

**MINUTES OF THE
FERNLEY CITY COUNCIL BUDGET MEETING**

APRIL 4, 2019

Mayor Edgington called the meeting to order at 5:00 pm at Fernley City Hall, 595 Silver Lace Blvd, Fernley, NV.

1. INTRODUCTORY ITEMS

1.1. Roll Call

Present: Mayor Roy Edgington, Councilman Ray Lacy, Councilman Dan McCassie, Councilman Stan Lau, Councilwoman Sue Seidl, Councilwoman Fran McKay. City Manager Daphne Hooper, Deputy City Attorney Brent Kolvet, Public Works Director Dave Whalen, City Treasurer Denise Lewis, City Clerk Kim Swanson, Planning Director Tim Thompson, City Engineer Derek Starkey.

1.2. Public Comment

There was none

1.3. Approval of the Agenda

Motion: MOVE TO APPROVE THE AGENDA AS SUBMITTED, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilwoman Fran McKay. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Dan McCassie, Councilman Ray Lacy, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Sue Seidl.

2. Discussion and possible action regarding Fiscal Year 2019/2020 proposed budget including but not limited to: All funds including the Water Enterprise Fund; Wastewater Enterprise Fund; General Fund; Capital Improvement Program; all City departments; the budget process; timelines, goals, the existing budget; debt, staffing including but not limited to reorganization, reclassification, employee positions and contracts, new positions, etc.

City Manager Hooper started by reviewing General Fund projected revenues as \$7,767,399 for FY19/20. She stated expenses for the General Fund total \$8,176,588.

City Manager Hooper explained the cost allocation over various departments. She stated the City's Water and Sewer Funds are provided services by City Departments and personnel whose salaries and benefits and other indirect costs are paid out of the General Fund, including, Mayor/Council, the City Manager's office, Human Resources, The City Treasurer's office/Finance, IT, the City Clerk's office, Facilities and Debt Service.

The City Council will adopt Resolution 2019-005 regarding the City of Fernley Cost Allocation Plan as part of the final budget.

City Manager Hooper explained the new Position List to better understand what the actual cost of the positions are.

Wastewater Enterprise Fund

City Manager Hooper explained the fund including the proposed budget revenues and expenses.

City Manager Hooper stated the only request for personnel in the budget this year is for a utility operator in the sewer fund. This budget also includes a new vehicle for the new body.

Water Enterprise Fund

City Manager Hooper explained the fund including the proposed budget revenues and expenses. She stated the Water Distribution and Water Treatment expenses are included in this fund

Discussion followed regarding ways to reduce residential water bills. A workshop in the Fall was discussed.

Water Distribution

City Manager Hooper explained this fund including the proposed budget revenues and expenses. She stated \$360,000 of this budget is dedicated for water rights.

Capital Improvement Plan

City Manager Hooper explained the Capital Projects for the General Fund included in FY19-20 Budget. Some of these projects include; Hardie Lane, Farm District Road Multi-Use Path, Cottonwood Lane Reconstruction and Design, Depot Sewer Lateral Project Phase 1 and 2, Depot Roof Replacement. She explained the Capital Improvements for the Water Enterprise Fund including; City Wide Water Meter replacement, East Wastewater Treatment Plant Fire Line, 3 fleet trucks and a backhoe. City Manager Hooper reviewed the Sewer Enterprise Projects which include Farm District Road Lift Station PER and final design, and 3 replacements trucks. Mayor Edgington requested fleet vehicles for the Public Works Director and the City Engineer equipped with Sheriff Office radios with emergency channels. It was decided not to purchase the trucks for the Public Works Director and the City Engineer at this time.

Motion: MOVE TO APPROVE THE WATER AND SEWER ENTERPRISE FUNDS AND CAPITAL IMPROVEMENTS FOR SEWER AND WATER. **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilwoman Fran McKay. **Vote:** Motion passed (**summary:** Yes = 4, No = 1, Abstain = 0). **Yes:** Councilman Dan McCassie, Councilman Ray Lacy, Councilman Stan Lau, Councilwoman Fran McKay. **No:** Councilwoman Sue Seidl.

General Fund

City Manager Hooper explained there are a few requests for reclassifications in this budget, one for the court administrator and human resources.

Mayor & Council Budget

City Manager Hooper presented this budget request for FY19/20. She stated this budget covers the cost of the organizations the City belongs to such as NNDA, EDawn, Nevada League of Cities.

Motion: MOVE TO GIVE \$5,000 TO THE RSVP PROGRAM TO PROVIDE TRANSPORTATION, **Action:** Approve, **Moved by** Councilwoman Sue Seidl, **Seconded**

by Councilman Ray Lacy. Mayor Edgington stated he wanted quarterly reports from the organization.

Vote: Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Dan McCassie, Councilman Ray Lacy, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Sue Seidl.

City Manager's Budget

City Manager Hooper presented this budget request including \$100,000 for surveying for Federal Lands. She explained the expanded job description for human resources. Mayor requested auditing the Lyon County Assessor. City Manager Hooper stated she would look into ways that the City could verify what is being charged is correct.

Information Technology

City Manager Hooper presented this budget including salaries, benefits and technical benefits.

Animal Control Services

City Manager Hooper presented the budget. She explained included in the Capital Outlay budget is a transport body for the animal control truck. Mayor Edgington asked if money should be included in the budget for additional kennels for Lyon County.

City Attorney

City Manager Hooper reviewed the budget for City Attorney. She stated there is an increase in Books and Periodicals for a new Case Management System.

Finance

City Manager Hooper reviewed the budget for the Finance Department. She stated Contingency is funded in this department. For FY19/20 the amount is \$245,212. A decline from last year. Mayor Edgington felt more money was needed for contingency.

