

**EUREKA COUNTY BOARD OF COMMISSIONERS**  
**Budget Meeting – February 3, 2010**

STATE OF NEVADA            )  
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COUNTY OF EUREKA        )

**CALL TO ORDER**

The Board of Eureka County Commissioners met pursuant to law on February 3, 2010. Present were Chairman Leonard Fiorenzi, Vice Chair Jim Ithurralde, Member Mike Page, District Attorney Theodore Beutel, and Clerk & Treasurer Jackie Berg. The meeting was called to order at 9:32 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 Page moved to approve the agenda as posted. Commissioner Ithurralde seconded the motion. Motion carried 3-0. Chairman Fiorenzi stated that he would abstain from voting on or discussing any Public Guardian budget issues, due to a close family relationship with the Deputy Public Guardian.

**PUBLIC COMMENT**

The Chairman called for public comments. Ron Damele, Public Works Director, reported that the Crescent Valley Medical Clinic had to be closed until a leak is repaired. The leak appears to be originating from the x-ray film processor and the responsible party is being determined. Belfor has been hired to dry and clean the area where the leak occurred, and steps are being taken to resolve the problem so that the clinic can be re-opened.

Ted Beutel, District Attorney, reported that he and Michael Mears, Assessor, attended a Tax Commission meeting in Carson City on January 25<sup>th</sup>. The Tax Commission is the policy-setting body for the State Board of Equalization. The Tax Commission addressed the State's policy regarding the depreciation of capitalized costs of mine-owned power plants against net proceeds taxes of a mine. Newmont owns the TS Power Plant located in Eureka County, and Barrick owns a power plant that provides electricity to mines in the County. Mr. Beutel explained that the Tax Commission appeared interested in allowing the deduction of the power plant depreciation against net proceeds. An adverse tax consequence to the County is foreseeable if this deduction is allowed. Mr. Mears added that the Tax Commission was asked to provide an opinion to the State Board of Equalization on the matter prior to a hearing being held.

**MODIFICATION TO EUREKA COUNTY COMMISSIONER AGENDAS**

"Public Comment and Open Discussion": The Board considered deletion of the word "open" from Commissioner agendas under the item titled "Public Comment and Open Discussion" to more accurately adhere to the example provided in Nevada's Open Meeting Law manual. Chairman Fiorenzi felt the word "open" was misleading, since the public comment period allows individuals to make a statement, rather than several parties engaging in a conversation. Commissioner Page made a motion to delete the word "open" from future Commissioner agendas under the item titled "Public Comment and Open Discussion." Commissioner Ithurralde seconded the motion. Motion carried 3-0.

**EUREKA COUNTY DISTRICT ATTORNEY**

Advertising for Deputy District Attorney: Mr. Beutel explained that resignation of Deputy District Attorney, Dorothy Rowley, is effective March 15<sup>th</sup>, and asked for permission to advertise for this impending vacancy. Mr. Beutel requested that the Board consider allowing him to negotiate a salary for the position up to \$85,000.00 per year, should a more experienced

candidate apply. Mike Rebaleati, Recorder & Auditor, noted that the funding is available in the overall District Attorney's budget. Commissioner Page made a motion to authorize the District Attorney to begin advertising for and to hire a Deputy District Attorney, with a salary range not to exceed \$85,000.00. Commissioner Ithurralde seconded the motion. Motion carried 3-0.

Drug Related Convictions/Acquittals: Mr. Beutel reported on drug related convictions and acquittals in Eureka County for the period of October 1, 2009, through December 31, 2009. There were five individuals with convictions that included: possession of drug paraphernalia (2); possession of less than an ounce of marijuana (3); transport of a controlled substance; driving under the influence of drugs; and dismissal of a drug charge in exchange for a guilty plea to larceny. Mr. Beutel added that possession of less than an ounce of marijuana in Nevada is now categorized as a misdemeanor.

### **EUREKA COUNTY FAIR BOARD**

Advertising for a Casual Secretary: The Board reviewed the budget for Agricultural District #15 and agreed that a casual secretarial position fell within that budget. Commissioner Ithurralde made a motion to authorize the Fair Board to advertise for a casual (part-time) secretary. Commissioner Page seconded the motion. Motion carried 3-0. The secretary will assist in preparations for the 2010 Eureka County Fair, as well as completion of Fair Board agendas and minutes.

