

**EUREKA COUNTY BOARD OF COMMISSIONERS**  
**Budget Meeting - October 13, 2015**

STATE OF NEVADA            )  
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COUNTY OF EUREKA        )

**CALL TO ORDER**

The Board of Eureka County Commissioners met pursuant to law on October 13, 2015. Present were Chairman J.J. Goicoechea; Vice Chairman Michael Sharkozy; Commissioner Fred Etchegaray; District Attorney, Ted Beutel; and Commissioner Clerk, Jackie Berg. The meeting was called to order at 1:00 p.m. and began with the Pledge of Allegiance. The interactive video conferencing system was connected and utilized between Crescent Valley and Eureka for the entire meeting.

**APPROVAL OF AGENDA**

Commissioner Sharkozy motioned to approve the agenda for the October 13<sup>th</sup> meeting; Commissioner Etchegaray seconded the motion; motion carried 3-0.

**PUBLIC COMMENT**

Chairman Goicoechea opened the floor for public comments; there were none.

**LONG TERM BUDGET PLANNING**

Minimum Staffing Reports: The Commissioners acknowledged receipt of minimum staffing reports (requested during the August 12<sup>th</sup> budget meeting) from all departments: Ambulance & EMS, Assessor, Clerk & Treasurer, District Attorney, Justice Court, Juvenile Probation, Natural Resources, Opera House (includes Sentinel Museum & Economic Development), Public Works, Recorder & Auditor, Senior Centers, and Sheriff.

Chairman Goicoechea appreciated that many departments referenced statutes and regulations, as this helps the Board determine which duties are mandated and which are discretionary. The Commissioners will review the reports in detail and will follow-up with individual departments over the next few weeks.

Commitment to a Balanced Budget: It was reiterated that the County cannot continue to function at the current level. Projected revenues for the current budget year (Fiscal Year 2015-2016) are \$6 million below previous years. The Board has worked with departments to make severe budget cuts over the past several years. Even with the cuts, the current budget is operating at a \$2 million deficit. With a General Fund balance of approximately \$12 million, the County cannot afford to continue operating under a deficit budget. During the August 12<sup>th</sup> budget meeting, the Board committed to a balanced budget by Fiscal Year 2017-2018 (the fiscal year beginning July 1, 2017).

Mandatory vs. Discretionary: There was a lengthy discussion on mandatory versus discretionary services. Most functions of the constitutional offices (Assessor, Clerk/Treasurer, Recorder/Auditor, District Attorney, Sheriff) are required by law. There are certain discretionary services that the County is committed to maintaining, such as ambulance services, senior services, and natural resources management. The importance of these was briefly discussed.

Maintenance of infrastructure and buildings should be continued at a certain level because costs to resume or restore these can surpass maintenance costs. Level of building maintenance can be cut back as long as facilities remain clean and safe. Hours of operation for some facilities may be able to be reduced while still meeting the needs of the public.

Swimming Pool & Landfill: Public Works Director, Ron Damele, discussed areas under his management where costs could be reduced. He offered to bring proposals forward at a future meeting regarding reduced operating hours for the Swimming Pool (possible reduction from 12 months to six months per year) and the Eureka County Landfill (possible reduction from seven days to four or five days per week). Everyone realized there will be some controversy involved with reducing services, but with the County facing "hard times" these reductions are prudent and necessary.

Commissioner Etchegaray motioned to have Public Works submit one or more proposals for reduced annual operation of the Swimming Pool; Commissioner Sharkozy seconded the motion; motion carried 3-0. The Board also provided consensus that they would also like to see a proposal for reduced hours at the Eureka County Landfill.

Curtailed Spending by Departments: Chairman Goicoechea asked that all departments be conservative. Just because the budgets are written, doesn't mean the allowance has to be spent. Instead, departments should work to return monies to the General Fund at the end of the budget year. One area that includes a lot of discretionary spending is travel. He encouraged employees and elected officials (Commissioners included) to utilize telephones, internet, and video conferencing for meetings whenever possible and to only attend meetings and trainings that are truly important or necessary.

Department of Motor Vehicles Services: The Assessor's office serves as a limited service DMV office. The County is paid a small stipend per transaction, but this doesn't cover the County's costs and staff time for providing this service. Assessor Michael Mears noted that if budget cuts become more severe or if staff is reduced, this service will have to be eliminated.

