

Monday, March 28, 2011

The Fiscal Year 2011-2012 budget workshops held by the Humboldt County Board of Commissioners were called to order on Monday, March 28, 2011, at 8:00 a.m. in the regular place of meeting at the Courthouse, Winnemucca, Nevada. Those present were Chairman Garley Amos Jr., Commissioners Mike Bell, Dan Cassinelli, Tom Fransway and Jim French (Commissioner French arrived at 8:34 a.m.), District Attorney Michael Macdonald, Administrator Bill Deist and Clerk of the Board Tami Rae Spero.

PUBLIC COMMENTS: Chairman Amos asked for public comment; none offered.

FISCAL YEAR 2011 - 2012 BUDGET WORKSHOPS:

FISCAL YEAR 2011 - 2012 BUDGET OVERVIEW: Administrator Deist reviewed the budget message for the Board (see attached). Discussion occurred regarding net proceeds distribution and the condition of the general fund.

BUILDINGS AND GROUNDS: Buildings & Grounds Director Doug Cain appeared before the Board. Administrator Deist reviewed the budget message related to this item. Director Cain discussed the elevator contracts and proposed capital projects including the revamping of the lighting for the Annex building to use LED lights. Administrator Deist offered the following recommendations that the rebuilt compressor, road department emergency generator and the pickup be deleted, that the library roof project be transferred to the Capital Project Fund, that any requests under \$350.00 be deleted from the special projects request and noted that the elevator contract with Schindler would be less than projected and that in the future the proposal will be that the contract costs be covered by the department at which an elevator is located. After discussion the following motion was made by Commissioner Fransway and passed with Chairman Amos and Commissioners Bell, Cassinelli and Fransway voted aye and Commissioner French being absent:

To approve Buildings and Grounds per staff recommendations.

SHERIFF/DETENTION/DISPATCH/TASK FORCE/LEPC: Sheriff Ed Kilgore and Commander Bill Dalley appeared before the Board. Administrator Deist reviewed the budget message related to this item including the reduction of the Travel & Training line item by \$10,000.00. Sheriff Kilgore addressed the Search & Rescue line item noting an increase related to hand repeaters; he discussed the proposal to use the entire budget for the Search & Rescue program and requested that the cost of the hangar at the airport for the Civil Air Patrol be removed from his budget. Administrator Deist commented on how that item had come to be included in this budget under the previous administration and suggested that the group

03/28/2011

Page 1 of 13

would need to come before the Board if they wished to make a request related to this amount. The Board agreed to the change. Discussion occurred regarding the increase in cost for ammunition. Administrator Deist offered the recommendation that the request of \$180,000.00 for vehicles be deleted at this time but noted that the item could be looked at for final budget. Sheriff Kilgore stated he would like to see the vehicles remain in but agreed that it would be up to the Board. Discussion occurred regarding the current fleet, used vehicles versus new and pick ups versus SUVs. Administrator Deist reviewed the capital outlay request and recommended that the formal interview room be deleted and that the impound facility request be reduced by \$10,000.00. Discussion ensued regarding the forklift request. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the patrol budget with changes offered.

Administrator Deist reviewed the budget request for the Detention Center noting that the travel and training line item has increased. Sheriff Kilgore explained the increase noting the costs for extraditions comes from this line which results in a reduction in the amount of training available to detention staff; he noted that he would like to see a specific line item created for extradition costs. Administrator Deist suggested that travel and training be reduced to \$3,000.00 and that an extradition line item of \$3,000.00 be added. Administrator Deist reviewed the capital requests and recommended that certain items within the detention system upgrade be deleted and that the number of radios be reduced from twelve to six. Sheriff Kilgore reviewed the planned system upgrade for the Board. After discussion the following motion was made by Commissioner Bell and passed unanimously:

To approve the Detention Center budget as recommended by staff.

Administrator Deist reviewed the Dispatch budget noting that the increase in capital is related to the network design upgrade and that half of the cost for that upgrade is included in the Communications budget. Sheriff Kilgore discussed the reasons behind the network upgrade noting that the CAD system is not included as that will be done by an outside company so once he obtained costs he would bring it back before the Board for discussion. Commissioner Bell concurred with the Sheriff's concerns regarding the issues in dispatch. The following motion was made by Commissioner Bell and passed unanimously:

To approved the Dispatch budget as recommended by staff.

