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Gun Control or People Control?

What Are the Real Issues?

After the shootings in Aurora, Colorado and Sandy Hook, Americans are searching for ways to prevent future tragedies, and politicians are taking advantage of the public outcry to advance their own political agendas. For example, when Harry Reid used to represent the citizens of Nevada, he voted to support our Second Amendment rights. Now that he only represents the Progressive wing of the Democrat party, he flip-flopped to support their positions on gun control, including enhanced background checks, bans on so-called “assault weapons,” etc.

We’ve all listened to arguments from both sides about what constitutes an assault weapon, how many bullets should be allowed to fit into a gun, what kinds of background checks would be best, and on and on. The truth is, we have plenty of gun laws already, and they haven’t seemed to solve the problem of violence in our society. In Chicago, which has the strongest gun control laws in the country, 446 school age children were shot in 2012. Yes, we have a sick society, but taking away guns won’t cure it.

Almost all the killers involved in recent mass murders have either undergone treatment for mental illness or showed obvious signs that they were dangerously unstable. In the 1970s, liberals decided it was unfair to institutionalize mentally ill people, even if they were dangerously psychotic or schizophrenic. They convinced state governments to dismantle the facilities and the laws that kept mentally ill people locked away. Now the liberals who were so concerned about the rights of paranoid schizophrenics are trying to solve the problem by taking away the rights of responsible gun owners.

Are guns really necessary? Ask Amanda Collins, who was violently raped in 2007 on the University of Nevada Reno campus. She had a permit to carry a concealed weapon, but left her gun at home that night because the campus is a “gun-free zone.” She was unable to defend herself from her armed attacker, who went on to assault two other women and kill a third. Research shows that between 800,000 and 2.5 million crimes are stopped each year because the intended victims defended themselves with guns.

However, guns serve an even more essential purpose. They are the last line of defense against a government that wants to take away our rights, or even our lives. Liberals say it could never happen here, but it happened in Germany, in Russia, in Cambodia, and in other countries all over the world. A disarmed populace is unable to defend itself when the tanks come rumbling down the street. And the first step in disarming citizens is to find out where their guns are. The Obama administration claims their proposed database of gun owners will only be used for limited purposes, but once the information is in the government’s computers, who knows where it will end up, or how it will be used?

The Second Amendment, by guaranteeing each citizen the right to protect himself and his family from a tyrannical government, is essential to our whole Constitutional system. It doesn’t make much difference how many rights you have, if you don’t have the ability to defend yourself when those rights are taken away. And yet, Harry Reid recently supported the administration’s gun control proposals “because 9 out of 10 American people want them.” No matter how citizens answer a survey in the heat of the moment, “the right of the people to keep and bear arms shall not be infringed.” If Progressives in Congress really want to do away with the Second Amendment, they need to propose another Amendment to repeal it, and see if they can get that passed. Barring that, it’s their sworn duty as elected officials to uphold the Constitution of the United States as it’s written, not as they think it should have been written. 



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Nevada Business Journal, Nevada Business Magazine and Nevada Business are divisions of Business Link, LLC, 375 N. Stephanie St., Bldg. 23, Suite 2311, Henderson, NV 89014. It is listed in Standard Rates and Data, #20A-Business-Metro, State and Regional. **TopRank Nevada - Annual Statewide Book of Lists** is a publication of Nevada Business Magazine.

Advertisers should contact Sales at (702) 735-7003, or write to: Nevada Business Magazine, 375 N. Stephanie St., Bldg. 23, Suite 2311, Henderson, NV 89014. Demographic information available upon request. Month-to-month circulation may vary.

Nevada Business Magazine is published monthly. Subscription rate is \$44.00 per year. Special order single-copy price is \$7.50.

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CHANGE OF ADDRESS: POSTMASTER: Send address changes to Nevada Business Magazine, 375 N. Stephanie St., Bldg. 23, Suite 2311, Henderson, NV 89014. Subscribers please include previous address or mailing label. Allow six weeks.

EDITORIAL SUBMISSIONS: Address all submissions to the attention of Tarah Figueroa. Unsolicited manuscripts must be accompanied by a SASE. Nevada Business Magazine assumes no responsibility for unsolicited materials.

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Healthcare In Nevada

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Story by:
Howard Riell



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HEALTHCARE IN NEVADA

Prognosis Encouraging

By Howard Riell

Nevada's 2013 healthcare checkup reveals an industry under an unprecedented combination of pressures – little surprise there – but also one that is holding its own, moving quickly to adapt, gearing up to provide the best patient care possible, and looking confidently to the future.

“Nevada’s healthcare industry is in a state of flux as a result of the changes occurring on a national level,” says Dr. Sherif Abdou, president and CEO of HealthCare Partners Nevada, a network of 245 physicians.

From the challenges posed by the listless economy and the still-unraveling Patient Protection and Affordable Care Act (ObamaCare) to the looming shortage of doctors, nurses, physician assistants and other healthcare professionals, healthcare providers across the state are reacting as quickly and as judiciously as possible -- which, all considered, is precisely what they should be doing.

“From a hospital quality standpoint, Nevada hospitals are doing well,” says Dwight Hansen, director of financial services for the Nevada Hospital Association, “even though it is a struggle because of financial considerations.” The Center for Medicare & Medicaid Ser-

vices (CMS), he explains, looks at a variety of quality measures, which can be broken down into categories. Within these categories, out of the 50 states and Washington, DC, Nevada hospitals rank 24th in Heart Attack and Chest Pain quality measures, 13th in Heart Failure quality measures, sixth in Pneumonia quality measures and 13th in Surgical Care Improvement quality measures.

“However, financially, Nevada hospitals are struggling,” Hansen adds. For more than four years, the Nevada hospital industry as a



whole has lost money, with the most recent operating margin of a negative 2.2 percent for the first half of 2012. “This is mostly due to the fact that three-fourths of the payers do not even pay the cost the hospital experiences to care for their patients. Medicare, Medicaid, the uninsured and other government payers account for 75 percent of the inpatient days in hospitals.”

Medicare, Medicaid and the uninsured pay substantially less than the actual cost of care. This leaves the private insurers to pick up the losses experienced because of the payers who do not pay their fair share.

From advanced technologies and medical treatments for heart, cancer, neurology and specialized children’s services to numerous locations for urgent care, primary care and other outpatient services “our community’s access to services that are close to home is growing and better than ever,” accord-

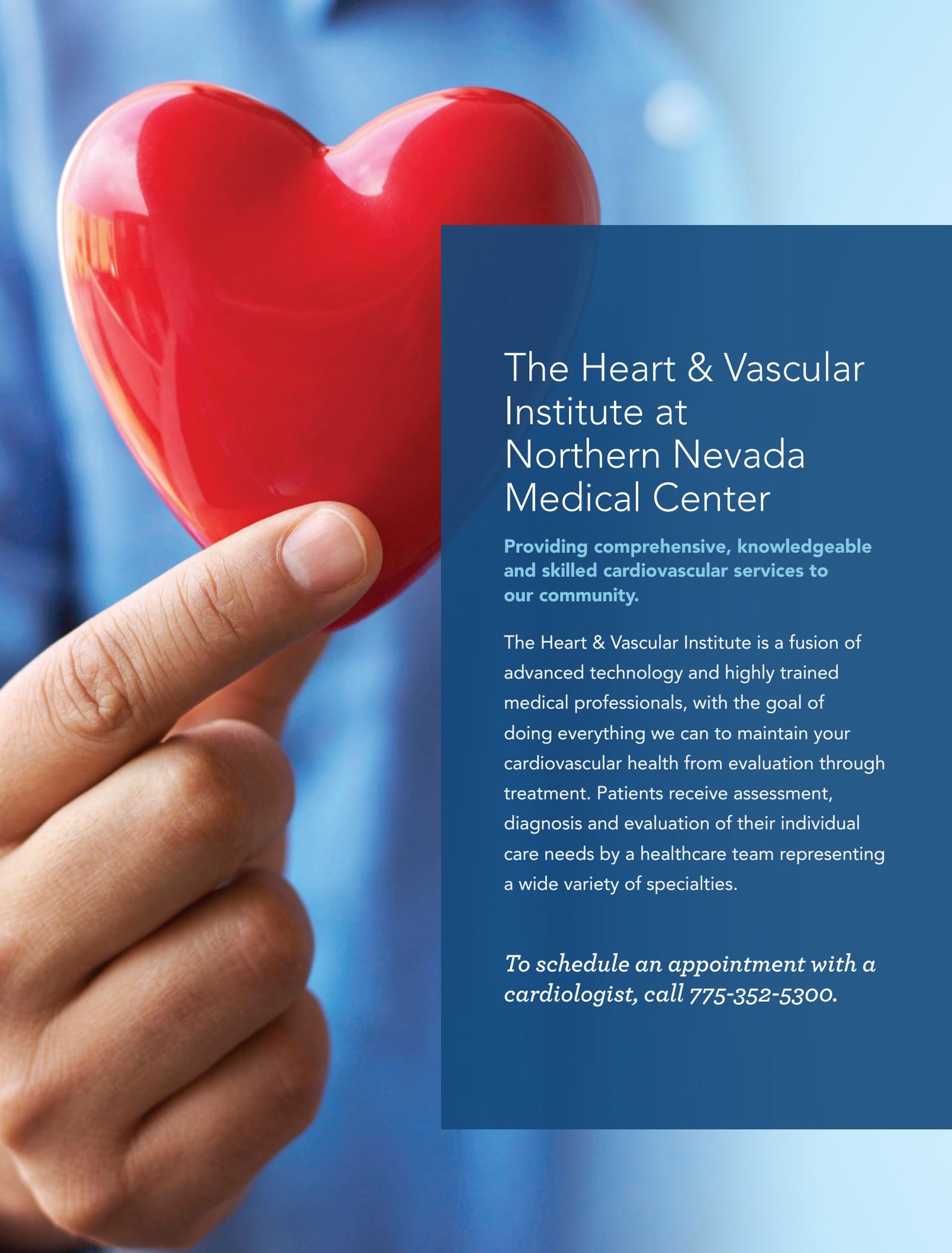
ing to Greg Boyer, CEO of Renown Regional Medical Center.

“There are a lot of great things happening in hospitals,” says Karla Perez, Vice President of Universal Health Services, “but so many of our initiatives are behind-the-scenes that people may not realize all the things we’ve done, and continue to do, to improve the quality of our community’s healthcare.”

The Valley Health System, Perez notes, has five accredited chest pain centers and a network of primary stroke centers. “We collaborate with other healthcare providers and agencies to reduce

a patient’s risk of falling, of getting an infection, of reducing their chance of being readmitted to the hospital within 30 days for the same health issue.” Universal also started a Transitional Care Program in 2011 to reduce its readmission rate, “and it really does take a village to care for hospital patients. We examine everything from our patients’ current health status to their home environment.”

