

Governor Brian Sandoval
Chairman

James R. Wells, CPA
Clerk of the Board



Attorney General Adam Paul Laxalt
Member

Secretary of State Barbara K. Cegavske
Member

STATE OF NEVADA BOARD OF EXAMINERS

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<http://budget.nv.gov/Meetings>

MINUTES

Date and Time: December 12, 2017, 10:00 AM

Location: Old Assembly Chambers of the Capitol Building
101 N. Carson Street
Carson City, Nevada 89701

Video Conference Location: Grant Sawyer Building
555 E. Washington Avenue, Ste. 5100
Las Vegas, Nevada 89101

MEMBERS PRESENT:

Governor Brian Sandoval
Attorney General Adam Paul Laxalt
Secretary of State Barbara Cegavske – Present in Las Vegas
Paul Nicks, Clerk of the Board

OTHERS PRESENT:

KC Kasey, Administrator – Division of Forestry
Debra Crowley, Fiscal Administrator, Department of Agriculture
Steve Fisher, Administrator, Welfare and Supportive Services
Nova Murray, Deputy Administrator, Welfare and Supportive Services
Michelle Morgando, Administrator, Hearing and Appeals Division
Rebecca Salazar, Programs Officer 3, Victims of Crime Program
Cameron Vandenberg, Chief Deputy Attorney, Attorney General's Office
Christian Schonlau, Chief Financial Officer, Attorney General's Office
Nick Trutanich, Chief of Staff, Attorney General's Office
Chris Chimits, Deputy Administrator, State Public Works
Gus Nunez, Administrator, State Public Works
David Frommer, Executive Director of Planning and Construction, University of Nevada, Las Vegas
Diane Chase, Executive Vice president and Provost, University of Nevada, Las Vegas
John Borrowman, Deputy Director, Department of Corrections
Sheila Lambert, Management Analyst 4 Department of Corrections

1. Call to Order / Roll Call

Governor: Good morning everybody. I will call the Board of Examiners Meeting to order. Madam Secretary, can you hear us loud and clear in Las Vegas?

Secretary of State: Yes, I can Governor. Good morning.

2. Public Comment (No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically included on an agenda as an action item)

Governor: We will move to agenda item number 2, Public Comment. Is there any member of the public present in Carson City that would like to provide public comment to the Board? I hear and see none. Is there anyone present in Las Vegas that would like to provide public comment to the Board?

Secretary of State: No there is nobody here that wishes to make a public comment Governor, thank you.

Governor: Thank you Madam Secretary.

3. Approval of the November 14, 2017 Minutes (For possible action)

Governor: We will move to agenda item number 3, Approval of the November 14, 2017 minutes. Have the Members had an opportunity to review the minutes and are there any changes?

Attorney General: Move to approve.

Governor: The Attorney General has moved to approve the minutes of the November 14, 2017 meeting, is there a second?

Secretary of State: I second it Governor.

Governor: Seconded by the Secretary of State. Are there any questions or discussion on the motion? I hear and see none. That motion passes 3-0.

4. Request for an Allocation from the Reserve for Statutory Contingency Account (For possible action)

Department of Conservation and Natural Resources – Division of Forestry

Pursuant to NRS 353.264(2)(b)(1), the Division requests an allocation of \$1,950,000 from the Statutory Contingency Account to cover the cost of actual and projected emergency response expenses arising from operations directly involving the protection of life and property under NRS Chapter 472.

Governor: We will move on to agenda item number 4, Request for an Allocation from the Reserve for Statutory Contingency Account by the Department of Conservation and Natural Resources, Division of Forestry.

Clerk: Good morning Governor and Members of the Board. Item 4 is a Request for an allocation from the Reserve Statutory Contingency Account to the Forestry Division of the Department of Conservation and Natural Resources.

Pursuant to NRS 353.264(2)(b)(1), the Division is requesting to cover actual and projected costs of emergency responses to protect life and property under NRS Chapter 472 due to an unusually active fire season which currently ranks as the third most severe on state record.

The Interim Finance Committee approved work programs at the October IFC meeting using the Wild Fire Protection Program reserves to cover projected expenses through December. This request is intended to cover the currently projected expenditures through the end of the Fiscal Year. Should this amount be insufficient to cover firefighting costs incurred through June, the Division will look to a request of IFC Contingency funds for the balance.

The Reserve for Statutory Contingency currently has a balance of \$2.88 million for the balance of the 2018-2019 biennium.

Representatives from the Division are available to answer any questions the Board may have.

Governor: Thank you Mr. Nicks. Ms. KC, good morning. I am not sure what is going to be included in your presentation but I did want to read part of the memorandum that you authored to put things in perspective as to the need for this agenda item. I am going to be reading verbatim from this memorandum. It states:

To date, in 2017 there have been 753 fires across Nevada with a total area burned exceeding 1.2 million acres. Of these 753 fires, 152 originated on land within the Division's responsibility which is almost two times the five-year average. Of the 1.2 million acres burned, 331,392 were Nevada Division of Forestry's (NDF) responsibility, which is over 13 times the five-year average. Wildland fire costs and acreages currently are exceeding averages nationwide. The increase comes from increased fuel loads and a longer fire season. In the past, fire seasons average five months but are now average seven to nine months nationwide. The cost of fighting wildland fires is initially born by the jurisdictional agency at the point of origin. The agency then seeks reimbursement through cost share agreements with all other responsible jurisdictional agencies.

Ms. KC, I hope I did not steal your presentation but I just wanted to thank you and all the men and women associated with you at NDF because you really have been heroic during this fire season. I would ask that maybe you could give some perspective as to what is going on in California and the assistance we are providing there. Truly, it has been a really difficult year and you have answered the call at every moment so thank you for that.

Kacey KC: Thank you. Good morning Governor and Members of the Board, for the record Kacey KC. That was my speech, so thank you for that. Although the numbers have changed slightly, there are 760 fires to date in the state; we are still at a little over 1.2 million acres.

One of the things I would add is the California response. A lot of these projections that we did going forward did not predict some of the two fire sieges that had happened in California. The first one in October, we sent over about 150 employees. That was inmate crews and fulltime staff. Currently we have two type three engines at six conservation camps in California, primarily on the Thomas Fire, trying to battle those flames. That is about another 150 employees plus seven from Nevada Department of Corrections (NDOC).

We are just trying to help them as they have helped us many times in the past. It has been a hard year for us; as you had mention, the third highest on record from an acres perspective - probably the highest on record from a cost perspective. We were one of the first states out in the West that had a fire siege, so we had access to a lot more aircraft and support than we normally would have had, had the other states had a similar situation. We were lucky to keep it at 1.2 million acres with the fuel loads that we have and we will continue to see in the future fire season.

That is all I would add. I would like to thank the Governor's Finance Office and the Legislative Counsel Bureau's (LCB) staff for helping us with all the solutions we have had to come up with this year to get this right and keep responding to incidents that keep coming up.

Governor: Thank you Ms. KC. Just in terms of process, we have been the beneficiary of California sending crews, so at the end of the year, in terms of the fire season, is there a true up and if more resources are sent from one place to the other, will Nevada then have to pay California or will California help reimburse Nevada?

Kacey KC: Yeah, that is how it works throughout the fire season. So, we are currently in the process of adjudicating any bills that come and they are doing the same thing. We are processing bills and they are processing bills. That goes for the Forest Service, the Bureau of Land Management (BLM), Cal Fire and any State that we have helped respond to and then at the end of the year, we will bill and they will bill. Currently we are looking at what the difference would be and then we will move forward with payments.

