

## NEVADA ASSOCIATION OF COUNTIES (NACO)

Board of Directors' Meeting

July 26, 2024, 9:30am

**NACO Conference Room**

**304 South Minnesota Street**

**Carson City, NV 89702**

### **NOTICE TO THE PUBLIC:**

The public may provide public comment in advance of a meeting by written submission to the following email address: [info@nvnaco.org](mailto:info@nvnaco.org) For inclusion or reference in the minutes of the meeting, your public comment must include your full name and be submitted via email by not later than 3:00 p.m. the day before the meeting.

*The public may also join the meeting via telephone and provide verbal public comment during designated times by calling: (669) 900-9128 Meeting ID: 862 9822 7594 Passcode: 720921*

### **AGENDA**

Some NACO Board members may attend via remote technology from other locations. Items on the agenda may be taken out of order. The NACO Board may combine two or more agenda items for consideration. The NACO Board may remove an item from the agenda or delay discussion relating to an item on the agenda at any time.

### **Call to Order, Roll Call and Pledge of Allegiance**

1. Public Comment. Please Limit Comments to 3 Minutes.
2. Approval of Agenda. **For Possible Action.**
3. NACO President's Report.
4. NACO Executive Director's Report.
5. Approval of Minutes of the May 30, 2024, NACO Board of Directors Meeting. **For Possible Action**
6. **(Time Certain: 10:00am)** \* Update from the Nevada Department of Transportation (NDOT), Tracy Larkin Thomason, Director.
7. Approval of a NACO Resolution Honoring and Thanking Eureka County for Hosting the May 2024 Board of Directors meeting for the Nevada Association of Counties (NACO). **For Possible Action.**
8. Update on the 2024 NACO Annual Conference, Hosted by Carson City.
9. Presentation of NACO's 2023 Financial Audit, Michael Bertrand, Bertrand and Associates, LLC. **For Possible Action**

10. Discussion and Presentation Regarding Local Fiscal and Budgetary Transparency, Andy Matthews, Nevada State Controller.
11. Discussion and Recap of the 2024 NACo County Leadership Institute in Washington, D.C., Commissioner Tammi Hendrix, Lyon County.
12. Update from NACO Legislative Committee, Including Possible Approval of NACO Bill Draft Requests for the 2025 Session of the Nevada Legislature. **For Possible Action**
13. Update from NACO Public Health Coordinator.
14. **Update and Possible Action.** Regarding Public Lands and Natural Resources Issues Affecting Counties Including:
  - a. Updates from the NACO Public Lands and Natural Resources Subcommittee.
15. Updates from Members of the National Association of Counties Board of Directors and Western Interstate Region (W.I.R.) Board of Directors.
16. NACO Board Member Updates.
17. Public Comment. Please Limit Comments to 3 Minutes.

Adjournment.

*\*Time certain agenda items are not a guarantee of start times, they are approximate, but will not commence before the time listed on the agenda.*

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify NACO in writing at 304 S. Minnesota Street, Carson City, NV 89703, or by calling (775) 883-7863 at least three working days prior to the meeting.

Members of the public can request copies of the supporting material for the meeting by contacting Amanda Berg at (775) 883-7863. Supporting material will be available at the NACO office and on the NACO website at: [www.nvnaco.org](http://www.nvnaco.org)

*This agenda was posted at the following locations:*

NACO Office 304 S. Minnesota Street, Carson City, NV 89703

Washoe County Admin. Building 1001 E. Ninth Street, Reno, NV 89520

Elko County Manager's Office 540 Court Street #101, Elko NV 89801

POOL/PACT 201 S. Roop Street, Carson City, NV 89701

NACO website: [www.nvnaco.org](http://www.nvnaco.org)