City Clerk

City Manager Hooper reviewed the budget for the City Clerk's Office. She stated salary went down a little due to the cost allocation Plan. She stated there is a slight increase in Contract Services for Document Management System.

Municipal Court

City Manager Hooper explained the changes to the budget for the Municipal Court. She stated the City Clerks have been retitled to Court Specialists. She also explained the job description for the court administrator has expanded due to the judge becoming a contract employee.

Discussion followed regarding adding a bailiff, City Hall security and adding money to the budget for funding a full-time judge position.

Department of Building and Safety

City Manager Hooper reviewed the budget for the Department of Building and Safety. Money has been included in Minor Equipment for Permitting Software and Digital Plan Review. Councilman McCassie inquired if there was enough money in the budget for Code Enforcement.

Motion: MOVE TO INCREASE THE BUDGET FOR CODE ENFORCEMENT FROM \$15,000 TO \$40,000. **Action:** Approve, **Moved by** Councilwoman Sue Seidl, **Seconded by** Councilman Dan McCassie. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Dan McCassie, Councilman Ray Lacy, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Sue Seidl.

Planning

City Manager Hooper reviewed the budget for the Planning Department.

Engineering

City Manager Hooper reviewed the budget for Engineering. She explained the staffing changes in the department over the last year.

Public Works

General Services/ Facilities

City Manager Hooper reviewed the budget for General Services.

Vector Control

City Manager Hooper reviewed the budget for the Vector Control. She explained the shared Cost Allocation Plan in vector control. Cost Allocation was discussed.

Cemetery

City Manager Hooper reviewed the budget for the Cemetery. She stated there is an increase for the Water Rate to water the cemetery.

Streets and Storms Drains

City Manager Hooper reviewed the budget for Streets and Storm Drains. She explained in the Professional Services Line Item is the Pavement Management Program and the ADA Design and the Transportation Master Plan.

Parks

City Manager Hooper reviewed the budget for the Parks Department. The only increase in this fund are for the Water and Sewer Bills. She stated on page 126 is the Parks Facility Fund.

Fleet

City Manager Hooper reviewed the budget for the Fleet Department. A new Cost Center has been created for Fleet so it is just starting with salaries and benefits

Motion: MOVE TO DECREASE THE BUDGET FOR THE CITY ATTORNEY BY \$1.00, AND APPROVE THE GENERAL FUND AND CAPITAL FUNDS WITH THE CHANGES AND ADJUSTMENTS MADE DURING DISCUSSION. **Action:** Approve, **Moved by** Councilwoman Sue Seidl, **Seconded by** Councilman Stan Lau. **Vote:** Motion carried by

unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Dan McCassie, Councilman Ray Lacy, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Sue Seidl.

Special Revenue Funds

Grants fund

City Manager Hooper reviewed the budget for the Grants Fund. She explained revenue equals expenditures in this fund.

Transient Lodging tax

City Manager Hooper explained the City Council approved the increase from 9% to 11%. She explained the split of funds will be 60% for the Community Center and 40% to grants.

Capital Improvement Fund

City Manager Hooper reviewed the Capital Improvement Fund. She stated this fund has a budget of \$352,000 for projects that include Hardy Lane Construction, Farm District Lane Multi Use Path and the Depot Roof Replacement.

Residential construction tax

City Manager Hooper presented the Residential Construction Tax Fund. She explained this money is collected and only used towards parks. She stated there is \$100,000 to be used towards parks. These projects are identified in the Parks Master Plan.

Administrative Assessment Fund

City Manager Hooper stated these are the fees that are collected through the court from fines. Total expenses identified for next FY is \$24,500.

Court Facility Fee Fund

This fund is money that is collected through fines to be used for the court facility. City Manager Hooper stated no specific projects have been identified at this point. A total of \$75,000 has been budgeted in this fund.

Motion: MOVE TO APPROVE THE SPECIAL REVENUE FUNDS, **Action:** Approve, **Moved by** Councilman Stan Lau, **Seconded by** Councilman Ray Lacy. **Vote:** Motion

carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Dan McCassie, Councilman Ray Lacy, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Sue Seidl.

Motion: MOVE TO CONTINUE UNTIL THE MEETING UNTIL 10PM TO FINISH THE BUDGET MEETING, **Action:** Approve, **Moved by** Councilman Ray Lacy, **Seconded by** Councilman Stan Lau. **Vote:** Motion carried by unanimous roll call vote (**summary:** Yes = 5). **Yes:** Councilman Dan McCassie, Councilman Ray Lacy, Councilman Stan Lau, Councilwoman Fran McKay, Councilwoman Sue Seidl.

Debt Administration

City Manager Hooper explained the Debt Administration on page 217. She stated included this year is the total debt the City has. She reviewed the bonds for water and bonds for sewer and City Hall debt.

Water Ancillary Fee

City Manager Hooper explained the Water Ancillary fee on page 2018. She stated this is the money that is collect on the property tax roll for the Water Bond Debt Payment. As more meters are added this amount should go down. At this time there is an .80 decrease from last year.

The Budget Meetings for Friday and Monday will be cancelled. Councilwoman Seidl expressed concern over the Enterprise Funds. She stated the City Council is the Board of Director for the Enterprise Funds.

3. ADDRESS REQUEST(S) FOR FUTURE AGENDA ITEMS.

Councilman McCassie requested a policy and procedures for food trucks in Fernley.

4. PUBLIC COMMENT

There was none.

ADJOURNMENT

There being no further business to come before it, the Fernley City Council meeting adjourned at 9:12 pm.

Approved by the Fernley City Council on May 15, 2019 by a vote of:

AYES: 5 NAYS: 0 ABSTENTIONS: 0 ABSENT: 0



ATTEST: City Clerk Kim Swanson



Mayor Roy Edgington