

2007 Annual Report



The Council for a Better Nevada is an organization of concerned citizens who seek to improve the quality of life in Nevada. Our intention is to identify and engage in community issues whose outcomes will greatly affect the lives of Nevadans. By bringing together talent, resources and leadership from private, public and non-profit sectors, our goal is to assist in developing solutions to issues which will create a sustainable, healthy and prosperous Nevada community.

Optimism. *At times difficult, yet essential to progress.*

For your unyielding optimism towards Nevada and dogged attention to the goals of the organization over the past year, I am very pleased to present the Council for a Better Nevada's 2007 Annual Report.

The Council's efforts this past year centered around community issues whose outcomes would be most influenced by the work of the 2007 Nevada legislative session. The democratic process often presents itself as a simultaneous unforgivable frustration and a delightful saving grace to those seeking relief from its resources and laws. It is a system of deliberation and decision measured in inches, seeming to allow significant paradigm shifts of thought only in moments of crisis and most other times presenting itself as an arrangement of checks and balances that many claim ultimately protect us from our own ideas. Our state's legislative process is no different.

*Council resources, capacity and knowledge were leveraged to achieve progress within that process. Much was accomplished, ranging from a continuation of our work to assist those who believe in the reformation of our public education system to supporting a review of both the current judicial and university regent appointment process in Nevada. Lastly, we learned from our 2006 efforts that Nevada's ballot initiative process was weak against unscrupulous interests and formed an extensive community coalition to restore integrity and honesty to the system. Navigating the process reminded us that as we seek to positively impact quality of life issues through the legislative process—when advancing any idea forward in a democracy, **you have to talk to everyone.** And we did.*

Our success on these issues were due to a collaboration of debate, argument and discussion between legislators, labor, non-profits, academia, business leaders and the Council. Thanks must be extended to those entities who, in the end, were the architects of all that was good for Nevada that emerged from the Council's goals. Our gratitude for their trust in our ideas and optimism will not be forgotten.

Nevadans today are leading our state at a compelling time in it's history. While many of our sister states are facing declining populations, aging public infrastructure, a contracting tax base and a weakened confidence in the future, we are striving to contain growth, continue record economic expansion, celebrate the growing diversity of ideas in our community and make prudent long-term infrastructure decisions for the first time. Our generation will be charged with many of those judgments. What will we make of our legacy?

We first came together as private sector representatives within the Council because we understood that a great economy does not alone define a great State. As we move forward to impact change within the democratic process and the community forum of debate, it is critical that we continue to free ourselves from the expected argument, the over-used half-solution, from the classic partisan approach that gives us permission to accept our condition that, in the end, leaves us weaker. We have proven we are capable of such action as business leaders and now as communitarians.

Progress always begins with an idea. And that's the easiest part of the solution. While the ensuing path to a result is often littered with resistance to change, we should be proud to know that Nevada is capable of embracing ideas and transformation as we grow up. And I thank all of you for your commitment to see those changes and, as ever, your continual optimism for the future of our great State.

Maureen Peckman
Executive Director

Officers

Chairman

Mr. Don Snyder

Smith Center for the Performing Arts

Secretary

Duncan Lee

RDL Investments, Inc.

Treasurer

Michael Saltman

The Vista Group

Board of Directors

Mark Brown

Your Buyer Worldwide

Robert Lewis

Lewis Operating Corp.

James Rogers

Sunbelt Communications

Carol Cline Ong

MDL Group

William Martin

Nevada State Bank

Larry Ruvo

Southern Wine & Spirits of Nevada

Randy Garcia

Investment Counsel Company

T.J. Matthews

IGT

Michael Saltman

The Vista Group

John Haycock

Haycock Petroleum

Heather Murren

Nevada Cancer Institute

Keith Smith

Boyd Gaming Corporation

Dr. Ikram Khan

Quality Care Consultants

Curtis Myles

Las Vegas Monorail

Peter Thomas

Thomas & Mack Companies

Terrence J. Lanni

MGM Mirage Corporation

Phillip C. Peckman

Peckman Companies

Dan Towbin

Towbin Motorcars

Duncan Lee

RDL Investments

John Ritter

Focus Property Group

Terry Wright

Nevada Title Company

2007 Issues Agenda

Four issues of engagement were selected during the 2006 Annual meeting

Public Education
Ballot Initiative Reform
Judicial Selection
University Regent Selection

Two enrichment issues were also selected for further study and review

Crime
Public Employee Retirement/Public Employee Benefits System

Public Education

Much work was accomplished in 2007 for the improvement of public education in the Clark County School District and for the State of Nevada.

