

TONOPAHA TOWN BOARD  
BUDGET WORKSHOP MINUTES

MARCH 11, 2011

Town Board Vice Chairman Horace Carlyle called the workshop to order at 9:14 a.m. Also present was Glenn Hatch and Duane Downing. Jon Zane and Javier Gonzalez were absent. There were six other people in attendance.

1. Budget Workshop: All Town Departments/Tonopah Public Utilities for FY 2010-2011

Chris Mulkerns handed the Board part of the forms that get sent to the Department of Taxation. She explained that the Town has to establish the number of employees it has. It also has the population, the number set by the state, the assessed valuation, and the tax rate. It has the Actual Prior Year Ending June 30, 2010, the estimated year ending for FY 10/11 (June 30, 2011), and the budget year ending June 30, 2012. The Board assumed that the number of employees for General Government would remain the same at 2.5. The state number from the February 15, 2011 projection for population was 2488. The assessed valuation number of 30,555,147 in the 2012 column also came from the state on February 15, 2011. Chris Mulkerns noted that the assessed valuation usually changes between February 15 and when the Town receives the final numbers on March 25, 2011. Chris Mulkerns noted that the assessed valuation has gone down from previous years. She also noted that the tax rate of 0.5881 will remain the same as the Town is at its tax rate limit.

Chris Mulkerns directed the Board to the second handout showing the property tax rate. She noted that the assessed valuation rate will probably change. The calculations for each column are listed at the top. The assessed valuation is 30,555,147. The Allowed Ad Valorem Revenue is determined by multiplying the allowed Tax Rate by the Assess Valuation and dividing by 100. The Total Pre-abated Ad Valorem Revenue is determined by multiplying the assessed valuation by the tax rate and dividing by 100.

Chris Mulkerns handed the Board a packet containing the individual budget packets for each Town department. The revenue sheet contains audited figures from FY 01/02 all the way to FY 09/10. There is a column showing the budget for FY 10/11 and a column showing the estimate for FY 10/11. The final column is for the recommended budget for FY 11/12.

Horace Carlyle noted that the Town has collected 54% of the property tax. He wanted to know how far behind the Town was on collecting property tax. Chris Mulkerns noted that the Town is about a quarter behind. James Eason explained there are individuals who will pay up front, some who will pay quarterly and some who will wait longer. Horace Carlyle noted that as of February 28, 2011 the collected property tax was only 12% off so the \$151,736 listed may not be realistic.

Chris Mulkerns moved on to the rest of the revenue budget. For FY 09/10 room tax audited at \$179,093, The FY10/11 budget is \$220,000 and is estimated at \$220,000. Chris Mulkerns noted that the HTE systems shows the Town is on track to collect about \$246,000. The Town has

currently collected \$171,700. Staff recommendation is to stay with \$220,000 for FY 11/12. For FY09/10 business licenses audited at \$16,741. The FY 10/11 budget was set at \$16,000 and is estimated at \$16,000. The FY 11/12 budget is \$16,000. County liquor audited at \$1760 for FY 09/10. The FY10/11 budget is \$1,800. The estimated collections for FY 10/11 are \$1,800 and the recommended budget for FY11/12 is \$1,800. County liquor is received on a quarterly basis and the Town has currently collected \$1,400. County gaming audited at \$16,943 for FY 09/10. The FY10/11 budget is \$17,000 and the estimated collections are \$17,000. The recommended FY11/12 budget is \$17,000. Chris Mulkerns noted that county gaming was down about \$3,000 in FY08/09. Duane Downing noted that economists have predicted that gaming will be down significantly this year. James Eason explained that by the end of next year the Mizpah will be open and they are planning on having gaming.

Chris Mulkerns moved on to consolidated tax. The audited number is \$164,673. The FY 10/11 budget is \$210,000 and the end of year estimate is \$210,000. The recommended FY11/12 budget is \$210,000. Chris Mulkerns explained that the projected numbers from the state are \$269,061. The current collections are \$158,211 over a seven month period. The average is \$2,200 a month. The Board moved on to the gas tax. The audited amount for FY 09/10 is \$5,414. The budgeted amount for FY 09/10 is \$6,210. This number comes from the state and it cannot be changed. The estimate for year end is \$6,210. The budget for FY 11/12 is \$8,552. Money comes to the Town but goes back to the County to pay for the roads.

The Board moved on to pool fees. The audited number for FY 09/10 is \$6,914. The FY 10/11 budget is \$8,000 and the estimated end of year amount is \$7,000. The budget for FY 11/12 is \$7,000. Horace Carlyle noted that currently the Town has only collected about 32% of what it budgeted for FY10/11. Chris Mulkerns explained that the Town does not start collecting pool fees until May and June. This is when people start buying the pool passes. James Eason explained that the revenue for pool fees is down because more people are taking advantage of the passes, rather than paying day to day.

The Board moved on to Convention Center Rentals. The audited amount for FY 09/10 was \$14,469. The budget for FY 10/11 is \$10,000 and the estimated end of year amount is \$10,000. The recommendation for FY 11/12 is to stay at \$10,000. Horace Carlyle felt this amount was too high based on the possibility of interruptions due to construction and modifications to the Convention Center. He recommended reducing the budget to \$5,000. Diane Perchetti noted that Rainbow Girls and Alcoholics Anonymous are scheduled into 2012 and 2013. They want to make sure they are able to use the building. She hopes that construction during March and September will not interfere with these events. Susan Dudley noted that a preconstruction meeting with the contractor will set the schedule for some events. James Eason noted that most of the big events in the Convention Center are during the weekend when the contractor will not be working. The smaller events are during the week. The Board decided to lower the budgeted amount to \$5,000.

The Board moved on to the fairgrounds. Chris Mulkerns explained that the Town charges a fee for people to house their animals over night. The fee is \$5.00 a head per night. James Eason explained the reason the number should stay high. The Town is planning to put a post out there

for collections and put in a token machine for the power. Tokens can be purchased at the Town office. The FY 09/10 audited number is \$219. The FY 10/11 budget is \$450 and the estimated end of year collections are \$450. The budget for FY11/12 is \$450.

The Board moved on to the fairgrounds. The audited number for FY 09/10 is \$2489. The budget for FY 10/11 is \$600 and the estimate for the end of the year is \$1,300. The budget for FY 11/12 is \$1,300. Court fines for FY 09/10 were audited at \$20,844. The FY 10/11 is \$22,500 and the estimated end of year amount is \$22,500. The recommendation for FY 11/12 is to stay at \$22,500. Horace Carlyle felt this amount was too high and recommended the budget not go above \$20,000. Chris Mulkerns noted that the Town has currently collected \$12,020 in court fines in seven months. The Town collects about \$1,700 and month and will be about \$2,000 short of the budgeted amount by June 30, 2011. The Board agreed to lower the budgeted amount to \$20,000. The rescue run audited amount for FY 09/10 is \$245. The FY 10/11 budget is \$600 and the estimated year-end amount is \$400. The FY 11/12 budget recommendation is \$400. The audited amount for interest for FY 09/10 is \$41,379. The FY 10/11 is \$12,000. Chris Mulkerns explained that the Town does not have control over this. The budgeted amount is always low because interest is unpredictable. The estimated year-end collections are \$12,000 and the budget recommendation for FY 11/12 is \$12,000. Chris Mulkerns noted that the Town has currently collected more than the \$12,000 budgeted amount FY 10/11.

