

EUREKA COUNTY BOARD OF COMMISSIONERS
Budget Meeting – February 8, 2011

STATE OF NEVADA)
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COUNTY OF EUREKA)

CALL TO ORDER

The Board of Eureka County Commissioners met pursuant to law for a budget meeting on February 8, 2011. Present were Chairman Leonard Fiorenzi, Vice Chair Mike Page, Member Jim Ithurralde, District Attorney Theodore Beutel, and Clerk & Treasurer Jackie Berg. The meeting was called to order at 9:00 a.m. and began with the Pledge of Allegiance. The interactive video conference system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

APPROVAL OF AGENDA

Commissioner Ithurralde motioned to approve the agenda as posted; Commissioner Page seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Fiorenzi called for public comments; there were none.

REVIEW TENTATIVE REVENUE ESTIMATES FOR FISCAL YEAR 2011-2012

Ad Valorem Revenue Estimates: County Auditor and Budget Officer, Mike Rebaleati explained that the State calculated tax revenues will be released on February 15th and are expected to be very close to the Fiscal Year 2011 revenues. Eureka County's current assessed real property value is \$588 million and should generate approximately \$11.9 million in revenue (pre-abatement), if there are no changes in the current tax rate. County Assessor, Michael Mears, explained that the Department of Taxation is proposing a 7% improvement factor (last year's factor was -2%) for real property improvements. This will have an impact on the County's values, but is minimal compared to what the larger counties will experience. Mr. Mears also provided a brief explanation on abatements, which place a cap on any tax increase for those who qualify.

Net Proceeds of Mines Estimate: Current estimate for net proceeds of mines is around \$6.5 million, excluding the State portion and the portion that will pass through to the School District. Changes to net proceeds are currently being considered in the 2011 Legislature, and this may affect net proceeds calculations with a higher percentage going to the State.

REVIEW REVENUE DISTRIBUTION

Distribution of Ad Valorem Tax Rate: Mr. Rebaleati reviewed distribution of projected ad valorem revenues based on the current tax rate. Once the final estimated revenues are calculated and expenditures are identified for the budget, Mr. Rebaleati will make recommendations to the Board regarding specific allocation of the County's portion of the Fiscal Year 2011-2012 tax rate. The question of whether the State is going to require an additional nine cents, as proposed in the Governor's budget, is still to be decided by the Legislature.

CAPITAL IMPROVEMENT PLAN

The capital improvement plan was reviewed in detail during previous budget meetings and will be reviewed in more detail as the requests begin coming in from the different departments.

ESTIMATED EXPENDITURES BY FUNCTION AND ACTIVITY – DEPARTMENT BUDGETS

County Commissioners: Mr. Rebaleati reviewed the departmental budgets, beginning with County Commissioners, which includes community grants, amounts for the NEPA contracts for consultants related to the Mt. Hope Project Environmental Impact Statement, water related legal fees, NACO dues, etc.

County Assessor: Assessor, Michael Mears, presented budget requests for his department. There were minimal changes from the previous year, including a reduction in contract services and a slight increase in postage. The Assessor Technology Fund was also reviewed. This fund is dependent upon approval by the Legislature and could sunset on June 30th. Purchases being considered from this fund include GIS upgrades in the Assessor's office, and a recording system and video conferencing system at the Opera House. Chairman Fiorenzi commented that he would like to see the technology in the Commissioners' meeting room cleaned up or upgraded if needed, so that cords aren't running along the floor and video presentations can be viewed from the Crescent Valley site.

Ambulance & EMS: Mike Sullivan, EMS Coordinator, reviewed budget requests for his department, including increases for ambulance supplies, fuel, and postage. The increases are based on higher prices and not increased volume. Capital outlay requests include an ambulance replacement (previously included in the five-year capital improvement plan), two portable carbon monoxide oxymeters, nitrous oxide regular units (a carryover from the current fiscal year), and a grant of \$17,500.00 to the Carlin Volunteer Fire Department & Ambulance based on the number of runs and responses they do on behalf of Eureka County. Lastly, an increase in salary and wages, including benefits, was requested in order to upgrade the EMT-2 position from casual to part-time.