## Agenda Item 5

### NEVADA ASSOCIATION OF COUNTIES (NACO)

Board of Directors' Meeting

May 24, 2024, 9:30am

Eureka County Courthouse

Commission Chambers

10 S. Main St.

Eureka, NV 89316

### UNADOPTED MINUTES

**Attendance:** President Giomi, President Elect Andreozzi, Vice President Gardner, Past President Higbee, Esmeralda County Commissioner Keyes, Humboldt County Commissioner Tipton, Lincoln County Commissioner Reese, Lyon County Commissioner Henderson, Mineral County Commissioner Rubert-Manzini, Pershing County Commissioner Crim, Storey County Commissioner Carmona, Washoe County Commissioner Herman, White Pine County Commissioner Carson and NACO Staff (Vinson Guthreau, Jennifer Berthiaume, Jacob Brinkerhoff, Amy Hyne-Sutherland and Amanda Berg)

The meeting was called to order at 9:32 a.m.

1. **Public Comment.** Linda Bissett of Power Engineers informed the Board that the BLM Environmental Impact Statement for the Greenlink project would be released in June and that a briefing on the project would be forthcoming.
2. **Approval of Agenda.** The agenda was approved on a motion by Past President Higbee with second by President Elect Andreozzi.
3. **NACO President's Report.** President Giomi thanked Eureka County for hosting the meeting and remarked on the dinner held the previous evening. He referred to the 100<sup>th</sup> anniversary of NACO and shared an article from December 1933 which referred to a resolution sent to the President that discussed civil works programs and noted that there would be a presentation on the history of the Association at the Annual Conference in September.
4. **NACO Executive Director's Report.** Vinson also thanked Eureka County for hosting the meeting and thanked the Board for the great in person attendance.
5. **Approval of Minutes of the April 26, 2024, NACO Board of Directors Meeting.** The minutes were approved as presented on a motion by Commissioner Tipton with second by Commissioner Carson.
6. **Presentation of Proclamation and Award to Former County Commissioner.** President Giomi read the proclamation honoring Senator Pete Goicoechea into the record and Senator Goicoechea thanked the Board for the honor. Commissioners Tipton, Higbee, Carson made remarks on the Senator's accomplishments and assistance regardless of if the issue was outside his district. President Giomi concluded the item by noting that it is important to recognize special people within Nevada communities. The Proclamation was passed on a motion by Commissioner Tipton with second by Commissioner Crim.

