

PROCEEDINGS OF THE BOARD OF COUNTY COMMISSIONERS IN AND FOR THE COUNTY OF LINCOLN,
STATE OF NEVADA

March 30, 2009

#1-CALL TO ORDER/ROLL CALL/PLEDGE OF ALLEGIANCE

The Board met in special session with Chairman Paul Mathews calling the meeting to order at 8:12. Clerk Lisa Lloyd called the roll with Commissioners Ronda Hornbeck, Paul Mathews, Ed Higbee and Bill Lloyd being present. Commissioner Tommy Rowe is absent at this time but is expected to arrive shortly. There is a quorum present and the agenda was posted on 3-24-09 to comply with the open meeting law. Ronda led the Pledge of Allegiance. County Manager John Lovelady is present as well.

#2-NEVADA 200 RECREATIONAL TRAIL RIDE

Ronda made a motion to approve the recreational trail ride, Nevada 200, for motorcycles on the 3rd, 4th, and 5th of April 2009; seconded by Ed. All voted in favor.

#3-FY 2009-2010 BUDGET

Dan McArthur presented an overview of the budget and where it currently stands. Final calculations for property taxes have come in at \$1,763,827. This means that another \$180,000 in expenditures must be cut from the budget today. This gives us an ending fund balance of \$148,000. Statutory minimum that has to be budgeted is at least \$177,000, or 4% of budgeted expenditures. With the cuts that are being made the expenditures still total over \$4.6 million. One of the largest expenses is personnel. Approximately 73% of the general fund is salaries and wages. This is a very high ratio. If the 3% salary increase was pulled out it would save about \$70,000 and benefit package, and PERS costs, would be added to that. Freezing everyone where they are right now would be a total savings of about \$87,000. This savings includes asking all of those who fall under bargaining units within general county fund to stay where they are in their salaries and not take a salary increase. Paul stated that it would be a problem if only those under the general fund were asked to not take the increase; everyone should be asked, including Road Department. The Sheriffs in Clark County did not take a raise this year and accepted a freeze on salary increases. The unions will have to agree to this and either this year, or next year, the county will have to lay people off if things don't change. If the economy stays the way it is and there are no new taxes people will have to be laid off. The discussion continues about the 3% raise. In many other counties the Sheriff's departments decided not to take any raises and actually accepted a 2% cut. Dan is concerned that sales tax will be even lower than we've been told it will be. The county has projected revenues of \$4,229,834 and expenditures of \$4,276,546. Step increases will also have to freeze. Dan stated that \$85,000 is being moved into the vehicle capital projects fund. The SO provides security around the northern parameter of the test site and that's where this money comes from. The \$85,000 is put into the vehicle fund so that the SO can buy new cars with it. County capital projects generates \$90,000 that can only be used for capital outlay. Dan suggested that the vehicles be paid for out of the capital projects fund and stop transferring the \$85,000 into vehicle capital. There has been an accumulation in the capital projects fund for several years. The \$85,000 could be pulled out of the general fund and it could reoccur under capital projects. The problem with this is that the money will only be used to purchase vehicles and not do other capital projects. The HVAC is budgeted here but the intent is to go after the money under the stimulus package. Dan believes that we can get rid of the vehicles, get the \$30,000 from the water and be okay for this year, but he's looking past this into next year. Next year will be more difficult than this year as far as revenues and budgets go. Dan suggested that salaries need to be kept static and not give any raises this year or next year. Panaca Town budget is discussed. Panaca Town is going to purchase a dump truck for \$6,000 this year. Capital outlay will be reduced to \$3,000 since that is all they have left. The cemetery committee has been keeping the money from plot sales and they have their own checking account; they need to get the money turned in to the county as this is nonconforming with the statutes. Paul will look into this. Capital Outlay is discussed. Dan advised that there isn't enough money in the Assessor's Technology fund to cover the \$11,000 expenditure for commercial property costing system. There is only \$3,700 in the Assessor Tech fund right now. \$88,000 is removed from capital outlay and moved back to Federal In Lieu as it is not tied to anything and there is no backup. \$80,000, \$120,000 and \$61,000 are removed from Capital Outlay for LC Courthouse HVAC system, roof repair and insulation, and window replacement; \$30,000 will be left for emergency repairs. \$150,000 was also removed for the museum. Sheriff's budget is now discussed. Sheriff Kerry Lee is present. Kerry advised that he's approached the bargaining units concerning not taking their raises (including step raises). It might cause a