Local support for a comprehensive retooling of the public education system moved to the State level, where a landmark bi-partisan bill was passed during the 2007 Legislative Session that created a state empowerment system with the support of the CCSD, labor and the private sector. SB 238 requires 29 schools in Nevada to convert to an empowerment system before the 2009 Session. The bill is funded with \$10 million for adding time to the school day and a performance incentive package for teachers. In addition to increased per-pupil spending in the classroom, each school will have greater latitude in staff hiring, curriculum selection and budget discretion in exchange for greater accountability for student academic progress. The legislature has long debated and worked to find ways, many successful, to inject innovation and accountability into an aging education system. They must be an active partner in the reformation of the public education system and support for empowerment was a large one towards making that goal a reality.

The CCSD added four additional empowerment schools to the 2007-08 calendar, bringing the total to eight current empowerment schools. Nevada will have 29 schools statewide by 2009. The results were positive on the first four CCSD empowerment schools: Student proficiency has increased up to 30% in some schools over one year, attendance is up and teacher/parent morale is significantly higher from the previous year.

Empowerment creator Mike Strembitsky, recommended by the CBN to the CCSD to assist with developing a sustainable empowerment system, is now committed to a long term relationship with both the CCSD and the Washoe School District in the creation of their own empowerment system.

Education subcommittee members Duncan Lee, Mike Saltman, Bill Martin, Phillip Peckman and Randy Garcia are working with the CCSD to link more private sector partners to schools within the expanding empowerment system. CBN members currently sponsor four of the eight elementary empowerment schools.

The CBN believes public education must be a positive cornerstone of our growing community. Systemic reform, the development of private sector partnerships with our schools and monitoring of the 2008 construction bond for future school building are some of the many ways we hope to ensure that belief becomes a reality.

Ballot Initiative Reform

The Ballot initiative process came to our attention following work on the 2006 TASC ballot initiative. The community discovered that current statute to prevent fraud within the initiative qualifying process was not enforced and current laws were lax in preventing special interests from taking advantage of the weak system to unfairly qualify ballot questions. In response to this experience, a large community coalition was formed to collectively compile ideas for the 2007 Legislature that would restore integrity to the State's ballot initiative process. Significant reforms were passed that have now strengthened the ballot initiative law. Following are highlights of the reforms:

- Establishment of a multi-county signature requirement using a weighted formula
- Comprehensive fraud language including penalties and disqualification of signatures for documented false signatures
- Registration requirements to the secretary of State for all petition gathering firms collecting signatures

The ballot reform effort was led by community leaders outside of the CBN. While many CBN resources were leveraged to ensure success of this endeavor, the bulk of the strategic planning and execution for success were due to committed community partners who represented labor, academia, political and the greater business community.

The 2008 election cycle will be the first test of the strength of the new laws that have been put in place.

Judicial Selection Review

The issues of judicial selection in Nevada has recently become a widely debated topic, beginning with an in-depth series of articles published in the Los Angeles Times about Nevada's problematic system of judicial selection and most recently with behavior and qualifications of locally elected justices being called into question by the greater community. While the issue has been revived in recent media coverage, it has been one long been discussed on the state legislative level with previous bills introduced to amend the current system of selection, some of which made it to the voters for change but have been defeated to date.

Senate Joint Resolution 2 was legislation introduced at the 2007 legislature that proposed to amend the Nevada Constitution to provide for the initial appointment by the Governor of justices and any subsequent retention of those justices and judges by election. Referred by many as similar to the 'Missouri Plan,' this bill transformed the current elective process to one of appointment and then election by retention in following election cycles.

Proponents of a judicial appointment process say the influence garnered from campaign contributions is immediately taken out of the system, which many studies have shown have a strong impact on judges and their ability to rule impartially from the bench once elected.

CBN provided relevant research to the legislature during its deliberation on the bill through resources accessed from the UNLV Boyd School of Law. The information provided clarity on language concerns in the legislation and allowed common agreement to be found among the Assembly and Senate.

