

MINUTES  
WAYS AND MEANS COMMITTEE  
NEVADA STATE LEGISLATURE - 59TH SESSION

February 1, 1977

The meeting was called to order by Chairman Mello at 8:00 a.m.

PRESENT: Chairman Mello, Mrs. Brookman, Mr. Bremner, Mr. Glover, Mr. Hickey, Mr. Howard, Mr. Kosinski, Mr. Serpa, and Mr. Vergiels.

ALSO PRESENT: Bill Bible, Budget Division; John Dolan, Assembly Fiscal Analyst; Dwayne McClure, Personnel Division; Dan Miles, Budget Division; and Jim Wittenberg, State Personnel Administrator.

Chairman Mello introduced the new secretary, Rhonda Conoley.

John Dolan distributed a memorandum from Chairman Mello outlining procedures for closing the budgets. (memo attached)

BUDGETS CONSIDERED OR CLOSED:

Office of the Governor (Page 2)

A motion was made by Mr. Glover and seconded by Mr. Bremner to accept the Governor's recommendation. Motion passed.

Governor's Mansion Maintenance (Page 4)

A motion was made by Mrs. Brookman and seconded by Mr. Glover to accept the Governor's recommendation. Motion passed.

Comprehensive Statewide Planning (Page 6)

Mrs. Brookman asked Chairman Mello to refresh her memory with regard to unallocated salaries. Mr. Bible explained that the employee in question was an unclassified employee who only received a 10% salary increase last Session because the Personnel Division had supplied the Legislature with some erroneous information that she had been employed for less than a year, when in fact she was a two to three year employee. Adjustment needs to be made to provide a 15% increase.

Comprehensive Statewide Planning-Federal Funds (Page 8)

A motion was made by Mrs. Brookman and seconded by Mr. Howard to accept the Governor's recommendation. Motion passed.

Manpower Services Council (Page 10)

Chairman Mello indicated the following errors in the Governor's recommendations: Communication Expense should read \$6,660 in 1977-78, and \$7,326 in 1978-79; Print, Duplicating, Copy should read \$4,350 in 1977-78, and \$4,785 in 1978-79. A motion for these changes was made by Mr. Bremner and seconded by Mrs. Brookman. Motion passed. A motion was made by Mr. Howard and seconded by Mr. Bremner to accept the Governor's recommendation. Motion passed.

Lieutenant Governor (Page 16)

A motion was made by Mr. Vergiels and seconded by Mrs. Brookman to accept the Governor's recommendation. Motion passed.

Budget Division (Page 38)

A motion was made by Mr. Howard and seconded by Mrs. Brookman to accept the Governor's recommendation. Motion passed.

Merit Award Board (Page 41)

A motion was made by Mr. Glover and seconded by Mr. Howard to accept the Governor's recommendation. Motion passed.

Equal Rights Commission (Page 106)

A motion was made by Mrs. Brookman and seconded by Mr. Bremner to accept the Governor's recommendation. Motion passed.

Federal Grant - Equal Employment Opportunity Commission (Page 109)  
A motion was made by Mrs. Brookman and seconded by Mr. Hickey to accept the Governor's recommendation. Motion passed.

Indian Commission (Page 111)  
A motion was made by Mr. Howard and seconded by Mrs. Brookman to accept the Governor's recommendation. Motion passed.

Commissioner for Veteran's Affairs (Page 113)  
Chairman Mello reminded the Committee that a bill was being prepared to eliminate the Advisory Committee and therefore the related travel costs. Mr. Bremner made a motion to delete the \$3,000 from the budget, and Mr. Howard seconded the motion. Motion passed.

Chairman Mello asked the Committee's pleasure on the \$1,500 for Veteran Organizations. Mr. Bible explained that the Veterans Commission had not requested the continuation of these funds when the budget request was submitted to the Governor. Later it appears that the Veteran Organizations would like these funds continued. Chairman Mello appointed Mr. Howard to investigate the Veteran Organizations' request amount and report back to the Committee.

Supreme Court Justices and Widows Pensions (Page 125)  
Chairman Mello referred the Committee to a letter from Bob Davenport requesting additional funds for the retirement of Justice Zenoff. (copy of letter attached) A motion was made by Mrs. Brookman to place the additional \$20,417 in the budget for Justice Zenoff. The motion was seconded by Mr. Vergiels. Motion passed.