The Board moved on to mining park donations. These are the fees collected for people who take the tour. The audited number for FY 09/10 is \$6,038. The budgeted amount for FY10/11 is \$3,500 and the estimated year-end collections are \$3,500. The budget for FY 11/12 is \$3,500. The miscellaneous line item audited high at \$11,406. This was the result of the work program with the kids. The budgeted amount for FY 10/11 is \$2,219 and the estimated collections are \$2,000. The recommended FY 11/12 budget is \$2,000. James Eason noted that the revenue is not being inflated because the Town has already collected over \$2,000. Chris Mulkerns noted that a line item was added for message board fees. The Town has discussed setting up a fee schedule for businesses or people who want to advertise on the reader board. She explained that Heather Ingalls is working on developing a fee schedule. The recommended budget is \$100. The reader board fees will go into the rescue run fund.

Chris Mulkerns calculated the total general revenue taking into consideration the decreases made to the Convention Center rental fund and the Court Fines fund, a total decrease of \$7,500. The recommended budget for FY 11/12 is \$676,838. The audited numbers for the beginning fund balance are \$1,448,586. Add to that the Total General Revenue balance and the recommended budget for Total General Revenue is \$2,152,014.

The Board moved on to the other revenue lines. These are the special revenue funds. The room tax fund is funded from the 9% room tax collected by the Town. Of that 9%, 8% goes directly to Nye County. The other 1% is broken into categories. Three-eighths (3/8) of the 1% goes to the Nevada Commission on Tourism to help fund their programs and the other 5/8 come to the Town. The money is used for grants and to pay for the power and DSL line on the reader board. The FY 09/10 audited numbers are \$25,692. The FY 10/11 budget is \$20,000 and the estimated collections are \$20,000. The recommendation is to stay at \$20,000 for FY 11/12.

The Special Capital Projects fund is used for big projects. The audited amount for FY 09/10 is \$41,044. The FY 10/11 budget is \$24,000 and the estimated collections for FY 10/11 are \$35,000. The recommended budget for FY 11/12 is \$35,000. Chris Mulkerns noted that the Town will spend the entire \$35,000 collected as the Town's match for the Convention Center Project.

The money for the Capital Projects fund is comprised of money collected from the rescue runs. This is used to purchase items that cost more than \$500 and have a life span of a year or more. The budget recommendation for FY 11/12 is \$1,300. James Eason explained that this is based on just putting the money from rescue runs into the account. With the new fee structure, a portion of the rescue run fees will go into the account along with the message board fees to start building up the account.

The mural fund was audited at \$621 for FY 09/10. This was basically interest on the balance in the account. The estimated collections for FY 10/11. The recommended budget for FY 11/12 is \$500. Horace Carlyle explained that the Town is holding money for the murals. There are certain murals the Town has accepted and has liability on. James Eason explained that when TDC started doing the murals and monuments around the Town, they requested that the Town assume the liability and maintenance. The Town requested compensation for the maintenance and liability before accepting the murals and monuments. TDC and McDonalds' had an agreement regarding the billboard at Currant Creek. Of the \$1,000 TDC received, the Town received \$700. The \$700 would be used to maintain the murals and monuments. TDC stopped paying money to the Town about two years ago. The Town has not accepted any more murals or monuments. There are two options regarding the murals and monuments. The Town can transfer the money back to TDC and they resume all liability on those murals and monuments or TDC can reinstate the payment. The \$500 is the interest. The resolution used to create this fund restricts the funds to the maintenance and liability of the murals and monuments. Horace Carlyle felt that the Town may need to budget \$5,000 to \$6,000 a year for the mural fund to cover the liability costs and maintenance costs of the murals and monuments. Susan Dudley explained that funds from the general fund cannot be moved to the special funds.

The Board moved on to mining park capital projects fund. The audited numbers for FY 09/10 are \$1,248. No revenue was budgeted for FY 10/11 and there are no collections estimated. The recommended budget for FY 11/12 is \$500. From this fund, \$5,000 was put towards the Cultural Affairs grant money for the PER on the headframes.

Chris Mulkerns directed the Board's attention to the page listing actual expenditures projected through June 30, 2011. This sheet is set up the same as the revenue page with the exception of two columns showing the expenditures with the new debt and without the new debt. The numbers reflected will be those of expenditures with the new debt.

Under administration, the audited expenditures for FY 09/10 were \$265,375. This includes salaries, benefits, services, and supplies. The FY 10/11 budgeted number is \$493,400 and projected expenditures are \$326,353. The recommended budget for FY 11/12 is \$363,990. As with revenue, the budget numbers are more than what is actually spent. For the Fire Department,

the audited numbers are \$53,155. The FY 10/11 budget is \$82,619 and the projected expenses are \$74,798. The FY 11/12 budgeted amount is \$82,375.

The audited numbers for the Convention Center for FY 09/10 are \$102,690. The FY 10/11 budget is \$115,270 and the projection is to spend all of this. The FY 11/12 budget is \$117,194. James Eason explained that the costs presented only cover the salaries and operations and maintenance costs. They do not cover the debt payments. The line item titled Contingency and New Debt Payment is where the debt payments come from. Horace Carlyle was concerned with the minimal increase in Convention Center expenditures. He explained that when the Belvada is brought online the operations and maintenance for the Convention Center are going to change. Susan Dudley explained the time frame for the Convention Center Project. The best case scenario is that the bid will not be awarded until at least October. It will take between seven and eight months putting the Town in a different budget year.

The audited numbers for the Parks for FY 09/10 are \$29,241. The FY 10/11 budget is \$37,320 and the projection is to spend all of this and budget the same amount for FY 11/12. The audited numbers for FY 09/10 for the ball fields are \$22,824. The FY 10/11 budget is \$31,260 and the projection is to spend all of that and budget the same amount for FY 11/12. The audited numbers for the fairgrounds are \$1,589. The budget for FY 10/11 is \$4,765 and the projection is to spend all of that. The recommended budget for FY 11/12 is \$4,765. The audited numbers for the pool for FY 09/10 are \$20,621. The FY 10/11 budget is \$44,901 and the projected expenditures for FY 10/11 are \$36,665. The recommended budget for FY 11/12 is \$38,626. The audited numbers for the Mining Part for FY 09/10 are \$137,833. The FY 10/11 budget is \$134,833 and the projected expenditures are \$109,694. The recommended budget for FY 11/12 is \$82,716. The audited numbers for maintenance for FY 09/10 are \$154,823. The budget for FY 10/11 is \$214,292 and the projected expenditures are \$131,503. The recommended FY 11/12 budget is \$175,226. The total projected expenses for FY 10/11 is \$867,600 and the recommended budget for FY 11/12 is \$933,472.

