

**IN A SPECIAL MEETING OF THE WHITE PINE COUNTY COMMISSION HELD ON MARCH 7, 2019
IN THE COUNTY LIBRARY CONFERENCE ROOM IN ELY, NEVADA**

The Following Were Present:

County Commission
Richard Howe, Chairman
Travis Godon, Vice-Chairman
Ian Bullis, Commissioner
Shane Bybee, Commissioner
Steve Stork, Commissioner
Nichole Baldwin, Clerk of the Board
Susan Lujan, Deputy Clerk

County Officials
Lance Gale, Airport Manager
Juan Carlos Cervantes, UNR Coop. Extension
Lori Romero, Library/Sr. Center Administrator
Elizabeth Frances, Finance Director
Burton Hilton, WPC Assessor

Also Present
There was no public present.

Chairman Richard Howe called the meeting to order at 8:30 a.m. Finance Director Elizabeth Frances led the Pledge of Allegiance.

MOMENT OF SILENCE/SILENT INVOCATION

This was duly observed.

PUBLIC COMMENT

There was none.

BUDGET WORKSHOP

FY2020 BUDGET WORKSHOP/DISCUSSION/POSSIBLE DIRECTION – ANCILLARY SERVICES, COMMUNITIES, REVENUE, PAYROLL AND PRELIMINARY DISCUSSION TO BALANCE THE BUDGET

ANCILLARY SERVICES

Finance Director Elizabeth Frances advised that while ancillary services aren't mandated, they do add to the quality of life in White Pine County.

Library

Director Frances advised that the Library Gift Fund is a special revenue fund. She noted that Library Director Lori Romero is requesting the increase of a Library Page. Director Romero began to note the increases she is requesting under General Expenses; there is a \$715 increase there, some of which is Office Supplies. She explained that lately the Library has become an "office depot" for people coming in to make copies, fax, etc., and in fact they are backed up with fax requests. There's no one in the business community who provides those things so they come to the Library. As to the Library Page request, she advised the current one is a High School Senior and will be gone soon. Many times there are only 1-2 staff members helping folks do online tasks such as Job Applications, since they don't have a computer at home. That position pays \$8.25/hour; she noted the increased tasks are part of her justification for requesting that second Library Page position back. She continued that there are no Travel funds being requested, but for Equipment Under \$5,000 they are requesting some security cameras. For the amount of public meetings that are held in the Conference Room, they would like to have cameras in the foyer and at the back of the building. She continued that as POOL/PACT doesn't seem to want to be proactive in this situation, she is working with Maintenance. She noted there's a big security issue for people utilizing the Conference Room, as well as the general public utilizing the Library. For the long term, she would like to add another part-time position to assist with front desk support. She also noted she's been requesting new carpet in the main part of the building for a very long time. Finance Director Elizabeth Frances clarified that Director Romero is still working on the costs for those security cameras, and as the figures aren't yet available they haven't been included in the Library budget. She recommended seeking grants to obtain those cameras. Commissioner Shane Bybee recommended using carpet tiles, as they can be replaced easily; he's used them and they're cost effective, durable, and great for high traffic areas. Director Romero agreed that the carpet squares sound

great; Director Frances indicated that on the Maintenance Projects Priority List, replacing the carpet in the Library is #5. Director Romero continued to explain the Library Gift Fund, which was set up under NRS 379; donations to different programs are made to that (such as Adopt-A-Periodical, Friends of the Library, etc.), as well as grants and State collection monies which are heard through the State Legislature. She cited the Postage grant which is used for interlibrary loans, a substantial amount that we've been awarded for a number of years. She noted the LSTA are Federal grants, and are generally ongoing based on historical practice; those are automatic augmentations which are adjusted as the grant awards come in. Chairman Richard Howe asked if the Library Page would take some of the pressure off the rest of the staff, such as helping with copying, faxing, etc.; the response was affirmative. They are often backed up with faxing requests and also the Page could assist people coming in for other Library requests. Chairman Howe felt this would be a justified position, as long as it would relieve the burden on the staff.

