

SENATE FINANCE COMMITTEE
MINUTES OF MEETING
FEBRUARY 7, 1977

The meeting was called to order at 8:00 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: Ron Sparks, Fiscal Deputy Analysis
Howard Barrett, Budget Director
Cy Ryan , UPI
Mike Mirabelli, State Treasurer
Nadean Reed, Chief Deputy State Treasures Office
Bob Cammeron, State Treasures Office
Orville Wahrenbrock, Deputy Assistant of Human Resources
Jay Gardner, Southern Nevada Childrens Home
William Swackhamer, Secretary of State
Fred Gayle, Archives
Bruce Arkell, Planning Coordinator, Comprehensive Planning
John Sparbel, Comprehensive Planning

Mr. Mirabelli stated that he is requesting 2½ new positions and moving one down to his office from the Board of Finance.

Mr. Mirabelli said his salary is \$20,441 and he will be working under his chief deputy who will be paid less. Mr. Mirabelli said he would like to bring her salary up to his which is \$20,441 or the requested amount of \$20,941.

Mr. Mirabelli said he is requesting a new position for a trust officer but the investment officer position has not been recommended.

Mrs. Reed said the object of the trust officer is to have one person in charge of the redemption of bond issues to the state and to be in charge of the receipts and release of securities; both those kept in the vault and pledged securities from the banks that back up the active deposits in state banks. Mrs. Reed said both were time consuming.

Mr. Mirabelli said on new positions, we are eliminating the position of Chief Assistant and putting in an Administrative Secretary.

Mrs. Reed said the Administrative Secretary will give the office continuity, some professional effort in handling files and correspondence and back up.

Mrs. Reed said the person who is in the unclassified position was given the opportunity to qualify for the position in the classified service.

Mr. Mirabelli mentioned that this won't happen until July 1, 1977. He said she had been notified and is looking for a position.

Senator Lamb asked what is the discrepancy between the \$210,000 requested and the \$60,000 recommended on the top of page 31, of the Treasure Assessment.

Mrs. Reed said the audit done by the Legislative Auditor was recommending a general assessment against all funds, as a means of financing the treasures operation.

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Mrs. Reed said the Governor's staff did not seem to think it equitable but something to consider in the future.

Mrs. Reed said they were willing to allow us to change an assessment against specific funds such as Employment Security and NIC. She said we have not included the NIC assessment but we have included Employment Security Department.

Mrs. Reed said on page 3 of the handout, (See attached), is a proposal of what it would cost the Employment Security Department, to charge them for service. She said she had talked to them, and they said we give excellent service but not sure they would need it if they have to pay for it.

Mrs. Reed continued to say that part of what we are proposing is if we have a Pool Fund Investment concept, that all cash balance receive their proportionate share. A certain percentage of what we earn goes to them. We want to be allowed to charge that interest income prior to distribution to recapture some of the effort that is made in that direction.

Senator Lamb asked how they work the Trust Office.

Mrs. Reed said most of the things in this area now are open to me. Everything in the office is directed at banking services. The cashier window, travel fund, bank statements and keeping track of the cash and handling it. Mrs Reed said this area and the Trust Officer will provide the needed assistance.

Mr. Mirabelli told Senator Lamb that a quarter of a million dollars to ½ million more interest each year could be made.

Mr. Mirabelli said positions could be paid for and used.

Senator Lamb asked what causes the budget to go from \$138,000 to \$253,000.

Mrs. Reed said in that work program for fiscal year 76-77, the \$138,000 is only the appropriation for the State Treasures office. There is an additional \$25,406 appropriated for the support of the Board of Finance which should be added to that.

Senator Lamb asked if the figure on page 34 was in the budget.

Mrs. Reed said yes, we are also asking for money to begin Data Processing. We do not want to get involved in the big computer. What we are asking for is an intelligence device that works on a cassette. They have a capability within themselves without being directly tied in with a large computer. This should help to eliminate future position requests.

Help is needed in a training program. This is so they can know more about banking and investment procedures.

Senator Gibson asked if there was legislation for consolidation.

Mr. Mirabelli said in S.B. 35.

Senator Gibson asked where their new location would be.

Mr. Mirabelli said we are thinking possible that in renovation of the Capitol Building, you could renovate the Annex. He said the only problem is trying to find a building that has a vault in it

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BUDGET:

Mr. Ron Sparks provide new operating figures in Communication Expense in Manpower Budget.