District Judges and Widows Pensions (Page 129)  
A motion was made by Mr. Bremner and seconded by Mr. Howard to accept the Governor's recommendation. Motion passed.

Labor Commission (Page 627)  
A motion was made by Mr. Howard and seconded by Mr. Bremner to accept the Governor's recommendation. Motion passed.

Mr. Kosinski asked why the Labor Commissioner contracts for outside attorneys, and Mr. Bible explained that one attorney in the north and one in the south is contracted for in order to prosecute violations.

Nevada Junior Livestock Show Board (Page 706)  
A motion was made by Mr. Howard to amend the budget from \$5,000 to \$10,000 in 1977-78 and from \$5,000 to \$11,000 in 1978-79. The motion was seconded by Mr. Glover. Motion passed.

High School Rodeo Association (Page 707)  
Mr. Howard informed the Committee that the high school rodeo this year will be held in Helena, Montana. It lasts nine days and involves a queen and 48 participants. The rodeo program was instituted about twelve years ago, and the budget has not been increased since that time. The rising cost of travel and other expenses is a problem for participants.

Mr. Serpa made a motion that the Governor's recommendation for each year of the biennium be changed from \$2,500 to \$5,000. Mr. Howard seconded the motion. Motion passed.

A motion was made by Mr. Howard and seconded by Mr. Serpa to close the budget as amended. Motion passed.

Clear Creek Youth Center (Page 768)  
A motion was made by Mr. Glover and seconded by Mr. Bremner to accept the Governor's recommendation. Motion passed.

Insurance Premium Revolving Fund (Page 48)  
A motion was made by Mrs. Brookman and seconded by Mr. Kosinski to accept the Governor's recommendation. Motion passed.

Chairman Mello commented that the productivity study did not actually look at new employees, but was an examination of present employees, and Mr. Wittenberg said this was correct.

Mr. Wittenberg continued by saying that the productivity staff was funded through an Intergovernmental Personnel Act grant which is terminating June 30, 1977, and that they are requesting a continuation of this project with General Fund support.

Mr. Serpa asked Mr. Wittenberg if the productivity unit would continue to function indefinitely. He answered by saying that the effort would take a number of years and that productivity should be a continuing effort. He stressed that the staff size would diminish as people within each agency were trained to assume responsibility for productivity study.

Mr. Vergiels asked for a definition of productivity study, and Mr. Wittenberg described this sort of study as an intermittent observation of job positions.

Mr. Kosinski asked about the job duties of the Chief Negotiator, if this position were created. Mr. Wittenberg answered by saying that they will ask for this position if formalized collective bargaining legislation is passed.

Mr. Serpa asked about new positions in the Reno Job Center--why the need for a job center not far from Carson City. Mr. Wittenberg explained that the Center was developed in conjunction with Washoe County, the city of Reno, and the federal government. He added that the Job Center eliminates the need for people to come to Carson City for job information. When Mr. Serpa asked about other towns such as Fallon and Winnemucca, he explained that the offices of the Employment Security Department are utilized there. Mr. Wittenberg concluded this discussion by pointing out that the Reno Job Center is funded through CETA.

Mr. Kosinski asked about the job position Psychologist II. Mr. Wittenberg replied that those two people, one in Las Vegas, and one in Carson City, are responsible for occupational assistance for employees in state government.

Chairman Mello referred to Contractual Services and asked about the position of Hearing Officer. Mr. Wittenberg said there was a Hearing Officer position requested, as well as a court reporter, the cost of recording the hearings, and also some funding for productivity consultants possibly needed in future projects or in the event of loss of staff members.

Chairman Mello asked about salary adjustment reserve for employee raises. Mr. Wittenberg and Mr. Bible explained that this is the amount of money necessary to provide the 5.5% and 4.5% recommended salary raises for classified employees since the Personnel Division is not a general fund agency and is not eligible to receive salary adjustment funds from the central allocation. Therefore, an amount of money to provide the raises must be reserved in this self-supporting budget.