Administrator Deist reviewed the Task Force budget noting an increase in costs and that the grant offset is an unknown. Sheriff Kilgore discussed the grant cycle, the submission criteria and how the JAG grant is changing. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the Task Force budget as presented.

Administrator Deist explained that the Local Emergency Planning Committee (LEPC) is a grant funded program so if funds are received they will be put in and if they are not they won't be. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the LEPC budget.

Sheriff Kilgore noted that one item was not included in the budget that will need to be looked at in the future, that is a body cooler unit and he will bring that before the Board once the cost to replace is determined.

ROAD DEPARTMENT/REGIONAL TRANSPORTATION FUND: Road Superintendent Ben Garrett appeared before the Board. Administrator Deist reviewed the budget message for the Road Department budget noting that revenue for this fund is down but that it may increase over projection in the area of charges for service depending on the price of fuel; he noted that as there is no projection for Secured Rural Schools funding included in the budget as the program would need to be renewed by Congress; he continued noting that expenses are also down for this budget but there is still a difference between revenue and requested expenses, that an additional transfer of \$150,000 in PILT funding for a total PILT transfer of \$1,150,000 is being recommended to be consistent with the Commission's direction that a majority of PILT funding go to the Road Department.

Superintendent Garrett noted the increase in the signs and pavement marking line item and the fuel line item. Discussion occurred regarding how often fuel is obtained, current costs and additional storage. Chairman Amos asked that an additional storage tank be looked into. Commissioner Fransway commented on the reauthorization of Secured Rural Schools funding and the full funding of PILT and the need to work with NACO to get that done. Superintendent Garrett continued discussing the increased costs for dust control and noting the items which have decreased; he reviewed the equipment request including the suggestion to do rebuilds on certain graders and the need to replace snow plows. Administrator Deist noted the gap between revenue and expenses and suggested that the transfer of additional PILT funds could cover the cost of the rebuilt graders. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the Road Department Budget with a transfer of \$150,000.00 from PILT.

Administrator Deist noting the amounts indicated in the budget for RTC. Superintendent Garrett reviewed the projects proposed by RTC including work in the Star City area and surface treatments around the Winnemucca area and in Paradise Valley and Golconda. Discussion occurred regarding the Eden Valley Bridge project. After discussion the following motion was made by Commissioner

Fransway and passed unanimously:

To approve RTC as per request with no adjustments.

CLERK/ELECTIONS/INDIGENT FUND/INDIGENT MEDICAL FUND: County Clerk Tami Rae Spero appeared before the Board. Administrator Deist reviewed the budget request for the Clerk's Office. Clerk Spero discussed the increase in the microfilm line item due to failure of the microfilm camera and the need to begin scanning and converting to microfilm which is more expensive. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Clerk's budget as presented.

Administrator Deist reviewed the Elections budget request. The following motion was made by Commissioner Bell and passed unanimously:

To approve the Election budget as presented.

Administrator Deist reviewed the Indigent Services budget request noting that the item for the grant for the Retired and Senior Volunteer Program (RSVP) was contained as a line item in this budget and the request from the organization had been increased from \$3,300 to \$3,676. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Indigent Services budget with the increase to RSVP as requested by staff.

Administrator Deist reviewed the Indigent Medical budget request for the Board. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve Indigent Medical as submitted.

STABILIZATION FUND: Administrator Deist reviewed the purpose of this fund. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Stabilization Fund.

UNEMPLOYMENT TAX FUND: Administrator Deist reviewed the purpose of this fund. The following motion was made by Commissioner Bell and passed unanimously:

To approve the Unemployment Tax Fund as presented.

COMPENSATED ABSENCES FUND: Administrator Deist reviewed the purpose of this fund. Discussion occurred regarding what portion of sick leave is paid out. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the Compensated Absences Fund as presented.

PUBLIC DEFENDER FUND: County Public Defender Matt Stermitz appeared before the Board. Administrator Deist reviewed the budget request. Mr. Stermitz discussed the computer request included

in the proposed budget. Discussion occurred regarding the reimbursement rate for this office. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Public Defender budget as submitted.