1st year reduced to	\$6,660
2nd year reduced to	\$7,326

Senator Lamb wanted to know what caused the new figures.

Ron Sparks said it was an error in the request data from the agency.

Printing and Duplication Copy: Manpower Service budget

1st year reduced to	\$4,350
2nd year reduced to	\$4,785

Senator Lamb asked Mr. Barrett what his program was all about.

Mr. Barrett said it is strickly a Federal Funded program.

Mr. Barrett said money comes form CETA and this program will expand.

Senator Lamb asked who was chairman of the program.

Mr. Barrett said Mr. Al Ramirez.

Mr. Barrett said there are three areas. Las Vegas has their own and also Washoe. Mr. Barrett said they come directly from the Federal Government. He said the balance of the state is under Employment Security in Nevada. Mr. Barrett said under Employment Security, they give some to Caliente, Winnemucca and Northern Nevada and a little bit to the state, which is only minor.

Senator Wilson asked if this budget only reflects what CETA money came to the state.

Mr. Barrett said no, the state gets much more CETA money.

Senator Wilson asked if this simply reflects Federal funds to administer this program.

Mr. Barrett said there is \$250,000 that goes out to vocational education to provide training for some CETA employees. Mr. Barrett said the payments are going out to employee CETA people. None of them go through this budget.

Senator Young: ~~Not Moved~~ Moved to go with the Governor

Senator Hilbrecht: 2nd

Senator Wilson, Senator Gibson, Senator Echols, and Senator Lamb: Opposed

The committee agreed to have Mr. Rimerez come in and speak and clear up concerned matters.

SOUTHERN NEVADA CHILDRENS HOME

Mr. Jay Garnder said there are no Capital Improvement Programs or supplemental requests in connection with this budget. He said there are no new positions Mr. Gardner said we are not asking for any additional programs or expansion of programs. We do not have any positions vacant at this time at the childrens home where we have seven cottages; each with ten children. Mr. Gardner said the bulk of the staff are cottage parents who provide care for those children.

Mr. Gardner said some items in the budget do increase slightly based on known increases anticipated or announced increases. Example: 40% increase in water that was effective last July.

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Senator Lamb asked why he dropped his Vocational Education Grant.
Mr. Gardner said it was a one time grant and we still have about \$3,000 left that we will use to run a service station training program with.

Senator Lamb asked the average age of the children.
Mr. Gardner said 14. He said the youngest is five and the oldest eighteen.

Senator Lamb asked how he separated them.
Mr. Gardner said according to sex.

Senator Lamb said then you mean you have a fourteen year old boy with a five year old boy.
Mr. Gardner said we train each case to live as much like a normal family. He said once they are put into a cottage, they stay as long as they are there as a family.

Senator Hilbrecht asked about the equipment recommendations.

Mr. Gardner said this is to replace standard items within the cottage living units.
Senator Hilbrecht asked what standard items.

Mr. Gardner said items that get normal wear and tear. Example: mattress
Mr. Gardner said if a child breaks things he will have to pay for it.

Senator Lamb asked how would he pay for it.
Mr. Gardner said employment in town. He said if he was younger he would find a job which was not part of his regular routine and then make him earn the money and then take it away from him to pay for the broken items.

Senator Hilbrecht asked what other item besides mattresses did this include.

Mr. Gardner said this was based on twenty mattresses, two washing machines, one in each fiscal year, two dishwashers, two dryers, two refrigerators, one duplicating machine, four ovens, eight sofas, eight living room chairs, two vacuums, one calculator, one typewriter, two televisions and one mower.

Senator Echols asked if he had any trouble recruiting couples for the cottages. Mr. Gardner said he hasn't had to leave positions vacant but it is difficult to find couples. They work 24 hours a day and five days a week.

Senator Lamb asked if he followed the careers of the students that graduated and what was his experience in this area.

Mr. Gardner said yes we do follow their careers and it is favorable. He said all of them are leading full productive lives.

Mr. Gardner said whenever possible we get the child back with his parents or another suitable living program that will adequately take care of his needs.

Senator Lamb asked what type of problem child do you have.

Mr. Gardner said orphans, abandoned, abused and homeless children.

Senator Wilson asked if on page 490 of the Executive Budget, is there enough money projected for food.

Mr. Barrett said probably the amount we have in the work program this year is too high. He said last time it was over estimated on food generally throughout the budget. He said this time we feel we have the figures more in line.

Senator Wilson asked how much of a surplus will you have.