We have not seen what we know is the bills that are our responsibility right out of the shoot, which is any fire that started on our jurisdiction. There are many others that we will have a cost share in. We have not seen the cost of those yet. Those will be coming in as the Federal government gets to their billing process.

Governor: Maybe it is too early to have an estimate; we just do not want to have a big surprise. Do you know kind of where it is in terms of what that reimbursement looks like?

Kacey KC: As far as receivables? Currently, we are at \$1.6 million in receivables out, that is what we have billed to go out and that number fluctuates daily as we are bringing money in. Year to date, we have brought in about \$400,000. Some things are dropping off, other things are adding on as we are getting more and more bills. That is currently what we have but then, you know, we just got a big bill from California again, about \$500,000 that was not factored into that. It is in the adjudication process. So, the numbers just kind of fluctuate. We attach those numbers, as current as they are, to all of these work programs.

Governor: All right, thank you. I do not want to jinx anything, but all calm in Nevada right now?

Kacey KC: Yes.

Governor: All right. Questions from other Board Members with regard to agenda item number 4?

Secretary of State: Governor, this is Barbara Cegavske, I would just like to echo your comments and thank the Forestry Division for all their hard work and everything they have done. I know it has not been easy and watching what we have gone through and then watching what California has gone through, we are really very lucky for the responders we have with the firefighters and the Division of Forestry. So, thank you so much.

Kacey KC: Thank you all and I will bring that back to the agency and tell them as well.

Governor: Our thoughts and prayers are with what is happening in California. Could you give kind of a sense of the magnitude of that fire that is happening right now?

Kacey KC: I did speak to Bob Roper, previous State Forester, his home was actually threatened and he was mandatory evacuated in one of the fires. From all accounts that we have heard over there, this is fire like they have never seen it. They have had Santa Ana winds in the past. They have never had fuel loads like this and fire moving quite at the pace that they have seen this fire moving in.

What you saw in October and the difference with the current one is the amount of structures. Usually it will stop at the brink of town but it did not stop at the brink of town. I think 5,700 was the structure total in the last siege. It is quite high. So it is very devastating for the State of California. A lot of their resources are tapped. So, it is really important and critical for us all to help them. They have got resources from Canada, New Zealand and from all over the world to help them fight fire and it is not something we have seen in the past. We noticed that also this year, in the State of Nevada, fire has moved faster than we have seen it.

Looking at historical firefighting tactics and techniques, we have had to change our way of fighting fire and I think that is something that we will see continue into the future.

Governor: I know we are going a little astray here but do you attribute that to the amount of fuel load, as a result of the wet winter that we had?

Kacey KC: Definitely, the amount of cheat grass that we have, the cut type of grasses that come with a wet winter and also the overstocking of our forests and the dead and decadent vegetation that has not been cleared in a lot of acreages. That is a part of it and part of it also being the warmer and dryer temperatures and winds coming. We always have winds but having a little bit stronger wind forces.

Governor: All right, thank you. Are there any other comments or questions? If there are none, the Chair will accept a motion to approve the request for an allocation from the Reserve for Statutory Contingency Account by the Department of Conservation and Natural Resources Division of Forestry in the sum of \$1,950,000.

Attorney General: Move to approve.

Governor: Attorney General has moved for approval, is there a second?

Secretary of State: I second it Governor.

Governor: Seconded by the Secretary of State. Are there any other questions or comments on the motion? I hear and see none. That motion passes 3-0. Thank you Ms. KC, good luck to you.

5. Authorization to Contract with a Current and/or Former State Employee (For possible action)

Department of Agriculture

Pursuant to NRS 333.705(1), the Department requests authority to contract with a former employee, Melanie Whitney, to provide technical assistance and training on federal grants managed by the department.

Governor: We will move to agenda item number 5, Authorization to Contract with a Current and/or Former State Employee.

Clerk: Item 5 is a Request to Contract with Current and/or Former Employee pursuant to NRS 333.705 subsection 1. Assembly Bill 466 from the 2017 Legislature revised the requirements for these requests to be approved by the Board of Examiners. As long as the former employee is not receiving retirement benefits from the Public Employees' Retirement System during the duration of the contract, a former employee may provide services to state agencies without approval of the Board.

This request is from the Department of Agriculture to contract with a former employee to provide technical assistance and training on federal grants managed by the Department. The former employee who retired in September 2017 would work between 10 and 20 hours per week through March 2nd and then less than eight hours per month through the remainder of the fiscal year at a rate of \$31.32 per hour.

Representatives from the department are available to answer any questions the Board may have.

Debra Crowley: Debra Crowley, Finance Administrator for the Department of Agriculture.

Governor: Ms. Crowley, I do not have any questions. The only comment that I would have is, typically somebody gets trained before the person leaves so they do not have to come back, is there a plan to get that done?

Debra Crowley: Actually at the time we requested the overlap, we were not aware that the person that was going to be hired was an internal person. So, we promoted from within, so there really was not much training that was able to occur. In addition to training, on a lot of the federal reporting requirements, there are other special projects that this individual would assist in, such as audits, federal audits and assisting with the new budgets beginning to help the incumbents understand some of the programs.

Governor: Thank you very much.

Debra Crowley: You are welcome.

Governor: Board Members, any other questions for Ms. Crowley? If there are no further questions, the Chair will accept a motion to authorize the contract with a current and/or former state employee as presented in agenda item number 5.

Attorney General: Move to approve.

Governor: Attorney General has moved for approval, is there a second?

Secretary of State: I second it Governor.

Governor: Seconded by the Secretary of State. Are there any questions or discussion on the motion? I hear and see none. That motion passes 3-0.

6. Request for Approval to Join or Use Other Governments' Contracts
(For possible action)

Department of Health and Human Services – Welfare and Supportive Services – Administration - \$1,100,000

Pursuant to NAC 333.175, the Division requests to utilize a Delaware Department of Health and Social Services, Division of Child Support Services cooperative contract to provide an electronic application to assist in the collections and disbursements of Child Support payments to the custodial parent and to interface with the legacy application for posting these transactions to both the custodial and non-custodial parent.

Governor: We will move to agenda item number 6, Request for Approval to Join or Use Other Governments' Contracts. This one is by the Department of Health and Human Services, Welfare and Support Services.

Clerk: Item 6 is a Request to Join or Use Other Governments' Contracts. Nevada Administrative Code (NAC) 333.175 allows the State to participate in the award of a contract on a multistate basis if the contract is awarded by competitive selection, properly advertised and in the best interest of the State as determined by the Administrator of State Purchasing. While these requests are similar to contracts, they use the terms and conditions negotiated by the contracting government with the vendor which may or may not be the same as the State's terms and conditions.

This request from the Department of Health and Human Services, Division of Welfare and Supportive Services seeks approval to join a State of Delaware, Department of Health and Social Services, Division of Child Support Services contract with Informatix, Inc. to provide an electronic application to assist in the collection and disbursement of child support payments to custodial parents. The work order for this contract is \$1,100,000 through March 31, 2020.

Governor: Thank you. Mr. Fisher, good morning.