Wage Range for Casual Secretary: Mr. Rebaleati explained that the wage range for the Fair Board secretary has already been established at range 108 and is included in the job description. No action was needed on this agenda item.

### **EUREKA COUNTY AMBULANCE AND EMERGENCY MEDICAL SERVICES**

Advertising for Casual Position in Crescent Valley: The Board considered the advertising and hiring of a part-time EMS position in Crescent Valley which had been previously budgeted. Commissioner Page made a motion to authorize Mike Sullivan, EMS Coordinator, to advertise and hire a casual (part-time) position in Crescent Valley. Commissioner Ithurralde seconded the motion. Motion carried 3-0.

Wage Range for Casual EMS Position: Mr. Rebaleati reported that the range for the casual EMS position had been previously established and is included in the job description. No action was needed on this agenda item.

### **EUREKA COUNTY NATURAL RESOURCES DEPARTMENT**

Proposal to Change Status: Jake Tibbitts, Natural Resources Manager, explained that he is currently a contractor to the County. His contracted duties include communication and negotiations with other agencies; but there are some circumstances where federal agencies only allow a contractor to advise, and do not allow a contractor to participate or negotiate on behalf of the County. Mr. Tibbitts provided a summary of the current Natural Resources Manager contract and a proposal for converting the position to an exempt employee position. The proposal included the anticipated salary, benefits, and work demands. Mr. Tibbitts noted that the proposal would not cost the County any more than the current contract amount, and that more responsibilities would actually be involved by moving the Weed District under the Natural Resources Department. Mr. Rebaleati felt this was a favorable move for the County and informed that this change could be implemented in 30 days or less. District Attorney, Ted Beutel, noted that this move would serve to correct a situation where the County was already treating Mr. Tibbitts like an employee rather than a contractor. Commissioner Ithurralde made a motion to approve the proposal from the Natural Resources Manager to change his status from independent contractor to exempt employee of Eureka County, effective February 16<sup>th</sup>; additionally, advertising of the position will be waived because of the circumstances explained by the District Attorney. Commissioner Page seconded the motion. Motion carried 3-0.

Modification of Job Description, Salary Range, and Benefits: The Board reviewed the proposed job description for the Natural Resources Manager. Commissioner Ithurralde made a motion to accept the job description and set the salary for the Natural Resources Manager at \$66,000.00, with a benefit package equal to other department managers serving in a supervisory capacity. Commissioner Page seconded the motion. Motion carried 3-0.

### **CONSIDER LETTER TO NEVADA DEPARTMENT OF TRANSPORTATION (NDOT)**

Request for Snow Removal: A request was received on behalf of emergency service volunteers for the Board to contact NDOT regarding prioritizing snow removal on State Route 278. Mr. Damele explained that SR 278 is classified by NDOT as a Class B road, with a lower priority for snow removal. Mr. Damele suggested that the letter request that SR 278 be reclassified as a Class A road, similar to Interstate 80 and Highway 50. Commissioner Ithurralde made a motion that the Public Works Director, with assistance from the District Attorney, draft a letter to NDOT regarding snow removal and road classification on SR 278 and that the Chairman be authorized to sign the letter outside of the meeting. Commissioner Page seconded the motion. Motion carried 3-0.

### **RESOLUTION TERMINATING A PORTION OF THE EUREKA COUNTY TAX RATE**

Resolution: Commissioner Page made a motion to table adopting a resolution to terminate the portion of the County tax rate assessed for the Eureka County School District general obligation bond until February 5, 2010, in order to modify language in the resolution. Commissioner Ithurralde seconded the motion. Motion carried 3-0.

### **FISCAL YEAR 2010 BUDGET TRANSFERS**

Budget Transfers: Mr. Rebaleati described proposed budget transfers for the Fiscal Year 2010 budget. The Board considered transferring \$7,000.00 to the Crescent Valley Town Fund and \$9,000.00 to the Eureka Town Fund, resulting in a \$16,000.00 grant from the Capital Improvement Fund. Mr. Rebaleati detailed a recommendation to disburse \$6,000,000.00 from the General Fund to various other funds in order to support ongoing and future projects.