Mr. Barrett said food is running about 5% more than last year.

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Mr. Gardner said each child gets an allowance. He said the oldest gets \$11 a month, the next gets \$9 and the youngest \$7. These amounts were set by the Governor.

Senator Hilbrecht asked if the parents are responsible to any extent for the cost. He asked if the state has anyway of recouping from the parents who have neglected their children. If so, are they just paid in to the general fund.

Mr. Gardner said it goes in the general fund. The revenues that went in the general fund were \$38,000 one year of the last two fiscal years and \$39,000 the other.

Mr. Orville Wahrenbrock said \$50 per person is charged to the county of commitment, not to the parents.

Senator Hilbrecht asked if there was any law that obligates the parents to pay.

Mr. Gardner said only by court order if the court made an order. There are no statutes pertaining to it.

Senator Hilbrecht said if the court makes an order and finds that the parents have abused and neglected the child, it seems that these parents should be held responsible for maintaining their children. There ought to be a law that the county attorney goes after and collects a responsible amount so these children won't become public charges.

Mr. Gardner explained that most of these parents do not have the resources. He said the court ordered payment seldom exceeds that amount that they assess the county for the child.

Senator Echols asked what cottage couple one and two were.

Mr. Gardner said cottage couple two is a promotional position. The cottage father acts like a foreman. There is one couple that is at that pay rate of cottage couple two.

Senator Echols asked if those couples are usually husband and wife. Mr. Gardner said always.

Senator Echols asked what qualifications do they need.

Mr. Gardner said a high school graduate that has maintained a family, good parents and not therapists.

Mr. Gardner said when the couples are off, a person, rather than a couple is on duty. She has a separate room.

Senator Lamb asked when do you anticipate a capital outlay for a new cottage? Mr. Gardner said never. He said if there was a need for more space, it should be build somewhere else instead of building this one bigger and bigger.

Senator Gibson asked a question regarding the Capital Improvement Program. Senator Gibson asked instead of purchasing a dishwasher, why can't the children wash the dishes.

Mr. Gardner said they do wash the dishes.

Senator Echols asked if the operation of the Childrens Home in Carson City, was identical to the one in Southern Nevada.

Mr. Gardner said it was identical.

Senator Glaser asked if the children were allowed to have pets and if so, involved in any 4-H program.

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Mr. Gardner said they are involved in a 4-H program. Some cottages have pets and others don't because of children with allergies.

Senator Gibson asked if he used any of the children in the yard to help take care of the landscape. Mr. Gardner said yes, they also get involved in school activities and city recreation programs.

Mr. Gardner invited the committee to visit the Northern Nevada Childrens Home .

SECRETARY OF STATE:

Mr. William Swackhamer said a few years ago the Economic Development started an advertisement program on the east coast and tried to attract corporate filings into Nevada, because Nevada had something to offer. The number of corporate filings in Nevada, in the last six months of the fiscal year was up 29%. Nevada is a desirable place to incorporate so they are using the minimum corporation amount which is \$25,000 capitalization which costs only \$25.00. Because fees are not going up as fast as the volume, we are asking to have A.B. 217 introduced which will make a modest increase in corporate filing fees.

We are also requesting a change from \$10 to \$20 in fees to file the list of officers.

A third of the corporations are foreign corporations. 169 of the corporations have officers and directors outside of Nevada. If S.B. 217 is passed, our projections are that we can pay all the operation costs of the office and make a million dollars a year for the general fund.

Senator Lamb asked if there had been a great increase in this area.

Mr. Swackhamer said a 29% increase in the last six months.

Senator Lamb asked who handles this. Mr. Swackhamer said the Corporate Filing Coordinator, Mildred Johnson. We are requesting a raise for Mrs. Johnson because of her duties and responsibilities.

Mr. Swackhamer said S.B. 2 is being introduced. This will cut the \$8,500 in advertising the first year to \$500 and the \$9,000 to \$500 for the second year. We are required by law to advertise the names of delinquent corporations in a newspaper published in Carson City, Nevada. We feel there is no cost benefit ratio in maintaining this requirement that we advertise the delinquent corporations.

Mr. Swackhamer said the \$80,000 required for punch card ballots is in excess. We are requesting that this \$80,000 be cut to \$50,000 the second year.

Mr. Swackhamer said there is not enough space in the office of the Secretary of the State. It would be more efficient if there was a microfilm unit. The cost is estimated at \$66,000 which is a one time charge and then \$2,000 a year to continue the microfilm.