Steve Fisher: Good morning Governor and Members of the Board, for the record Steve Fisher, Administrator for the Division of Welfare and Supportive Services. I have with me this morning, Nova Murray, Deputy Administrator for the Division. What I would like to do is turn it over to Nova to give you a brief explanation of the contract and a little background on the contract and then we are here to answer any questions you might have.

Governor: Thank you. Please proceed.

Nova Murray: Good morning Governor and Members of the Board, Nova Murray for the record. This contract provides replacement of the current electronic application that we use to disperse our child support payments. The contract also includes additional functionality enabling the state to process payments to custodial parents more timely and efficiently.

The agency chose to enter into a cooperative contracting opportunity. At our agency we call it a joinder, through the State of Delaware. The Delaware Request for Proposal (RFP) solution complies with NAC 333 and meets all the legal requirements for procurement in Nevada.

The joinder was an excellent solution for us because we had already submitted an RFP for this process; Informatix was the winner of that bid. We made it all the way to the Board of Examiners (BOE) and we submitted a proposal in the budget for the 2017 Legislative Session and it contradicted it. It would not have required a replacement of our system the way that that budget was submitted. During the Session, that budget proposal was eliminated, so we are back to going through this process to select a vendor. This is a good choice because Delaware already did the RFP process. Nevada already did the RFP

process and it just makes sense to go ahead and join on that and not go through the RFP again.

Governor: Okay, you nailed it. I have no questions. Well done.

Nova Murray: Thank you.

Governor: Board Members, any other questions?

Secretary of State: None Governor.

Governor: Thank you. If there are no questions, the Chair will accept a motion to approve the Request to Join or Use the Other Governments' Contracts by the Department of Health and Human Services, Welfare and Support Services Administration in the amount of \$1.1 million as presented in agenda item number 6.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval, is there a second?

Secretary of State: There is a second, Governor.

Governor: Seconded by the Secretary of State. Are there any questions or comments on the motion? I hear and see none. That motion passes 3-0. Thank you.

7. Request for Approval to Pay a Stale Claim From the Stale Claims Account (For possible action)

A. Department of Transportation

The Nevada Department requests approval to pay \$67,676 from the Highway Fund, Stale Claims Account, for two FY 2017 invoices from the CA Group, Inc. for consultant design services.

B. Department of Transportation

The Department requests approval to pay \$74,157.86 from the Highway Fund, Stale Claims Account, for a FY 2017 invoice from Desert Research Institute for continuous real time quality data system monitoring site management.

C. Department of Health and Human Services – Aging and Disability Services – Sierra Regional Center

The Division requests approval to pay \$71,386.02 from the General Fund, State Claims Account, for a FY 2017 Jobs & Day Training reimbursement to Trinity Services.

D. Public Employees Benefits Program

The Public Employees Benefits Program (PEBP) requests approval to pay \$176,469.34 from the PEBP operating budget for the increased per participant per month fees for FY 2017 for PEBP participants located out of state, or those accessing medical services out of state.

(This item relates to Contract #50 under Agenda Item 11.)

Governor: Agenda item number 7, Request for Approval to Pay a State Claim from the State Claims Account. We have four of those.

Clerk: Item 7 includes four requests to pay late invoices pursuant to NRS 353.097.

The first request is from the Department of Transportation to pay two invoices from the CA Group totaling \$67,676 for consultant design services for the signs and striping. The invoices were received by the Department prior to the cutoff for processing Fiscal Year 2017 transactions but were not processed timely. Funds in this program did not balance forward and the Department did revert sufficient funds to cover the cost of this claim. This claim will be paid from the Highway Fund State Claims Account.

The second request is also from the Department of Transportation to pay \$74,157.86 to the Desert Research Institute for continuous real-time quality data systems monitoring and public presentations. The invoice was received by the Department after the cutoff for processing Fiscal Year 2017 transactions. Funds in this program did not balance forward and the Department did revert sufficient funds to cover the cost of this claim. This claim will be paid from the Highway Fund State Claims Account.

The third request is from the Department of Health and Human Services, Division of Aging and Disability Services to pay \$71,386.02 to Trinity Services for the Jobs & Day Training Program. The invoice was received by the Division after the cutoff for processing Fiscal Year 2017 transactions. Funds in this program did not balance forward and the Department did revert sufficient funds to cover the costs of this claim. The claim will be paid from the State Claims Account.

The fourth request is from the Public Employees' Benefits Program to pay \$176,469.34 to HealthSCOPE Benefits for an increase to the per participant per month fees for PEBP participants located in or accessing medical services out of state. This request is the result of a retroactive contract amendment to increase the fees retroactive to July 1, 2016. The increase was agreed to between the parties prior to the effective date but was not properly revised in the original contract amendment. This item relates to contract number 50 under agenda item 11.

Representatives from the Departments are available to answer any questions the Board may have regarding the individual claims.

Governor: Thank you very much. I have no questions. Board Members any questions with regard to the Stale Claims presented in agenda item number 7?

Attorney General: No questions Governor.

Secretary of State: No questions Governor, thank you.

Governor: Given that there are no questions, the Chair will accept a motion to approve the Stale Claims from the Stale Claims Account as presented in agenda item 7A, B, C and D.

Attorney General: Move to approve.

Governor: The Attorney General has moved for approval. Is there a second?

Secretary of State: Second, Governor.

Governor: Seconded by the Secretary of State. Are there any questions or discussion on the motion? I hear and see none. That motion passes 3-0.

8. Department of Administration's Victim of Crime Fund Fiscal Year 2018 1st Quarter Revenue Report and Recommendations for Fiscal Year 2018 2nd Quarter Anticipated Expenses (For possible action)

Pursuant to NRS 217.260, the Board of Examiners estimates available revenue and anticipated claim costs each quarter. If revenues are insufficient to pay anticipated claims, the statute directs a proportional decrease in claim payments.

The 1st quarter Fiscal Year 2018 Victims of Crime Program report states all approved claims were resolved totaling \$2,968,983.86 with \$1,208,128.99 paid out of the Victims of Crime Program account and \$1,760,854.87 resolved through vendor fee adjustments and cost containment policies.

The program anticipates future reserves at \$4.3 million to help defray crime victims' medical costs.

Based on these projections, the Victims of Crime Program recommends paying Priority One, Two and Three claims at 100% of the approved amount for the 2nd quarter of fiscal year 2018.

Governor: We will move to agenda item number 8, Department of Administration's Victims of Crime Fund, Fiscal Year 2018, 1st Quarter Revenue Report and Recommendations for Fiscal Year 2018 Second Quarter, anticipated expenses.

Clerk: Pursuant to NRS 217.260, the Board of Examiners is required to estimate the available revenue and anticipated claims costs for the State Victims of Crime Program. This item includes a report on the claims paid in the 1st quarter of Fiscal Year 2018 and a recommendation to pay Priority 1, 2 and 3 claims at 100% for the 2nd quarter of Fiscal Year 2018.

The Program anticipates having a reserve at the end of the second quarter of Fiscal Year 18 of approximately \$7.8 million after covering all expenses and a 45-day operating reserve which is a decrease of approximately \$3.9 million from the projected reserve of \$11.7 million at the end of the first quarter. This decrease is due to the number of claims filed subsequent to the Route 91 Harvest Music Festival mass casualty event of October 1st.

The decrease to the reserve is a concern, but agency representatives expect to obtain additional federal funding to offset the expenses associated with the October 1 event. Given additional federal funding for the mass casualty event, the \$7.8 million should be a reasonable reserve for the program. However, if additional grant funding is not received, the Board may need to consider reducing the percentage of the approved amounts paid for claims in future quarters.

