

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

SS March 14, 2017

The City Council of the City of Elko, State of Nevada met for a special meeting beginning at 3:00 p.m., Tuesday, March 14, 2017.

This meeting was called to order by Mayor Chris Johnson.

ROLL CALL

Mayor Present: Chris J. Johnson

Council Present: Councilman John Rice *arrived at 3:30pm*
Councilwoman Mandy Simons
Councilman Robert Schmidlein
Councilman Reece Keener

City Staff Present: Curtis Calder, City Manager
Scott Wilkinson, Assistant City Manager
Ryan Limberg, Utilities Director
Aubree Barnum, Human Resources Manager
Jonnye Jund, Administrative Services Director
Jeremy Draper, Development Manager
Cathy Laughlin, City Planner
James Wiley, Parks and Recreation Director
Joe Carr, Parks Superintendent
Mike Hess, Landfill Superintendent
Dennis Strickland, Public Works Director
Dave Stanton, City Attorney
Matt Griego, Fire Chief
Ben Reed Jr., Police Chief
Dawn Leyva, Recreation Services Manager
Darin Windous, Fleet Superintendent
John Holmes, Fire Marshal
Karen Walther, Animal Shelter Manager
Bob Thibault, Civil Engineer
Ted Schnoor, Building Official
Diann Byington, Recording Secretary

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 2017/2018 BUDGET WORKSHOP

- A. Review, consideration, and direction to Staff regarding the Fiscal Year 2017/2018 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. JJ

Curtis Calder, City Manager, gave an introduction as to what we were discussing. This presentation is based upon the best information we have and should be viewed as a starting point.

Jonnye Jund, Administrative Services Director, gave a presentation (Exhibit "A").

Councilman Rice arrived at 3:30pm.

**** A motion was made by Councilman Keener, seconded by Councilman Schmidlein, to direct staff to continue working towards a final budget as they get more information as it comes available from the State and other sources.**

The motion passed unanimously. (5-0)

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.

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

Mayor Chris Johnson

Shanell Owen, City Clerk

CITY OF ELKO FY 2017/2018
GOVERNMENTAL FUNDS
BUDGET WORKSHOP

Taxes Paid by City Residents

Assessed Valuation FY 2017/18 - \$513,180,572	Tax Rate	Property Taxes	Percent of Total
General County	0.5120	\$ 2,627,485	14.70%
General Indigent	0.0274	\$ 140,611	0.79%
Extension	0.0100	\$ 51,318	0.29%
Library	0.0270	\$ 138,559	0.78%
Juvenile Probation	0.0626	\$ 321,251	1.80%
Sr. Citizens Services	0.0200	\$ 102,636	0.57%
Jail Operations	0.0135	\$ 69,279	0.39%
Medical / Indigents	0.0700	\$ 359,226	2.01%
Co Capital Projects	0.0500	\$ 256,590	1.44%
Fair Board Improvements	0.0039	\$ 20,014	0.11%
Hospital Indigent	0.0150	\$ 76,977	0.43%
Youth Services	0.0087	\$ 44,647	0.25%
Museum	0.0185	\$ 94,938	0.53%
Total County Taxes	0.8386	\$ 4,303,532	24.08%
School Operating Rate	0.7500	\$ 3,848,854	21.54%
School Capital Rate	0.7500	\$ 3,848,854	21.54%
Total School Taxes	1.5000	\$ 7,697,709	43.07%
TV District	0.0145	\$ 74,411	0.42%
State of Nevada	0.1700	\$ 872,407	4.88%
Elko Conv/Visitors Authority	0.0392	\$ 201,167	1.13%
Elko City General Fund	0.6148	\$ 3,155,034	17.65%
Elko City Debt	0.1000	\$ 513,181	2.87%
Elko City Capital Equipment	0.0500	\$ 256,590	1.44%
Elko City Capital Construction	0.1552	\$ 796,456	4.46%
Total City Taxes	0.9200	\$ 4,721,261	26.42%
Total Taxes Paid by City Residents	3.4823	\$ 17,870,487	100.00%

Total Tax Paid by Home Owner

Assessed Valuation - \$200,000	Tax Rate	Revenue Received	Percent of Total
General County	0.5120	\$ 358.40	14.70%
General Indigent	0.0274	\$ 19.18	0.79%
Extension	0.0100	\$ 7.00	0.29%
Library	0.0270	\$ 18.90	0.78%
Juvenile Probation	0.0626	\$ 43.82	1.80%
Sr. Citizens Services	0.0200	\$ 14.00	0.57%
Jail Operations	0.0135	\$ 9.45	0.39%
Medical / Indigents	0.0700	\$ 49.00	2.01%
Co Capital Projects	0.0500	\$ 35.00	1.44%
Fair Board Improvements	0.0039	\$ 2.73	0.11%
Hospital Indigent	0.0150	\$ 10.50	0.43%
Youth Services	0.0087	\$ 6.09	0.25%
Museum	0.0185	\$ 12.95	0.53%
Total County Taxes	0.8386	\$ 587.02	24.08%
School Operating Rate	0.7500	\$ 525.00	21.54%
School Capital Rate	0.7500	\$ 525.00	21.54%
Total School Taxes	1.5000	\$ 1,050.00	43.07%
TV District	0.0145	\$ 10.15	0.42%
State of Nevada	0.1700	\$ 119.00	4.88%
Elko Conv/Visitors Authority	0.0392	\$ 27.44	1.13%
Elko City General Fund	0.6148	\$ 430.36	17.65%
Elko City Debt	0.1000	\$ 70.00	2.87%
Elko City Capital Equipment	0.0500	\$ 35.00	1.44%
Elko City Capital Construction	0.1552	\$ 108.64	4.46%
Total City Taxes	0.9200	\$ 644.00	26.42%
Total Taxes Paid by City Residents	3.4823	\$ 2,437.61	100.00%

