

BOARD OF COUNTY COMMISSIONERS, WASHOE COUNTY, NEVADA

TUESDAY

10:00 A.M.

MAY 17, 2010

PRESENT:

Bonnie Weber, Vice Chairperson
Bob Larkin, Commissioner
Kitty Jung, Commissioner
John Breternitz, Commissioner

Jaime Dellera, Deputy County Clerk
Katy Simon, County Manager
Melanie Foster, Legal Counsel

ABSENT:

David Humke, Chairman

The Washoe County Board of Commissioners convened at 10:04 a.m. in special session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada. Following the Pledge of Allegiance to the flag of our Country, the Clerk called the roll and the Board conducted the following business:

County Manager Katy Simon stated: "The Chairman and the Board of County Commissioners intend that their proceedings should demonstrate the highest levels of decorum, civic responsibility, efficiency and mutual respect between citizens and their government. The Board respects the right of citizens to present differing opinions and views, even criticism, but our democracy cannot function effectively in an environment of personal attacks, slander, threats of violence, and willful disruption. To that end, the Nevada Open Meeting Law provides the authority for the Chair of a public body to maintain the decorum and to declare a recess if needed to remove any person who is disrupting the meeting, and notice is hereby provided of the intent of this body to preserve the decorum and remove anyone who disrupts the proceedings."

10-420 AGENDA ITEM 3 – PUBLIC COMMENT

Agenda Subject: "Public Comment. Comment heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Commission agenda. The Commission will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Commission as a whole."

In response to the call for public comment, Sam Dehne spoke of his candidacy for public office and sang a song.

10:09 a.m. The Board convened as the Board of Fire Commissioners for the Sierra Fire Protection District with Chairman Humke absent.

10:12 a.m. The Board convened as the Board of Trustees for the South Truckee Meadows General Improvement District with Chairman Humke absent.

10:14 a.m. The Board convened as the Board of Fire Commissioners for the Truckee Meadows Fire Protection District with Chairman Humke absent.

10:19 a.m. The Board reconvened as the Board of Washoe County Commissioners with Chairman Humke absent.

10-421 AGENDA ITEM 7

Agenda Subject: “Tentative Budget, as well as possible changes to adoption of the Final Budget, for Fiscal Year 2010/11.”

10:19 a.m. Vice Chairperson Weber opened the public hearing.

County Manager Katy Simon conducted a PowerPoint presentation, which was placed on file with the Clerk. She reviewed the history of actions already taken during development of the 2010/11 budget. She talked about strategic measures taken to maintain financial stability and plan for sustainability. She pointed out some of the actions that had already been taken to decrease the 2010/11 budget deficit from \$24.7 million to \$9.365 million. These included \$8.2 million in departmental operating reduction plans, redirection of \$5.75 million in revenues and reserves by the Board, lower growth in health insurance costs achieved by the Insurance Negotiating Committee, and conservative 2009/10 departmental spending. She compared General Fund sources and uses as of January 26 and May 17, 2010.

Ms. Simon explained the proposal to achieve cost savings of \$4 million from retiree health benefit liabilities and \$5.365 million from current compensation and benefits. She indicated active negotiations were underway with each of the County’s employee bargaining units to achieve the targeted labor cost savings. She emphasized the Board’s direction was to treat all represented and non-represented employees equally. Accordingly, each employee group was provided with a savings target equal to that group’s percent of total personnel costs. The recommended Final Budget anticipated labor cost savings by reducing salary and benefit budget authority in each department via a contra line item. Ms. Simon stated contingency budget reduction plans were being discussed and would be brought back to the Board at its July 14, 2010 meeting if targeted cost savings could not be attained through labor negotiations. She reviewed the allocation of labor cost savings by employee group and by department.

Ms. Simon provided an overview of the recommended General Fund final budget for fiscal year 2010/2011. She discussed the reprioritization and resizing of the organization that rolled budgets back to 2004/2005 levels, resulting in the lowest number

of full-time equivalent (FTE) positions since the early 2000's, the lowest number of FTE's per 1,000 population in several years, and less than \$700 in projected expenditures per capita. She presented recommended 2010/2011 sources and uses by function and by category. She noted the intergovernmental transfer of \$5.3 million in property tax payments to the State made the County's expenditures appear to be higher than they were. She explained how the annual property tax amount of \$487.10 for a new \$100,000 house was spent.

Ms. Simon indicated the General Fund budget represented about 45 percent of the County's total budget. She summarized some of the combined sources and uses for a total of 23 governmental funds and 6 proprietary funds. She displayed a list of prioritized mission critical services.

Commissioner Jung referenced the comment that FTE's were at their lowest point since the early 2000's. She requested information as to what the policy, process and implementation would look like to evaluate the number of managers and supervisors with fewer employees. Ms. Simon said a review of organizational structure was in progress and would include spans of control. She agreed it was important to continue monitoring supervisor to employee ratios.

Commissioner Weber asked if the County had been at lower levels in fiscal year 2003/2004. Darin Conforti, Budget Manager, stated fiscal year 2004/2005 most closely resembled the current budget authority levels, without accounting for inflation or other factors. He indicated 2003/2004 levels had been lower than those of fiscal year 2004/2005. Commissioner Weber expressed concern that budgets had been at low levels but more employees and programs were added to the County's structure as things got better. She hoped the Board would have discussion about a recovery plan to avoid ending up in the same situation at some point in the future. Ms. Simon emphasized the County's spending had remained relatively flat. She noted money had been put into fund balances and one-time capital projects to build public works projects such as the Mills Lane Justice Center, the Jan Evans Juvenile Justice Center, and the Animal Services Center. She emphasized that growth in employee positions had been responsive to population increases.