Representatives from the Victims of Crime Program are available to answer any questions the Board may have.

Governor: Thank you Mr. Nicks. Is there someone present from the Victims of Crime Program?

Michelle Morgando: Good morning Governor and Members of the Board, Michelle Morgando and with me Rebecca Salazar, Program Manager for Victims of Crime.

Governor: Thank you for being here. This is obviously a devastating situation associated with what happened at the Route 91 concert. There is no amount of money that could ever properly compensate the victims that were injured or killed as a result of that horrific massacre.

I would like a little bit more detail as to how you all are managing this fund and a little bit more with regard to the anticipated requests from the fund.

Michelle Morgando: The statistics that we provided have updated information regarding the number of claims that we currently have, subsequent to the report and the amounts paid. We have also addressed with the National Center of Victims of Crime Program and this is a follow-up to the Interim Finance Committee (IFC) meeting regarding how the National Compassion Fund and the Las Vegas Victims Fund is treated with respect to the payment of benefits in our program. We requested and received a letter from Jeffrey Dion who is the Deputy Executive Director for the National Center for Victims of Crime. I have a copy of that now if you would like me to summarize it and I would be happy to leave that with Madam Secretary.

Governor: Yes please.

Michelle Morgando: The letter is addressed to Ms. Salazar. It states:

This letter is to confirm that benefits paid from the National Compassion Fund/Las Vegas Victims Fund is not paid in compensation for any economic loss. Benefits from the Compassion Fund were designed to address an unmet need for recognition of a non-economic harm arising out of the Route 91 Harvest Festival shooting - such as pain and suffering or psychological trauma - which is not compensated by any other victims programs. It's signed by Jeffery R. Dion.

I hope this provides an explanation to your follow-up. We did have questions at IFC regarding this. There are certain categories of benefits that are not payable under our program, primarily being those to compensate non-economic harm. Ours is designed to pay medical bills, counseling, travel expenses, lost wages; things that are documentable. The way that the Compassion Fund is being treated, it has been non-documented expenses.

I hope that answers your question.

Governor: I think it does. Will you read that last sentence again?

Michelle Morgando: Of course. Benefits from the Compassion Fund were designed to address an unmet need for recognition of a non-economic harm arising out of the Route 91 Harvest Festival shooting - such as pain and suffering or psychological trauma - which is not compensated by any other victims programs.

Governor: Okay, thank you. The bottom line for me is, as I said, there is no amount of money that could ever properly compensate anybody that has gone through this. So, we have this fund and we have the GoFundMe, but my understanding is there cannot be any coordination between the two. So it may be that some victims may get more than others. Is that an accurate summation?

Rebecca Salazar: This is Rebecca Salazar. How these funds will be distributed has not been finalized yet, I think that will happen next week. My understanding of what they are planning on doing is, those funds will go to the families of the deceased or people who were injured and spent at least one night in the hospital.

So, everyone else that was present would be covered through our program for counseling. A minimal lost wage payment if they were not able to return to work. Any injuries that they sustained, that did not warrant a night in the hospital, those are things that we would cover.

We pay for funerals of the deceased and medical bills for the people who were injured.

Governor: I just want to make sure that those that are eligible to seek money from any fund are aware of what the process is so that they can take advantage of that so that there is not a disadvantage to those who may not be familiar with what that process is. So, is

there an educational effort being made to make people aware of what they are eligible for and how they obtain those funds?

Michelle Morgando: Governor, we are currently working closely with the Victims Resiliency Center which has provided outreach services. We also are going to be employing two additional individuals within our office, pursuant to a separate work program which will be reimbursed by grant money. One of those individuals is designated to do community outreach. I just had a service announcement done in conjunction with the Resiliency Center. That is to be broadcasted on I believe Clark County television. So our website has been completely redesigned for the Route 91 shooting. All of our forms and information are available in English and Spanish and provide information about how to contact our office as well as Victims in California, there is a separate link for them. We are providing as much as we can so that individuals know that within the one-year filing period that we have, that they can come to us in one of three ways to file a claim, whether it be online, at the Resiliency Center, or they can come to our office.

Governor: Thank you very much. Questions from other Board Members?

Attorney General: It says that there is projected \$14 million over the life of the claims and I guess we are doing about seven today. So, that is an additional seven? Am I understanding that correctly, or an additional 14?

Michelle Morgando: The projections referred to over the life of the applications that we may receive. So, in general, from other mass events, the compensation program has received 25% of the applications from the attendees of other events. If that is what we receive, that would be about 6,000 applications. These projections are just based on over the life of the claims, not necessarily over the next year. It could be over the next several years, what we expect to spend total is about \$14 million.

Attorney General: It says that you expect to get some reimbursement. Do you have any idea, are we talking 25%, 50%, just how much reimbursement do you think is available and expected?

Michelle Morgando: The hope is that we get full reimbursement. We are in the very early stages drafting our grant proposal. We are compiling all of our costs into that proposal. Hopefully they will be finalized within the next six months or so. At this point, we do not have any dollar figures available, we are just requesting a full reimbursement for everything spent on these claims.

Attorney General: Thank you.

Secretary of State: Governor?

Governor: Yes, Madam Secretary, please proceed.

Secretary of State: Thank you. I am questioning the funeral expenses. We had a business in Las Vegas that has said they paid for them. Clark County has indicated they

have. So I was just wondering, when the Governor said you cannot work together or you are not supposed to collaborate together, how are those being addressed? We need to make sure everybody's needs are met. So I was just curious if you know any results on the funeral expenses at all, how that's being handled.

Rebecca Salazar: I can speak to that. This is Rebecca Salazar. I have personally been coordinating those payments with that company and with the other agencies. It was just a matter of us paying our portion and delivering the balance due to the other agencies.

Secretary of State: So you are able to coordinate that somewhat?

Rebecca Salazar: We are.

Secretary of State: Okay, wonderful.

Governor: Thank you Madam Secretary. Are there any further questions or comments?

Attorney General: I just have one more question. It is actually a little tough to hear you guys out here; can you explain by way of example what the Las Vegas Victims Fund will be paying for?

Michelle Morgando: From what we understand and it is not finalized yet, if it has not closed, it is closing soon. They have had two public hearings regarding how the fund is to be structured and what the payment levels are.

From our understanding, this was patterned quite closely from the 9/11 Victims Fund and the Pulse Nightclub Shooting. In fact, I believe the gentlemen who coordinated both of those are assisting the 16-Member Commission here, who is in charge of administering the funds.

So far through the public comment period, it is a graduated tier of payments depending upon the level of trauma. So, the minimum qualification is you were hospitalized at least one night. That is a certain lump sum payment and then graduates up to those who were fatalities.

Other than that, they have not presented the final proposal yet. I hope that answers your question. Ms. Salazar.

Rebecca Salazar: The intention of those funds, as the letter that Ms. Morgando read is to provide more of a payment suffering type of payment. Not specific to the bills. The bills are what our agency would cover. So, that is the difference. It is the intention of those donated funds that are to provide more of a suffering payment rather than a payment for a specific expense.

Michelle Morgando: So, it is not calculated as like a personal injury award or settlement where the damages are usually three times the medical or whatever the formula is that is

set. The category depends more on the level of injury and not so much what was expended as a result of the injury.

Attorney General: Okay. That clarifies it a bit, thank you.

