

Assembly  
WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE  
55th SESSION

JANUARY 30, 1969

The meeting was called to order by Chairman R. Young at 3:00 P.M. in the Ways and Means Room.

John Koontz, Secretary of State was present to review his Budget. The Microfilm expense was discussed. Mr. Koontz requested that \$2500 for file cabinets, in Equipment category be restored to his Budget in the first year. This would enable him to provide record storage on current filings if the Microfilm Project gets held up.

Archives Division remains the same.

Harvery Dickerson, Attorney General has requested three more Deputies in each of the following departments: Public Service Commission, Department of Administration, Tax Commission.

Mr. Webb reported he has called Dr. McCallister of the State Hospital for a meeting Tuesday afternoon, February 4, 1969.

Mr. Phelps reported on the Governor's Budget and various items of expenditures were discussed.

It was noted by Chairman Young that the Budget for the Extradition Clerk and the Governor's Commission on the Status of Women are new requests this Session.

Comments by Mr. Phelps followed.

Meeting adjourned at 4:30 P.M.

TENTATIVE AGENDA

WAYS AND MEANS COMMITTEE

JANUARY 30, 1969

THURSDAY, JANUARY 30, 1969

2:00 P.M.

Various Executive Budgets:

Governors's Mansion Maintenance  
Office of Extradition Clerks  
Office of Lieutenant Governor  
Attorney General  
Secretary of State  
Office of Treasurer

FRIDAY, JANUARY 31, 1969

Not Scheduled

# Secretary of State

## Annual No. Corp. filed

12,923.39-1947 -	6	6	8
1948 -	6	6	2
1949 -	5	2	0
1950 -	6	6	3
1951 -	5	8	9
1952 -	7	5	1
1953 -	9	7	5
1954 -	1	2	2
1955 -	1	6	5
1956 -	1	1	4
1957 -	1	1	6
1958 -	1	2	0
1959 -	1	6	7
1960 -	1	6	7
1961 -	1	8	8
1962 -	2	1	7
1963 -	2	2	5
1964 -	2	2	1
1965 -	2	0	4
1966 -	2	0	4
1967 -	2	1	1
1968 -	2	6	1

Total - 3 1 9 1 2 8

22 years

Compiled by -  
John Koontz

Secretary of State Fees

	Fees 1958	Fees 1967	Fees 1968	years increase
Articles of Incorporation	139,545.05	185,528.00	357,299.00	171,771.00
Amendments	31,730.00	184,820.00	350,390.00	165,570.00
Certified Copies	28,679.95	44,287.50	55,777.00	11,489.50
Lists of Officers	73,635.50	140,125.00	152,990.50	12,865.50
Dissolutions	2,320.00	3,760.00	4,524.00	764.00
Sale of Statutes	21,946.13	36,758.25	118,008.06	81,249.81
Photo Copies	7,025.90	8,488.75	10,854.05	2,365.30
Miscellaneous	12,443.25	38,159.56	40,499.85	2,340.29
Totals	317,325.78	641,927.06	1,090,342.46	448,415.40

Number of new corporations filing <sup>1204</sup> 2115 2612 497

10 Percent increase in fees in 1968 over 1967

STATE OF NEVADA  
DEPARTMENT OF STATE



CARSON CITY, NEVADA 89701

JOHN K. WOODBURN  
CHIEF DEPUTY  
GEORGE M. SPRADLING  
DEPUTY  
BLANCHE M. ROBB  
ADMINISTRATIVE ASSISTANT

UNIFORM COMMERCIAL CODE DIVISION

Recap of Fees Collected for Month of July, 1968

<u>Financing Statements</u>	174 @ 2.00	\$348.00
	83 @ 3.00	249.00
	<u>257</u>	
<u>Releases</u>	11 @ 2.00	22.00
<u>Assignments</u>	2 @ 3.00	6.00
<u>Amendments</u>	2 @ 2.00	4.00
	2 @ 3.00	6.00
<u>Terminations</u>	22 @ 2.00	44.00
	3 @ 3.00	9.00
<u>Information Requests</u>	61 @ 3.00	183.00
<u>Copies</u>	51 @ 1.00	51.00
	11 @ .50	<u>5.50</u>
		\$927.50
Federal Tax Liens for Month of June, 1968	19 @ 6.00	<u>114.00</u>
		\$1,041.50

