



# CITY OF ELY

501 Mill Street Ely, Nevada 89301  
City Hall (775) 289-2430 - Fax (775) 289-1463

## SPECIAL MEETING OF THE ELY CITY COUNCIL

April 19, 2019 2:00 p.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 **2:05 p.m.**, led in the Pledge of Allegiance and asked for Roll Call.

- Members present:
  - Mayor Melody Van Camp
  - Councilman Kurt Carson
  - Councilwoman Jolene Gardner
  - Councilman Sam Hanson
- Members absent:
  - Councilman Ernie Flangas
  - Councilman Tony DeFelice
- City Officials and Staff present:
  - City Clerk Jennifer Lee
  - City Attorney Charles Odgers
  - Public Works Supervisor Mike Cracraft
  - City Water/Sewer Leadman Carl Siemer
  - City Fire Chief Ross Rivera

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

*Ely City Council* **ATTENDANCE LIST**

DATE: 4-19-19

Print name below	Print name below
<i>Van DePoppel</i>	
Kerri Pintar	
George Chachas	
Mike Coster	

### 2. PUBLIC COMMENT

Kerrie Pintar stated I'm Kerrie Pintar, 1417 Mill Street. As you proceed, think about what you may have to do if you do not get the ten percent (10%) increase that's already been budgeted.

George Chachas stated ongoing concerns regarding Councilman DeFelice being absent; Wolfie's business license being out of compliance and him needing to clean up the lot next to Mr. DeFelice; new paving at R Place 2 with no sidewalk; no ADA in the 400 block of Murry Street; and the City misbilling him. My revenues are going down. What's the total overtime in the Fire Department? There's a ten percent (10%) increase in fees in this budget; let me remind you nothing has been approved and you won't have a viable budget.

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

1. City Clerk Lee – Discussion/For Possible Action – Approval to recruit for and hire an Administration Assistant II to refill the vacancy created by the appointment of Ms. Lee as the City Clerk.

Councilman Hanson moved to recruit and hire an Administrative Assistant II. Councilman Carson seconded the motion. The motion carried unanimously.

2. Council Members – McKay Hall, CPA, CISA, CITP, CFE, of *Hinton Burdick CPAs & Advisors* – City Clerk Lee – Discussion/For Possible Action – Review and possible changes to the City of Ely’s Fiscal Year 2020 Tentative Budget.

Councilman Carson stated without the ten percent (10%) increase, you’ll still have a \$260,000.00 cash positive gain in the enterprise funds.

McKay Hall stated also keep in mind roughly \$341,000.00 of the budgeted increase in cash is coming from your water improvement surcharge, Account 51-37-125, that we can’t use for general operations of the fund.

Councilman Carson asked what’s your projection for what our beginning fund balance will be July 1?

McKay Hall reviewed page 8 of the City’s Tentative Budget appearing below.

SCHEDULE A - ESTIMATED REVENUES & OTHER RESOURCES - GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS & TAX SUPPORTED PROPRIETARY FUND TYPES  
 Budget For Fiscal Year Ending June 30, 2020 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	325,908	1,485,475			862,902			2,674,285
Street fund	3,446				750,338			753,784
Beautification fund	453				250			703
Court Assessment fund	6,454				5,000			11,454
Court Collection fund	34,763				2,000			36,763
Court Facility Fee fund	91,087				5,000			96,087
Fire Protection/Street Improvement	109,575				89,050			198,625
Redevelopment fund	250,860				29,500			280,360
Revolving Loan fund	82,066				450			82,516
Victim Impact Panel fund	6,881				500			7,381
Capital Projects fund	646,456				135,080			781,536
<b>DEBT SERVICE</b>								
Subtotal Governmental Fund Types, Expendable Trust Funds	1,567,949	1,485,475	-	-	1,880,070	-	-	4,923,494
<b>PROPRIETARY FUNDS</b>								
	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
<b>TOTAL ALL FUNDS</b>	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

Councilman Carson asked what happens if we take that ten percent off the table?

McKay Hall stated it will hit the General Fund and impact your utility funds. In your Water Fund, you’re looking at \$100,000.00 and it will be about the same in each of the other enterprise funds.

Councilman Carson stated ten percent (10%) is huge.

Councilwoman Gardner stated what about three percent (3%)?

City Clerk Lee stated the business impact study cost approximately \$490.00 just in postage.

McKay Hall stated if you take the ten percent (10%) out, how strong is the incentive to get it at that point or does it just get pushed down the road?

Councilwoman Gardner stated do three percent (3%) every year.