Universal also has palliative-care programs available at its five Las Vegas hospitals,

A close-up photograph of a hand holding a bright red, glossy heart. The heart is the central focus, with the hand's fingers visible at the bottom and left. The background is a soft, out-of-focus blue. A dark blue semi-transparent box is overlaid on the right side of the image, containing white text.

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Perez notes. This is specialized medical care for patients with serious and/or chronic illnesses like cancer, congestive heart failure, kidney failure, Parkinson's, etc. "It focuses on relief from symptoms pain and stress and is appropriate at any stage of a serious illness."

Nevada's healthcare industry is in a state of flux as a result of the changes occurring on a national level, suggests Abdou. "While Nevada's healthcare system remains in the bottom 10 percent nationwide, our state's delivery system is being reconfigured to improve upon quality of care, access and patient outcomes." This reconfiguration, he believes, is "steadily moving Nevada away from the fragmented, wasteful system we have seen in recent decades. Through continued mergers and acquisitions, we are seeing more healthcare organizations grow to embrace the collaborative, system-based delivery model that HealthCare Partners has practiced for decades. This allows for a significantly improved level of coordinated, patient-focused care and serves to



Todd Sklamberg
Sunrise Hopsital

reduce waste within the system."

"The healthcare industry in Nevada is still challenged," says Todd Sklamberg, CEO of Sunrise Hospital and Medical Center and Sunrise Children's Hospital. "While at Sunrise Hospital and Sunrise Children's Hospital we have seen an increase in patient activity, as a state we are faced with a high unemployment rate and a large uninsured patient population." Indeed, he adds, Medicaid expansion in Nevada is a major component of the Affordable Care Act that will impact Nevada's hospitals.

"We are pleased with the Governor's early and ongoing support of Medicaid expansion," Sklamberg says. "While expansion is an important first step, it is key to remember that Medicaid reimbursement covers only about 55 percent of the cost of care. Uninsured patients who are treated by Nevada's hospitals pay in total about 5 percent of the cost for their treatment. Because they seldom receive preventive care, these patients often require expensive, complex care."

ObamaCare

The initial impact of ObamaCare, according to Hansen, has both positives and negatives. "On the positive side, there were a number of immediate insurance rules which favored improving healthcare."

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"However, there is a significant downside financially for hospitals in the early years before the increase in coverage begins in 2014," Hansen continues. Hospitals normally receive an increase in payment rates every year from Medicare, but these increases were cut back from the normal increase, costing Nevada hospitals about \$3.8 million in 2013, and growing every year with a total 10-year cost of almost \$900 million. In addition, there will be cuts to the Medicare and Medicaid Disproportionate Share Hospital (DSH) programs.

Hospitals that treat a disproportionate share of low-income patients typically receive an additional payment, Hansen points out, but this is scaled back under the Affordable Care Act. The cuts do not come



Karla Perez
Universal Health Services

until 2015, but the Medicare DSH cuts are expected to cost Nevada hospitals almost \$208 million over ten years.

"Details of the Medicaid DSH cuts are not final yet but it is estimated that the Medicaid DSH cut in 2014 would be about 5 percent or \$4 million, growing to about 50 percent or \$43 million in 2019," he notes.

Although it is not part of ObamaCare, the Middle Class Tax Relief and Job Creation Act, which extended tax cuts to most people, also included a provision to cut payments to hospitals by reducing the amount Medicare would pay for bad debts hospitals experienced for Medicare patients who could

not pay their deductible or coinsurance. And the recent federal budget continued the sequestration adjustment for hospitals, cutting Medicare payments by 2 percent (\$25 million per year) for Nevada hospitals.

According to Perez, the role of clinical integration (CI) will play a significant role in the Patient Protection and Affordable Care Act. Clinical integration is an effort among physicians, often in collaboration with a hospital or health system, to develop active and ongoing clinical initiatives that are designed to control costs and improve the quality of healthcare services. CI is a physician-driven, physician-led and physician-managed program. "We established our CI program."

Since 2010, says Boyer, hospitals have incurred substantial cuts in payments "such that for every dollar we now spend to deliver care, we only receive 83-cents back from Medicare and 54-cents back from Medicaid."

Abdou sees the Affordable Care Act as "fostering improved collaboration and



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integration between physician groups and hospitals. While (it) alone will not bring about all of the necessary changes within our healthcare system, I believe it has sparked a dialogue that will ultimately lead healthcare organizations to prioritize quality of care and outcomes rather than patient volume.”

“Ultimately,” says Sunrise’s Sklamberg, “there are a lot of details in the Affordable Care Act that we are still working through and determining the effect. But the opportunity for lower-income Nevadans to receive healthcare coverage and access to preventative services is definitely a positive for our community.”

Professional Shortage

In general, Nevada “has the same problem that most of the nation is facing right now,” according to Helen Lidholm, CEO of Saint Mary’s Regional Medical Center, “and that is a shortage of primary care physicians, internal medicine and family practice doctors.”



Helen Lidholm
Saint Mary’s Regional
Medical Center

Early in March, Lidholm notes, the medical schools in the nation held their annual Match Day, in which they look at prospective medical students and upcoming residents to see what kind of specialties they want to go into. “For the first time in a very long time internal medicine was at the top, which is good news, but it’s not going to happen fast enough. That causes patients – and not just in Nevada – to have to go to more expensive options, meaning specialists for care that perhaps could have been taken care of by primary care doctors.”

According to Hansen, the latest information shows that Nevada ranks 47th among the states in physicians per capita, 49th in

adequacy of prenatal care, “and we have a lower number of licensed MDs per capita in 34 of the 39 specialties tracked by the AMA. Nevada ranks last in RNs per capita, despite the fact that Nevada is the fifth-highest paying state for RNs.”

“As a private employer, we’ve developed programs to train healthcare professionals ourselves, and work closely with the university and colleges to offer residencies, clinical rotations, nurse mentoring programs and local faculty,” says Renown’s Boyer. “Our contributions to health professional education exceeded three million dollars in 2012. We are continuing to do what we can to prevent shortages, but we need the support of business leaders in Nevada to avoid staffing ratio legislation that would raise the cost of healthcare and create staffing shortages.”

The healthcare needs of Nevada’s expanding and aging population, Boyer points out, will drive staffing shortages in every area. “As a teaching hospital working with the University of Nevada School of Medicine, Renown Regional Medical Center devotes considerable resources to educating health professionals. We are a key partner in the state’s efforts to double nursing school output.”

Renown has planned and prepared to meet the future needs of the community in the face of the increased patient demand from ObamaCare, says Boyer. For access to care and to keep costs down, Renown has opened urgent care centers, primary care offices and other outpatient services.

Additionally, Northern Nevada Medical Center (NNMC) is working on growing and expanding to meet the changing needs of the community. The hospital has launched a pain management center which is co-managed by Nevada Advanced Pain Specialists. The center was recently the first of its kind in the nation to receive certification from The Joint Commission in lower back pain. The center is designed to identify the source of patient’s pain and use image-guided techniques and therapies to treat the precise area.

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FLIP A SWITCH, TURN ON A FAUCET

Nevada's Utility Companies

– By Jennifer Rachel Baumer



.....
Utilities in Nevada took a beating during the recession. Now the light at the end of the tunnel may be an indication that the economy is recovering.

Utilities is a catchall phrase for services businesses and individuals use on a daily basis: water, power, natural gas. Most utilities are regulated by the Public Utilities Commission of Nevada, utility companies aren't affected by budget shortfalls in the state as much as by customer base.

Utilities are funded by its customer base, from new connections, fees and fines. Past that, agencies have to find ways to finance projects the same as any business would, using rate increases or bonds in order to fund changes that directly impact both the environment and Nevadans when they flip a light switch or turn on a faucet.

Water

Southern Nevada Water Authority (SNWA) recently realized several milestones, one of the largest being a contract signed with Mexico. SNWA will pay \$2.5 million to help make on-farm conservation improvements in Mexico in return for 23,000-acre-feet of water that will be stored in Lake Mead as a bridge supply.

Another project underway is the third drinking water intake in Lake Mead.

"It was very difficult building the third intake because it's not growth related," said Patricia Mulroy, general manager. "If it had been a growth-related project, we would have scrapped it, but we're going to lose our other intake in Lake Mead. Knowing that, and knowing that would cost us 40 percent of our capacity, we knew we needed to replace it," Mulroy said of the \$800 million project.



Patricia Mulroy
Southern Nevada
Water Authority

Driven by drought rather than growth, the project was difficult to fund because there were no new customers to defray costs. "Now as the economy recovers and sales tax collections recover, as connection charges recover, as we add more customers to our base, that will go a long way to helping with the impact," said Mulroy.

But without those factors in place, 2012 saw a difficult rate increase. With residential and business vacancies up, connection charge revenues which supply 57 percent of SNWA's revenue base had diminished from \$188 million a year down to \$3 million. "We lived on our reserves from 2008 until last year," said Mulroy, but the need for the third intake forced the agency to sell \$350 million worth of bonds and something had to be done to stabilize reserves.

"It was a very difficult rate increase for the business community and the big issues at the time were fire lines and charging businesses for the fire lines they have," said Mulroy.

As soon as the increase was approved by the SNWA board, 21 individuals, largely from the business community, were appointed to look at how to move forward and determine rate changes and the possibility of stair-

stepping the next increase which may occur in 2016.

"It's a difficult transition of going from a community that relied on revenues that came from growth to one that has to pay for their infrastructure themselves," said Mulroy. "That transition occurred last year and you won't see that again."

Two back-to-back bad snow years in the Colorado River system means Lake Mead is expected to drop 13 feet this

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Mark Foree
Truckee Meadows
Water Authority

coming summer through the course of the water year, so the agency is working with the Metropolitan Water District of Southern California and the Central Arizona Project to store water in Lake Mead so it now sits 10 feet higher than normal.

Conservation plays a part, too. SNWA invests \$10 million annually to give rebates to customers with desert-friendly landscape conversions. A conservation-driven decline of water consumption is evidence the program is working.

In other positive news, an increase in water sales in both commercial and residential sectors shows new connections and new customers coming online.

In Northern Nevada, Truckee Meadows Water Authority (TMWA) is also seeing an increase in the number of new inquiries for service. After hitting a low in the number of contracts sent out in 2011, there's an uptick following several years of low or flat numbers, according to Mark Foree, general manager.

New inquiries are up, water is down. After two consecutive years of dry winters, a test of the snow pack in April showed the area to be at 60 percent of average for the second year in a row.

