

Assembly
MINUTES

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WAYS AND MEANS COMMITTEE - NEVADA STATE LEGISLATURE - 58th SESSION

May 5, 1975

The meeting was called to order by Chairman Mello at 8:00 A.M. in the Ways and Means Committee Room.

PRESENT: Chairman Mello, Mr. Bremner, Mrs. Brookman, Mr. Dreyer, Mr. Glover, Mr. Howard, Mr. Robinson, Mr. Weise and Mr. Wittenberg.

ALSO PRESENT: John Dolan, Bill Bible, Russell McDonald, Roland Westergaard, Jim Lien, Frank Sedelmeyer, Gary Stone, James Gerow, Glen Griffith, Rod Goff, Assemblyman Joe Dini, Speaker Keith Ashworth, and Assemblyman Larry Jacobsen.

Mr. Dreyer made a motion to approve the minutes of March 31, April 14, 15, 16, 17, 18, 21, 23, 24, 25, 28, 29 and May 1, 1975. Mr. Glover seconded. Motion passed.

SB 469 "Makes an appropriation to channel clearance, surveying and monumenting fund administered by state engineer." BDR S-1632

Russ McDonald explained that this is a request for the state to appropriate an additional \$25,000. The fund would be subject to distribution upon application by the subdivisions. The state engineer would determine the validity of the project if money is appropriated. This is an essential program and the \$25,000 would be used on the Truckee River Project.

Mr. Wittenberg made a motion to recommend a "Do-Pass". Mr. Dreyer seconded. Motion passed with Mr. Robinson, Mr. Weise and Mrs. Brookman voting no.

SB 470 "Makes appropriations to equalization county matching funds to assist counties in carrying on equalization program." BDR S-1627

Mr. McDonald explained that the computer assistance program has been approved by the Tax Commission. The cities have agreed to help fund it, but the school district refuses to participate. The state will share as a beneficiary in anything the county does. They are seeking \$106,000 for the balance of the fiscal year, \$90,000 for 1976 and \$84,000 for 1977. Jim Lien stated that if the appraisals are to be done annually, they must have the computer system.

Mr. Wittenberg made a motion to recommend a "Do-Pass". Mr. Bremner seconded. Motion passed with Mr. Robinson, Mrs. Brookman and Mr. Weise voting no.

AB 402 "Makes appropriation to University of Nevada for study of application, use of irrigation water in drainage basins of Truckee and Carson rivers." BDR S-1243

Gary Stone stated that \$15,000 is needed for the next biennium to continue the study being done by the University of Nevada. In 1973 \$40,000 was appropriated to purchase equipment for measuring water and making weather studies. This equipment was used in Fallon and now is being moved to the upper basin. The Water District is putting in \$5000 to continue this study. Mr. Stone stated that since the Carson River basin takes in five counties in Nevada and because of the recent action of the Federal Government, the whole Western Nevada area is included in this controversy. The state appropriation is being requested because this will be a benefit to the state as a whole. Frank Sedelmeyer stated that this work has been done in other areas of the state with state support and this should be completed in the next two years.

Mr. Dreyer made a motion to recommend a "Do-Pass". Mr. Robinson seconded. Motion passed with Mr. Weise voting no.

SB 547 "Authorizes transfer of money from general fund salary adjustment account to tax commission account." BDR S-1687.

Jim Lien stated that this transfer is needed because of the fact that data processing has exceeded the original costs. Equipment costs have risen, salaries have risen and employees have increased. They have cut operating supplies, printing, etc in order to meet the increases costs. See attached for additional information.

Mrs. Brookman made a motion to recommend a "Do-Pass". Mr. Wittenberg seconded. Motion passed with Mr. Glover being recorded as not voting.

SB 471 "Requires state to pay costs of tests required as a condition of probation to determine controlled substance use." BDR 14-1628

James Gerow stated that the testing in Clark County is done at Southern Nevada Memorial Hospital and is paid for by Clark County. \$3141 is the cost this year for Clark County and they are expecting a 50¢ increase in July. Southern Nevada Memorial Hospital bills Parole and Probation for this service, and they in turn bill the county. This bill would make the billing system less cumbersome. Mr. McDonald stated that it is not the money that is the problem, but the administrative costs in getting the bills paid.

Mr. Howard made a motion to recommend a "Do-Pass" and resolve the conflict notice. Mr. Glover seconded. Motion passed.

SB 493 "Makes supplemental appropriation from general fund to state treasury to Nevada department of fish and game to help finance costs of annual conference of International Association of Game and Fish Commissioners to be held in Las Vegas, Nevada." BDR S-1654

Glen Griffith stated that this request is made to support the 104th annual meeting which is being held at Caesar's Palace in Las Vegas. This money would be used for printing, hospitality, etc. \$6500 is needed to help defray costs and there will be a minimum of 600 delegates from the United States, Canada, Mexico, and the African nations.

