



CITY OF ELY

501 Mill Street Ely, Nevada 89301
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SPECIAL MEETING OF THE ELY CITY COUNCIL WORKING BUDGET SESSION

April 27, 2018 10:00 a.m. – Ely Volunteer Fire Hall - 499 Mill Street-Ely, Nevada.

1. Mayor Van Camp called the Special Meeting of the Ely City Council to order at **10:00 a.m.**, led in the Pledge of Allegiance, and Mayor Van Camp asked for Roll Call.

Members present:

- Mayor Melody Van Camp
- Councilman Ernie Flangas
- Councilman Tony DeFelice
- Councilwoman Jolene Gardner
- Councilman Sam Hanson

Members absent:

- Councilman Kurt Carson

City Staff present:

- City Administrator Robert Switzer
- City Attorney Charles Odgers
- City Treasurer Janette Trask
- City Fire Chief Ross Rivera
- Deputy City Clerk Jennifer Lee

Also in attendance: Members of the public signed in (appears below).

Ely City Council attendance list. 4-27-18


2. PUBLIC COMMENT

City Fire Chief Rivera stated I've been with the City twenty-five years and the hardest things I've seen is keeping an Animal Control officer because of the euthanization; they go strong a few years and then they can't do it anymore. You need to look at farming this out all the time. If you weigh the training costs, it might be cheaper in the long run and just have the vets do it. Andrew is doing a great job adopting out the animals.

3. ITEM FOR DISCUSSION/POSSIBLE ACTION ONLY OF THE ELY CITY COUNCIL.

1. Council Members – City Treasurer Trask – Discussion Only – Presentation and review of the Tentative Fiscal Year 2019 Budget.

City Treasurer Trask reviewed her projection for the FY19 beginning fund balances and estimated expenditures (appears below) and stated I made a couple changes since our last workshop. The budget message and table of contents are now included. If you go to page 7, this is your General Fund, plus all your non-utility funds. The General Fund is better than I first projected, but you'll see we're still ending less than what we're starting with. Consolidated tax projections came in pretty good compared to prior years. Employee benefits, I projected a fifteen percent (15%) increase for insurance for the seven months that fall within the new fiscal year. Transfers Out, \$30,000.00 of that is for your Street Department to cover possible wages/benefits shortages and the \$3,760.00 is to the Railroad fund to cover its shortage after paying back the loan to the Landfill. Remember your Enterprise Fund capital projects are in the budget as expenses; after the audit they go to an asset. On page 10, I added the donation fund for Animal Control. I also put the Railroad audit back in.

Special Meeting of the Ely City Council April 27, 2018

SCHEDULE A - ESTIMATED REVENUES & OTHER RESOURCES - GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS & TAX SUPPORTED PROPRIETARY FUND TYPES

Budget For Fiscal Year Ending June 30, 2019

Budget Summary for City of Ely
(Local Government)

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS FUND NAME	BEGINNING FUND BALANCES (1)	CONSOLIDATED TAX REVENUE (2)	PROPERTY TAX REQUIRED (3)	TAX RATE (4)	OTHER REVENUE (5)	OTHER FINANCING SOURCES OTHER THAN TRANSFERS IN (6)	OPERATING TRANSFERS IN (7)	TOTAL (8)
General	354,802	1,392,932		-	671,555		-	2,419,289
Streets	44,639				353,738		30,000	428,377
Beautification Fund	78				250			328
Court Assessment Fund	14,066				5,000			19,066
Court Collection Fee Fund	32,104				2,000			34,104
Court Facility Fee Fund	90,032				5,000			95,032
Fire Protection/Street Improvement	84,641				89,050			153,691
Redevelopment Fund	161,212				29,500			190,712
Revolving Fund	81,720				450			82,170
Victim Impact Fund	7,056				900			7,556
Capital Improvements	438,285				220,080		-	658,365
								-
								-
								-
								-
								-
								-
								-
								-
								-
								-
DEBT SERVICE								
Subtotal Governmental Fund Types, Expendable Trust Funds	1,288,635	1,392,932	-	-	1,377,123	-	30,000	4,088,690
PROPRIETARY FUNDS								
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
Subtotal Proprietary Funds	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
TOTAL ALL FUNDS	XXXXXXXXXX	1,392,932			XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

