

**EUREKA COUNTY BOARD OF COMMISSIONERS  
BUDGET MEETING  
March 27, 2008**

STATE OF NEVADA     )  
                                  : ss  
COUNTY OF EUREKA    )

**CALL TO ORDER**

The Board of Eureka County Commissioners met pursuant to law on March 27, 2008. Present were Chairman Jim Ithurralde; Vice Chairman Kenneth Benson; Member Donna Bailey; District Attorney Theodore Beutel; and Clerk & Treasurer Jackie Berg. Chairman Ithurralde called the meeting to order at 9:06 a.m. The interactive video conference system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

**APPROVAL OF AGENDA**

Commissioner Bailey motioned to approve the agenda as posted. Commissioner Benson seconded the motion. Motion carried 3-0.

**PUBLIC COMMENT**

Chairman Ithurralde opened the floor for public comment. Crescent Valley resident, Dave Mason, addressed medical services in Crescent Valley. Over the last several months, the availability of services has deteriorated. The local phone number forwards calls to a regional dispatch and no appointments are ever available. The clinic will not accept walk-ins, no matter how ill. Mr. Mason felt it was disturbing that this was the quality of service received from Nevada Health Centers in exchange for the considerable amount paid by Eureka County. The condition of the waiting room is horrible, with stains on the furniture and floor, and he felt Nevada Health Centers should be maintaining a clean and healthy environment. Additionally, the clinic sign advertises that they are open on Wednesdays and Fridays, but lately they have been closed most Fridays. Mr. Mason thanked the Board for listening to his concerns.

Dee Mallory, Crescent Valley Town Advisory Board member, agreed, stating that many residents travel to Battle Mountain or Elko because they can't get care at the local clinic. Ms. Mallory relayed a specific incident where someone was turned away without medical care.

Cleve Mallory asked about the status of street lights for the bus stops in Crescent Valley and status of dugouts for the ball park. Chairman Ithurralde agreed to discuss these items during the Crescent Valley budget considerations later in the day, and thought the dugouts had been delayed because of the possibility of relocating the ball field to the Fairgrounds.

**NEVADA HEALTH CENTERS, INC.**

Discussion Regarding Level of Services Provided in Fiscal Year 2008-2009 Contract: A call was placed to Linda Costa, Chief Administrator and Chief Financial Officer for Nevada Health Centers. Chairman Ithurralde commented that the annual contract with Nevada Health Centers was up for review, and he conveyed concerns about the level of care being provided in Crescent Valley. Ms. Costa explained the problems stemmed from the lack of providers; they were attempting to cover Crescent Valley with physicians from the Elko location and were in the process of recruiting additional doctors or physician's assistants, explaining that the telemedicine option was being considered because of this lack of on site caregivers.

Dr. Carl Heard, Chief Executive Officer, joined the conversation. In response to the inquiries regarding early closures on Wednesdays and lack of providers on Fridays, Dr. Heard

said he was not aware of these problems and would question the Operations Director about these instances. Regarding walk-in patients not being accepted, that is not policy and staff would be advised that this is not acceptable.

Dr. Heard reviewed costs for different options of service at the Crescent Valley facility, with a full-time physician being the most expensive; a full-time physician's assistant would be substantially less, but poses similar recruiting problems. The costs for the telemedicine option seem high, but the first year includes costs for equipment and networking that are not experienced in subsequent years.

Dr. Heard asked what was needed by the Commissioners to complete contract negotiations. The Board was interested in seeing costs related to a full-time physician's assistant, and costs for the telemedicine option once the initial equipment costs were covered. Ms. Costa would work on those cost estimates and try to have them to the Board before conclusion of the meeting. The Board agreed to table further discussions until the estimates were received.

Nevada Health Centers Contract for Fiscal Year 2008-2009: *(Note: this portion of the discussion was held later in the day immediately prior to adjournment).* More defined cost estimates were received via email from Nevada Health Centers. Commissioner Benson noted that cost estimates for the physician's assistant option were not provided, as requested. Commissioner Bailey felt this might be because Nevada Health Centers didn't feel it was a viable option due to the recruiting difficulties. The Board reviewed the three-year projections provided for the telemedicine services. Cost for services would increase from the annual \$60,500.00 to \$289,910.00 in year one, \$218,787.00 in year two, and \$222,781.00 in year three. Feeling there were still too many unanswered questions, Commissioner Benson motioned to table further discussions and contract decisions to the April 7<sup>th</sup> Commission meeting. Commissioner Bailey seconded the motion. Motion carried 3-0.