7. **Update from the Nevada Department of Agriculture, J.J. Goicoechea, Director, Nevada Department of Agriculture.** Director Goicoechea gave the Board a brief overview of his background including his time on the Eureka County Commission, service on the NACO Board and term as the State Veterinarian. He then outlined the five divisions he oversees within the Department and introduced Chad Sestanovich as the new Administrator of the Animal Industry Division. Director Goicoechea informed the Board of the increase in international trade within the Animal Industry division, including a Toronto restaurant that is serving all Nevada products. He also discussed next steps in the State conducting meat and poultry inspections and noted that the Nevada regulations are equal to or more stringent than those of the USDA. With State inspections he informed the Board that more processing plants will be seen in the counties. Director Goicoechea informed the Board of his intention to re-open the State veterinary lab in Elko and discussed efforts to monitor avian flu and conjunctivitis as they relate to food safety. He then noted the ending of the universal free lunch program instituted in schools during the pandemic ending and encouraged the Board to advocate for parents to enroll their children in the program. Next, he spoke about the Home Feeds Nevada program and the funding he was able to obtain to support the program that purchases from Nevada producers and distributes through local food banks. Director Goicoechea also discussed measurement standards for gas pumps and grocery store scales. The export of vegetal products was outlined, and he noted that 93 million pounds of potatoes were exported from the State in the last fiscal year. The Mormon Cricket problem and what is being done to mitigate them was next on the topics of Director Goicoechea's update. The final update Director Goicoechea gave the Board was the fact that he had issued a quarantine order on several of the State's hunting units due to Chronic Wasting Disease (CWD) being identified in California. He outlined what the order contained and noted that should the disease migrate into Nevada it has the potential to decimate the Mule deer population. President Giomi inquired as to what CWD looks like and the Director informed the Board that it attacks the animal's nervous system, and they forget to eat causing them to waste away and that their hides become very rough looking. Commissioner Manzini inquired if there is a way to prevent the introduction of CWD into the State. Director Goicoechea noted that there is no way to prevent the introduction as the herds migrate across State lines, but reiterated that his order states that there is to be no export of the brain or spinal column of harvested animals in seven hunt districts and that he would expand the order if it becomes warranted. Commissioner Carson noted that at one time Agriculture was the 3<sup>rd</sup> largest economic driver in the State and asked if it still was. Director Goicoechea noted that it is still the same and a large part of that is due to the packaged food and craft beverage industries. He also noted that the largest coffee roasting plant in the country is located in Douglas County, and that with the efforts to increase the export of meat and vegetal products it should remain at that standing. Vice President Gardner inquired as to whether the Park meat processing facility being opened in Douglas County would be under USDA or State inspection and Director Goicoechea stated that would be up to the Park's, but the option is there for them to choose, noting that the USDA is stretched very thin for inspections. President Giomi inquired as to if there was a need for inspection by both and was informed that would only be the case if they intend to export out of State. Commissioner Reese inquired as to the identification of CWD in the State and he was informed that it has yet to be identified in Nevada, but that would be coming as the two California cases confirmed had come from the Bishop and Yosemite areas. He reiterated the need to debone any harvested animals in the identified units and to leave the carcasses at the kill sites. At Commissioner Crim's request he again clarified that if the disease is identified in Nevada the quarantine order would domino to other units. President Elect Andreozzi inquired as to the safety of harvesting tenderloins and backstrap and the Director noted that there are mixed reviews on the safety of taking those portions, but that with proper handling it should be safe to consume. President Elect Andreozzi also noted that the

Director level updates are helpful and important. Commissioner Tipton inquired as to an export of potatoes being rejected by Mexico. The Director discussed questions of the authenticity of their claims noting that tests conducted by the Department did not find any of the issues claimed and that the Mexican authorities would not share their testing results. The item was concluded by President Giomi thanking Director Goicoechea for his time and informing the Board that he would be working on securing updates from the Directors of other State departments.

8. **Approval of Jeffrey Share, Former Director of Budget and Planning, Clark County, as Replacement for Jessica Colvin, Chief Financial Officer, Clark County, as One (1) of Three (3) NACO Appointments to the Committee on Local Government Finance. NRS. 354.105.** Vinson reminded the Board that NACO has three appointments to the Committee and that traditionally the Board appoints a member from Clark and Washoe Counties and the third is a representative from one of the Rural counties, noting that the other two current appointees are Abigail Yacoben the CFO of Washoe County, and Gina Rackley the Comptroller of Humboldt County. Vinson reminded the Board that counties on fiscal watch appear before the Committee and that it was important to Ms. Colvin that her replacement provide good representation. He then directed the Board's attention to Mr. Share's resume within the agenda packet. Mr. Share's appointment was approved on a motion by Vice President Gardner with second by President Elect Andreozzi.
9. **Discussion of United States Department of Agriculture (USDA) Rural Development Better Grants Better Service Initiative, Including Review and Possible Approval of NACO Comment Letter to USDA, Rural Development.** Jennifer directed the Board's attention to the draft letter in the agenda packet and gave them background on the issue, noting that Senator Cortez Masto's office had reached out to NACO. Jennifer discussed the issue being a topic of discussion at the NACO Legislative Conference earlier in the year and the need to streamline an exceedingly difficult grant application process. Jennifer informed the Board that county frustrations with the process led to the development of the letter for their consideration. President Elect Andreozzi noted the need to address the designation of "non-metro" to more accurately represent communities that are isolated geographically. Vinson discussed the benefits that changes to the process would have with the costs and workforce issues the counties experience. Vice President Gardner informed the Board that Douglas County has recognized the deficit of not having a dedicated grants person and that they had created the position. Commissioner Carson discussed her work to make the distinction of White Pine County being Frontier and not Rural. President Giomi noted the problem most of the county's face with the lack of grant administration staff. Vinson informed the Board that he has been collaborating with the Delegation and has expectations that the way federal dollars come down will change in the future, specifically to a more level the field when counties are trying to leverage existing resources. He concluded the item by noting that he understands counties' reluctance to hire staff but informed the Board that the data shows a 3:1 ROI and encouraged the Board to reach out to the Governor's Office of Federal Assistance with questions. The submission of the comment letter was approved on a motion by Past President Higbee with second by Commissioner Carson.
10. **Consideration and Possible Action for Appointment by the Governor to the Board of Indigent Defense Services (BIDS), Including the Reappointment of Current Members, Due to Expiring Terms.** Vinson gave the Board an overview of the Board and the Associations current appointees including Commissioner Crim. He informed the Board that the terms of Joni Eastley, Lorinna Dellinger and Dave Mendiola will expire in July and that they are all interested in continuing to serve. Vinson then informed the Board that staff recommended the reappointments. President Elect Andreozzi remarked on the need for