Airport

Finance Director Elizabeth Frances advised the Airport Operating budget is in the General Fund, as is the Airport Capital Improvement Fund and Payroll. Grants are tracked through the FAA that require matching monies from the County. Airport Manager Lance Gale advised he is requesting 4 items for increases: For Equipment Under \$5,000 he is asking for some upgrades on radios and related equipment at the Airport. For Travel, he is asking for another \$500 to be added due to his meeting with the FAA in March, a meeting of the Nevada Airport Managers, and other such important events; he added that his Travel budget reached its max this year. Manager Gale noted that the Airport Advisory Board met and reported that our enplanements are 3x higher than we were 3-4 years ago; for instance, the MedFlights average 4/night. Dues/Publications are also increased since there are more Airport activities going on and we're required to carry those publications and dues for those. He reported that in the area where they used to inflate weather balloons, at the south end of the Airport, a sweeper was discovered. Maintenance crews will be getting that up and running; it's workable, and will save some Maintenance work being done. He advised that he's generally asking for \$5,000 less than for last year. The BLM's new modular is being completed and it will be paid as a reimbursement for the infrastructure by the BLM, as he explained. Commissioner Steve Stork had been told that the power pole behind the sweeper was inoperable; Manager Gale responded that it turned over, but they will still see if it can work for us. He continued that there is also a de-icing truck with a boom on it which can be used to maintain the higher structures; it was actually left over after one of the auctions. Painting is projected to complete the hangar and the NDF crews will assist with that. Director Frances asked if there is provision in next year's budget for the Air Races event? She noted that we should be budgeting for it early, and wants to know how we will handle it. Commissioner Ian Bullis felt that after this year we would have a good indication of what the regular costs would be to hold the Air Races; Manager Gale confirmed that. Commissioner Steve Stork commented that we can always budget for it and hopefully we will be able to utilize that budget; Director Frances added that we can also increase the Contingency Fund and use that if necessary. However, she cautioned, if Net Proceeds of Minerals doesn't come in as budgeted, we would have no room for any augmentations next year. We could, though, increase the Contingency so that if we need the funds they would be available. Commissioner Travis Godon felt that the Air Races should be a private event; he didn't want to include it in the budget. Following brief discussion, it was the general consensus that this could be added into the Contingency budget. Manager Gale commented that hopefully next year someone else will be taking over the event; we would have put 1-2 years into it to get it going, and then someone else could do it. In reply to a query from Commissioner Steve Stork, he noted that Reno still wants to take over the Ely Air Races; here and in Reno are the only two places in the United States that can facilitate this event, and only 4 other places around the world can do this. Director Frances noted that our enplanements are up 300% from 3-4 years ago, from the backup; she would like the figures on that, and Manager Gale agreed to obtain those for her and the Board. Director Frances asked about the snow removal; he advised that the snow removal expense, under Maintenance, would be sufficient. He explained they are out at all hours clearing the snow for the med flights coming in. The enplanements are private air usage, as we have no commercial flights out there. The medflights aren't limited to our Hospital, they go to other areas as well, from this Ely base. Next was the Capital Improvement Fund; Director Frances noted major projects were done last fiscal year and this fiscal year in getting the runways completed; she cited the backup materials. Manager Gale recalled that the Board approved going forward with the first project; the runway and new taxiway will be completed in April and then it can be signed off by the County. All the Airport lights are now LEDs so our bill has been cut in half, and the lights are actually twice as bright. The next project is the South Ramp renovation, with a County match of \$6,500. The new fencing project around the Airport will commence in 2024; the last time it was fenced was in 1952, and the posts are still in place. He also explained about the \$5 million in discretionary funding from the FAA with no County match, to our new Commissioners. Director Frances advised that the remaining projects on the list will have a County match, but we also will need annual Maintenance on those new runways. Manager Gale stated that he will be meeting with the FAA and Armstrong Consultants to review this issue, out of which a 5-Year Maintenance Plan will be developed. He added, "We have to have good asphalt to have a good Airport!" Director Frances wants a schedule to be set as to how the runways

will be maintained; it's a huge asset, and she noted this will demonstrate that the County is taking good care of our assets. Commissioner Steve Stork noted that part of the discussions he will have tomorrow with the FAA and Armstrong Consultants would include our need for proper snow removal equipment.