The Honorable Harvey Dickerson  
January 21, 1969  
Page Two


- d) Audit of Local Government Budgets. When Commission authority to examine and audit local government budgets was questioned by the Local Government Budget Advisory Committee and the Nevada Municipal Association, Mr. Sheehan prepared Attorney General's Opinion No. 507 of May 7, 1968, detailing and clarifying the Commission's authority in this area.
- e) Net Proceeds of Mines. Mr. Sheehan has issued several landmark decisions relative to the Net Proceeds of Mines law, which clarify certain ambiguities and have assisted materially in the equitable application of this law to all taxpayers concerned.
- f) Sales and Use Tax as Applied to Service Transactions. This gray area created much dissatisfaction on the part of taxpayers. The incidence of the tax was being interpreted differently in various parts of the state, and various arguments over the tax liability were received. In Attorney General's Opinion No. 544 of October 9, 1968, Mr. Sheehan provided clear-cut and specific guidance in the applicability of the tax to such services and, again, the result was a more uniform and equitable application of the law to all Nevada Sales and Use Tax payers.
- g) Interpretation of NRS 361.320 on Allocation of Value of Intercounty Business Firms. The method of allocation of values was questioned where a company's operations were not physically connected. Briefs were submitted by the Nevada Power Company and, answering briefs were prepared by Mr. Sheehan. The lucid and logical briefs by Mr. Sheehan will be of immeasurable assistance to the Commission in making its final determination in the matter.

It is emphasized that the examples cited represent only a few of the many contributions made by Mr. Sheehan to the Tax Commission during the past 18 months. In addition, the Commission has received expert legal assistance and advice from Deputy Attorneys General Dan Walsh, John Spann, Peter Breen and Robert Groves, and, in each instance, such advice was sound and astute.

I would be remiss if I did not also add a word of appreciation for your personal assistance in answering many legal questions that have arisen. The harmonious and cooperative manner in which the Attorney General's office has provided service to the Tax Commission has, in no small manner, contributed to the effective operation of this agency.

Highest personal regards.

Sincerely,

  
Roy E. Nickson  
Secretary

REN/hw

cc: Members of the Nevada Tax Commission  
NEVADA TAX COMMISSION



STATE OF NEVADA  
DEPARTMENT OF ADMINISTRATION  
CARSON CITY, NEVADA 89701

PAUL LAXALT  
Governor

BUDGET DIVISION PERSONNEL DIVISION PURCHASING DIVISION DATA PROCESSING DIVISION BUILDINGS & GROUNDS DIVISION

September 27, 1968

RECEIVED  
OCT 1 1968

MEMORANDUM

TO: John Koontz, Secretary of State

FROM: Paul Tutino *PT*

SUBJECT: Secretary of State's Office, Proposed Administrative and Microfilming System

SECRETARY OF STATE

Records Services has conducted a survey of the Secretary of State's handling of corporation files. A central factor in this study is the great bulk of records and the need for frequent retrieval and the making of copies. There are various microfilm systems which can do this job. However, the most economical and practical for the purpose is a combination roll and jacket microfilm system. Using this method, documents are fed through the camera and two rolls of film are made. One roll is put in the vault for security purposes; the other roll is cut into film strips and each strip contains the complete record of one corporation. Each strip is inserted into a clear plastic 4" x 6" jacket so that each corporation has a separate unit record. Each jacket will hold from 70 to 80 pages. Indexing information such as the name of the corporation is typed on the top of the jacket. All the corporation case files now in the 77 file cabinets can be contained within cabinets within the reach of a clerk without leaving her desk. Inactive files would be filmed and left on the roll. If they are reactivated, they will be cut out of the roll and mounted into jackets.

From the information contributed by your staff, the existing system is understood to be as shown in the three attached charts. Chart I is the basic general system data. Chart II shows the existing system including the proposed microfilming system for new corporations. Chart III shows the existing system and includes the proposed microfilming system for handling annual filings. Chart IV contains the cost summary for the microfilm program. Chart V illustrates the cost reduction potential to be gained from microfilm. Note that the equipment savings alone will nearly pay for the program in the first year. This does not include new equipment requested in the 1969-71 budget which would make the savings even greater. Labor saving is also a very significant factor, though it has not been computed. Service to the customer should be greatly expedited.

The reader-printer is not shown on the flow chart but would be the heart of the retrieval system. Prints may be made in a few seconds without going to the photostat machine in the basement of the Capitol. An extra reader is suggested so that two reading stations are available in case of heavy use.