"That's not great news, but we had a really big year two years ago and we're still living off that because our primary reservoir, Lake Tahoe, is still half full," said Foree. "That's a really big reservoir and that's where we get 90 percent of our water supply, from Lake Tahoe and the Truckee River system, so in terms of the rest of the calendar year it will be business as usual for us. We'll have normal river flows through the end of the year."

Conservation efforts continue to be in effect. Northern Nevada has had three-day-a-week watering restrictions for 20 years, and water meters in place for 12. Now that 98 percent of water services are metered, water usage over the last few years has dropped by 15 percent.

Other factors come into play to explain the reduced water usage. Residential and business vacancies reduce water consumption and a nationwide trend in the last 10 or 15 years shows consumers using less water. This despite the fact that during the last 12 years, as Northern Nevada consumers have used 15 percent less water, the service area has grown by 20 percent.

Conservation, coupled with the reserves from the last big winter, puts Northern Nevada water supply in good shape through 2013.

Southwest Gas Corporation

In many parts of the U.S., shale drilling in order to extract oil and gas is big news and a big economic bonus. For consumers in Nevada, what that means is a source of clean, cheap fuel. Natural gas prices are low and Jeffrey Shaw, CEO/director, Southwest Gas Corporation, doesn't expect any spike in those prices any time soon.

"We have an extraordinary opportunity in this country with the shale mines and the exploration in shale for natural gas," said Shaw. "There's an extraordinary amount of supply they've found and if we get this right in our nation, natural gas could be the foundational fuel for many years to come. It's clean, it's abundant and it's priced at a level that is much more affordable for the consumer than it was just five to seven years ago."



Jeffrey Shaw
Southwest
Gas Corporation

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Natural gas has a variety of applications, from heating to firing cleaner-than-coal power plants to fueling transportation. It's also a backup for alternative energy in Nevada, because some alternative sources can be intermittent in nature, said Shaw – the wind isn't always blowing, the sun isn't always shining.

Natural gas is basically a byproduct from the shale drilling. The liquid fuels are far more valuable, which is why the industry is keeping an eye on any proposed regulations regarding extraction processes.

Like the water utilities, Southwest Gas Corporation is seeing a rise in the number of new meter sets, new construction to actually run a main and service to a house. It's not a dramatic improvement, but it's a positive economic indicator.

Natural gas can provide the U.S. with energy independence and less reliance on foreign energy sources, and is an abundant supply of clean fuels currently bringing about the change in power plants.

NV Energy

In the last six years NV Energy invested \$6.5 billion in new power generating plants, efficient natural gas-fired plants that use less natural gas and less water to produce electricity than other plants in the system. That \$6.5 billion investment produced no incremental price to customers in part because of the efficiency of the plants and in part because of the abundant supply and low price of natural gas.

Michael Yackira, NV Energy CEO, expects rates will increase at about the same rate as inflation, or about 1.5 percent per year. A plan proposed to the Legislature calls for early elimination of Nevada coal-fired plants and using



Michael Yackira
NV Energy

both natural gas-fired plants and renewable energy to replace them. If the early retirement of the coal plants goes into affect, the increase in rates would probably be 1.65 percent annually. That's a tenth of a percent higher than increases a 'normal' plan would cause, and benefits should include job creation, improvements in the environment and more reliability from the system.

If natural gas plants are new for NV Energy, renewable energy isn't. The agency has grown its renewable portfolio for 25 years. By 2012, when required to be at 15 percent renewable energy, NV Energy exceeded that number.

Renewable energy portfolios also include conservation efforts. The Legislature

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INDUSTRY FOCUS

Accountants



Left To Right

Nikki Kirkhouse, Nevada Society of CPA's • **Harry Parsons**, Pangborn and Co., Ltd. • **Michael Mehr**, Mehr CPA's
Mike Bosma, The Bosma Group • **Leland Pace**, Stewart, Archibald & Barney • **Kirk Jacobson**, Johnson, Jacobson, Wilcox
Ralph Piercy, Piercy, Bowler, Taylor • **Jason Griffith**, De Joya and Griffith • **Curt Anderson**, Fair, Anderson and Langerman
Daniel Gerety, Gerety and Associates • **Bob Anderson**, Snell & Wilmer • **Dianna Russo**, Houldsworth Russo

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the decision maker's magazine



Accountants in Nevada have been busy this tax season. Whether struggling with changes in tax laws or dealing with a shaky economy for their clients, CPA's are busier than ever keeping up with the changing times. Recently, executives representing various accounting firms throughout the state met at the Las Vegas offices of Snell & Wilmer to discuss these issues and the future of Nevada's accounting industry.

Connie Brennan, publisher of *Nevada Business Magazine*, served as moderator for the event. These monthly meetings are designed to bring leaders together to discuss issues relevant to their industries. Following is a condensed version of the roundtable discussion.

Do you feel the economy has improved?

Daniel Gerety: Areas of the economy have come back, especially locally, however we're still not even close with the construction jobs and we'll probably never recover from that. There are a couple new casinos coming up, and we've seen housing come up a little bit, but it's no where close to where it was. It's stabilized and stabilization is good. I see us moving forward.

Mike Bosma: It's the have's and the have not's. People that have capital are doing great, they're growing and acquiring, but without capital they're languishing.

Curt Anderson: I get the feeling that we've bottomed out in Nevada, but where are we on the uptick? I'm cautiously optimistic about the uptick, but it's spotty. A lot of our clients that were in the real estate industry, particularly, have a lot of loans that were underwater or a lot of re-negotiations that were going on and a lot of debt discharges they had to deal with. You can't be thinking about how to go out and make money to grow when you have a lot of alligators chopping at you that you have to deal with.

Kirk Jacobson: We represent a large number of auto dealers and they're having a record breaking year. People are back in the market buying cars and there are some signs of good economy. I agree with Dan [Gerety] that construction is going to be a long time coming.

Harry Parsons: What we're seeing in the North is the investors are coming and buying a lot of the homes. You can't find a home in the \$200,000 range anymore in Reno. When the investors move in and start doing that, it's a sign that we've bottomed out and they're there, but I don't know how long it's going to take to sweep up.

Bob Anderson: We're seeing more people and companies looking at Nevada and thinking about coming here. They're kicking the tires and being serious about it. They're beginning to sense that we're off the bottom, as Curt [Anderson] said. That's a good indicator of people wanting to be here and that things nationally, along with Nevada, are coming back.

Leland Pace: We've certainly seen a lot of improvement in the amount of consulting services that are being requested. That was the big drop off, when the economy turned and it was an optional activity. Everyone said, "Okay, we're just going back to strict compliance because we've got to have a tax return." Another thing we're seeing a lot of pickup in is the merger and acquisition activity. People that are looking for opportunities to exit are wondering, what do I have to do now to exit in the next few years? They're seeing the economy coming back, and they want to start structuring now. They had planned to retire in 2009 or 2010 and couldn't. Now, they're trying to structure things so when they feel the opportunity is right they'll be ready to sell. There are a lot of consulting activities going on right now with business succession and exit strategies.

What effects of new tax laws are your customers seeing?

Bob Anderson: The wealthy continue to be targeted. There's a code section that has to do with tax deferred exchanges of real property and sections like that are going to be targeted. Since it impacts the wealthy, it's going to be an easy thing to target. We've just got to worry about that.

Curt Anderson: The disposable income is going down, from a standpoint. These tax increases, strictly if you're an investor, we're already starting to see. I have a client where the tax for 2012 was \$625,000, so it's obviously not a poor person, but that same income taxed with the ObamaCare add on saw an increase of tax that went to \$750,000. It was a \$130,000 increase on

the same level of income. Right there is a 20 percent increase in tax with no change in income.

Gerety: That's why we're setting up meetings with our clients, especially ones that have a lot of their businesses in trusts. Maybe those trusts are paying the taxes, but those trusts hit the top 39.6 rate real quick at \$12,000. An individual doesn't hit it until \$500,000 of taxable income. There's a big gap, whereas before, everyone was at the 35 percent rate and we wanted the money to stay in trusts where they're asset protected and it's out of their estates. Now, we need to start planning to distribute that income to play with the tax brackets. It's a bad business decision. So, we're not making necessarily the best business decisions to try to lower the overall rate for our clients.

How are your clients keeping up with the tax increases?

Curt Anderson: You have to look at their operating structure. I had a home builder who operates through LLC's and [with] those LLC's, the way he structured them, he would be hit with the 3.8 add on for active income. We're looking at remodeling the whole thing and trying to work them into S Corps in a way that allows him to have the income without the add on tax. There is a lot of reconstructing.

Gerety: That is exactly right. Now, all of a sudden that's not necessarily the best choice of entity because LLC's are more flexible, but there's a tax difference. We have to go back to what we were doing before LLC's. You have to weigh how much it's going to cost you tax wise.

Piercy: It's not just the federal [increases], but it's also the states that are going on around you. For example, if you had an LLC in California, [even] if you had no income at all, it's \$800. You have to be looking at where your businesses are operating and what kind of state returns are in place. You can make no money in a state and still end up paying a tax simply because they're trying to raise revenue too.

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Is the accounting industry facing staffing challenges?

Jason Griffith: Finding qualified people [is a challenge]. They're out there, but most of them already have a job. If you put out an ad for a position, you'll get 100 resumes, but 50 won't even be for the correct job or 30 of them will have misspellings on it. You'll maybe get it down to two or three interviews. It's [challenging to] find the right people who fit within the culture of your firm and what you do. Someone [who] is ingrained in doing a certain business line may not work well with your existing business line or culture base.

Curt Anderson: It's one thing to bring in additional owners of the business, but bringing in what I would call, a true partner in a business is a little more difficult. A person that really brings that value added, thinks like an owner and has your back is harder to find. Entrepreneurial spirit in our industry is difficult to find. It takes a while to develop these



people and find out what they're made of. We have a specific process in our firm and we've already retired out two partners. We have a pretty well established process of valuing the firm and working new partners in and out, but it's still hard to find good candidates, it's not easy.

Piercy: Your employees are your only asset, and there are a lot of ways to invest in them. You can go out and find them and bring them into the firm, or you can development them from entry level on up. There are advantages to both; the reality is, you have to do a little bit of both to prevent all of the inbreeding. Most of our dollars are spent making sure our people are top notch.

Parsons: There's a thing we implemented in Reno where we go to the University of Nevada and do the internship program. The last four or five CPAs that we've had have come up through the intern program. They get a chance to look at us and we get a chance to look at them, so when we make them an offer we know what we're looking at. It works out really well for everybody. Two [employees] that we just made partners had come through the internship program.