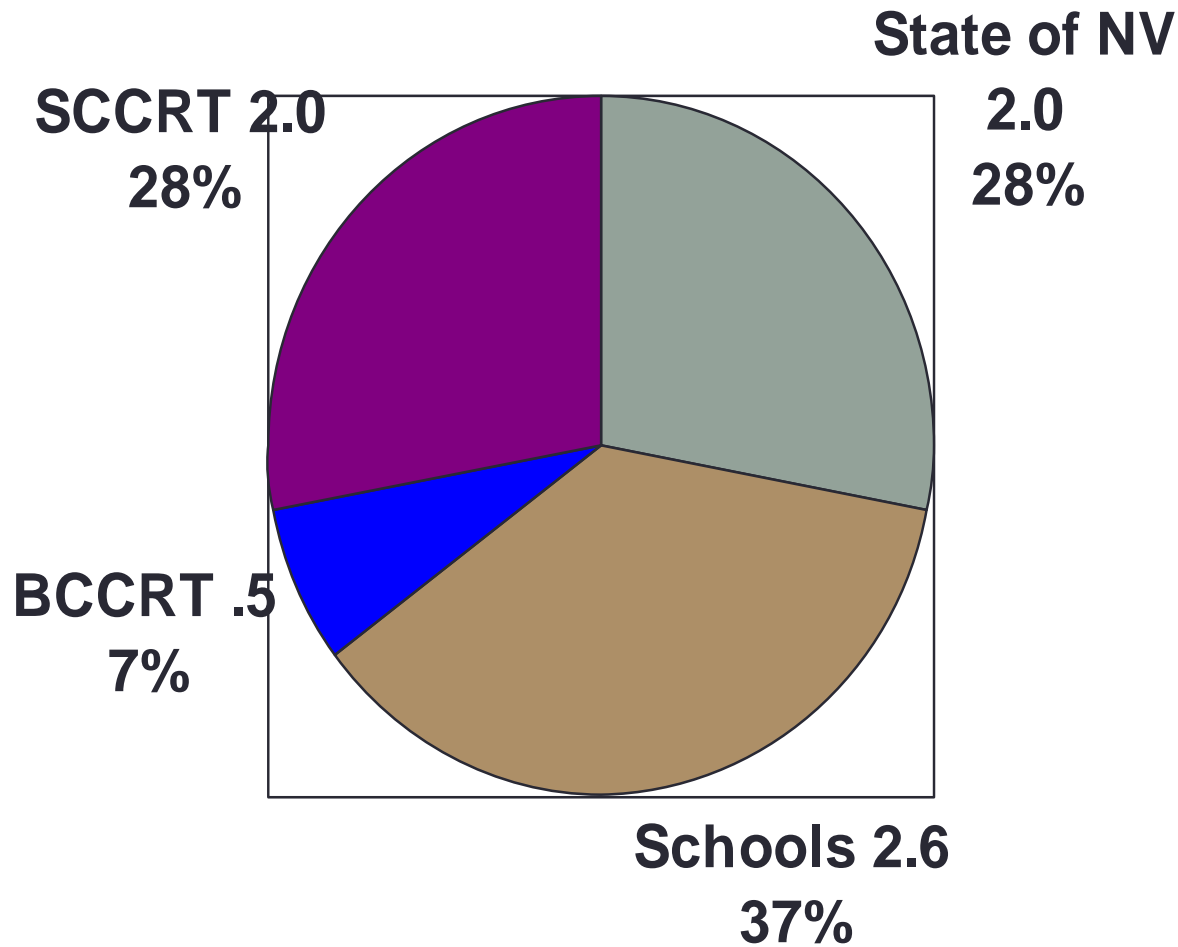
City of Elko A/V & Revenue History

Fiscal Year	Assessed Valuation	Percent Change	Tax Rate	Revenue Received	Difference from Prior Yr	Percent Change
1994/1995	202,479,335		0.5430	1,104,934		
1995/1996	218,662,312	7.99%	0.4925	1,169,733	64,799	5.86%
1996/1997	231,485,367	5.86%	0.5062	1,252,695	82,962	7.09%
1997/1998	247,881,803	7.08%	0.5062	1,336,410	83,715	6.68%
1998/1999	263,888,126	6.46%	0.5431	1,464,610	128,200	9.59%
1999/2000	272,263,390	3.17%	0.5393	1,477,386	12,776	0.87%
2000/2001	291,416,822	7.03%	0.5393	1,561,837	84,451	5.72%
2001/2002	295,138,546	1.28%	0.5393	1,728,560	166,723	10.67%
2002/2003	288,780,550	-2.15%	0.5393	2,016,241	287,681	16.64%
2003/2004	297,631,533	3.06%	0.5393	2,130,964	114,723	5.69%
2004/2005	296,207,696	-0.48%	0.5388	2,416,907	285,943	13.42%
2005/2006	296,770,239	0.19%	0.5388	2,787,338	370,431	15.33%
2006/2007	312,816,735	5.41%	0.5888	2,878,629	91,291	3.28%
2007/2008	337,353,408	7.84%	0.6900	3,069,488	190,859	6.63%
2008/2009	363,571,663	7.77%	0.7200	3,194,597	125,109	4.08%
2009/2010	389,109,714	7.02%	0.8200	3,345,353	150,756	4.72%
2010/2011	390,921,792	0.47%	0.9200	3,371,510	26,157	0.78%
2011/2012	386,309,054	-1.18%	0.9200	3,551,562	180,052	5.34%
2012/2013	404,635,925	4.74%	0.9200	3,701,174	149,612	4.21%
2013/2014	427,797,045	5.72%	0.9200	4,015,202	314,028	8.48%
2014/2015	465,656,772	8.85%	0.9200	4,322,354	307,152	7.65%
2015/2016	486,850,984	4.55%	0.9200	4,479,029	156,675	3.62%
2016/2017	495,236,166	1.72%	0.9200	4,556,173	77,144	1.72%
2017/2018	513,180,572	3.62%	0.9200	4,721,261	165,089	3.62%

