 450,000	\$1,149,000
IVGID Funds	<u>1,851,000</u>	<u>1,238,000</u>	<u>3,089,000</u>
Total Cash	\$2,550,000	\$1,688,000	\$4,238,000

On July 27, 1970, Mr. White spoke in terms of my joining the district and facing a cost on the order of \$120,000 to sewer my home at 1055 Lakeshore Boulevard! At this charge the 8 of us directly east of 999 Lakeshore would be paying approximately one million dollars, not counting the associated Federal funds.

On July 28th this group of 8 (or their representatives) met and reconfirmed the decision to move ahead on the formation of a separate district and committed funds toward anticipated expenses, such as attorneys, accountants, engineering, etc.

At the request of the State of Nevada Division of Health, Washoe County Sewer Improvement District #1 (primarily the area including the clubs on the Nevada portion of Cal Neva Point) applied to IVGID on July 30, 1970, to put its sewerage through the trunk line through the Incline District system. This plan, which would help relieve the tight sewer capacity in California and make use of excess capacity in Incline, is now under study.

This plan could work to our benefit in several ways: (1) It should help set the precedent for the IVGID to accept sewerage from another district - and this is quite logical in view of the Federal funding involved; (b) It should help set a fair rate per gallon for the sewerage to be treated and exported, and (c) It would take the burden of upwards of a million dollars off the shoulders of the Incline District and/or Boise Cascade which should produce a more cooperative atmosphere.

Mr. Al Kuckhoff has called a meeting for 7:30 Tuesday night August 11th to discuss with his neighbors, also out-of-district, this whole sewerage situation. One possibility here would be for that group of 31 homeowners to combine with us and possibly with Washoe District #1. A report of this August 11th meeting will be made at our forthcoming meeting on August 16th.

The alternative of annexing to IVGID represents simplicity since (in Mr. Kuckhoff's words) "the Improvement District would undertake to do the engineering and see to the actual construction. However, even if IVGID would accept us without surcharges the ultimate cost could be ominous since we are joining an entity which has the potential for adding further indebtedness and hence additional assessments against its members. A problem per annexation would be that all are presently required to pay \$50 per year for the use of the beaches and yet the beaches would be by deed denied to those outside the original boundaries of the Improvement District. Further such privileges are of questionable value to those presently residing in our area." The extra assessment on our tax bill should also be considered.

In summary there are many alternatives but decisions and commitments must be made and then backed up with continuing help from some of you local residents.

Submitted by Roger Steele

1253 Upper Happy Valley Road
Lafayette, California 94549

S. If you have sold your property,
kindly advise address of new owner.

1. I'd like to join the proposed Washoe District #3 YES NO MAYBE
2. I plan to attend the August 16 meeting YES NO
3. I volunteer my assistance in working toward proper sewerage at a fair price
 YES LET GEORGE DO IT