Dianna Russo: Some of our staffing challenges are the environment that we put people in. We lose good people in our profession because they're worked too hard. A lot of them say they have to travel too much. We really don't sit down and say, "Okay, is it more important to keep somebody, or is it more important to get 65-hours a week out of them?" As a profession, we haven't sat down and said, "It's important to keep these good people because we lose good ones to industries where they don't have to work that amount of time or they want family or flex time." We really don't address that well as a overall profession.

How competitive is the industry?

Piercy: You're competitive from the standpoint that perspective clients are requesting proposals from multiple firms. You have to be competitive there in terms of price, and you usually win based on your experience and qualifications. From that standpoint, we're competitive, but I don't look around the table and think, "Oh, I'm competitive with that guy." There's more cooperation amongst the firms.



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Nikki Kirkhouse: The firms do work together. There are three firms that do work for us in audit work, specialized compliant and tax work. They don't necessarily work collaborately within the company, but they all have a very amicable and cooperative relationship.

Bosma: From a client's perspective, it's best if [CPA firms] are working collaborately. We have eight or nine other CPA firms that we have a regular billing arrangement with that we do special consulting work with. Working collaborately, you're creating a joint vision for whatever project needs to be done.

Gerety: There are also certain levels of expertise that we can't all handle. If it's an international thing, I'm going to bounce it off an international tax specialist that I don't have in my office. I'm a client of McGladrey's and they bill me for their international tax work and vice versa. I've actually billed them for work. If it's an estate tax issue, other CPA's will bring that to me. We're working together, but I'm not trying to steal their client. We work together until the client's needs are met.

Michael Mehr: I don't do any financial statements, audits, reviews or compilation so I refer all that out. Any larger projects, as well as, an international situation, I referred out. State and local taxation in other states is one of the biggest issues that our clients are facing if they do anything outside the Las Vegas valley. The reverse has also been true for me, as well. I've gotten a lot of referrals for the QuickBooks and the consulting side of things that keeps me busy throughout the year when we're not doing tax returns.

Where do you see the economy headed as we move forward?

Bob Anderson: It's going to be better, but I don't think it will be as great as it was. The clients are going to be understanding for the need of fees to go up if that's what is warranted in the circumstances.

Leland Pace: Things will be better next year. I agree with Bob [Anderson] that we're not going to get back to where we were very quickly, as far as the energy and growth curb that was going on.

Griffith: It will be better as the clients are starting to be more aggressive and do more investments. They're going to be growing bigger and they'll need more services. [We're] helping them grow by giving them advice and figuring out what they want to do,

which is reverse engineering from what they need to do now. Helping them get on track is going to trickle down everywhere.

Gerety: One thing that tells me the economy is starting to bounce back is that the mergers and acquisitions have really picked up in the last 12 months. That's what's telling me that everything is starting to click again. We're doing more transactional work and that transactional work stopped when the recession hit. 🌟

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Kent Sasse, MD

Medical Director
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How did you first get into your profession?

I excelled in science and math in school, and then found a passion for making surgery less invasive with emerging technology while I was a medical student and later a Resident at U.C. San Francisco.

What would you want your legacy to future generations to be?

That I helped many individuals in Nevada through their illnesses and health conditions and allowed them to live longer, fuller lives. I'd also like to have advanced the fields of cancer surgery, hernia surgery and obesity treatment through collaborative efforts with the University of Nevada and regional leaders.

What was the toughest lesson you've learned in your career?

That we do not have the ability to help every person and solve every problem, and in some cases, our efforts to help end up causing new problems. It leads to a healthy appreciation for the fact that we must be as careful as humanly possible.



Shelley Hartmann

Executive Director
Mineral County Economic
Development Authority,
HWY 95 RDA

Hawthorne

How did you first get into your profession?

In 1986 when Lincoln County needed an economic development coordinator, I applied. I was working at the newspaper at that time. My background was in art and business and I was a counselor at Caliente Youth Center. I wasn't afraid of new things and no one knew at the time what economic development was. I got to do what I do best start with nothing and build from there.

What is the biggest challenge your industry is facing?

We have to work much harder to attract new companies. Our budgets are tiny, yet we really need to be on the road knocking on industry's doors. Mailers aren't the best approach to landing a new job creator, it is yet another relationship that has to be built. There are always, easily 100 communities, vying for the company we are trying to land for jobs in our town. Money or perks for those companies is tough especially in rural Nevada; it's not easy finding loans if a company is not self funded.



Tom Standish

Shareholder
Jolley Urga Wirth Woodbury
& Standish Attorneys at Law

Las Vegas

What would you want your legacy to future generations to be?

I would want my legacy to reflect my reputation as a skilled litigator in my specialized field and that I was known for working effectively with every opposing counsel.

If you could be another person for a day, who would you be?

Chief of Staff at the White House. I've always held a significant interest in politics.

What is the best perk of your career?

Aside from being able to deduct 50 percent of my dinner meetings from my American Express card? Just kidding. Having the opportunity to make a difference in my clients' lives and being able to guide them through what may be the most stressful event of their life.

What is the worse criticism you have overcome?

As a young attorney, I was told that I was not aggressive enough. I do believe that I have successfully worked through that.

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of knowledge and experience our newer employees can tap into,” Perez suggests. “We continue to review what programs we should add to our graduate medical education program. We currently offer seven residencies and two fellowships. However, particularly for physicians, the financial reimbursements must be figured out, and figured out quickly, so the field of medicine continues to attract top talent.”

When Universal established its graduate medical education program at Valley Hospital in 2006, Nevada ranked 46th in the nation in physician to patient ratio, Perez points out. The access to health insurance through the Patient Protection and Affordable Care Act, the vast number of baby boomers who will need additional medical care, and a retiring physician population will continue to create a challenging environment, she feels.

“However,” says Perez, “we’ve positioned ourselves to work closely with uni-

versities to provide an excellent clinical experience for students in nursing, therapy services and pharmacy programs, and to expose them to everything the Valley Health System offers its patients and employees. We are working with more healthcare extenders, like midwives, to increase access to healthcare professionals. I think there are many opportunities that can be explored.”

Preparing for the Future

“We have many initiatives in place,” says Perez, “but they weren’t created especially for the Patient Protection & Affordable Care Act. They were developed as part of our ongoing patient safety and quality programs, as well as community needs.” In retrospect, however, everything her group is doing will benefit patients and consumers once Obamacare goes live. “A few examples include our \$26-million electronic medical record implementation in 2012 at all five hospitals. This also ties

into the HealthHIE Nevada health information exchange program overseen by HealthInsight.”

The graduate medical education program at Valley Hospital has increased the number of physicians practicing in the community. “Our statistics show 51 percent of our program graduates stayed in Southern Nevada to continue their career,” Perez says, “either working in a private clinic or as hospitalist, or to continue their education with a fellowship in Gastroenterology or Pulmonary/Critical Care.”

Many hospitals are developing relationships with physician groups to prepare for the ongoing transformation of the healthcare system, Abdou says. “This is known as clinical integration. These companies recognize the integral role outpatient care will play in a value-based healthcare system, which is why they are trying to expand their presence and influence beyond the walls of their hospitals.”

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Las Vegas Named No. 1 Trade Show Destination

For the 19th consecutive year, Las Vegas has been named the top trade show destination in the country, according to a list compiled by the Trade Show News Network. In 2012, Las Vegas hosted 53 of the largest shows, more than the next two competitors combined. The list represents the top 250 trade shows, ranked by net square footage. The largest single show of 2012 was the International CES show with over 1.8 million net square feet. 🌿

Food Bank of Northern Nevada Recruits for Hunger Study

The Food Bank of Northern Nevada is once again participating in the Hunger in America study, along with nearly 200 other food banks across the country, and is looking for volunteers. The study, which was last done in 2010, will provide comprehensive and statistically valid data on the charitable food distribution system and people being served by the Feeding America network. Hunger in America is a quadrennial, in-depth study that aims to find better ways to serve those in need. 🌿

NDOT and Nevada Treasurer's Office Completes Bond Refunding

The Nevada Department of Transportation (NDOT) and the State Treasurer's office have completed a \$131 million highway revenue refunding bond sale. The sale will net Nevada a savings of \$12.6 million on its existing debt service payments. This refunding will retire bonds previously issued by Nevada and replace them with bonds at a lower interest cost. The interest cost of the refunding bonds, which had an average life of 6.7 years, was 1.45 percent. 🌿

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Following Through With a Judgment

Working Towards a Successful Debt Collection

When a business sells goods or services, that business can expect to be paid. However, payment is not always the reality. If a business is not getting paid, there are options to seeking repayment, either informally or formally. If the informal methods of trying to convince the debtor to pay have been unsuccessful, business owners should consider formally seeking payment by filing a lawsuit. This article focuses on the realities of using the judicial system to collect amounts owed to the business.

Once a lawsuit is filed, the debtor has the opportunity to defend the action. The debtor may assert defenses that it does not owe as much as is stated, that the goods were defective or the services subpar. Fast forward—the judge has decided the debtor’s defenses are without merit and has awarded a monetary judgment for the full amount sought. The lawsuit is won! Congratulations are in order, right?

Wrong, merely winning a lawsuit and obtaining a judgment does not mean an automatic deposit in a business’s bank account. Rather, that judgment only allows the company to use the courts and sheriff’s office to enforce the judgment.

Satisfying A Judgment

In Nevada, those who have monetary judgments against another (“judgment creditors”) have a variety of statutory tools at their disposal to compel those who owe them money (“judgment debtors”) to satisfy the judgment. At its most basic level, Nevada’s debt collection statutes allow judgment creditors to satisfy judgments by having the sheriff’s office seize property belonging to the judgment debtor. The sheriff’s office will then sell that seized property and give the proceeds of the sale to the judgment creditor. The judgment creditor can have this process repeated until the judgment is paid in full. Thus, judgments are only as good as the judgment debtor’s quality and quantity of assets.

Locating the Judgment Debtor’s Assets

The question then becomes, how to know what property the sheriff should seize. Nevada allows a judgment creditor to obtain information directly from the judgment debtor, or any other person, concerning the judgment debtor’s property. For instance,

judgment creditors may subpoena the judgment debtor’s accountants, managers or any person when seeking information concerning the judgment debtor’s property. If that person refuses or fails to answer, they may become responsible for paying the amounts owed the business.

Sometimes, by the time the judgment creditor obtains its judgment, the judgment debtor has transferred all of its assets to a separate entity or to the entity’s principals in hopes of avoiding the judgment. Once again, the judicial process has a solution.

