

CARSON CITY BOARD OF SUPERVISORS
Minutes of the March 5, 2001, Meeting
Page 1

1 special budget session of the Carson City Board of Supervisors was held on Monday, March 5, 2001, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, commencing at 6 p.m.

PRESENT:	Ray Masayko	Mayor
	Jon Plank	Supervisor, Ward 2
	Robin Williamson	Supervisor, Ward 1
	Pete Livermore	Supervisor, Ward 3
	Richard S. Staub	Supervisor, Ward 4
STAFF PRESENT:	John Berkich	City Manager
	Kit Weaver	Assessor
	Alan Glover	Clerk-Recorder
	Al Kramer	Treasurer
	Gary Kulikowski	Internal Auditor
	Andrew Burnham	Development Services Director
	David Heath	Finance Director
	Daren Winkelman	Health Director
	William Naylor	Information Services Director
	David Nielson	Juvenile Master
	Shiela Banister	Chief Juvenile Probation Off.
	Charles Kellar	Alternative Sentencing Director
	Phil Herrington	Building Official
	John Simms	Juv. Service Program Coordinator
	Tom Minton	Deputy Controller
	Steven Mihelic	Assistant Fire Chief
	Traci Haakinson	Deputy Library Director-Admin.
	Ken Arnold	Deputy Health Director
	Katherine McLaughlin	Recording Secretary
	(B.B.O.S. 3/5/01 Tape 1-0001)	

CALL TO ORDER, ROLL CALL, AND PLEDGE OF ALLEGIANCE - Mayor Masayko convened the meeting at 6 p.m. Roll call was taken. The entire Board was present constituting a quorum. Mayor Masayko lead the Pledge of Allegiance.

CITIZEN COMMENTS (1-0014) - None.

PUBLIC HEARINGS CONCERNING THE FISCAL YEAR 2001-02 BUDGET - DISCUSSION AND POSSIBLE ACTION REGARDING THE FOLLOWING: A. BUDGET OVERVIEW (1-0018) - City Manager John Berkich, Finance Director David Heath, Chief Juvenile Probation Officer Shiela Banister, UNR Department of Applied Economics Professor Tom Harris, PhD., Assessor Kit Weaver, Treasurer Al Kramer - Mayor Masayko indicated that final decisions would be made on March 12. Mr. Berkich introduced the Finance staff who were present. The budget is balanced as presented. Mr. Heath used computerized slides to describe and illustrate the budget. (A copy is included in the file.) Discussion reminded staff that, if the revenue collection efforts are not successful, the collection division is to be eliminated. Comments noted the plan to refinance some bonds and the pros and cons for doing so. An additional \$319,000 had been included in the General Fund for the increase in utility bills. The Ambulance contingency fund had included an allocation of \$310,000 from the General Fund. The \$345,000 allocation for the Silver Springs Juvenile Facility is based on a two year agreement which assesses a fee based on the total student population. Next year's fee will be based on the actual juvenile per capita use. Efforts are being made to hold the line on these costs. Its operating costs equate to approximately 30 percent of the total cost which were described. Ms. Banister hoped that the City's share would be reduced by \$72,000. The City had sent 23 youths to the facility and had a list of ten more waiting to be placed there. Ten spots are reserved for the City. The estimated cost per day ranged from \$98 to \$120. The \$600,000 increase in the

CARSON CITY BOARD OF SUPERVISORS
Minutes of the March 5, 2001, Meeting
Page 2

medical premium is for active employees and does not include anything for the retired former employees.

Dr. Harris indicated the third quarter financial growth had been at a rate of 2.2 percent. This quarter it is 1.1 percent. Growth is occurring although somewhat anemically. Speculation concerning whether the Fed's would decrease the interest rate, President Bush's tax cut, the public's concern about a recession, the State's growth rate, the financial impact of Indian casinos, Carson City's growth rate since 1970, the amount of personal income available to Carson City residents, and Carson City's projected tax growth were discussed. Comments also pointed out the need to address e-commerce and its failure to tax merchandise sold over the internet. The energy crisis and its impact on inflation and the economy were limned. The energy price increases will reduce the amount of discretionary spending families will have. Dr. Harris also pointed out the impact the rolling blackouts will have on agriculture, industry and commerce. The long term answer to the energy crisis is to develop more electrical plants, however, this will take time.