succession planning with these appointments. Vinson stated that is something that is being worked on and noted that longer terms for the appointments would be beneficial as well since the issues the Board addresses are quite complicated. Commissioner Crim noted that there is a lot to learn when you come on the Board and reiterated that longer service terms would be helpful. The reappointments of former Nye County Commissioner Eastley, Nye County Assistant Manager Dellinger, and former Humboldt County Manager Mendiola were approved on a motion by Past President Higbee with second by Commissioner Crim.

11. **Update and Information Regarding the 2024 National Association of Counties (NACo) Annual Conference, hosted by Hillsborough County (Tampa).** Vinson reminded the Board that advanced registration for the event will end in June and gave them an overview of the conference including the election of the 2<sup>nd</sup> Vice President. He also discussed the resolutions adoption process and how it shapes the Association's federal advocacy efforts for the coming year. He also reminded the Board that anyone wanting to serve on one of the 10 steering committees to reach out to staff and they would be enrolled. He concluded his remarks by noting that there would be one or two Nevada specific events during the conference.
12. **Update from NACO Public Health Coordinator.** Amy reminded the Board of the Foundational Public Health Study process and the final three counties to have their reports finished. She informed the Board that she had recently returned from a public health law conference and that she has data sharing agreement toolkits available to share. She also discussed information gathered on multijurisdictional collaboration and reminded the Board of the workshop being held in August on demystifying the governance structure of county health districts.
13. **Update from NACO Subcommittee on Association By-Laws.** Commissioner Reese informed the Board that the Subcommittee had met that Wednesday and that they had discussed the potential need to hire legal services to ensure the process was completed properly. He also informed the Board that they were requesting input from Commissioners and that more Subcommittee meetings would be held prior to the creation of a discussion draft for Board discussion.
14. **Update from NACO Legislative Committee.** Vinson informed the Board that robust discussions were held by the Committee and that they continue to flush out proposals for the Board's consideration in July and August, reminding them that September 1<sup>st</sup> is the deadline for the submission of the NACO Bill Draft Requests. The Board then held a discussion on the issue of medical licensure reciprocity, utilizing the example of housing being available in Jackpot only 30 miles from Twin Falls ID. Amy stated that discussions are being held within the public health community on the issue.
15. **Update and Possible Action. Regarding Public Lands and Natural Resources Issues Affecting Counties Including:**
  - a. **Updates from the NACO Public Lands and Natural Resources Subcommittee.** Commissioner Tipton and Jacob gave the Board an overview of the previous day's discussions. Including an Executive Order on old growth and Pinion Juniper management, which has an open comment period. The Subcommittee also discussed upcoming meetings on the Bi-State Sage Grouse, Wild Horse and Burro issues, and the BLM's proposed planning changes.