Councilman Carson stated I would be more receptive to something like that.

McKay Hall asked is that across the board or just for the enterprise funds?

City Clerk Lee stated it would be across the board because you raised everything ten percent (10%).

McKay Hall stated another change that has occurred is in the Fire Department (appears below) in Account 10-33-810, County co-op Fire & EMS: There's budgeted revenue of \$625,000.00 there; that's offset by increases in the Fire Department expenses, page 7: Salaries/Wages have increased to \$557,000.00, Benefits have gone up to \$306,000.00 and we've increased Service/Supplies, Ambulance Expense and Maintenance/Repair by fifty percent (50%) of what they were in the last budget meeting. Then there's a contingency expense that's been put in for \$100,000.00 there.

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT	FY20 Tentative Budget
100 % OF THE FISCAL YEAR HAS ELAPSED 04/09/2019 12:20PM PAGE: 4						
FRANCHISE FEE - ELECTRICAL	31,199.70	31,199.70	45,000.00	13,800.30	69.30	45,000.00
FRANCHISE FEE - TELECOMM	22,770.70	22,770.70	35,000.00	12,229.30	65.10	35,000.00
ROOM TAX - INFRASTRUCTURE REV	-	-	-	-	-	140,000.00
	53,970.40	53,970.40	80,000.00	26,029.60	67.50	220,000.00
GENERAL BUSINESS LICENSES	18,237.08	18,237.08	143,000.00	124,762.92	12.80	157,300.00
GENERAL LIQUOR LICENSES	2,869.48	2,869.48	12,500.00	9,630.52	23.00	13,750.00
ANIMAL LICENSES	2,220.00	2,220.00	2,000.00	(220.00)	111.00	2,200.00
EXCAVATION PERMITS	4,260.00	4,260.00	2,000.00	(2,260.00)	213.00	2,200.00
BUILDING PERMITS	52,798.20	52,798.20	37,000.00	(15,798.20)	142.70	49,500.00
BUILDING - CPC	1,100.00	1,100.00	2,000.00	900.00	55.00	2,200.00
	81,484.76	81,484.76	198,500.00	117,015.24	41.10	227,150.00
CONSOLIDATED TAX REVENUE	1,083,239.03	1,083,239.03	1,392,932.00	309,692.97	77.80	1,485,475.03
COUNTY GAMING TAXES	25,931.25	25,931.25	35,000.00	9,068.75	74.10	35,000.00
SHOSHONE TRIBE 1ST RESPONDER	6,000.00	6,000.00	6,000.00	-	100.00	6,000.00
COUNTY CO-OP BLDG/PLANNING DEP	26,660.25	26,660.25	35,547.00	8,886.75	75.00	36,257.94
BLD DEPT FUEL CHARGE	3,245.34	3,245.34	-	(3,245.34)	-	3,000.00
CCHPO GRANT ELY CITY HALL	-	-	883.00	883.00	-	-
ROGER BROOKS GRANT	-	-	25,000.00	25,000.00	-	-
COUNTY CO-OP ANIMAL CONTROL	30,906.76	30,906.76	31,570.00	663.24	97.90	32,043.55
GRANT - HUMANE NETWORK	-	-	1,600.00	1,600.00	-	-
COUNTY CO-OP FIRE & EMS	-	-	-	-	-	625,000.00
REVENUE	1,175,982.63	1,175,982.63	1,528,532.00	352,549.37	76.90	2,222,776.52
CEMETERY CHARGES	17,625.00	17,625.00	20,000.00	2,375.00	88.10	22,000.00
WORK CARDS	5,456.00	5,456.00	8,000.00	2,544.00	68.20	8,800.00
FIRE-CLAIMS REVENUE	-	-	5,000.00	5,000.00	-	5,500.00
FIRE-AMBULANCE SERVICE REVENUE	31,050.81	31,050.81	130,000.00	98,949.19	23.90	143,000.00
MISCELLANEOUS CHARGES	9,385.00	9,385.00	12,000.00	2,615.00	78.20	13,200.00
	63,516.81	63,516.81	175,000.00	111,483.19	36.30	192,500.00

