



**STRATEGIC BUDGET PRIORITIES PROCESS (SBPP)
MEETING NOTES – September 16, 2010**



Attendees Present: Al Greer
Pamela Dittmar
Robert Noyes
Bob Potter
Michelle Bailey-Hedgepeth
Eddie Bryant
Paul Karres
Richard Kilburn
Al Noyola
Ken Williams
Maryann Ustick
Clay Overlein
Harvey Ferber

Absent: Joe Cain
Eddie Bensyl
John Restrepo

1. Opening Comments

The regular meeting of the Strategic Business Planning Process (SBPP) was called to order at 11:30 am on September 16, 2010 in the North Las Vegas Library Community Room by Maryann Ustick.

Maryann welcomed the group and provided an update to the group regarding the Detention Center and impact of the US Marshall's Decision to move 200 federal prisoners from the North Las Vegas Detention Center to a new facility in Pahrump causing a huge drop in prisoner revenue overnight. The City Manager will present to the City Council on October 6 a reduction in force for the Detention center totally separate from the BRP. The City now has to align jail expenditures with the drop in revenue which will push back the BRP process from preliminary recommendations to November 1.

2. Introduction

Michelle introduced facilitator Eddie Bryant. Eddie provided a brief background of his qualifications. Eddie has an extensive background in training with 30 plus years military as well as private sector. He is currently in Learning and Organizational Development in the Human Resources Department. Eddie requested an introduction from each member of the SBPP Committee.

3. Continue Group Discussions on City Priorities

The group continued discussion on priorities from the meeting of September 9, 2010. Ken Williams referred to a comment by Joe Cain from that meeting which referred to asking the public what core services it would like to maintain. Michelle Bailey-Hedgepeth commented that a citywide survey was being introduced at the Mayor's Town Hall meeting on Tuesday, September 21, 2010 and a press release was being prepared.

Curtis Cummings had a question that related to information provided by the City Attorney's office that indicated that 40% of their costs are related to excessive use of

force. Mr. Cummings asked if these costs were billed back to the Police Department and if there were more penalties and consequences associated with police officer behavior then costs could likely be reduced.

Michelle Bailey-Hedgepeth reviewed the City Attorney slide and clarified that the slide was misleading. CNLVPD has 975 employees which are close to ½ of the City's employee base in general. There have been some excessive force issues but the percentage is not excessive, the amount of City Attorney time is proportionate to the percentage of City population.

Al Noyola commented that the City charges a certain percentage of the personnel budget to a self insurance fund that pays for legal fees and so forth. The police department pays twice as any other department since many cases originate out of PD.

Maryann Ustick commented that the City Attorney's office is leaning towards charging back more of their time to the self insurance fund.

Bob Potter asked how the CNLV PD budget compares to [Metro] and if there is any interest in combining forces with [Metro]. It has worked well for the City/County and why shouldn't be on the plate for analysis for North Las Vegas, as well as for the NLV Fire Department.

Al Noyola noted that discussions on law enforcement consolidation within Clark County have occurred within the law enforcement community and the current Sheriff had reservations about growing the force. He also noted that he is not aware of the Sherriff's current sentiment. Al stated that in comparisons with like cities in Arizona, Clark County, Utah and California the CNLV PD organization is leaner when it comes to top level management.

Bob Potter commented that he would like to see consolidation on the board so that it get's passed on [to Council].

Harvey Ferber questioned for the larger City departments how much effort has gone into researching outsourcing [as a possibility to reduce costs].

Bob Potter asked if outsourcing is an option even if we have existing [union] contracts.

Michelle Bailey-Hedgepeth answered that there is a joint RFP study the City is working on with the City of North Las Vegas for services and it will be evaluated from the two city perspective and there are union implications. The City is evaluating the options.

Clay Overlien – apologized for missing last week's meeting, he mentioned he read through the minutes and agrees with the suggestion to close the golf course.

Maryann Ustick commented that the City is in a development agreement with Aliante to operate the golf course for 50 years it will remain open.

Clay Overlien noted that in one of the other meetings the committee was given a list of properties moving forward but there was concern that the City did not have money to operate.