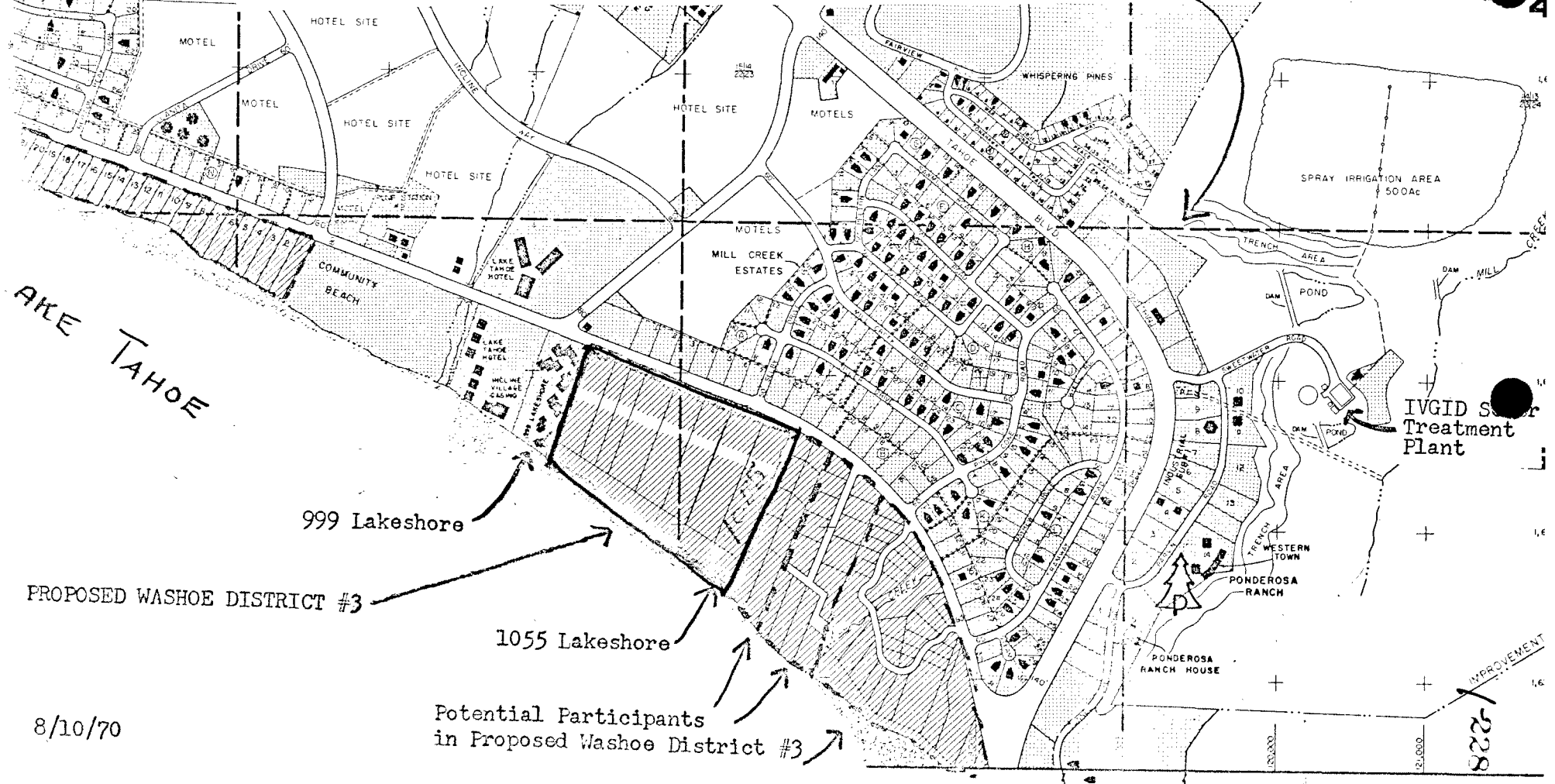
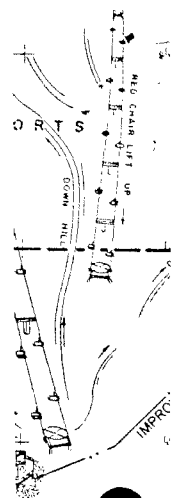
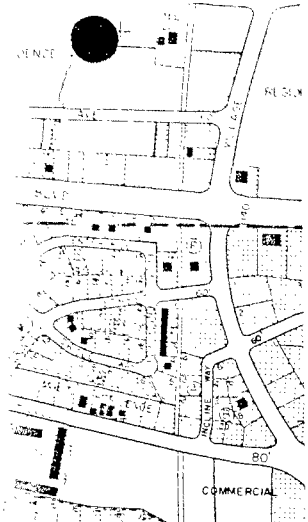
Name _____

Mailing Address _____

Incline Street Address _____

Phone _____

I have blackened the specific location of my property on the map below



PROPOSED WASHOE DISTRICT #3

8/10/70

228

ASSEMBLY

AGENDA FOR COMMITTEE ON Government Affairs

1-13

Date 2-25 Time _____ Room 214

Bills or Resolutions
to be considered

Subject

Counsel
requested*

AB 187

Provides additional restrictions on
formation and management of general
improvement districts.

*Please do not ask for counsel unless necessary.

HEARINGS PENDING

Date _____ Time _____ Room _____
Subject _____

Date _____ Time _____ Room _____
Subject _____