Discovery of Nonparties’ Assets

The Nevada Supreme Court recently permitted a judgment creditor to obtain information concerning the assets of a non-debtor. In the case, the Nevada Supreme Court allowed the judgment creditor to ascertain information concerning the assets of an entity that was not a debtor, but who participated in various financial transfers with the judgment debtor after a lawsuit was filed. This third-party was formed by one of the judgment debtors and it appeared to be used as a vehicle to hide money from the judgment creditor.

The Nevada Supreme Court explained that allowing discovery into the assets of non-debtors is permissible if it will lead to the discovery of hidden or concealed assets of the judgment debtor. To convince a court to allow such discovery, the judgment creditor may show that transfers to the third party took place and that the relationship between the judgment debtor and the nonparty is sufficient to raise a reasonable suspicion concerning the propriety and permissibility of the transfers.

When a business is owed money, there are various options available to seek payment. Typically, business owners should start by informally seeking to convince the debtor to pay the bill without having to hire a debt collector and without having to file a lawsuit. However, when that debtor refuses to pay, even though it has the apparent ability or assets to do so, business-owners should consider filing a lawsuit. 

John R. Funk is an Associate at Gunderson Law Firm.

TransparentNevada

Nevada's **collective bargaining laws enable government employees to live high at taxpayers' expense**

Last year, Governor Brian Sandoval made \$181,586.49 in total compensation.

How many government employees in Nevada made more than the governor?

One hundred, five hundred ... maybe a thousand?

No, nope and not even close. Over 2,000 government employees in Nevada made more in total compensation than the governor in 2012. Those employees include, a community services director in Washoe County making \$184,343 and the parks and recreation director in Henderson making \$219,402.

Excess compensation isn't just limited to agency directors in local governments, however. Ninety-one employees in the Clark County fire department made over \$200,000, with three fire battalion chiefs each cashing in for over \$249,000 in total compensation — with every dime, of course, coming from taxpayers.

This information comes from TransparentNevada.com — a website provided by the Nevada Policy Research Institute and dedicated to serving Nevada's public by shining sunlight on all aspects of state, county and city government.

One of TransparentNevada's main features is its listing of government-employee salaries from over 55 different government agencies in the state.

This salary data — gathered from public-records requests and now including over 132,000 employee records from 2012 — is fully searchable by name, job title and jurisdiction. It provides lawmakers, media members and citizens with a quick and easy way to see how much government employees actually make.

This information is especially pertinent as the 2013 Legislature considers a proposal to raise taxes while boosting state worker pay by eliminating furloughs. Last year, 2,289 state

employees made over \$100,000 in total compensation despite many of them taking six unpaid furlough days.

The Legislature is also considering raising the sales tax in Clark County to pay cops more. The Las Vegas Metropolitan Police Department is pushing for the tax increase to fix what officials claim is a \$50 million budget hole. Thanks to TransparentNevada though, it's easy to see that Metro's budget problems stem from out-of-control compensation.

In 2012, over 149 Metro employees took home more than \$200,000 in total compensation, with one captain pocketing over \$585,000 in total compensation. One lieutenant received over \$354,000 in total compensation.

Salaries weren't just high because of retiring officers cashing in sick leave when they retired. High compensation comes standard in Metro with 348 employees taking in over \$175,000 and 2,204 employees making over \$125,000.

In the City of North Las Vegas, officials are facing an \$18-million-deficit next year. What's a major cause? Sky-high compensation packages given to its police and firefighters.

Of the city's 403 employees who made more than \$150,000 in total compensation in 2012, 85 percent worked in public safety. One hundred and thirty-two worked in the fire department and 210 worked in police or corrections.

Controlling costs in North Las Vegas necessarily means controlling the salary and benefits for its public-safety employees — but NRS 288, Nevada's collective bargaining law, gives government employees the upper hand over taxpayers.

First, unlike in the private sector, government unions have a major role in selecting the elected officials who will be "bargaining"

against them. Unions are often the most powerful special interest groups in low-turnout elections for local officials. This allows them to help select allies more indebted to union members than taxpayers. Of course, some elected officials, like Clark County Commissioner Tom Collins and Las Vegas City Councilman Steve Ross, are actually former union members.

Second, unlike in the private sector, where exorbitant union contracts can drive and have driven companies into bankruptcy, governments rarely go bankrupt — they just raise taxes and squeeze taxpayers even more. This lack of competition means that government unions rarely face consequences for demanding salaries that far exceed their private-sector equivalents.

Third, Nevada's collective bargaining law mandates that a consideration for resolving contract disputes is a government entity's "ability to pay." When times are good, this provision, among many others in NRS 288, allows government unions to extract unsustainable increases in salaries and benefits.

When a local economy crashes, however, the salaries and benefits rarely come back down to earth. That's because unions are able to maintain those exorbitant contracts through things like "evergreen" clauses. "Evergreen" clauses dictate that the current contract will stay in effect until a new contract is agreed to by both parties.

Unfortunately, no "evergreen" clauses exist for private-sector citizens. In the five years since 2007, Nevada's real median household income has declined from \$59,727 to \$48,927.

Government workers though, as seen by the information available on TransparentNevada, continue to live high on the hog — at taxpayers' expense. 

Victor Joecks is communications director at the Nevada Policy Research Institute.

◀ Continued from page 19

decided if the objective of renewable energy is to reduce consumption of natural gas and coal in the production of electricity, then another way to do that would be to reduce consumption of electricity in the first place. Which has led to rebate programs for NV Energy customers, and also to the smart meter program.

NV Energy was the first utility in the U.S. to reach an agreement with the Department of Energy to have them fund the \$300 million project to the tune of \$140 million. The installation of the meters is virtually completed, allowing the utility to turn service on and off faster, and to track when a transformer is nearing peak capacity, allowing workers to make proactive rather than reactive moves to prevent power outages.

Another NV Energy project, One Nevada Line (ON Line) is a transmission line that will interconnect Northern and Southern Nevada in order to more efficiently utilize power throughout the state.



Thomas Husted
Valley Electric Association

When one end of the state needs more power than the other, either in cold Northern Nevada winters or hot Southern Nevada summers, the power company will be able to balance energy needs inside the state rather than buying power from outside, and efficiently utilizing power plants will reduce customer costs.

There have been 11 consecutive quarters of new growth in NV Energy's service area, with business customers picking up, especially in the mining regions like Elko, and a return in Southern Nevada of residential customers in the form of new housing starts and the turnover of existing inventory. "As we said to the investment

community, with quarterly earnings we see the economy returning, but it's going to be years rather than months before we see a robust recovery," said Yackira.

Southern Nevada's "Other" Power Company

When Southern Nevadans think of power, the majority think of NV Energy. But, there is another power company that is making significant inroads into delivering electricity to Southern Nevada. Valley Electric Association (VEA) started as a small rural electric utility in 1965. The member-owned cooperative has grown significantly and within the past year, VEA has opened the door for a host of future renewable energy projects in the Silver State and acquired federal contracts with two of the nation's most prominent defense facilities – Creech Air Force Base and the Nevada National Security Site.

The Pahrump-based utility now provides service to more than 45,000



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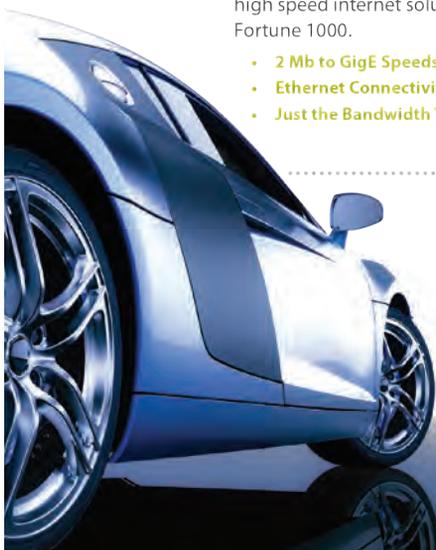
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customers within a vast 6,800-square-mile service area located primarily along the California-Nevada border, with the majority in Nevada. The company's service area starts in Sandy Valley, southwest of Las Vegas, and extends north for more than 250 miles to Fish Lake Valley.

Despite the company's rapid growth, CEO Thomas Husted says VEA remains committed to its core mission as a community-oriented utility, seeking to provide homes, businesses and government facilities with reliable electric service at the lowest rates possible. "We see ourselves as a trusted business partner for Nevada," Husted says. "In addition to keeping rates low for our members, we are working to provide the region with valuable economic growth through renewable energy development and regionalization initiatives."

Husted says the most significant step toward VEA's vision for Nevada's economic future came in January when the company joined the California Independent System Operator Corporation's grid. This transition provides VEA with the unique advantage of a direct tie-in to the California grid, which will allow the company to transmit and sell energy to California while promoting new projects and job growth in Nevada. "Joining the California ISO allows VEA and other Nevada companies to meet the growing demand for renewable energy in California," Husted says. "We see this as an integral step toward establishing Nevada as a power player in the region's renewable energy market."

Looking toward the future, Husted says VEA is working to secure partnerships with renewable energy producers in Nevada while implementing a long-term plan to foster innovation and expansion within the industry.

To position itself for future growth, VEA has expanded its workforce and introduced new initiatives within its service area.

In 2012, VEA also completed the Northwest Transmission Loop Proj-

ect, the largest capital expansion in the company's history. The project included significant work within five substations, 80 miles of transmission line and 80 miles of 48-strand fiber optic cable. In an effort to meet the needs of its increasingly sophisticated members, the company converted its dispatch center to a full-time, 24/7 facility, receiving certification from the North American Electric Reliability Corporation and

the Western Electricity Coordinating Council.

"One of the major concerns Valley Electric has for our industry as we continue to move forward is that all utilities work together to benefit the whole as we continue to develop the region," said Husted. "We think that's imperative to the citizens of Nevada. We hold a very special monopolistic benefit and with that comes the need to act responsibly for the benefit of those citizens." 🌱

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BUSINESS FINANCING

An Economic Bright Spot

By Doresa Banning

The business financing picture in Nevada today is brighter than it was during the two years following the country's great recession. Capital is available.

Businesses are seeking financing, and lenders are closing loans.

"Things are definitely looking up," said Bob Francl, executive vice president and regional manager of First Independent Bank, which serves clients primarily in Northern and Eastern Nevada. "Banks are making plenty of loans. The competition right now among the banks is incredible. We're all trying to lend money."

It's a misconception that businesses can't get funding, said Debra Alexandre, president of the Las Vegas-headquartered Nevada State Development Corp., a non-profit organization that makes SBA 504 loans.



Bob Francl
First Independent Bank

"While that may have been the case during the recession, it no longer is," she added. "I think the rumor has frightened some people away from even trying."

The major difference today is that more companies qualify for loans, not that the requirements for borrowers have changed. Generally, loan applicants need a solid business plan, expertise to carry out whatever it is their business does, some type of collateral and, most importantly, adequate cash flow to be able to repay the debt.