problem where only half the department will stay their raises. The Detention Center employees are making money and Kerry doesn't believe that they will stay theirs. It could cause a problem and pit the patrol officers against the detention center employees. If these employees will stay their raises it will equate to about \$35,000 in savings. Kerry believes that they will probably do it but stated that the entire department should do, not just a few. The money from the employees of the DC will stay in the DC fund. Kerry cited that he could use the savings from DC to pay for one of the projects that he submitted this year. Ronda stated that discussion has been this morning that the Board will ask county wide that all employees stay any raises. Kerry believes that the association will be willing to stay the raises. Kerry will try to get a tentative answer prior to next Tuesday. This savings will eliminate layoffs for the time being. The salary freeze includes steps. Kerry asked if, somewhere down the road, there would be a 20% increase that the employees will get all at once. The county is driven by sales tax, and we get some of that from Clark and Washoe. We are using their sales tax and they've been laying people off as well as taking 2% cuts. The county is limited on property taxes. Dan stated that there is no way to be certain that a 20% increase can be given in four years. The county isn't even asking for anyone to take a reduction, like state employees, we are just trying to stay status quo. Kerry said that perhaps the best thing to do is to just freeze everything for one year. Cost of living, longevity, step raises, and POST certificate incentives are the increases that are being considered. Kerry stated that several years ago the Air Force monies were taken away and put into general county. Vehicles were not funded. Kerry doesn't want to jeopardize the \$85,000; the Air Force wants to know that the money is being used for SO vehicles. Air Force money can be used for salaries. Kerry stated that he doesn't have a problem with this, but he wants to make sure that it is tracked and a plan is in place to eventually turn the Air Force money back to purchasing cars. Paul stated that the county doesn't want this to be a perpetual thing as the capital projects money should be spent on a capital project in the future. Kerry believes that they can do an addition to the DC as opposed to purchasing Connex boxes. Kerry stated that they can do the build out and buy a Connex box for \$8,000. \$8,000 is added to DC for the build out/Connex boxes. \$3,500 is left in Sheriff for Connex/build out. Ken Dixon cited that it costs about 3 times as much to build something as opposed to purchasing a Connex box. Kerry hopes to use inmate labor and Honor Camp for the construction. Toughbook laptops are reduced to one, \$4,250. Network attached storage ray server is reduced to \$15,000. Kerry discussed the need for the Spillman server. Spillman serves Detention Center, Sheriff and Dispatch. This is a mirror drive server. Spillman is an essential function for the Clark County contracts. There is some discussion concerning the need, or lack thereof, for two servers. Dan stated that he doesn't understand the redundancy of the two \$80,000 servers; none of his clients have two servers. Dan feels that there are several alternatives to cut the cost of this. \$80,000 will remain for one server. \$30,000 remains for the video/audio recording device. \$20,000 is left for up fitting of the cars. Batteries for Alamo repeater site remains at \$4,000. Dan is adding in \$8,978.32 under DC capital outlay for van. Connex will be relabeled as IT Storage. \$12,500 is the amount of the bid received from Gust Electric for the rewiring of the dispatch center. Kerry will work with Leslie to see if the bulk of the electrical work can be paid for in this year's budget. Cabinets can then be purchased out of next year's budget. Kerry reiterated that he will talk to the associations about the salary freeze. Alamo Town is now discussed and Wendy Rudder is present. There is a need for maintenance of the parks. The Fair & Rec Board is for funding maintenance of parks within LC. Wendy is asking that the F&R supplement, each year, up to \$14,000 for maintenance of the parks. These are county parks and the money used to development them came from grant funds. Ronda cautioned the Board that this would cost \$48,000 per year if this goes forward. Room Tax doesn't have that kind of money. Wendy stated that there is a certain section of monies that is set aside for this. Alamo Town needs help with their budget to take care of this park. Wendy stated that if this money isn't received, then they will have to start charging fees for use of the park. The people out of town will have to pay \$20 more for each registration to use the park, but the people in town are already paying property taxes and shouldn't have to pay more to use the park. Paul stated that this is a temporary solution to a problem that should've been addressed back when the money was being received from SNPLMA to build the parks. Wendy said that there should be more funding available to maintain the parks and it should come from the county. Bill stated that there is a man in Pioche that maintains the park there and he doesn't believe that Pioche will be asking for more money from the county to pay for it. Paul cited that a longer term solution needs to be found; this is only a temporary fix. Wendy commented that there will not be money to replace/fix things when they break down; they just won't be replaced or repaired. Wendy commented that they would like to be able to charge for the use of the arena, but they need to make certain that the money goes back into Alamo Town. Wendy asked if they can charge for these things. Alamo has set up a fee schedule but it's not ready for approval by the Commission. Ronda stated that from here forward any towns that are receiving SNPLMA grants for parks need to be asked if they can afford to pay for the maintenance. Rachel doesn't have a town fund. The money received would be ear marked and would