(1-0655) Mr. Weaver described the re-appraisal process and its impact on the assessed value of property. This year the downtown area was re-appraised. Twenty percent of the City is re-appraised annually. The tax rate is capped at \$3.64. Discussion indicated that the Costco facility would be included on the July 1, 2001, rolls. Taxes generated on it will be sent to the Redevelopment District. The freeway corridor will be assessed at its market value. The corridor's value is already increasing even though the freeway has not been completed due to speculation.

(1-0868) Mr. Heath then used computer enhanced slides to illustrate the budget revenue and expenditures by sources and the tax rate breakdown. (A copy is in the file.) Discussion explained that the Hospital would share the City's tax rate if it becomes necessary for the taxpayers to assist the Hospital. An increase above the cap would not be allowed. The City's tax rate was compared with other city and county entities in the State. Washoe County's tax rate is between \$3.30 and \$3.40. Mr. Heath was asked to plot a graph showing a comparison of the City's rate for last year and the year before with this year's graph. The City could increase its operating rate to 0.9579 from the proposed 0.9106. The proposed rate is an increase of three cents over last year's rate. A one cent increase equates to approximately \$100,000. Additional personnel will require an increase in the taxes. The Silver Springs Juvenile Facility could be supported with a three cent tax increase. Staff had not proposed such an increase. A five year budget forecast was shown. It included the loss of Walmart and Lowes' opening.

Mayor Masayko then explained his concern about the increased cost of salaries, wages, and benefits and their impact on the overall budget. Last year these costs had consumed 71.5 percent of the total budget. In five years the rate will be 77.5 percent. This increase equates to a new Costco or Walmart store every year. He asked staff, including the other elected officials, to look for methods which could reduce/limit growth to five percent per year in this cost center. It may not be possible to continue to grow at a rate adequate to cover the increase without using reduction/limitations measures. He also expressed his opposition to using one shot funding for ongoing staffing as had been done last year. Supervisor Livermore pointed out that this huge cost does not provide any increase in the service level. He asked that a five year projected tax level to maintain the current staffing level be provided. The flexibility in sales tax revenue was noted. Comments also stressed that it is not possible to continue with the five percent or more growth in personnel costs based on this unstable revenue source. Supervisor Staub urged staff to work together to develop solutions which will provide a better balance. Mayor Masayko pointed out that even with a six to eight cent ad valorem increase per year this crisis would not be solved. He urged the staff to develop the necessary tools to maintain the growth at five percent and stressed the Board's dislike for having to be the one to make cuts. This, however, may be the only option available unless personnel costs are contained. Supervisor Williamson urged staff to develop a mechanism to control the cost of health insurance. The residents also need to determine whether to maintain or reduce the current service levels. The electorate's refusal to approve tax overrides for the library and other personnel was noted.

Mr. Heath then explained the revenue producing and expenditure reduction options which staff had developed. Discussion included the Board's decision to use General Fund monies for the Silver Springs Juvenile Facility rather than increase the ad valorem rate. The suggested franchise fee increase was discussed. This would create a secondary hit to the residents on top of the large increases already proposed by the utility companies. Mayor

CARSON CITY BOARD OF SUPERVISORS
Minutes of the March 5, 2001, Meeting
Page 3

Masayko directed that the collection unit should be added to the budget based on previous discussions with the Board regarding it. Comments reiterated the commitment that it be self-supporting as a minimum with a preference that it be a revenue producer. Mayor Masayko also indicated the need to discuss the reasons the Justice Court had reduced its salary level for the individual who was being placed in charge of the collection unit. Mr. Kramer indicated that the budget for the division had been built on the expenses without any consideration for the amount of revenue which may be generated. Mayor Masayko felt that this reduced the budget by \$100,000. These funds should be available for new positions or other on-going expenditures. Supervisor Williamson supported including the matching revenue. Discussion ensued on the City policy to charge itself for water and sewer services and the State's payment for its water and sewer services. Mr. Heath then described how the \$200,000 in discretionary one shot funding had been provided.