Senator Wilson asked what the reason was for the 2-1 ration between requested and recommended.

Mr. Barrett said he would check it out.

Senator Gibson asked Mr. Barrett if he turned down the microfilm project.

Mr. Barrett said no, we put it in a separate bill. It is not in the budget but in a "one shot" bill, A.B. 46.

The following amendments were proposed to the bill: 1. The word "and" should be inserted after the word "or" in the first sentence of the bill. 2. The word "and" should be inserted after the word "or" in the second sentence of the bill. 3. The word "and" should be inserted after the word "or" in the third sentence of the bill. 4. The word "and" should be inserted after the word "or" in the fourth sentence of the bill. 5. The word "and" should be inserted after the word "or" in the fifth sentence of the bill. 6. The word "and" should be inserted after the word "or" in the sixth sentence of the bill. 7. The word "and" should be inserted after the word "or" in the seventh sentence of the bill. 8. The word "and" should be inserted after the word "or" in the eighth sentence of the bill. 9. The word "and" should be inserted after the word "or" in the ninth sentence of the bill. 10. The word "and" should be inserted after the word "or" in the tenth sentence of the bill.

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Mr. Swackhamer commented on when making up the budget, 2½ positions were requested. The reason being that it was understood the Ethics Commission was going to be reinacted. He felt the budget office felt this would "bite the dust". If so, we wouldn't need these positions. If we wind up with the Lobbist Registration Act, we could handle that but not the Ethics Activities. Mr. Swackhamer concured that unless they get additional responsibilities that aren't anticipated, 2½ positions are not needed.

Mr. Swackhamer said more money is needed for the printing of election returns. The printing charges for the Political History of Nevada is \$9.09. \$10,000 is required to continue printing the history.

Senator Lamb asked if that was a luxury or are we able to do without it.

Mr. Swackhamer said it would create a public outcry if it was not printed. He suggested that perhaps they could publish it and put it in the library and handle it. He stated that it is a very popular magazine and it goes all over the country.

SECRETARY OF STATE ARCHIVES

Fred Gayle said he is urgently requesting the funding for 2½ new positions. He said 18 months ago the Division of Archives moved one mile north of the Capitol Building. There is now over 11,000 square feet for record retention and 2,600 square feet for reference library and administrative operation, currently being operated with three full time staff members. During December and January there were 42 researchers that utilized 81 cubic feet of records. We received 175 pieces of mail requesting information and 287 phone calls, strickly for inquires and which is quite an operation for three people.

Mr. Gayle requested additional assistance in the warehouse of one position and a senior clerk typist for inventories and a part time clerk typist.

When the budget office drew up the rent, listed at \$23,969, the gas and utility necessary to operate for six months was not taken into consideration. The Southwest gas bill from October 1 to March 31 ran aroung \$100 to \$125 per month. That amount is needed to be added to the rent.

Mr. Gale said he has been a state employee for thirteen years and in the classified service as Director of Archives. He said at the present he is frozen at the grade of \$3,315 earning a total groos income of \$17,200 a year. Within the next three months he would like to petition the Personnel Division to upgrade it to \$3,611 which is an additional 10% increase as of July. This would require an additional \$4,000 for the biennium in the salary account.

Senator Hilbrecht asked Mr. Gayle how much money he would need for utilities. Mr. Gayle said he estimated around \$125 a month for six months.

Senator Hilbrecht stated that he believed the \$125 a month for utilities had already been added into the budget.

Budgets Closed:

STATE ENERGY RESOURCES ADVISORY BOARD: (page 609)

Senator Gibson said this budget is tied up on the bill on Reorganizing the Conservation Department. Senator Gibson felt S.B. 153 should not be closed at this particular time.

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LABOR COMMISSION: (page 627)

Senator Hilbrecht: Do pass with the Governor
Senator Young: 2nd
Motion Carried.

MINING COOPERATIVE FUND: (page 708)

Senator Gibson: Do pass with the Governor
Senator Young: 2nd
Motion carried.

ECONOMIC DEVELOPMENT: (page 88)

Senator Gibson wanted to hold for discussion on futher requests.
Senator Young said he also had reservations about this budget.

NEVADA MAGAZINE:

Senator Gibson understood they wanted to transfer \$50,000 a year in General Funds to this budget. He wanted to know if this would be in place of subscription revenue? He also wanted to know what this would reduce the amount of the subscription revenue to.

Mr. Barrett said we would reduce the subscription by \$32,957.