Commissioner Ithurralde made a motion to approve the transfer from the Capital Improvement Fund to the Crescent Valley Town Fund in the amount of \$7,000.00, and the Eureka Town Fund in the amount of \$9,000.00, for a total transfer of \$16,000.00; Commissioner Page seconded the motion; motion passed 3-0. Commissioner Ithurralde made a motion to approve the grant from the General Fund in the amount of \$6,000,000.00 to the Eureka Water Improvement Fund in the amount of \$2,000,000.00; the Eureka Sewer Improvement Fund in the amount of \$2,000,000.00; the Devil's Gate GID Improvement Fund in the amount of \$1,300,000.00; the Crescent Valley Improvement Fund in the amount of \$500,000.00; and the Crescent Valley Town Fund in the amount of \$200,000.00; Commissioner Page seconded the motion; motion carried 3-0. Mr. Rebaleati noted that there may be more budget transfers to consider during the February 19<sup>th</sup> Board meeting.

### **EUREKA COUNTY TELEVISION DISTRICT**

Current Budget and Fiscal Condition: DiAnn Martin, Administrative Assistant, attended the budget meeting on behalf of the Television District. Mr. Rebaleati described the Television District's budget for FY 2010, trial balance for FY 2011, and expense report for FY 2010. The beginning fund balance for the Television District for FY 2010 was \$356,921.00, and 91% has been expended to-date. Mr. Rebaleati noted that the Television District's budget may need to be augmented for FY 2011, and suggested a transfer of \$80,000.00 for the current fiscal year. Ms. Martin explained that the majority of expenditures for the digital television conversion will be carried out this fiscal year, and fewer funds are expected to be spent during FY 2010-2011. Commissioner Ithurralde made a motion that if the Television District requires a budget

augmentation, they must make a formal request within 30 days, prior to the risk of over-expenditure of their current year budget. Commissioner Page seconded the motion. Motion carried 3-0.

### **REPORT ON PAUL STREET RETAINING WALL IN TOWN OF EUREKA**

Report from BJJ Architecture & Engineering: The Board reviewed the report from BJJ Architecture & Engineering regarding the Paul Street retaining wall in the Town of Eureka. Chairman Fiorenzi commented that the report indicates that the slope is stable and the upper portion of the retaining wall needs work. He asked if information on the original builders of the wall had been obtained. Commissioner Ithurralde found out that the retaining wall was built by the County Road crew and Louis Gibellini around 1949, and the concrete portion was built by Frank Evans in 1950. Chairman Fiorenzi acknowledged the importance of protecting Eureka County property, but questions remain regarding the ownership of all portions of the wall, liability issues, etc.; and he strongly recommended that the County develop and implement policies that can be fairly applied each time a circumstance such as this arises. The Chairman suggested that Public Works and the County Engineer install monitoring points along the wall to determine movement. Mr. Damele suggested having a topographic survey conducted on the wall to determine property lines between private property owners and the County.

Regarding the Chairman's recommendation to implement policies, Commissioner Ithurralde motioned to form a committee to develop options for dealing with these and other types of structures and that the members be Chairman Fiorenzi, Ron Damele, Mike Rebaleati, and Ted Beutel; and additionally, that monitoring points be placed on the retaining wall slope to detect movement. Commissioner Page seconded the motion. Motion carried 3-0.

### **UPDATE ON PUBLIC EMPLOYEES RETIREMENT SYSTEM (PERS) AUDIT**

PERS Audit for FY 2009: Mr. Rebaleati explained that an audit was recently conducted on the County's administration of the Public Employees' Retirement System and the Judicial Retirement System. Recommendations were made regarding the method for recording call back, overtime, and holiday wages. The time card format will be modified to accommodate these recommendations.

Nevada Rural Housing: Mr. Rebaleati provided information from Nevada Rural Housing regarding programs available in Eureka County for housing assistance. A representative from NRH visited Mr. Rebaleati recently to encourage the County and others to take advantage of these programs.

### **CRESCENT VALLEY VOLUNTEER FIRE DEPARTMENT**

Crescent Valley Fire Station and EMS Equipment: Virgil Roper, Crescent Valley volunteer firefighter, relayed the need for security and accountability for equipment stored in the Crescent Valley Fire Station. Mr. Rebaleati and EMS Coordinator, Mike Sullivan, explained that a security camera system and security door locks are going to be installed at that facility. After some discussion, the Board agreed that the portion housing fire equipment and supplies should be monitored as well, and Commissioner Page motioned that the Crescent Valley Fire Station be properly secured for both the EMS and fire department areas. Commissioner Ithurralde seconded the motion. Motion carried 3-0.