## **PERSONNEL / HUMAN RESOURCES**

Employee Questionnaire & Interviews: The County has an attrition policy in place to reduce employment costs and help meet financial goals. Although the Board does not favor layoffs, serious consideration will be given in the near future because the County is not meeting its goals through attrition and reduced budgets. The Board contemplated having contract Human Resources conduct a confidential survey with private interviews of each benefited employee, focusing on anticipated retirement dates, in order to compile a statistical report of projected employment numbers. Results will be used as a tool in making some very important decisions over the next several months.

A lengthy discussion ensued between the Board and department heads regarding content of the survey and anticipated outcome. Several questions were formulated by the group. The District Attorney will relay the questions to contract HR. Interviews will be conducted with all benefited employees, including elected officials. The department heads requested that the questions be provided to employees in advance.

Issues related to a potential layoff – or avoidance of a layoff – were discussed and many will be addressed in the survey. These included: freeze of all pay adjustments (merit increases, cost of living adjustments, and longevity pay); wage/salary reductions; decrease in health benefits for active employees; decrease in retiree health insurance subsidy; reduction in earned leave time (sick leave, vacation); furloughs; the County's ability, or inability, to pay severance; duty reassignment; and reinstatement list in event of a layoff.

Commissioner Sharkozy motioned to direct contract HR (Pooling Resources, Inc.) to conduct private and confidential interviews of every County employee now receiving or eligible for benefits, to compile a statistical profile, without employee names or identities, of each employee's projected voluntary retirement date and other career related inquiries, at a cost not to exceed \$9,000.00, and that the questions be sent out electronically to employees a minimum of one week in advance of the interviews. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

Layoff Policy: Copies of the current layoff policy (available in Eureka County Personnel Policy Manual, Section 9.A.500-700) were circulated at the meeting, along with a layoff policy template utilized by Nevada POOL/PACT when working with different entities to draft policy.

Several suggestions were forthcoming regarding what the layoff policy should include. These were: criteria for layoffs should be clearly defined; performance-based retention is preferred to seniority-based retention; casual employees should be considered for layoff before permanent employees (including those in the probationary period); and order of reinstatement should be clearly defined. The District Attorney will confer with contract HR before proposed changes are drafted into policy.

The consensus of the Board, department heads, and employees present was that most of the language in the layoff policy template should be added in the County's policy. The template addresses alternatives to layoff, order of layoffs, designation of employees to be laid off, layoff notice, reinstatement, reinstatement process, and duration of reinstatement list.

Chairman Goicoechea reminded everyone that the current budget is set. Options are being considered in an ongoing effort to achieve a balanced budget by Fiscal Year 2017-2018. Planning for the Fiscal Year 2016-2017 budget will begin after the first of the year, and the objective should be to meet the balanced budget goal halfway.

Chairman Goicoechea noted that discussion of the layoff policy will continue during the October 20<sup>th</sup> meeting and he invited additional comments to be submitted prior to that time. Before any policy updates are adopted, copies of the proposed changes will be circulated to all employees and a public hearing will be set to consider the changes.

## **COUNTY COMPTROLLER**

Process for Selection & Appointment of Comptroller: Chairman Goicoechea stated that the minimum staffing report submitted by Recorder & Auditor, Sara Simmons, identified the need for a comptroller. A comptroller would manage budget, audit, accounts payable, and fiscal personnel items (payroll, benefits, etc.). This would eliminate the need for a Budget Director and would remove the audit, payroll, and accounts payable duties from the Recorder's office. This position has been considered in the past, but there wasn't a pressing need. With the current financial decisions faced by the County, there is now a need for a person whose focus is entirely on finances and who can make judicious recommendations to the Board.

As far as funding a new position when the County is operating under financial constraints, several factors will contribute. One full-time position will be eliminated from the Recorder's office (through attrition with the upcoming retirement of a longtime employee). The Budget Director

stipend will no longer be needed. Other duties that are occasionally outsourced can be absorbed by the comptroller. Elimination of these salaries and payments will work towards funding the comptroller position.

In counties with a population below 100,000, the Board of County Commissioners may appoint a comptroller and this position answers directly to the Board. In addition to duties assigned by Nevada Revised Statutes, the Board may define duties of the comptroller by ordinance when there is no County Administrator or County Manager.

Commissioner Etchegaray motioned to move forward with selection and appointment of a comptroller and directed the District Attorney to draft a proposed ordinance identifying assigned duties pursuant to NRS 251.170; Commissioner Sharkozy seconded the motion; motion carried 3-0.