Susan Dudley explained the line items for contingency, new debt payment (FY 12 & FY 13), and new debt. A contingency should always be in place in case there is a need to supplement the budget. The separation on the sheet shows what the debt is. These items will be placed in a budget somewhere. With the project moving forward, the best-case scenario is that the Town will close on the loan with USDA by May. Closing on the loan is a big deal involving going out to a revenue bond, listing it in the paper, conducting public hearings, hiring a bond council, and creating a bond council. It can be upwards of \$25,000 to \$40,000 to close on a revenue bond. USDA will buy the bond but they want to know exactly how much the Town will bid before they buy the bond. After all the expenditures, the ending fund balance is \$1.4 million. Add the revenue to this to total \$2.1 million and subtract \$933,472 to total \$750,000 that can be devoted to loaning money. The \$750,000 of the new debt will come out of administration. The Town will close on the loan resolution about the time it awards the contract. After this, money will be transferred into Capital Projects to for the project. The overall administration budget will be \$1,212,290. Chris Mulkerns suggested a ten-minute break at 10:40 am.

The meeting resumed at 10:55 am. The Board moved to the budgets for the individual Town departments starting with administration. As with previous handouts, the audited numbers up to FY 09/10 are shown as well as the FY 10/11 budget, actual expenditures to February 28, 2011, and the projected expenditures for FY 10/11. The buyout A and buyout B columns are based on the new debt. In the past, the Town has anticipated possibly having to buy out James Eason. His contract stipulates that he still receives a year's salary. James Eason explained that in the past the Town and TPU did not have enough money when employees left. To compensate, the Town and TPU took their future earnings to pay them out. This left the Town and TPU without employees to back fill or train future employees.

The FY 10/11 budget for salaries is \$243,227. This covers the hourly wage of the employees. The actual expenditures to date are \$97,340 and the projected expenditures for FY 10/11 are \$145,996. This covers James Eason, all of Chris Mulkerns' salary this year, and Mariah Rivero. The FY 10/11 budget for retirement is \$61,115. To date \$18,802 has been spent and the projected expenditures are \$35,000. The FY 10/11 budget for workmans comp, is \$18,815. The expenditures to date are \$1,677 and the projected expenditures are \$3,500. The FY 10/11 budget for insurance, covering dental, medical, and life insurance, is \$25,050. The expenditures to date are \$9,650 and the projected expenditures are \$20,000. Retiree insurance is paid on actual retired employees out of this department. The FY 10/11 budget is \$25,050. Expenditures to date are \$3,021 and the projected expenditures are \$12,500. Medicare is an employee tax. The FY 10/11 for Medicare is \$3,418. Expenditures to date are \$1,287 and projected expenditures are \$2,250. There is a social security expenditure for FY 09/10 and FY 10/11 because of the grant kids working for the Town. They were part time and the Town has to pay social security for part time employees. There was no FY 10/11 budget for social security in the administration budget. Expenditures to date are \$554 and no further expenditures are expected for FY 10/11.

Chris Mulkerns directed the Board to the next line item entitle OPEB Requirement. She explained that Dan McArthur brought up the possibility of funding the OPEB requirement. James Eason explained that the OPEB Requirement will appear at different places in the budget. This is for future retirees. Currently, the Town pays 100% for all retirees and 100% of retiree insurance. The \$6,700 represents what needs to be set aside to cover future retiree insurance costs. Dan McArthur felt the Town needed to start building up this account to cover those future costs. The Town has a future liability of over half a million dollars. James Eason noted that this fund was not a mandate. The Town does not have to pay retiree insurance, though it is in the Town's best interest. Horace Carlyle felt that this practice should be terminated except for current employees. Duane Downing noted that Nye County does not pay 100% for employees hired after a certain date. The County pays for 50% and only after twenty years of service. James Eason noted that Town policy was supposed to change to the system Nye County used but it was never changed. He suggested that whatever the Board does for current employees they should do for retirees. Horace Carlyle felt the Town should maintain current practice for current employees and past retirees. James Eason noted that if the Board decides not to pay any retiree insurance, the Town does not have to fund OPEB. James Eason explained that the Board can leave the OPEB line as is until the Board makes a decision on what it wants to do. The Board agreed to keep the OPEB requirement at \$6,700.

Chris Mulkerns directed the Board to the Buyout A and Buyout B columns. She explained that these are for the FY 11/12 budget. This was done because of the new debt. In the previous numbers under salaries, the old buyout was in those numbers. This buyout was for buying out James Eason for a year and having two other buyouts. The Buyout A column cuts the buyout salary for James Eason down to six months. Buyout A is \$154,828 versus the Buyout B column total of \$226,078. Buyout column B is less than the budgeted number for 2010 because of Susan Dudley retiring. The salaries have gone down because of new employees. The Buyout B column includes James Eason's full year buyout and two other employees.

The Board moved onto the services and supplies funds under administration. The FY 10/11 budget for office supplies is \$9,000, half of what it was for FY 09/10. Actual expenditures to the end of February are \$3,960 and projected expenses for FY 10/11 are \$7,500. The recommended budget for FY 11/12 is \$7,500. James Eason noted that for business licenses there will be a savings on paper and the actual business licenses. He explained that Mariah Rivero has created an electronic business license that can be emailed to businesses.

The Board moved on to the line item for postage. Chris Mulkerns explained that there is a postage meter in the office which TPU shares. The FY 10/11 budget is \$2,500. Actual expenditures to date are about \$2,300 and the projection is to spend the entire amount and budget the same amount for FY 11/12. The ads/publishing budget is \$950. Actual expenditures are \$253 and projected FY 10/11 expenditures are \$500. The FY 11/12 budget is \$950. The FY 10/11 budget for contracts/professional fees is \$50,000. Actual expenditures to date are \$4,800 and projected expenditures for FY 10/11 are \$50,000. The Town has not yet received the bill for Dan McArthur. Additional expenditures from this account include the Conservation Camp contract, Dan McArthur, the web page Teresa Madsen does for the Town, and a little extra for a lawyer if necessary.

The Board moved on to General Insurance. The FY 10/11 budget is \$24,000. Actual expenditures to date are \$24,013. This includes the insurance bill on the Town side and \$1,013 paid to Brian Brown as a result of the accident with the fire truck. This also includes two deductibles of \$5,000. James Eason explained that the insurance bills for the New Firehouse and the Convention Center are unknown at this time.

The FY 10/11 budget for training is \$2,500. Nothing has been spent to date and the projected expenditures for FY 10/11 are \$500. The FY 11/12 budget is \$2,500. The FY 10/11 budget for travel is \$5,000. To date, expenditures are \$434. Horace Carlyle noted that he wants James Eason to submit receipts for what it cost him to stay out of town when he is on Town business. The recommended budget for FY 11/12 is \$3,000. Horace Carlyle felt it was too low but the Board opted to leave it at \$3,000. The FY 10/11 budget for telephone is \$4,000 and to date expenditures are \$1,529. The projected expenditures for FY 10/11 is the full \$4,000 with the same amount budgeted for FY 11/12. The FY 10/11 budget for power is \$3,525. Expenditures to date total \$905 and the projected expenditures are the full \$3,525 with the same amount budgeted for FY 11/12. The FY 10/11 budget for propane is \$3,300. James Eason's office is the only one with propane. Current expenditures total \$616 and projected expenditures are \$1,500. The FY 11/12 budget is \$3,300. The budget for miscellaneous is \$950. There have been no expenditures

to date but the projected expenditures for FY 10/11 are \$500. The FY 11/12 budget is \$950. The Capital Projects payment for the new Convention Center of \$250,000 and the new debt payment of \$98,300 is shown under Buyout column A and Buyout column B. The total balance, including the contingency, for Buyout column A is \$1,212,290. The total balance, including the contingency, for Buyout column B is \$1,326,157.