FORM 4404LGF

Last Revised 12/12/2016

SCHEDULE A-1 ESTIMATED EXPENDITURES AND OTHER FINANCING USES

Budget For Fiscal Year Ending June 30, 2019

Budget Summary for City of Ely
(Local Government)

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS FUND NAME	SALARIES AND WAGES (1)	EMPLOYEE BENEFITS (2)	SERVICES, SUPPLIES AND OTHER CHARGES ** (3)	CAPITAL OUTLAY *** (4)	CONTINGENCIES AND USES OTHER THAN OPERATING TRANSFERS OUT (5)	OPERATING TRANSFERS OUT (6)	ENDING FUND BALANCES (7)	TOTAL (8)
General	842,859	466,242	848,108	-		33,760	228,320	2,419,289
Streets	166,236	74,191	163,779	-			24,171	428,377
Beautification Fund			450				(122)	328
Court Assessment Fund			18,000				1,066	19,066
Court Collection Fee Fund			33,000				1,104	34,104
Court Facility Fee Fund			94,000				1,032	95,032
Fire Protection/Street Improvement			49,310				104,381	153,691
Redevelopment Fund			-				190,712	190,712
Revolving Fund			-				82,170	82,170
Victim Impact Fund			6,000				1,556	7,556
Capital Projects Fund			29,736	60,000			566,629	658,365
TOTAL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS	1,009,095	540,433	1,242,383	60,000	-	33,760	1,203,019	4,088,690

* FUND TYPES: R - Special Revenue
C - Capital Projects
D - Debt Service
T - Expendable Trust

** Include Debt Service Requirements in this column

*** Capital Outlay must agree with CIP.

FORM 4404LGF

Last Revised 12/12/2016

City Attorney Odgers stated we'll be negotiating the Development Agreement in July.

City Treasurer Trask stated on the Muni Court, you have one part-time judge, one part-time, 23-hour unbenefited employee and one full-time 32-hour employee with benefits. We took out the part time help the city attorney had. On the Interlocal agreement, what I have budgeted is the amount less – it's based off of General Fund revenues from FY17 – but I did subtract out any

monies received from the County and any grants and it's at twenty-six percent (26%); now that's supposed to go before the Commissioners to agree to that, make the addendum. I had talked to Elizabeth, Bob and I did, and she's given them several options: She's putting it on there first to say 'yes', they agree to take that out; then there's the option of back paying us for overpayment of a couple years, which was to the tune of about \$14,000.00 or \$16,000.00 - she dropped this year's amount, which at this point I've budgeted this year's amount to be without those revenues and that's what's in the current column for the projection for this year; and the other one is to just say 'we'll start next year and go forward', which I don't agree with. We found out NRS does allow us to put the street light expenses in Public Transit. I'm putting any engineering expenses that land in the General Fund under Public Works; that's what the budgeted \$12,185.00 is (See page 13). Once again, Cemetery, Animal Control, everybody's budgets have been cut as best that I can see without any drastic measures; so obviously, it's not going to be enough. Mike has himself, one other full-time position and his temporary help budgeted for Parks, Cemetery and Recycling. Cemetery and Parks did change because we put back in the \$1,500.00 in each department for fertilizing. So back on page 7, I project our beginning fund balance, and remember this includes your 'rainy day fund'/budget stabilization of \$135,000.00, at \$354,802.00. Ending fund balance at \$228,320.00 (Page 8), so we're still projected to lose about \$120,000.00; that's if revenues come in at budget and your expenses are spent a hundred percent. That's why every year your budget's there for the reason that if it's budgeted and your revenues aren't coming in, that doesn't mean you get to spend your budget.

Councilman DeFelice stated businesses typically do a monthly review of where we stand.

City Treasurer Trask stated yeah, I've been doing monthly; I've been giving you guys those.

Councilman DeFelice stated it's more for the department heads.

City Treasurer Trask stated it's for you guys too.

Councilman DeFelice stated they're the ones that are going to be responsible for making sure that they fall in line with the actual, their budget.

City Treasurer Trask stated yeah, and I do talk to the department heads pretty much on a daily basis where we're at.

City Attorney Odgers stated and we do get those on a monthly basis as well.

Councilman DeFelice stated so, there are no surprises.