Even in the improved environment, some types of loans remain more challenging to obtain than others. One example is financing for new construction of certain commercial projects, like office space, due to inventory over-supply. At the same time, however, loans in other areas of real estate—commercial industrial and single-family residential, for instance—are seeing growth.

"Even though there is not a lot of construction activity, we are lending if the economics make sense," said John Guedry, president and chief operating officer of Bank of Nevada.

Last year, the bank financed construction of a permanent zipline for The Fremont Street Experience Co., a new corporate headquarters for Eglet Wall law firm, a 45,000-square-foot facility for Bon Breads Baking Co. Inc. and a new community center and corporate office for Legal Aid Center of Southern Nevada—all in Las Vegas.

With respect to most other types of business loans, lenders report increased activity in 2012 over the previous two years and a solid start to 2013.

"We are absolutely in the position to lend money and are doing all that we possibly can to lend today," said Shannon Petersen, executive vice president of corporate banking at Nevada State Bank. "At end of day, our liquidity position is strong. The way a bank makes money is by lending money."



Shannon Petersen
Nevada State Bank

Small Business Loans

The number of small business loans being closed for existing enterprises is on the rise. Between October 1, 2012 and April 1, 2013, banks in Nevada made 150 U.S. Small Business Administration 7A and 504 loans for a total of \$52.5 million, an increase over the previous year, said Ed Cadena, director of the Nevada district office of the U.S. Small Business Ad-

ministration. Available SBA loans range from \$1 to \$5 million, but most given are about \$50,000.

“The trend is going up because we were down so long,” he added. “Lenders are looking big time to find borrowers that are good.”

The Nevada State Development Corp., a nonprofit organization that provides mostly small- and medium-size Nevada businesses (but some startups, too) with

SBA 504 loans, long-term, fixed-rate financing to acquire major fixed assets for expansion or modernization, experienced an uptick in the number of its finalized loans, Alexandre said. In 2012, it completed 75 loans for a total of about \$45 million, which is close to pre-recession levels. This compares to 57 loans for about \$40 million it made in 2011 and 28 loans for about \$14 million in 2010.

Recent clients include The Bootlegger Bistro, an Italian restaurant on the South Strip; 3G Productions, a Las Vegas audio company; and Sierra Packaging & Converting LLC, a Sparks manufacturer of printed flexible packaging for the food and snack industries.

“Our volume has increased significantly,” she added.

Alexandre attributes the rise to increased business activity in general and the temporary, two-year SBA 504 loan refinancing program for eligible small business assets under the Jobs Act, which ended in September 2012. The program allowed small businesses to refinance eligible fixed assets without having to expand, to lock in long-term, stable financing and finance eligible business expenses.

“We get calls daily from businesses that really need that refinance program,” she said. “Our industry has been working very hard to get that enacted for small businesses.”

In fact, Senator Mary Landrieu (D-La.) introduced in February the Commercial Real Estate and Economic Development Act of 2013, or CREED Act of 2013, which calls for reinstating the loan refinancing program for five years.

While more lending is taking place, a small business loan may still be hard to

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Debra Alexandre
Nevada State
Development Corp.

DOWNTOWN TOGETHER



"We're proud to be building our new downtown headquarters with the strong financial relationship we have with our banker, Sarah Guindy, and the Bank of Nevada team."

*Robert Eglet, Senior Partner
Eglet Wall Christensen*



To read their story, visit
bankofnevada.com/eglet

obtain, Cadena said. Applying businesses must meet all, or most, of the required criteria.

Borrowers should be upfront about their circumstances, any specific credit issues or problems, because eventually the lender will discover them anyway.

“Because of short sales, foreclosures and the fact most businesses suffered decreased revenue during the recession, bankers are being more careful and doing more due diligence,” Cadena said.

For startup businesses, obtaining a loan is more difficult. Not all lenders work with them. Some banks, for instance, take into account the personal cash flow and assets of the startup’s owner, but others don’t. The keys to getting a startup loan, Cadena said, are: having a solid business plan and clarity on how much money is needed, what the capital will be used for and how the debt will be repaid.



Kyle Nagy
CommCap Advisors

Nevada’s SBA hopes this year at least to double the total amount of last year’s loans, which Cadena said he thinks is possible.

“We are very excited that we’ve turned the corner,” he added. “I think this year is going to be a good year for small business and the next two years are going to be very good.”

Loans for Income-Producing Real Estate

A strong area of financing currently in Nevada is loans for income-producing properties. Last year, CommCap Advi-

sors, a Henderson-based mortgage banking firm that arranges such loans, closed in excess of \$50 million worth, an amount that’s doubled year over year since 2010, said Founder/Director Kyle Nagy.

Its loans, anywhere from \$1 to \$50 million, primarily go to developers and owners who need to refinance or reposition their real estate. Today, most of CommCap Advisors’ borrowers are in the industrial office, retail, self-storage, multi-family housing and mobile home park sectors, each of which constitutes about 10 to 20 percent of the company’s total loan production, Nagy said.

“More properties are financeable today because they’re generating enough cash flow,” Nagy said. “Financing for more stabilized properties has picked up quite well versus new construction and development.”

This in large part is due to general improvement in the commercial real estate market—increased leasing activity and valuations.

Legal Elite
Attorney Profiles
June 2013 Issue

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In addition to the top lawyers that will be featured in the June 2013 Legal Elite issue, *Nevada Business Magazine* is offering attorney’s the opportunity to include a profile in the story, which will be read by over 82,000 executives.

These profiles will be included in the Legal Elite section of the magazine in a 1/6 page, editorial-like format. The profile will include a photo, as well as the highlights and accomplishments of the attorney profiled.

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Various Bank-Offered Loans

Many Nevada bank executives say financing activity last year surpassed that of 2011 and, today, they're seeking opportunities to lend.

"It's been busy, surprisingly," Guedry said. "The market is starting to become more active, and the economy is getting healthier. We're working harder to find loan opportunities."

"The SBA and the U.S. Department of Agriculture have provided more capital and more flexibility in their existing programs to encourage more lending to businesses that qualify," Guedry said.

Nevada State Bank last year did about 500 new, non-SBA business loans for \$230 million, assisting a full range of Nevada companies from boat dealerships to dentists, Petersen said. This represents a year-over-year improvement in the number of loans and total lent. Small business financing was up about 9 percent in 2012.

Among others, the lender provides term, commercial and residential real estate, agriculture and SBA loans. Currently, the most popular term loans are for equipment and expansions as well as owner-occupied real estate.

"Though not through the roof, business confidence is returning to stable or is slightly more optimistic," Petersen said.

Nevada State Bank anticipates a 3 to 5 percent net loan growth in each of the next couple of years, Petersen added.

First Independent Bank made about 250, non-SBA loans last year for about \$85 to \$90 million and another \$10 million in SBA loans, Francl said. The total amount of loans closed in 2012 was about 150 percent of those done in 2011.

"We have seen improving market conditions and underlying borrower performance," Francl said. "There has been more loan demand. It's encouraging that we're returning back to what seems to be banking as usual, which is highly competitive."



John Guedry
Bank of Nevada

Moving, Looking Forward

Any business owner who's contemplating applying for a loan should go to their local business development center, bank branch or other lender to learn how to start working toward qualifying. Many will advise customers about their options and how to proceed as well as help them develop an adequate business plan.

"Even if you're not ready now, we can help you with what you need to do to get ready," Alexandre said. "A lot of business owners would be surprised that we may think they're ready now."

SAY WHAT?

A recent Brookings report, "Job Sprawl Stalls: The Great Recession and Metropolitan Employment Location", documents the impact of the recession on where jobs are located. According to the report, during the recession, 97 out of the 100 largest metro areas lost employment within 35 miles of a central business district. Construction, manufacturing and retail accounted for 60 percent of job losses.



The Right Team. Right Now.

Many investors are still trying to go it alone. In today's uncertain environment, that approach can leave them exposed to hidden risks while at the same time missing out on opportunities that challenging markets create.

BNY Mellon Wealth Management's Nevada-based team of professionals has the expertise to help you manage through today's challenges. Start with our complimentary, confidential 2020 Risk AuditSM, which has helped thousands of investors uncover hidden risks and position their portfolios for future opportunities.

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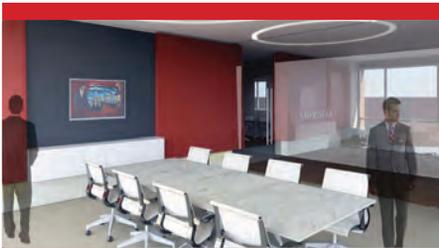
PROJECTS



Silver Hills Health Care Center

Las Vegas, 89129 Hospital

Burke Construction has completed construction on the Silver Hills Health Care Center's new rehabilitation wing. The project expanded the facility which now has a 155-bed capacity. Upon opening, the center will add 25 to 30 new jobs to the local economy. **JMA Architecture** is the architect of record and **Wright Engineers** served as engineer for the project. The healthcare center is located at 3450 N. Buffalo Drive.



Ameristar

Las Vegas, 89169 Office

The Korte Company will begin construction on an 86,850 SF office space inside the Hughes Center for Ameristar Casinos, Inc. The space will serve as the company's new

corporate headquarters and will occupy a five-story building. Upon completion, the fifth floor of the building will house the firm's executive offices. The project is expected to be complete in 14 weeks and will cost \$6.96 million. The property is located at 3980 Howard Hughes Parkway.

Henderson, 89014 Retail

VCC USA is constructing the \$7 million dollar renovation of the Galleria Mall. The project will include upgrades throughout the entire 1,048,000 SF mall and will bring improvements to the food court, center court, guest services center and the restrooms. Upon completion, the mall will house new tenants including, a two-story, 20,000 SF, H&M. Construction on the project is slated for completion in the fall of 2013. The shopping mall is located at 1300 W. Sunset Road.

SALES

Henderson, 89074 Office

Landmark Ventures, LLC purchased 6,064 SF from **Calmelat Family Trust** for \$578,200 or \$95 PSF. The buyer was represented by **Nick Barber** and **Jeremy Foley** of **Gatski Commercial** and the seller was represented by **Dan Hubbard** of **Commerce Real Estate Solutions**. The property is located at 1172 Wigwam Parkway. APN # 178-15-710-021

Las Vegas, 89119 Office

Lead Wey and Kim-Long Wey purchased 10,308 SF from **Sightline Ac-**

quisition, LLC for \$1 million or \$97 PSF. The seller was represented by **Charles Moore** and **Marlene Fujita Winkel, CCIM** of **CBRE Group, Inc.** and the buyer was represented by **Ashley Kolaczynski** of **CBRE Group, Inc.** The property is located at 6871 S. Eastern Avenue. APN # 177-02-614-041 et all.