HEALTH: Administrator Deist recommended approval of this budget as presented. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the office of the Public Health Nurse as presented.

MOSQUITO: Administrator Deist reviewed the budget request noting that it was down slightly from the previous year and recommended approval as submitted. The following motion was made by Commissioner French and passed unanimously:

To accept the budget as proposed by staff for the Mosquito Abatement Program.

BUILDING RESERVE FUND: Administrator Deist reviewed the budget request for this fund. The following motion was made by Commissioner Bell and passed unanimously:

To approve Building Reserve as recommended by staff.

CAPITAL PROJECTS FUND: Administrator Deist reviewed the budget request for this fund noting that the recommendation had been to transfer the roof project for the library to this fund. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Capital Projects Fund with transfer as suggested.

DEBT SERVICE FUND: Administrator Deist stated that there was nothing to approve for this fund as the County has no debt.

COMMUNITY SUPPORT: Administrator Deist reviewed the budget request for this fund and recommended that the amount identified for contribution to the Humboldt Development Authority be removed and they use their ending fund balance. The following motion was made by Commissioner Fransway and passed unanimously:

To approve Community Support budget with removal of \$20,000.00 for HDA as suggested.

EMERGENCY MANAGEMENT: Administrator Deist stated that this item is funded by grants if received.

GENETIC MARKER TESTING: Administrator Deist reviewed how this fund received its income from court ordered payments. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve.

IN-LIEU OF TAX FUND: Administrator Deist noted that this is a transfer fund, that once the funds are received they are transferred out to the Road Department budget and for the Cooperative Extension's weed program. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve as presented.

INTERGOVERNMENTAL: Administrator Deist reviewed the fund noting that this includes the cost share agreement with the City so it could change as we go along. The following motion was made by Commissioner French and passed unanimously:

To approve Intergovernmental budget as presented by staff.

OTHER CULTURE & RECREATION: Administrator Deist noted that this fund includes the County's annual contribution towards the Virgin Valley campground. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve Other Culture and Recreation budget \$2,500.00 for Virgin Valley Campground.

Discussion occurred regarding water testing at the campground.

RURAL STREET LIGHTS: Administrator Deist reviewed the purpose of this fund. The following motion was made by Commissioner Bell and passed unanimously:

To approve Rural Street Lights as presented.

OTHER GENERAL GOVERNMENT: Administrator Deist offered the recommendation that the Inter-Fund Transfer line item be reduced from \$200,000.00 to zero as it is believed that it will not be needed this year. The following motion was made by Commissioner Fransway and passed unanimously:

To approve Other General Government as recommended.

RECORDER: Recorder Mary Ann Hammond appeared before the Board. Administrator Deist reviewed the proposed budget for the Board. Recorder Hammond reviewed her Technology Fund report for the Board as required. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Recorder's budget including the Technology Report for the Recorder's Office.

COMMUNICATIONS/TV: Communications Director Paul Burkholder appeared before the Board. Administrator Deist reviewed the proposed budget for the Communications department for the Board including the increase in expenses associated with the P25 radio issue. Director Burkholder reviewed the increases in his budget related to fuel and the continuation of the migration to new radios and a special

project related to routers and networks in conjunction with Dispatch. Discussion occurred related to the differences between the P25 radios and the current system. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the Communications budget as presented.

Director Burkholder reviewed the budget request for TV. Discussion occurred regarding tv service in the rural areas and issues with the Quinn River Television District. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the TV budget as presented.

Chairman Amos recessed for lunch at 11:28 a.m. to reconvene at 1:00 p.m.

JUSTICE COURT AND ADMINISTRATIVE ASSESSMENT FUND: Justice of the Peace Gene Wambolt and Justice Court Administrator Ginger Gabiola appeared before the Board. Administrator Deist reviewed the budget request for Justice Court noting that it had decreased slightly from the prior year. Justice of the Peace Wambolt discussed retirements within his department and potential fiscal impact of Legislative actions. The following motion was made by Commissioner Fransway and passed unanimously:

To approve Justice Court and Administrative Assessment Fund as submitted.