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT	FY20 Tentative Budget	
CITY OF ELY EXPENDITURES WITH COMPARISON TO BUDGET FOR THE 12 MONTHS ENDING JUNE 30, 2019							
GENERAL FUND							
PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT			
FOR ADMINISTRATION USE ONLY 100 % OF THE FISCAL YEAR HAS ELAPSED 04/09/2019 12:20PM PAGE: 7							
FINANCE							
10-45-110	SALARIES AND WAGES	1,230.76	1,230.76	15,750.00	14,519.24	7.80	13,750.00
10-45-200	EMPLOYEE BENEFITS	349.75	349.75	6,518.00	6,168.25	5.40	5,690.32
10-45-300	SERVICES & SUPPLIES	11,961.72	11,961.72	21,358.00	9,396.28	56.00	21,358.00
10-45-310	SERVICES	2,151.21	2,151.21	9,000.00	6,848.79	23.90	9,000.00
TOTAL FINANCE		15,693.44	15,693.44	52,626.00	36,932.56	29.80	49,798.32
CITY ATTORNEY							
10-46-110	SALARIES AND WAGES	25,320.73	25,320.73	26,906.00	1,585.27	94.10	30,026.25
10-46-200	EMPLOYEE BENEFITS	15,382.22	15,382.22	13,944.00	(1,438.22)	110.30	15,561.07
10-46-300	SERVICES & SUPPLIES	159,829.11	159,829.11	201,350.00	41,520.89	79.40	-
10-46-390	TRAINING & TRAVEL	-	-	-	-	-	3,000.00
10-46-395	INSURANCE EXPENSE	2,371.75	2,371.75	2,400.00	28.25	98.80	2,400.00
10-46-940	LICENSES/FEES/DUES	-	-	-	-	-	500.00
10-46-960	LEGAL SERVICES	375.00	375.00	500.00	125.00	75.00	240,780.00
TOTAL CITY ATTORNEY		203,278.81	203,278.81	245,100.00	41,821.19	82.90	292,267.32
INTERLOCAL/RCDC HUD/GRANT							
10-47-320	TREE BOARD-ARBOR DAY	-	-	37.00	37.00	-	37.00
TOTAL INTERLOCAL/RCDC HUD/GRANT		0	-	37.00	37.00	-	37.00
LAW ENFORCEMENT							
10-54-300	SERVICES & SUPPLIES	378,121.82	378,121.82	474,532.00	96,410.18	79.70	539,606.98
TOTAL LAW ENFORCEMENT		378,121.82	378,121.82	474,532.00	96,410.18	79.70	539,606.98
FIRE DEPARTMENT							
10-55-110	SALARIES AND WAGES	374,996.59	374,996.59	486,936.00	111,939.41	77.00	557,256.83
10-55-200	EMPLOYEE BENEFITS	156,651.74	156,651.74	247,454.00	90,802.26	63.50	306,491.26
10-55-300	SERVICES & SUPPLIES	17,431.15	17,431.15	49,266.00	31,834.85	35.40	76,321.50
10-55-320	AMBULANCE EXPENSES	14,698.76	14,698.76	41,175.00	26,476.24	35.70	62,677.50
10-55-330	TRAINING & TRAVEL	-	-	1,690.00	1,690.00	-	1,000.00
10-55-335	INSURANCE EXPENSE	16,366.75	16,366.75	17,200.00	833.25	95.20	17,200.00
10-55-375	FIRE PREVENTION WEEK	-	-	250.00	250.00	-	500.00
10-55-410	UTILITIES	7,205.50	7,205.50	13,170.00	5,964.50	54.70	33,462.50
10-55-450	MAINTENANCE & REPAIRS	3,094.24	3,094.24	6,000.00	2,905.76	51.60	9,000.00
10-55-700	CAPITAL OUTLAY	-	-	-	-	-	3,500.00
10-55-800	GRANTS	-	-	-	-	-	10,000.00
10-55-999	Contingency	-	-	-	-	-	100,000.00
TOTAL FIRE DEPARTMENT		590,444.73	590,444.73	863,141.00	272,696.27	68.40	1,177,409.59

Councilman Carson stated what happens to that \$100,000.00 contingency if Ross doesn't need it?

McKay Hall stated the amounts will roll into fund balance for resources to be used in future years.

Councilman Carson stated it's cheaper to hire a Fire/Basic EMT than an EMT because there's built-in overtime on that shift. Do you want to touch base on that Ambulance Fund?

McKay Hall stated on page 1 of the spreadsheet, it was brought to my attention we have \$681,000.00 reported here for the ambulance; that's where the insurance companies send the electronic deposits in that bank account, but there haven't been any transfers out. So, the expenses for EMS/Fire have been coming out of the main General Fund and we need to take those amounts and move them to the main Checking Account.