Incline Village, 89451 Office

Ridgeview Estates Dev LLC purchased 5,665 SF from **Sterling Bank & Trust** for \$1.1 million or \$194 SF. The property is located at 590 Lakeshore Boulevard. APN # 122-128-16

Reno, 89521 Office

Chilkur LLC purchased 12,661 SF from **Kenneth J & Eilene C Stark** for \$2,025,000 or \$160 PSF. The property is located at 9855 Double R Boulevard. APN # 163-061-03

Reno, 89502 Retail

Gator Kietzke LLC purchased 9,600 SF from **Excel Realty Partners LP** for \$4.5 million or \$469 PSF. The property is located at 3370 Kietzke Lane. APN # 020-051-05

Reno, 89511 Retail

6895 Sierra Center Parkway LLC purchased 78,816 SF from **2005-C4 DMM Portfolio PROP LLC** for \$2,050,000 or \$26 PSF. The property is located at 6895 Sierra Center Parkway. APN # 025-561-14

Henderson, 89014**Industrial**

MCA Realty Inc purchased 57,000 SF from **Whitney Ranch Malcai LLC** for \$2.8 million or \$49 PSF. The buyer was represented by **Chris Beets** of **Gatski Commercial** and the seller was represented by **Jarrad Katz** of **MDL Group**. The property is located at 1010 N. Stephanie Street. APN # 161-34-205-001

Las Vegas, 89115**Industrial**

Sridhar Real Estate Contra, LLP purchased 50,000 SF from **CML-NV Industrial Complex, LLC** for \$800,000 or \$16 PSF. The buyer was represented by **Laramie Bracken** and **Joe Anderson** of **Gatski Commercial** and the seller was represented by **Brian Riffell** of **Collier's International**. The property is located at 2275 Marion Drive. APN # 140-20-117-004

Las Vegas, 89115**Industrial**

HTD, LLC purchased 7,003 SF from **Alexander & Pecos, LLC** for \$330,000 or \$47 PSF. The buyer was represented by **Mark Anthony Rua** of **Realty Executives** and the seller was represented by **Soozi Jones Walker, CCIM, SIOR** and **Bobbi Miracle, CCIM** of **Commercial Executives**. The property is located at 4308 E. Alexander Road. APN # 140-05-416-079

Las Vegas, 89122**Industrial**

12000 Broadway, LLC purchased 78,326 SF from **One Nevada Credit Union** for \$1.6 million or \$20 PSF. The seller was represented by **Jeff Berg** and **Mica Berg** of **Sun Commercial Real Estate, Inc.** The property is located at 5050 Steptoe Street. APN # 161-27-111-002

Henderson, 89011**Industrial**

Lake Industries Co. purchased 42,311 SF from **VFC III LLC** for \$3,430,000 or \$81 PSF. The buyer was represented by **Tim Shaw** and **Michael Mack** of **Synergy Sotheby's International** and the seller was represented by **Mike DeLew, SIOR** and **Greg Pancirov, SIOR** of **Colliers International**. The property is located at 7735 Commercial Way. APN # 178-11-214-005

Las Vegas, 89119**Industrial**

Windy Sunset LLC purchased 7,047 SF from **Hird Revocable Trust** for \$468,625 or \$66 PSF. The buyer was represented by **Mark Kincaid** of **Integrity Real Estate** and the seller was represented by **Dan Doherty, SIOR** and **Chris Lane** of **Collier's International**. The property is located at 6442 Windy Road. APN # 162-32-812-001

Sparks, 89431**Industrial**

Stephan Properties, LLC purchased 15,400 SF **Dermody-Glendale LTD PTSP** for \$1,150,000 or \$77 PSF. The property is located at 250 Wolverine Way. APN # 032-312-33

Reno, 89502**Industrial**

Barr Family VII LLC purchased 10,940 SF from **E F I LLC** for \$548,000 or \$50 PSF. The property is located at 3865 Mira Loma Drive. APN # 021-860-11

LEASES**Las Vegas, 89117****Office**

Best Rate Referrals, LLC leased 12,657 SF from **WCCP I & II Sahara, LLC** for \$318,008 on a three-year lease. The landlord was represented by **Nick Barber & Jeremy Foley** of **Gatski Commercial**. The property is located at 8020 W. Sahara Avenue. Reported monthly rent is \$0.70 PSF.

Las Vegas, 89119**Retail**

PT's Pub Tunes 19, LLC leased 6,077 SF from **Sundance Plaza, LP** for \$692,778 on a five-year lease. The landlord was represented by **Nick Barber** and **Jeremy Foley** of **Gatski Commercial**. The property is located at 1661 E. Sunset Road. Reported monthly rent is \$1.90 PSF.

Las Vegas, 89113**Retail**

Mountain Edge Master Association leased 4,147 SF from **Sunstone Diamond, LLC** for \$553,310 on a seven year lease. The landlord was represented by **Cathy Jones, CCIM** and **Paul Miachika** of **Sun Commercial Real Estate, Inc.** The property is located at 8090 Blue Diamond Road, Suites 230-240. Reported monthly rent is \$1.69 PSF.

Las Vegas, 89118**Industrial**

Seamless Flooring leased 8,963 SF from **Cable Investment-Diable LP** for \$177,376 on a 39-month lease. The tenant was represented by **Mike Hillis, CCIM, SIOR** of **Commerce Real Estate Solutions** and the landlord was represented by **Mike DeLew, SIOR** and **Greg Pancirov, SIOR** of **Colliers International**. The property is located at 5175 W. Diablo Drive, Suite 110. Reported monthly rent is \$0.51 PSF.

Las Vegas, 89118**Industrial**

Nishimoto Trading Corporation leased 5,825 SF from **EJM Development Co.** for \$222,672 on a 67-month lease. The tenant was represented by

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Tanner Peterson of **CB Richard Ellis** and the landlord was represented by **Spencer Pinter** of **Colliers International**. The property is located at 3950 W. Diablo Drive, Suite B-8. Reported Monthly rent is \$0.57 PSF.

Las Vegas, 89119
Industrial

Kone leased 6,720 from **EJM Spencer Helm Proerty LLC** for \$466,039 on a 87-month lease. The tenant was represented by **Xavier Wasiak** of **Jones Lang LaSalle** and the landlord was represented by **Spencer Pinter** of **Colliers International**. The property is located at 1660 Helm Drive, Suite 900. Reported monthly rent is \$0.80 PSF.

Las Vegas, 89120
Industrial

Forward Air Inc. leased 22,040 SF from **KTR LV IV LLC** for \$426,494 on a 37-month lease. The tenant was represented by **Michael Bauer** of **Fischer & Co.** and the landlord was represented by **Spencer Pinter** and **Dan Doherty, SIOR** of **Colliers International**. The property is located at 3650 E. Post Road, Suite A. Reported monthly rent is \$0.52 PSF.

Las Vegas, 89122
Industrial

PTO Sales Corporation leased 10,476 SF from **PAR Industrial LLC** for \$46,512 on a one-year lease. The tenant was represented by **Tanya Pratt** of **Mohr Partners** and the landlord was represented by **Dan Doherty, SIOR** and **Chris Lane** of **Colliers International**. The property is located at 4502 Nellis Boulevard. Reported monthly rent is \$0.37 PSF.

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In Brief

According to BizBuySell.com's first quarter data, the current median asking price of a business for sale in Las Vegas is \$190,250. This is up over 2012's first quarter asking price of \$179,000. The survey is based on 278 local businesses.

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Southern Nevada

The Las Vegas industrial market reported a meaningful decline in vacancy rate, falling to 17.2 percent during the first quarter of 2013. Compared to the prior quarter, vacancies are down 50 basis points (0.5 percent), while compared to a year ago, they are down 70 basis points (0.7 percent).

Approximately 690,600 square feet of positive net absorption was reported in the industrial sector during the first quarter of 2013, attributable to a number of significant lease transactions and recent non-speculative building completions. The latest quarter represents the highest amount of net move-ins since the fourth quarter of 2008.

With the completion of three projects, totaling 160,000 square feet during the period, construction activity declined slightly to 910,000 square feet. Two projects totaling 730,000 square feet remain under development in the southwest submarket.

While the latest performance is not necessarily an indication of future trends, there is some renewed optimism for the industrial sector. Given the length of the contraction in the market during the post-boom time-frame, the sector will require a number of years whereby demand outpaces new supply to reach back toward historical averages. Based on current availabilities, approximately 11 million square feet of positive absorption would be required for the vacancy rate to reach its pre-recession level of 6.5 percent.

Northern Nevada

The Reno market is pointed in the right direction toward slow, steady growth. The year began with 13.6 percent vacancy and we remain there today. When sublease space is excluded, direct vacancy sits at 11.73 percent. The neutral net absorption number for the quarter does not reflect the positive activity throughout the markets. Although positive absorption was expected, a neutral first quarter this year is better than the first quarter of the prior three years which recorded negative net absorption and an increase in vacancy.

There were two large transactions over 100,000 square feet completed in the first quarter. The transaction quantity was spread evenly between small, medium, and large deals which is a sign of market health.

Net absorption for the quarter was 5,190 square feet. Average annual net absorption over the past 13 years was 1,428,705 square feet. The market has not been able to exceed the average since the recession began.

At this point, rental rates have not headed higher, but expect an increase in rents for some products types in the near future. There are a number of large users inquiring or touring the few remaining class A buildings for lease.

Purchasing remains attractive for users looking for value and investors looking for return. Market optimism is increasing. There are still some major government fiscal concerns on the horizon, but for now it appears that the headwinds that slowed out the market have turned to tailwinds fueling it.