The Board moved on to the Fire Department budget. The first line item is salaries. This is not where the current monthly stipend for rescue run services comes from. It is shown as salaries and physicals on this sheet. James Eason noted that physicals were about \$950 per physical. The Town is negotiating to try and get the costs down or find an alternative. The FY 10/11 budget for salaries/physicals is \$6,000. There have been no expenditures to date and the projected expenditures are \$3,000. The FY 11/12 budget is \$6,000. Susan Dudley explained that social security is based on the \$12,000 budget for salaries. If salaries are paid from that account, social security must be paid as well. The FY 10/11 budget for social security is \$744. No expenditures have been made and no expenditures are expected. The FY 11/12 budget is \$0 but the Board elected to maintain the \$744 budget. The FY 10/11 budget for volunteer insurance is \$4,000. To date \$70 has been expended and the projection is to expend \$1,000. The FY 11/12 budget is \$4,000. The FY 10/11 budget for retiree group insurance is \$7,500. To date \$4,343 has been spend and the projection is to expend the full \$7,500. The recommended budget for FY 11/12 is \$8,000. The total salaries and benefits budget for FY 11/12 is \$30,744.

The FY 10/11 budget for office supplies is \$600. To date no expenditures have occurred and the projection is to spend the entire \$600 and budget the same for FY 11/12. The FY 10/11 operating supplies budget is \$2,500. To date expenditures total \$449 and the projected expenditures to the end of FY 10/11 is \$1,500. The budget for FY 11/12 is \$2,500. The FY 10/11 budget for vehicle fuel is \$2,760. Expenditures to date are \$1,464 and the projection is to spend the entire \$2,750 and budget the same for FY 11/12. Horace Carlyle felt this amount was too low and recommended an increase of \$750. The Board agreed and the FY 11/12 budget is \$3,500. The FY 10/11 budget for operating equipment is \$4,000. No expenditures have occurred to date and the projection is to expend the full \$4,000 and budget the same for FY 11/12.

The FY 10/11 budget for salaries fire rescue is \$15,000. To date expenditures are \$8,750 and the projection is to expend the full \$15,000 and budget the same for FY 11/12. The FY 10/11 budget for travel is \$500. To date expenditures are \$423 and the projected expenditures are \$423. The recommended FY 11/12 budget is \$500. Horace Carlyle recommended increasing the travel budget to \$1,000. The Board agreed to increase the travel budget to \$1,000. The FY 10/11 budget for telephone is \$1,200. To date expenditures are \$788 and the projection is to spend the full \$1,200 and budget the same for FY 11/12. The FY 10/11 budget for power is \$5,875. To date expenditures are \$1,514 and the projection is to spend the full \$5,875 and budget the same amount for FY 11/12. The FY 10/11 budget for water is \$350. To date expenditures are \$273 and the projection is to spend the full \$350 and budget the same for FY 11/12. Horace Carlyle felt this should increase to at least \$400. Duane Downing recommended an increase to \$500. The Board agreed to increase the budget to \$500. The FY 10/11 budget for propane is \$6,600. The to date expenditures are \$1,262 and the projection is to expend \$6,600. The recommended budget for FY 11/12 is \$6,600. James Eason noted that the winter season is coming to an end and when



the fire department moves out of the building, the building does not need to be heated as it is with the fire trucks.

The FY 10/11 budget for building repair and maintenance is \$4,000. To date expenditures total \$1,108 and the projection is to spend the full \$4,000 and budget the same for FY 11/12. The FY 10/11 budget for equipment repair and maintenance is \$4,000. The current expenditures are \$2,922 and the projection is to spend the full \$4,000 and budget the same for FY 11/12. Rob Elliot noted that personal protective gear is expensive. Currently turnouts are just hung on the walls. He explained that the fire department needs \$30,000 to \$50,000 to move into the new building. James Eason explained that the lockers and the Cascade System are the top two priorities. He explained that with what is available the fire department will be able to fund the Cascade System barring any serious vehicle accidents. The FY 10/11 budget for vehicle repair and maintenance is \$5,000. To date expenditures total \$3,285 and the projection is to expend the full \$5,000 and budget \$5,000 for FY 11/12. Horace Carlyle noted that in FY 09/10 the total expenditures were \$5,772. James Eason explained that the increase in expenditures in FY 09/10 was the result of a windshield repair on one of the trucks. He noted that the antenna of the Rescue Vehicle snagged on the door on the way out breaking the antenna and pulling the door off the track onto the vehicle. Horace Carlyle suggested increasing the budgets for equipment repair and maintenance and vehicle repair and maintenance by \$1,000 each. The FY 11/12 budget for equipment repair and maintenance is \$5,000 and the FY 11/12 budget for vehicle repair and maintenance is \$6,000. The total budget for fire department services and supplies is \$55,775 and the total fire department budget for FY 11/12 is \$86,519. The Board broke for lunch at 12:23 pm.

The budget workshop resumed at 1:31pm. Chris Mulkerns directed the Board to the budget for the parks. James Eason explained that there were few changes to the budgets for the parks, the ballfields, the fair grounds, and the pool. He noted that the budget for the pool actually decreased. He suggested the Board take a quick look through the budgets. Duane Downing wondered if the new light for the fairgrounds is reflected in the FY 11/12 budget. James Eason explained that he wanted to do the new light out of the budgets for both FY 10/11 and FY 11/12.

Chris Mulkerns directed the Board to the budget sheet for the Convention Center. For FY 10/11 the budget for salaries is \$33,954 and the projection is to spend the full amount. The budget for FY 11/12 is \$34,705. This increased from FY 10/11. James Eason explained the increase. Since FY 05/06, employees are only compensated in one of two fashions: either a step increase without longevity or longevity unless the employee moves to another position. The other increase to the salaries and benefits budget is in insurance and retiree insurance. For FY 10/11 the budget for insurance and retiree insurance is \$7,500 each. The FY 11/12 budget for insurance and retiree insurance is \$8,000 each. The total budget request for salary and benefits for FY 11/12 is \$61,969.

The FY 11/12 budget for office supplies is the same as FY 10/11, \$1,425. The FY budget for operating supplies is the same as FY 10/11, \$3,325. The FY 11/12 budget for advertising is the same as FY 10/11, \$1,425. The FY 11/12 budget for contracts and professional fees is the same as FY 11/12, \$900. Diane Perchetti explained that the contracts for the copier and OPI come

from this fund. The FY 11/12 budget for telephone is the same as FY 10/11, \$3,500. The FY 11/12 budget for garbage is the same as FY 10/11, \$1,500. The FY 11/12 budget is the same as FY 10/11, \$16,450. The FY 11/12 budget for water is the same as FY 10/11, \$1,700. The FY 10/11 budget for propane is \$15,000. The current expenditures for FY 10/11 are \$13,157. Horace Carlyle felt the budget should increase by at least \$1,000. James Eason suggested the increase should be \$3,000. He noted that the winter season is coming to an end. The FY 11/12 budget increases to \$18,000. The FY 10/11 budget for repairs and maintenance is \$10,000. The current expenditures are \$4,491 and the projection is to spend the full \$10,000 and budget the same for FY 11/12. The total budget for services and supplies is \$58,225. The total budget for the Convention Center is \$120,194.