Chairman Mello asked for questions and comments regarding the EDP--Electronic Data Processing. Mr. Wittenberg commented that this was the best estimate of the cost to run the computerized payroll/personnel system. (Page 44)

Intergovernmental Personnel Act (Page 46)

Chairman Mello asked for Mr. Wittenberg's comments related to IPA. He replied that IPA had already been covered from the standpoint of the productivity project. IPA also funded a project in the agency

Group Insurance Committee (Page 772)

Chairman Mello stated that this budget should be considered in light of bills which have been or will be introduced to change the makeup of this committee. Mr. Glover said he had requested a bill, and believed there was a similar bill in the Senate which would add two members, appointed by the Governor, who were retired state employees. He said that consideration was being given to amending that bill to provide for just one additional member who was a retired state employee.

Chairman Mello expressed the desirability of adding one Assemblyman and one Senator, perhaps one member of Senate Finance and one member of Ways and Means. Committee members agreed someone appropriate should be appointed to serve on the Group Insurance Committee.

Mr. Kosinski asked for the total premium dollar being paid out each year for group insurance. Mr. Bible replied approximately 10,000 participating or \$3,600,000.

Professional and Vocational Boards (Page 776)

Mr. Bible explained that the budgets on pages 776, 777, and 778 of the Executive Budget are a summarization of the budgets of the Vocational and Licensing Boards and are presented for authorization purposes only. These boards normally do not keep their monies in the State Treasury and operate independent of budget control.

Chairman Mello appointed Committee members to the following subcommittees: (The Chairman of each committee is listed first.)

Distributive School Fund

Mr. Bremner, Mr. Hickey, Mr. Kosinski

Capital Improvements

Mr. Glover, Mrs. Brookman, Mr. Serpa, Mr. Howard

University System

Chairman Mello, Mr. Bremner, Mr. Howard, Mr. Serpa

Human Resources

Mr. Kosinski, Mrs. Brookman, Mr. Vergiels, Mr. Serpa

Employee Wage and Benefits

Chairman Mello, Mr. Howard, Mr. Bremner

Chairman Mello stated that he would like to appoint Mr. Speaker Dini an ex officio member of the subcommittee on Human Resources. He would also like a subcommittee on parks.

Personnel Administration (Page 42)

Chairman Mello asked Mr. Jim Wittenburg, State Personnel Administrator, to begin with what occurred last Session in his comments about the "one shot" appropriations for \$48,400 on page A24 of the Executive Budget.

Mr. Wittenburg began by informing the Committee that last Session, \$120,000 was funded to the Central Data Processing Division for the purpose of developing and implementing a new payroll and personnel data system. The new system was needed to provide accurate information related to the state work force and was funded to operate through June 30, 1977.

Mr. Wittenburg explained that because a similar project had begun operation in the state of Washington, a team was sent to Washington to work cooperatively toward common objectives in developing a more effective system in both states. As it turned out, the Washington project was unsuccessful, and the cost of the Nevada project has increased. Mr. Wittenberg estimated a need for \$20,000 to operate

the personnel system for the months of January through July, 1977; \$22,000 for additional developmental costs resulting from the loss of time and money as a result of the Washington experience; and \$5,900 for early hiring of the staff included in the regular budget. Mr. Wittenberg stressed that the system had actually been developed. The \$48,400 request is needed to put the system into operation.

Chairman Mello asked Mr. Wittenberg if a reduction in employees would be a result of the automated system. He replied that a reduction of employees is a major justification for the program. He said that for every agency having approximately 500 employees--where there is a leave accounting or similar function--one employee should be eliminated. In agencies of this size, he said positions will be monitored in order to determine the number of positions which can be eliminated and the resulting effect on the budget. In agencies having fewer than 500 employees, elimination of a position would be determined on the basis of a fraction of a position.

Chairman Mello referred to a memorandum from Central Data Processing which anticipates a reduction in clerical efforts associated with leave accounting by approximately 24 man years per year. Mr. Wittenberg supported this, and added that this would be an estimate at the outset, and that the problem would be dealt with through attrition when employees were transferred or left the agency.

Mr. Wittenberg then explained the budget for the Personnel Division as follows:

In accordance with Chapter 284 of the Nevada Revised Statutes, the Personnel Division is charged with the following responsibilities:

1. Provide all persons a fair and equal opportunity for employment and promotion in the State service based upon fitness and merit.
2. Establish conditions of employment which will attract and retain employees of character and ability.
3. Provide equal pay for equal work through a uniform classification and compensation plan.
4. Improve methods of personnel administration in the Executive Department of State government through the elimination of duplication and introduction of methods to improve efficiency and effectiveness of State government.