Senator Gibson: Moved to go along with revised budget
Senator Hilbrecht: 2nd
Motion carried.

FOUR CORNERS:

Held open.

PUBLIC WORKS BOARD BUDGET: (page 118)

Held open for CIP.

REAL ESTATE ADMINISTRATION: (page 589)

Senator Gibson said he thought the fee structure in the law was to low.

Senator Young: Do pass
Senator Gibson: 2nd
Motion carried.

COMPREHENSIVE PLANNING: (page 6)

Bruce Arkell said the planning coordinators office was established in 1972 to coordinate planning among federal, state and local levels of governments. Also, to undertake special studies to work in governmental relations, to serve as a state clearing house, administer the HUD 701 planning program and to provide technical assistance to state and local agencies. The agency has been assigned economic development administration, urban mass transportation administration and statewide planning programs.

An analysis of the Navy Antenna Sea Fair system is being proposed for the Nellis Bombing range.

There are about 43 regional levels in the western states. The estimated cost to support these organizations is a little over \$100,000.

Mr. Arkell said he was involved with the Intergovernmental Administration Committee. The administrative budget on page 6 and 7 is basically the same one submitted last session. It provides for a 50/50 split on federal and general fund.

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Mr. Arkell said on the item on page 7, we are requesting two new file cabinets, microfilm reader and a replacement of a typewriter.

Senator Hilbrecht asked if the administrative pickup was federal match money.

Mr. Arkell said that comes from the next budget on page 8 and 9.

Senator Hilbrecht said it was indicated discretely in the program statement that you have some responsibilities pertaining to planning in the City of Las Vegas, using HUD 701 monies.

Mr. Arkell said no, the urban counties get monies directly from HUD. The HUD 701 we administer is in the rural counties.

Senator Hilbrecht said his criticism is not in the planning but that it never leads to anything.

Senator Gibson asked if the land for the fair ground in Churchill County, was given to them by the state. He requested a resume' of the background.

ADMINISTRATIVE PICK-UP:

Mr. Arkell said these funds are transferred from the HUD and EDA grants to his operating budget.

Senator Lamb asked on what basis do you assist.

Mr. Arkell said the monies are allocated on an annual basis based on requests that are submitted to the state. HUD will establish certain priorities that need to be met with the planning program.

Senator Lamb asked if there were any protests from these counties. Mr. Arkell said they are not assessments. He said these are grants given to the cities and counties.

Senator Lamb asked about other state agencies.

Mr. Arkell said an energy forecasting study by PSC was funded last year. Funds have been used from the first year of the biennium for start-up money in the Housing Finance Agency.

Senator Young asked if he was involved in the 4 Corners. Mr. Arkell said yes, it is shown under federal grants and economic development grant. The 4 Corners Commission needs to develop a regional economic development plan covering all five states. The monies in the budget are going toward the development of the Nevada portion of that plan by December 1978. An economic impact model is being picked up to assess what is going to happen when projects hit the state.

Senator Young said it seems that flood control is overlapping with soil conservation and army engineers etc.

Mr. Arkell said most of the 4 Corners money goes to increase money in an already funded project.

Senator Young asked if Bob Goodman's department is going to administer that money.

Mr. Arkell said once the regional plan implementation is developed, the planning program will be turned over to his office.

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Senator Gibson asked what the rationale was on the 4 Corners.

Mr. Arkell said there is a commission to the north that has Idaho, Washington and Oregon in it and then the 4 Corners Commission to the east. California and Nevada were the only western states that were not a member of a Title 5 Regional Commission.

Senator Gibson asked what the consequence would be to Nevada if they were not in the 4 Corners.

Mr. Arkell said it would be a loss of federal funds.

Senator Gibson said this was never submitted to the legislature for its approval. Senator Gibson said what bothers him is that they are requested to approve a budget that they don't know the reason for its existence.

Senator Gibson asked Mr. Arkell if he could supply the committee with information.

Senator Gibson said he read in the newspaper in the south that Bob Goodman had gotten involved in a planning grant for the west side of Las Vegas.


Senator Gibson wanted to know if this was part of the 4 Corners. Mr. Arkell said yes.

Senator Gibson asked where this showed in the budget.

Mr. Arkell said that was a project funded from the Federal 4 Corners monies. Mr. Arkell said the plan and program on what is going to happen in the future is what is being developed now.

There being no further business, the meeting adjourned at 10:30 a.m.