B. CAPITAL IMPROVEMENT PROGRAM (1-1618) - Mr. Heath explained the funding provided for the program and staff's recommended expenditures. Supervisor Plank felt that \$3500 needed to be provided within the minor capital improvement program for the Parks Department's mural program. Board comments indicated that the Northgate landscaping program should be reduced to \$4000 to provide funding for the mural program. Clarification indicated that the Library's only request was for \$1,000 for shelving. Mr. Heath then explained Undersheriff Callahan's request to use A&E funding for the Tiburon records management system. The estimated cost for the records management system is \$900,000. This year's share would be \$650,000. A grant had been applied for to help reduce the total cost for the system. The Juvenile Court funds will complete its expansion project. The estimated cost of relocating the Cemetery Office is \$300,000. Discussion with Parks and Recreation Director Kastens indicated that \$240,000 is needed for this project and that \$90,000 had been funded. Some of the utilities had been moved with last year's appropriation. There is approximately \$32,000 left from that appropriation. The Hospital had allocated through the Senior Center to the relocation project \$50,000. Mayor Masayko directed that future requests which require multi-year funding indicate the total cost, the funding allocated to date, the amount recommended for funding in the current budget, and the amount needed to complete the project. Discussion ensued on the Sheriff's request for a records management system and its ability to provide information on Washoe County individuals. Mayor Masayko indicated that the Board would discuss the funding recommendations with each Department Head when his/her budget is presented. Decisions were to be made at that time on the program recommendations. Staff was directed to provide the multi-year/phasing information at that time. Mayor Masayko also noted the lack of funding for any requests without increasing the ad valorem rate. Only items which could be supported should be placed on the first cut list. Comments indicated that Mr. Kramer had included \$118,000 in his expenditure budget for the collection unit. Mayor Masayko reiterated that this would give the Board at least \$100,000 in additional one shot funding.

BREAK: A recess was declared at 7:50 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 7:55 p.m, constituting a quorum.

C. JUSTICE COURT/MUNICIPAL COURT (1-1900) - Sharon Murphy, Judge Robey Willis, Judge John Tatro; **D. ALTERNATIVE SENTENCING (1-2875)** - Chief Charles Keller, District Attorney Noel Waters; **E. DISTRICT ATTORNEY (1-3295) (2-2445)** - Noel Waters; **F. ANIMAL CONTROL (1-3300)** - Health Director Daren Winkelman, Management Assistant Tracy Edgar, Deputy Health Director Ken Arnold; **G. SIERRA FOREST FIRE PROTECTION DISTRICT (2-0018)** - Western Region Chief Rich Harvey **H. FIRE DEPARTMENT (2-0123)** - Chief Louis Buckley, Suppression Battalion Chief Stacy Giomi, Suppression Battalion Chief Richard Chrzanowski; **I. AMBULANCE FUND (2-0879)** - Fire Chief Louis Buckley, EMS Battalion Chief Vince Pirozzi; **J. EMERGENCY MANAGEMENT (2-0875)** - Training Battalion Chief Dan Shirey; **K. SHERIFF'S DEPARTMENT (2-1205)** - Sheriff Rod Banister, Undersheriff Bill Callahan, Chief Deputies Jerry Mather and Scott Burau, Business Manager Kathie Heath - Staff reviewed and discussed the budget documents with the Board. Board comments repeatedly acknowledged the funding challenges. Ms. Murphy distributed a sheet comparing the Court's volume and staff with other entities to the Board and Clerk. (A copy is in the file.) Discussion indicated that the Justice Court budget had retain the funds which had been allocated to the former Court Administrator's position for Ms. Murphy's services. Judge Tatro indicated that after Ms. Murphy completes her study a court administrator will be hired. Judge Willis indicated that they would not return

CARSON CITY BOARD OF SUPERVISORS
Minutes of the March 5, 2001, Meeting
Page 4

requesting funding for that position. Clerical staffing needs for the Justice Court was iterated. Their failed attempt to use CQI funds for personnel was described. Removal of the collection service from the Justice Court may reduce the staffing needs by half of a person. The service may start within a month. An automated telephone system is being installed which will eliminate some of the telephone interruptions. Supervisors Plank and Staub supported their request. The Judges' longevity was to be implemented over a three year period. Mayor Masayko felt that this should be a Board decision and should be part of the budget. Discussion indicated that the Judges' salary increases had been included within the 01-02 budget. Longevity is to be included in the 02-03 budget. Supervisor Plank supported Mayor Masayko's direction that the \$8,400/\$10,000 in longevity be included in the budget.

