MINUTES OF THE CC COMMUNICATIONS MANAGEMENT

155 N. Taylor St., Fallon, NV 89406
June 5, 2025

Call to Order:
The regular meeting of the CC Communications was called to order at 1:45 PM on June 5, 2025.

PRESENT: Commissioner Matt Hyde
Commissioner Eric Blakey
Commissioner Myles Getto
General Manager Mark Feest
Chief Financial Officer Jamie Hyde
Administrative Assistant Shelly Bunyard

ABSENT:

Public Comment:
Chair Matt Hyde asked if there was any public comment but there was none.

Verification of Posting of Agenda:
It was verified by Shelly Bunyard, Administrative Assistant, that the Agenda for this meeting was posted on the 30th day of May, 2025 between the hours of 1 pm and 5 pm at all of the locations listed on the Agenda, in accordance with NRS 241.

Consideration and possible action re: Approval of Agenda as submitted or revised:
Commissioner Myles Getto made a motion to approve the Agenda as submitted. Commissioner Eric Blakey seconded the motion, which carried by unanimous vote.

Consideration and possible action re: Approval of Minutes of the meeting held on:

A- March 26, 2025
Commissioner Eric Blakey made a motion to approve the Minutes of the meeting held on March 26, 2025 as submitted. Commissioner Myles Getto seconded the motion, which carried by unanimous vote.

B- April 3, 2025
Commissioner Eric Blakey made a motion to approve the Minutes of the meeting held on April 3, 2025 as submitted. Commissioner Myles Getto seconded the motion, which carried by unanimous vote.

New Business:

A- Consideration and possible action re: changing the time for the regularly schedule of CC Communications meeting with a new proposed new time of the first Thursday of the month at 11:00 a.m.
Commissioner Matt Hyde. Mark, do you have an opposition to that?

Mark Feest, CC Communications. No, I do not.

Commissioner Matt Hyde. There are no oppositions, I move to accept a motion on item A.

Commissioner Myles Getto made a motion to approve changing the time for the regularly scheduled of CC Communications meeting with a new proposed time of the first Thursday of the month at 11:00 a.m. Commissioner Eric Blakey seconded the motion, which carried by unanimous vote.

B- Consideration and possible action re: proposed changes to Personnel Policy 7.6 Retirement Incentive Plans.

Mark Feest, CC Communications. There are two versions of the Policy both are the same except for one part. In both cases, the change to our retirement incentive policy clarifies that the employee must retire from PERS system in the fiscal year that the purchase is made by the employer. It was unclear that the person must retire from PERS. We actually had someone in the past that they were retiring but then they didn't end up retiring from PERS because they didn't want to take a discount because they were under 60 yrs. and under 30 yrs. We had purchased that employee a year. It was intended, I believe always if the person was retiring from PERS in order to receive the incentive. That is being clarified in both cases. It clarifies in the manner in which the employee may make their purchase. It's just clarifying that they can make that purchase with unused sick leave and unused vacation. It's also clarified that even if there is a savings, the board has sole discretion to reject or accept the retirement incentive. It didn't state that clearly, but it is the fact. Eligibility of savings is not a guarantee of approval. In Version 2, it has all of that and maintains what was already in there which was there has to be a showing of a 3-year savings. It eliminates the requirement that the employee purchases one year. It's been suggested before, and if it's a savings, why does the employee have to purchase anything. I think there is two sides to that. One is if you don't require them to purchase anything, they may wait an additional year and continue to work for an additional year because only one year is being bought and they don't want to put forward any money. You might get the employee for another year. The flip side is, since they don't have to put any skin in the game, every single employee who gets to 29 years will ask for it. Those are the two sides to this. You can approve Version 1, Version 2, or neither. I do think it's important to clarify that the employee must retire in PERS in order to be eligible. I will note that the County requires the purchase. We have always required the purchase as far as I know. I don't know if the School District or if the City requires the purchase. There was a time when the School District only required that there was a savings shown. I don't follow their policies so it may or may not have been changed.

Commissioner Eric Blakey. I probably need a lot more education on that but making someone do something, I don't know if it's necessary. If they still want to work, they will still work and just let them have the option. Just as many people will as just as many people won't ask for the early out. Some people will work for 32 years if you let them.