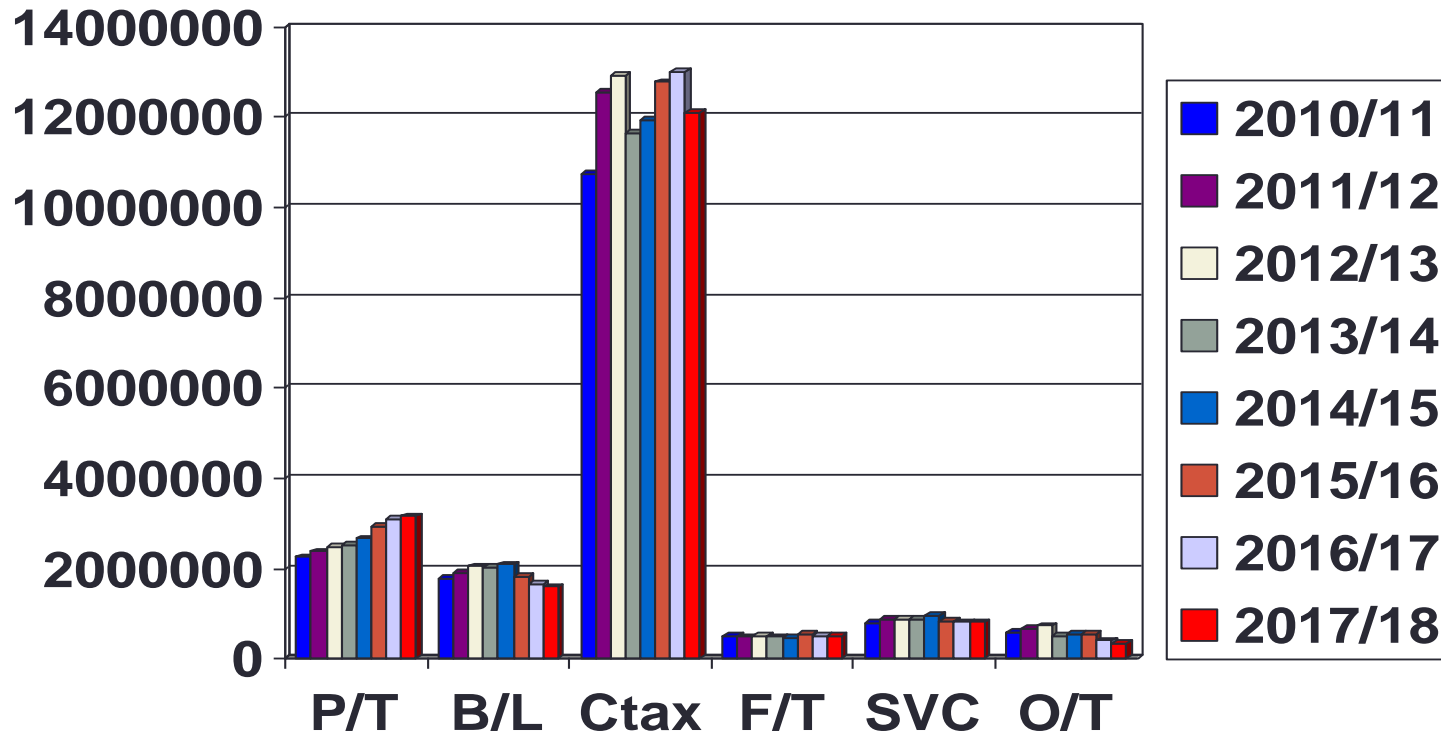
City Property Tax Breakdown

Home Valuation		\$150,000	\$200,000
General Fund Tax Rate	.6148	\$ 322.77	\$ 430.36
Debt Service Tax Rate	.1000	\$ 52.50	\$ 70.00
Capital Equipment Rate	.0500	\$ 26.25	\$ 35.00
Capital Construction	.1552	\$ 81.48	\$ 108.64
Total City Rate	.9200	\$ 483.00	\$ 644.00