- b. **Possible Approval of NACO Comment Letter Regarding the Sage Grouse Land Use Plan Amendments.** Jacob referred the Board's attention to the draft letter in the agenda packet and thanked the counties for their support in the drafting of the document. He gave the Board an overview of the letter including the apparent attempts to work around congressional rejection of the former Planning 2.0 proposal and inadequacies surrounding alignment with local land use planning, mapping, and socioeconomic concerns. President Giomi noted that it was good to call out the fact that they don't consider those concerns. President Elect Andreozzi stated that it is a good letter, and it is important to maintain public land access as two of the top three industries in Nevada rely on access to those lands. Both President Elect Andreozzi and President Giomi discussed the need for a letter from the Governor's office as well. Vince stated that discussions had been occurring with the Governor's staff and that the draft letter would be shared. The comment letter was approved on a motion by Commissioner Tipton with second by Commissioner Carson.

16. **Updates from Members of the National Association of Counties Board of Directors and Western Interstate Region (W.I.R.) Board of Directors.** Past President Higbee informed the Board that a Board meeting had been held at the recent WIR conference and upcoming resolutions were discussed but that he expects no major changes to the current platform. Commissioner Tipton informed the Board that updates to the WIR By-laws were discussed and the possible inclusion of Nebraska as an Associate member. The National Public Lands Center was also discussed at the WIR conference. The Center's website is being developed and data already collected is being uploaded for sharing. Past President Higbee noted that it will be important for counties to submit information to the Center for sharing and advocacy efforts. It was also noted that staff was recently hired for the Center. Commissioner Tipton concluded the item by noting that a new Legislative Director had been hired for WIR, Zeke Lee from Utah.
17. **NACO Board Member Updates.** Members of the Board gave updates on activities within their counties.
18. **Public Comment.** Commissioner Carson thanked staff for organizing the dinner the previous evening.

The meeting was adjourned at 11:38 a.m.

# **Resolution**

## ***of the Nevada Association of Counties***

### ***24-03***

#### **A RESOLUTION THANKING EUREKA COUNTY FOR HOSTING NACO'S MAY 2024 BOARD MEETING**

WHEREAS, NACO traditionally holds a Board of Directors meeting each year in an Eastern Rural County, and

WHEREAS, the monthly Board of Directors meetings are imperative for holding discussions on topics important to furthering the goals of Nevada's counties, and

WHEREAS, the Board of Directors is comprised of representatives from all 17 of Nevada's counties, and

WHEREAS, Eureka County staff assisted in planning the logistical details necessary for holding the Board of Directors meeting and also provided invaluable help during the meeting, and

WHEREAS, the hospitality and effort of Eureka County was the key to a successful May Board of Directors meeting, and

WHEREAS, NACO recognizes the importance of Eureka County and the contributions they make to the Nevada Association of Counties.

THEREFORE, BE IT RESOLVED, that the Nevada Association of Counties Board of Directors, on behalf of all Nevada Counties, extends its sincere appreciation and thanks to the Commissioners and staff of Eureka County for hosting a truly outstanding May Board of Directors meeting; and

THEREFORE, BE IT FURTHER RESOLVED, that a copy of this resolution be transmitted to the Board of County Commissioners of Eureka County.

Passed, Approved and Adopted this 26th day of July, 2024 by the Board of Directors of the Nevada Association of Counties.

**Attests:**

Stacey Giomi  
President

Vinson W. Guthreau  
Executive Director



# *Registration is Open!*

## **2024 NACO Annual Conference September 24-26**

Join NACO and our host, Carson City as we *Celebrate a Century of Service* to Nevada's 17 Counties!

**Register Today!**



Join us in Carson City for an informative educational sessions, the Annual President's Reception in celebration of our 2024 NACO President, Carson City Supervisor Stacey Giomi. Don't miss the General Session on Wednesday where we will have an engaging Keynote Speaker and the Annual Banquet, to see who will be given the Participatory Democracy Award and who will be inducted into the NACO Honor Roll.

