

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

April 7, 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 8:23. Clerk Lisa Lloyd called the roll with Commissioners Tommy Rowe, Ronda Hornbeck, Paul Mathews, Ed Higbee and Bill Lloyd being present. There is a quorum present and the agenda was posted on 3-31-09 to comply with the open meeting law. Tommy led the Pledge of Allegiance. County Manager John Lovelady is present as well.

#2-FY 2009-2010 BUDGET

Dan McArthur is present. Minimum wage has increased to \$7.55 per hour. Dan advised that he received a new schedule from Department of Taxation for revenues. Sheriff's Patrol and Detention Center have agreed to stay at their salary level and not take increases; whatever they are earning June 30, 2009, is what they'll earn through the 09-10 fiscal year. There are some conditions for this agreement: 1. All county employees do the same; 2. This freeze is for one fiscal year; 3. This freeze is completely necessary to keep from losing employees. The total estimated savings for Sheriff's Office is \$104,009.21. Projected revenue is estimated to be lower than it was two years ago. The change in hours for the Clerical Unit results in an additional \$50,000 per year in expenditures. However, there are no increases due to be given to the Clerical Unit as they accepted the increase in hours in lieu of salary increases; the only potential increases would be step raises for any eligible employees under the Clerical Unit. There is continued discussion about salary freezes and the different units. The Board *must* get to an ending fund balance that will allow for enough cash on hand that the county could run for at least one month, in the amount of \$379,000. Lincoln County continues to be at a point where we are spending more money than we are bringing in. Paul cited that as long as the county is holding wages it eliminates the possibility of pursuing new projects as the county's financing on the backs of employees. Paul further said that being in a position of freezing contracted wages puts the county into a necessary position of frugality. Dan advised the Board that the county will be in "layoff mode" next year if the salary increases aren't frozen. Dan also advised the Board to take into account that there is no known number for fuel increases. There is some discussion concerning salary freezes for the Road Department as well. Freezing salary increases for RD won't help the bottom line of the General Fund, but it will aid the RD as they are nearly upside down with salaries; salaries are the bulk of the RD budget. Ultimately, if RD doesn't do something about salaries now they will be upside down by June 30, 2011. Paul said that the only way to fix these issues is to increase revenue. The Board agreed that not taking steps to keep a healthy balance between revenue and expenditures is what got White Pine County into the position that required the state to come in and take over. The Commissioners agreed that they would not be taking increases in FY09-10, either. Revenue for 09-10 is \$4.2 million and expenditures are \$4.6 million. Ideally, the Board needs to get the expenditure line to equate the revenue line. Otherwise, the Board will be laying people off left and right. Dan is concerned about what is going to happen with consolidated tax; Legislature wants to freeze the county where it's at right now. Legislature wants to change the law permanently. This means that the county will have no choice but to fastidiously seek increased revenue. Property taxes are capped and property values have decreased; it would be incredibly nice if there was a solar plant or energy plant of some type in the county. SNWA wants to put solar energy in on Jim Toreson's property in Rachel. SNWA would be tax exempt. SNWA has told the county that they would be willing to do payment in lieu of taxes. Ronda is working with Senator Reid to get lands open for solar energy. Lincoln County has great potential for projects but the amount of resources that the county will be able to put towards any of these projects will be severely hampered by holding wages, Paul said. Ronda reminded the Board that this decision doesn't apply for the next twenty years; the county has to take things one year at a time. If the museum becomes responsible for the Thompson Opera House the tax rate within this fund could pay for the TOH operation and maintenance. John suggested that Toni Pinkham and her assistant's salaries could possibly be paid for through indigent fund, aging services and transportation. By the end of the year, these three funds end up in the red; this is the reason that the two salaries were moved into the General Fund. The biggest cost for Senior Nutrition is raw food and several changes have been made. Three Squares will now be delivering the food and charging \$.09/lb. John suggested that a midyear shift on these salaries might be made if things are balancing and Senior Nutrition continues to remain in the black. **Tommy made a motion to have the Board send a letter to the other bargaining units, furnish them with a copy of the letter from the Sheriff's Office, and request that they discuss proposals relating to the salary and step increase freezes**