RESPECTFULLY SUBMITTED:


HENRI VALENIA, SECRETARY

APPROVED BY:


FLOYD R. LAMB, CHAIRMAN

STATE OF NEVADA
STATE TREASURER'S OFFICE
BUDGET NARRATIVE
FY'S 77-78 & 78-79

The budget request included herewith is a consolidation and general reorganization of the State Treasurer's Office and The State Board of Finance. The direction taken in the request is in great part the result of the recommendations contained in the operational audit report of the Treasurer's Office as authorized by Assembly Concurrent Resolution No. 39 of the 58th session of the Nevada Legislature.

Historically, the entire cost of operation of both the State Treasurer's Office and the State Board of Finance has been placed upon the State's General Fund regardless of the fact that the same duties and services which are provided for the General Fund are also provided for nearly all other funds in State government.

In-as-much as the State Treasurer is a constitutional officer and the appointed members of the State Board of Finance act as state officers under the Statutes of Nevada, this portion of the expense of operation would continue to remain a General Fund obligation. Other sections of the NRS such as NRS 226.180 which specifically designates the State Treasurer as state disbursing officer for the Federal Government to act for them with respect to all financial matters required by them would make it appear to be a more equitable distribution of expense to permit the State Treasurer to charge a fee for services provided to other funds by amending the NRS.

STAFFING REQUESTS

The work load in the Treasurer's Office falls into four distinct areas. They are: (1) cashiering and banking services, (2) investment services, (3) trust services, and (4) administrative services. The entire clerical staffing at the current level is directed to the cashiering and banking services area under the supervision of the deputy treasurer. This leaves 3/4 of the required office work load with no staff directly assigned to assist the deputy in carrying out these duties. Consequently, these services are maintained at a very low level of production. This budget request includes the present level of staff plus an additional 1 & 1/2 positions in order to provide the following coverage:

1. Cashiering & Banking Services - To be placed under a Deputy Treasurer Cashier in the unclassified service. Position to be funded by the consolidation with the Board of Finance; absorbs salary allocation for the Board Secretary.
2. Trust Services - To be placed under a trust officer in the classified service; new position.
3. Administrative services - To remain under the Chief Deputy Treasurer (title change); assistance to be provided by a classified Admin. Secretary I; funding to be provided by deleting the current unclassified position of Chief Clerk.
4. Additional staff change - 1/2 position of Senior Clerk be authorized to a full position. This position handles the Travel Revolving Fund accounts. The work load requires full time attention. At present the work defaults to other desks causing problems with getting the deposits ready to go to the bank on time. It also causes problems in keeping the service windows manned if another employee is sick or on vacation.

In addition to the responsibilities of the administrative and investment divisions, the chief deputy treasurer would serve as secretary to the Board of Finance and act as liason between the State Treasurer and the various service divisions.

OPERATING EXPENSE REQUEST

The operating expense section has been adjusted to include support for the additional requested staff in such line items as supplies, communications, floor space, etc.

Specific requests are included to provide the office with funds to begin automation of operational procedures and record keeping. Because the figures and records dealt with by the Treasurer's Office are in most cases unique to the office and because they are small in mass (as compared to the mass of records maintained by Highway or FMIRS) the proposal here is for terminal equipment with self-storage and self-programming kept on cassettes. It also provides for EDP & computer facility charges to allow for periodic reports and hard copy of agency data. The request for funds for intergovernmental services is to provide for annual filming of treasurer's receipts and paid warrants. It both allows for compliance with records retention requirements and alleviates a severe storage problem. It will also facilitate information retrieval.

FURNITURE AND EQUIPMENT REQUEST

The funds requested here are for furniture for new personnel, proper calculating equipment for those persons working with the evaluation of securities, and readers for the microfilm records.

GOALS OF THE BUDGET REQUEST

The State Treasurer's Office has become the source of the General Funds third largest single revenue item (over \$23 million dollars in interest income in the past three fiscal years). It is a situation which the office hopes to not only maintain but to improve upon. Therefore, in essence this budget request is directed at providing the State with the ability to realize maximum revenue from investments and to have maximum security for its cash and securities through professional level money management.