Maryann commented that there are some parks projects under construction that do not have to be opened. In the past the Council has made a policy decision to keep the 9-hole golf course open but it does not have to be kept open.

Al Greer commented that closing parks is understandable but he is concerned about the perception of families moving to the area where libraries and parks are closed. They will choose other locations in the valley to move to.

Bob Potter noted that [the group] needs to analyze the fundamental needs to keep the community alive. The library and certain parks should remain open but the biggest expense is personnel. Without substantial layoffs it will be hard to meet budget goals.

Curtis Cummings noted that San Diego uses a model where facilities maintenance bids for work against the private sector. He suggested that facilities maintenance should be consulted when City is designing new facilities as they have knowledge that will improve lifecycles.

Harvey Ferber requested information about outside funding sources the City of North Las Vegas is receiving and what bearing those sources have on operation of facilities.

Maryann Ustick commented that during the presentations to the SBPP Committee outside funding sources were discussed. The City of North Las Vegas has received outside funding for capital and not for operations and maintenance. There are timelines to expend the money so that cities that receive funding are not allowed to sit on the money for long periods of time. The City of North Las Vegas has been successful in receiving extensions due to the economy. There are no issues with the City not opening or operating facilities once completed. Employee time spent working on projects supported by outside funding are not charged to the general fund, they are charged back to the project.

Bob Potter suggested that projects with outside funding sources have priority over projects that are supported by the general fund. He also asked for clarification of the Planning Commission's adoption of the new International Building Code. He noted that the other jurisdictions have agreed not to implement the 2009 IBC until next July.

Maryann Ustick answered that the IBC was approved but is optional so you can choose to build under either code until July. There are some benefits to the new code in terms of cost savings on commercial buildings and electrical code that are very attractive to commercial builders. In addition the Council has voted to remove the residential sprinkler requirement.

Bob Potter suggested that this information be disseminated to the building organizations such as AGC, ABC, AIA, Southern Nevada Subcontractor's Association, etc.

Richard Kilburn asked what would happen if the City did not balance the budget by July 1?

Maryann Ustick answered that according to the State NRS Code, if the City drops below an ending fund balance of 4% then the State Department of Taxation can take over the City administration and make financial decisions.

Harvey Ferber asked if worst case scenario the State takes over the City would the Union contracts still be in effect.

Maryann Ustick commented that yes, the Union contracts would still be in effect. The current state law does not have an out for financial hardship. The State could also make a determination that the City financial situation is so bad they can recommend de-incorporation but that would not necessarily void union contracts. That would be a legal decision up for debate.

4. Group Consensus on Top Priorities/Nominate a Presenter for Chamber and Council Presentation

Maryann Ustick commented that the essential question to this committee is to identify how important are maintaining existing levels of service from Police and Fire which are very important to business as opposed to maintaining other quality of life programs that are the parks and libraries and those types of services.

Top Priorities

- Negotiations of salary and benefit reductions- All employees
- Reorganization of the City (Streamlining)
- Salaries are NOT Sustainable (Not in line with the private sector)
- Cost Recovery (not the time for raising additional fees)
- More Emphasis on Local Business
 - Local Oversight Committee/Board with Council Member
- Close any areas which do not operate any projects
- Layoffs have to be made – look at departments that are disproportionate to resources
- Look at department budgets
 - Good Management versus bad use of resources
- Cross Train Employees
- Take Ownership in the City (not the lower level)
- Development Services – Provide business friendly (speed/attitude) red carpet service to businesses
- Close the Firing Range
- Library – needed by the community
- City Planning / Economic Development needed as a presence to bring business / development to CNLV
 - May not need as many inspectors now but plan for future need
 - Need a liaison to business community
- Look into leasing extra office space in city hall to outside agencies

The group nominated Bob Potter for presentation to the NLV Chamber of Commerce at the summit meeting on Tuesday, September 21, 2010 and to present to the City Council on October 6, 2010.

5. Next Meeting Date

- NLV Chamber Summit, Tuesday 9/21/2010
- Presentation to Council, October 6, 2010