The Board requested that the Crescent Valley Town Advisory Board schedule this topic on their next agenda to forward a recommendation to the Commissioners. Town Board members, who were in attendance in Eureka and by video conferencing in Crescent Valley, decided it would be necessary to schedule a special meeting on April 4<sup>th</sup> in order to have a recommendation ready by April 7<sup>th</sup>.

## **PROTESTS AGAINST WATER FILINGS BY KOBEB VALLEY RANCH, LLC**

Approve Protests on Additional Water Applications: Additional applications were filed with the Nevada Division of Water Resources by Kobeh Valley Ranch, LLC. District Attorney, Ted Beutel, stated that Karen Peterson, Esq., is working on the protests for these additional water applications and in the interest of time the Board could approve signing these forms outside of the meeting once they are received from Ms. Peterson. Commissioner Benson motioned to approve filing protests on the water right transfer applications for #76744, #76745, and #76746, and to authorize the Chairman to sign the forms outside of the meeting. Commissioner Bailey seconded the motion. Motion carried 3-0.

Approve Additional Funding for Professional Fees: Mr. Beutel explained that Eureka County is currently contracted with Eco:Logic for a water hydrology study relating to the Mount Hope Project Environmental Impact Statement. Dale Bugenig, of Eco:Logic, has requested a contract increase from \$60,000.00 to \$67,000.00 for additional work related to review of the water applications made by Kobeh Valley Ranch, LLC. Commissioner Benson motioned to approve the additional funding of \$7,000.00 for increased services provided by Eco:Logic and to authorize the Chairman to sign an amended contract outside of the meeting. Commissioner Bailey seconded the motion. Motion carried 3-0.

Approve Use and Distribution of Paperwork to be Filed in Support of Protests: Mr. Beutel stated that the deadline for exchanging paperwork relating to protests filed on the water applications is sometime in June, and in the interest of time for preparation, asked that this item be tabled. Commissioner Benson motioned to table this item to a future meeting. Commissioner Bailey seconded the motion. Motion carried 3-0.

### **FURNITURE PURCHASES FOR DEPARTMENTS IN EUREKA COUNTY**

District Attorney's Office: Mr. Rebaleati stated that money was available in the current year's budget for purchase of furniture, and this did not need to be approved in the upcoming Fiscal Year 2008-2009 budget. Cost estimates were not yet available, so Commissioner Benson motioned that furniture purchases for the District Attorney's office be included as an action item on the next regular agenda for approval in the current fiscal year. Commissioner Bailey seconded the motion. Motion carried 3-0.

Juvenile Probation Office: The Juvenile Probation department provided an estimate to replace a desk that was damaged during the recent construction at the Administration Building. Commissioner Benson moved to approve purchase of a desk for the Juvenile Probation office, not to exceed \$1600.00. Commissioner Bailey seconded the motion. Motion carried 3-0.

### **JANITORIAL CONTRACTS FOR FISCAL YEAR 2008-2009**

Eureka County Courthouse: Public Works Director, Ron Damele, provided janitorial contracts for the bids that were approved during a previous meeting. Commissioner Benson motioned to approve the independent contract with JD Janitorial for janitorial services at the Eureka County Courthouse in the amount of \$2,500.00 per month. Commissioner Bailey seconded the motion. Motion carried 3-0.

Administration Building: Commissioner Bailey motioned to approve the independent contract with JD Janitorial for janitorial services at the Administration Building in the amount of \$2,000.00 per month. Commissioner Benson seconded the motion. Motion carried 3-0.

Justice Facility and Eureka Library: Commissioner Bailey motioned to approve the independent contract with Cleaning by Chae for janitorial services at the Eureka Justice Facility and the Eureka Library in the amount of \$1600.00 per month. Commissioner Benson seconded the motion. Motion carried 3-0.