ASSESSOR/COMPUTER SYSTEMS/TECHNOLOGY FUND: Assessor Jeff Johnson and Computer Technician Merleen Wambolt appeared before the Board. Administrator Deist reviewed the budget request for the Assessor's Office for the Board. The following motion was made by Commissioner Bell and passed unanimously:

To approve the Assessor's budget as presented.

Assessor Johnson explained the increase for the Computer Systems budget request including improvements to the mainframe, services and supplies and computer programs. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the Computer Systems budget as presented.

Assessor Johnson reviewed the anticipated budget for the Assessor's Technology Fund and the planned utilization of the fund. The following motion was made by Commissioner Bell and passed unanimously:

To approve the Assessor's Technology Fund as presented.

PLANNING: Betty Lawrence, Senior Planning Technician for the Planning Department and Lewis Trout and Giovette Cassinelli Regional Planning Commission (RPC) members appeared before the Board. A

handout from Ray Olsen, RPC member and past RPC Chairman was provided to the Board for review (see attached). Administrator Deist reviewed the budget request for the Planning Department noting that the request does not include a Planning Director position but does create a travel and training line item of \$1,000.00. Mrs. Lawrence noted that an increase had been made to the postage line item. Mrs. Cassinelli reviewed the handout for the Board. Mr. Trout commented on the need for additional notification related to a planned update of the master plan and asked that the postage line item be increased by \$500.00 rather than \$200.00. Commissioner Fransway commented on his support of efforts to keep the public involved. Commissioner Cassinelli commented on whether notification would result in the community turning out and being involved. Discussion occurred regarding how the notification would be handled. Commissioner French commented that he agreed that is was not a good time to hire a Planning Director based on budget concerns but noted that there will be a huge impact on staff and the RPC related to revisiting the Master Plan and asked if there were sufficient funds to cover necessary overtime costs. After discussion the following motion was made by Commissioner Bell and passed unanimously:

To approve the Planning budget with \$1,000.00 in Travel and Training and an additional \$300.00 for postage.

Discussion occurred regarding the possibility of having to modify this budget in the future.

DISTRICT ATTORNEY/CHILD SUPPORT/CHECK RESTITUTION: District Attorney Michael Macdonald and Office Manager Nancy Jurad appeared before the Board. Administrator Deist reviewed the proposed budget for the District Attorney's Office for the Board. District Attorney Macdonald addressed the Board regarding reimbursement to the District Attorney's Office for costs related to child support for use of a Deputy District Attorney and staff time. Discussion ensued related to reimbursement from the State for the Child Support program and whether that will continue to occur. After discussion the following motion was made by Commissioner Bell and passed unanimously:

To approve the District Attorney budget as presented.

District Attorney Macdonald noted that the Child Support budget has decreased due to the Child Support Coordinator leaving and a new hire coming in at a base level. The following motion was made by Commissioner French and passed unanimously:

To approve the District Attorney's Child Support budget as presented.

Administrator Deist explained the manner in which the Check Restitution Fund worked with money coming in and money going out. District Attorney Macdonald offered comment on the benefit of this program to the community. The following motion was made by Commissioner Fransway and passed

unanimously:

To approve Check Restitution as submitted.

LIBRARY: Library Director Sheri Allen and Library Board member Evelyn Harmon appeared before the Board. Administrator Deist reviewed the proposed budget for the Board noting that it was consistent with past years and no suggestions or recommendations are being offered. Mrs. Harmon noted increases related to insurance and postage. Director Allen commented on the Library Board's efforts to hold costs down. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Library budget as submitted.

WINNEMUCCA EVENTS COMPLEX FUND (AG DISTRICT 3/INDOOR EVENTS CENTER):