### **CAPITAL IMPROVEMENT PLAN**

Priority List of Capital Improvement Projects: A letter was provided describing planned capital improvement projects and associated costs. Mr. Rebaleati reported that the total potential cost for capital improvement projects in 2011 is \$14,150,000.00.

## **RECESS FOR LUNCH**

The Board recessed for lunch from 12:00 p.m. to 1:03 p.m.

## **ESTIMATED REVENUES AND EXPENDITURES BY FUNCTION AND ACTIVITY**

**Cost of Living Adjustments (COLA):** The Board received an estimate for payroll, including estimates for merit increases and a 4% COLA for FY 2010-2011. Nationally, the cost of living increase is estimated between 2.9% to 3.5%; Mr. Rebaleati noted this figure changes slightly depending on reporting agency. Commissioner Page motioned to propose a 4% COLA increase for inclusion in the tentative budget for FY 2010-2011. Commissioner Ithurralde seconded the motion. Motion carried 3-0.

**Personnel Insurance and PERS:** The County typically budgets a 10% increase for health insurance costs, and Mr. Rebaleati relayed that information from the broker indicates the rate increase will probably be less than 10% for the upcoming fiscal year. Current costs for employee and dependent insurance premiums are approximately \$900,000.00. Mr. Rebaleati reminded the board that employees hired prior to July 1, 2009, participate in a 70/30 ('County/employee') cost share for dependent premiums; employees hired after July 1, 2009, participate in a 60/40 cost share. Elected officials and department heads with supervisory responsibilities receive full dependent coverage. Insurance premium cost for worker's compensation increased for \$185,000.00 in FY 2009 to \$212,000.00 for FY 2010. The County's PERS contribution for FY 2011 is projected to be \$780,000.00. Any requests for additional positions in the County will be presented by each department when they bring their budget requests forward. Chairman Fiorenzi commented on his desire to safeguard existing employees by limiting approval of new positions.

**Services and Supplies:** Mr. Rebaleati reviewed County services and supplies, including: electricity; cellular phones; 911 communication lines; networking; vehicle fuel; propane; building fuel; trash removal; rehabilitation support services; and the library contract. Regarding heating fuel for buildings, Mr. Damele explained that the County received a grant to conduct a survey of each County building in order to find ways to reduce the County's carbon footprint.

**Contract Services:** Mr. Rebaleati provided information regarding contract services, legal fees, and lobbying fees.

**General Fund Distributions/Distribution of the County Tax Rate:** In addition to the redistribution of \$6 million from the General Fund (approved earlier in the meeting), discussion included possible transfers into the Retiree Health Insurance Premium Fund and the Future Reserve Fund. Mr. Rebaleati will monitor the General Fund and recommend augmentations to these funds over the next couple of years. The Board reviewed an ad valorem tax worksheet, which included the current FY 2010 tax rate distribution and considerations for modifying the distribution in FY 2011. Mr. Rebaleati reviewed the various indigent funds in detail, including NRS requirements related to these funds and amounts collected on behalf of the State of Nevada.

**Organizational Chart:** Mr. Rebaleati provided a draft organizational chart of the County's executive and judicial departments, which is being compiled by the County Assessor, Michael Mears. The organizational chart is needed for the County's annual audit and is a work in progress.

**Water Related Issues for Eureka County:** Discussion was had on allocating a portion of the County tax rate to the Water Mitigation Fund for the purpose of financing all water related issues in the County. Money from this fund is currently being used for monitoring and other water studies. Water related issues that could be supported by this fund include: professional services; legal fees; water planning; water rights; Snotel sites; US Geological Survey (USGS) studies; creation of a water resources element in the Master Plan; etc. The Board considered allocating a two cent tax rate to the Water Mitigation Fund, possibly by reducing the General Fund and Agricultural Extension Fund allocations by one cent each. Mr. Rebaleati indicated

that, for auditing purposes, he would draft a resolution to re-designate the Water Mitigation Fund.

