

SENATE FINANCE COMMITTEE  
MINUTES OF MEETING  
JANUARY 20, 1977

The meeting was called to order at 8:35 a.m.

Senator Floyd R. Lamb was in the chair.

PRESENT: Senator Floyd R. Lamb, Chairman  
Senator James I. Gibson, Vice-Chairman  
Senator Eugene V. Echols  
Senator Norman D. Glaser  
Senator Norman Ty Hilbrecht  
Senator Thomas R. C. Wilson  
Senator C. Clifton Young

OTHERS: Ronald W. Sparks, Chief Deputy, Fiscal Analyst  
Howard Barrett, Budget Director  
Cy Ryan, UPI  
Ernest Newton, Secretary Nevada Tax Payers Association

Senator Lamb asked Mr. Barrett to review the Governor's Office Budget. Mr. Barrett went over the budget line by line and answered questions. Mr. Barrett pointed out that one of the executive assistants and one of the administrative secretaries was being recommended for a higher unclassified salary increase than the other positions. He also pointed out the terminal leave pay for the unclassified positions for the '79 fiscal year.

He then continued on to the Governor's Mansion Budget, explaining the amounts being requested. He indicated that the remaining balance of \$17,342 from the 1973 special maintenance appropriation would be used for one final maintenance and repair project just before the Governor leaves office in 1979.

Senator Lamb then directed the Committee's attention to the budget for the Office of the Budget. This was reviewed in detail and all questions were clarified. Mr. Barrett explained that \$5,000 was budgeted for the governor-elect expenses for the '79 fiscal year. He also discussed the increase in dues for N.A.S.B.O. which previously had been paid through the Council of State Governments.

The committee then reviewed the budget of the Merit Award Board. Mr. Barrett cited one award that was given for a suggestion dealing with the state's new accounting system that had saved the state government a substantial amount of money.

The budget of the Insurance Premium Revolving Fund was next considered.

The liability and fidelity item in the budget was discussed. Mr. Barrett stated that the state does not now have liability coverage and has not had this insurance since approximately September 1, 1976. He advised that the Insurance Placement Committee dropped the liability insurance because the quote from the insurance companies listed a premium of \$335,000 for limited coverage with a \$250,000 deductible. The limited coverage did not include medical malpractice and had no coverage for errors or omissions. The insurance committee felt they particularly needed coverage on the last item, therefore they did not go with the policy. Mr. Barrett explained that the previous policy had cost \$65,000 and had had a malpractice coverage clause in addition to coverage on errors and omissions. The previous policy had had \$100,000 deductible and the coverage went up to \$400,000. He stated that the state had paid an average of \$50,000 annually for the past 12 years in premiums and had used the policy only once, paying out around \$12,000. therefore the state had had limited experience in payments in this area.

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The Clear Creek Youth Center Budget was reviewed and Mr. Barrett provided the committee with statistics on the use of the facility during the last year. He also pointed out that the center used to charge groups for the use of the facility but this was discontinued several years ago.

The meeting was recessed at 9:15 a.m.

RESPECTFULLY SUBMITTED:

  
MURIEL P. MOONEY, SECRETARY

APPROVED:

  
FLOYD R. LAMB, CHAIRMAN