

MINUTES

WAYS AND MEANS COMMITTEE

NEVADA STATE LEGISLATURE - 60th SESSION

February 27, 1979

Chairman Mello called the meeting to order at 8:10 a.m.

PRESENT: Chairman Mello, Vice-Chairman Bremner, Mr. Barengo, Mrs. Cavnar, Mr. Glover, Mr. Hickey, Mr. Mann, Mr. Rhoads, Mrs. Vergiels, Mrs. Wagner, Mr. Webb.

ALSO PRESENT: Bill Bible, Fiscal Analyst; Judy Matteucci, Deputy Fiscal Analyst; Mike Alastuey, Deputy Budget Director; Jack Pine, Budget Department; Bill Hancock, Carson City Building and Grounds Manager; Officers of the University of Nevada System; Dr. Baepler, Chancellor; Dr. Joseph Crowley, Interim President, UNR; Dr. Paul Kreider, President, CCCC; Dr. Jack Davis, President, WNCC; Dr. Brock Dixon, President, UNLV; Dr. Lloyd Smith, President, DRI; and Bob Cashell, Board of Regents Chairman. See attached Guest List.

UNIVERSITY OF NEVADA SYSTEM ADMINISTRATION

Chairman Mello asked about the two new professional positions that are requested and pointed out that the narrative states that there are two professional positions requested-- an endowment position and a community college coordinator position--yet the budget contains three new professional positions.

Dr. Baepler said that one position is a para-legal position which was formerly at UNLV; another is a fund-raiser to work on endowments; and the third is not really a new position, but takes the place of the former Community College President position.

Chairman Mello referred to a letter (Exhibit "A") written to Dr. James Buchanan II, Chairman, Board of Regents, concerning the Regents abolition of this position.

Mr. Hickey read the portion of the letter concerning the maintenance of a separate identity for the administration of the Community College Division and pointed out that an appropriation had been made at the 1977 legislative session to support the Community College President and one clerical position.

Dr. Baepler said that there is a need in the Chancellor's office to coordinate aspects of the community colleges where they are significantly different from the universities. Dr. Baepler added that to have a president for the community colleges without any staff would not permit that president to operate and that the coordinator position is much cheaper than a president.

Chairman Mello asked what funds will be used to pay this position. Dr. Baepler said that this position is requested as new and has not been filled. If the legislature does not approve the position, it will not be filled.

Mr. Hickey asked if funds have been transferred into the Chancellor's office for the operation of the community colleges. Dr. Baepler confirmed that there had been a shift of funds from community college budgets for business functions, but not into the Chancellor's office. Mr. Hickey asked the amount of funds shifted. Dr. Baepler said that he would furnish the Committee that figure.

Chairman Mello asked Dr. Davis, President, Western Nevada Community College, if the work program figure for instruction in 1978-79 of 116.46 positions is correct. Dr. Davis confirmed that figure.

Chairman Mello inquired if the rural factor was included of 21.25, and if not, where it is. The Chancellor's staff referred the Committee to Page 111 in the University Budget Request book, which was not available to Committee members.

Chairman Mello said that the legislature has approved 136.27 positions in instruction instead of 116.46.

Chairman Mello asked if the actual expenditure of \$55,488 and the work program figure of \$75,775 for book acquisition is correct. Dr. Davis said that he assumed the figures are correct.

Chairman Mello asked what happened to the appropriation made at the last session of the legislature of \$156,454 for 1977-78, and \$170,183 for 1978-79. Dr. Davis said that he would get back to the Committee with this information.

Chairman Mello asked Dr. Baepler if he was familiar with the legislation introduced in 1975 asking for a study on formulas and formats of the university system and the study which was conducted. Dr. Baepler said that he was familiar with the study.

Chairman Mello told Dr. Baepler that the university budget included in the Governor's biennial recommendations is not in line with budget instructions that resulted from the 1975 study and was produced for the 1977 legislature. Dr. Baepler said that they have a similar document, but it is not broken down as fine. Dr. Baepler's staff produced the document which, after examination, was not found to contain the same detail of information as produced by the university in 1977.

Dr. Baepler said that the university had submitted the information in September, the deadline for the Governor's Executive Budget, and the format had been worked out with the Budget Office. Chairman Mello replied that the Committee cannot tell what the budget is requesting and the Committee cannot do the job demanded by the taxpayer without all of the information.

Mr. Webb asked if the requested document would break down all positions and their salaries. Chairman Mello said it would. Mr. Webb then said that the current information is totally worthless.