City Treasurer Trask stated no. This has been something that has been developed over several years. The issues that we're having with cash flow, everything; over a five-year period, it was not being paid attention to that they were spending a whole lot more than they were making and it's an overall year to year problem that needs to be addressed. You guys get to be the end result of what gets done to fix it.

City Fire Chief Rivera stated she tells us "No" all the time.

City Treasurer Trask stated the Street Department: Your tax revenues are all dictated by the State and those are the final projections. Unfortunately, it looks like we're going to come in a little less on the .0175 gas tax; the others a little more, the .0235 one stays pretty consistent every year. The \$20,000.00 you agreed to separate out for the storm drain, I will be getting that on the books to show the same thing with the donations for Animal Control; it's going to become its own fund balance and it will be tracked. I'm not going to budget for the \$20,000.00 in revenue. I know we've got \$20,000.00 in there from a prior year, so I will expense that amount, but we don't know from year to year if we're going to get the money from the mine; they only pay it if they are using Gleason Creek pipeline.

City Attorney Odgers stated he's projecting right now for the next three years to use it.

City Treasurer Trask stated if you guys are comfortable with it, I can budget that as revenue and as an expense; it's just going to be a wash. Beautification Fund: We're going to up that ending fund to \$375.00 because Melody has sold three benches. The expense to build those three benches does have to come out this year; there is nothing budgeted in this fund, so they will be coming out of the Parks department's expenses. I plan on leaving the revenue the same at

\$250.00, putting \$450.00 expense – which is covered by the previous year; this year is \$375.00, plus the projected \$250.00. I know the Council voted to do five percent (5%) of the marijuana sales to go in here, but just like the General Fund, I'm not budgeting for something we don't know when, if or how much we're getting; so that's not part of this. The benefit to coming in conservative, like I'm doing, is if you get that money, you have the ability to augment your budget. Would I recommend spending it? No. My recommendation is you start building up your ending fund balance to your \$500,000.00 that the ones that were here all agreed to. None of the court funds changed.

City Attorney Odgers stated these are dollars that only get to be used in court services because they can't pay for wages and benefits.

City Treasurer Trask stated it depends on what the laws dictate for that fund to be spent on. The Fire/Street Improvement Fund has been used heavily in the last few years. It was my recommendation, and what we've got so far, to only budget the revenues – which I projected the same as what we've been getting – and the only payment coming out of here is for the ladder truck and new ambulance loans, to let that balance go back up again. The Redevelopment fund just has money coming in, nothing going out.

Councilwoman Gardner asked where does this money come from?

City Treasurer Trask stated through the County, off of the property taxes.

City Administrator Switzer stated it's part of the Ad Valorem.

City Treasurer Trask stated the Revolving Loan fund has interest earning; that's about it. We don't have anybody that's got an outstanding loan against it. Of course this is monies that can sit there until somebody requests a loan for whatever's appropriate in this.

City Attorney Odgers stated this is for small business development; they have to be denied by a bank first to be able to apply for it and it has to be within the incorporated city.

City Administrator Switzer stated it's generally used as a bridge loan also.

Mayor Van Camp asked so the revenue we make off this, if we were to make a loan, is off the interest.

City Treasurer Trask stated yes.

City Attorney Odgers and that money has to go back into it.

City Treasurer Trask stated Capital Projects Fund: I budgeted a little less, but it has a decent fund balance that can be used to help the General Fund. You do have the fire station payment coming out of it and we budgeted \$60,000.00, which is \$10,000.00 for Cemetery, \$10,000.00 for Parks, \$10,000.00 for Animal Control and what was added in was \$17,000.00 for new LED street lights. Water Department: In this department, I did do revenue projections again and I brought that down a little bit because – I'm not sure if we've researched the reason – we're not bringing in and then it's dropped a little bit from 1.13 to 1.12. On your salaries/operating expenses, nothing changed and that's for three full time people at eighty percent (80%); the other twenty percent, the full-time people go to the Sewer department. Your revenues for non-operating is your interest, rent incomes – that's your Georgetown Ranch obligation. Just like public transit revenue, any public transit revenue should match the expense; same thing with the revenue from the mine that pays for their power bill for the two wells.

City Attorney Odgers stated we have three different lease agreements for Georgetown.