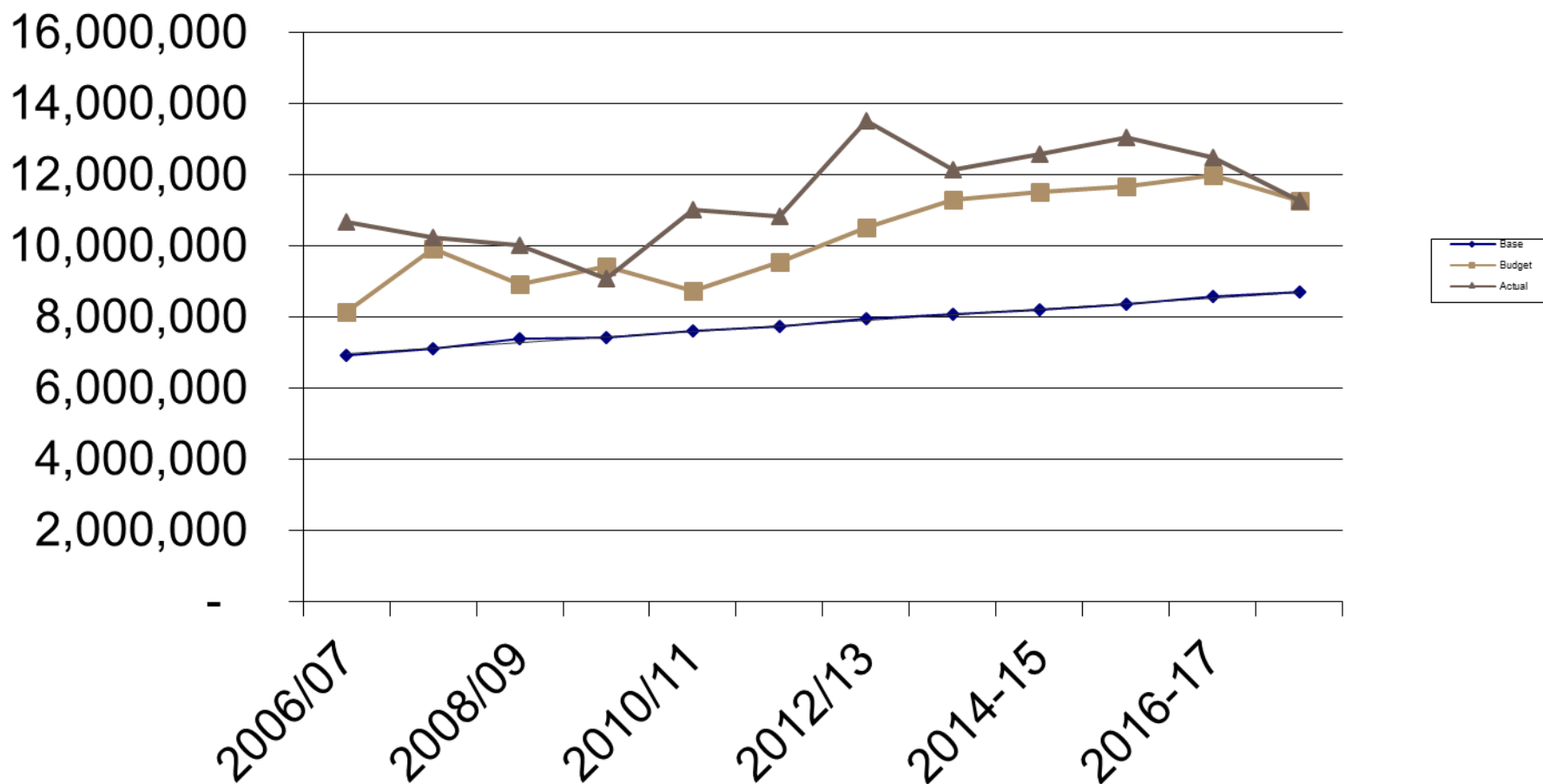
Elko County Sales Tax Distribution 7.1%



History of General Fund Revenues



Sales Tax History



FY 2016/17 General Fund Outlook

- Budgeted Beginning Fund Balance \$3,753,687
- Audited Beginning Fund Balance \$4,305,759
- Excess Beginning Fund Balance \$ 552,072

- **Distributed according to Revenue Stabilization Policy**
 - 25% - Revenue Stabilization Fund \$ 138,018
 - 37.5% - Capital Equipment Fund \$ 207,027
 - 37.5% - Facility Reserve Fund \$ 207,027

- **2016/2017 Revenue Estimates**
 - Budgeted Revenues \$ 18,099,872
 - Estimated Revenues \$ 19,522,153
 - Additional Available Resources \$ 1,422,281

General Fund Outlook

- **2016/2017 Expenditure Estimates**

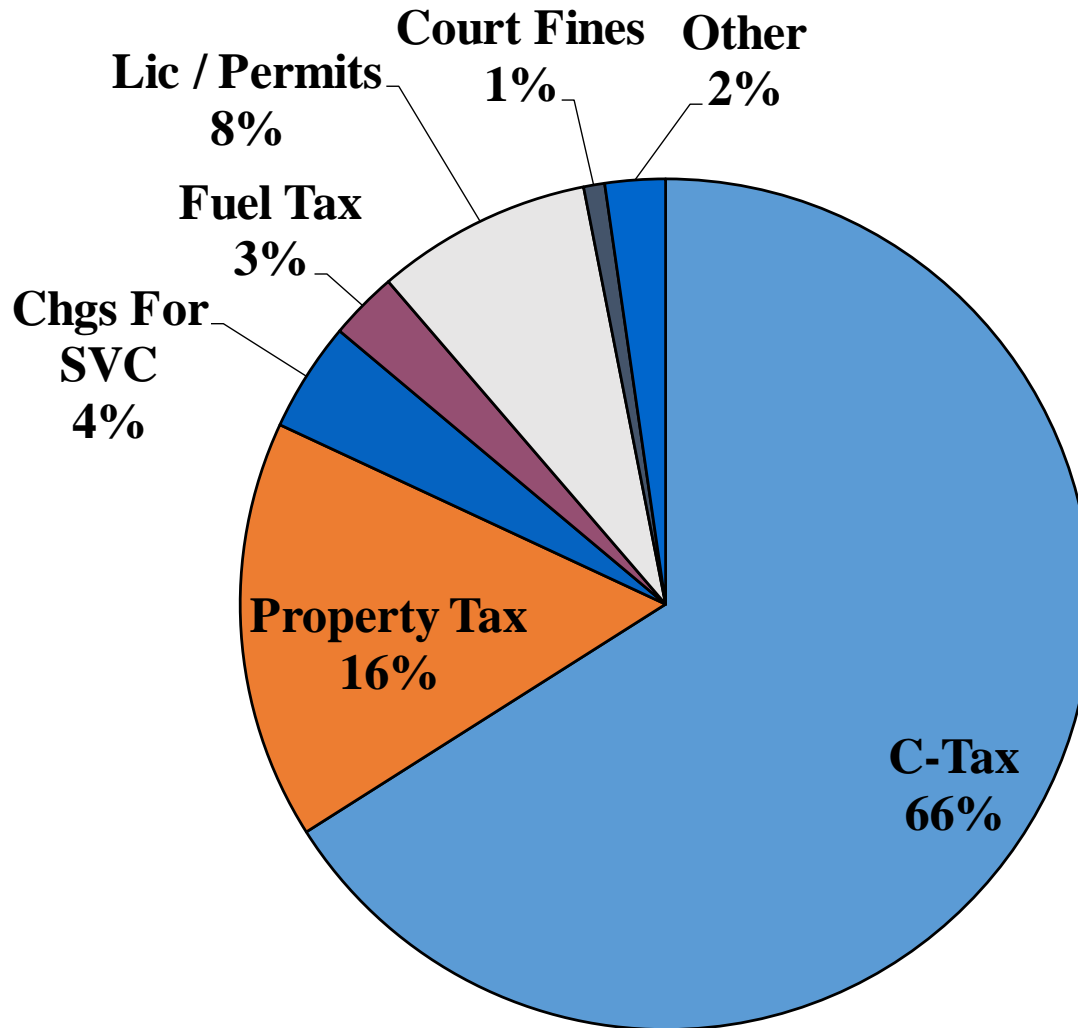
• Budgeted Expenditures		\$ 19,766,035
• Estimated Expenditures		\$ 19,429,596
• Estimated Budget Savings		\$ 336,439
• General Government	(\$ 69,660)	
• Municipal Court	(\$ 33,000)	
• Public Safety	(\$ 15,140)	
• Public Works	(\$ 173,859)	
• Health	(\$ 45,180)	
• Recreation	\$ 400	
• Community Services	\$ <u>0</u>	
• Total Estimated Budget Savings	(\$ 336,439)	
• Additional Resources		\$ 336,439