The Board moved on to the budget for the Mining Park. Chris Mulkerns noted that under salaries the FY 10/11 budget is \$72,614. Actual to date expenditures are \$43,381 and the projected expenditures are \$60,000. The budget for FY 11/12 is \$45,093. She explained that Manny Linares' salary will move to the maintenance budget. James Eason explained that the employee structure at the Mining Park has changed. The budgeted numbers for FY 11/12 take into account two part time employees. Horace Carlyle questioned the lower retirement budget for FY 11/12. Chris Mulkerns explained that for FY 11/12 there is only one full time employee as opposed to two full time employees for FY 10/11. The total budget for FY 11/12 for salaries is \$64,908.

The FY 10/11 budget for office supplies is \$2,500 and expenditures to date are \$2,000 with \$2,000 budgeted for FY 11/12. The FY 10/11 budget for postage is \$700. There are no expenditures to date and no projected expenditures for FY 10/11. The requested budget for FY 11/12 is \$100. The FY 10/11 budget for advertisement is \$1,000. Current expenditures total \$773 and the projection is to spend the full \$1,000 with the same amount budgeted for FY 11/12. The FY 10/11 budget is \$500. Current expenditures are \$484. Horace Carlyle suggested increasing the budget by \$100. James Eason recommended leaving the budget at \$500. He explained that the \$484 expenditures was a one-time charge for an ad in online yellow pages. Duane Downing questioned whether the \$500 budget was necessary. James Eason explained that the budget has always been there as a cushion or a failsafe. There was no budget for FY 10/11 for unemployment claims and current expenditures are \$1,678. Projected expenditures for FY 10/11 is \$1,678 and the budget for FY 11/12 is \$1,678. The FY 10/11 budget for travel is \$1,500. To date expenditures are \$76 and projected expenditures are \$250. The budget for FY 11/12 is \$250. The FY 10/11 budget is \$2,000. To date expenditures total \$1,296 and the projection is to spend the full \$2,000 and budget the same for FY 11/12. The FY 10/11 budget for power is \$5,000. To date expenditures are \$1,434 and the projection is to spend \$2,800 and budget \$2,800 for FY 11/12. Horace Carlyle noted that the audited numbers for power were higher in previous years. James Eason explained that this was due to the use of the spotlights on the headframes. He explained that the benefit of lighting up the headframes is for advertising. Horace Carlyle felt it would be beneficial to start lighting up the headframes again. Duane Downing explained that he liked the idea of rotating which headframes were lit up. Chris Mulkerns noted that the lights have been off since February 2008. The Board chose to resume lighting up the headframes. Duane Downing suggested increasing the budget by \$1,200 for an FY 11/12 budget of \$4,000. Duane Downing suggested turning the lights on from about 8:00 pm to about 1:00 pm.

The FY 10/11 budget for water is \$750. The current expenditures are \$731 and the projected expenditures are \$980. The recommended FY 11/12 budget is \$980. The FY 10/11 budget is \$2,000. Current expenditures is \$568 and projected expenditures are \$500. The Board opted to increase the FY 11/12 budget to \$1,500. The FY 10/11 budget for building repairs and maintenance is \$2,000. Current expenditures total \$42 and projected expenditures are \$1,000 with \$1,000 budgeted for FY 11/12. The FY 10/11 budget is \$1,500 with current expenditures totaling \$388. Projected expenditures are \$1,000 with \$1,000 budgeted for FY 11/12. The FY 10/11 budget for buildings and ground maintenance is \$4,800. Current expenditures total \$1,304 with projected expenditures totaling \$4,000. The recommended budget for FY 10/11 is \$4,000. The total operation expenses totals is \$18,808 and the total mining park budget for FY 11/12 is \$84,916

Chris Mulkerns noted that the salaries and benefits have decreased for FY 11/12. The FY 10/11 budget is \$71,724. Actual expenditures to date are \$24,068 and projected expenditures are \$34,360. The FY 11/12 budget is \$56,752. James Eason explained that at by March 2010 there were two full-time maintenance employees. For different reasons those two employees are no longer under maintenance. The higher paid salary plus Manny Linares and the two part-time salaries was used to build the budget. The budget request for FY 11/12 for salaries and benefits is \$94,694. The FY 10/11 budget for operating supplies is \$8,000. Expenditures to date are \$354 and the projection is to expend the full \$8,000 and budget the same for FY 11/12. The FY 10/11 budget for vehicle fuel is \$7,000. Expenditures to date are \$3,596 and the projection is to spend the full \$7,000 and budget the same for FY 11/12. Duane Downing suggested increasing the vehicle fuel budget. James Eason explained that in FY 08/09 there were three employees driving and in FY 11/12 there is one driver. The FY 10/11 budget for telephone is \$780. Expenditures to date are \$380 and the projection is to spend the full \$780 and budget the same for FY 11/12. Chris Mulkerns explained that this is the maintenance cell phone. The FY 10/11 budget for the power, which covers the streetlights, is \$40,000. Expenditures to date are \$15,382 and the projection is to spend \$35,000 and budget \$35,000 for FY 11/12. The FY 10/11 budget for water is \$2,000. Current expenditures are \$597 and projected expenditures are \$1,200 with \$1,200 budgeted for FY 11/12. The FY 10/11 budget for repair and maintenance is \$10,000. Current expenditures are \$45 and projected expenditures are \$5,000 with \$5,000 budgeted for FY 11/12. James Eason explained that the Town can lower the ending fund balance to have more money in the building repairs and maintenance budget for an emergency. Horace Carlyle agreed with this increase. The Board agreed to increase the building repair and maintenance budget for FY 11/12 to \$10,000. The budget for FY 10/11 for equipment repair and maintenance is \$10,000. Current expenditures total \$4,109 and the projection is to spend the full \$10,000 and budget the same for FY 11/12. The budget for FY 10/11 for vehicle maintenance is \$5,000. Current expenditures total \$779 and the projection is to spend the full \$5,000 and budget the same for FY 11/12. The line item for road maintenance is the fuel tax set by the State. To date the Town has received \$1,606 and paid \$1,606 to Nye County. The projection is to spend the full \$6,210. The FY 11/12 budget is \$8,552. The total budget for maintenance for FY 11/12 is \$180,226.

Chris Mulkerns directed the Board to the last two pages in the packets for the Town. These contain the revenue numbers for Capital Projects, Special Ad Valorem, Mining Capital Projects, State Room Tax, and Mural Fund. She noted that the Town needs to decide how it will spend

these on the budget sheets sent to the Department of Taxation. Normally the projection is to spend all of the Special Capital Projects and Capital Projects money. Susan Dudley noted that in Special Capital Projects the budget will be a projection of \$35,000. For FY 11/12, the projection is to collect \$35,000 in Special Capital Projects giving a total of \$249, 093. This is the match for the Department of the Army. James Eason noted that the Capital Projects fund is where the money from rescue runs goes. He is projecting to expend all of this on a vehicle. Under Mining Park Capital Project, the projection is to spend everything. Susan Dudley explained that if the projection is to spend everything, that is what is brought forward for the next year and there is nothing to spend the next year except what is collected. Susan Dudley explained that with the Mural Fund and the State Room Tax, the projection can be to spend all of what is in the fund. However, with the Capital Projects and Special Capital Projects, the projection has to be less than the total amount available in the fund. If the projection is to spend all of the money there is nothing left to bring forward for the next year and nothing can be spend from the fund for the next year. The Board stopped at 3:05pm for a ten minute break.