### **JOB DESCRIPTION FOR TOWN MAINTENANCE WORKER**

Mr. Damele said the job description for Town Maintenance Worker was previously specific to Crescent Valley. The reference to Crescent Valley was removed so it is now a County-wide job description. Additional duties were included related to substituting at the Landfill. Commissioner Benson motioned to approve the amended Town Maintenance Worker job description. Commissioner Bailey seconded the motion. Motion carried 3-0.

### **REVIEW OF TENTATIVE REVENUE ESTIMATES FOR FISCAL YEAR 2008-2009**

Net Proceeds of Mines: Mr. Rebaleati reviewed net proceeds of mines from 2002 through 2006, as well as industry projected net proceeds for the upcoming year, adding that he wouldn't count on a final figure until he sees final figures from the Department of Taxation in May. Mr. Rebaleati stated a special audit will be conducted of actual net proceeds for 2004-05, 2005-06, 2006-07, which will likely result in a refund of a portion of those previous year's net proceeds; in addition he reminded the Board of the refund due Newmont Mining resulting from the decision by the Board of Equalization, which will likely take place in June.

Annual Assessor's Conference: Chairman Ithurralde announced that the Annual Assessor's Conference is scheduled to be held in Eureka in April, and will be attended by Dino

DiCianno, Executive Director of the Nevada Department of Taxation, along with the Chairman of the Nevada Tax Commission. A brief discussion ensued regarding legislative action that should be encouraged in the 2009 Nevada Legislative Session regarding the critical issue of returning some of the assessment control back to the local entities. The current system is not working and the Department of Taxation simply doesn't have the staff to properly administer these valuations. The Board decided to extend an invitation to BJ Selinder, Lobbyist for Eureka County, to attend the Assessor's Conference.

Consolidated Tax Estimates: Mr. Rebaleati based tentative sales tax estimates at six million dollars, which was more conservative than the estimate provided by the Department of Taxation, but a figure he felt more comfortable with.

Ad Valorem Estimates: Mr. Rebaleati presented the ad valorem revenue estimate of \$7,851,963.00, for the combined general County tax rate (of 0.8458) for Fiscal Year 2008-2009. This estimate does not yet include abated amounts, but is based on the following tax rates that make up the overall County rate and are listed in the Tentative Budget:

General Fund	0.5332	Road Fund	0.1221
RTC Fund	0.04	Capital Imp. Fund	0.05
Ag Extension	0.02	Ag District #15	0.008
Accident Indigent	0.015	County Indigent	0.0075
Hospital Indigent	0.01	Landfill Fund	0.04

Tax rates, applied only to special districts, are listed in the Tentative Budget as follows:

Eureka Town	0.2153	Crescent Vly. Town	0.2153
Television Dist.	0.0085	DV Weed Dist.	0.0781
DV Rodent Dist.	0.0440		

Mr. Rebaleati compared Eureka County's valuation to that of other Nevada counties. Several were facing decreases in valuation which was causing severe budget crunches, including lay-offs or freezing of positions. In conclusion, Mr. Rebaleati stated he was basing tentative budget figures on an overall estimated income for Eureka County of between \$15 million and \$16 million for Fiscal Year 2008-2009.

Chairman Ithurralde asked that future budget presentations include charts that could be viewed on the new audio/video equipment for the benefit of the public. Mr. Rebaleati stated he could prepare those for the next meeting.

**APPROVAL OF TENTATIVE TAX RATES**

Commissioner Benson motioned to approve the tax rates as reviewed for all entities making up the County general rate of 0.8458, as well as the rates for special districts, noting that there were no increases from the previous year, for a total County general rate of 0.8458. Commissioner Bailey seconded the motion. Motion carried 3-0.

**EUREKA COUNTY SHERIFF'S OFFICE**

Request For Increase of One Patrol Deputy: The Sheriff's Office tentative budget was discussed in previous budget sessions, but a request for an additional Deputy Sheriff in southern Eureka County had not yet been decided.

Sheriff Ken Jones presented detailed information on what it takes to provide 24/7 coverage in Eureka County. He provided a breakdown of required hours per year, and then

modified that with time for vacations, sick time, and training, to justify the need of 5.3 full-time patrol deputies.