Governor: All right, anything else that you wish to present with regard to agenda item number 8?

Michelle Morgando: No sir, thank you very much.

Governor: If there are no further questions or comments, the Chair will accept a motion to approve the Department of Administration's Victim of Crime Fund Fiscal Year 2018 1st Quarter Revenue Report and Recommendations for Fiscal Year 2018 2nd Quarter anticipated expenses.

Attorney General: Move to approve.

Governor: The Attorney General has moved to approve, is there a second?

Secretary of State: Second.

Governor: The Secretary of State has seconded the motion. Are there any questions or discussion? I hear and see none. That motion passes 3-0, thank you for your hard work.

Michelle Morgando: Thank you Governor and Members of the Board.

9. Request for Approval to Pay a Tort Claim Pursuant to NRS 41.036

(For possible action)

Claimant:	Matt Moonin
Claim No.:	TC 18257
Settlement Amount:	\$225,000
Date of Loss:	February 24, 2011

Governor: We will move to agenda item number 9, Request for Approval to Pay a Tort Claim pursuant to NRS 41.036.

Clerk: This item is a claim for which the Office of the Attorney General recommends payment from the Tort Claims Fund. Representatives from the Office of the Attorney General are available to discuss the specifics of the claim and answer any questions the Board members may have.

Cameron Vandenberg: Good morning Governor Sandoval, General Laxalt and Secretary Cegavske. I am Cameron Vandenberg, Chief Deputy Attorney General. I am here to answer any questions you may have about the case.

Governor: Will you provide a brief record regarding the case and the recommended settlement please?

Cameron Vandenberg: Yes sir. This case was filed several years ago and it was originally a 100-page complaint with 13 causes of action against multiple defendants of the Department of Public Safety, Nevada Highway Patrol. Most of the claims were things like, RICO, defamation, Fourth Amendment violations. The ones that we dealt with towards the end were First Amendment Claims. Those were the employment claims that came to our Division, as well as the State Trespass Claim.

We were able, through motion practice, to eliminate all but two of those claims. There were three plaintiffs, one of whom passed away during the litigation. The two remaining claims pertain to a First Amendment violation and the State Trespass. Again, with another round of motion practice, we were able to obtain partial summary judgment on some other claims and the Court granted summary judgment in favor of the plaintiff on the First Amendment Claim. We stayed the Trespass Claim while we proceeded to the Ninth Circuit to Appeal that on the basis of qualified immunity and also the merits of the claim and did not prevail at the Ninth Circuit.

This case is a little different than the other cases we have had in the employment area where we actually have a judgment in favor of the plaintiff. So, what is left to go to trial are just damages. It is a little unique in the settlement aspect that we are not necessarily trying to predict what might happen with the jury in terms of liability. We are really just trying to predict what might happen in favor of damages.

We conducted some research in the case and found damage awards ranging from nominal to a million dollars in similar types of cases.

At this point, the attorney's fees are projected to be over \$100,000. Through several settlement negotiations, we were able to arrive at the settlement amount of \$225,000. \$75,000 of which is for attorney's fees and \$150,000 is to the plaintiff.

We also settled the State Trespass Claim that I referenced a moment ago for \$20,000, which is obviously not before you. We settled the entire case for about \$245,000.

Governor: I think it is important for the record, when you talk about nominal fees, if they would have recovered a dollar, they would be entitled to every penny of their attorney's fees.

Cameron Vandenberg: Exactly. By the end of trial, that would probably be twice what we have settled for, or more.

Governor: Having said all that, given the settlement and I think it is a good settlement, you do believe it is in the best interest of the State?

Cameron Vandenberg: I do.

Governor: Okay, thank you.

Cameron Vandenberg: Thank you.

Governor: Questions from any of the other Board Members on this matter?

Secretary of State: No Governor.

Governor: All right. If there are no further questions, the Chair will accept a motion to approve the Request to Pay a Tort Claim pursuant to NRS 41.036 in the sum of \$225,000.

Attorney General: Move to approve.

Governor: Attorney General has moved for approval. Is there a second?

Secretary of State: Second.

Governor: Seconded by the Secretary of State. Are there any questions or discussion? I hear and see none. The motion passes 3-0. Thank you.

10. Approval of Proposed Leases (For possible action)

Governor: Next agenda item is number 10, Approval of Proposed Leases. Mr. Nicks.

Clerk: There are five leases in agenda item 10 for approval by the Board this morning. No additional information has been requested by any of the members.

Governor: I have no questions. Board Members, are there any questions with regard to agenda item number 10?

Secretary of State: None.

Governor: Is there a motion?

Attorney General: Move to approve agenda item number 10, Approval of Proposed Leases.

Governor: Attorney General has moved to approve the proposed leases contained in agenda item number 10. Is there a second?

Secretary of State: I second that Governor.

Governor: Secretary of State has seconded the motion. Are there any questions or discussion? I hear and see none. The motion passes 3-0.

11. Approval of Proposed Contracts (For possible action)

Governor: We will move to agenda item number 11, Approval of Proposed Contracts.

Clerk: There are 51 contracts in agenda item 11 for approval by the Board this morning. Contract number 3 has been withdrawn and will be revised and brought back to a future meeting. Contract number 21 was contingent upon approval of a work program which was approved by IFC last week. Contract number 48 would normally have been signed by the Clerk, but is being brought to the Board for approval due questions regarding the scope of work of the contract. Contract #50 relates to the stale claim item D in agenda item 7.

Members have requested additional information on the following:

Contract #4 between the Office of the Attorney General and the Las Vegas Metropolitan Police Department

Contract #11 between the Department of Administration, State Public Works Division and the Whiting Turner Contracting Company.

Contract #14 between the Department of Administration, State Public Works Division and Q&D Construction, Inc.

Contract #36 between the Department of Corrections and the University of Nevada, Reno

Contract #37 between the Department of Corrections and Correctional Counseling, Inc.

Governor: Thank you. We will proceed with Contract number 4, the Attorney General's Office, Special Fund.

Nicholas Trutanich: Good morning Governor Sandoval, Attorney General Laxalt and Secretary of State Cegavske, Nicholas Trutanich on behalf of the Attorney General's Office, to my right is Christian Schonlau, our CFO. This is a contract that the Office is extremely proud of. It is a key piece of our statewide strategy to reduce the backlog of untested sexual assault kits in Nevada. The contract provides needed funding to Las Vegas Metropolitan Police Department for new forensic staff and outsourcing of sexual assault kits to help reduce the decade's long backlog of sexual assault kits in the State.

This contract is funded in part by favorable settlements reached by the Attorney General's Office to the tune of \$1.35 million and appropriation from AB 97. This contract is complimentary to a contract that this Board approved in October with Washoe County and furthers the efforts of the Attorney General's Office to find a statewide solution to the untested backlog in Nevada.

I am happy to take any questions.

Governor: Thank you Mr. Trutanich and congratulations. I think this is a wonderful contract. I congratulate the Attorney General for getting this done. Do you know where we are, given the prior contracts and with the assumed approval of this - how much more we have to do to get caught up?

Nicholas Trutanich: Sure. A key piece of this was AB 97 last Session and the mandatory testing that was pushed by Attorney General Laxalt. Over the course of the last three years, we have appropriated grant funding, \$1.7 million of settlement funding and then of course, the money appropriated in AB 97 and the additional \$1.35 million pursuant to this contract.