General Fund Outlook

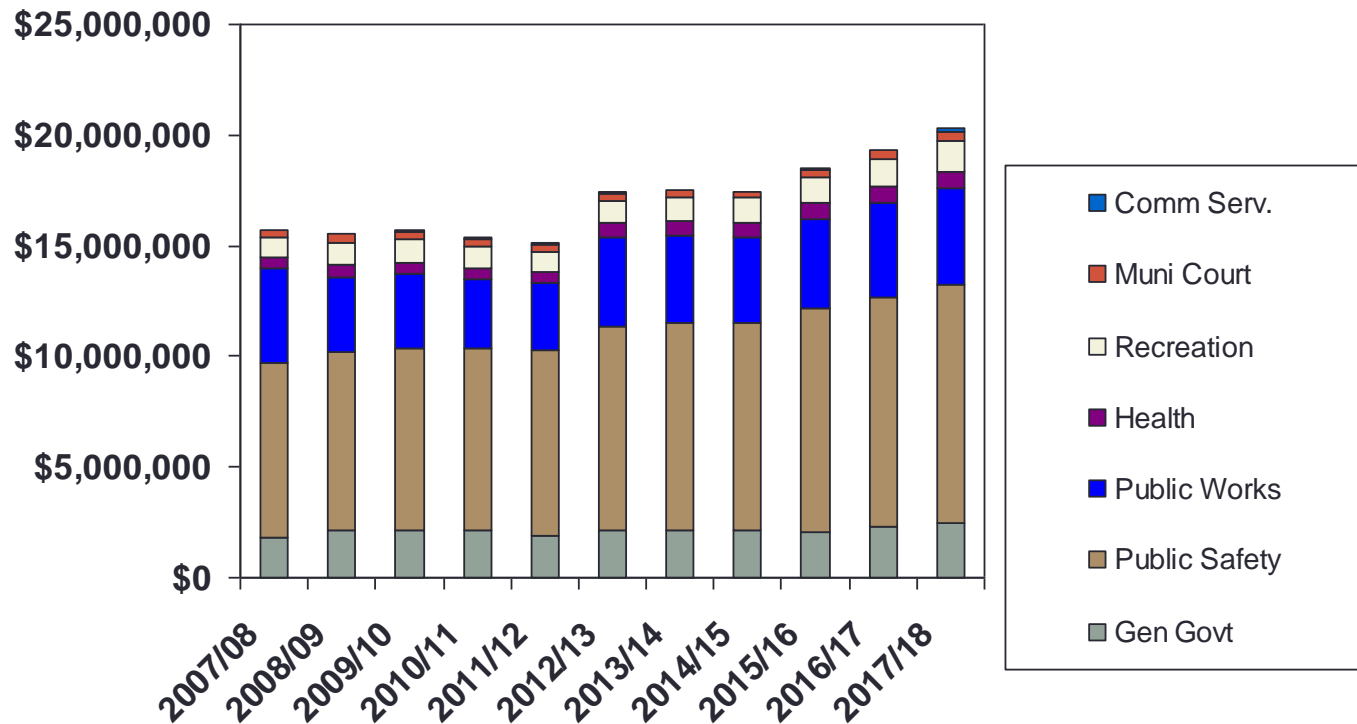
2016/2017 Projections

• Revenues		\$19,522,153
• Property Tax	\$ 3,097,150	
• Licenses/Permits	\$ 1,669,751	
• Intergovernmental	\$ 13,660,379	
• Charges for Services	\$ 811,842	
• Fines / Forfeitures	\$ 155,581	
• Miscellaneous Rev.	\$ 127,450	
• Transfers In		\$ 284,357
• Expenditures		\$19,429,596
• General Government	\$ 2,237,824	
• Public Safety	\$10,473,380	
• Municipal Court	\$ 385,000	
• Public Works	\$ 4,336,420	
• Health	\$ 683,800	
• Recreation	\$ 1,263,810	
• Community Service	\$ 49,362	
• Contingency (1.5% of Total Expenses)		\$ 0
• Transfers Out		\$ 252,661
• Beginning Fund Balance		\$ 4,305,759
• Ending Fund Balance (20.0%)		\$ 4,430,012
• Required Ending Fund Balance (8.3%)		\$ 1,612,656
• Additional Available Resources		\$ 2,817,356

