

CLARK COUNTY DEPARTMENT OF BUILDING & FIRE PREVENTION  
BUILDING ENTERPRISE FUND ADVISORY COMMITTEE (BEFAC)

CCDB&FP Presentation Room  
October 18, 2021

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MINUTES

MEMBERS/ALTERNATES PRESENT:

William Ham, Chair	MGM Resorts
Nat Hodgson, Vice Chair	Southern Nevada Home Builders Association (SNHBA)
Amara Vigil	Clark County Department of Building & Fire Prevention
Jessica Colvin	Clark County Finance Department

MEMBERS/ALTERNATIVES NOT PRESENT:

Shawn Danoski	NAIOP
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STAFF PRESENT:

Jerry Stueve	Clark County Department of Building & Fire Prevention
Sam Palmer	Clark County Department of Building & Fire Prevention
Ofelia Monje	Clark County Department of Building & Fire Prevention
Timothy Baldwin	Clark County District Attorney
Chris Wardlaw	Clark County Finance Department
Joanna Jacob	Clark County Administrative Services
Theresa Atimalala	Clark County Department of Building & Fire Prevention

GUESTS IN ATTENDANCE:

Matt Walker, Southern Nevada Home Builders Association (SNHBA)

**In Compliance with the Open Meeting Law.** The meeting of the Building Enterprise Fund Advisory Committee was called to order at approximately 3:33 p.m. by William Ham, BEFAC Chair, and a quorum was confirmed. William Ham opened the meeting.

**I. Introductions**

**Public Comment Period.** There were no public comments.

**II. Review of Minutes.** A motion was made to approve the minutes from previous meeting on August 9, 2021, by Nat Hodgson, seconded by Bill Ham, and passed unanimously.

**III. Discuss allocating unrestricted enterprise funds to fund the construction of one or more fire stations pursuant to Assembly Bill 139 of the 81<sup>st</sup> Session (2021) the Nevada State Legislature.**

- a. **AB139:** Jessica explained AB139 was passed at the last legislative session which provides for the use of unrestricted enterprise funds to be used for the construction of one or more fire stations. If recommendation is made, will need to present to Board of County Commissioners for consideration and the funds would need to be transferred by the end of the year.

- b. **Restricted Cash:** Jessica presented a handout showing the restricted cash as of July 1<sup>st</sup>, 2018, which shows the BEFAC's recommended restriction of \$9.2 million from the sale of the second floor to the Department of Air Quality. \$15.9 million was also restricted to fund the building department's 5-year capital plan. The department's remaining project commitment and unfunded projects have a \$5 million shortage.
- c. **Building Fund Working Capital:** Jessica presented a handout providing an unaudited estimate of the 2021 working capital as of June 30, 2021, which shows \$21.6 million designated cash set aside for the building department's capital needs, leaving \$48 million unrestricted current assets, less current liabilities of \$19.2 million, total working capital subtotal is \$28.8 million. Less fifty percent of operating expenses of \$13.8 million leaving an excess working capital in the amount of \$14.9 million.

This is the second consecutive year the enterprise fund has had excess working capital therefore recommendation needs to be made to either reduce fees, restrict the excess funds for capital and extraordinary expenses, or fund the remainder of the department's 5-year capital plan and transfer funds under AB139 passage to help fund construction of fire station. Reducing fees has not been done in the past as the excess spike is due to the one-time large projects such as the Raiders stadium, Resort World, Convention Center and once working capital is spent down possibility to increase of fees might need to be done in the future.

- d. **Recommendation:** Finance recommends a proposal to reserve \$5.5 million to fully fund the building department's 5-year capital plan which increases the reserved designated cash and transfer \$10.3 million before December 31, 2021 to fund the building of Fire Station 39. If fire station cost comes in lower, the funds would be returned to the enterprise fund. If fire station cost comes in higher, the County Fire capital fund would have to fund the overage. The \$10.3 million fire station transfer will be transferred to the fire capital fund. The \$5.5 million reserve will increase the reserved designated cash, increasing the designated cash to \$27 million which will continue to reside in the enterprise fund and be available should operations need to be subsidized then a recommendation to the board can be requested to release some of that restriction.

A motion was made by Jessica Colvin, to recommend to the Board of County Commissioners that they restrict \$5.5 million for the building department's 5-year Capital plan in addition to what's already reserved. Also, recommend to the Board under AB139 to transfer \$10.3 million to the fire Capital fund for the construction of a fire station and make the transfer before December 31<sup>st</sup>, 2021. Bill Hamm stated he voted in favor of one-time transfer, however, does not support using additional funds or making this a gateway for future development funding. Nat Hodgson explained PFNA fees should be able to fund future developments similar to this. Motion seconded by Amara Vigil and passed unanimously.

**IV. Next committee meeting scheduled to be held on December 6, 2021 at 8:30a.m.**

**Public Comment Period.** There were no public comments.

Seeing as there are no public comments, the meeting was adjourned at approximately 3:54 p.m.