In converting to the microfilm system, the following work reducing procedural changes are proposed:

1. Elimination of the index posting cards. All posting and status information would be contained in typing or coding on the top line of the microfilm jacket which contains the corporate records, or would be quickly accessible on the film.
2. Deletion of the separate cross reference numbers. The proposed system will be strictly an alphabetical index since inquiries are directed to corporations under their names.

In addition to the microfilm system, a substantial change in the method of handling of the administration of the corporate records is proposed. This second phase would necessitate a detailed data processing systems analysis. Overall design of the system at its simplest might be as follows:

1. Preparation of master punch card deck for all corporations containing essential information.
2. Placement of all payment procedures on the data processing system.
3. Replacement of all notices, mailings, receipts suspense files, and receipts with a machine prepared billing and control procedure.
4. Data processing tabulations and indices and reports will be prepared as required. At some future time a computer system may also be beneficial. With such a system, the names of all the officers and directors in the corporation could be filed to permit retrieval and knowledge of which corporations a certain director may belong to.

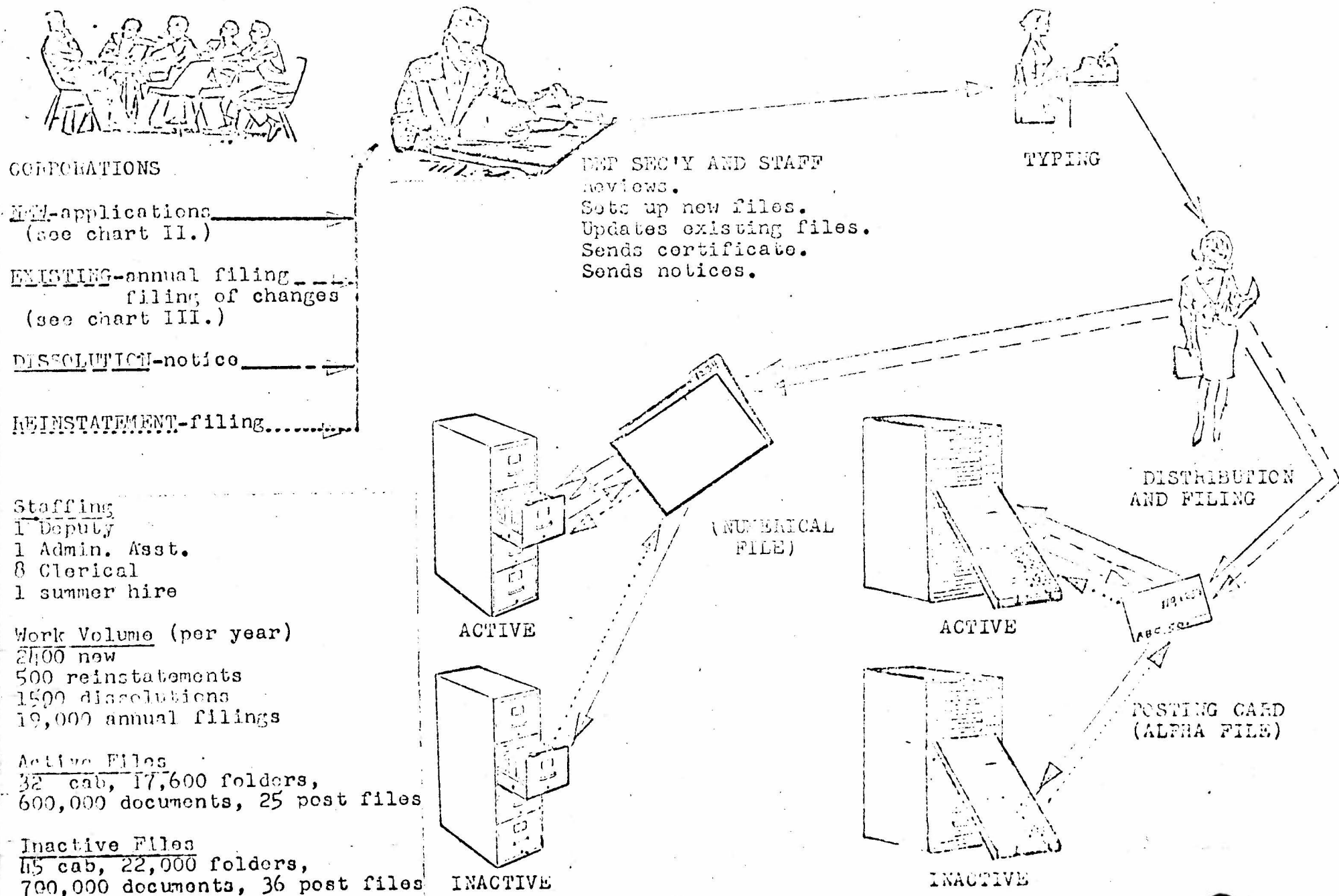
The value of this system in terms of greatly increased public service as well as substantially improving its efficiency should be studied in detail by the Department of Administration and your office as soon as possible.