Board of Regents Chairman, Bob Cashell, apologized for the university's failure to meet the legislature's format and said that they would come back with the proper information. The university was re-scheduled for March 12th and March 13th, after the university indicated they could have the information ready by that time.

Chairman Mello cancelled the remainder of the University of Nevada meeting.

PUBLIC WORKS

Mr. Webb commented that the State should look into the use of solar heating in all buildings currently being planned or under construction and referred to the "passive" type of solar heat which is a hot air blanket with no reserve system of any kind. Mr. Webb said this is a double-wall type of construction and he has seen it in use at South Lake Tahoe. Mr. Webb said that with projected increases in other types of heating, that higher constructions costs in the beginning phases would still be cheaper in the long-run than paying the rapidly rising utility rates for building heating.

Mr. Hancock said that they had a list of 20 to 30 projects which were adaptable to solar heating but they would not recommend 100% conversion to solar heating. He pointed out that this would increase construction costs.

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Mr. Bremner concurred with Mr. Webb that the initial outlay is as important with operating rates that are going to be greatly increased.

Mr. Mann asked Mr. Hancock to reconsider the recommendation for the proposed prison site at Ely as prison officials had named Ely as their fifth choice. Mr. Hancock said that he would refer the question on the Ely location to the Board of Public Works.

Mrs. Wagner asked if there are any present projects proposed with this type of passive solar heating or any future projects. Mr. Hancock said that very few projects are now on board as the 1977 improvement program was almost done, but would look into this type of heating for the 1979 program.

Mr. Bible asked if monies were allocated for rent for elected officials when they moved out of the Capitol and if this money is being spent. Mr. Hancock said that \$75,000 was given to Buildings and Grounds for rent last year and would be billed again in July. He added that what monies were not used will be spent on the Capitol Building.

DEPARTMENT OF TAXATION

Motion to open the budget of the Department of Taxation was made by Mr. Hickey; seconded by Mr. Webb. Motion approved.

Motion to adopt the Governor's recommendation in the multi-state tax compact was made by Mr. Bremner; seconded by Mr. Hickey. Motion approved; budget remained open at the request of Mr. Barengo.

NEVADA STATE MUSEUM

Mr. Bible informed the Committee that Mr. Porter had omitted holiday pay and had provided the Committee with updated information regarding utilities. Mr. Bible said that the figures for holiday and over-time pay should be \$3,020 for 1979-80 and \$3,171 for 1980-81, with utilities \$25,000 in 1979-80 and \$27,000 in 1980-81.

Motion to accept these amounts made by Mr. Webb; seconded by Mrs. Wagner. Motion approved.

Motion to adopt the Governor's recommendation as amended made by Mr. Webb; seconded by Mr. Hickey. Motion approved; budget closed.

DIVISION OF SAVINGS AND LOAN

Mr. Hickey proposed an amendment to this budget which would increase the mortgage fees from \$100 to \$200. Mr. Hickey said that this increase in fees would provide for an additional position.

Mr. Bible said that the fees paid by mortgage companies do not cover the cost of administering the Mortgage Company Act and that Mr. Goddard had requested an additional position over that shown in the budget to regulate those companies.

Mr. Hickey said at the present time there is no regulation of the second mortgage loan market which has had a large increase due to inflation and increases in home values.

Motion to have a Committee request for this legislation made by Mr. Mann; seconded by Mr. Bremner. Motion approved.

CONSUMER AFFAIRS DIVISION

Mr. Barengo remarked that it was his opinion that this Division could be moved to the Attorney General's office.

Mrs. Wagner referred to the work done concerning consumer affairs by the Washoe County District Attorney's office and said that this type of work is going to be eliminated at the county level.

Chairman Mello requested Mrs. Wagner and Mr. Barengo to come back to the Committee with a report.

DIVISION OF CONSERVATION DISTRICTS

Mr. Bible said that this budget provides for an additional half-time position to round out the current half-time position of Management Assistant II and an increase of \$500 each year in out-of-state travel. Mr. Bible added that there was some question by the Committee concerning the \$35,000 and \$45,000 in district grants that were not recommended by the Governor in 1979-80 and 1980-81.

Motion to adopt the Governor's recommendation made by Mr. Hickey; seconded by Mr. Rhoads. Motion approved; Mr. Mann and Mr. Webb voted "NO;" budget closed.