Mr. Bremner made a motion to recommend a "Do-Pass". Mr. Dreyer seconded. Motion passed with Mr. Weise voting no.

SB 568 "Makes appropriation to department of administration to purchase equipment and supplies for employees working for state agencies and funded by various federal public employment acts." BDR S-1876

Bill Bible explained that this bill would provide for the purchase of supplies and equipment for the CETA positions.

Mr. Robinson made a motion to recommend a "Do-Pass". Mr. Wittenberg seconded. Motion passed.

SB 563 "Authorizes amounts that may be charged to certain counties for services of state public defender." BDR 14-1450

Rod Goff stated that this provides the determination of counties contribution to the budget of the state public defender. Douglas County has been added since the budget was approved.

Mr. Wittenberg made a motion to recommend a "Do-Pass". Mrs. Brookman seconded. Motion passed.

AB 610 "Creates state ethics commission, establishes code of ethical standards for public officers and employees and require financial disclosure by candidates for and holders of elective public offices." BDR 23-1353

Assemblyman Joe Dini explained that this bill does not relate to net assets but attempts to determine major economic interest in terms of percentage. He felt that anyone could live with this bill. He felt that the bill should not be made so difficult that any particular legislator could not represent his constituent. He stated that something

should be done to get started on conflict of interest. Mr. Glover felt that the public should be the ones that decide whether or not there is a conflict of interest and if there is they should not vote for the person next election. It should not be left up to a commission. Mr. Weise stated that those elected are here on the behalf of their constituents and should do the best job in the interest of the state of Nevada and feels the conflict should be disclosed. Mr. Dreyer felt that there was nothing in the bill to prevent people from making charges against any Legislator. Mr. Dini stated that the man should stand on his background. Mr. Wittenberg felt that ethics commission is a good idea because a person accused of something would have the commission there to back him up and say there was no conflict of interest. Chairman Mello stated that everyone would no that a legislator has been before the ethics commission as it would receive much publicity.

Mr. Dreyer made a motion to recommend a "Do-Pass". Mr. Howard seconded. Motion passed.

John Dolan explained the problems the Community Colleges are having and the new estimated needs. The recommendations for the Western Nevada Community College is \$25,000 each year be added to reduce the planned cancellation of courses until an in-depth review can be conducted and that the estimated deficits of \$71,250 and \$82,772 be added to WNCC Buildings and Grounds. This would be a total of \$96,250 and \$107,772. (see attached)

At the Northern Nevada Community College it is recommended that the 1.70 professional positions be reinstated to NNCC at an additional cost of \$28,187 and \$29,903 for compensation and operating expenses. (see attached).


Mr. Weise made a motion to accept the recommendation of John Dolan. Mr. Howard seconded. Motion passed with Mr. Bremner voting no.

The meeting adjourned at 10:30 A.M.

MEMORANDUM

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TO: Assemblyman Donald Mello
Senator Floyd Lamb

FROM: John F. Dolan, Chief Deputy Fiscal Analyst 

DATE: May 5, 1975

SUBJECT: Adjustments to budgets for Western Nevada
Community College and Northern Nevada Community
College

Pursuant to your request, I have met with the Community College officials to discuss their budget problems. I have also contacted the System Budget Officer for updated enrollment figures, and the Community College Business Manager for actual expenditure figures. My findings are presented below:

WESTERN NEVADA COMMUNITY COLLEGE

Problems

The problems at W.N.C.C. appear to result from two basic causes:

1. First, and most costly, is their inability to adjust to the 24 - 1 ratio recommended in the Executive Budget. They contend that this ratio is generally too high for all campuses because of their emphasis on vocational and occupational programs as opposed to college parallel programs. The problem is amplified at W.N.C.C. because of the many campus centers - Reno, Stead, Carson City, Fallon, Yerington, Lovelock, Lake Tahoe, Hawthorne, etc. These problems have caused the W.N.C.C. to plan cancellations of several course offerings during the 1975-77 biennium. For example, the licensed practical nurse course in Yerington.
2. The second problem is in the buildings and grounds budget. Actual expenditure experience for 1973-74, and experience to date in 1974-75, have shown that amounts requested by W.N.C.C. and recommended by the Governor in the Executive Budget for next biennium will be insufficient.

The request was prepared nearly a year ago before the large inflationary increases in utilities, and prior to the opening of the Carson City Campus of the W.N.C.C. An analysis of the up-dated work program and the new estimated needs for next biennium are shown on page two of this memorandum.