Agricultural Extension

Director Frances advised this budget is funded through the ad valorem tax. Revenues shown in the budget are estimates from last year; those will be updated on March 25th when she receives the Nv. Dept. of Taxation figures. She continued that UNR Coop Extension Agent Juan Carlos Cervantes is requesting new positions; a half-time Administrative Assistant and a half-time graduate student, a significant amount of increases over last year. Agent Cervantes advised he's fixing to spend what he already has; however, the expected revenues may not come in as projected. There's been a systematic reduction in funding to all the rural counties so it's difficult for him to do program planning or implementation, plus having to be present to take calls in the office. He's looking to hire someone with a physical presence here when he can't be here. He also noted that while his allegiance is to the County, he also has to answer to the State. He noted that the Administrative Assistant was cut to half-time; Director Frances advised the County didn't reduce the funding, that was done by the State. She asked if the County could lobby the University about this situation; Agent Cervantes noted that he can't lobby, but "it would benefit the County to speak up for its own welfare." He continued that expenses are nearly \$20,000 for the Fair, just to support the 4-H kids and the livestock program; they are looking to expand it this year. He felt the Fairgrounds are fairly neglected and he will be helping out with some funding; livestock buyers should get a good product and so he is investing some of these funds to promote better outcomes from livestock participation. Field samples and chemical analyses are done to determine the nutritional contents of forage, which is important to livestock producers, he added. Chairman Richard Howe had a concern; cuts from the State fall to him and then to the County with respect to funding for more employees. Agent Cervantes doesn't want to put the burden on the County, and he does currently some have of the needed funding to hire the new positions. Commissioner Ian Bullis wished to clarify if those funds would be available for the next fiscal year; Agent Cervantes advised he's changed some figures in the line items of his budget around to help facilitate this, as well as cutting some items. He agreed that this isn't sustainable, and that he couldn't come up with this budget for next year. Commissioner Ian Bullis suggested finding how to implement things to generate more income would be good; this was agreed. Agent Cervantes noted that while we love the programs but don't have the money to facilitate them, we have to figure out how to generate those funds. Commissioner Steve Stork asked about the new requests such as scales and shearing tables; perhaps it would be incumbent on the Agricultural Dist. 13/Fair & Rodeo Advisory Board to include this in their budget instead. Commissioner Travis Godon advised they have the money but need the manpower to get things done; he suggested any Capital Improvements at the Fairgrounds be funneled through the Ag. District 13 board. Agent Cervantes will try to get on their next meeting agenda. Director Frances indicated that the Central Services Allocation to this budget is \$-0- because it's determined by the number of full-time employees (FTE's); should those increase, then allocations will be made. Agent Cervantes pointed out that there's a Census coming up and if there's a pattern being established of consistently pushing the rural aside it would be detrimental to us. He did note there's a website in process where some funding might be obtained from people visiting that website, which focuses on livestock-oriented procedures, etc. Director Frances will look into including these kinds of things on the County website; she noted that it would be secured and backed up as well. Commissioner Ian Bullis also cited a grant writer who has recently come into our community, whom he could contact for assistance.