NEVADA STATE TREASURER
PROPOSED RECOVERY OF
GENERAL FUND EXPENDITURE
BUDGET REQUEST FY'S 1977-78 & 1978-79

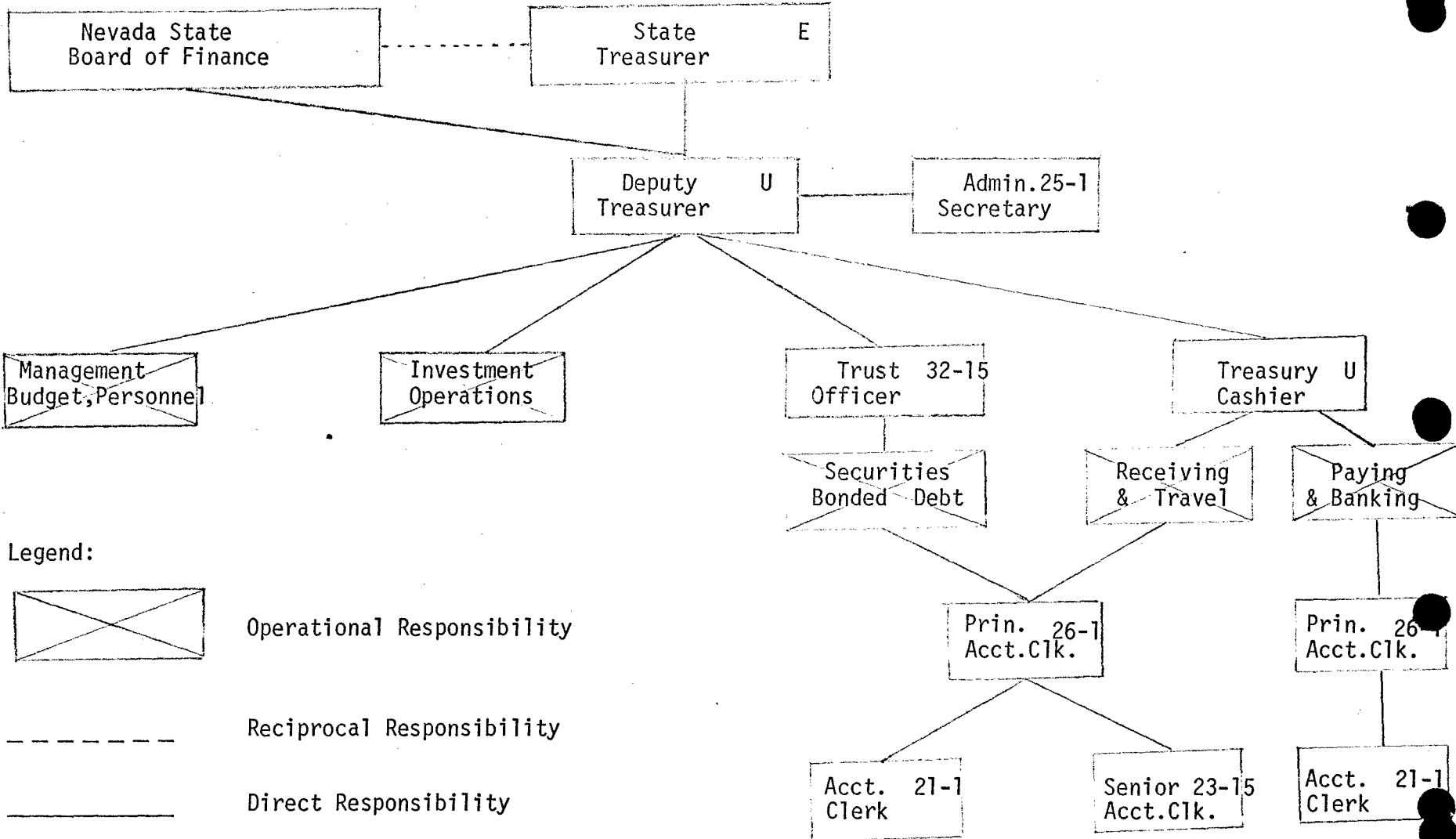
The State Treasurer's budget request for fiscal years 1977-78 and 1978-79 proposes a partial recovery of expenses by billing the Employment Security Department directly for the following services.

Senior Acct. Clk.	Deposits, record keeping, cancelled Checks and bank statements - 90% of \$9,697.	\$ 8,727.
Senior Acct. Clk.	Daily check signing - 15% of \$9,697.	1,455.
Senior Acct. Clk.	Travel Advance Fund - 5% of \$9,697.	485.
Deputy Treasurer	Daily/monthly records, TCD handling - 5% of \$20,940.	<u>1,047.</u>
Total Salary Expense		\$ 11,714.
Related Salary Maint.	- 14%	<u>1,640.</u>
Total Salary and related		\$ 13,354.
Operating Overhead	- 44%	<u>5,876.</u>
Recovery of expense from ESD		<u>\$ 19,230.</u>

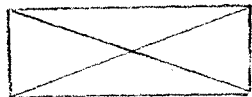
In addition to the above, a further recovery of expense is proposed by charging a portion of the treasurer's operating budget against the interest income earnings BEFORE distribution is made to the various funds as required by NRS.