City Treasurer Trask stated we have with the County, \$83.00 for the Golf Course; you've got Hansen; you've got Heggie/Gale.

City Attorney Odgers stated we're supposed to have KELY radio; their lease agreement ran out in 2012 and they haven't paid any rent or landfill fees.

City Administrator Switzer stated if they're not paying that, your best bet is to have a zero revenue because it's likely we'll have to go after them to get those funds.

City Treasurer Trask stated Sewer: I adjusted down on charges for services a little bit, about \$3,000.00. Wages/Benefits on this one is the twenty percent (20%) of the three full-time people. Your Non-operating income, the system obligation fee is hard to budget for in the Water and Sewer because sometimes you hit it big and other times no. Your interest is in there for the bond that we've got. The Waste Water Treatment Plant has two full-time people employed. Landfill: I increased their services because of the people paying through the gate. This one has five full time; you've got the gate, Thomas, and the other three people. We discussed possibly hiring another full-time service worker there to do between the gate and Recycling; that's one of those things you guys get to decide and it would help Parks/Cemetery where we've cut him down to two and a half. Mike has requested dropping the part time and just working with three full time; he's got one guy out on Workers Comp and it's just him and a part time.

City Administrator Switzer stated it appears our recycling program is building some momentum and a lot of people are recycling. There's still more materials to recycle through the Landfill. The issue of hiring another full time position would be that person could help out in all Landfill areas; if they're a service worker they can't operate heavy equipment, but they could cover the gate, three quarters of their job, and the other part of it could be helping with the recycling, which would help Mike and his crew. Part of Mike's responsibilities are seasonal, so in the wintertime he's able to devote more time to the recycling; on the other hand, as we're moving into spring and early summer, almost all of his time needs to be focused on those other areas. We either do that or make a policy decision that we're not going to maintain our park system as we have before. There's a lot of merit to hiring another person at the Landfill.

Councilman DeFelice stated for the fourth quarter for the Recycling, it was difficult to determine whether there's a profitability.

City Treasurer Trask stated at this point, I can tell you for a fact there's no profitability.

Councilman DeFelice stated okay. We now have trends of how much we're collecting, what we're getting for it – the sale of that actually fluctuates a little bit – but are we better at knowing what our overhead is for the recycling?

City Treasurer Trask stated yes. We are tracking it better. I have a separate line item this year, revenue and expenses that are just for recycling; the only thing that is not being separated out is the labor cost. With the recycling you want to break even; it's not a money maker right now. I don't know enough to help you foresee it making more than it costs. The other thing about the possibility of bringing in another employee from the Landfill, is it makes the Landfill responsible for the Recycling, which only makes sense; if we let them run it, it can be done, but it will probably require hiring another full-time benefited position there and it's easier for them to throw that cost in than say, the General Fund. On Mike's position, that takes that responsibility off of him and gives him back some time, which in turn is going to put all his wages and benefits going back into the General Fund, but we're talking about ten percent (10%) of what's budgeted going to hit. We know that due to his people being injured during the winter, he maintained with two full time people, so do you really want three full time people? What it needs is two full time and a part time during the busy season, but you can't predict when some of these employees are going to be out.

Councilman DeFelice stated we should take a thirty day snapshot of how many hours are being spent because if that was being done, we would know what those labor costs would be.

City Treasurer Trask stated they're supposed to be tracking it on their time sheets.

Councilman DeFelice stated so it's just collecting that.

City Treasurer Trask stated yes.

Councilman DeFelice stated you already had it, but it's getting the number and finding out what it is, so we can determine what the overhead is to work at the recycling area.

City Treasurer Trask stated yes, but it's going to be timing of the year. Which thirty days do you pick?

Councilman DeFelice stated it's better than zero.

City Treasurer Trask stated you're right. You're saying come up with that cost and budget for it?

Councilman DeFelice stated it's a start.

City Treasurer Trask stated yes.

Councilman DeFelice stated you're indicating that is seasonal. We can take then that into a quarterly track; that's better than thirty days. At some point we'll get a better understanding of what our true set labor cost is. It sounds like somebody is tracking it, just not pulling it together to get a number.

City Treasurer Trask stated by doing this, how is this going to solve our problem?

