

City of Elko )  
County of Elko )  
State of Nevada )

SS March 11, 2014

The City Council of the City of Elko, State of Nevada met for a special meeting beginning at 2:30 p.m., Tuesday, March 11, 2014.

This meeting was called to order by Mayor Chris Johnson.

**NOTE: The order of the Agenda has been changed to reflect the order business was conducted.**

Mayor Present: Chris J. Johnson

Council Present: Councilman John Rice *arrived at 2:35pm*  
Councilwoman Mandy Simons *arrived at 3:03pm*  
Councilman Reece Keener  
Councilman Robert Schmidlein

City Staff Present: Curtis Calder, City Manager  
Delmo Andreozzi, Assistant City Manager  
Dawn Stout, Administrative Services Director  
Doug Gailey, Human Resources Manager  
Ben Mangeng, Information Systems Manager  
Shanell Owen, City Clerk  
Ryan Limberg, Utilities Director  
Scott Wilkinson, Development Manager  
Dennis Strickland, Public Works Director  
Dennis Price II, Street Superintendent  
James Wiley, Parks and Recreation Director  
Dawn Leyva, Recreation Services Manager  
Nikki Johnson, Swimming Pool Manager  
Joe Carr, Parks Superintendent  
Matt Griego, Fire Chief  
Jeremy Draper, Civil Engineer  
Rick Magness, City Planner  
Ben Reed Jr., Police Chief  
Ty Trouten, Police Lieutenant  
Rich Genseal, Police Lieutenant  
Robert Spencer, Electrical/Facilities Superintendent  
Darin Windous, Fleet Maintenance Superintendent  
Ted Schnoor, Building Official  
Lorraine Martinez, Accounting Supervisor  
Mark Gibbs, Airport Director  
Diann Byington, Recording Secretary

## ROLL CALL

## PLEDGE OF ALLEGIANCE

## COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

*There were no public comments.*

### I. FY 2014/2015 BUDGET WORKSHOP

- A. Review, consideration, and direction to Staff regarding the Fiscal Year 2014/2015 Budget, inclusive of the General and Governmental Funds, and matters related thereto. **FOR POSSIBLE ACTION**

Staff's presentation will exclude all Enterprise Funds, which will be reviewed at a subsequent meeting. DS

Dawn Stout, Administrative Services Director, explained copies of her presentation were placed in the back of the room for any member of the public that wanted one. This presentation is a draft only. At the next meeting she will present the Enterprise Funds. She started her presentation:

#### **Taxes Paid by City Residents**

Ms. Stout presented an overview of the taxes paid by the people who live in the City of Elko. She took her tax bill and put in all the rates and the assessed valuation and broke it down into the various different components of a tax bill that a city resident would have.

#### **Total Tax Paid by Home Owner**

Everyone wants to know what their monies are going towards. She used a home worth approximately \$150,000 as her example and showed how the tax money was distributed.

#### **City of Elko A/V & Revenue History**

Ms. Stout showed how the Assessed Valuation has more than doubled in value.

#### **City Property Tax Breakdown**

The various different City of Elko tax rates are shown here, along with how much money goes to each rate and then how much the average homeowner pays each year.

#### **Elko County Sales Tax Distribution 6.85%**

A pie chart demonstrates how sales tax is distributed.

#### **History of General Fund Revenues**

Another chart shows how much each of the General Funds have had in revenue since Fiscal Year 2008/2009.

#### **10 Year History**

A line graph shows a ten year history of the C Tax.

#### **FY 2013/2014 General Fund Outlook**

When this was budgeted last year, the amount budgeted was \$6.1 million. That actually came in at \$5.9 million. That left a \$191,302 difference that was not anticipated.

### **General Fund Outlook**

Ms. Stout explained the estimated 2013/2014 expenditures and projections.

### **Projected General Fund Revenues – 2013/2014**

A pie chart shows the percentage of each revenue and the next slide showed how Consolidated Taxes and Property taxes compared to 2004/2005.

### **General Fund Expenditures**

Some charts compare expenditures over the last ten years.

### **Projected General Fund Expenditures – 2013/2014**

Another pie chart showed the expenditures.

### **General Fund Summary**

This put both years together for the General Fund. This is a work-in-progress and we do not have the final projections from the Department of Taxation yet.

### **FY 2014/2015 Rollup Costs**

This is a comparison of this year's budget and next year's. We have seen a decline in the Consolidated Tax Revenues but they have started to level off a bit. We asked staff to keep their budget as flat as possible. CPI and merit increases for management personnel were explained.

**\*\* A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to direct staff to continue moving forward on the assumptions for Ctax revenues for 2015 at 1.6% increase over 2014 base revenues.**

*The motion passed unanimously. (4-0)*

**\*\* A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to direct staff to include 1.6% CPI adjustment for salaries and 2.5% merit increase for management personnel based on their annual performance evaluation.**

*The motion passed unanimously. (4-0)*

Ms. Stout continued with her presentation:

### **Current General Fund Staffing Levels – Full time positions**

Full-time position numbers are listed for each department.

### **General Fund Personnel Requests**

School Resource Officers? This has not been addressed or incorporated into the budget yet.

### **Recreation Fund**

Resources and Expenditures are explained for the Recreation Fund.

### **Recreation Fund Projects List**

The 2013/2014 rollover projects and the 2014/2015 projects are listed. James Wiley, Parks and Recreation Director, talked about the projects and specifically about the Golf Course Irrigation Project.