The bill passed through the 2007 legislature and must now again pass the 2009 legislature, at which time it will then go before a vote of the people for ratification during the 2010 election cycle.

University Regent Selection Review

Currently all thirteen (13) Regents representing the Nevada System of Higher Education are elected by the people of Nevada. The 2006 Nevada ballot contained a question asking voters to shift the selection process of University Regents to a combination of elected and appointed officials. That effort failed by only a small margin. In response, the Nevada Legislature heard testimony and passed Senate Joint Resolution 4, whose intent is to amend the Nevada Constitution to require the Legislature to provide for the organization and duties of the Board of Regents and the appointment of all its members by the Governor.

SJR 4 must again pass the 2009 Legislature and will then go onto the 2010 election cycle ballot for ratification by the voters of Nevada.

Enrichment Issues

The Council for a Better Nevada strives to better inform itself on a myriad of community issues whose long term impacts on the State are critical. By educating ourselves about the history, current realities and probable solutions to those community challenges, we position ourselves to be prepared to take an active role in impacting progress on those issues at a future time.

Crime

Public Employee Retirement System / Public Employee Benefit System / Judicial Pension

Public Employee Retirement System /Benefits System / Judicial Pensions

The growth of Nevada's population has placed great strain on the state retirement and benefits system as new workers join the State programs everyday. Currently, the PERS system is funded at about a 70% level, a relatively healthy funding level in comparison to other States. Conversely, the PEBS system currently stands with an unfunded liability estimated to be near \$4billion. Community concerns have been raised that without a reassessment of how the PEBS system is operated the costs will spiral to significant numbers the State is not able to cover in the very near term. Another issue not well known is that all Nevada judicial pensions do not have a specific budget figure and are currently paid out of the State general fund; Previous proposals to address these concerns have included ideas such as a "grandfathering" approach to reforming the PEBS system, in which new retirees entering the system after a set date would have reduced benefits, while those on the system before that date would retain all current benefit levels. Other proposals have included a community wide dialogue on better understanding the complexity of the issue, all who stand to be impacted by changes and a commitment that some change must occur to ensure the stability of the system as a whole, which will take participation and buy-in from many community stakeholders.

Crime

Crime statistics are an invaluable quality-of-life indicator for any community. In the case of southern Nevada, our tourism base is also highly sensitive to threats of crime in and around our tourist corridors and the Las Vegas Metropolitan Police Department is on a constant 24/7 shift to address the rising figures. Giuliani Safety & Security provided a preliminary analysis of crime and terrorism concerns to the CBN and invited community stakeholders in an effort to begin a discussion of how best to reverse trends of increasing crime through better understanding what is causing crime and how the private sector can supplement public safety's current efforts. Overall, crime has increased 9% between 1999 and 2006 in Las Vegas*. Violent crime has increased 47.2% during those same years, ranking Las Vegas 4th most violent city in the U.S*. The types of crime driving these increases are robbery, aggravated assault, rape and murder. Major city police chiefs view the primary causes for those figures to be decreases in staffing, resources and funding, increased gang activity, guns, increased drug use, youth glamorization of violence and more focus on homeland security. Public safety standards call for 2 officers per 1000 residents. The LVMPD has about 1.5 officers per 1000 residents. With an additional 300k-400k on the strip everyday, that number is further reduced. Recent sales tax allocations have allowed the LVMPD to hire more officers and thus decrease many crime figures. We must appropriately resource the LVMPD though increased staff and private sector partnerships to handle the growing law enforcement demands of our community. *FBI Crime stats database

Financial & Services

Expenditures (as a % of total budget)

Staff	43%
Research	19%
Administrative	5%

We would like to extend a thank you to the following organizations for pro bono services

Banking services:	Nevada State Bank
Tax preparation:	Percy Bowler Taylor & Kern
Financial systems:	Nevada Title Company
Legal services:	Marquis & Aurbach

Administration

Executive Director:	Maureen E. Peckman
Staff liaison:	Paul Chaffee

The Council for a Better Nevada is a 501 (c)4 non-profit organization

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Visit the Council for a Better Nevada at www.CBNOnline.org

Council for a Better Nevada
A better quality of life. For all Nevadans.