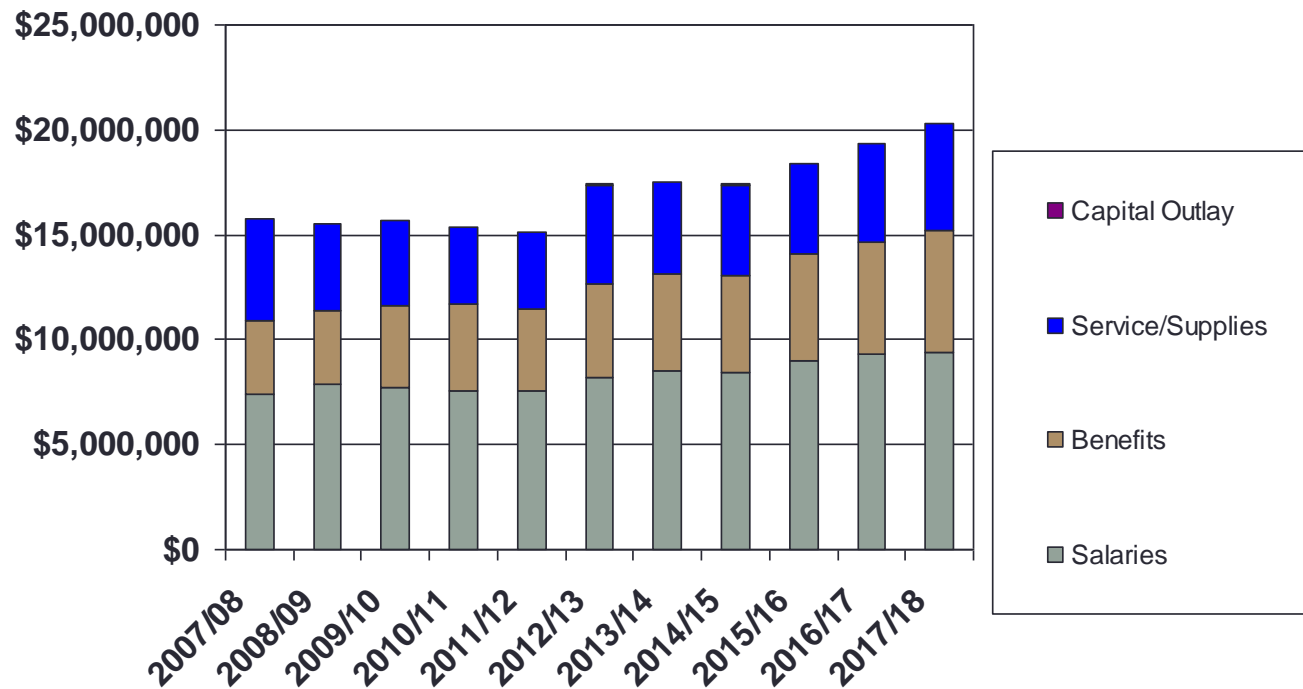
Projected General Fund Revenues – 2016/2017



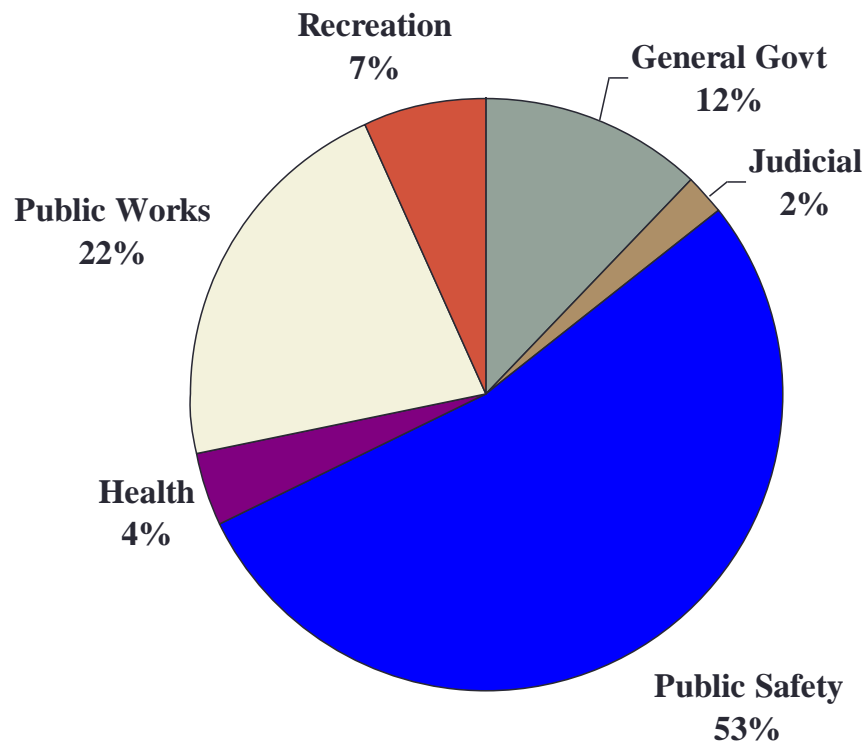
General Fund Expenditures



General Fund Expenditures



Projected General Fund Expenditures – 2017/2018



General Fund Summary

2016/2017

• Beg. Fund Balance	\$ 4,305,759
• Revenues	\$19,522,153
• Expenses	\$19,429,596
• Transfers In	\$ 284,357
• Transfer to Airport Fund	\$ 252,661
• Ending Fund Balance	\$ 4,430,012

2017/2018

• Beg. Fund Balance	\$ 4,430,012
• Revenues	\$ 18,521,165
• Expenses	\$ 20,275,943
• Transfers In	\$ 304,908
• Transfer to Airport Fund	\$ 140,000
• Transfer to Rev Stab Fund	\$ 138,018
• Transfer to Cap Equip Fund	\$ 207,027
• Transfer to Facility Fund	\$ 207,027
• Contingency (1.5%)	\$ 304,139
• Ending Fund Balance	\$ 1,983,931
• Required Ending Fund Bal.	\$ 1,708,147
• Total Additional Available Resources	\$ 275,784

FY 2017/2018 Rollup Costs

	2016/17 Budget	2017/18 Budget	Increase (Decrease)	Percent Increase
Salaries	9,356,625	9,364,805	8,180	.10%
Benefits	5,517,855	5,855,069	337,214	6.11%
SVC / Supplies	4,891,555	5,056,069	164,514	3.36%
Total Expense	19,766,035	20,275,943	509,908	2.58%
Property Tax	3,097,150	3,190,098	92,948	3.00%
Sales Tax Base	8,570,590	8,707,719	137,129	1.60%
Total Revenues	11,667,740	11,897,817	230,077	1.97%

Note: CPI for January 2017 was 2.4%. Budget includes a 2.5% merit increase for management personnel based on availability in management scale.