The draft ordinance will be reviewed by the Board during the October 20<sup>th</sup> meeting. If acceptable, the ordinance will be proposed by the Board and a public hearing will be set to consider adopting the ordinance.

### **POTENTIAL BALLOT QUESTIONS**

Review Requirements with County Clerk: With financial considerations faced by the County, the Board considered whether advisory questions should be placed on the 2016 ballot. They wished to review the submittal process and election deadlines with the County Clerk. Unfortunately, Clerk & Treasurer, Beverly Conley, was called away on an emergency and was not available for the day's meeting.

District Attorney Beutel informed the Board that the process is quite time consuming, involving appointment of committees to formulate question language and to draft the pros and cons. He encouraged the Board to begin the process early if they wish to propose one or more advisory questions.

Commissioner Sharkozy motioned to table action related to proposal of ballot questions for the 2016 election until the County Clerk was available to provide information on the process and deadlines; Commissioner Etchegaray seconded the motion; motion carried 3-0.

### **DISPOSAL OF SURPLUS PROPERTY**

Authorization to Dispose IT/Network Surplus Property: IT/Network Supervisor, Michael Mears, requested authorization to dispose of IT and network equipment. He explained that as he and IT/Network Analyst, Misty Rowley, work through repairs, replacements, and upgrades to the County's IT system, they are encountering peripherals and hardware that are obsolete or no longer needed. These items can be sold on the internet or by other means to generate a small amount of revenue. All disposals will be made according to County policy, but instead of bringing each item before the Board, Mr. Mears proposed submitting a periodical report.

Commissioner Sharkozy motioned to authorize the IT/Network Supervisor to oversee disposal of surplus IT and network equipment and property on a continual basis and to provide a quarterly report to the Board inventorying disposed items. Commissioner Etchegaray seconded the motion. Motion carried 3-0.

### **QUARTERLY MEETING**

Reschedule Quarterly Items: The October 15<sup>th</sup> quarterly meeting in Crescent Valley had to be cancelled. The Board considered whether to reschedule a meeting in Crescent Valley or whether to address the quarterly agenda items during the next regular meeting. The Crescent Valley Town Advisory Board has several items to present and Chairwoman Dawn Gann will be available for the October 20<sup>th</sup> meeting.

Commissioner Sharkozy motioned to schedule the quarterly items during the next regular Commission meeting on October 20, 2015; Commissioner Etchegaray seconded the motion; motion carried 3-0.

### **CORRESPONDENCE**

Correspondence was received from: District Attorney, Ted Beutel; Clerk & Treasurer, Beverly Conley; Public Works Administrative Assistant, Kim Todd; Economic Development Program Board; University of Nevada Cooperative Extension, Eureka Office; Owl Club; Missoula Children's Theatre; NACO News Flash; Esmeralda County Commission; White Pine County Commission; Nevada Secretary of State, Barbara Cegavske; Nevada Deferred Compensation Program; Nevada Rural Housing Authority; Allison, MacKenzie, Ltd.; National Assoc. of Counties; and ISO.

### **PUBLIC COMMENT**

Chairman Goicoechea opened the floor for public comments. The Chairman reminded everyone of the joint meeting at 5:00 p.m. on October 20<sup>th</sup> between the Naval Air Station Fallon, the Planning Commission, and the County Commissioners regarding the NAS Joint Land Use Study.

Chairman Goicoechea informed everyone that he just received notification that the Washoe County Board of Commissioners voted unanimously to join the petition for injunction filed in US District Court, Nevada, challenging the Record of Decision on the Land Use Plan Amendments.

There were no further comments.

**ADJOURNMENT**

The meeting was adjourned at 3:19 p.m.

*Approved by vote of the Board this 6<sup>th</sup> day of November, 2015.*

/s/ J.J. Goicoechea  
J.J. Goicoechea, Chairman

*I, Jackie Berg, Commissioner Clerk, attest that these are a true, correct, and duly approved minutes of the October 13, 2015, meeting of the Board of Eureka County Commissioners.*

/s/ Jackie Berg  
Jackie Berg, Commissioner Clerk

*I, Beverly Conley, Clerk & Treasurer of Eureka County, acknowledge and accept the attached minutes as approved by the Board of Eureka County Commissioners and attested to by the Commissioner Clerk.*

/s/ Beverly Conley  
Beverly Conley, Clerk & Treasurer