It is recommended that the microfilm system be considered for immediate action prior to the next biennium in order to make the cost reduction most effective.

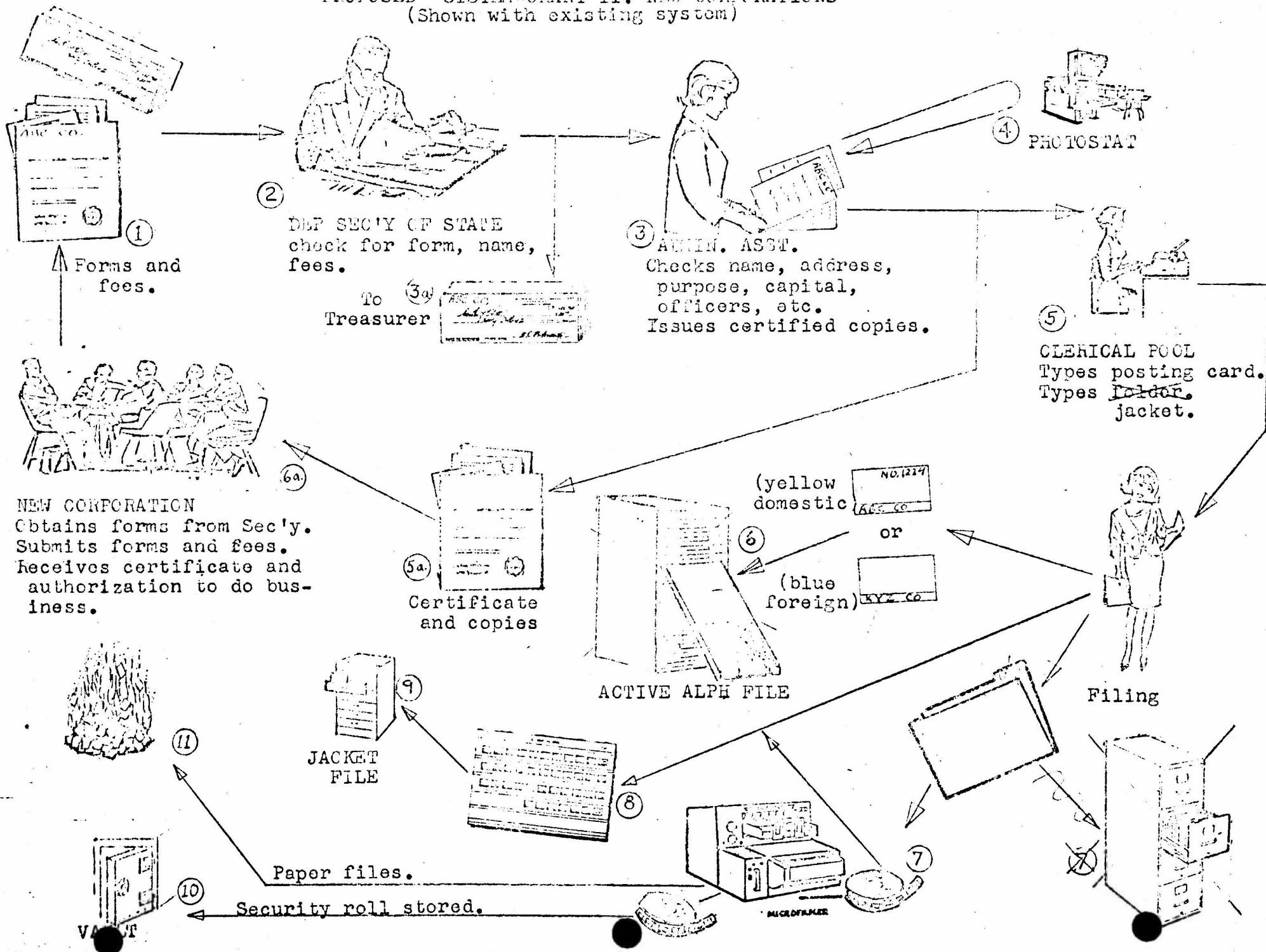
NPT/md

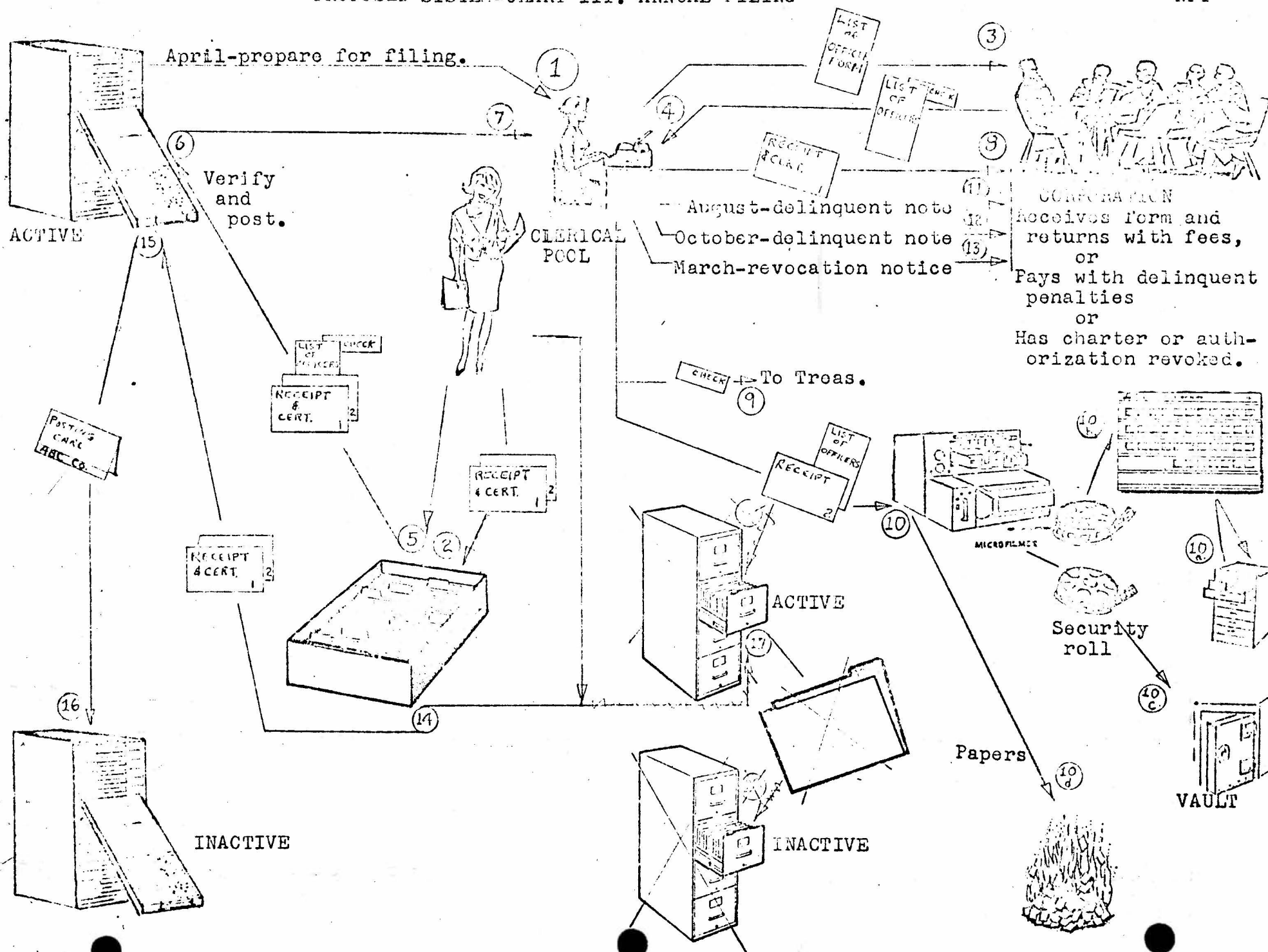
SECRETARY OF STATE CORPORATION FILES  
EXISTING SYSTEM - CHART I.