The Board noted that the current budget allows for five full-time patrol deputies and Commissioner Benson inquired how long the current vacancy had been open. Sheriff Jones explained that the position gets briefly, but then it's just a matter of time before another vacancy occurs, so the fifth position has been virtually vacant since he took office in January 2007. The Sheriff commented that this vacancy is resulting in considerable overtime, which would virtually fund the requested position. An additional position could also ensure continuation of the drug interdiction program, with one deputy assigned exclusively to that program, as well as allow for instigation of a school resource officer or some sort of liaison officer to work with the schools. With impending growth in Eureka County, the Sheriff expected increased activity requiring law enforcement and monitoring, and felt having the ability to hire a sixth officer, when needed, would allow the department to be proactive in preventing a lag in services.

Chairman Ithurralde called for a motion regarding the extra deputy position. Commissioner Benson and Commissioner Bailey both stated they were not prepared to advance a motion regarding a sixth deputy position, but preferred to review administration of duties once the vacant fifth position is filled. The Board thanked Sheriff Jones for his well-prepared presentation.

#### **ADDITIONAL POSITION FOR FANNIE KOMP SENIOR CENTER**

At the March 10<sup>th</sup> budget meeting, approval was given for a casual position at the Fannie Komp Senior Center to be upgraded to full-time for Fiscal Year 2008-2009, which provided for a total of 6,920 annual hours at the center (equaling the 6,920 annual hours allowed at the Eureka Senior Center). Adell Panning, Site Director of the Fannie Komp Senior Center, stated that upon reviewing the work schedule for her staff, adding a full-time position would still prove inadequate to serve the center's needs. Mr. Rebaleati suggested that the approved hours could remain at 6,920, but instead of increasing one casual to full-time, the hours for two casual employees could be adjusted. Ms. Panning agreed that this would serve the center's needs more efficiently. Commissioner Bailey motioned to approve moving two casual positions to half-time positions at the Fannie Komp Senior Center. Commissioner Benson seconded the motion. Motion carried 3-0.

#### **REVIEW PERSONNEL COSTS FOR FISCAL YEAR 2008-2009**

Overall employee costs, including payroll and benefits, are budgeted at 6.2 million dollars. This includes the increase of employee hours from 191,000 hours annually to 198,000, representing the increase in positions and casual hours.

Cost of Living Increases: At the March 10<sup>th</sup> budget meeting, the issue was raised that Department Heads do not qualify for merit increases, and had not received a salary increase (other than cost of living) for several years. At that time, the Board asked some of the Department Heads to meet with Mr. Rebaleati and to make a recommendation regarding this. Mr. Rebaleati proposed that the cost of living increase for Fiscal Year 2008-2009 be 3.5% for classified employees and 5% for Department Heads, adding that he had included this calculation in the Tentative Budget.

The Board agreed that they were comfortable with this proposal and would address all cost of living increases when they approved the Final Budget.

Health Insurance Costs: Mr. Rebaleati calculated an estimated ten percent increase in health insurance premiums for the benefit of the Tentative Budget. Nevada counties met with the League of Cities in Carson City on March 26<sup>th</sup> and are taking the plan proposals back to

their respective counties. Mr. Rebaleati reviewed plan usage/claims activity and proposed premium increases for the various plans. The Eureka County Health Insurance Committee will meet on April 9<sup>th</sup>, and Bob Moore, Health Insurance Broker representing the League of Cities, will attend to review insurance rates and proposed plans. By the time the Final Budget is set, the Insurance Committee will have firm recommendations for the Board to consider. Once plans are approved, the League of Cities will forward the information to Hometown Health Providers for contracts to be written.

Just as a matter of interest, Mr. Rebaleati noted that the counties enrolled in the state PEBP (Public Employees Benefits Program) were experiencing a 35% increase in plan premiums.