Kim Petersen, Winnemucca Convention & Visitors Authority Director and O. Kent Maher, Ag District 3 Chairman, appeared before the Board. Administrator Deist reviewed the proposed budget request noting that the increase is mostly in the capital items in the Ag District 3 portion of the budget; he offered the recommendation that the fencing be placed in the Building Reserve Fund as requested at the amount of \$25,200.00 but that the request for a storage building and livestock barn remodel being placed in the Building Reserve Fund be cut; he reviewed additional recommendations for reductions, based on discussion with Director Petersen and Chairman Maher as to their priorities, including not doing the metal roof for the fairgrounds office, the web camera or the exhaust hood for the grandstand kitchen. Director Petersen commented on the equipment request; he noted that the requests for the storage building and the 4-H barn remodel were not requests to be taken out of the Building Reserve Fund but a request to begin putting funds into the fund for these projects for the future as they will be needed. Chairman Maher commented on the need for the freezer per a Health Department requirement and noted that the exhaust hood and the fire suppression in the grandstand kitchen will come back as it will have to be done at some point. Discussion occurred regarding the donation of stalls by the WCVA but the need to cover them, the condition of the fairgrounds office roof, what the web camera would have been used for and that they will seek sponsorship for it, the need for the water cannon and the need for an exhaust hood and fire suppression system in the grandstand kitchen. Commissioner Fransway inquired about the status of fencing the Tregellas property. Director Petersen responded noting that what would need to be done would be cost prohibitive. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve Ag 3 and Indoor Events Center budget per staff recommendation removing the items recommended.

03/28/2011

Page 9 of 13

COOPERATIVE EXTENSION: Cooperative Extension Agent Brad Schultz appeared before the Board. Administrator Deist reviewed the proposed budget for the Board noting that it is in line with the past several years. Agent Schultz commented on the budget noting the increase is related to salaries. Discussion occurred regarding what is occurring at the State level with the Cooperative Extension program. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Cooperative Extension budget as presented.

BUILDING OFFICIAL: Building & Safety Director Bobby Thomas appeared before the Board. Administrator Deist reviewed the proposed budget noting that the increase was related to staff costs; he recommended approval as submitted. Discussion occurred regarding permits issued by the Department. The following motion was made by Commissioner Fransway and passed unanimously:

To approve the Building Inspector budget as presented.

TREASURER: Treasurer Gina Rackley appeared before the Board. Administrator Deist reviewed the proposed budget and noted that the decrease was due to a new employee coming in at a lower salary and the Assessor absorbing the position shared with the Treasurer; he recommended approval as submitted. Treasurer Rackley discussed the increase in the Printing & Advertising and Postage line items. The following motion was made by Commissioner French and passed unanimously:

To accept the Treasurer's budget as recommended by staff.

SIXTH JUDICIAL DISTRICT FUNDS: District Court Judges Richard A. Wagner and Michael R. Montero, Court Secretary Rosa Sanchez, Chief Juvenile Probation Officer Ed Sampson and Assistant Chief Juvenile Probation Officer Craig Tippins appeared before the Board.

DISTRICT COURT - HUMBOLDT: Administrator Deist reviewed the proposed budget recommending reductions in witness fees and jury fees; he noted the additional request for \$10,000.00 for professional engineering fees for issues concerning the Quinn River. Judge Wagner addressed the Board and detailed the request for \$10,000.00 in seed money for engineering fees to take control of the issues with the Quinn River; he discussed the plan to seek grants for additional monies, the need to have the right people on board to handle the issue and what the issues with the Quinn River water decree have been. Chairman Amos stated he understood the situation and had no problem with the request. Administrator Deist recommended that \$10,000.00 of PILT be transferred into this budget to fund the item. The following motion was made by Commissioner Fransway and passed unanimously:

To accept the District Court - Humboldt budget with the addition of a line item for engineering services with a transfer of \$10,000.00 in PILT and with a decrease to witness

03/28/2011

Page 10 of 13

fees and jury fees.

DISTRICT COURT - 60/20/20: Administrator Deist reviewed the proposed budget noting the increase was associated with salaries and recommending that the judicial legal fees line item be reduced to \$5,000.00. The following motion was made by Commissioner Bell and passed unanimously:

To approve the District Court budget as recommended by staff.

COURT REPORTERS - 60/20/20: Administrator Deist reviewed the proposed budget noting the increase was due to salaries and recommended approval as submitted. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the Court Reporters budget as submitted.

COURT REPORTERS - HUMBOLDT: Administrator Deist reviewed the proposed budget noting it had decreased from the previous year and recommended approval. The following motion was made by Commissioner Bell and passed unanimously:

To accept as recommended for Court Reporter - Humboldt.

LAW LIBRARY: Administrator Deist recommended approval of this budget as submitted. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the Law Library budget as submitted.