8-10-60  
RPT



PROPOSED SYSTEM-CHART II. NEW CORPORATIONS  
(Shown with existing system)





## Chart IV - Cost Summary

### Initial Filming Project

#### Inactive Files (45 4 drawer legal files, 180 file drawers)

22,000 folders - 700,000 documents @ 10/M	\$ 7,000	
1 set of duplicate film for security 412 rolls @ 5/roll	<u>2,060</u>	
Sub-Total, filming of inactive files		\$ 9,060

#### Active Files (32 4 drawer legal files, 128 file drawers)

17,600 folders - 600,000 documents @ 10/M	6,000	
1 set of duplicate film for security, 353 rolls @ 5/roll	1,765	
18,000 jackets filled @ .20 each	<u>3,600</u>	
Sub-Total, filming of active files		<u>11,365</u>

Total, initial filming project		<u>\$20,425</u>
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### Annual Updating and Service

2,400 new corporations - 48,000 documents @ 10/M	\$ 480	
18,000 existing corporations updated/year - 36,000 documents @ 10/M	360	
2,400 new jackets filled/year - 2,400 @ .20 each	480	
18,000 jackets updated/year - 18,000 @ .07 each	<u>1,260</u>	
Sub-Total, film updating		\$ 2,580

### Equipment Suggested

1 each 16 mm roll/jacket reader-printer	\$ 1,700	
1 each 16 mm jacket reader	500	
2 each microfilm storage cabinets	<u>500</u>	
Total equipment		\$ 2,700

Total first year cost, filming and equipment		23,125
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Total second year cost, updating film		2,580
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Chart V - Cost Reduction Gained from Microfilming

<u>Initial Set Up</u>			<u>Annual Cost</u>		
<u>Inactive Files</u>					
45 Cab @	125.00	\$ 5,625	3 Cab @	125.00	\$ 375
36 Indexcab @	230.00	8,280	2 Indexcab @	230.00	460
253 Sq. Ft. @	3.56	901	253 Sq. Ft. @	3.61	<u>913</u>
22,000 Folders @	.06	<u>1,320</u>			\$ 1,748
		\$ 16,126			
 <u>Active Files</u>					
32 Cab @	125.00	\$ 4,000	3 Cab @	125.00	\$ 375
25 Indexcab @	230.00	5,750	2 Indexcab @	230.00	460
176 Sq. Ft. @	3.56	627	176 Sq. Ft. @	3.61	635
18,000 Folders @	.06	<u>1,080</u>	2,400 Folders @	.06	<u>444</u>
		\$ 11,457			\$ 1,914
 Total			 Total		
		\$ 27,583			\$ 3,662
Less Microfilming cost		<u>23,125</u>			<u>2,580</u>
Net saving after filming		<u>\$ 4,458</u>			<u>\$ 1,082</u>

TENTATIVE AGENDA

WAYS AND MEANS COMMITTEE

FEBRUARY 3, 1969 - FEBRUARY 7, 1969

MONDAY, FEBRUARY 3, 1969

2:00 P.M.

Unclassified Salary Budget  
Various Executive Budgets:  
Office of Lieutenant Governor ✓  
Office of the Treasurer

TUESDAY, FEBRUARY 4, 1969

10:00 A.M.

Visit to University of Nevada - Reno Campus

2:30 P.M.

Visit State Hospital, Sparks, Nevada ✓

WEDNESDAY, FEBRUARY 5, 1969

2:00 P.M.

Dept. of Administrations Budgets:

Central Data Processing  
Building & Grounds Division  
Personnel Division  
Purchasing Division  
Accounting Division  
Budget Division  
Records Service Division  
General Services Working Capital Fund

Various Budgets:

District Judges Salary  
Supreme Court Justices & Widows Pensions ✓  
District Judges Travel  
Supreme Court  
State Board of Pardons Commission

THURSDAY, FEBRUARY 6, 1969

2:00 P.M.

Dept. of Administrations Budget (continued)

Various Budgets:

Economic Development ✓  
State Board of Finance  
Bond & Investment Commission

FRIDAY, FEBRUARY 7, 1969

2:00 P.M.

Department of Administration Budgets (cont.)

Office of the Controller ✓  
State Printing Office