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT	FY20 Tentative Budget
CITY OF ELY						
COMBINED CASH INVESTMENT						
30-Jun-19						
FOR ADMINISTRATION USE ONLY						
100 % OF THE FISCAL YEAR HAS ELAPSED						
04/09/2019 12:20PM PAGE: 1						
COMBINED CASH ACCOUNTS						
01-10300	CASH-CHECKING FNB AMBULANCE	680,384.79				
01-10340	CASH-CHECKING GENERAL 1ST NATL	3,752,554.09				
01-10345	CASH-XPRESS DEPOSIT ACCOUNT	486,872.67				
01-10260	CASH- NV ST INVESTMENT POOL	346.82				
01-10265	CASH- FIRST NATIONAL BANK	1,634,647.78				
01-10750	CASH CLEARING - UTILITIES	(188,349.28)				
01-10755	CASH CLEARING - A/R	754.69				
01-10760	CASH CLEARING - BUSINESS LICEN	7,300.78				
TOTAL COMBINED CASH		6,374,512.34				
01-10100	CASH ALLOCATED TO OTHER FUNDS	(6,281,608.67)				
TOTAL UNALLOCATED CASH		92,903.67				
CASH ALLOCATION RECONCILIATION						
10	ALLOCATION TO GENERAL FUND	406,900.09				
13	ALLOCATION TO REVOLVING LOAN FUND	(4,003.36)				
14	ALLOCATION TO FIRE PROTECT/STREET IMPROVEME	49,804.09				
15	ALLOCATION TO ROAD FUND	(86,561.21)				
16	ALLOCATION TO REDEVELOPMENT FUND	225,281.98				
20	ALLOCATION TO COURT ASSESSMENT FUND	29,263.74				
21	ALLOCATION TO VICTIM IMPACT PANEL FUND	6,850.10				
22	ALLOCATION TO FACILITY FEE FUND	90,509.23				
23	ALLOCATION TO COLLECTION FEE FUND	34,048.45				
25	ALLOCATION TO BUDGET STABILIZATION FUND	290.40				
26	ALLOCATION TO BEAUTIFICATION FUND	328.33				
27	ALLOCATION TO FLAG FUND	(1,203.03)				
30	ALLOCATION TO CAPITAL PROJECT FUND	571,564.77				
51	ALLOCATION TO WATER FUND	1,983,068.87				
52	ALLOCATION TO SEWER FUND	1,283,504.78				
54	ALLOCATION TO LANDFILL FUND	1,695,770.42				
55	ALLOCATION TO RAILROAD FUND	(3,759.99)				
TOTAL ALLOCATIONS TO OTHER FUNDS		6,281,657.66				
ALLOCATION FROM COMBINED CASH FUND - 01-10100		(6,281,608.67)				
ZERO PROOF IF ALLOCATIONS BALANCE		48.99				

City Clerk Lee stated under Executive, there wasn't anything for Training/Travel. So, I added \$500.00 for the Mayor to go to League of Cities.

Councilman Hanson asked do we have our membership in League of Cities?

City Clerk Lee stated that's in Clerk Licenses/Fees/Dues; we have NNRDA and League of Cities. Under Training/Travel, I asked McKay to add \$2,000.00.

McKay Hall stated we made two changes to Municipal Court. We budgeted Evidentiary at \$6,000.00. The Public Defender went up from \$18,000.00 to \$22,000.00.

Councilman Carson stated on Executive Salaries/Wages, they're a lot lower than last year's.

McKay Hall stated everything's been going into the General Fund when really, the City Council is taking care of everything in the City, so for next year that's been allocated across the funds. With the three percent (3%), you're looking at a budgeted net increase in fund balance of \$90,000.00 approximately.

Councilman Carson asked what's that Capital Outlay for Parks?

Public Works Supervisor Cracraft stated a dump truck.

City Clerk Lee stated on the City vehicle, I asked McKay to put \$500.00 in for maintenance. Also, Mike pointed out to me that the front steps of City Hall need to be fixed, which will be done in-house, so we put \$5,000.00 in for that; is that accurate, Mike?

Public Works Supervisor Cracraft stated yes.

Councilman Hanson stated what is our contribution to the Railroad's insurance?

City Clerk Lee stated for FY18, \$52,630.00.

Councilman Hanson asked what would you encourage us to do more than any one other thing?

McKay Hall stated for the last couple of years, it's been declining revenues for the General Fund; that's why the General Fund has been in such a bad position. With this budget, we've got a

budgeted increase due to the Fire Department agreement and the utilization of room tax for infrastructure maintenance.

Councilman Hanson stated it's been brought to my attention that the net proceeds of mines is supposed to be distributed on a population basis; it doesn't get distributed in White Pine County along those lines.