(proposals will then be presented to the Board); seconded by Ed. All voted in favor. Panaca Fire District is now discussed; Harry Birkmier is present. Dan asked if the requirement is to put 5% into the emergency fund every year. 5% was agreed to when it was set up and this fund can't exceed \$250,000. The state doesn't require money to be put into this fund every year; it was a county decision. \$2,000 will be put into the emergency fund this year. The monies for the emergency fund will be budgeted to allow for any emergencies that may arise. Harry will be hiring two people for seasonal work; there's an ad in the newspaper now. Harry will bring this forward for formal action in a Commission meeting, at which time salary will be outlined. \$6,300 is put into the emergency fund for LC Fire District; monies will be budgeted to be spent this year. SLCHCP GID is discussed. The total budget Ken Dixon has submitted is \$38,200. None of this money will come from the General Fund. \$38,200 will be budgeted, but it is estimated that only \$5,632 will be spent. Law requires that administration be budgeted for. Ronda will meet with Clark County's administration to research the history of how they set up their HCP GID. The verbiage that Ronda is working to change is that if there is no take, which equates to no money, there shouldn't be a requirement for expenditure since there isn't any money available. Ronda meets with Fish and Wildlife next month to review what will happen during the first year of this GID. Caliente has the \$99,000 from SNPLMA for disturbance fees in the bank right now. The \$99,000 must go into the Section 10; it can't be used for planning. Tommy suggested that the SLCHCP should be handled through the Planning Department until such time as a take occurs which would eliminate the need for a part time administrator. Ronda said that a separate administrator is needed because there is such a large volume of work. Clint cited that this is a planning function and it will gravitate towards his department in the future anyway. Paul said if the workload increases dramatically another person could be hired. Clint believes that this is going to directly impact his department. JCCIAC approved \$75,000 for planning, which Dan included. Dan discussed the BLM line of credit for the Alamo Industrial Park (AIP). A payment is required on this and Dan asked where the money is coming from. The payment is due November 2009. Paul advised that the majority of the potential tenants are unable to purchase land in AIP at this time. Paul stated that he would rather refinance this on a long term loan and make payments as opposed to changing ordinances or transferring county funds in and out. This is an investment that should pay for itself. Dan suggested that the principle payments be made from the Federal In Lieu Fund if they are to be financed over time. Ronda asked if the land can be sold to the smaller entities without working through the subdivision requirements. Clint responded that it depends on the scale of the development. Greg said that if the county is going to subdivide they have to have all utilities, etc., in place. The Board agreed that refinancing AIP needs to be on the next Commission agenda for action. There is some discussion about the Clerical Unit. Ronda stated that her original intent wasn't to cut just the Clerical Unit back to 7 hours per day; it was to cut *everyone*, including John, Phyllis, Planning, and Building. All departments would be cut back to 7 hour days. Dan cited that \$11,000 will be removed for Assessor's capital outlay as she will be purchasing the commercial property system enhancements out of the current year's budget. \$30,000 was left in Capital Outlay for courthouse remodel. \$60,000 was left in for remodel of meeting room and hall in PVJC. Upfitting of Sheriff's vehicles is reduced to \$25,000. Network attached storage Ray server for SO is reduced to \$15,000. \$86,400 is left in capital outlay for technical/E911 services (annual contract). The county is going out for RFP for technical services. Lisa requested that the Board include money in her budget to contract individually with Tracy Lee for elections in the event that he isn't awarded the IT contract. Melanie discussed the county's website, which is static and only has links. Melanie reminded the Board that Tracy submitted a proposal a couple of years ago to create the county's website in the amount of \$44,000. This site would be better suited to the county's needs and not just contain links. Melanie stated that the county employees update the links. Melanie stated that the webpage might be included in Tracy's budget. Dan advised that funding for rewiring of the dispatch center and cabinets is not included in the budget. Sheriff Kerry Lee wasn't happy with the bid for rewiring and was going to discuss it with the entity that submitted the estimate. Melanie asked what happens to the people who received the 3% increase last year; clerical didn't receive this increase. Melanie suggested that everyone go back to what they were making prior to the increase last year and then freeze it; this would make it fair. Melanie cited that the Board just approved a high wage for the DA's secretary. Melanie cited that the people that are lower on the totem pole are being asked to take the biggest hits to their pocket book, not those that are making the big bucks. Paul said that the Board isn't in a position of force; they are requesting recommendations from the bargaining units. They all have contracts and the units have to agree to aid in making up the shortage. Melanie asked that the county ask the high dollar individuals to step back and earn the wages that the clerical unit is earning. Melanie wants the Board to ask the "big guys" to help, too, not just the "little man". Melanie suggested that everyone take a 3% cut from last year with the exception of clerical as they didn't receive an increase. Road Department received a 4% increase last year. Paul said that the Board is trying to not ask anyone to go backwards. Cuts aren't being made; freezes are. Melanie has researched