be included under a line item. Airport is now reviewed. Wendy said that they need to make certain that monies that are coming in to the airport need to go directly to the airport, not the general fund. Bill advised that personal property taxes on Adam Levy's plane can't all go to the airport, they're broken up in a certain way. Wendy will bring in some documentation outlining the assessment of fees. The Board returns to the discussion of Capital Outlay. Leslie advised that she will pay for document index enhancing and electronic document filing system under her tech fund; Dan removed these from capital outlay and put them into Recorder Tech fund. Ronda questioned the expenditure of the DA's laptop and projector. Ronda stated that the DA has gone many years without this equipment. These items are left in capital outlay. Leslie advised that the county should seek an Attorney General's opinion on the court facilities funds. There is some discussion about who controls these funds. It is believed that the Commission controls it but the JPs were to come up with a capital improvements plan for the spending of the money over time. If the CIP wasn't created then the money would roll over into the general fund, according to Dylan Frehner. The money will remain budgeted and the Commission will ask the JPs for a capital improvements plan to spend it. Lincoln County Fire District (LCFD) is discussed. The estimate for property taxes coming in is \$97,000. Leslie advised that money has to be set aside for the emergency fund. 5% should be going into emergency, which is about \$4,851. Everything that comes into this fund is for services/supplies, which is to reimburse other fire departments for the calls they take that are in LCFD. Much of the fire apparatus can be purchased with grants; there is a match of 25%. One breathing apparatus is removed and the \$6,300 for that is put in the emergency fund. Phyllis budgeted ½ of Rick Stever's salary and benefits under Emergency Management. LCFD pays half of the salary and Emergency Management pays the other half. Rick is being paid from two separate legal entities. The Southern Lincoln County Habitat Conservation Plan General Improvement District (SLCHCPGID) is now reviewed by Ken Dixon. This covers Toquop, Alamo Industrial Park, to the bridge in Caliente, and any land set for disposal around Alamo area. Total proposed budget for FY2009-2010 is \$65,000. Total estimated revenues is \$377,600.00 (UPRR disturbance fees \$272,000, Caliente disturbance fees \$99,600, and SLCHCPGID assessments \$6,000). Money can't be expected from BLM at the start of implementation as they won't have any until some of the 90,000 acres are sold. The county hasn't expended any money on development of the HCP to date. Ultimately these expenditures will be reimbursable, but Ken estimates that it will be five years before that happens. Paul asked if the PILT ordinance will cover this; it's uncertain at this time. Ronda asked that before this is put in place she and Ken should talk with the director of Clark County's HCP. This budget will be discussed in further detail on the 7th. Before any grading can be done some work needs to be completed with Fish & Wildlife. No action is taken on this fund so that Ken and Ronda can research this. Once the take process is started a decision will have to be made about whether or not the entire 13,300 acres will be fenced and a tortoise sweep will be done at that time. Or, will they fence incrementally? What will the county require the developers to do? Ken discussed the Entrix contract. When the last amendment to their contract was done it was only good until the end of 2008. An extension through the end of August is being requested, but it will not cost the county any more money. Ronda asked if the Board was going to ask the Clerical Union to go back to seven hour days. Lisa stated that the Clerical Unit wasn't given an "extra hour", they were simply brought up to the full eight hours that several other people were already working. Lisa further stated that it is important to cut *all* people back to seven hours, not just those that fall under the Clerical contract. The Board is simply asking that the salaries remain status quo, if someone's getting \$10 this year they'll continue to get the same rate of \$10 next year. Nothing is being taken away from the employees, they will receive the same paycheck next year as they are receiving this year. No one will be taking a pay cut, they will simply freeze where they are right now. June 30th is the cutoff and whatever employees are getting paid on that date is where their salary will stay for the next year. Tommy suggested that this request be for two years, unless the county has an unexpected windfall. Dan and Leslie are going to sit down and go line item by line item to ascertain exactly where we are at as far as shortfalls at this point. No one will make a request to any of the bargaining units to stay status quo until actual numbers are known. Dan advised that the county has to have a fund balance between \$180,000-\$355,000. The other thing that has to be taken into consideration is that the state will be asking to take a percentage off. If the county turns around and gives everyone a raise it'll wreak havoc. Senator Schneider doesn't feel the small counties should be raised on the backs of the big counties; he doesn't feel that their taxes should be used to supplement the smaller counties. The county spends \$370,000 each month, and it's very important that the county have at least this much as the ending fund balance. Paul suggested that a plan should be put in place for the monies that are in the bank at this time (the ordinance monies). Discussion will continue on April 7th.

#-4-PUBLIC COMMENT

There is no public comment.

#5-ADJOURN

There being no further business for the Board to attend to, **Ronda made a motion to adjourn the meeting at 1:49; seconded by Bill. All voted in favor.**

Attest: _____ Approve: _____