

Assembly

MINUTES - WAYS AND MEANS COMMITTEE
NEVADA STATE LEGISLATURE - 56th SESSION - FEB. 1, 1971

Chairman Young called the meeting to order at 3:10 PM.

Present: R. Young, Howard, Capurro, Hafen, F. Young, Brookman, Mello, Schofield, Swackhamer, Lingenfelter, Hilbrecht.

Absent: None.

Guests: John Dolan, Dept. of Admin., Wilson McGowan, State Controller; Rudy Mareno, Deputy State Controller; Don Schultz, Asst. State Controller; Hale Bennett, Mgr. Computer Facility; Bob Cameron, Financial Secretary; Earl Oliver; Ernie Newton, Nev. Taxpayers Assn.; George Frank, UPI.

Chairman Young asked for corrections of the minutes of the Jan. 27th meeting. The following corrections were made:

PAGE 3 - ACR5

Proposal for \$25,000....

PAGE 3 - PAGE A-19 - NEVADA YOUTH TRAINING CENTER - BOILER.

Mr. Howard made motion DO PASS.
Mrs. Brookman Seconded.
PASSED

Mr. Lingenfelter moved to approve the minutes as amended.
Mr. Mello Seconded.
Passed unanimously.

Chairman Young discussed voting rules of Committee since Committee size had increased to 11 members. It was decided that it would take at least 7 votes to reconsider a matter.

Chairman Young announced that the Bill books would be delivered to the Committee Room.

PAGE 17 - CONTROLLER'S OFFICE. Mr. McGowan stated that a new system is being implemented to provide agencies with internal accounting. Agencies need a financial information system so they are aware of where they stand budgetwise.

PAGE 18 - EDP. Mr. Merino discussed computer planning reports. Controller's office requesting \$247,000 for

EDP. This request is based on running daily reports (5 runs per week) Governor recommends appropriation of \$174,200. This recommendation is based on running reports only two times a week (Monday and Friday). One advantage of new system is that reports indicate what has been spent and what has been committed (encumbered). General discussion of computer planning reports (Young, Swackhamer, Schofield, Lingenfelter, Hilbrecht). Chairman Young asked what the cost difference would be in running the reports every day versus two times a week. Mr. Merino stated difference is approximately \$52,800 to update files five times a week. The following is a breakdown of the Controller's office EDP request and the Governor's recommended appropriation for EDP:

<u>Agency Request</u>	<u>Governor Recommends</u>	<u>Purpose</u>
\$88,000 (5 x a week)	\$35,200 (2 x a week)	Running reports
\$29,000	\$29,000	Monthly reports
\$39,000	\$39,000	Payroll
\$30,000	\$30,000	Key punch, etc.
\$44,000	\$41,000	CDP analysts
\$17,000		Programmer
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\$247,000	\$174,200	Totals

PAGE 17 - NEW POSITIONS.

Principal Accountant. Agency requesting appropriation of \$11,189. Senior Accounting Systems Analyst. Agency requesting appropriation of \$35,163. Supervisor Systems Method Analyst. Agency requesting appropriation of \$36,840.

Agency stated that if they don't get approval for new system what they have invested to date will be lost. Mr. Dolan remarked that they don't want to build these positions into the budget permanently. His feeling was that these reports don't need to be run on a daily basis. The rationale being that agency would plan how they are going to spend money and get input information in on a more timely basis. Mr. McGowan felt that systems people needed to

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control it would be lost in other agencies. Mr. McGowan stated that these positions would be permanent. Mr. Dolan stated that they did not recommend the new positions because this function would be in other personnel budgets.

PAGE 17 - COMMUNICATIONS EXPENSE. Agency requesting appropriation of \$4,800 in 1971-1972 and \$5,300 in 1972-1973. Mr. Dolan stated that an error had been made and Governor recommends that \$14,810 be added in for each fiscal year. Increase in appropriation to be used for postage and freight for warrants to avoid delay. Total appropriation would be \$19,610 for 1971-1972 and \$20,110 for 1972-1973.

PAGE 69 - COMPUTER FACILITY.

Computer operations have moved from Highway Building to 3rd Street in Carson City. - It is composed of Directors of Agencies who utilize the Computer Facility, and it is responsive to needs of agencies. - They charge higher service rates for quick job completion. Mr. Bennett indicated that it would cost \$30,000 per month more if the agencies were separate. Increase in Computer Facility budget is 30% due to anticipated workload in next biennium. Computer Facility is operating at 100% capacity at present. To increase capacity, they would send back present computer and get a smaller version of a larger computer.

PAGE 69 - EXISTING POSITIONS. Data Processing Manager - Mr. Bennett indicated that his services were on loan until June 1971 to Computer Facility. His services are dependent upon whether or not position will remain classified. They are attempting to move this position back to an unclassified status.

Computer Facility provides hardware of system. Data Processing is the software. Workload depends upon amount of work other agencies give the Computer Facility.

PAGE 70 - BUILDING CONSTRUCTION AND INTEREST. Computer Facility requested appropriation of \$42,848 and Governor recommended \$10,712 in 1971-1972. Mr. Dolan stated that the reason in the decrease of this appropriation is that the building cost will be amortized over 50 year period with no interest instead of 20 years with interest. The Dept. of Admin., plans to provide a bill to implement.

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PAGE 77 - STATE BOARD OF FINANCE.

State Owned Building Rent - Agency requesting appropriation of \$1,000. Governor recommending \$475. State Board of Finance office has been moved to 2nd floor in Capitol building and rent is now \$475.

New Position - Agency requesting \$4,451 for administrative secretary. Up to present there has been no provision for a secretary for Mr. Cameron.

Mr. Cameron indicated that daily DP reports would give him a better evaluation at time which would result in better investment procedures. With DP reports, the efficiency ratio in cash flow study could reach 88%-89%.

Being no further business the meeting was adjourned at 5:25 PM.

WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE - 56th SESSION

AGENDA - BUDGET HEARINGS - FEB. 1, 1971 - MONDAY

MORNING

No meeting

AFTERNOON

2:30	Controller's Office	Wilson McGowan
3:00	Attorney General	Jim Thompson, Chief Deputy

WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE - 56th SESSION
THIS ADGND A SUPERSEDES PREVIOUS AGENDA

AGENDA - BUDGET HEARINGS - FEB. 1, 1971 - MONDAY

MORNING

No meeting

AFTERNOON

2:30	Controller's Office	Wilson McGowan
3:00	Computer Facility	Hale Bennett
3:30	State Planning Board	Bill Hancock
4:00	State Board of Finance	Bob Cameron