- Direction to staff on assumptions for C-tax revenues for 2018 at 1.6% increase from the 2017 revenues.
- Direction to staff on inclusion of 2.4% CPI adjustment for salaries and 2.5% merit increase for management personnel based on performance.

Current General Fund Staffing Levels - Full time positions

- **General Government:**

• Administration	5.0
• Clerk	3.5
• Human Resources	1.0
• Information Systems	2.0
• Finance	3.0
• Planning	2.0
• TOTAL	16.5
(1997 – 13)	

- **Public Safety:**

• Police - Administration	3.0
• Police Clerical	6.5
• <small>Reclass From Patrol for Evidence Tech</small>	
• Patrol	27.0
• PD Reallocated to Operating Exp	1.0
• SRO Officers	2.0
• Detective	6.0
• Animal Control	1.0
• Fire Administration	3.0
• Fire Clerical	1.5
• Fire Fighters	18.0
• Volunteer Coord – Grant Funded	1.0
• TOTAL	70.0
(1997 – 56.5)	

- **Public Works**

• Streets	9.0
• Streets – Administration	2.0
• Fleet	5.0
• Engineering	2.0
• Community Development	2.0
• Building (Reduced by 1)	4.5
• Facilities	4.0
• TOTAL	28.5
(1997 – 39.5)	

- **Health:**

• Animal Shelter	5.0
• Cemetery	3.0
• TOTAL	8.0
(1997 – 4)	

- **Recreation:**

• Parks	6.50
• Swimming Pool	2.00
• TOTAL	8.50
(1997 – 10.5)	

Total: 131.5 (1997 – 123.5)

General Fund Additional Requests

'HSA' Funding	\$150,000
Dependent and Retiree H/I Subsidy	<u>\$ 75,000</u>
Total Additional Requests	\$ 225,000
Total Available Resources	<u>\$ 275,784</u>
Available Resources:	\$ 50,785

Recreation Fund

Resources:

Beg. Fund Balance	\$ 7,199,788
Reserve for Bond Pymt.	\$ 122,056
Room Tax	\$ 3,700,000
Interest	\$ 25,000
Total Resources:	\$11,046,844

Expenditures:

ECVA Operating Fund	\$ 627,678
ECVA Marketing Fund	\$ 462,500
ECVA Facilities Fund	\$ 201,506
Elko Co Rec Board	\$ 156,250
State Tourism	\$ 99,107
Western Folklife	\$ 66,071
Elko County Fair Board	\$ 132,142
Elko SnowBowl	\$ 33,035
Total	\$ 1,778,289

Expenditures (Continued):

Fireworks Donation	\$ 5,000
Recreation Capital Projects	
Sports Complex	\$ 7,757,020
Parking Lot Resurfacing – Parks	\$ 75,000
Roof Replacement – Softball Field	\$ 15,000
Transfers Out	
General Fund	\$ 304,908
Youth Recreation Fund	\$ 31,939
Golf Course Fund	\$ 26,939
Rec. Facilities Bond Payment	\$ 609,113
Airport Fund (Bond Payment)	\$ 327,055
Reserved for Bond	\$ 116,581
Ending Fund Balance	\$ 0
Total Uses	\$11,046,844

Capital Equipment Replacement Fund

Revenue:

Sales Tax	\$ 415,000
Property Tax (.07 rate)	\$ 359,226
Interest	\$ 5,250
Dispatch Revenue	\$ 6,000
Transfer from General Fund	\$ 207,027

Beginning Fund Balance \$ 595,801

Total Resources: \$ 1,588,304

- Possible direction to staff on requests for capital equipment replacement for FY 2018.

Expenditures:

IS – Fiber Infrastructure 7 th Street	\$ 25,000
IS – Annual Computer Replacement Program	\$ 40,000
PD – 1 Fully Equipped SUV Patrol Vehicle	\$ 58,000
PD – 2 Patrol Cars	\$ 108,000
PD – Switch and CVSA Gen 2	\$ 11,800
PD – Access Control for Additional Doors	\$ 40,000
FD – Replacement Fire Apparatus	\$ 450,000
FD – Replacement Rescue 10 (Phase I)	\$ 100,000
Streets – Asphalt Planer (Grinder)	\$ 33,000
Streets – 10' x 42" Snow Plow and Plow Hitch	\$ 18,000
Streets – 5 Yard Dump Truck	\$ 120,000
Fleet - Tire Changer	\$ 9,500
Fleet - Tire Balancer	\$ 8,500
Facilities – Back Flow Prevention - Annual	\$ 25,000
Facilities – Street Sync Software	\$ 7,500
Parks – Turf Sprayer (Pesticide/Fertilizer applicator)	\$ 37,000
Parks - 4x4, 1 Ton, 3 yard dump truck with plow	\$ 55,000
Cemetery – 52 Z turn Mower	\$ 10,600

Total Requests \$1,156,900

Ending Fund Balance \$ 431,404

Total Uses: \$1,588,304

Youth Recreation Fund

Resources:

