

MINUTES

Assembly

WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE - 57th SESSION

March 1, 1973

Meeting called to order by Chairman Mello at 8:00 AM in the Ways and Means Committee Room.

Present: Chairman Mello, Vice-Chairman Schofield, Messrs. Hafen, Robinson, Smith, Prince, Howard and Dreyer. Mr. Capurro had an excused absence.

Also Present: John Dolan, Randy Webb, Howard Barrett, Gene Pieretti, Jim Wittenberg.

Introduction of Jim Wittenberg, Administrator for the Personnel Division.

Classified Salaries: Proposed legislation is the result of salary surveys done by the Personnel Division.

Salary increases would be retroactive to January 1, 1973. The recommendations are based on a comprehensive salary and fringe benefit survey which was conducted in August among the Western states and among public and private employers within the State of Nevada. Sixty-six thousand different comparisons were made.

Our recommendation is one grade increase for existing rate ranges. Our survey indicated that the entry rate is competitive; the maximum is where the State is lagging behind. Personnel proposes to implement this by adding one more step which would come out at an average of 4.7, not an exact 5% increase.

There are now approximately nine 2-1/2% steps; this implementation would give us an additional tenth and eleventh step, each of which would be 2-1/2% approximately.

Straight dollars across the board would decrease the differential between the various rates.

Chairman Mello pointed out that instead of giving a percentage increase and yet keep the differential in line, that it would be possible to give a dollar increase in proportionate amounts to each rate level.

The average of 4.7 is reached at grade level 35. Approximately 15% of all employees are in grade level 36 to 53; 75% grade 33 and below; and, 10% in grade level 34 to 36. Fifty-five percent of all employees will get 5% by moving from the ninth step to step ten or eleven. Eighty percent of these will get 4.7 or more.

Career Incentive Proposal: To become effective on July 1, 1973. This is explained in the chart on page 556, schedule of years of service and payments on a semi-annual basis. This is in effect in about 50% of the States in the Country. It is felt that this proposal would maintain productivity and higher morale among long-term employees.

There are six government entities in the State presently using some system of career incentive. Eighty to eighty-five percent of employees eligible for career incentive are at the top of their range. However, there will be some employees that will still have step status.

Turnover in State personnel is now down to about ten or eleven percent. Applications are running about 66 thousand; applications, not people, because some people may turn in five or six applications.

Unclassified: Have grouped positions into classifications similar to classified positions. These groupings are based on duties and responsibilities and the ramifications of these responsibilities. At this point the comparabilities become more nebulous. Most comparisons were taken from within the State of Nevada. This area of salaries is the least competitive with salaries outside of State government. The average percentage of salary increase is 14.14%. This was derived as follows: 5% increase that the unclassified did not get in the way of a merit increase; 5% to match which the classified will be getting; and, 4.17% which is the Consumer Price Index that unclassified did not get in 1972.

Bob Gagner, Executive Director of the State of Nevada Employees Association. The Association generally supports the salary package, as long as (1) the Governor supports the Career Incentive Program; and, (2) that the Personnel Advisory Commission looks into the upgrading of a number of classifications that were demonstrated by the last survey to be too low. Chairman Mello requested that the entire Committee be furnished with a list of those positions that the Association feels are too low.

Break taken at 9:15 for 15 minutes.

Introduction of Drs. White, Tucker and Anderson for the WICHE program, page 178. Courses of study covered by WICHE include those as listed on page 179 and also Physical Therapy and Occupational Therapy. Since the budget was approved, it was decided to include the field of law. It would cost \$2,500 for each student enrolled for a law degree. The Commission decided not to include the request for the study of law in this budget and has decided to leave it up to the legislature. There is no income level required. This program is available to all Nevada students in their third or fourth year of study. Dr. Anderson pointed out to the Committee that the thought of moving the Medical School from the Reno campus to the Las Vegas campus would not be in the best interests of the school. In that it would not show a stability on the part of the State. There might also be a withdrawal of support by the various foundations presently supporting the school.

Mr. Howard Barrett presented the budget for the Budget Division of the Department of Administration.

Budget Division is mainly supported by General Funds; apportioned from other funds is basically at this time Highway funds which pays for an analyst in the office who devotes a majority of his time to budgeting of agencies that are financed from the Highway fund; reimbursement by divisions within the department for time spent by the staff.

Unclassified Salaries: Two positions are held by Ron Sparks and Bill Bible. It is felt by Mr. Barrett and the Governor that to be able to retain these people the salaries must be increased commensurate with their ability.

New Positions:

Account Clerk: Have requested this position to assist in the pre-audit function. All warrants presented for payment must be cleared through the Budget Office before being sent to the Controller for payment. Requested strictly because of the increased workload.

Student: Shows as a new position but in actuality is an existing position that was hired from salary savings to assist in the filing of all claims submitted to the office for clearing.

Management Analyst: Would assist the other Management Analysts in the office to do the two most important functions in the office. (1) The responsibility to the Governor directly to assist in preparing the budget; and (2) Budget control after the budget has been approved by the Legislature. The addition of this position would allow all analysts to be a little more specialized in their duties. It would also allow the Division to have two people familiar with a particular area.

Although the Out-of-State Travel line item does not show any expenditures for the 72-73 work program there were three trips made and funding for same was transferred from other categories in the budget.

EDP charges will decrease the first year of the biennium because an Executive Budget will not have to be prepared. In the second year they will increase because of the preparation of the budget. EDP charges have increased due to more utilization of the computer.

Special Reports: Money to be used for special studies that cannot be prepared by those in the office.

Training: Classes in Lexington, Kentucky to train staff members in current methods used in budgeting. It is an excellent opportunity for new people coming on the staff to receive training in a particular area.

Governor Elect Expenses: To be used to meet immediate needs of the Governor-Elect for staffing, communications, office space, etc. An amount of this was spent for Governor O'Callaghan. At that time, however, the amount allotted was only \$2,500. There will be legislation introduced bringing this amount up to \$5,000.

Meeting adjourned at 10:20 until 7:30 AM on Friday when we will continue with the budget for the Department of Administration.