In response to the call for public comment, Sam Dehne observed it was a shame that more people did not attend the public hearing and comment on the budget.

Commissioner Breternitz remarked that it was possible to learn from the past but not to change it. He agreed with Vice Chairperson Weber and requested an agenda item to discuss how to move forward. He stated it was not necessary to wait for economic recovery to have a plan and any plan should focus on sustainability. He said it was his hope that any increased future revenues would be used to provide services without acquiring more long-term liabilities. He suggested the labor associations should share in the Board's discussions.

Commissioner Larkin recalled his previous request for an agenda item to review Consumer Price Index (CPI) plus employment growth as part of a Financial Trends Monitoring System (FTMS) Study. Ms. Simon indicated the discussion had not yet been scheduled on a Board agenda but staff had a plan to do some evaluation and bring the Board some options. Commissioner Larkin thanked Ms. Simon for clearly illustrating the Board's direction to make public safety a priority.

On motion by Commissioner Larkin, seconded by Commissioner Breternitz, which motion duly carried with Chairman Humke absent, it was ordered that the Fiscal Year 2010/2011 Final Budget be approved and adopted.

10-422 AGENDA ITEM 8 – HUMAN RESOURCES

Agenda Subject: “Recommendation to approve changes to authorized position control for Fiscal Year 2010/11; and, approve reclassification requests submitted through the annual budget job evaluation and classification process [fiscal impact for reclassification requests submitted through the annual budget process estimated at approximately \$250,000]. (All Commission Districts)”

Katy Simon, County Manager, stated the County had eliminated about 130 positions during the previous year through voluntary separation incentives, as well as 450 to 500 other positions. She indicated there were still mission critical functions to be carried out and fair labor standards required that employees be paid according to the criteria set by the Job Evaluation Committee. She noted the operational reductions of \$8.2 million resulted in more responsibilities for many employees. She pointed out the recommended 2010/11 budget included salary increases totaling approximately \$250,000 for job reclassification requests.

Commissioner Larkin asked if there would be additional reports or requests. Katey Fox, Human Resources Director, estimated that about 90 to 95 percent of the job positions and reclassification requests had been evaluated and cleaned up. Commissioner Larkin wondered about the definitions of authorized, funded and unfunded positions. Ms. Simon said the information had been reviewed and confirmed with all department heads. She indicated all job positions that were not funded and authorized in the budget had been eliminated.

Commissioner Weber asked if that meant there were no more frozen positions. Ms. Fox agreed that was correct. Beginning July 1, 2010, she stated an authorized position was defined as a position that was funded in the 2010/2011 budget. Commissioner Weber noted the staff report said a history would be maintained of all positions removed from position control. She wondered if that was done so positions could be restored in the future. Ms. Fox indicated staff thought it was important to have a history showing when positions were created and when they were last funded. She indicated the staff recommendation to the County Manager and to the Board was that there be a formal process for new or added positions to first go through the Job Evaluation Committee for approval and then before the Board for authorization.

Commissioner Breternitz remarked that such a process would be affected by the Board's discussion of how to move ahead in the future so that services were delivered and positions were filled with a plan.

Darin Conforti, Budget Manager, clarified that all unfunded positions were eliminated in the departments that were County controlled. He noted there were four District Court positions for which the District Court did not consent to have removed from position control. He stated the positions were not authorized but remained in position control.

Commissioner Weber requested clarification about the positions shown under Commissioner on page 3 of the staff report. Ms. Simon explained the positions being eliminated were intern positions that were previously carried on the books but had not been budgeted.

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Breternitz, which motion duly carried with Chairman Humke absent, it was ordered that Agenda Item 8 be approved.

10-423 AGENDA ITEM 9 – MANAGEMENT SERVICES

Agenda Subject: “Review and possible approval of 2010/2012 Washoe County Strategic Plan. (All Commission Districts)”

Katy Simon, County Manager, noted this was the first year that the Strategic Plan was presented for adoption at the same meeting where the final budget was adopted.

John Slaughter, Management Services Director, read the Washoe County Vision and Mission Statements as shown on page 2 of the Draft 2010-2012 Strategic Plan. He summarized some of the changes made to the Plan based on discussion at the Board's May 11, 2010 meeting. He noted “transparency” had been added to the list of Organizational Values. He listed the following five Strategic Objectives and noted there were related Strategic Outcomes shown on page 3 of the Draft Plan:

1. Safe, Secure and Healthy Communities
2. High Quality of Life
3. Regional Collaboration
4. Sustainable Resources
5. Regional Prosperity

Mr. Slaughter indicated eight out of 26 Key Performance Measures were related to the Board's Annual Goals for fiscal year 2010-2011. He stated the Measures

would be maintained in a dashboard to track their progress. He reviewed timelines and schedules for strategic planning in 2010-2011.

Commissioner Larkin thanked Mr. Slaughter for reviewing the timelines and for placing the item before the Board during the same meeting as the budget approval. He said he hoped the Washoe County School District would be included in discussions with other local entities.

There was no public comment on this item.

On motion by Commissioner Larkin, seconded by Commissioner Jung, which motion duly carried with Chairman Humke absent, it was ordered that Agenda Item 9 be accepted and approved.

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11:20 a.m. There being no further business to discuss, on motion by Commissioner Breternitz, seconded by Commissioner Jung, which motion duly carried with Chairman Humke absent, the meeting was adjourned.

BONNIE WEBER, Vice Chairperson
Washoe County Commission

ATTEST:

AMY HARVEY, County Clerk and
Clerk of the Board of County Commissioners

*Minutes Prepared by
Lisa McNeill, Deputy County Clerk*