The budget workshop resumed at 3:12 pm. The Board moved onto the TPU water budget. Chris Mulkerns directed the board to page six of the water handout. She explained the rate structure for water. With the rate increase, for FY 10/11 the residential cost is \$3.05 per thousand gallons and \$3.55 per thousand for commercial. Susan Dudley explained that the resolution the Board passed December 2008 said TPU was going to charge \$3.00 per thousand gallons for residential and \$3.50 per thousand gallons for commercial and a flat rate of \$5.00. If the Board takes no action, a \$0.05 per thousand gallon increase would occur each year. This occurred July 1, 2010. This increased the residential to \$3.05 per thousand gallons and increased the commercial to \$3.55 per thousand gallons. Of the \$3.05 or \$3.55, previous to November 2010, \$0.50 was called a surcharge. November 2010 the Board passed a resolution that increased the surcharge from \$0.50 per thousand to \$0.80 per thousand. The resolution also said that automatically each year the surcharge would increase \$0.10 per thousand gallons. This is inclusive of the \$3.05 or \$3.55 charge per thousand gallons. For every gallon of water sold \$0.80 goes to surcharge. On July 1, 2011 the surcharge increases to \$0.90. Typically for every \$0.10, \$15,600 was generated for the surcharge. Based on this, \$0.90 will generate \$140,400. The \$3.15 effective July 1, 2011 for residential and the \$3.65 effective July 1, 2011 for commercial will generate \$640,400 in surcharge. From that \$640,400, the \$0.90, or \$140,400, for surcharge will be removed leaving \$500,000 for the TPU water budget. The \$140,400 of surcharge pays for the current debt, which is \$25,948 a year plus 10% of \$2,598 for reserve. This is the debt TPU has for 38 more years to USDA for the water project. At the same time the water project was put together, the Town borrowed \$3.2 million from AB198 and their requirement was that the Town had to put aside grant depreciation. Grant depreciation comes out of surcharge. In anticipation of the new debt, \$0.40 per thousand, or \$62,400 is set aside for the new debt. The debt will not be present for the upcoming year, but by the time the following year comes around, there will be enough money to cover the new debt.

Chris Mulkerns directed the Board to page one of the water spreadsheet: administration. The salary line is low because only one-third of Chris Mulkerns' salary comes from this fund. The total budget for salary and benefits for FY 11/12 is \$30,344. The FY 10/11 budget for office supplies is \$2,000. Current expenditures total \$1,554 and the projection is to spend the full

\$2,000 and budget the same for FY 11/12. The dues fund covers those associations, such as American Water Works Association and Nevada Rural Water Association, that provide technical assistance since TPU resources are limited. TPU pays membership fees or dues to them every year. The budget for FY 10/11 is \$1,000. Current expenditures are \$739 and the projection is to spend the full \$1,000 and budget the same for FY 11/12. The FY 10/11 budget for postage is \$1,500. Current expenditures are \$447 and the projection is to spend \$1,000 and budget \$1,500 for FY 11/12. Susan Dudley noted that TPU shares postage costs with the Town. Duane Downing questioned whether TPU has considered moving to paperless billing. Susan Dudley explained that a lot of TPU customers do not have the ability to pay online. Chris Mulkerns explained that customers have the option of setting up online payments through Nevada State Bank. Customers have to set this option up through the bank.

The FY 10/11 budget for operating supplies is \$500. Current expenditures total \$163 and the projection is to spend the full \$500 and budget the same for FY 11/12. The FY 10/11 budget for professional fees is \$15,500. Current expenditures total \$1,000 and the projection is to spend \$10,500 and budget \$9,500 for FY 11/12. Professional fees cover fees for right of way and lawyers. Horace Carlyle questioned whether it was okay to lower the budgeted amount this much. Susan Dudley explained that if the Board wanted to increase the professional fees, another budgeted amount needs to be lowered. The FY 10/11 budget for travel is \$400. Current expenditures total \$63 and the projection is to spend the full \$400 and budget the same for FY 11/12. The FY 10/11 budget for training is \$1,000. Current expenditures total \$14 and the projection is to spend \$200 and budget \$1,000 for FY 11/12. The FY 10/11 budget for telephone is \$350. Current expenditures total \$107 and the projection is to spend the full \$350 and budget the same for FY 11/12. The FY 10/11 budget for building repair and maintenance is \$500. Current expenditures total \$170 and the projection is to spend \$300. The budget for FY 11/12 is \$500. The FY 10/11 budget for equipment repair and maintenance is \$400. There are currently no expenditures but the projection is to spend the full \$400 and budget the same for FY 11/12. The refund line item covers when a customer over pays and closes their account. The overpaid balance is refunded to them. The FY 10/11 budget is \$200. Current expenditures total \$156 and the projection is to spend the full \$200 and budget the same for FY 11/12. The total FY 11/12 budget for administration is \$47,694.

The Board moved to the water operations budget. The FY 10/11 budget for salaries is \$135,594. Current expenditures total \$72,419 and the projection is to spend \$127,851 and budget \$117,926 for FY 11/12. The lower budget request for FY 11/12 is the result of personnel changes. Under water and sewer operations, overtime is separated out. The FY 10/11 budget for over time is \$8,000. Current expenditures total \$2,828 and the projection is to spend \$4,500. The FY 11/12 budget is \$7,000. The FY 10/11 budget for standby is \$3,650. Current expenditures total \$2,849 and the projection is to spend the full \$3,650 and budget the same for FY 11/12. There are certain benefits associated with overtime and standby time and the FY 11/12 budget for those benefits is \$2,500. Each TPU employee and maintenance employees get a shoe allowance of \$200. The FY 10/11 budget is \$600. Total expenditures are \$800. The expenditures for FY 10/11 are over because of the loss of one employee and another employee transferring. The FY 11/12 budget is \$600. The FY 10/11 budget is \$36,306. Current expenditures total \$15,453 and the projection is to spend \$25,540 and budget \$30,263. The FY 10/11 budget for workmans comp is

\$18,155. Current expenditures total \$3,798 and the projection is to spend \$9,642 and budget \$17,528 for FY 11/12. The budget for FY 10/11 for insurance is \$22,500. Current expenditures total \$10,579 and the projection is to spend \$20,576 and budget \$24,000 for FY 11/12. The FY 10/11 budget for Medicare is \$2,451. Current expenditures total \$1,095 and the projection is to spend \$2,451 and budget \$1,683 for FY 11/12. The total budget for FY 11/12 for salaries and benefits is \$205,152.