We are well on our way to a statewide solution. We are reducing the backlog, although the numbers that I have are only current from August 3rd of this year, we will be getting new numbers at this Thursday's Sexual Assault Kit Working Group, which is chaired by the Attorney General.

I can say that in the last two years, since testing began, we have done approximately 10 years' worth of testing in those two years. We are making good progress and we are well on our way to a solution.

Governor: Thank you. Not only have you made good progress but it has resulted in identifying individuals that otherwise may not have been found.

Nicholas Trutanich: That is right. With each kit being tested, if there are hits to what is called CODIS, they get uploaded to a national database. As of August this year, there have been 11 arrests inside the State based on the testing that is been done so far. Of course, law enforcement expects that more perpetrators of sexual assault are going to be brought to justice and more cases are going to be resolved for victims and survivors of sexual assault, because of this testing. We are proud of that.

Governor: You should be. Thank you.

Nicholas Trutanich: Thank you Governor.

Governor: Any other questions or comments from Board Members on Contract number 4? I hear and see none. Next is contract number 11. My understanding is that this is associated with the University of Nevada, Las Vegas (UNLV) Medical School. Please proceed.

Chris Chimits: Thank you. Good morning Governor and Members of the Board. My name is Chris Chimits, Deputy Administrator for the State Public Works Board. This contract is with Whiting Turning Construction Company for the pre-construction design assistance services for the Medical School at UNLV.

Our intention with this contract was to get it through the process, to get this contract approved so that when the funding that is required from UNLV is sent to the State and is

deposited in our account, then we would be able and in a position to start with the work. That's our intention here.

Governor: Let's just talk about it because this is what I want to hear from UNLV is, SB 553 was the bill that provided the \$25 million from the State to help fund the UNLV Medical School. There was a private gift of \$25 million as well. It is my understanding that there is, a disagreement with regard to which money comes first. Pursuant to the Bill, SB 553, that requires the private money or the money coming from UNLV to be spent first and not the State money. My understanding from UNLV is that there may be a disagreement there. It is the State money that would be spent first. I just want to get that resolved so that we can get moving with this medical school.

Chris Chimits: Chris Chimits for the record. You are correct Governor, the SB 553 does stipulate conditions, but it defers to NRS 341. NRS 341 is the bill that regulates that agency money or donor money spent ahead of State funding. So, our intention would not be to act on this or do any work that would incur expenses until the agency money comes and then we would spend that money first, in accordance with NRS 341.

Governor: So, pursuant to NRS 341, at least in this situation, the \$25 million of private money would have to be spent first, before a dollar of the State's \$25 million could be spent.

Chris Chimits: Yes sir.

Governor: Okay. We have some folks from UNLV that are here, if you would identify yourselves for the record, please?

David Frommer: Good morning Governor Sandoval and Members of the Board. My name is David Frommer, Executive Director of Planning and Construction at UNLV.

Diane Chase: Good morning, Diane Chase, I am the Executive Vice president and Provost at UNLV.

David Frommer: Members of the Board, if I could offer some information related to that question. UNLV agrees with the reading of SB 553 and base NRS 341 requirements that the agency money is spent first, so there is no dispute from our perspective there.

We did present to the IFC in October of 2017 with the State Public Works Division, related to the project, another requirement of SB 553. The project, at that meeting, is defined based on really the full build of this first phase of a medical school education building and supporting facilities was estimated at about \$230 million of base costs, with financing costs and other costs about \$250 million.

Part of the process that we are going through is we are very active in the fundraising component of this project. In addition to the \$25 million anonymous gift that came in during the session, another \$14 million gift has been secured in the last two weeks or so. Our President, our Provost, our Medical School and Development folks are working on

additional gifts. Part of our process is, with the project currently structured at a \$225 million contribution from donor funds and \$25 million from the state funds in SB 553, we're looking for a little bit more time for our donor agreements to form, so that we have better certainty of the project funding coming in. If it winds up coming a little less than that \$250 million or a little more, our interest is to hold off on proceeding on design on a project where the funding needs to be very closely aligned with what we proceed in design. We think it would be a very difficult use of donor funds to start design on a project where the funding winds up being more or less ultimately and we have to go back and redesign the project in some way and those donor funds have not been used to their fullest extent and capacity and benefit.

Those are some of the items that we have on the table related to the project in general.

Diane Chase: I would add that very similarly, our only concern at this point is not about which funds would be expended first, but really about the scope of the project because we are not sure what the full scope is. It seems premature to establish a particular design contract when we are not sure about the amount.

Governor: I understand and appreciate that. I also appreciate your acknowledgement. We really do not have any discretion here in terms of how that \$25 million of state money is expended. Would you prefer that we hold this contract, if you are in this uncertain position?

Diane Chase: We would feel more comfortable if we would hold on this contract for at least a period of time, yes.

Governor: Any objection from the State with regard to that?

Gus Nunez: For the record Gus Nunez, Administrator for the Public Works Division. No, there is no objection on our part. The only thing we have been trying to point out to UNLV is that, we have what I would call steep inflation going on right now and of course, the sooner the better. Like Chris indicated before, our intent is just to be ready to go as soon as they are ready to go.

Some of the things that we can do during the schematic design are to present UNLV various options that they could do, depending on where the funding comes in. Obviously there is going to be a need to do a certain minimum amount of work, in order to have an accredited medical school. Those things can be investigated, priced out and so that the information will be in front of UNLV at the time that they have their funding more solidified in order to make decisions.

Our recommendation to UNLV is and has been that some of this preliminary work needs to be done regardless of where the final project is going to be. It is part—it would be part of what we typically do as part of our design fee with any professional.

So, there is some things that could be done that would not waste any money at this point and it would be beneficial for those decision makers to have that information in front of them

when they go look at it and say, here is where we are with the funding and trying to make those final decisions as to how much of a project they want to build right now.

I understand their concerns and we will be glad to basically wait until they make their final decisions on this thing.

Governor: Thank you Mr. Nunez. I will honor UNLV's request to pull this but would really encourage UNLV and Public Works to get together and perhaps have this more detailed conversation like the one that you just shared with us.

Gus Nunez: Absolutely Governor, thank you.

Governor: So, I just want to make sure I have got it confirmed on the record. It is your request to have this matter pulled, this contract?

Diane Chase: Yes, it is.

Governor: All right, thank you.

Diane Chase: Thank you.

Governor: Mr. Nicks had referenced Contract number 14 being held. I do not have any questions on that. Did any of the other Board Members have any questions? I hear and see none. So, we could move on then to Contract number 36 and 37. I had asked for this to be held only because it is good news, with regard to the second iteration of the Second Chance Act and how Nevada is beneficiary of that. Please proceed.

John Borrowman: Good morning. My name is John Borrowman, Deputy Director of Support Services for the Department of Corrections. I think that we are privileged to have Sheila Lambert work for our Department and have been instrumental in not only pursuing this but also in administering it. So, I do not want to take away her glory here. This is a good thing for the state and if you don't mind, I will turn the microphone over to Sheila.

Sheila Lambert: Good morning, Sheila Lambert, Nevada Department of Corrections (NDOC) for the record. We are always very excited to talk about the Second Chance Act Grant. We are always very excited to have our successes. These particular contracts, while the first one on number 36 is for the University of Nevada, Reno (UNR). We do have a contract with both UNR and UNLV to do services throughout the State in terms of evaluation.