Senior Center

Director Frances noted this is funded by the ad valorem tax; figures will be updated once the information from the Nv. Dept. of Taxation is received on March 25th. She added some grants are included in this budget; figures will also be adjusted automatically as the grants are received. Sr. Center Director Lori Romero advised this is a challenging budget, as they rely on the revenues, grants, and taxes; that's what they spend their expenditures from. The grants haven't increased much over the last few years; the reporting process has changed and that makes it more challenging. Increases were made in the chemicals, electricity and heating; there are no foreseen changes in personnel. Training is reimburse from the Nv. Div. of Aging & Disability Services, as most of the training is actually from them. She continued they've replace much of the equipment during the past few years so things are in pretty good shape. For long term needs, she's hoping to get a large grant to cover such things as a new ceiling in the dining area, linoleum, and a new furnace. The biggest thing, she reported, is the Central Services Allocation costs; they keep going up every year but their FTEs don't increase. She requested the Board look into those costs to see how those are formulated, since her personnel haven't changed. She added that she didn't feel the Nv. Dept. of Taxation meant that allocation to put a hardship on the County Departments. Chairman Richard Howe informed Director Romero that the heating system is #2 on the Maintenance Project Priority List. She explained that some things had carried forward from the CDBG grant application, which is why they are on there. She also advised they've surplussed their last truck and are expecting payment on it shortly, so they can have it removed from the insurance.

Economic Development

Finance Director Elizabeth Frances noted no one is specifically responsible for this budget; WPC Treasurer Catherine Bakaric has requested to be relieved of these duties and she will present the appropriate figures and how they were developed. Also, the Treasurer's Office has a half-time Deputy Treasurer so that the Treasurer could work on some EDC items. Now she is being relieved of that on July 1st, and that half-time Deputy Treasurer will be going away. Director Frances is proposing what OEM Director Carl Gregory had suggested earlier, that we hire a half-time grant writer, with OEM paying half and the other half coming out of the General Fund. She noted there's plenty of work to be done by that grant writer. The other suggestion would be to work on SNPLMA, CDBG, etc. grants not related to OEM throughout the County. It was clarified that OEM grant writing can only be for OEM grants; under OEM Director Carl Gregory we are looking to outsource that; Director Frances will look into that option. She added that a good grant writer can pay for themselves. Chairman Richard Howe asked if that arrangement would be a wash; Director Frances noted it would actually be a cost savings as the grant writer would be coming in at a lower step. Commissioner Steve Stork thought that was Director Gregory's job; Director Frances clarified that the County has never had a full-time OEM Director that performed the full function of OEM; she will discuss this with Director Gregory. She continued that some grants not only take a lot of time to write, but also to manage them and do the recruiting/research for applying for them as well. Commissioner Steve Stork commented that one of the reasons he preferred Director Gregory was due to his grant writing experience. Commissioner Ian Bullis recalled that he was doing all that, but he could also have someone available to delegate some of these grant tasks to. Chairman Howe commented that we did have an OEM Director about 4 years ago; we let him go and combined that position with the Fire Chief job. While one Fire Chief was able to do the grant writing, the other was not, so it didn't get done. Director Frances felt that working with LEPC, continuing forward with the existing grants and writing the grants we do have; perhaps anything over and above those responsibilities we would need someone else. Commissioner Travis Godon requested an analysis showing all the money we've put towards grant writing and what's actually been produced, if it's really worth having grant writers in the long run. Director Frances clarified we've never specifically paid for a grant writer in the past. There was some discussion, during which it was noted NNRDA is providing us with a 29-hr/week employee to assist the County with EDC items. Both Commissioners Godon and Bullis felt it might be better to eliminate this fund other than the NNRDA commitment, and hire someone to do the grant writing for us. Chairman Howe clarified for the new Commissioners that NNRDA pays for this assistance, the County doesn't; keeping the NNRDA membership fee--\$6,700—was acceptable by the Board. Director Frances noted that CDBG training/travel and similar grant training items we would be accountable for; she will recommend what to keep and what not to keep with respect to this EDC budget, based on what our NNRDA employee, Mrs. Donna Bath, can take on, and to see how all our needed bases can be covered.