Councilman DeFelice stated here's our problem: We're running into another year and we don't know. It doesn't solve the problem, but at least you know. You can't solve a problem if you don't know because what you're saying then is that you're going to guess at how we handle something we don't know. So, if we can determine what our labor cost is, it's a start and from there we can find out what our sales are.

City Treasurer Trask asked are you wanting to get done with that, so we can put that extra cost in there?

Councilman Hanson stated I think that's what he's asking for. My own inclination at this point in time is to, and as you have urged us repeatedly, keep an eye on the ending fund balance, and so I think it would be best to not hire a full-time person, maybe part time.

City Treasurer Trask stated because of this employee being out on Workers Comp, it might be to our benefit to hire at least another temporary position to help him out. His budget is under budget. I've taken from Cemetery, Parks and Animal Control to help out our other budgets in the functions within the General Fund.

Councilman Hanson stated I concur that a part time employee would be preferable.

Councilwoman Gardner stated I agree. She said at the last budget meeting: We need to turn the Recycling over to the Landfill, but the problem is you can't get the Landfill to do any of it.

City Treasurer Trask stated you make them responsible. The past is the past. If it's part of their job duties and they don't do their duties, they get written up.

Mayor Van Camp stated last year we started July 1st to track the recycling, so we'll almost have a whole year of what we're taking in as revenue.

City Fire Chief Rivera stated just being in staff meetings, we've had maintenance issues. Like the solar room door blew open by the wind and it had to get repaired, but it was postponed for a long time because Mike is so busy with the recycling. If Mike was removed from recycling, he would need that other full-time because there's issues, like my lights; I need the bucket truck. I'm really delayed on getting that done because he's spread pretty thin.

City Treasurer Trask stated I think what Ross is saying is he thinks he should go back up to three full time employees.

City Administrator Switzer stated I don't agree that we need to hire three full-time people for the Parks department.

City Fire Chief Rivera stated I'm not just talking about the employees. A lot of the issues with his time is the truck's going to come in and load the cardboard, so he schedules to get that done; well, the truck doesn't show up or the Prison's going to deliver, he schedules his time for that delivery and then the Prison doesn't show up. If you had people on hand, like at the Landfill, I think you're better off to cover those issues than Mike trying to schedule everything.

City Attorney Odgers asked for the clarity of the minutes, I would ask Sam when you were talking about a part time position, what department were you referring to?

Councilman Hanson stated I was referring to the Parks department.

City Attorney Odgers stated okay and Tony, when you were talking about the position, were you talking about the Landfill position or the Parks position?

Councilman DeFelice stated I'm referring to the overhead for the Recycling. It does make sense that the Landfill people should be responsible for the Recycling; if employees are not interested, they don't have that option here. This is your job and if your job description has to be changed, that's what we need to do. I'm talking about the overhead for the Recycling, with my assumption that it was from the Landfill.

City Administrator Switzer stated back to Recycling again, we do have the data for what we've received in revenue; we do have the hard costs, in other words, the cost of transportation, wiring for baling, the electrical cost, but one savings is saving space in the Landfill. You can visually look at what we have right now at the Recycling. We have well over two full loads of compacted, corrugated cardboard; visualize that undone and thrown in loose into the Landfill and it gives you appreciation of how much space we can save. That's a cost down the road that will lengthen the life of the Landfill and allow the City not to spend the accumulated funds in the trust fund to have closure costs. When we began the recycling process, we agreed that it's not going to be a money maker, however it will save space in the Landfill. At the time, it was projected to be only eight months of savings, but when you look at the volume we've gone through so far and potential for increasing volume, it's actually going to be more than that. Last month I did a quick calculation using B.J.'s figures on how he calculates space saved and the relative cost; what I was looking at on what we've sent so far was more in the order of a little more than one year of savings in closure costs, the lengthening of the life of the Landfill.

Councilman Flangas stated it's very important we have these services that we're providing for the public. If you cut down expenses to maintain the parks, the public's going to get in your face. We can use that employee in more than one area. Come wintertime, he can help with snow removal.

Councilman Hanson stated I agree. We've already done that.

City Treasurer Trask stated yes. We've got that handled. If something's happening, we pull from other departments and they track that on their payroll sheets.

Councilman Flangas stated I have no problem with that. I think we need another employee.