The FY 10/11 budget for operating supplies is \$6,000. Current expenditures total \$4,806 and the projection is to spend the full \$6,000 and budget \$7,000 for FY 11/12. Susan Dudley explained that operations cover only general operations and do not cover transmissions or wells. The FY 10/11 budget for safety supplies is \$1,000. Current expenditures total \$232 and the projection is to spend \$500 but budget \$1,000 for FY 11/12. The vehicle fuel bills are split between the water and sewer funds. When TPU gets close to exhausting vehicle fuel budget in water, it switches to the sewer budget. The FY 10/11 budget for vehicle fuels is \$8,000. Expenditures for FY 10/11 total \$7,581 and the projection is to spend the full \$8,000 and budget the same for FY 11/12. The FY 10/11 budget is \$8,000. This covers half of the general insurance bill, the other half of which is paid by sewer, plus part of any deductibles. Current expenditures total \$4,000 and the projection is to spend \$6,500 but budget \$6,700 for FY 11/12. The FY 10/11 budget for travel is \$1,000. Current expenditures total \$117 and the projection is to spend the full \$1,000 and budget the same for FY 11/12. The FY 10/11 budget is \$1,000. Current expenditures total \$57 and the projection is to spend \$500 but budget \$1,000 for FY 11/12. The FY 10/11 budget is \$500. Current expenditures total \$362. This is not the norm for expenditures but is the result of an accounting error. The telephone bill normally comes out of the Town budget first. The projection is to spend the total \$500 and budget the same for FY 11/12. The FY 10/11 budget for garbage is \$500. Current expenditures total \$310 and the projection is to spend the full \$500 and budget the same for FY 11/12. The FY 10/11 budget for propane is \$2,500. Current expenditures total \$187 and the projection is to spend \$1,000 but budget \$2,500 for FY 11/12. Susan Dudley explained this was for the maintenance building however, the propane has been off since February 2010. The FY 10/11 budget for building repair and maintenance is \$1,000. Currently there have been no expenditures but the projection is to spend the full \$1,000 and budget the same for FY 11/12. The FY 10/11 budget for equipment repair and maintenance is \$7,000. Current expenditures total \$5,358 and the projection is to spend the full \$7,000 and budget \$8,000 for FY 11/12. The total FY 11/12 budget for water operations is \$242,352.

The Board moved to the budget for wells. The FY 10/11 budget for operating supplies is \$2,000. Current expenditures is \$601 and the projection is to spend \$2,000 and budget the same for FY 11/12. Susan Dudley explained that every three years TPU has to test the water for everything. The FY 10/11 budget for sample monitoring is \$5,500. Current expenditures total \$3,090 and the projection is to spend the full \$5,500 and budget the same for FY 11/12. The FY 10/11 budget for power is \$30,000. Current expenses total \$12,514 and the projection is to spend the full \$25,000 and budget \$25,000 for FY 11/12. The low power expenses are the result of Well 1 and Well 4 being off for six months. Horace Carlyle suggested calling NV Energy to see if they are anticipating or implementing a rate increase in the near future. The FY 10/11 budget for equipment repair and maintenance is \$1,500. Current expenditures total \$1,419 and the

projection is to spend the full \$1,500 and budget the same for FY 11/12. The total budget for wells for FY 11/12 is \$34,000.

The Board moved onto the budget for transmissions. The FY 10/11 budget for operating supplies is \$1,200. Current expenses total \$428 and the projection is to spend the full \$1,200 and budget \$2,200 for FY 11/12. The FY 10/11 budget for power is \$115,000. Current expenses total \$53,042 and the projection is to spend the full \$85,200 and budget \$105,000 for FY 11/12. The FY 10/11 budget for propane is \$1,000. Current expenses total \$4 and the projection is to spend the full \$1,000 and budget \$1,000 for FY 11/12. The FY 10/11 budget for building repair and maintenance is \$500. Current expenses total \$0 and the projection is to spend \$0 and not budget anything for FY 11/12. The FY 10/11 budget for equipment repair and maintenance is \$1,500. Current expenses total \$517 and the projection is to spend the full \$1,500 and budget \$2,500 for FY 11/12. The total budget for FY 11/12 is \$110,700.

The Board moved on to the budget for distribution. The FY 10/11 budget for operating supplies is \$4,000. Current expenses total \$1,228 and the projection is to spend the full \$4,000 and budget \$2,200 for FY 11/12. The FY 10/11 budget for power is \$19,000. Current expenses total \$7,959 and the projection is to spend the full \$17,000 and budget \$19,000 for FY 11/12. The FY 10/11 budget for operating supplies is \$1,200. Current expenses total \$428 and the projection is to spend the full \$1,200 and budget \$2,200 for FY 11/12. The FY 10/11 budget for equipment repair and maintenance is \$6,650. Current expenses total \$6,213 and the projection is to spend the full \$6,650 and budget \$9,000 for FY 11/12. Horace Carlyle questioned what maintenance is being done on the tanks. Susan Dudley explained that every five years the tanks needed to be inspected. She noted that the tanks were inspected two years ago. In FY 10/11 TPU began addressing those issues reported. For FY 11/12 \$6,500 is budgeted for tank maintenance to repair the Butler tank and the Sandia tank. The FY 10/11 budget for permit fees is \$7,750. Current expenses total \$5,550 and the projection is to spend the full \$7,750 and budget \$8,500 for FY 11/12. The total FY 11/12 budget for distribution is \$47,000.

The Board moved on to the surcharge budget. Chris Mulkerns noted how this page breaks up how the surcharge is distributed. The FY 10/11 budget for debt service is \$25,948. Current expenditures total \$25,948 and the budget for FY 11/12 is \$25,948. The debt reserve is 10% of the debt service. TPU funds this and the FY 11/12 budget is \$2,596. The FY 10/11 budget for grant depreciation (Capital replacement AB198) is \$56,000. Expenditures to date total \$35,560 and the projection is to spend the full \$56,000 and budget the same for FY 11/12. There is no FY 10/11 budget for the new debt because it is new but the projection is to spend \$23,400 and budget \$62,400 for FY 11/12. The total budget for FY 11/12 for surcharge are \$634,504. Chris Mulkerns noted when the total budget of \$634,504 from the total revenue of \$673,400, the water budget is about \$38,896 in the black for FY 11/12.

The Board moved on to the TPU sewer budget. Chris Mulkerns noted that the total sewer budget available is \$442,090. This is based on the rate increase. Current rates are set at \$21.50 for residential and small commercial/large commercial per customer. This rate will increase by \$0.50 on July 1, 2011 to bring rates to \$22.00 for residential and small commercial/large commercial per customer.

Chris Mulkerns directed the Board to page one of the sewer handout, containing the administration budget. She explained that this covers one employee and one third of her salary. The FY 10/11 budget for salaries is \$65,594. Current expenditures are \$41,929 and the projection is to spend \$62,094 and budget \$60,623 for FY 11/12. Horace Carlyle questioned why the insurance dropped from \$17,625 to \$140,640. Chris Mulkerns explained that one third of her insurance, totaling \$2,640, and one other staff member is covered here. The total FY 11/12 budget for insurance is \$10,640. Duane Downing noted that in FY 10/11 the budget was \$17,625. Chris Mulkerns explained that that was based on two employees set at \$8,000 each. The total FY 11/12 budget for salary and benefits is \$107,827.