Natural Resources

Director Frances noted that our Civil Deputy District Attorney, Bryan Pyle, works on our legal behalf regarding natural resources, with the exception of water—for which we have a water attorney with whom we have a contract with. She doesn't see this line item going away; she cited the need for Land Use and Water Plans, which are required to be rewritten. She continued through the line items in this budget for the Board. The salary/wages for the PLUAC and WAC Secretary is currently vacant, although \$150.00 is in there for that purpose. She did note there is one well-qualified applicant who has put in for that position; this Board could consider increasing this amount if they so desired. There was a brief discussion of how these boards took much more time than the previous Secretary felt she was being compensated for, which included receiving calls at her home, etc. Commissioner Steve Stork pointed out that the State will be requiring each County to have a current Master Plan in place; Director Frances advised that Mr. Gary Perea had noted that we do have an updated plan at this point in time. She felt we could amend our final budget to include funding to take care of that future requirement. She advised that it takes roughly 2 hours to prepare for one of these meetings, about 2 hours for the meetings, and 2 hours for related follow-up for each meeting – 6 hours per meeting, roughly. He recommended meeting with the individual committees to see what their expectations are so the person coming in would be properly compensated. Commissioner Stork will place this on both the PLUAC and WAC committee agendas for their feedback.

COMMUNITIES

Lund Town

Director Frances noted that all these towns receive CTX funding; she also advised she had met with each of these towns to assist with developing their budgets. The Lund Town Council's budget went up \$950.00 for the different events they celebrate in that town, which included advertising for those events. She noted that revenues are still over expenditures at this time. Their long term item would be the lease/purchase of the old Lund Grade School; she cited they were part of the SNPLMA grant for parks in our communities, but they were cut out of that grant. They are

requesting to have a nice park there that would help spur some economic development in their area. They are slowly building up a fund balance to use in order to acquire that old school. Commissioner Steve Stork wants to let them know that the Tourism & Recreation Board will market their special events at no cost to them; Director Frances will share that information with them.

McGill Town Council

What is reflected in the budget for this town today is different from what was initially approved. Their main source of revenue is from the CTX, and while expenses are heavily over their revenues those are from 2 big projects. Those are namely to finish the Kinnear Library remodeling and also to replace all their streetlights with LEDs, which are more energy efficient and reliable. She added the streetlights would be an overall cost savings for McGill township. She added that the County did an interfund loan to McGill for a fire truck since we had extra monies in the General Fund to be able to do that, at a better interest rate that they would have had to pay outside the County. They are repaying that loan over a 10-year period, as she explained. She also noted they take a great deal of pride in their Parks, and their budgets are pretty stable. Commissioner Steve Stork suggested the Tourism & Recreation Board Director Kyle Horvath might be a good resource for this and the other townships to assist with their special events.

Ruth Town Council

Finance Director Elizabeth Frances advised they haven't increased their budget, but just moved funds around within their budget. She added that the Fire District could pay for their Fire Dept. needs, over and above those that they can pay for, as has been done in the past. They are also replacing their streetlights with LEDs, a few at a time. Minor changes also include benefits for their Administration—their Secretary and Parks Maintenance during the Summer.

At 10:26 a.m., Chairman Richard Howe recessed the Commission meeting for a break. The meeting was reconvened at 10:33 a.m.

REVENUES, PAYROLL AND BALANCING

General Fund Revenues

Finance Director Elizabeth Frances advised that the General Fund Revenues won't be completed until she receives the figures from the Nv. Dept. of Taxation on March 25th. She explained the handout regarding the General Fund Balance as of June 30, 2019; the expenditures are based on what we have received to date without any of the changes that have been discussed so far during these budget workshops. She recalled that 80% of the Net Proceeds of Minerals that we receive are dedicated to our SB74 Justice Center Project, which leaves a 20% balance. She advised there are adequate funding in there at this time to cover a one-time utilization will be used for the ADS replacement, Dispatch and e911, Elections Equipment, Patrol Vehicles, Jail Vehicles, Maintenance's new truck, and an ATV for the Parks Dept. She advised those are appropriate uses of the Net Proceeds fund balance.