Beg. Fund Balance	\$ 22,717
Fun Factory Fees	\$ 55,000
Adult League Fees	\$ 40,000
Special Events Revenue	\$ 20,000
Concession Revenue	\$ 16,000
Park Use Fees	\$ 28,000
Interest	\$ 250
Transfer in Recreation	\$ 31,939
Total Resources:	\$ 213,906

Expenditures:

Salaries	\$ 92,775
Benefits	\$ 42,360
Services/Supplies	\$ 76,450
Ending Fund Balance	\$ 2,321
Total Uses	\$ 213,906

Facility Fund

Revenue:

Beginning Fund Balance	\$ 27,737
Interest	\$ 2,300
Transfer from General Fund	\$ 207,027

Total Resources: \$237,064

Expenditures:

Fleet – Metal Roof Wash Bay	\$ 16,000
Fire Station 1 – Kitchen Repair	\$ 15,000
Fire Station 1 Driveway Repair	\$ 50,000
Ending Fund Balance	\$ 156,064

Total Uses \$ 237,064

- Possible direction to staff on possible facility projects for FY 2018 Budget.

Capital Construction Fund

Revenue:

Property Tax - Streets (.1552)	\$	796,456
Interest Income	\$	3,000
Beginning Fund Balance	\$	399,062
Total Resources:	\$	1,198,518

Expenditures:

Cedar St Eng (Phase II)	\$	200,000
Capital Construction -TBD	\$	998,518
Ending Fund Balance	\$	0
Total Uses	\$	1,198,518

- Possible direction to staff for projects to be budgeted in FY 2018.

Ad Valorem Capital Fund

Revenue:

Expenditures:

Ad Valorem Taxes	\$ 311,535	Capital Projects - TBD	\$ 495,746
Interest Income	\$ 3,000	Back Flow Prevention	\$ 25,000
Beginning Fund Balance	\$ 206,211	Ending Fund Balance	\$ 0
Total Resources:	\$ 520,746	Total Uses	\$ 520,746

- **Action Item:** Possible direction to staff on any additional projects to be budgeted for FY 2018.

Revenue Stabilization Fund

Revenue:

Transfer from General Fund	\$ 138,018
Beginning Fund Balance	\$1,785,065
Interest	\$ 10,000
Total Resources:	\$1,933,083

Expenditures:

Transfer to General Fund	\$ 0
Ending Fund Balance	\$1,933,083
Total Uses:	\$1,933,083

Municipal Court Assessment Fund

Resources:

Beg. Fund Balance	\$103,473
Admin Assessments	\$ 6,000

Total Resources:	\$109,473
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Expenditures:

Reserved Court Capital	\$109,473
Ending Fund Balance	\$ 0

Total Uses	\$109,473
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Public Improvement Development Fund

Resources:

Beg. Fund Balance	\$ 15,554
Improvement Fees	\$ 0
Interest	\$ 50

Total Resources: \$ 15,604

Expenditures:

Reserved - Future	
Public Improvements	\$15,604

Total Uses \$15,604

Redevelopment Agency Fund

Revenues:

Beginning Fund Balance	\$837,089
Property Tax Revenues	\$277,650
Interest Revenues	\$ 4,000
Total Resources:	\$1,118,739

Expenditures:

Legal Expense	\$ 25,000
Public Improvements	
Public Impvmts – Other	\$ 698,639
Centennial Park Expansion	\$ 200,000
Public-Private Partnership	\$ 75,000
Centennial Tower	\$ 50,000
Storefront Program	\$ 50,000
Alley Work	\$ 20,000
Revolving Loan Fund	\$ 100
Total Uses:	\$1,118,739

Debt Service Fund

Resources:

Beg. Fund Balance	\$1,179,579
RTC Revenues	\$ 699,750
Property Taxes (0.08)	\$ 410,544
Interest	\$ 4,200
Transfers In:	
Recreation Fund	\$ 609,113
Total Resources:	\$2,903,186

Expenditures:

2010 Street Bonds:

Principal	\$ 445,000
Fiscal Agent Charges	\$ 500
Interest	<u>\$ 297,781</u>

Total Street Bonds: \$ 743,281

Recreation Facilities Bond:

Principal	\$ 365,000
Fiscal Agent Charges	500
Interest	<u>\$ 244,112</u>

Total Recreation Facilities: \$ 609,612

PD Building Bond:

Principal	\$ 285,000
Interest	<u>\$ 52,031</u>

Total PD Bond: \$ 333,331

Reserve for 2010 Bond \$ 744,581

Reserve for 2014 PD Bond \$ 335,563

Ending Fund Balance \$ 133,118

Total Uses \$2,903,186

Community Service Donation Requests

• Community Service Requests:	2015/16	2016/17	2017/18
• Nevada Rural Co. RSVP	\$ 4,526	\$ 6,862	\$ 7,511
• Elko Senior Citizen's Center	\$10,000	\$10,000	\$ 10,000
• Elko County School District	\$ 0	\$ 0	\$ 50,000
• F.I.S.H.	\$ 8,000	\$ 10,000	\$ 10,000
• Vitality Center	\$ 7,500	\$ 7,500	\$ 7,500
• Family Resource Center	\$ 0	\$ 0	\$ 5,000
• Elko Chamber of Commerce	\$ 5,000	\$ 0	
• Elko Area Transit	\$15,000	\$15,000	\$ 15,000
• Total Requests	\$50,026	\$49,362	\$ 105,011

Note: FY 2017/18 are only the requests received to date 3/1/17.

- Possible direction to staff regarding community service Donations for FY 2018.

Proposed Schedule

- Water, Sewer, Landfill, Airport & Golf Council Workshop
March 28, 2017
- March 15 – Final Revenue Projections – NV Dept. of Taxation
- March 30 - Updated information available for taxable sales and other revenues.
- April 11 - Approval of Tentative Budget
- May 23 - Public Hearing to Adopt Final Budget