Judge Willis then explained a legislative bill reinstituting usury restrictions. This may stop a lot of wage garnishments. Judge Tatro cited examples of the interest rates assessed for these loans.

Discussion indicated that Alternative Sentencing's cellular phone service was included in the 01-02 budget. Supervisor Livermore suggested that Alternative Sentencing consider assessing the various organizations using community service workers for their services under an agreement similar to the one used with the School District. Mr. Keller agreed to consider it. Discussion explained the \$30 per month supervisory fee assessed each probationer and suggested that this fee also be increased. Reasons this fee was set at \$30 were noted. Comments also suggested that the ordinance be revised to include the ability to determine the ability to pay and assess a fee accordingly as well as provide for periodic cost-of-living increases. Mr. Keller also indicated that the collection unit will handle his clientele's payments. This should improve his Department's efficiency.

Discussion with the Animal Regulation Division explained the decision to merge the cemetery functions with the regulation division and the reasons the Department decided to discontinue the crematorium services. Board comments complimented Employee of the Year Dan Warne, Animal Regulations Officer. Mayor Masayko urged the Department to analyze its license fees and to expand its computer program to include veterinary rabies vaccine information. Supervisor Livermore suggested that they reconsider the program to have veterinaries issue City licenses. Mr. Winkelman complimented his staff on their efforts and dedication.

The Sierra Forest Fire District's lease purchase program for the water tender had been completed. It will be kept in Carson City year-round and can be driven and used by Carson City's firefighters if a State firefighter is not available. The proposed budget rate includes funding for two seasonal firefighters. Mayor Masayko stated for the record that the Sierra Forest Fire Protection District is a special assessment district which provides firefighting capabilities on the western slope of the Sierra in Carson City. Discussion noted the Governor's recommended budget included an increase for the Forest Service. This had increased the fees for some Counties, however, Carson City was not one of them.

Discussion with the Fire Department included the number of calls provided for ambulance and fire services; the different types of fire and ambulance calls; the assignment of medical equipment and paramedics to firefighting apparatus; the cross training of paramedic-firefighters; the need for paving at the Fire Stations 2 and 3 and encouraged the Fire Department to work with Street Operations Manager John Flansberg on this need; encouraged staff to look to Risk Management for the vehicle exhaust extractor system; a potential grant for the thermal image video systems; the lack of grants for fire agencies; the surplus equipment; the need for the Department to have a capital replacement program; the need to analyze a lease-purchase program; and the General Fund support for the ambulance service.

(2-0835) Mr. Berkich indicated that staff is looking at lease-purchase agreements for equipment. Fire Chief Buckley committed to bringing options to the Board in April regarding the funding for the Ambulance Service. Supervisor Williamson felt that the Ambulance Service should either be self-supporting or a part of the General Fund. Chief Buckley explained the changes in the Medicare/Medicaid payment programs and their impact on ambulance services nationwide. Supervisor Livermore explained the different types of ambulance services provided within the City since he moved here. He felt that the current service level adequately meets the community needs and looked forward to a discussion regarding that service level and its cost. Supervisor Plank

CARSON CITY BOARD OF SUPERVISORS
Minutes of the March 5, 2001, Meeting
Page 5

supported his comments.