City Treasurer Trask stated and that's why I think the Landfill makes the most sense to me, put him in there and then, they're not opposed to sending these people out to help other departments. Now you guys need to decide, and part of your duties I feel, is we come to an agreement. Yes, we say Mike can hire another part time person. Yes, we hire a full-time service worker in the Landfill or if you don't want to make that decision now, it's your guys' job to talk to Bob, figure out what you individually want, bring it back to the Council and vote on it. I need to know though before the final budget, so it's a time consuming thing and we've waited way too long. We're down to the wire now. On the 24th, we're going to finalize this budget and we'll send it off to the State showing that we're going to lose part of our ending fund balance. Do we have the potential of other revenue coming in? Yes. Do you have the potential to pull that room tax out of the Capital Improvement to save the General Fund? Yes, you do, if you need it. Do you want to do it? No, I wouldn't recommend it; that's not how it was sold to the public, but it's there and I've checked with Susan, she researched it and said "yes". So, it's not like we're going in default any time soon. You've got avenues. The problem is we are still going backwards each year and if we can't fix it for this budget, which we can, that's where you guys have to do your homework. Like I said, I can try and come up with ideas – I've thrown out things - but I never hear back from you guys. It's a matter of talking to Bob, because that's your first 'go to', then talk to me and then it's got to hit the agenda. I feel like I come to these meetings, tell you guys this stuff and then nothing happens.

Councilman DeFelice stated I don't have a problem making a decision. It's hard to make a decision when we don't have facts or very little understanding. It's important for this group to start knowing what we're doing. What does it cost? It sounds like the Recycling isn't going to go away. I had thought that if we decide that we're going to go forward with recycling at this point in time, I think it's important to find out where we are profitable.

City Treasurer Trask stated that is good and you've asked for it now. You ask. We give you what you're asking for.

Councilman DeFelice stated before we recommend to add a person, you've got to know what is our labor, what's the overhead, what are we selling it for? If we don't have those numbers, how do you recommend that we get a person here? You're asking to make a decision on something we don't know.

City Treasurer Trask stated come and talk to me about it, so I can create something or Bob can create something to bring back to you guys. The only thing I'm warning you now is we're doing it late in the game. We don't have to make that decision now. You can go into the next year and hope that if we decide to add, you've got money to augment to increase the position.

City Attorney Odgers stated in order to budget for the potential to put a position in either Landfill or in Parks, we need to budget for it today – you don't have to fill it – and then if the numbers don't work out, you don't fill the position.

City Treasurer Trask stated that's part of it, but I'm asking for what he wants specifically. It sounds like we need to sit down and you want the overhead. I've got a worksheet, all I have to do is plug it in, put the wages – it factors all the benefits - and 'bam!', you've got it. What else besides that are you wanting?

Councilman Flangas stated whatever costs are involved in recycling. So, whatever that overhead is.

City Treasurer Trask stated so, you're just talking about recycling. You're not talking about the part time person in Parks. You don't need that.

Councilman DeFelice stated well, yeah because you're wanting to add more people to recycling and we don't know what the revenues are and what the overhead is already.

City Treasurer Trask stated that I can do. I get that.

Councilman DeFelice stated what else doesn't make sense is to say 'we'll budget for this and then we'll figure it out later'. I'm not saying this thing has to happen right now. We're talking about this today. I was hoping we would know by today what the cost is at the recycling center.

City Administrator Switzer asked I've done some preliminary figures. Was that requested of staff?

Councilman Flangas stated what you want to do is to finalize the budget to be entered to the Tax Commission. Those kinds of figures we can come up with at a later time and determine whether it's feasible. So therefore, budgeting at this time for an additional, flexible employee, so we can cover our behind in the future, is what we should determine now and that's what I'd like to see.

City Treasurer Trask stated we've got one more month left before this gets finalized.

Councilman Flangas stated there are avenues within this budget, as I've looked over it, where there can be some cuts and some of those cuts may have to be taken.

Deputy City Clerk Lee stated the deadline for the 10th meeting is next Thursday, so if any of you have things you want changed, you need to discuss it with Janette and Bob and then get that item to me.