NACO and Carson City are working hard to bring you another amazing NACO conference, so make your plans to join us in Nevada's Capital.

**Register Today!**

**Early Bird Registration closes August 16th.  
Regular registration will close September 6th**

**We look forward to seeing you this September in Carson City!**

For questions or additional information please contact Amanda at [aberg@nvnaco.org](mailto:aberg@nvnaco.org) or 775-883-7863

## **2024 NACO Annual Conference September 24-26**

Hosted by:



## Agenda Item 9

**BERTRAND & ASSOCIATES, LLC**  
**CERTIFIED PUBLIC ACCOUNTANTS**  
Members American Institute of Certified Public Accountants

---

777 E. William St. Suite 206  
Carson City, NV 89701  
Tel 775.882.8892  
Fax 775.562.2667

June 14, 2024

Nevada Association of County Commissioners  
304 S. Minnesota St.  
Carson City, NV 89703

Vinson Guthreau, Executive Director  
Alan Kalt, Fiscal Officer

**RE: 2023 Audit Committee Letter**

Dear Mr. Guthreau and Mr. Kalt,

It is our responsibility to report on the fair presentation of the financial statements in all material respects. Management is responsible for developing and maintaining an effective system of internal accounting controls, keeping the accounting books in good order and for all amounts including the estimates that are presented in the financial statements. Our responsibility as the auditor is to examine, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit involved judgment about the number of transactions to be examined and tested. Because of the concept of reasonable assurance and because we did not perform a detailed examination of all transactions, there is a risk that material errors, fraud, or other illegal acts may exist and not be detected by us.

The financial statements contain significant estimates that are the responsibility of management. The most significant is the net pension liability. Management obtains the estimate for the net pension liability from the annual report provided by PERS.

1 - Communication of control deficiencies or material weaknesses - Statement on Auditing Standards (SAS) 115.

The following comments and recommendations are based on the results of our audit of the Association's 2023 financial statements.

Our consideration of internal controls was for the limited purpose of conducting our organization's audit and would not necessarily identify all deficiencies in internal controls that might be significant or material weaknesses.

A control deficiency exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned duties to prevent or detect

misstatements on a timely basis. A *significant deficiency* is a control deficiency or combination of control deficiencies that adversely affects the entity's ability to initiate, authorize, record, process or report financial data reliably in accordance with accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements, that is more than inconsequential, will not be prevented or detected by the entity's internal controls.

A *material weakness* is a significant deficiency or combination of significant deficiencies that results in more than a remote likelihood that a material misstatement of the financial statements will not be detected by the entity's internal controls.

It is important to note that control deficiencies are not necessarily problems you will choose to address. However, they do represent potential risks. Our job as your auditor is to ensure that you understand where deficiencies or weaknesses exist so that you can make informed business decisions on how best to respond to these risks. We did not identify deficiencies in internal controls that we would consider to be material. However, we did find significant deficiencies as noted below. We report below our findings and weaknesses that management may want to address to improve controls.

2 - The following prior-year comments were not implemented and may be helpful in strengthening internal controls.

We recommended that the accounting policy and procedures manual be updated. This had not been performed. We recommend that a manual be developed which can document controls.

NACO staff receive sponsorship registrations and most deposits through the mail and track sponsorship registration on an excel worksheet. The bookkeeper later records the receipts and reconciles the bank statement. It was noted that the amount shown in the books for sponsorship revenues did not agree to the worksheet listing registrations.

We recommend that an annual reconciliation between the financial statement sponsorship revenue and the excel schedule of registrants be prepared by the bookkeeper. This will help to identify unpaid registrations.

We recommend that all receipts supporting credit card charges be retained.

3 - Disbursements tests performed

We tested disbursement controls, selecting a sample to provide a 95% confidence level.