Mark Feest, CC Communications. We have had a few people who have worked past the 30 years. The one thing it may do, since you don't have to buy it and you will work 29 years and then will just ask for the one-year purchase as opposed at 28 years purchase the year and ask for one year purchase. That may occur. It's really just in here because someone brought up why is that required, if there is a savings.

Commissioner Matt Hyde. It's important to bring up that it's only going to affect people that were hired before 2015. I don't know how many employees there are and PERS can always change that as well. Like Mark said, there are two sides to it. Basically, most people are going to leave at 29 years. In that policy, isn't there so many people in a fiscal year. Was it three?

Mark Feest, CC Communications. No, it's a single person, unless it's waived by the board. It's the Boards discretion to waive that. We have asked one time to waive it. In that case, the person that needed it waived, was towards the end of the fiscal year and they became number one on the Board at the end of that fiscal year when the first person that had already been approved retired. It was really a matter of them not waiting a month. It wasn't much of a waiver. I still think it comes back to savings but it's always up to the Board's discretion.

Commissioner Matt Hyde. I think it really comes down to savings. If you can't prove the savings, we have the discretion not to do it.

Mark Feest, CC Communications. The language in the policy gives you the discretion to not do it even if you show the savings. If you feel it's harmful to the company, it can be denied.

Commissioner Matt Hyde. Do you know what the original reason for requiring a person with the thought process was to buy a year?

Mark Feest, CC Communications. I've always assumed it was a skin in the game type of thing. It's not going to be a simple reward because you're the most senior person in the building. I think that's where it comes from.

Chief Civil Deputy District Attorney, Joseph Sanford. The County policy is at 3 years, which is the total amount of time to be able to purchase. The County can pay only half. It would be a year and half and then a year and half, I believe what is allowed under the County policy with the idea that if the employee chooses to do this say 3 years beforehand, you limit it to employees who have an intention to retire early, and they have put their skin in the game. The idea is that the earlier it's done the more savings are accrued based on the number of years we are talking about.

Commissioner Matt Hyde. Is that including sick leave conversion?

Comptroller Sherry Widemann. No. They have to actually pay it. It's not something that the County pays for any of their time. It has to come out of their pocket. They can't use their sick or annual leave to purchase their portion of the buyout.

Commissioner Matt Hyde. I'd like to take a look at that policy.

Commissioner Eric Blakey. I'm ok with Version 2 because we still have the discretion of the savings and then there is a 50 % chance they'll stay for 29 years and there is a 50% chance they won't. They can still buy a year if they want to and it just doesn't require them to. Some people are not in a financial position to buy a year.

Commissioner Matt Hyde. We have people buy time and then go past the 30 years. I'm good either way. I would entertain a motion.

Commissioner Eric Blakey made a motion to approve the proposed changes to Personnel Policy 7.6 Retirement Incentive Plans - Version 2 which clarifies that the employee MUST retire from the PERS system in the FY that the purchase is made by the employer. It eliminates the requirement that the employee purchases service. The requirement that the purchase by the employer still shows a 3-year savings remains. It also clarifies that even if there is a financial savings, the Board can deny participation at its sole discretion. Commissioner Myles Getto seconded the motion, which carried by unanimous vote.

