

**BOARD OF COUNTY COMMISSIONERS
WASHOE COUNTY, NEVADA
RETREAT**

TUESDAY

8:30 A.M.

FEBRUARY 1, 2011

PRESENT:

John Breternitz, Chairman
Bonnie Weber, Vice Chairperson*
Bob Larkin, Commissioner*
Kitty Jung, Commissioner
David Humke, Commissioner

Amy Harvey, County Clerk
Katy Simon, County Manager
Melanie Foster, Legal Counsel

The Washoe County Board of Commissioners convened at 8:35 a.m. for a Strategic Planning Retreat at the Mills Lane Justice Center, 1 South Sierra Street, South Tower, 3rd Floor, Room 310, Reno, Nevada. The following discussions ensued:

County Manager Katy Simon stated: "The Chairman and the Board of County Commissioners intend that their proceedings should demonstrate the highest levels of decorum, civic responsibility, efficiency and mutual respect between citizens and their government. The Board respects the right of citizens to present differing opinions and views, even criticism, but our democracy cannot function effectively in an environment of personal attacks, slander, threats of violence, and willful disruption. To that end, the Nevada Open Meeting Law provides the authority for the Chair of a public body to maintain the decorum and to declare a recess if needed to remove any person who is disrupting the meeting, and notice is hereby provided of the intent of this body to preserve the decorum and remove anyone who disrupts the proceedings."

11-97 AGENDA ITEM 1 – PUBLIC COMMENT

Agenda Subject: "Public Comment. Comment heard under this item will be limited to two minutes per person and may pertain to matters both on and off the Commission agenda. The Commission will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Commission as a whole."

Garth Elliott objected to the retreat being held at the Mills Lane Justice Center and felt the meeting should be held at the County Complex.

***8:40 a.m.** Commissioners Larkin and Weber arrived.

Agenda Subject: “The purpose of the Strategic Planning Retreat is for the Commission to discuss with its Department Heads and Management Staff and possibly give direction to them regarding the vision, mission, strategic objectives and goals of the Washoe County Commission. The discussion occurring during this item may include, but not be limited to, review, discussion and possible direction to staff regarding:

- **The Future of County Government;**
 - Human Resources and Compensation
 - Financial and Operational Sustainability
 - Scenario Plans: The Future Role of Washoe County Government
- **Washoe County Vision Statement, Mission Statement and Strategic Objectives**
- **Washoe County Business Strategy 2011-2015**
- **Washoe County Strategic Outcomes**
- **Funding Levels and Budget Planning Guidelines for the Fiscal Year 2011/12 Budget as Approved by the Commission on January 25, 2011.”**

Katy Simon, County Manager, welcomed department heads and employee association representatives. She said the Board had conducted three “Future of County Government” workshops to review new strategies to project and plan for the County’s future. Ms. Simon provided additional information developed since the last workshop, specifically that the preliminary impact analysis of Governor Sandoval’s proposed budget, which retained 9 cents of local property tax from Washoe County and shifted some State services to the County, would result in an additional \$23.5 million annual impact upon the County’s annual budget. Ms. Simon stated this financial impact was an unbearable burden to Washoe County citizens, given that this impact was in addition to the \$33.5 million deficit already identified for the County’s 2011/12 fiscal year budget. She also noted that since counties serve as public safety nets for their communities, this financial burden would hit the people most vulnerable, such as abused and neglected children, homeless and unemployed families, seniors in need and troubled youth. Those were the primary areas of targeted service reductions from the State.

John Slaughter, Management Services Director, conducted a PowerPoint presentation, which was placed on file with the Clerk. The presentation included an overview and summary of the three workshops that were held on November 9, 2010, December 14, 2010 and January 11, 2011.

Arnie Maurins, Library Director, asked for further comment on measuring the return on investments for employees. Katey Fox, Human Resources Director, said the HayGroup, Inc. had been requested to provide data to determine where employees stood, in terms of their pay relative to the market and, where their salary range fell within the market. She said on February 8, 2011 the HayGroup would present that information to

the Board and based on that data would make recommendations. Ms. Fox said the compensation currently adopted by the Board determined that salaries were at the average of the market.

Sheriff Mike Haley asked if discussion pertaining to a future workforce was long-term or short-term. Ms. Fox replied the data would provide information on what the current workforce resembled in terms of age and the estimations about employees leaving the organization. She said the turnover rate in 2010 had significantly reduced.

Ms. Simon said the County had already cut \$123 million from its operating budget, along with 725 positions, (16 percent of its workforce) and all County labor associations had taken pay and/or benefit cuts. The County's wages over the past ten years grew 5.4 percent less than the Consumer Price Index (CPI) in the same period. She said more than six in 10 residents surveyed countywide in December 2010 reported that service levels had declined to some degree. Chairman Breternitz warned the retreat participants and members of the public that critical services were likely to decline further, particularly if the deficit was increased another 70 percent due to actions by the State.

John Sherman, Finance Director, noted that forecasts showed revenues would continue to decline for the next two years primarily driven by lower property tax revenues, though at a lesser rate of decline than in previous years. After that, revenues would begin to be moderate-based on modest property value increases but would not reach levels previously seen in the past decade. Based on the County's conservative assumptions, he said Washoe County faced a \$200 million deficit by 2015, not including impacts of State government revenue and service shifts.

Given the economic forecast, the Board stated that the current resetting of County service levels and citizen expectations was the new normal, and praised department heads for their efficiency and innovation in managing the past four years of budget cuts. Chairman Breternitz asked County officials to continue to be collaborative and work across department lines as well as with other jurisdictions, private industry, and non-governmental organizations to meet the challenges ahead. Ms. Simon said citizens were also integral to the resetting effort including the budget process, and information received on budget priorities from a recent citizen survey would be used to help make budget decisions.

Commissioner Weber commented that Washoe County was one of the 15 counties where citizens approved an advisory question last November, which said the State should seek local governments consent if they wished to redirect local revenues to the State or transfer State services to local governments; however, that action did not take place before the preparation of the Governor's budget proposal.

The Board confirmed the County's vision statement, which was developed at their strategic planning retreat last year. The vision reads, "Washoe County is the best place in the country to live, work, recreate, visit and invest." The Board also confirmed the County's mission of, "working together to provide a safe, secure and healthy

community” as well as their five strategic objectives: safe, secure and healthy communities; high quality of life; State and regional collaboration; sustainable resources; and, regional prosperity.

Ms. Simon said Departments would submit their draft strategic plans and budget reduction plans by March 7th, which would be used by the Board to help in their difficult decisions about the 2011/12 budget. She said the 2011/12 proposed budget would be discussed at various public meetings and noted that a budget calendar was posted on the County’s website. Ms. Simon indicated that a final budget would be presented for possible adoption by the Board during their May 16, 2011 meeting.

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11:25 a.m. There being no further business to be conducted, Chairman Breternitz adjourned the retreat.

The foregoing minutes represent the understanding of the Washoe County Clerk’s Office of the discussions held during this meeting.

AMY HARVEY, County Clerk and
Clerk of the Board of County Commissioners

*Minutes Prepared by:
Stacy Gonzales, Deputy County Clerk*