Councilman Carson asked what about setting Redevelopment Money aside for LED streetlights in some part of town?

City Clerk Lee stated I think that's a great idea.

Councilman Carson stated it would help save on our power bill. Mike had a good idea: Instead of replacing the whole light fixture, they make an LED bulb with the wiring to where he can 'chop' everything out and put that light in inexpensively.

Public Works Director Cracraft stated you're looking approximately at \$30.00 a light bulb.

Councilman Carson stated then he called Mt. Wheeler; they'd give us an LED rate.

Public Works Director Cracraft stated it's \$11.00 a light we pay. If you switch to LED, they go to \$9.00.

Councilman Carson stated if we set \$5,000.00 aside, that would do a tremendous amount of lights.

Public Works Supervisor Cracraft stated when NDOT removes the decorative lights, we can put them by the Depot; Jack Caylor, Broadbent and Bianchi Parks.

City Attorney Odgers stated we have Redevelopment Zones that were approved by the Planning Commission and City Council in 2008-2009; it's pretty much everything in Central Ely, East Ely, up the Canyon and the north side of Aultman Street.

McKay Hall stated starting this year you had \$165,800.00; you're going to put at least \$80,000.00 more into that, so it will be about \$240,000.00 fund balance. We can budget \$20,000.00.

City Clerk Lee stated when the City took some of the Tour and Rec. money for infrastructure, there was a vote that five percent (5%) would go to Outdoor Facilities, to enhance the parks, Cemetery, etc. If we get cannabis money, five percent (5%) of that needs to go to Beautification.

Councilwoman Gardner asked with the Landfill Fund, do we still have that Green Up program?

City Clerk Lee stated I spoke with Cody Coombs on the status and he said they might change it from an agreement to a contract: it would reduce the amount and have to be renewed annually; in the past, we've had three-year agreements. We don't have anything we can budget.

Councilman Carson asked back to the Water Fund, what's the \$125,000.00 for the Capital Improvements?

Public Works Supervisor Cracraft stated that's for that NDOT project.

City Water/Sewer Leadman Siemer stated if you look at the Sewer Fund, I was at \$58,000.00.

Public Works Supervisor Cracraft stated some of that is going to the Crawford sewer line.

City Water/Sewer Leadman Siemer stated yes.

City Attorney Odgers stated Kurt was not part of the decision making process, but when the City sued Keith and Paula Carson to put that sewer line across the forty acres, one of the settlement stipulations was that we would hook up the 8" inch sewer main that comes off Crawford/Orson to Parker/Crawford and the sewer would go to that manhole just west of Orson/Crawford, which goes straight to the sewer plant. If it's not done this fiscal year, it has to be done in the next fiscal year because the terms of the contract require it to be done by July 2020.

Mayor Van Camp asked on page 44, what is the Quadra Mining Expenses?



City Clerk Lee stated that's electricity to pump the wells. That has Mt. Wheeler's seven percent (7%) increase in it, right McKay?

McKay Hall stated it's my understanding that it does.

#### **4. PUBLIC COMMENT**

Kerrie Pintar stated Kerrie Pintar, 1417 Mill Street. Kurt, thank you for changing that to a projection of three percent (3%), although it's still too high. As you all just admitted, you don't budget the cannabis money until you receive it. You probably should have proceeded the same way in the Water Fund, without the ten percent (10%) until it was actually approved. Let me tell you what an awesome job your public works supervisor does.

George Chachas stated ongoing concerns regarding Wolfie's cleaning up the lot where he was at, selling wood without a Home Occupation permit; four lanes on main street; and new paving at R Place 2 without a sidewalk; City Code is 5' Commercial, Residential 4'; total Fire Department overtime; no ADA in 400 block of Murry Street; and misbillings. You've got a notice in the paper: 'Thirty days, clean it up'. Baloney! I won't give you a dime of increase because my revenues are going down. You look at main street: My friends have closed their business because there is no business. You've got to learn to live within your means like the rest of us do and you're not doing that. You want to save money? Get rid of the engineer, building inspector and you put in the project yourself. In fact, get rid of your attorney and bring someone in that does it by the hour. I'd like to know who the contact people are for CDBG projects.

Judge Michael Coster stated I know more about City budget and my budget now than I ever did, thanks to Jennifer Lee; she understood what my concerns were and got it fixed in the budget.

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

Councilman Hanson moved to adjourn the special meeting of the Ely City Council at **3:29 p.m.** Councilman Carson seconded the motion. The motion carried unanimously.

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**MAYOR**

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**ATTEST**