The Board reminded everyone of the motion during the first budget meeting that no new positions would be considered unless they were highly justifiable. Mr. Rebaleati suggested including the personnel requests in the Tentative Budget, with final decisions regarding the positions made for the Final Budget. Chairman Fiorenzi stated that departmental budgets will be figured *without* the additional personnel requests, in conformance with the motion made during the first meeting.

Juvenile Probation: Juvenile Probation Officer, Steve Zimmerman, reviewed the proposed budget for Juvenile Probation. Funding for the Boys Council and Girls Circle tutoring and life skills programs was included in the budget requests, in case the State grants for these programs are reduced or are not forthcoming. The State budget for PACE, the sponsoring entity for these programs, has been reduced by 20%. Department Assistant, Joyce Jeppesen, noted that when the budget cuts come through, Juvenile Probation may have to consider which programs will continue and which will be cut. A capital outlay request for a replacement vehicle was also submitted.

Nevada Division of Forestry / Battalion Chief: Eureka County Battalion Chief, Sam Hicks, provided an update to the Board. The main budget proposal will be made at a later meeting, since it is somewhat dependent on the State's determinations regarding NDF. The State budget for NDF proposes some drastic changes, including: as of January 1, 2012, all risk coverage goes back to the counties; and as of January 1, 2013, wildland firefighting goes back to the counties, with the State involved to some degree to share in suppression costs. This will have less of an impact on Eureka County than other counties, since Eureka owns most of its own firefighting equipment (except for two water tenders). Storey County is in the process of looking into an independent option and Mr. Hicks plans on visiting with them regarding their plans. Mr. Hicks will follow the State budget and legislative process in order to keep the County informed.

Opera House/Sentinel Museum/Economic Development: Cultural, Tourism, & Economic Development Director, Wally Cuchine, presented the budgets for his departments. A slight increase in travel and training, replacement of four exhibit cases, and an increase in the exhibits

allowance was requested for the museum budget. Mr. Cuchine noted that the museum had an increase of 1,000 visitors over the previous year. Mr. Cuchine mentioned some maintenance and repairs needed at the museum, especially re-pointing of the bricks; these items will come out of the buildings and grounds budget managed by Public Works.

Requests for the Economic Development budget were related to funding if the annual grants from the State don't come through, and a request to upgrade the casual employee to a full-time position. The Commissioners stated they will give the same response regarding this position as they have to those previously requested.

The Opera House budget remains status quo, with the only increase in the travel and training category, so the new Director is able to obtain training and attend conferences.

Natural Resources: Mr. Rebaleati explained that one of the requests in the Natural Resources budget was for a full-time Weed Control Technician, which is currently part-time. The position was previously full-time, but after being vacant for an extended period was filled with a casual employee. Natural Resources Manager, Jake Tibbitts, added that the position entails far more than field work because of the tremendous amount of paperwork, reports, and mapping that needs to be done for the County as well as for the BLM due to the funding agreements. Mr. Tibbitts recommended that the position be a shared Natural Resource/Weed Control Technician. Additional items discussed were the ongoing water studies, possible grant funding, and programs funded by the PILT and Title III monies.

NEPA Committee: Mr. Rebaleati and Mr. Tibbitts discussed the amount needed for contract services in the NEPA budget and agreed to include the same as the previous year. Mr. Tibbitts stated flexibility was needed to bring in additional consultants if needed for other projects, such as the Resource Management Plan and the 3-Bars Landscape Restoration Project.

District Attorney: District Attorney, Ted Beutel, presented his budget noting that no increases were requested, only a reallocation of funds. He would like to reduce the telephone and fax allocation and move those funds into machine maintenance and travel and training (which he anticipates using when a Deputy District Attorney is hired). Mr. Beutel did warn the Board that the law library will run out of room soon, mainly due to publications mandated for public availability. There is continuing hope that the Legislature will allow these to be provided in electronic format, but the publication lobbyists have been successful in delaying such a decision.