DRUG COURT: Administrator Deist recommended approval of this budget as submitted. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve the Sixth Judicial Drug Court budget as submitted.

SIXTH JUDICIAL DISTRICT - JUVENILE PROBATION: Administrator Deist recommended approval of this budget as submitted but noted changes could occur based on what the State Legislature does in its session. Chief Sampson discussed the slight increases within the budget and concurred that there could be need to amend depending on what the State Legislature does. Judge Wagner commented on how the department has worked diligently to not be dependent on grant funding. Commissioner Fransway asked if PASS is funded in this budget. Chief Sampson explained the cooperative partnership with the School District for the program. Discussion occurred about what is proposed in the Legislature and issues with statistics. The following motion was made by Commissioner French and passed unanimously:

To accept the Juvenile Probation budget.

SOLID WASTE MANAGEMENT FUND: Administrator Deist reviewed the proposed budget noting that this is an enterprise fund, that no tax dollars go into it, that it is up due to contracts and agreements.

03/28/2011

Page 11 of 13

The following motion was made by Commissioner Fransway and passed unanimously:

To approve as submitted.

ADMINISTRATOR/PERSONNEL: Administrator Deist reviewed the Administrator's proposed budget. The following motion was made by Commissioner Bell and passed unanimously:

To approve Administrator's budget as presented.

Administrator Deist reviewed the Personnel budget noting that there is a recommended decrease in Professional Services. The following motion was made by Commissioner Cassinelli and passed unanimously:

To approve Personnel budget as submitted.

HUMBOLDT DEVELOPMENT AUTHORITY/EXTERNAL BUDGET REQUESTS: Administrator Deist noted his prior recommendation related to the authority that no additional contribution be made and they utilize their ending fund balance. HDA Chairman Pat Gray commented that it is the same budget as in the past, the same programs and he offered no disagreement with the recommendation of the Administrator as they have a healthy ending fund balance. The following motion was made by Commissioner French and passed unanimously:

To accept as presented.

Administrator Deist reviewed the external budget requests including the ongoing \$6,000.00 for the Chamber of Commerce, the RSVP program as discussed under the Indigent Services budget and the annual request from Vitality Center; he noted that the Vitality Center was requesting \$8,500.00 but the recommendation was that \$7,500.00 be approved as has been done in the past. Administrator Deist commented that this item was informational only as these requests are contained in other budget requests so no action is required.

COMPTROLLER: Administrator Deist offered comment on the status of hiring a comptroller; he reviewed the proposed budget and recommended a reduction to \$110,000.00 for the audit line item. The following motion was made by Commissioner Bell and passed unanimously:

To approve the Comptroller budget as recommended.

COMMISSIONERS: Administrator Deist reviewed the proposed budget and offered the recommendation that the Compensated Absence line item of \$2,500.00 be eliminated as the Commissioners do not receive sick or annual time so it should not be included noting that the payroll projection system includes this item in each budget. The following motion was made by Commissioner French and passed unanimously:

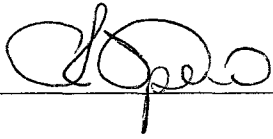

03/28/2011

Page 12 of 13

To accept the Commissioners budget as presented.

PUBLIC COMMENTS: Chairman Amos asked for public comments. None were offered.

ADJOURNMENT: Chairman Amos adjourned the meeting at 3:40 p.m.

ATTESTED:  Clerk APPROVED:  Chairman

UNOFFICIAL

MEMORANDUM

TO: County Commissioners
FROM: County Administrator
DATE: March 23, 2011
SUBJECT: Budget Message

When we met in January for the annual retreat we had just heard the Governor's State of the State address. Shortly there after we were able to see what he had proposed that we as Counties should pick up in the next two years; This budget proposal does not include any of those items. I feel that at this time we do not have enough information as to what may be pushed down to include anything in this budget. This is why I stated at the retreat and will repeat here that the possibility of having to do an amended budget following the closure of the Legislative Session is a strong possibility.