	Total			Total	Total	
	Total	Disbursements	Percent	Disbursements	Disbursements	Percent
	Disbursements	Tested (\$)	Tested	Count	Tested (Count)	Tested
Disbursements	\$ 1,478,337	\$ 1,384,509	94%	250	60	24%

In addition, we selected a sample of disbursements and checked for appropriate signatures and verified that amounts agreed to invoices, included evidence of approval and that those disbursements were recorded to the proper accounts.

Findings: It was noted that although credit card statements are reviewed for the appropriateness of the charges and approved by the Executive Director, there were many instances where there were no receipts to support the charge listed on the bank card statement.

We recommend as a best practice that receipts always be submitted to support charges on credit card statements and kept as part of the documentation to support the expenditure. Though there were many more receipts than last year to document charges, we recommend all receipts be kept. If an exception is desired for de minimis amounts, we recommend that the policy be adopted by management and documented in the accounting manual.

#### 4-Sponsorship fees schedule

The Sponsorship fees worksheet prepared by the NACO secretary did not agree with the balance shown on the financial statements. We recommend that at least annually before year-end that NACO staff forward the worksheet to the bookkeeper for reconciliation.

In addition to the above adjustments, a previous year receivable of \$5,600 from Join Inc. was removed from the NACO staff worksheet and not provided to the bookkeeper or management for approval of the write-off. Upon further examination, it was not to be written off and was still an outstanding receivable that the sponsor has acknowledged is valid and will remit payment. We recommend that the sponsor worksheets be reconciled to the books monthly and any write-off of balances be approved by management. We also recommend that receivables greater than 90 days past due be presented to management for evaluation.

We also recommend that members' dues, conference fees, and any other invoices prepared by NACO staff be provided monthly to the bookkeeper to be recorded and tracked. Should there later be changes relating to those invoice amounts such as being written off, management should approve the write-off.

#### 5 – Proposed audit adjustments

The following adjustments were proposed to management and accepted and recorded as of December 31, 2024.

1. An adjustment to comply with GASB 68 which requires the reporting of the net pension liability and the associated deferred outflows and inflows. This amount is based on the PERS actuarial report dated June 30, 2023.
2. A small rounding adjustment of \$26 was made for leases.
3. A one-time consulting contract that was recorded as professional expense was reclassified to the account contract services to provide better comparability of expenses between years.
4. As part of reconciling the sponsorship schedule to the books in the prior year, an adjustment was proposed last year to recognize a receivable of \$5,600 from Join Inc. of sponsorship fees. The receivable was outstanding at year end.
5. Public lands receivable was removed as there is not an obligation of the members to pay the voluntary public lands assessment to National NaCO. The corresponding payable to the national NaCO organization was removed. Amounts become payable only when NACO receives member contributions to remit to the national organization.
6. Public lands revenue was increased by \$40,445 due to a correction discovered in performing the reconciliation.

Nevada Association of Counties

Audit Committee letter

Page 4

7. Member fees were overstated by \$5,610 for one member and the corresponding 1% public lands basement was understated by the same amount. A reclassification entry was made.

There were no other proposed adjustments to management.

Management and staff were very helpful in providing items requested on a timely basis. If you have any questions, please do not hesitate to contact us.

Sincerely,

*Bertrand & Associates, LLC*

***Bertrand & Associates, LLC***

777 E. William St. Suite 206  
Carson City, NV 89701  
Tel 775.882.8892  
Fax 775.562.2667  
Email: Michael@bertrandcpa.com

June 14, 2024

To the Board of Directors  
Nevada Association of County Commissioners  
304 S. Minnesota St.  
Carson City, NV 89703

Dear Board members,

We have audited the financial statements of the business-type activities of **Nevada Association of County Commissioners (NACO)** for the year ended **December 31, 2023**. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audit. Professional standards require that we provide you with the following information related to our audit which is divided into the following two sections:

Section I – Required Communications with Those Charged with Governance

Section II – Other Recommendations and Related Information

Section I includes information that current auditing standards require independent auditors to communicate to those individuals charged with governance. We will report this information annually to the Board in our Audit Committee Letter.