### **CAPITAL IMPROVEMENT PLAN**

Mr. Rebaleati explained that the estimated revenue figure of 15 million dollars was used for the Tentative Budget, but in reality it may be closer to 16.5 million. With 6.2 million projected in employee costs, and 5.5 million projected for all services and supplies, that left approximately 4.8 million dollars for capital outlay. So far, capital projects proposed for Fiscal Year 2008-2009 totaled over 12 million dollars, and 37.5 million for the five-year plan. With that in mind, Mr. Rebaleati reviewed the capital projects proposed in budget meetings to date and for the Tentative Budget had prioritized the top five capital improvement projects; the Commissioners were in accord with the priorities as listed.

### **TENTATIVE BUDGET FOR FISCAL YEAR 2008-2009**

To finalize the Tentative Budget discussions, Mr. Rebaleati reviewed cash balances and fund transfers, proposing the following transfers from the General Fund: moving one million to three million into the Building Reserve Fund (including the possibility of dedicating a portion of the General Fund tax rate into that fund), moving up to one million into the RTC Fund, and supplementing the Eureka Town Water Improvement Fund with 2.8 million.

### **CONTRACT WITH SCHOOL DISTRICT FOR AS/400 USAGE**

Mr. Rebaleati stated this would be addressed at a future meeting.

### **EUREKA COUNTY SAFETY COMMITTEE**

Update on Safety Committee Issues: Mr. Rebaleati stated he would postpone the update on Safety Committee issues to a future meeting.

County Vehicle Usage Policy: The Safety Committee plans on implementing a Safety Policy that is a component of the Personnel Policy Manual for Eureka County. Mr. Rebaleati stated he still gets complaints about non-County individuals riding in County vehicles. The majority of complaints are related to Sheriff's Office employees giving rides to family members and that is the reason he placed this on the agenda. Mr. Rebaleati plans on writing a letter to the Department Heads to reemphasize this policy. The Board cautioned Mr. Rebaleati to make sure this policy and his letter didn't inhibit public service rides, as they wanted this practice to continue without restriction.

### **DISCUSSION REGARDING OPEB ISSUES**

Report on GASB 45 Retiree Benefit Valuation: This report was reviewed in detail by Jeff Furnish of Bickmore Risk Services at the March 10<sup>th</sup> budget meeting. Mr. Rebaleati is still internally debating where the County needs to head regarding OPEB requirements (retiree benefits other than pensions) under GASB 45. He will participate in several meetings before

May with other Controllers and Auditors throughout the state, and will come back with a firm recommendation following those meetings.

Pre-Funding of Mandatory Retiree Benefits: Initially Mr. Rebaleati recommends that the Board consider the possibility of creating an internal fund at least for the first year of funding, pending the state's decision regarding establishment of a trust fund, with the goal of reserving the initial 4.4 million dollar requirement within the first few years.

### **CONSIDERATION OF PUBLIC GUARDIAN AND PUBLIC ADMINISTRATOR**

Public Guardian: Due to recent legislative changes, the statute regarding public guardians now states that counties *shall* provide for a public guardian, replacing the word *may*. There are several options for obtaining a public guardian, including a casual position, an independent contractor, sharing with another county within the same district, etc. Mr. Rebaleati offered to work in conjunction with Mr. Beutel to create a job description. Commissioner Benson motioned to instruct the Budget Director to draft a job description for a public guardian. Commissioner Bailey seconded the motion. Motion carried 3-0. The Board wants to continue communication with Assemblyman Pete Goicoechea regarding proposing legislation on this issue that is not so restrictive on the smaller Nevada counties.

Public Administrator: A public administrator is not a required position, but if the County decides to consider funding a public administrator, it must be an elected position.

### **PUBLIC COMMENT**

The Chairman opened the floor to public comment. Cleve Mallory stated he had a chance to speak with Ron Damele, and there wouldn't be time to complete permanent dugout covers in the current fiscal year, so Mr. Mallory suggested that the County approve temporary covers. The Chairman agreed to place this on the April 7<sup>th</sup> agenda for consideration. There were no further public comments.

### **ADJOURNMENT**

At 12:22 p.m. Commissioner Bailey made a motion to adjourn. Commissioner Benson seconded the motion. Motion carried 3-0.

Approved this 6<sup>th</sup> day of May, 2008.

/s/ J.P. Ithurralde

J.P. Ithurralde, Chairman

Attest: /s/ Jackie Berg  
Jackie Berg, Clerk