Undersheriff Callahan explained the request for two new positions in addition to the commissary clerk. The commissary clerk's salary will be paid from the commissary fund. As this position is self-funded, Mayor Masayko directed that it be considered funded and included in the budget. Letters of support from the District Court for court assigned deputies had not been received. The request and current staffing were described. Mayor Masayko suggested that overtime be used for this position. The feasibility of this suggestion and the use of part-time retired officers were discussed. The current patrol and jail staffing level was noted. Undersheriff Callahan agreed to consider using the part-time park ranger as the court deputy, if possible. Justification for the service technician's position was discussed at length. The Statutes require the Sheriff to collect these funds. Mayor Masayko felt that the Statute should be changed. Supervisor Livermore urged staff to standardize the Form 10-4. Discussion then explained the CIP request for the records management system, the grant efforts, and justification for the request to use the A&E funds for the system. The need for the Deputies to have "palm pilots" to write tickets was noted. This program would make them more efficient and eliminate duplication of efforts. Comments also expressed the hope that the Tiburon records management program would be able to "talk" to the District Attorney's program, the court program, etc. The Dispatch Center's Tiburon computer program is to begin service on April 8 at 5 a.m. It is the latest version which is known as a "7". The Board was invited to watch the program work on March 30th when a trial will be conducted.

BREAK: A recess was declared at 11:10 p.m. The entire Board was present when Mayor Masayko reconvened the meeting at 11:20 p.m., constituting a quorum.

(2-2465) The NOMADS system is now on line. The status of its Federal inspection and its need for upgrades were noted. Carson City may be part of the multi-county court computerized records integration program. The purpose, advantages, and funding for this program were limned. Attorney training requirements, programs, and funding opportunities were described. His CIP furniture request was explained. The need for the multi-county integrated program was stressed due to the need to re-enter the same information repeatedly within the District Attorney's, court, and Sheriff's offices. Until this program is available, however, Mr. Waters requested a part-time hourly clerk to do the entries. Mr. Waters also verbalized his support for the Justice Court clerical positions and the Sheriff's civil technician position. Mayor Masayko reiterated his feeling that the Statutes regarding the Sheriff's duties related to the service of garnishments needed to be revised. Discussion explained the purpose of the \$500,000 liability contingency account in the District Attorney's budget and the status of the Resendez trials. The status of the City funding for the NOMADS conversion augmentation of \$40,000 and the State's reimbursement funds were limned. Mr. Waters indicated that a portion of this funding had been spent for overtime related to the NOMADS conversion, however, was unsure as to what portion had been returned to the City or whether the journal entry had been made to return the funds. Supervisor Williamson suggested that these funds be used for the part-time hourly position. Mr. Waters expressed his reluctance to use these funds for that purpose without Board approval. He was willing to determine the amount of funds which were available. Discussion indicated that those funds were part of his CQI program. Mr. Heath and Mr. Berkich acknowledged that there is \$500,000 in the District Attorney's contingency fund, \$300,000 in his liability fund, and \$150,000 in the Resendez contingency fund. Mr. Waters then explained that the legislature is considering removing the liability caps for local jurisdiction torts. Bills which may be submitted in this regard were noted. Mr. Waters also noted that his office is considered a full-service district attorney's office and handles all cases rather than contracting. This effort saves the City money. Supervisor Williamson thanked him for his assistance with the Tiburon issue.

Supervisor Plank placed the Justice Court clerical position and the Animal Regulation staff position on the wish list. Mayor Masayko placed the following on the one shot funding list: \$12,000 for the Alternative Sentencing part-time clerical position as health insurance is not required; the service technician position for the Sheriff's Department; and the District Attorney's hourly entry clerk position. He also placed the District Attorney's investigator on the on-going funding wish list. Supervisor Livermore placed the paving for Fire Stations 2 and 3 on the first cut list. Supervisor Williamson placed the deputy assigned to the courts on the first cut list for \$30,000 and encouraged everyone to be creative and seek alternatives.

CARSON CITY BOARD OF SUPERVISORS
Minutes of the March 5, 2001, Meeting
Page 6

There being no other matters for consideration, Supervisor Williamson moved to adjourn. Supervisor Plank seconded the motion. Motion carried unanimously. Mayor Masayko adjourned the meeting at 11:45 p.m.

A tape recording of these proceedings is on file in the Clerk-Recorder's office. This tape is available for review and inspection during normal business hours.

The Minutes of the March 5, 2001, Carson City Board of Supervisors Budget Session

2001. ARE SO APPROVED ON ___May_18___,

_____/s/_____
Ray Masayko, Mayor

ATTEST:

_____/s/_____
Alan Glover, Clerk-Recorder