

TONOPAH TOWN BOARD

BUDGET WORKSHOP MINUTES

MARCH 31, 2014

Town Board Vice Chairman Duane Downing called the workshop to order at 8:40 a.m. Also present was Ron Kipp. James Eason and Chris Mulkerns were also in attendance.

1. Public Comment

Town Manager James Eason stated for the record that Horace Carlyle and Janet Hatch were unable to attend. No action taken by the Board.

2. Budget Workshop; All Town Departments/Tonopah Public Utilities

The Board began with the Town budgets.

Revenue

Chris Mulkerns explained regarding the new sales tax which one quarter percent should go to Tonopah. Duane Downing explained the one quarter percent goes to police and the other quarter percent goes to fire. Chris Mulkerns had asked Susan Paprocki at Nye County if that was all Tonopah or if they would have to split the fire portion with Nye County but she had not heard back yet. James Eason said it should all be Tonopah. Duane Downing explained that the way the tax increase was written, where the tax is generated is where it has to stay.

Chris Mulkerns stated the property tax with the abatement comes in at \$157,581.00. The assessment number this year went from 31,109,735 to 33,388,252. The new tax rate is going from the 0.5881 to 0.6081. The total pre-abated number was 203,423 and the abatement was 45,842 so they'll get 157,581 for the property tax.

Room Tax was left at 260,000 the audited number is 461,692 for last year and they are at 313,805 at the end of February so they might hit 500,000 this year for room tax. Chris Mulkerns explained they budget on the low side because those figures will eventually go down.

Mrs. Mulkerns also explained that all the other numbers stayed the same except the consolidated tax which was bumped up based on the ten year average. Duane Downing stated he would be more comfortable with that number being 280,000 rather than 300,000 because he said in the past they have had years where the numbers didn't get that high. James Eason pointed out that prior to fiscal year 04/05 were completely different in the way they estimated that revenue. He said that going forward this is based on point of sale in the county whereas before it was point of sale throughout the county plus the state. After discussion they decided it would be best to lower that number to 280,000 rather than 300,000 because if the revenue generated was lower than the projected amount, it wouldn't hurt the budget as much.

Chris Mulkerns pointed out that court fines are up, but they left the number at 20,000. The Board felt that was reasonable.

That brings the total revenue number down to 871,599.

Expenditures

Under Admin there is request A and request B like they did in the past, one is a six month pay out and the other is the full year.

James explained why contract fees have more than doubled. He stated the normal amount is at 65,000.00 and they have increased it by 85,000.00. This is mostly due to possible contributions to help bring more housing to Tonopah.

Duane Downing asked about the OPEB Fund and that money is being set aside for when employees retire. James Eason confirmed, stating that if they can get a good enough rate of return then by the time someone does qualify for it, it won't take such a big bite out of the principal.

Chris Mulkerns stated for the firehouse it mostly stayed the same. She said she added a line item under expenses for the quarter cent sales tax expense.

James Eason talked about whether they should budget for SCBA's, to pay for that equipment and maintenance if that grant doesn't come in. They also discussed budgeting for solar panels.

For the Tonopah Convention Center Chris Mulkerns explained they budgeted for one employee. They bumped up operating supplies and building repairs and maintenance. The power and propane were decreased.

Chris Mulkerns explained the only thing they bumped up for the parks was the water. They also put in an amount to do a park study. Everything else stayed the same.

They discussed the possibility of minimum wage going up when budgeting salaries for the pool. James Eason was concerned about chlorine costs going up. Propane costs, building repair and maintenance were also discussed.

Minimum wage was also discussed for the salary budget at the Tonopah Historic Mining Park. Operating Supplies and advertisement increased at the Mining Park due to showing movies for Kids Night Out. Travel increased because of a new employee needing training. They added \$1000.00 to the phone but everything else stayed the same. James Eason also stated they are working with a cell company to locate a cell tower on Mining Park property up on the Silvertop head frame.

The maintenance budget allows two full-time employees with benefits and one part-time employee for the parks. The parks person will do the mowing and sprinklers.

On expenditures side for operating costs they increased building repair and maintenance by \$10,000.00. They also increased vehicle maintenance by \$10,000.00. James Eason explained this fund could be used for any of the Town's buildings.

Tonopah Public Utilities

Water

Chris Mulkerns discussed the salary costs on the water budget, there are three full-time water employees. The budget for office supplies was increased. Operating costs were bumped up on the water budget because she split out the cell phone bills between water and sewer. Sample monitoring went down this year to \$9,000.00. Propane was dropped to \$500.00. Equipment repair and maintenance was doubled from last year. Under distribution the operating supplies went up to \$12,000.00. Chris Mulkerns explained what the surcharge fund is for. The surcharge as of July 1, 2014 will go up to \$1.20 from \$1.10. They projected the revenues for the year based on this projection would be \$515,200.00 with penalties and interest of \$28,000.00 for a total of projected revenue water sales and surcharge of \$736,900.00.

Sewer

Chris Mulkerns explained the salary budget included 1/3 of herself and all of Becky. Telephone fees went up, but everything else under Administration stayed the same. Under Operations the salary budget covers Sam and Robert. Operating expenses stayed pretty much the same. Under the Treatment Plant, equipment repair and maintenance went up to \$10,000.00. Operating supplies is at \$4,000.00 and everything else stayed the same. Chris Mulkerns stated she did not change the projected amount of revenue this year. A possible .50¢ rate increase starting July 1, 2014 for sewer customers was discussed. It was suggested this be put on the next agenda for further discussion and action.

Capital Projects

James Eason discussed the Town office, the park study, coating the inside of the swimming pool and whether or not to defer that to next year. Playground equipment, SCBA's, solar projects for the firehouse and Convention Center were also discussed. Chris Mulkerns explained room tax grant revenues. She stated they project they will receive \$35,000.00 but they budget for \$20,000.00.

James Eason discussed doing more movies and different things to promote Tonopah. Chris Mulkerns discussed Rescue Run Revenues. Duane Downing asked about Rodeo Ground fees. Chris Mulkerns explained on the Special Capital Projects Fund which previously had been at \$35,000.00 was dropped down to \$25,000.00 last year was kept at \$25,000.00 this year. The Mining Park Capital Projects Fund has approximately \$30,000.00 which had been approved to put toward head frames in the past.

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3. Public Comment

No action taken by the Board.

4. Adjourn

Workshop was adjourned at 10:55 a.m.

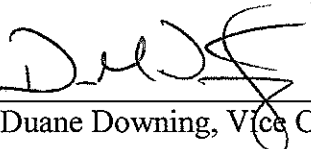
Minutes transcribed by:

Arlene Neiderman

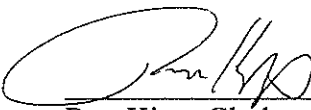
Approved:



Horace Carlyle, Chairman



Duane Downing, Vice Chairman



Ron Kipp, Clerk

Janet Hatch, Member

Vacant, Member