District Court: The District Court budget will be affected by the pending decision whether Eureka County will continue with the Public Defender's office for indigent legal services or opt to go with the private attorney group. The tri-county agreement for the Seventh Judicial District Court should not be affected. As always, District Court is budgeted on the high end in order to adequately cover any trials that might occur.

Television District: Television District President, David Pastorino, and contractor/consultant, Alan Greager, provided an update on the digital conversion project to date, and outlined what was still needed in order to complete the project. Mr. Greager explained that work thus far has been to improve the infrastructure in preparation for installation of new equipment on the mountaintops. Approximately \$1.2 million is required to complete purchase and installation of the remaining equipment. The urgency in completing this is related to the Federal Communication Commission digital licenses and construction permits that are in place for this project and expire after three years (which will be in 2012). Commissioner Ithurralde asked why the same equipment must be placed on both Prospect Peak and TV Mountain. Mr. Greager explained that Prospect has a high noise floor, meaning that background noise (signal noise) at the site is high and signals transmitted in Eureka County aren't strong enough to make it out of this noise threshold.

Mr. Rebaleati explained that, with annual revenues of approximately \$228,000.00, the Television District cannot complete this work in the scheduled timeframe without a grant from the County. Mr. Beutel indicated that the County has an option of creating an agreement between the two entities (County and TV District) whereby the granted/loaned money can be paid back over time. The Board agreed to include the \$1+ million grant/loan in the Tentative Budget and see if final numbers will accommodate this loan.

Clerk/Treasurer: Clerk & Treasurer, Jackie Berg, presented budgets for Clerk/Treasurer and Elections. There were no increases for salaries and wages, although Ms. Berg clarified that the financial position was filled with a part-time person, but will continue to be budgeted as full-time to allow supplementation with casual hours, as previously approved by the Board. There were slight increases in bank charges, postage, and travel and training, but these monies can be reallocated from other areas.

Recorder/Auditor: Mr. Rebaleati reviewed his budget, explaining minor fluctuations in service and supplies based on volume of public services provided. He also reviewed amounts for annual and special audits.

Data Processing: The data processing budget has not been fully utilized because many items that have qualified for the Assessor Technology Fund, but it will not be reduced because full funding may be needed if the technology fund is discontinued.

D&T Center / Health Clinics / Nevada Rural Health Contract: Mr. Rebaleati has contacted Nevada Rural Health Centers and will work with their main fiscal officer to facilitate timely negotiation of the contract for the upcoming fiscal year.

Miscellaneous Grants: Jerry White requested a grant on behalf of Perdiz Sport Shooting Range and asked if the County would consider a proposal for an all-purpose building at the facility. The Board asked him to provide estimates for both the annual grant and a 'wish list' for the proposed building. Mr. White thanked the Board for their continued support of the range, and the Board stated their appreciation for Mr. White's dedication in keeping the facility open.

SET DATE & TIME OF NEXT BUDGET MEETING

Commissioner Ithurralde motioned to schedule the next budget meeting for 9:00 a.m. on February 23, 2011; Commissioner Page seconded the motion; motion carried 3-0.

PUBLIC COMMENT

Chairman Fiorenzi called for public comments. A letter from Lisa Wolf was read to the Board. The letter requested that the Commissioners make a recommendation that the Economic Development Program Board reinstate the County mileage policy to reimburse board members for mileage and per diem expenses for board related travel. This item has been included on the Economic Development Program agenda for consideration at their next meeting. There were no further public comments.

ADJOURNMENT

Commissioner Ithurralde motioned to adjourn the meeting at 12:06 p.m.; Commissioner Page seconded the motion; motion carried 3-0.

Approved this 7th day of March, 2011.

/s/ Leonard Fiorenzi
Leonard Fiorenzi, Chairman

Attest: /s/ Jackie Berg
Jackie Berg, Clerk