**\*\* A motion was made by Councilman Rice, seconded by Councilman Keener, to direct staff to continue planning for the 2014/2015 budget based on this projects list.**

*The motion passed unanimously. (4-0)*

Councilwoman Simons arrived during the preceding motion.

Ms. Stout continued:

**Capital Equipment Replacement Fund**

This is the fund she is recommending the .03 cents come out of to go to the Debt Service Fund to help pay for the Police Department. This fund gets a portion of the sales tax based on the building construction. Revenues and expenditures are explained.

Councilman Schmidlein asked Chief Reed last year on patrol equipped cars we budgeted \$50,000 a piece but this year there is a \$10,000 increase per unit.

Chief Reed answered the patrol cars run at about \$55,000 fully equipped. This year we are looking at the Chevy Caprice as a model. They are about \$3,000 more than the Dodge Chargers. The equipment in it is the same kind of equipment but it rolls up a little bit.

**\*\* A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to approve the proposed Capital Equipment Replacement Fund estimate for Fiscal Year 2014/2015.**

*The motion passed unanimously. (5-0)*

Ms. Stout continued:

**Youth Recreation Fund**

Resources and expenditures are explained.

**\*\* A motion was made by Councilman Schmidlein, seconded by Councilman Rice, to accept the Youth Recreation Fund budget as presented for the 2014/2015 budget.**

*The motion passed unanimously. (5-0)*

Ms. Stout continued:

**Facility Fund**

Revenue and Expenditures are explained. If we bond we should have bond proceeds of about \$3 million in this fund. Those resources would be budgeted to go to the new Police Station.

Councilwoman Simons asked if they should wait on this one until after we solidified what we are going to do on the other item.

Councilman Schmidlein agreed.

**Capital Construction Fund**

This gets a portion of the property taxes. Revenue and Expenditures are explained. The money budgeted for land sales was explained further; including why the city does not initiate land sales.

**\*\* A motion was made by Councilman Keener, seconded by Councilman Rice, to accept the Capital Construction Fund estimated budget for Fiscal Year 2014/2015.**

*The motion passed unanimously. (5-0)*

Ms. Stout continued:

**Ad Valorem Capital Fund**

This is the .05 cent tax that is put in place by state statute. It is a pass-through from the county and comes into this fund. We use this fund to leverage our money for grant projects or other similar types of projects that would affect our facilities. It is limited as to what we can use these monies for.

**\*\* A motion was made by Councilman Schmidlein, seconded by Councilman Keener, to accept the proposed Ad Valorem Capital Fund as presented for the Fiscal Year 2014/2015.**

*The motion passed unanimously. (5-0)*

Ms. Stout continued:

**Revenue Stabilization Fund**

Over time we have built this fund up to \$1.8 million. There will be no transfers into this fund pursuant to Revenue Stabilization Policy.

**\*\* A motion was made by Councilwoman Simons, seconded by Councilman Rice, to accept the Revenue Stabilization Fund.**

*The motion passed unanimously. (5-0)*

Ms. Stout continued:

**Municipal Court Assessment Fund**

The fees that come into this fund are from assessments on people who have fines given to them by the court system. We have been asked to reserve these funds by the Municipal Court Judge so that is what we have been doing for quite a few years and we will continue to do that going forward.

Councilwoman Simons disclosed her husband works for the Municipal Court but this does not affect us personally.

**\*\* A motion was made by Councilman Rice, seconded by Councilman Schmidlein, to accept the Municipal Court Assessment Fund budget as presented.**

*The motion passed unanimously. (5-0)*

Ms. Stout continued:

**Public Improvement Development Fund**

This comes from Public Improvement fees that are paid by developers as they develop various different areas. This has been in place for quite a few years and it can only be used for specific

infrastructure needs in those areas that are developed. At some point we may have to refund these back to the people that have paid them if it is not used within a specific amount of time.

**\*\* A motion was made by Councilman Keener, seconded by Councilman Rice, to accept the Public Improvement Development Fund as presented for Fiscal Year 2014/2015.**

*The motion passed unanimously. (5-0)*

Ms. Stout continued:

**Redevelopment Agency Fund**

This is what the Redevelopment Agency is looking at for the next year after their meeting from earlier in the day.

**\*\* A motion was made by Councilwoman Simons, seconded by Councilman Rice, to accept the Redevelopment Agency Fund budget.**

*The motion passed unanimously. (5-0)*

Ms. Stout continued:

**Debt Service Fund**

This is where we pay all governmental type fund activities debt out of. The Police Department bond payments will come out of this fund.

Councilwoman Simons thought they needed to hold off on this one as well.

Ms. Stout continued:

**Community Service Donation Requests**

This list showed the requests she has received to date, as well as donation requests they have paid in the past.

**\*\* A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to accept the estimates for Community Service Donation Requests for the addition of \$10,000 for the Get Your Ride Program bringing the amount up to \$48,827 for Fiscal Year 2014/2015.**

*The motion passed unanimously. (5-0)*

Ms. Stout noted that the Enterprise Funds will be at the next council meeting. On March 15, we will have the final revenue projections from the Nevada Department of Taxation. March 30 we will have update information from our sales tax and other taxes that the city receives. April 8 is a regular council meeting which will have the whole tentative budget for council approval to forward to the Department of Taxation by April 15. Our public hearing to adopt the final budget is on May 20.

**COMMENTS BY THE GENERAL PUBLIC**

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*There were no public comments.*

There being no further business, Mayor Chris Johnson adjourned the meeting.

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Mayor Chris Johnson

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Shanell Owen, City Clerk