Section II presents recommendations related to internal controls, procedures, and other matters during our current audit year. These comments are offered in the interest of helping the Board in its efforts toward continuous improvement, not just in the areas of internal controls and accounting procedures, but also in operations, and administrative efficiency and effectiveness.

### **Section I – Communications Required under AU 260**

#### **Our Responsibility under U.S. Generally Accepted Auditing Standards**

As stated in our engagement letter dated October 17, 2023, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Our responsibility for the supplementary information accompanying the financial statements, as described by professional standards, is to evaluate the presentation of the supplementary information in relation to the financial statements as a whole, and to report on whether the

supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

### **Planned Scope and Timing of the Audit**

We performed the audit according to the planned scope and timing previously communicated to you in our letter regarding planning matters dated October 17, 2023.

### **Significant Audit Findings**

#### **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by NACO are described in Note 1 to the financial statements. GASB 87 for the reporting of leases is a new accounting standard that NACO implemented in 2023. The application of existing policies was not changed during the fiscal year audited.

We noted no transactions entered by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected.

#### **The most sensitive estimates affecting the financial statements were:**

The most sensitive estimates affecting NACO's financial statements were Compensated Absences and the implementation of GASB 68, Accounting and Financial Reporting for Pensions.

The estimate for Compensated Absences is based on accrued time valued at each employee's current pay rate as of year-end. The value of that balance will change dependent upon the pay rate at the time it is used.

We evaluated the key factors and assumptions used to develop the Compensated Absences balance in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was regarding GASB 68 which records pension liability. The pension amounts are prepared by PERS in an actuarial study and are available to the public on their website.

Management has agreed and accepted the proposed adjustments and recommendations. The financial statement disclosures are neutral, consistent, and clear.

### **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

### **Corrected and Uncorrected Misstatements**

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. The adjustments proposed were as follows:

1. The adjustment required for recording the GASB 68 pension liability. Management has recorded this entry that we provided.
2. As part of reconciling the sponsorship schedule to the books in the prior year, an adjustment was proposed last year to recognize sponsorship fees receivable of \$5,600 from Join Inc. That receivable had been erroneously removed and has since been re-stated and collected.
3. Public lands receivable was removed as there is not an obligation of the members to pay the voluntary public lands assessment to national NACo. The corresponding payable to the national NACo organization was removed. Amounts become payable only when NACO receives member contributions to remit to the national organization.
4. Public lands revenue was increased by \$40,445 due to a correction discovered in performing the reconciliation.

### **Disagreements with Management**

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether resolved to our satisfaction, which could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during our audit.

### **Management Representations**

We have requested certain representations from management that are included in the Management Representation Letter dated June 14, 2024.

### **Management Consultations with Other Independent Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters, like obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

### **Other Audit Findings**

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.



## **Section II – Other Recommendations and Related Information**


### **Other Matters**

With respect to the supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

We provided recommendations in the Audit Committee Letter to the Fiscal Officer. In that letter we identified exceptions and noted our recommendations.

This information is intended solely for the use of the Board of Directors charged with governance and management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,



Bertrand & Associates LLC

## **2025 Legislative Session – NACO Bill Draft Requests**

Pending Board Approval

### **Coroner Public Records**

- An addition to NRS Chapter 259 to clarify that certain records of a Medical Examiner or Coroner are public records.

### **Voter Signatures**

- An addition to NRS Chapters 239 and 293 to establish that records of voter signatures held by a County Clerk or Registrar of Voters for purposes of establishing or validating voter registration are not public records. This would allow for examination of signatures within the county office but not the availability for reproductions and distribution.

### **Registered Voter Requirement**

- Establish that Qualified Electors must also be registered voters.

### **Renewable Energy Projects**

- Require local government involvement in the consideration of renewable energy projects.

DRAFT