City Treasurer Trask stated that's what I'm saying, we're running out of time on this. There's Council decisions that must be made in a public meeting. The other thing I want to make clear is I'm not asking to budget another temporary person in Parks/Cemetery. I'm just saying that possibly right now, we need to get Mike some help under this year's budget, which he has some leeway.

City Attorney Odgers stated this is discussion only, so if the Council's feeling that a part time right now for Mike, that is direction they can give him.

City Administrator Switzer stated in the Parks currently, today, we have one full-time person, career position, which is Mike. We have a temporary full time worker, which is the guy we hired

a couple weeks ago. We have one full time career person who's out on extended Work Comp leave, as I've reported in the memos. The issue is do we want, in this fiscal year, to go out and bring on temporary help, which would be full time, however we pay no benefits.

Mayor Van Camp stated I think it's critical that Mike get some help.

City Attorney Odgers stated historically over the last three years, we've brought on two or three part timers during the summer months to help both Streets and Parks.

City Administrator Switzer stated we had three last year. Janette has spent most of this fiscal year explaining to us that we need to watch our General Fund very specifically on different items and the Parks costs of salaries/wages and benefits are hard costs that will come out of our ending fund balance, so I've been sensitive and perhaps, delaying getting the temporary help and we've been trying to use, which we have, individuals from other departments, such as the Street department and sometimes the Landfill, to help out. We've utilized our new inmate workers from ESP to do some work on our alley ways, but we can use them for Parks as well when available. We're also exploring NDF; there'll be no charge for using up to ten workers on a very short basis.

City Treasurer Trask stated the flip side is finding other revenues.

City Administrator Switzer stated yes. I think we have a little bit of wiggle room that we can bring in an additional person in this fiscal year to help Mike out in his department.

Mayor Van Camp stated the other thing we haven't addressed is the interlocal agreement with the County on the Cemetery; that would bring in \$30,000.00.

City Attorney Odgers stated maybe.

City Treasurer Trask stated I do appreciate you bringing up things that will help future budgets, but interlocal agreements take time.

Councilwoman Gardner stated I think what we need to do to bring this money into the General Fund is we need to raise the business license. We need to raise the Animal Control; if somebody drops off a dog they don't want anymore, charge them \$100.00.

Mayor Van Camp stated and aggressively get the dog licensing because we're only getting \$2,000.00 in there.

City Administrator Switzer stated we've had proposals before the Council recently to incorporate a cost of living increase, based upon accepted figures each year for just inflation.

Councilwoman Gardner stated but that was just water and sewer.

City Administrator Switzer stated no, business licenses too as well. Just to cover the cost of inflation, not even wanting to go after a capital project, just taking care of what we're experiencing as a city which is increased cost for doing business.

Mayor Van Camp stated and you're projecting our insurance, what another fifteen percent (15%)?

City Treasurer Trask stated yes. That's just a 'guesstimate' and you plan on it.

Mayor Van Camp stated that's killing us and everything's going up except our fees.

City Fire Chief Rivera stated our fire interlocal agreement with White Pine County is going to end and I haven't seen anyone act on that; that's revenues or a hazard to the residents.

Councilwoman Gardner asked what about the ambulance? Are we still going to go for that, to take them to the airport?

City Fire Chief Rivera stated yes. I already brought that information forward and it's something that would have to be put on the agenda for your decision.

City Treasurer Trask stated these are items that you guys, somebody, needs to take and run with and put it on the agenda.

City Fire Chief Rivera stated I think Janette has been trying to tell you from the beginning that there's a lot of things out there and you guys have been given these things; they need you guys to do the legwork and act on them. We can't change things; it takes this board.

Councilwoman Gardner stated okay, but the ambulance for instance; I thought that would be your position to put it on the agenda.

City Attorney Odgers stated it takes a Council person to sponsor.

City Fire Chief Rivera stated we're here for a reference and to give you our opinions, but we need some action by this Council.

City Treasurer Trask stated the audit finding with the Landfill closure fund is being worked on to create a . . . Is it an ordinance?

City Attorney Odgers stated it's a resolution.

City Treasurer Trask stated to put that money in its own separate account. I've talked with Susan and that will address the account, where nobody, even the Council, can't spend that money on anything but Landfill closure and post-closure costs. As of the April PERS report, all findings have been addressed.