	<u>WORK PROGRAM</u>		<u>NEW ESTIMATED NEEDS</u>	
	<u>1974 - 75</u>	<u>1975 - 76</u>	<u>1976 - 77</u>	
Stead Rental	\$120,000	\$142,000	\$152,000	
Fallon Rental	4,920	4,920	4,920	
Hawthorne Rental	4,200	4,200	4,200	
Washoe Rental	35,000	35,000	35,000	
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RENTALS	\$164,120	\$186,120	\$196,120	
UTILITIES	58,400	64,240	80,664	(4)
MAINTENANCE (1)	20,000	20,000	25,000	(4)
REPAIRS	5,000	5,000	5,000	
SECURITY (2)	.	12,000	12,000	
GROUNDS	5,000	10,000	15,000	(4)
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TOTAL	\$252,520	\$297,360	\$333,784	
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BUDGET		226,110	251,012	
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DEFICIT		\$ 71,250	\$ 82,772	

- (1) Includes one janitor at the Carson City Campus.
- (2) Includes one FTE Security split between Carson City and other campus locations.
- (3) Includes student summer help as groundsman at Carson City campus.
- (4) The 1976-77 amounts for utilities, maintenance, and grounds anticipate the opening of the North Reno Campus for the last six months of the year.

As can be seen from the above analysis, the estimated deficit for 1975-76 is \$71,250, and for 1976-77, \$82,772.

Recommendations - W.N.C.C.

1. It seems to me that it is too late in the Session to make any meaningful in-depth review of the problems resulting from the application of the 24 - 1 ratio. ACR 9, directing the Legislative Commission to study the budgeting formulas for the University Systems, has passed, and this problem can be studied in detail by the Commission. In the interim, it is my recommendation that \$25,000 each year be added to W.N.C.C. to reduce the planned cancellation of courses, particularly in Yerington.
2. I recommended that the estimated deficits of \$71,250 and \$82,772 be added to W.N.C.C. Buildings and Grounds. These

2. (Continued)

additions, plus the continuation of three CETA positions should provide an adequate buildings and grounds budget during the next biennium.

NORTHERN NEVADA COMMUNITY COLLEGE

Problems

The problem at N.N.C.C. is again related to the 20 - 1 ratio for this college when applied to many occupational courses scattered from McDermitt to Ely. The study commissioned by ACR 9 should closely examine the impact of an across-the-board ratio on a small widely dispersed college such as N.N.C.C. The application of the ratio to N.N.C.C. has resulted in an Executive Budget recommendation that 1.70 FTE existing positions be dropped (from a 1974-75 Work Program of 14.20 professionals to a recommended 12.50 professionals in 1975-76).

Recommendations - N.N.C.C.

I recommend that these 1.70 professional positions be reinstated to N.N.C.C. The additional cost is \$28,187 for 1975-76 (\$23,914 in compensation, plus \$4,273 operating); and \$29,903 in 1976-77 (\$25,588 in compensation, plus \$4,315 operating).

SUMMARY OF RECOMMENDED ADDITIONS

	<u>1975 - 76</u>	<u>1976 - 77</u>
Western Nevada Community College	\$96,250	\$107,772
Northern Nevada Community College	28,187	29,903

April 14, 1975

MEMORANDUM

TO: John McGroarty, Governor's Office

FROM: Howard Barrett

SUBJECT: Requested Transfer of Salary Adjustment Funds to Tax Commission's Operating Budget

A bill has been submitted to provide a transfer of salary adjustment monies out of the salary adjustment account into the Tax Commission's operating category to be used to meet additional data processing costs and operating costs in fiscal year 1974-75. The total transfer is \$96,904.

The projected data processing needs arise mainly from the sales tax online data processing application. The projected and actual costs for this project are shown below. The difference between the two is \$74,929.

Sales Tax Online Application Costs:	<u>Projected</u>	<u>Actual</u>
Systems and Programming Personnel	\$157,500	\$228,686
Computer Facility, Data Control, Keypunch Personnel	22,020	25,763
Other Non-Personnel Costs	19,820	19,820
	<u>\$199,340</u>	<u>\$274,269</u>

Total Difference - \$74,929

Of this amount, \$12,500 will not be necessary due to a cessation of further development of this application until next fiscal year. Additionally, \$17,005 has been included in the total need to cover for planned EDP savings that were not realized during the fiscal year, and \$17,470 was included to cover unexpected operating costs. The breakdown for the total transfer is shown below:

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Sales Tax Online Application	\$74,929
Cessation of Application Development	(12,500)
EDP Savings Not Realized	17,005
Operating Costs	<u>17,470*</u>
	\$96,904

*The operating costs can be broken down as follows:

Office Supplies	\$1,007
Telephone Rental	6,880
Copying	4,312
Contract Services	6,074
Operating Supplies	4,694
Rental	<u>9,120</u>
	\$32,087
Savings generated from other line items	<u>(14,617)</u>
	\$17,470 Need

Should there be any questions on this, please contact me.

HEB:JM/rs