1st Quarter 2013

INDUSTRIAL

TOTAL MARKET	LAS VEGAS	RENO
Total Square feet	105,416,777	72,712,696
Vacant Square Feet	18,111,217	9,852,153
Percent Vacant	17.2%	13.55%
New Construction	160,000	0
Net Absorption	690,584	5,190
Average Lease sf/mo (nnn)	\$0.51	\$0.359
Under Construction	910,000	0
Planned	711,566	0
WAREHOUSE/DISTRIBUTION		
Total Square Feet	66,962,825	42,223,320
Vacant Square Feet	10,543,460	6,534,027
Percent Vacant	15.7%	15.47%
New Construction	145,000	0
Net Absorption	414,042	680,233
Average Lease SF/MO (NNN)	\$0.46	\$0.287
Under Construction	710,000	0
Planned	651,502	0
INDUSTRIAL/LIGHT INDUSTRIAL/MANUFACTURING		
Total Square Feet	23,971,074	25,919,010
Vacant Square Feet	4,342,995	2,271,469
Percent Vacant	18.1%	8.76%
New Construction	15,000	0
Net Absorption	56,073	34,000
Average Lease SF/MO (NNN)	\$0.53	\$0.273
Under Construction	200,000	0
Planned	60,064	0
R&D/FLEX		
Total Square Feet	14,482,878	4,694,509
Vacant Square Feet	3,224,762	1,046,654
Percent Vacant	22.3%	22.30%
New Construction	0	0
Net Absorption	220,469	176,139
Average Lease SF/MO (NNN)	\$0.66	\$0.496
Under Construction	0	0
Planned	0	0

Next Month: OFFICE

ABBREVIATION KEY

MGFS:	Modified Gross Full-Service
SF/MO:	Square Foot Per Month
NNN:	Net Net Net

Southern Nevada analysis and statistics compiled by Applied Analysis, Northern Nevada analysis and statistics compiled by NAI Alliance Reno

Revised estimates for fourth quarter 2012 show U.S. real GDP increasing at an annualized rate of 0.4 percent, a little higher than the “second” estimated rate of 0.1 percent. Private inventory investment, federal government spending, and exports made negative contributions. The reduction in federal government spending comes after a surge in defense spending during third quarter, which some saw as a response to possible sequestration. In addition, Europe’s problems affected the United States in the form of weak exports. Personal consumption expenditures, business fixed investment, and residential investment all made positive contributions for fourth quarter. U.S. nonfarm employment experienced tepid gains for March, adding only 88,000 jobs from February. The unemployment rate decreased slightly to 7.6 percent, mostly as the result of reduced labor force participation. The Kansas City Financial Stress Index remained near its long-run average in March, which suggests no financial headwinds, but bankers say that they are not seeing much loan demand and that regulators are inhibiting business lending. Business surveys and anecdotal reports show businesses delaying investment until after a number of policy uncertainties are resolved.

The Nevada economy evidenced mostly positive signs for February. The Nevada unemployment rate decreased from 9.7 percent to 9.6 percent. December visitor volume was 1.8 percent higher than a year earlier. Taxable sales continued to show strong growth, up 9.3 percent from last year. Gaming revenue had a strong month and was up 15.1 percent from February 2011.

For Clark County, seasonally adjusted employment increased from January to February by 100 jobs. The Las Vegas unemployment rate declined, from 10.1 percent in January to 10 percent in February. Total passengers at McCarran Airport were down 3.7 percent from a year earlier. Compared to a year ago, February visitor volume was down by 1.6 percent. Gaming revenue was 17.8 percent higher in February than a year earlier. Clark County’s taxable sales for January were 8.2 percent above those from a year earlier. Residential construction permits decreased from January to February.

The most recent data show mixed signals for Washoe County. Seasonally adjusted, Reno-Sparks’ employment remained constant from January to February. The seasonally adjusted Reno-Sparks’ unemployment rate declined slightly, from 9.8 percent in January to 9.5 percent in February. Compared to a year earlier, February visitor volume was up 2.3 percent, while total air passengers were down by 2.2 percent. Gaming revenues for February were slightly down from a year earlier. Residential construction permits increased in February.

A weak national economy is affecting Nevada in the form of slowing growth in tourism. Despite the slowing tourism, taxable sales continue to make large gains.

Ryan T. Kennelly

UNLV Center for Business and Economic Research

	DATE	UNITS	DATA			GROWTH		COMMENTS
			LATEST	PREVIOUS	YEAR AGO	RECENT	YEAR AGO	
Nevada								
Employment	2013M02	000s, SA	1,157.7	1,163.2	1,133.9	-0.5%	2.1%	Up Over Year Ago
Unemployment Rate*	2013M02	%, SA	9.6	9.7	11.8	-0.1%	-2.2%	Reduced
Taxable Sales	2013M01	\$billion	3,448	4,344	3,154	-20.6%	9.3%	Up Over Year Ago
Gaming Revenue	2013M02	\$million	1,073.26	909.18	932.17	18.0%	15.1%	Up Over Year Ago
Passengers	2013M02	million persons	3,294	3,433	3,417	-4.0%	-3.6%	Down from Year Ago
Gasoline Sales	2013M01	million gallons	87.13	88.28	85.12	-1.3%	2.4%	Up Over Year Ago
Visitor Volume	2012M12	million persons	3,929	3,926	3,858	0.1%	1.8%	Up Over Year Ago
Clark County								
Employment	2013M02	000s, SA	833.8	833.7	814.6	0.0%	2.4%	Up Over Year Ago
Unemployment Rate*	2013M02	%, Smoothed SA	10.0	10.1	12.8	-0.1%	-2.8%	Reduced
Taxable Sales	2013M01	\$billion	2,523	3,171	2,332	-20.4%	8.2%	Up Over Year Ago
Gaming Revenue	2013M02	\$million	956.46	802.50	812.14	19.2%	17.8%	Up Over Year Ago
Residential Permits	2013M02	units permitted	510	621	456	-17.9%	11.8%	Up Over Year Ago
Commercial Permits	2013M02	permits	7	22	18	-68.2%	-61.1%	Low and Volatile
Passengers	2013M02	million persons	2,993	3,125	3,108	-4.2%	-3.7%	Down from Year Ago
Gasoline Sales	2013M01	million gallons	60.30	61.10	59.50	-1.3%	1.3%	Up Over Year Ago
Visitor Volume	2013M02	million persons	3,272	3,355	3,326	-2.5%	-1.6%	Down from Year Ago
Washoe County								
Employment **	2013M02	000s, SA	192.7	192.7	189.7	0.0%	1.6%	Up Over Year Ago
Unemployment Rate*	2013M02	%, Smoothed SA	9.5	9.8	12.0	-0.3%	-2.5%	Reduced
Taxable Sales	2013M01	\$billion	0.426	0.552	0.397	-22.8%	7.4%	Up Over Year Ago
Gaming Revenue	2013M02	\$million	59.54	52.69	60.26	13.0%	-1.2%	Down from Year Ago
Residential Permits	2013M02	units permitted	125	84	42	48.8%	197.6%	Up Over Year Ago
Commercial Permits	2013M02	permits	8	10	4	-20.0%	100.0%	Low and Volatile
Passengers	2013M02	million persons	0.259	0.264	0.265	-1.9%	-2.2%	Down from Year Ago
Gasoline Sales	2013M01	million gallons	13.42	13.63	13.02	-1.5%	3.1%	Up Over Year Ago
Visitor Volume	2013M02	million persons	0.321	0.322	0.314	-0.3%	2.3%	Up Over Year Ago
United States								
Employment	2013M03	million, SA	135.195	135.107	133.285	0.1%	1.4%	Slow Growth
Unemployment Rate	2013M03	%, SA	7.6	7.7	8.2	-0.1%	-0.6%	Reduced
Consumer Price Index	2013M02	82-84=100, SA	232.2	230.3	227.7	0.8%	2.0%	Up Strongly
Core CPI	2013M02	82-84=100, SA	232.4	231.6	227.9	0.4%	2.0%	Up Moderately
Employment Cost Index	2012Q4	89.06=100, SA	116.7	116.3	114.7	0.3%	1.7%	Up Moderately
Productivity Index	2012Q4	2005=100, SA	111.3	111.8	110.7	-0.5%	0.5%	Recent Decline
Retail Sales Growth	2013M02	\$billion, SA	420.1	415.8	402.6	1.0%	4.4%	Up Over Year Ago
Auto and Truck Sales	2013M02	million, SA	15.32	15.22	14.43	0.7%	6.2%	Up Strongly
Housing Starts	2013M02	million, SA	0.917	0.910	0.718	0.8%	27.7%	Up Strongly
Real GDP Growth***	2012Q4	2005\$billion, SA	13,665.4	13,652.5	13,441.0	0.4%	1.7%	Slow Growth
U.S. Dollar	2013M03	97.01=100	100.678	99.785	98.697	0.9%	2.0%	Up Over Year Ago
Trade Balance	2013M02	\$billion, SA	-42,960	-44,460	-44,586	-3.4%	-3.6%	Year-Over-Year Deficit Decrease
S and P 500	2013M03	monthly close	1,569.19	1,514.68	1,408.47	3.6%	11.4%	Up Strongly
Real Short-term Rates*	2013M02	%, NSA	-3.11	-3.20	-3.82	0.1%	0.7%	Less Negative Recently
Treasury Yield Spread	2013M03	%, NSA	1.87	1.88	2.11	-0.01%	-0.24%	Relatively Constant

*Change in percentage rate, **Reflects the Reno-Sparks MSA which includes Washoe and Storey Counties, ***Recent growth is an annualized rate

Sources: Nevada Department of Taxation; Nevada Department of Employment, Training, and Rehabilitation; UNR Bureau of Business and Economic Research; UNLV Center for Business and Economic Research; McCarran International Airport; Reno/Tahoe International Airport; Las Vegas Convention and Visitors Authority; Reno-Sparks Convention and Visitors Authority; U.S. Department of Commerce; U.S. Bureau of Labor Statistics; U.S. Census Bureau; U.S. Federal Reserve System.

Note: NSA = Not Seasonally Adjusted, SA = Seasonally Adjusted

What was the first thing you bought with money you had earned yourself?

“At nine years old I started my first business renting sleds and toboggans out of my dad’s television repair shop. The business was booming and I was able to buy my first pair of skis that winter.”



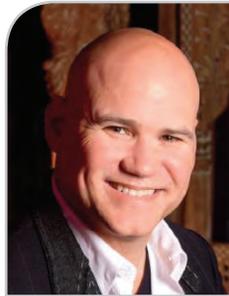
Scott Meier · Co-Owner, Right Now Air



Stephanie Forte · Founder, Forte Creative Media PR

“A skateboard. Luckily, my parents picked up the tab for the emergency room visit that followed.”

“I was 14 and wanted the coolest shoes that everyone was wearing (Adidas). My dad said my shoes were just fine. I still wanted them; he got me my first job, and I got my shoes!”



Andrew Economon · General Manager House of Blues Las Vegas



Boris Sapone · Owner, Colosseum Training Center

“I bought protein powder and lifting straps.”

“I bought myself a new pair of Converse shoes. Everyone had them and I wanted a pair too. Ironically, the very next day after I bought them, I ruined them playing football.”



Morris Jackson · Northwest Las Vegas District Manager, Wells Fargo Community Banking



Darby Neagle · Co-Owner, Guns and Ammo Garage

“After opening my first business at 24 years old, I reinvested every penny for the first four or five years. My first big purchase was a Rolex, which was a constant reminder that if I stay focused, I can succeed.”



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