comparable counties and there are many salaries in LC that are extremely inflated; they are being paid twice as much for what they are bringing to the county. Melanie further cited that there are several upset tax payers that are concerned about some of the higher salaries. These people are being paid enormous salaries for the work they do when there are others handling a greater workload with larger responsibilities that are being paid a pittance. Melanie further said that the union has an issue with the clerical unit as they think that these individuals are all secretaries; they are not secretaries, they're deputies. Melanie further cited that there are several jobs that were taken out of the Assessor's office and a full time position was created; these jobs took 8-10 hours per month and do not merit a full time position. Bill said that each one of the deputies is just as important as the DA's secretary. The DA's secretary is truly the only one that is clerical. Just because these people are clerical it means that they are underappreciated; Melanie asked the Board to put things into the correct perspective. Ronda said that there is no policy that states the pay rate that people will be hired at; this is the reason that people are receiving higher wages. People want Las Vegas wages. Melanie commented that counties of our size do not pay Vegas wages. The county has an over abundance of employees for the job duties that are required. Ronda recognized the fact that Melanie has two certified deputies and the DA's new secretary, who was hired without certification, was hired at a much higher rate than entry level clerical. Recently the elected officials were accused of negotiating on behalf of their deputies but they weren't; the union has advised her that the contract sets the minimums for wages. Further, John recently advised the Board that if a classification was created to designate chief deputies and/or appraisers these people would have to be taken out of the contract; this is absolutely incorrect according to Gary Mauger. Paul said that this is an example of what the Board is up against and it is a process that'll have to be cured as things go along. Paul reiterated that a motion has been made and action was taken; the Board will press forward and see what the bargaining units have to say. **Tommy made a motion to have Dan prepare the tentative budget as presented/discussed today; seconded by Ronda. All voted in favor.**

#-3-PUBLIC COMMENT

Clint Wertz, Planning Director, advised that he received information from Tischler/Bise on the fiscal analysis study. Everything for Toquop has put together in a spreadsheet pertaining the how things will progress/flow. One of the things that is being unearthed is that there is a lack of information from developers; this is becoming an issue as assumptions now have to be made. In future, the county will request more details on the development projects. When fiscal studies are updated the county will have an intricate list of required details. The studies are moving along and a presentation will be made to the Board in the future. The information from the development agreements has been put together in such a way that the holes in the agreements are now visible. Water availability is an issue as is the economy.

#4-ADJOURN

There being no further business for the Board to attend to, **Ronda made a motion to adjourn the meeting at 10:56; seconded by Ed. All voted in favor.**

Attest: _____

Approve: _____