

Finance Committee Meeting
Nevada Board of Wildlife Commissioners
Nevada Department of Wildlife
1100 Valley Road, Reno, Nevada 89512

DRAFT Meeting Minutes

Meeting Location: Nevada Department of Wildlife
1100 Valley Road
Reno, Nevada 89512

Committee Members: Commissioners Charles Howell (chair), Daryl Capurro and Bruce Kobrin

Friday, February 5, 2010 – 8:30 a.m.

1. Call to Order – Chairman Charles Howell

Howell called the meeting to order at 8:40 am.

Roll call of committee members present: Charles Howell (chair), Daryl Capurro, and Bruce Kobrin. Quorum established.

NDOW Staff Present: Patrick Cates, David Prather, Katie Simper

Members of the Public: Scott Raine, Tom Cavin, Pete Mori, Gil Yanuck, and Paul Dixon

2. Approval of Minutes – Action

Minutes are from the June 19, 2009 Finance Committee meeting.

Motion to approve by Capurro, seconded by Kobrin, passed unanimously, minutes approved.

3. Member Items

Committee members may present emerging items. Any item requiring committee action will be scheduled on a future Committee agenda.

No committee items

4. Public Comment Period

Persons wishing to speak on items not on the agenda should complete a speaker card and present it to the recording secretary. Public comment will be limited to three minutes for individuals and six minutes for persons representing groups or organizations. Persons are invited to submit comments in writing on the agenda items and or attend and make comment on the item at the committee meeting. Any item requiring committee action could be scheduled on a future committee agenda.

No public comment

5. **Discussion of Letter of Intent from the Nevada Legislature to Create New NDOW Budgets - Chairman Howell – Informational**

The Finance committee will discuss NDOW's progress on creating more budget accounts in accordance with a letter of intent from the 2009 Legislature. Deputy Director Patrick Cates will give a presentation on this topic and will answer any questions from the committee.

Howell read Letter of Intent from the 2009 Legislature for NDOW to create new budget accounts.

Cates provided a presentation on NDOW's plan to comply with the Letter of Intent. He provided an overview of the State of Nevada budgeting process, including the multiyear timeline and line item budgeting through the NEBS system. He spoke about the limitations of the NEBS system in implementing this budget split.

Cates discussed the plan which must be submitted to the April 2010 Interim Finance Committee for review. He explained the Letter of Intent calls for implementation in FY 2011, which starts next July 1. He discussed the logistic difficulties of breaking out FY 2011 while at the same time preparing the FY 2012-2013 budget request. NDOW will ask permission to implement the plan next biennium FY 2012-2013. NDOW will also ask for accommodation to break out budgets outside of the NEBS system to make better use of staff time.

Cates presented the SAGE Commission Report recommendation #42 regarding a pilot project to implement changes in Nevada's budgeting system based on program budgets instead of line-item budgeting. He indicated this was justification for creating new budgets outside of the NEBS system. Cates said Nevada's budgeting process is very detailed and not the norm for most states in the country.

Cates presented a chart depicting the planned breakout of NDOW's budget. He described the current budget accounts of NDOW as well as the new accounts planned and how they would work, including a discussion of the Wildlife Fund account and division operational budgets. He also discussed a NDOW Trust account to accept gifts and donations.

Howell asked clarification if we planned one budget per division and if we would be able to comply with the letter of intent and that he wanted the committee to review one or more of the division budgets. Patrick indicated we will have a plan for IFC which will do that. Then he handed out a document which showed a template for one of the budgets.

Kobrin asked what % of NDOW's budget is composed of the NDOW Administration budget. Prather said it is between 55-60%. Cates indicated it's were all staff and most program expenditures come out of.

Kobrin asked if we do projections on cash flow based on our budgets monthly. Cates indicated yes, it is done more frequently. Kobrin asked what is done if we are going to go negative on cash flow. Cates indicated

we monitor closely and can borrow from other budgets, such as the Boat budget. Kobrin asked if we ever go negative on cash. Prather said on a department-wide basis, no. We can borrow from General Fund or borrow from NDOW reserves.

Kobrin asked about the difficulty of line-item budgeting and said consolidation would be real key moving forward for the public to go through the budgets effectively. He asked if it would be consolidated now. Cates indicated we would consolidate as much as the Budget Office and LCB would allow but is hopeful, based on SAGE recommendation, would be able to consolidate. Kobrin said it is micromanaged currently.

Kobrin ask about the trust account, wanting to know what typical balance we would have after a year. Cates indicated it would be dependent upon amount of donations received. Cates also indicated there would be public reports to the Legislature on status of this account.

Capurro ask about recent report to IFC to receive donations. Cates indicated that was approximately \$200k for the Game Division. Capurro said there is a reluctance to provide information to the Board and that going to this route would be even worse. Capurro asked for a gift report to every meeting of the Board.

Capurro asked if we had been asked by the executive branch or LCB about sweeping of NDOW reserve accounts, such as the Heritage Account. Prather indicated we are currently going through that right now. Prather indicated many reserves are projected by both state and federal law. Capurro expressed concerns that would not prevent sweeping of NDOW reserves.

Kobrin asked about the chart and asked if division budgets could be consolidated. Cates indicated doing so would go in the opposite direction of the letter of intent, which calls for greater breakdown of budgets. He also said the more you aggregate, the more difficult it is to properly allocate and track funding.

6. **Future Committee Meeting - Chairman Howell - Action**

The committee will set a date, location, and time for the next committee meeting.

Howell requested the committee hold off on scheduling another meeting until we have more information.

Capurro made the first motion to adjourn, seconded by Kobrin, passed unanimously, meeting adjourned at 9:29.