Chairman Mello remarked that the Senate Finance has the Fiscal Analyst explain the budget before the budgets are presented and by the time they are ready to close the budgets, many have already forgotten what the Fiscal Analyst said. Chairman Mello said that if the Committee approved, he wanted the Fiscal Analyst to discuss these budgets just before they are closed. The Committee concurred.

DIVISION OF MINERAL RESOURCES

Mr. Bible informed the Committee that the major change in this budget is the requested position of an Engineering Geologist III in 1980-81, which Mr. Westergard requested in the event that Federal legislation passes which would increase the State's activity and responsibility in this area.

Chairman Mello said that this position is not needed at this time and if needed in the future, it can be requested at a later time from Interim Finance and a letter of intent can be sent so stating that.

Mr. Glover asked about the \$2,000 travel related to that position. Mr. Bible said that the \$2,000 travel is being requested for in-state travel for the Oil and Gas Conservation Commission for each year of the biennium.

Motion to drop the position of Engineering Geologist III in the second year of the biennium made by Mr. Mann; seconded by Mr. Bremner. Motion approved.

Motion to adopt the Governor's recommendation as amended made by Mr. Rhoads; seconded by Mrs. Wagner. Motion approved; budget closed.

ENVIRONMENTAL COMMISSION DIVISION

Mr. Bible said that the major change in this budget is the request for a new clerical position for the account to replace borrowed help from the Environmental Division. Mr. Bible added that the other major increase item is under Board salaries--\$2,880 the first year and \$2,880 the second year--which is based upon 12 hearings plus \$400 additional for violation hearings.

Mrs. Wagner said that proposed legislation regarding TRPA would increase the workload of this Division. Mr. Bible said that in that event, the Environmental Commission Division could return to Interim Finance.

Motion to adopt the Governor's recommendation made by Mr. Bremner; seconded by Mr. Rhoads. Motion approved; Mr. Webb voted "NO;" budget closed.

COMSTOCK HISTORIC DISTRICT COMMISSION

Mr. Bible said that the major item of increase in the 1979-80 year is the library acquisition fund for \$3,500 with the remainder of the funds for a new roof for the library building which serves as the Commission's office.

Motion to adopt the work program for 1978-79 of \$9,360 for 1979-80 and 1980-81 made by Mr. Bremner; seconded by Mr. Vergiels. Motion approved; budget closed.

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DEPARTMENT OF GENERAL SERVICES - DIRECTOR'S OFFICE

Mr. Bible said that the only change in this budget is the question that Mrs. Wagner asked Mrs. Glover as to why longevity is not budgeted and Mrs. Glover replied that she had not anticipated continuing in her present position.

Motion to add longevity to the budget made by Mr. Webb; seconded by Mrs. Wagner. Motion approved.

Motion to adopted the Governor's recommendation as amended made by Mr. Hickey; seconded by Mr. Rhoads. Motion approved; budget closed.

DIVISION OF BUILDINGS AND GROUNDS

Motion to reinstate the position of Senior Building Custodian in Las Vegas at the down-graded level of General Building Tradesman made by Mr. Bremner; seconded by Mr. Mann. Motion approved.

Motion to reinstate one position of Grounds Worker II at the down-graded level of General Building Tradesman made by Mr. Bremner; seconded by Mr. Webb. Motion approved.

Motion to reinstate one Heating and Air-Conditioning Specialist at the down-graded level of Mechanic made by Mr. Bremner; seconded by Mr. Mann. Motion approved.

Motion to reinstate one Building Superintendent at the down-graded level of General Building Tradesman made by Mr. Bremner; seconded by Mr. Webb. Motion approved.

Motion to delete the position of General Building Tradesman at the Governor's mansion made by Mr. Barengo; seconded by Mr. Mann. Motion approved; Mr. Webb, Mrs. Wagner, and Mr. Rhoads voted "NO." .

Motion to adopt the Governor's recommendation as amended made by Mr. Bremner; seconded by Mr. Webb. Motion approved; budget closed.

Mr. Bremner requested that the Committee send a letter of intent to Buildings and Grounds requesting them to make no changes in the partitioning of State offices unless approved by the Public Works Board. He also requested that the letter indicate that the positions reinstated by the Committee should be retained at the down-graded level.

Motion to send a letter of intent in accordance with Mr. Bremner's request made by Mr. Bremner; seconded by Mr. Mann. Motion approved.

Mr. Bible explained that Buildings and Grounds is financed by rent charges to all the using agencies and the Budget Division will have to recalculate all rent charges, if Senate Finance concurs with the Ways and Means action, in State agencies in order to raise the necessary funds for the reinstated positions.