To achieve its objectives, the Division has four functional areas:

1. Recruitment and Examining
2. Classification and Pay
3. Employee Development and Training
4. Special Services

The Personnel Division also has an office in Las Vegas.

Mr. Wittenberg added that many important changes have occurred within the last ten years. As a result of court decisions, there is a new focus on refining selection and classification procedures.

Mr. Wittenberg said the Governor has recommended four new positions in the area of productivity. Chairman Mello asked him to explain the productivity study of the Taxation Department and the results. He replied that the study had recommended the elimination of five positions in the Revenue Division. Chairman Mello asked Mr. Wittenberg about future study, and he replied that his office is finishing a study of the Building and Grounds Division in the Department of General Services where they have reached an agreement to eliminate four positions for an approximate savings of \$45,000 per year.

which provides personnel services to local government upon request. One project being completed is the consolidation of Clark County and the city of Las Vegas classification compensation plan. There have been a number of other projects through the past two years done for local government upon request.

Chairman Mello asked about the two employees who will remain with the IPA. Mr. Wittenberg answered that both employees will continue to work cooperatively with local government depending upon federal monies.

The meeting was adjourned at 11:30 a.m.

DONALD R. MELLO  
ASSEMBLYMAN  
2590 OPPIO STREET  
SPARKS, NEVADA 89431  
(702) 358-0736

JOHN F. DOLAN  
SPECIAL ASSISTANT  
885-5640



COMMITTEES  
CHAIRMAN  
WAYS AND MEANS  
INTERIM FINANCE  
VICE CHAIRMAN  
COMMERCE  
MEMBER  
LEGISLATIVE COMMISSION

# Nevada Legislature

FIFTY-NINTH SESSION

January 31, 1977

## MEMORANDUM

TO: ASSEMBLY WAYS AND MEANS COMMITTEE  
FR: CHAIRMAN DON MELLO  
RE: BUDGET CLOSING PROCEDURES

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### Introduction

Tuesday morning February 1, the Ways and Means Committee will begin to close several of the budgets heard earlier. This memo sets forth some of the general procedures observed in closing budgets.

1. The budgets will be closed without reference to unclassified salaries. The unclassified salaries will be reviewed by the salary and benefits subcommittee and necessary budget adjustments made by staff when differences are resolved with Senate Finance.
2. Budgets will also be closed without reference to fringe benefits. Staff will make the appropriate fringe benefit adjustments when the Legislature acts upon the fringe benefit legislation.
3. When positions are added or deleted, staff will record the action and make the necessary salary and benefit adjustments.
4. Staff will record all closing actions and make the appropriate notations on the "Joint Action" handouts prepared for joint meetings with Finance.
5. When budget actions are final (agreed upon by both Committees) Fiscal Analysis and the Budget Division will run a complete "Legislature Approves Budget" through the computer. This approved budget serves as the basis for drafting the General Appropriation and General Authorization Acts.

OFFICE OF  
CLERK OF THE SUPREME COURT  
C. R. DAVENPORT, CLERK  
CARSON CITY, NEVADA 89701

RECEIVED  
LEGISLATIVE COUNSEL BUREAU

JAN 20 1977

OFFICE OF FISCAL ANALYSIS

January 19, 1977

Honorable Don Mello  
Chairman, Assembly Ways and Means  
Legislative Building  
Carson City, Nevada 89710

Dear Mr. Mello:

Mr. Justice Zenoff will be retiring from this Court on April 30, 1977, at which time he will have served 18 years as a judge and justice and will have attained the age of sixty years. NRS 2.060.

It is necessary we supplement our 1977-79 budget request of the Supreme Court Justices & Widows Pensions account, 101-1492, page 125 of the Executive Budget, in the sum of \$20,417. *[Handwritten signature]*

Your attention in this matter will be appreciated.

Sincerely yours,

C. R. Davenport, Clerk

CRD:nl

cc: Messrs. Bremner, Glover, Hickey, Kosinski,  
Serpa, Vergiels, Howard and Eileen B. Brookman  
Mr. John F. Dolan, Chief Deputy Fiscal Analyst

*\$20,417/year*

*1/2 of 25,000 - 12  
+ 4.1666% of  
each year  
between 12 d 20*