The FY 10/11 budget for office supplies is \$2,000. Current expenses total \$97 and the projection is to spend \$500 and budget \$2,000 for FY 11/12. The FY 10/11 budget for subscriptions is \$200. There are no expenditures to date and the projection is to spend \$0 but budget \$200 for FY 11/12. The FY 10/11 budget for dues is \$200. There are no expenditures to date and the projection is to spend \$0 but budget \$200 for FY 11/12. The FY 10/11 budget for postage is \$10,000. This fund covers postage for the water bills. Current expenses total \$1,128 and the projection is to spend \$5,000 but budget \$10,000 for FY 11/12. The FY 10/11 budget for operating supplies is \$2,500. Current expenses total \$26 and the projection is to spend \$500 and budget \$2,500 for FY 11/12. The FY 10/11 budget for professional fees is \$13,000. Current expenses total \$3,964 and the projection is to spend the full \$13,000 and budget \$23,500 for FY 11/12. This fund pays for a portion of Dan McArthur's fees, technical support for Harris computer for the billing system, Sensus for the metering system, and Sierra Controls for the Scada system for water. The FY 10/11 budget for training is \$300. There are no current expenses and no projected expenses. The budget for FY 11/12 is \$300. The FY 10/11 budget for travel is \$500. There are no current expenses and no projected expenses. The requested budget for FY 11/12 is \$500. The FY 10/11 budget for telephone is \$4,500. Current expenses total \$2,486 and the projection is to spend \$3,000 and budget \$4,000 for FY 11/12. The FY 10/11 budget power is \$6,000. Current expenses total \$1,171 and the projection is to spend \$2,500 and budget \$6,000 for FY 11/12. The FY 10/11 budget for building repairs and maintenance is \$500. There are no current expenses and no projected expenses. The requested budget for FY 11/12 is \$500. The FY 10/11 budget for equipment repairs and maintenance is \$500. There are no current expenses but the projection is to spend \$100 and budget \$500 for FY 11/12. The FY 10/11 budget for refunds is \$200. Current expenses total \$91 and the projection is to spend the full \$200 and budget \$200 for FY 11/12. The total budget for administration is \$158,227.

The Board moved onto the budget for operations. The FY 10/11 budget for salaries is \$83,664. Current expenses total \$32,633 and the projection is to spend \$57,730 and budget \$79,847 for FY 11/12. This covers one current employee and one vacant position. The position will remain vacant unless Joseph Westerlund decides another individual is necessary. The FY 10/11 budget for overtime is \$9,000. Current expenses total \$1,740 and the projection is to spend \$4,000 and budget \$9,000 for FY 11/12. The FY 10/11 budget for shoe allowance is \$400. Current expenses total \$200 and the projection is to spend \$200 and budget \$400 for FY 11/12. The total budget for salaries and benefits for FY 10/11 is \$162,265.



The FY 10/11 budget for operating supplies is \$3,000. Current expenses total \$2,061 and the projection is to spend the full \$3,000 and budget \$3,500 for FY 11/12. The FY 10/11 budget for safety supplies is \$1,000. Current expenses total \$26 and the projection is to spend \$434 and budget \$1,000 for FY 11/12. The FY 10/11 budget for vehicle fuel is \$9,000. Current expenses total \$2,106 and the projection is to spend the full \$9,000 and budget \$9,000 for FY 11/12. The FY 10/11 budget for general insurance is \$7,500. Current expenses total \$4,409 and the projection is to spend the full \$7,500 and budget \$6,700 for FY 11/12. The FY 10/11 budget for training is \$1,000. Current expenses total \$60 and the projection is to spend \$300 and budget \$1,000 for FY 11/12. The FY 10/11 budget for travel is \$1,000. Current expenses total \$56 and the projection is to spend \$300 and budget \$1,000 for FY 11/12. The FY 10/11 budget for propane is \$500. There are no expenditures and no projected expenditures. The requested budget for FY 11/12 is \$500. The FY 10/11 budget for garbage is \$1,500. Current expenses total \$202 and the projection is to spend \$500 and budget \$1,500 for FY 11/12. The FY 10/11 budget for building repairs and maintenance is \$600. Current expenses total \$14 and the projection is to spend \$2000 and budget \$600 for FY 11/12. The FY 10/11 budget for equipment repairs and maintenance is \$5,500. Current expenses total \$2,767 and the projection is to spend the full \$5,500 and budget \$5,500 for FY 11/12. The total budget for FY 11/12 for operations is \$193,565.

The Board moved on to the budget for the treatment plant. The FY 10/11 budget for operating supplies is \$3,000. Current expenses total \$14 and the projection is to spend the full \$3,000 and budget \$3,000 for FY 11/12. The FY 10/11 budget for sample monitoring is \$3,000. Current expenses total \$1,797 and the projection is to spend the full \$3,000 and budget \$3,000 for FY 11/12. The FY 10/11 budget for power is \$20,000. Current expenses total \$2,628 and the projection is to spend \$10,000 and budget \$10,000 for FY 11/12. The FY 10/11 budget for operating supplies is \$2,500. Current expenses total \$26 and the projection is to spend \$500 and budget \$2,500 for FY 11/12. The FY 10/11 budget for equipment repairs and maintenance is \$4,000. Current expenses total \$2,113 and the projection is to spend the full \$4,000 and budget \$4,000 for FY 11/12. Horace Carlyle questioned the status of the grit chamber at the treatment plant. Chris Mulkerns explained that the chamber has been partially finished. James Eason noted that the box needs to be set. Susan Dudley explained that a shelter cannot be placed over the automatic screen. The FY 10/11 budget for permit fees is \$5,500. Current expenses total \$2,000 and the projection is to spend the full \$5,500 and budget \$5,500 for FY 11/12. The total budget for FY 11/12 is \$377,292.

The Board moved onto the debt payment and reserve. The FY 11/10 budget is \$34,000. Expenditures to date total \$20,504 and projection is to expend the full \$34,000 and budget the same for FY 11/12. This comes from the \$2.55 fee on the water bills. The money for Capital Projects is collected from septage disposal fees collected when anyone dumps at the sewer treatment plant. The FY 10/11 budget is \$30,000. Current expenditures total \$13,079 and the projection is to spend the full \$30,000 and budget the same amount for FY 11/12. The FY 10/11 budget for short lived assets is \$15,000. There are no current expenditures and the projection is to spend the full \$15,000 and budget the same amount for FY 11/12. The total sewer budget for FY 11/12 is \$156,292.

The Board moved to the revenue lines for sewer. The FY 10/11 budget for debt service is \$34,000. To date collections total \$20,504. The projection is to collect the full \$34,000 and budget the same amount for FY 11/12. The FY 10/11 budget for interest is \$2,000. To date collections total 3,897 and the projection is to collect \$4,500 and budget \$10,000 for FY 11/12. The FY 10/11 budget for capital projects is \$30,000. To date collections total \$6,955 and the projection is to collect \$12,000. The budget for FY 11/12 is \$12,000. The total sewer budget for FY 11/12 is \$498,090.

2. Public Comment

No action taken by the Board.

3. Adjourn

Workshop was adjourned at 4:39.

Minutes transcribed by:

Mariah Rivero  
Mariah Rivero

Approved:

Jon Zane, Chairman

Horace Carlyle, Vice Chairman

Javier Gonzalez, Clerk

Glenn Hatch, Member

Duane Downing, Member