What we are doing with the Second Chance Act is to reduce recidivism and thus victimization in the community. We have been very successful over year one. The UNR contract actually is an evaluation of programs and services so it holds us accountable to the Governor's Re-Entry Strategic Taskforce and those objectives and the strategic priorities. It makes sure that we are focused on data driven decisions. We have community partners who are part of the deliverable from UNR. Across the state, from our

various departments of Health and Human Services, DETR, many non-profits, Attorney General's Office and a number of folks who have come together to work with us.

For item 36 you will see another item that will come up in January, where you will have three or four more contracts for us to continue with year two. We were just recently awarded year two for \$999,000.

Would you like me to just go into 37 as well?

Governor: Yes please.

Sheila Lambert: Thank you sir. Correctional Counseling is moral recognition therapy. The Nevada Department of Corrections working with the Pew Institute, LCB, many of those in the Governor's Office and other departments. We work to identify the number of programs within NDOC that were not evidence based and those were eliminated.

What we did was work with the Council of State Governments, the National Governor's Association and identified those programs that focused on the majority criminogenic features. So, this moral recognition therapy is a new program, evidence based. We are doing train the trainers throughout NDOC so we can have sustainability. So, even after the grant funds are gone, we will continue to be able to provide this program to the inmates to continue to support the reduction in recidivism.

Governor: Thank you Ms. Lambert. I was the beneficiary of a meeting with you and I really want to congratulate you on the work that you have done. It is going to take time, but I think the State and particularly the inmates are going to be the beneficiary of this and see a reduction in recidivism which will be a benefit everybody. This is really a complement to you and Director Dzurenda and everybody at the Department of Corrections. Not only did you get the first round, but now moving to the second round.

Sheila Lambert: Thank you. We do every once in a while get a comment as to why are we doing so much for inmates. We are targeting those inmates with the assessments that the programs will help them. Really, this is for the State of Nevada in reducing victimization. When we talk about recidivism, it is a big word, but what does it mean to mothers, fathers and community members? It means, one less victim and hopefully that would be one less victim in your family.

Governor: Thank you Ms. Lambert. That is what is important to reduce victimization but also put these men and women on a path where they can be productive members of society.

Sheila Lambert: Thank you.

Governor: Thank you. Are there any questions from Board Members with regard to Contracts 36 and 37? I hear and see none. All right, Board Members, any questions on any contract from 1 to 51? If there are none, the Chair will accept a motion to approve contracts 1-51, excluding 3 and 11.

Attorney General: Move to approve.

Governor: The Attorney General has moved to approve contracts 1-51 excluding number 3 and number 11.

Secretary of State: Second, Governor, thank you.

Governor: Seconded by the Secretary of State. Are there any questions or discussion on the motion? I hear and see none. That motion passes 3-0.

12. Approval of Proposed Master Service Agreements (For possible action)

Governor: We will move on to agenda item 12, Master Service Agreements.

Clerk: There is one master service agreement on the agenda, item number 12 for approval by the Board this morning. No additional information has been requested by any of the Members.

Governor: Any questions Board Members? I hear and see none.

Attorney General: Move to approve.

Governor: The Attorney General has moved to approve the master service agreements presented in agenda item number 12. Is there a second?

Secretary of State: I will second that, Governor.

Governor: Secretary of State has seconded the motion. Are there any questions or discussion? I hear and see none. That motion passes 3-0.

13. Information Item – Clerk of the Board Contracts

Pursuant to NRS 333.700, the Clerk of the Board may approve all contract transactions for amounts less than \$50,000. Per direction from the August 13, 2013 meeting of the Board of Examiners, the Board wished to receive an informational item listing all approvals applicable to the new threshold (\$10,000 - \$49,999). Attached is a list of all applicable approvals for contracts and amendments approved from October 23, 2017 through November 17, 2017.

Governor: We will move to agenda item 13, Information Item.

Clerk: There were 32 contracts under the \$50,000 threshold approved by the Clerk between October 23, 2017 and November 17, 2017. This item is informational only and no additional information has been requested by any of the members.

Governor: Any questions Board Members on agenda item 13? I hear and see none.

14. Information Item

State of Nevada – Compact with Washoe Tribe of Nevada and California Governing Class III Gaming

Pursuant to Public Law 100-497, the Indian Gaming Regulatory Act, codified at 25 USC. §§ 2701-2721 and 18 USC. §§ 1166-1168, a first amendment has been made to the compact between the Washoe Tribe of Nevada and California and the State of Nevada. The amendment terminates the Slots Only Compact which was approved in May 2004 and replaces it with the language of the amended compact.

Governor: We will move to agenda item number 14, State of Nevada Compact with the Washoe Tribe of Nevada and California governing Class III Gaming.

Clerk: Item 14 is an information item on the first amendment to the Tribal-State Gaming Compact between the Washoe Tribe of Nevada and California and the State of Nevada terminating the slots only compact and replacing it with an amended compact for Class III gaming on Indian lands of the Tribe pursuant to the federal Indian Gaming Regulatory Act.

Governor: Board members, are there any questions on agenda item number 14? I hear and see none.

15. Information Item

Department of Public Safety – Division of Emergency Management – Disaster Relief Account Grant Request – Clark County

Pursuant to NRS 353.2755, the Division of Emergency Management is notifying the Board of Examiners of Clark County's intent to request a grant from the Disaster Relief Account to cover expenses associated with the October 1, 2017 Las Vegas mass casualty event.

Governor: We will move to agenda item 15 which is another Information Item with regard to the Department of Public Safety, Division of Emergency Management, Disaster Relief Account Grant Request.

Clerk: This item is a notification from the Division of Emergency Management of intent to request an allocation from the Disaster Relief Account pursuant to NRS 353.2755. Pursuant to statute, state agencies and local governments can request a grant or loan through the Division of Emergency Management from the Disaster Relief Account if, because of the disaster, the local government is unable to pay for an expense from available funds.

Applicants must submit their intention to apply not later than 60 days after the Governor or the governing body of a local government determines an event constitutes a disaster. The Division must then notify the Board of Examiners and the Fiscal Analysis Division of the Legislative Counsel Bureau of the intent. Within 18 months of the determination an event constitutes a disaster, the state agency or local government must submit their final request to the Division of Emergency Management and the Department of Taxation, including whether the request is for a loan or a grant and the final amount of the request. The Division of Emergency Management and the Department of Taxation are required to review the requests and submit reports to the Board of Examiners who will make a recommendation to the Interim Finance Committee on the proposed amount and the determination of a grant or loan.

This notification is just the first step in this process. The application will come to the Board for approval of a recommendation to the Interim Finance Committee at a later date.

This notification is for the October 1 mass casualty event at the Route 91 Harvest Music Festival.

Governor: Thank you Mr. Nicks. Is this is another agenda item associated with the Route 91 Music Festival. Is this number \$3,784,271 the amount that we are being put on notice for?

Clerk: That is correct.

Governor: Okay, thank you. Board Members, are there any questions with regard to agenda item number 15? I hear and see none.

16. Information Item – Reports

A. Department of Conservation and Natural Resources – Division of State Lands - State Land Registrar

Pursuant to NRS 321 .5954, and 1993 Nev. Stat. 1153, the State Land Registrar is required to provide the Board of Examiners quarterly reports regarding lands or interests in lands transferred, sold, exchanged, or leased under the Tahoe Basin Act program and Lake Tahoe Mitigation Program. The Registrar submits the report on program activities for the 1st quarter of Fiscal Year 2018.