Payroll

Director Frances advised she had given everyone step increases based on their existing positions, but they will need to be adjusted from Contingency as needed following the collective bargaining unit negotiations. She noted a retirement code for the new Commission information and explained that to the Board, regarding how they can contribute to PERS. She advised that she had plugged in a figure based on past increases but it isn't accurate. She also updated longevity amounts pursuant to both elected and non-elected officials and employees. She continued through the line items, such as Insurance. Chairman Richard Howe noted that our deductibles and dependent rates are so high, they're affecting our recruitment efforts; Director Frances advised she's working with the Leavitt group on this and related issues. She did note that the FTE is reported by function for the County employees only, and not for the Fire District/townships; also a total breakdown showing how payroll is provided is available to our citizens as required.

New Additions Summary

Director Frances advised this will be available at the next regular Commission meeting.

Financial Strategic Planning Committee Recommendations

Director Frances noted the recommendations from this committee are included in the Workbook, just for the Commissioners' information.

Preliminary Discussions to Balance the Budget

Director Frances advised we have some work to do to get the balance to the 25% that the Commission desires to have available, namely a 3-month sustainable level as she explained. Chairman Richard Howe felt maintaining that fund balance is important and that we try to leave that figure intact during the budget process.

DISCUSSION/ACTION/APPROVAL TO GIVE DIRECTION TO THE FINANCE DIRECTOR REGARDING ITEMS HEARD DURING THE BUDGET WORKSHOP

Director Frances advised there is a cushion in the budget in the event the mines shut down, which is represented by \$8 million in Net Proceeds of Minerals which is set aside for that purpose. She emphasized that figure is not included in this report as it is specifically designate for if the mines close. She added that if there's anything the specific the Board would like her to look at, just let her know; however, she did caution about the serial communication component that's involved. Chairman Richard Howe wants her to look at the percentage increase request for Finance and Legal Counsel; he feels there is currently an underpayment and perhaps this Board should bring it in line with the other counties' pay for Finance, Legal Counsel, etc. Commissioners Travis Godon and Ian Bullis agreed with this request. She will include these figures and bring them back to the Board. She did note that she isn't comfortable with this as it would pertain to her salary, it could be perceived as a personal interest, and she suggested Chairman Howe work with HR Director Timothy Bunch instead. The Board also felt one van for the Jail would suffice, rather than having both, one for transport and one for meals. Chairman Howe commended the Departments for doing a good job, the best they could, in paring down their requests; now this Board needs to prioritize them. Director Frances advised there will be a public hearing for comments in early May; there was a calendar discussion during which it was noted the public hearing must be held for 3 meetings and then the final hearing would be held on April 12th, just ahead of the April 15th deadline. The Board commended Director Frances for all her hard work on these County budgets. Commissioner Steve Stork asked about the School Resource Officer; he felt there was a mandate out there but was uncertain if it would be the responsibility of the School District or the County. Director Frances felt there is one in place now; they will work for 144 days/year for whichever entity would be carrying that; she felt the School District would have the Middle and High Schools. There would be one position for each school, she clarified.

PUBLIC COMMENT

WPC Assessor Burton Hilton noted that if there are a lot of budget changes just prior to the State's sending us their figures, there's much paperwork involved with that, besides the deadline. He wished to underscore that fact for the Board's consideration of our Finance Officer.

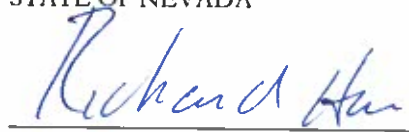
Commissioner Steve Stork requested that everyone pin down their ideas on where the expenditures should be cut and be prepared with them before the next meeting.

ADJOURNMENT

At 11:10 a.m., Chairman Richard Howe entertained a motion to adjourn. Commissioner Shane Bybee made the motion; Commissioner Steve Stork seconded. Motion carried.

BOARD OF COUNTY COMMISSIONERS
WHITE PINE COUNTY
STATE OF NEVADA

BY:



CHAIRMAN

ATTEST:



WPC CLERK OF THE BOARD