Budget for Recorder & Auditor, Public Guardian, Computer/Network, and Insurance:

There are no requests for personnel changes within the Recorder/ Auditor's Office. The Human Resource Analyst position and office are included in the current budget, simply because the position had not yet been established at the time this budget was written, but will be separated out for FY 2011. The total proposed budget for the Recorder/Auditor will remain status quo for FY 2010-2011. Mr. Rebaleati described the budget for data processing which is less than expected due to utilization of the Assessor Technology Fund. A description of miscellaneous budget items was given, including: County liability insurance; Community Health Fair; Loss Control Fund; liability for casualty property; Retiree Insurance Premium Fund; personnel training expenditures; and POOL/PACT expenditures.

Budget for Assessor and Assessor Technology Fund: Michael Mears, County Assessor, provided the Board with a copy of the proposed budget for the Assessor's Office and Assessor Technology Fund. Mr. Mears described the general office budget for the Assessor. Proposed increases were minimal and include postage and fuel. Personnel and other office items will remain as is. Discussion was had on Department of Motor Vehicle (DMV) services. Currently, the only services Eureka offers are vehicle registration and titles, but the Assessor continues to lobby for more extensive services. Commissioner Ithurralde made a motion to accept the Assessor's budget proposal. Commissioner Page seconded the motion. Motion carried 3-0. Official approval for all departmental budgets will be made later in the budget cycle.

Mr. Mears explained that the Assessor's Technology Fund is funded through a percentage of the collection of personal property taxes and net proceeds taxes, and may be utilized by all County departments, as long as the expenditure meets certain criteria and is approved by the Assessor. The Assessor is required to report on the fund annually to the County Commissioners and in legislative years to the Nevada Legislature. It is expected to sunset at the end of FY 2011, unless the legislature reinstates it for another two years. The fund has been beneficial in improving technology and increasing capabilities throughout the County. When the fund sunsets, the balance will revert to the General Fund, but Mr. Rebaleati suggested the County may want to consider establishing its own technology fund to help maintain current technology.

Budget for Opera House, Museum, and Economic Development: Wally Cuchine, Cultural, Tourism, & Economic Development Director, proposed the budgets for the Opera House, Sentinel Museum, and Economic Development. Budgets for all three areas will essentially remain the same, with the exception of a request for \$13,000.00 needed for printing of 60,000 new Eureka Walking Tour brochures. This item will be a marketing expense under the Economic Development budget. Mr. Cuchine explained that anticipated grants are not included in the proposed budget, but are accounted for if and when they are received. A slight increase in casual worker hours was requested and will be split between the Museum and the Opera House as needed. The dishwasher at the Opera House is in need of replacement, but this will be a Buildings and Grounds budget item. Mr. Cuchine noted that he will be retiring during the upcoming fiscal year (April 2011), so the Board may wish to take that into account when setting this final budget.

**SET DATE AND TIME OF NEXT BUDGET MEETING**

Mr. Rebaleati suggested dedicating the next budget meeting to personnel issues, the personnel policy manual, job descriptions, and new position proposals. The Board agreed to schedule the next budget meeting for February 24<sup>th</sup> at 9:30 a.m., and dedicate the meeting to personnel issues only.

**LEGISLATIVE ISSUES AND CORRESPONDENCE**

Direction to Staff: The Board discussed the request from Senator John Lee to consolidate powers delegated to local governments. A special legislative session called by the Governor is scheduled to begin in February.

**PUBLIC COMMENT AND OPEN DISCUSSION**

Chairman Fiorenzi called for public comments. The Board wondered if the Crescent Valley Town Advisory Board held a public meeting regarding the upcoming consideration of reducing the CVTAB from five to three members (the Commissioners have scheduled a public hearing regarding this on February 19<sup>th</sup>). Due to some confusion, a public meeting was not held in Crescent Valley, but the CVTAB plans on providing input during the public hearing. Commissioner Page relayed that the CVTAB members wish to have a joint meeting with the Commissioners and are forwarding a letter with this request. Another public hearing on February 19<sup>th</sup> will address the possibility of quarterly meetings in Crescent Valley; if it passes, the Board will hold their first quarterly meeting in Crescent Valley on April 15<sup>th</sup>. There were no other public comments.

**ADJOURNMENT**

At 2:05 p.m., Commissioner Ithurralde made a motion to adjourn. Commissioner Page seconded the motion. Motion carried 3-0.

Approved this 24<sup>th</sup> day of February, 2010.

/s/ Leonard Fiorenzi

Leonard Fiorenzi, Chairman

Attest: /s/ Jackie Berg

Jackie Berg, Clerk