DIVISION OF BUILDINGS AND GROUNDS - STATEWIDE LEASES

Motion to adopt the Governor's recommendation made by Mr. Bremner; seconded by Mrs. Wagner. Motion approved; budget closed.

LOST CITY MUSEUM

Motion to request legislation to move this budget to State Museum jurisdiction made by Mr. Hickey; seconded by Mr. Bremner. Motion approved.

Motion to adopt the Governor's recommendation made by Mr. Hickey; seconded by Mr. Rhoads. Motion approved; budget closed.

MARLETTE LAKE

Mr. Bible said that Carson City had tried to negotiate for water from Marlette Lake and that water could not be contracted for an indefinite period.

Motion to adopt the Governor's recommendation made by Mr. Webb; seconded by Mr. Mann. Motion approved; budget closed.

GENERAL SERVICES WORKING CAPITAL FUND

Motion to adopt the Governor's recommendation made by Mrs. Wagner; seconded by Mr. Webb. Motion approved; budget closed.

GENERAL SERVICES ACCOUNTING

Motion to adopt the Governor's recommendation with a letter of intent indicating that a new Account Clerk position not be filled if CETA funds are not available made by Mr. Webb; seconded by Mr. Bremner. Motion approved; budget closed.

STATE PRINTING OFFICE

Motion to cut the out-of-state travel from \$3,000 to \$2,000 each year of the biennium made by Mr. Rhoads; seconded by Mr. Mann. Motion approved.

Motion to change the equipment repayment line item to \$9,925 for 1979-80 made by Mr. Bremner; seconded by Mr. Hickey. Motion approved.

Motion to adopt the Governor's recommendation as amended made by Mr. Hickey; seconded by Mr. Rhoads. Motion approved; budget closed.

RECORDS MANAGEMENT SERVICES

Chairman Mello asked the Subcommittee, consisting of Mr. Bremner and Mrs. Wagner, if they has any information concerning this budget. Mrs. Bremner reported that he has requested the State Printer to furnish a list of the agencies who could be using State Printing and are getting their work done by outside businesses and also a list of those agencies requesting microfilming equipment or other equipment that would compete with Records Management.

The budget was held pending receipt of this information.

PURCHASING ADMINISTRATION

Mr. Mann said that the two new requested positions of Storekeeper and Purchasing Tech II had been dropped by Senate Finance. Mr. Alastuey said that the volume of business of State Purchasing was sufficient to justify these positions.

Motion to retain the position of Storekeeper in the second year of the biennium was made by Mr. Webb; seconded by Mr. Barengo. Motion approved; Mr. Bremner voted "NO."

Motion to adopt the Governor's recommendation as amended made by Mr. Rhoads; seconded by Mr. Mann. Motion approved; budget closed.

SURPLUS PROPERTY

Motion to adopt the Governor's recommendation made by Mr. Webb; seconded by Mr. Mann. Motion approved; budget closed.

COMMODITY FOOD PROGRAM

Mr. Bible said that the Committee had questioned the large reserve that is carried and is currently \$223,000. Mr. Bible pointed out that the Committee had asked if these monies could be put back into

the General Fund and made the suggestion that the reserve be used to fund a portion of the Purchasing Warehouse since it will require refrigeration for the Commodity Food Program.

Chairman Mello requested that this decision be held over for the Capital Improvements program.

The meeting was adjourned at 10:00 a.m.

APPENDIX A

July 22, 1977

RECEIVED
LEGISLATIVE COUNSEL BUREAU

AUG 16 1977

OFFICE OF FISCAL ANALYSIS

James L. Buchanan II
Board of Regents
University of Nevada
Reno, Nevada 89507

Dear Chairman Buchanan:

The Legislative Commission, meeting in regular session on July 22, 1977, directed that I convey their surprise at the Board of Regents' decision to abolish the position of President of the Community College System.

During consideration of the University budgets by the legislative money committees, at the 1977 legislative session, both the Senate Finance Committee and the Assembly Ways and Means Committee took specific action to maintain a separate identity for the administration of the Community College Division. This action included the maintenance of a separate appropriation to support the Community College President and one clerical position.

The provisions of Section 61 of the General Appropriations Act (Chapter 574, 1977 session) were only intended to provide the flexibility for the Board of Regents to unify and consolidate the business, personnel, purchasing, and other administrative functions. This provision in no way detracts from the expressed legislative intent to retain the separate identity of the President's office of the Community College System.

Very truly yours,

Donald R. Mello, Chairman
Legislative Commission

DRM:bkm