	<u>FY 77-78</u>	<u>FY 78-79</u>
Total Budget Request	\$234,869.	\$245,150.
Less Recovery from ESD	(19,230.)	(19,230.)
Less Treasurer's Salary	(22,500.)	(28,000.)
Less Travel Expense	(3,775.)	(4,025.)
Less Board of Finance Salaries	<u>(1,920.)</u>	<u>(1,920.)</u>
Balance used as base for recovery	\$187,444.	\$191,975.
Average distribution to other funds 22%	x <u>.22</u>	x <u>.22</u>
Recovery from interest income	\$ 41,238.	\$ 42,235.
Recovery from ESD	<u>19,230.</u>	<u>19,230.</u>
Total Proposed Recovery of Expense	<u>\$ 60,468.</u>	<u>\$ 61,465.</u>

STATE OF NEVADA
STATE TREASURER'S OFFICE
ORGANIZATIONAL CHART



Legend:



Operational Responsibility



Reciprocal Responsibility



Direct Responsibility

E - Elected

U - Unclassified

Numbered - Classified Grade & Step

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STATE OF NEVADA
OFFICE OF
STATE TREASURER
CARSON CITY, NEVADA 89701

MIKE MIRABELLI
State Treasurer of Nevada

NADEAN M. REED
Deputy State Treasurer

AREAS NOT IN AGREEMENT BETWEEN TREASURER'S BUDGET REQUEST AND GOVERNOR'S RECOMMENDATION.

1. Salaries

In bringing the Secretary of the Board of Finance into the Treasurer's Office as Treasurer Cashier, a situation has been created whereby the Treasurer Cashier will be receiving a salary of \$20,441 but he will be working for the Chief Deputy Treasurer who will be receiving a salary of \$19,691. This will create a serious problem in the office. I am requesting that the Chief Deputy Treasurer's salary be raised to at least the same amount as the Cashier if not to the full \$20,941 I requested. We are saving \$2,000 in salary costs by lowering the Chief Assistant position to an Administrative Secretary.

2. Out of State Travel

The requested amount of \$2,300 is to cover the cost of employee travel for training programs in investments and in the use of new equipment. Additionally, it will provide funds for travel to Municipal Finance Officer Ass'n. seminars and their convention. Membership in the MFOA has become almost mandatory for those handling the investment of monies in the public sector.

3. Training Request

A primary objective of the many changes requested in the Treasurer's budget and recommended in the Legislative Audit is to achieve a more professional level of staff and to increase the effectiveness of current staff. The requested \$4,400 to do this becomes minimal when compared to the benefit the state would receive in increased income from investments and improved handling of many millions of state dollars and securities.

4. Rent Request

The space now allocated to the Treasurer's Office is insufficient for the current level of staff and equipment. We request the full \$16,040 in rent money in order to procure necessary additional floor space for new personnel and equipment.

5. B & G Services Request

The amount of \$1,500 was requested to cover costs of moving the office to a new location. I believe that this amount should be included in the budget to be sure of being able to accomplish that activity.

STATE OF NEVADA
STATE TREASURER'S OFFICE
SCHEDULE OF INTEREST INCOME
FROM INVESTMENTS

<u>Fiscal Year</u>	<u>Interest Received</u>	<u>Investment Efficiency</u>
60-61	\$ 278,175	N/A
61-62	270,750	N/A
62-63	270,800	N/A
63-64	242,721	N/A
64-65	346,288	64.27%
65-66	618,240	59.91
66-67	893,630	64.49
67-68	909,162	64.64
68-69	1,178,324	66.68
69-70	1,766,285	79.67
70-71	3,109,030	84.80
71-72	2,627,664	83.45
72-73	2,625,280	86.57
73-74	7,109,321	89.01
74-75	9,161,567	89.75
75-76	6,956,141	93.75
76-77 (thru 12-31-76) (6 months)	3,690,740	95.35

Note:

Interest does not include some special funds.
Interest shown here is before allocation to other funds.