Additional Information:

- 1989 Tahoe Basin Act
There were no transfers of lands or interest in lands during the quarter.
- Lake Tahoe Mitigation Program
The agency reports that there were no acquisitions of land or interest during the quarter. However, there were four land coverage transactions

that resulted in \$112,524 in proceeds for the Nevada Land Bank program.

B. Fiscal Year 2018 – 1st Quarter Overtime Report

Pursuant to NRS 284.180, the Department of Administration, Division of Human Resource Management must prepare and submit quarterly to the Budget Division of the Office of Finance a report regarding all overtime worked by employees of the Executive Department during the quarter. The Budget Division shall transmit quarterly to the Board of Examiners the report and the analysis of the Budget Division regarding the report. The Budget Division submits the 1st Quarter Overtime Report and analysis for Fiscal Year 2018.

Governor: We will move to agenda item 16, another Information Item report with regard to the Department of Conservation and Natural Resources.

Clerk: There are two information reports under this agenda item.

The first is an informational report regarding lands or interests in lands transferred, sold, exchanged or leased under the Tahoe Basin Act Program as well as a quarterly report on the status of real property or interests in real property transferred under the Lake Tahoe Mitigation Program which are required pursuant to NRS 321.5954 and Chapter 355, Statutes of Nevada, 1993 respectively.

This report is for the quarter ending September 30, 2017. There were no activities under the Tahoe Basin Act but there were four transactions under the Tahoe Mitigation Program resulting in total proceeds of \$112,523.50 for the Nevada Land Bank

The second report is on overtime paid for the first quarter of Fiscal Year 2018. Overtime pay and accrued compensatory leave accounted for a total of \$15,288,237, or 6.21% of total pay, for Fiscal Year 2018, a 30% increase from Fiscal Year 2017. This is the first time that overtime has topped \$15 million in a single quarter.

The five agencies with the highest dollar amount of overtime and accrued comp time for the year accounted for 92.3% of the total. They are the Department of Corrections at \$5.8 million; followed by the Department of Health and Human Services at \$2.8 million, the Department of Public Safety at \$2.2 million, and the Department of Conservation and Natural Resources at \$1.9 million and the Department of Transportation at \$1.4 million.

At the Department of Corrections, overtime and comp time are driven by the large institutions and medical personnel. Overtime and comp time for the year was greatest at High Desert at \$1.3 million; followed by Southern Desert at \$830,000; Ely State Prison \$804,000; Northern Nevada Correctional Center at \$741,000; Florence McClure at \$580,000; Prison Medical at \$402,000; and, Lovelock Correctional Center at \$329,000. Those seven equate to 86.9% of total.

Comparing first quarter Fiscal Year 2017 to first quarter Fiscal Year 2018, those budget accounts changed as follows: High Desert increased \$909,000; Southern Desert increased \$510,000; Ely State Prison increased \$196,000; Northern Nevada Correctional Center increased \$417,000, Florence McClure increased \$307,000; Prison Medical decreased \$13,000; and, Lovelock State Prison increased \$173,000. Pioche Conservation Camp and Three Lakes Valley Conservation Camp increased by more than \$25,000.

Overtime increased by a little over \$1.2 million for the 4th quarter Fiscal Year 2017 to 1st Quarter Fiscal Year 2018 with High Desert \$280,000; Ely \$261,000; Florence McClure \$199,000; and, Southern Desert \$162,000 accounting for 74.7% of the total combined increase in overtime for the quarter.

By event code, the highest four causes accounted for 75.4% of the overtime. They were: Covering vacant shifts; Hospital coverage; Covering holiday shifts and Wildfire coverage.

At the Department of Health and Human Services, overtime was driven by Public & Behavioral Health \$1.3 million, primarily in Southern Nevada Adult Mental Health at \$858,000 and the Facility for the Mental Offender \$258,000; Child and Family Services at \$880,000; and Aging and Disability Services at \$558,000, primarily at Desert Regional Center.

By event code, the highest four causes accounted for 72.5% of the overtime. They were: Covering vacant shifts; Covering 24-hour shifts; reducing backlog; covering holiday shifts.

The highest five by percentage of total pay for the year are the Department of Conservation and Natural Resources at 16.41%, followed by the Department of Corrections at 15.03%, the Department of Public Safety at 10.83%, the Commission on Mineral Resources at 8.75%, and the Department of Veterans Services at 8.67%.

The top five increases by dollar comparing Fiscal Year 2017 to Fiscal Year 2018 were Corrections at \$2.6 million; Conservation and Natural Resources \$357,000; Health & Human Services \$328,000, Public Safety \$229,000 and Transportation \$192,000 which account for 105.2% of the total increase year over year.

Conversely, only five Departments decreased their overtime/comp time accrual by more than \$20,000 from Fiscal Year 2017 to Fiscal Year 2018; the Department of Veteran Services \$63,000, the Department of Taxation \$74,000, the Department of Business and Industry \$46,000, the Governor's Finance Office \$31,000 and the Department of Employment, Training and Rehabilitation \$20,000.

As certain organizations have biennial overtime trends, such as the Governor's Finance Office due to the overtime accrued building budgets in odd-numbered fiscal years, the following compares those same 10 organizations to Fiscal Year 2016:

Corrections increased \$3.3 million from Fiscal Year 2016 to Fiscal Year 2018; Conservation and Natural Resources increased \$638,000; Health and Human Services increased \$963,000; Public Safety increased \$552,000; Transportation increased

\$534,000; Veterans Services increased \$100,000; Taxation increased \$24,000; Business & Industry decreased \$6,000; Governor's Office decreased \$3,000; Department of Employment, Training and Rehab increased \$4,000.

The Departments of Corrections, Health & Human Services, Public Safety, Conservation and Natural Resources, Transportation, Education, Motor Vehicles as well as the Division of Minerals are on a three-year trend of increasing overtime and comp time while only the Department of the Military and Department of Wildlife are on a three-year decreasing trend. Most other agencies are stable or do not show a consistent long-term trend.

Governor: You may have made the best record ever on an agenda item. So, thank you. It was very thorough. I appreciate that Mr. Nicks. Board Members, any questions with regard to agenda item number 16?

Secretary of State: None Governor.

Governor: All right thank you.

17. Public Comment (No action may be taken upon a matter raised under public comment period unless the matter itself has been specifically included on an agenda as an action item)

Governor: We will move on to agenda item 17, Public Comment. Is there any member of the public present in Carson City that would like to provide public comment to the Board? I hear and see none. Is there anyone present in Las Vegas that would like to provide public comment to the Board?

Secretary of State: There is nobody Governor.

Governor: All right, before I take a motion to adjourn, I just wanted to wish everybody a Merry Christmas, Happy Holidays and Happy New Year. Please take some time for yourselves and spend some quality time with your families, all my best to all of you.

Secretary of State: Merry Christmas and Happy New Year to you Governor, from Las Vegas.

Governor: Thank you.

18. Adjournment (For possible action)

Governor: Is there a motion to adjourn?

Attorney General: Move to adjourn.

Governor: The Attorney General has moved to adjourn. Is there a second Madam Secretary?

Secretary of State: Yes. I will second that motion, thank you.

Governor: Seconded by the Secretary of State. That motion passes 3-0. This meeting is adjourned, thank you ladies and gentlemen.