C- Consideration and possible action re: establishment of an IRC 457(f) plan.
Mark Feest, CC Communications. We ended up getting a lot more conflicting information than was expected. This is really a discussion item only at this point. If there is a motion at all, I think the motion will be just to direct staff to bring back a plan. As we dug into this, different things were presented by our consultants in this area. Voya handles the deferred compensation plan, and they don't have a 457(f). They recommended a 457(a) possibly. There is a cap in PERS that has gone down over time. It's a PERS salary cap that says over a certain amount of money and then it's based on when you came into the system. It's harshest on somebody who comes into the system after 2015. The amount you're paid is whatever to your employer. The amount that is used in PERS to calculate your retirement benefit is where the cap hits. CC Communications, for as long as I've been here, has pegged their salary scale to the NTCA compensation study. At this time, if someone were to come in off the street and be subject to the harshest cap, in the CFO, COO, CEO and GM position, they would be subject to a cap that no one here is currently subject to on the PERS side. That cap is around 67% of the NTCA's ceiling on those salaries which we do follow. We may or may not follow that in the future. If you are not already in PERS and you are to be hired in a position in this company for example PERS Salary CAP is $245,753.51 and the NTCA 75th percentile: $262,297 (most recent 2024 numbers), that is approximately $17,000 of that person's salary that would not go into the PERS retirement benefit calculation. When that employee reaches 75% it will cost them $12,750.00 per year in retirement and at the same time the company will have saved $18,653.00 each year from a lower PERS contribution. This is very similar to the two commissioners who are already in PERS in some manner and the savings on their PERS gets redirected to some other account. I'm not really an expert on how that works. If we had an employee that comes in and is subject to this PERS salary cap, the company realized a savings and didn't have to pay it to PERS. That savings would be redirected into a 457(f) or a 457(a). We have to create and work with the consultants on a 457(a) or a 457(f) to allow that person to have a pre-taxed contribution of the PERS savings. I hope the reason behind this is understandable and how it would work. This is slightly anecdotal but it's real. We had an individual who was probably the best person to ever apply for a job with whom I interviewed the people. They dug deep into PERS and based on their age and when they would have come into it, their question to me was, "can you do employer/employee (were employer/employer) where half that contribution is really done on my behalf where in the future, I can just take that money back out." There is that option in PERS. Oasis uses that option. In that option the employer takes 50% of the PERS contribution and raises the persons salary by that amount and immediately takes the money back out and send it to PERS. When you're done, you have the option of taking half of all PERS contributions in cash and walking away with no PERS obligation to you in the future. You might want to do this because you enter PERS at an age of 40 or 50 something. This person identified it and was very thorough, they asked if we could do that because otherwise it would

never work for them. The discount they would be taking on PERS retirement really isn't that advantageous when you enter it in your Fifties. Imagine that the person who interviews externally for my position will probably fall into that category and they will get hit by this cap and don't have the flexibility of the employer/employee. I would like to get this into an actual formal policy approved at the next meeting. When we got into this it started getting much more complicated than we initially thought. It's going to be a little bit of work to develop this policy and bring it back next month. I don't want tell people to do this if this is a concept you're not interested in. A motion is just to direct staff to continue and bring back the plan when it's ready, if that's an acceptable motion and acceptable to the Board also.

Commissioner Eric Blakey. This is just creating an additional avenue to make our hiring process more attractive.

Mark Feest, CC Communications. Yes. I guess the wording would be to apply to someone who is newly hired or promoted. If the promotion creates this issue for them or if it's a new hire. It would not be retroactive and start applying to anyone who currently is impacted by this.

Commissioner Eric Blakey. We're just looking towards the future to get opportunities in place.

Mark Feest, CC Communications. Absolutely.

Commissioner Eric Blakey. I'm in favor of it myself. We can direct you to develop a policy.

Mark Feest, CC Communications. Thank you.
Informational Only.

Reports: General Manager Report:

1. Transport Network Update
    a. Migration plan is being implemented
        i. Waiting on scheduling at datacenter for datacenter clients
        ii. Northern route complete
2. C15
    a. Complete
    b. TNS Contract review for new Sigtran to replace SS7
        i. Transitioning to Sigtran
3. Virginia City
    a. First customer ETA June 11, 2025
4. YPT
    a. Environmental returned
    b. Ordering equipment
    c. Getting schedules aligned
5. NTIA
    a. Site visit was rescheduled for April 22nd due to travel budget issues
        i. Complete
        ii. No findings

6. NTA
    a. Attended Executive conference
    b. Met with NDOT re: updated fiber swap process
7. HR
    a. CSR position open
    b. Business Dev/Marketing Manager position open
    c. April 23rd breakfast
        i. Well attended
        ii. This meeting was voluntary and served as an update and Q&A opportunity

Affidavit of Posting:

Public Comment:
Chair Matt Hyde asked if there was any public comment but there was none.

Adjournment:
The meeting was adjourned at 2:18 p.m.

APPROVED: ______________________
Matt Hyde, Chairman

APPROVED: ______________________
Eric Blakey, Vice Chairman

APPROVED: ______________________
Myles Getto, Commissioner

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Shelly Bunyard, Administrative Assistant

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Mark Feest, General Manager/CEO