City Attorney Odgers stated I did that resolution and it will come up at the next meeting; it would be my position to convert it into an ordinance, so it's difficult to change.

City Treasurer Trask stated we have time to put things on the agenda. Tony, come in and I can get those figures for you; I'll work with Bob.

City Administrator Switzer stated I'll try to figure out those calculations on the saved space.

City Treasurer Trask stated and I can come up with the best figure on wages and benefits that need to be added to it and come up with a true cost. So, right now the only big change I'm going to make is the Street Department, putting that \$20,000.00 and I will do another projection for our year end expenses and revenues.

Councilwoman Gardner stated that one City Council meeting they gave away \$17,000.00.

Councilman DeFelice stated which one was that?

Councilwoman Gardner stated that was the \$2.00 . . .

Councilman Hanson stated reduction . . .

Councilwoman Gardner stated from \$10.00 to \$2.00 for the Arts in the Park.

Councilman DeFelice stated that wasn't the \$17,000.00.

City Administrator Switzer stated the \$17,000.00 was for the election.

Councilman DeFelice stated the people that voted us in did not want that to happen. You wanted it to happen. I listened to the people. That is the difference there. I understood all the finances.

4. PUBLIC COMMENT

Jennifer Lee stated the Enterprise Funds are where the money is and so I hope you will adopt Janette's suggestion to get another full time person at the Landfill. I don't know as the Landfill people are opposed to recycling on principle; they probably just feel shorthanded, so give them some more help out there and it would definitely help Mike. As far as in the past, them bucking the program, the rest of us have to tow the line here. As far as profitability of the recycling, Mike has stayed up to date with Bob on what they're accepting, what they're not and what is costing us money. The latest one was on the paper. He told Bob that newspapers and shredded are great and all those glossy magazines and catalogs we all get are worth nothing and in fact, cost us money. So, Bob discussed that with the Mayor, that's going to be a switch, that's going to be publicized, so that the general public knows this is what can keep our recycling going. Take two seconds and shred your bills before you put it in the box. On the Landfill life, I know what Bob is saying is true because once Karl and I started recycling, we went down to one trash bag for our

house per week; we're just doing numbers 1 and 2 for plastics, paper, cardboard, tin cans and aluminum. So, I know it has to significantly help to extend the life of the Landfill.

Kerri Pintar stated Kerri Pintar, 1417 Mill Street. I was a big opponent of placing the liens on those properties for the landfill debacle - because you have the right to just didn't mean that you should, it just didn't make sense - but by the same token I asked Bob after that meeting if the people that own those bills because they now own property. I only know about the people that have credits on their accounts that own those credits because they now own that property. I think it would be easier for the general public to understand why you want to raise those rates, if you make those accounts come into line with being current. I know it took me four months to get my second house fully corrected, trying to get somebody out to measure for my outside water; I was being billed those items as if I was in Mineral Heights when I lived on Mountain View, which is in the City. I asked Bob why was it when a sale closed that the City didn't check that residence, to make sure it's being billed right, measure the water. You're not going to get everybody, but you're going to get maybe ten or fifteen a month that you can correct on an ongoing basis. You can pull a report and check others in the month as time permits, but if you want the public to accept increases, you have to make a good faith effort to the public that you're collecting what's correct on their bills. Nobody's going to balk about that. *Mt. Wheeler* is getting ready to give us a big increase; everybody's going to complain, but they're going to pay it. We're going to pay whatever you charge us for the water. If you do due diligence and try to keep those bills current or bring them current, it makes it a little easier for everybody to swallow; that's just public perception.

City Treasurer Trask stated Janette Trask, 440 Avenue H. On the recycling, how about getting rid of those awful plastic bags at the grocery store. If Seattle can make them illegal, we should be able to too.

City Administrator Switzer stated we have the authority to do that. Even though we've gotten the word out for the last year, it's still a part of the plastics that are being thrown into recycling. We can't use that. In fact, the last bundle we had that was mixed, it cost us.

5. ADJOURNMENT: THE MEETING MAY BE ADJOURNED BY APPROPRIATE MOTION OF THE CITY COUNCIL.

Councilman Hanson moved to adjourn the regular meeting of the Ely City Council at **11:33 a.m.** Councilman Flangas seconded the motion. The motion carried unanimously.

MAYOR

ATTEST