In development of the revenue projections we have continued the past practice of being conservative in our estimates. We reviewed the process that had been used by the former Comptroller, we discussed certain areas with the Assessor and the Treasurer, and arrived at the projections which are before you today. SB 2 of the 2008 Special Session brought back the prepayment of the net proceeds and it will sunset on June 30, 2011. As a result we have not projected any net proceeds revenue in the 2011-2012 budget. This has an impact on any fund which receives property taxes. Prior to the final budget we may know if the prepayment has been

extended or not and if it has we will take that in to account in preparing that final budget. If it is not we will not receive this revenue until the 2012-2013 budget year. We expect a good payment in May of this year as the projections for the calendar year 2011 have been received by the Department of Taxation. This payment will help our ending fund balance at June 30, 2011 and may serve to soften the decrease in fund balance we expect to see at June 30, 2012. We do know that we will receive \$785,650.09 in additional payments and \$98,520.82 will go to the General Fund.

In preparing this budget we kept in mind the direction you gave at the retreat and are not proposing new taxes and there are no new programs in the General Fund. Expenses do not equal revenues in the General Fund, however seldom do they at this point in the process. The requests in the General Fund are up \$961,337 over the current year. Most of this is capital requests. We also have increased benefit costs as we are aware of items such as the PERS increases which will become effective July 1, 2011. As you are aware we are in negotiations with both associations and have yet to see a proposal. What the final contracts look like will also impact this budget. On the revenue side we are projecting \$1,029,809 less than the current year revenue. Most of this is a result of not projecting net proceeds revenue.

As a result of the above we will be using fund balance to provide a balanced budget. We project this every year and hope that we do not have to use it, however this year I believe we will be using fund balance in most funds to get through the year.

I will make recommendations on several of the requests as we go through the budget review process. If I do not make a comment on a request then I am supporting the request as presented. At this point I would be happy to answer any questions regarding what I have just covered. If not Mr. Chairman I would propose that we proceed with the review of the Department Requests.

BUILDINGS AND GROUNDS

This budget request is similar to past years with little increase other than in Capital Outlay. As you are aware this is the case most years. Our recommendations are as follows:

1. In the Capital Outlay proposal delete the following:
 - a. Rebuilt Compressor - \$19,800
 - b. Emergency Generator at the Road Department - \$42,000.
 - c. Pickup requested - \$29,000
2. In the Capital Outlay transfer the Library roof to the Capital Project fund - \$82,500.
3. In the Special projects request delete any request under \$350.00 and do those out of the regular line items - \$1,075.
4. In the contract items the contract with Schindler will be less than projected and we are looking at that number at this time. We now have these costs broke out by elevator location in the future we will be proposing that the payment be made by location.

SHERIFF/DETENTION/DISPATCH/TASKFORCE/LEPC

In the Sheriff's patrol budget we would recommend the following:

1. Reduce Travel and Training to \$20,000 – reduction of \$10,000.
2. Delete the request for vehicles at this time - \$180,000
3. In Capital Outlay (not shown on the expenditure page)
 - a. Delete Formal Interview Room – \$25,000

- b. Reduce Impound Facility request to \$10,000 – reduction of \$10,000.

In the Detention Capital Outlay (not shown on expenditure list)

1. Delete the items in the detention system upgrade with an x by them for a savings of \$26,014.
2. Reduce the number of radios from 12 to six for a savings of \$16,094.40.

In Dispatch only a comment on the Capital Request – The network design upgrade listed is ½ of the cost. The other half is in the Communication Department Request.

ROAD DEPARTMENT/REGIONAL TRANSPORTATION

The Revenue for the Road Department is down by \$276,379 from this year's budget. The revenue may increase over the projection in the area of charges for service depending on the price of fuel. There is no projection for Secure Rural Schools as we believe we have received all the payments we will receive unless the program is renewed by Congress.

The expenses are also less than the current year however we have a difference of \$757,979 between revenue and requested expense. We are recommending that we transfer an additional \$150,000, the cost of one of the graders, to this fund for a total PILT transfer of \$1,150,000 which is consistent with your direction that the majority of the PILT funding goes to the Road Department. This transfer is of money on hand and does not include any revenue we will receive in June. This is also consistent with your direction related to PILT.

INDIGENT SERVICES

We are recommending increasing the line item for RSVP from \$3,300 to \$3,676 to be at the amount requested.