

TONOPAH TOWN BOARD
BUDGET WORKSHOP MINUTES
FEBRUARY 23, 2017
Tonopah Convention Center
301 Brougner Avenue, Tonopah, NV 89049

Tonopah Town Board Chairman Duane Downing called the budget workshop to order on February 23, 2017 at 8:00 a.m. Also present were Vice-Chairman Don Kaminski, Clerk Jerry Elliston, and Board Members Roni Link and Mike Sain. Five others were in attendance. Chairman Downing led in the Pledge of Allegiance.

The Town Board recessed to the Library Board of Trustees at 8:11 a.m. and reconvened as the Town Board at 9:27 a.m.

The Town Board took a recess between 9:27 a.m. and 9:40 a.m. and between 11:07 a.m. and 11:14 a.m.

1. Public Comment

Vice-Chairman Don Kaminski asked if there is a way the Board can talk about personnel responsibilities and salaries. Chairman Duane Downing stressed that these questions can be addressed in the workshop. Administrative Manager Chris Mulkerns added that the Board can talk about anything under item 2.

2. Budget Workshop; All Town/Tonopah Public Utilities Departments/Funds for FY 2017/2018.

Administrative Manager Chris Mulkerns noted that she prepared backup for this item to give the new Board members the most information as possible. She stressed that the Board can talk about anything and that this is what the workshop is for. Vice-Chairman Don Kaminski stressed that all employee salaries are confidential where he works. Chairman Duane Downing pointed out that all public employees' pay is public knowledge.

Chris Mulkerns emphasized that the Board can discuss everything and then take action on it at a future meeting.

Susan Dudley and Allen Metscher introduced themselves and noted that they were present on behalf of the Central Nevada Museum Board. Susan Dudley explained that the Central Nevada Museum building was built in 1981 with grant funds and belongs to Nye County. Nye County and the Central Nevada Historical Society have an agreement to use the building as a museum. Ms. Dudley pointed out that the Society is managing everything. She clarified that all Nye County residents pay a museum tax that was established around 1996. Ms. Dudley explained that the museum's revenue has been decreasing over the years. She stressed that the \$45,000 the museum received from Nye County in the current fiscal year is not enough to cover the operating cost. Ms. Dudley pointed out that the Society has been supplying the difference. Ms. Dudley provided the Board with an example of typical annual expenses (see backup). Ms. Dudley clarified that the Society would like to request some kind of contribution from the Town to the Museum, possibly around \$20,000.00, to ensure the Museum can continue to operate.

She stressed that the Museum compliments the Tonopah Historic Mining Park and is a draw for visitors.

Chris Mulkerns noted that this is the same idea as what the Board voted to do with the Tonopah Senior Center. The Board had voted for the last two years to contribute up to \$60,000 to the Senior Center. The Senior Center pays their bills such as utilities and then submits them to the Town for reimbursement. She added that she agrees with Ms. Dudley that the Museum is a great asset for the Town.

Board Member Roni Link asked if the Museum lets the public use their meeting room which Allen Metscher confirmed. Mr. Metscher added that the room is used frequently. The Museum does not charge, but they receive donations for the usage of the room.

Clerk Jerry Elliston inquired how the Society gets their funding. Susan Dudley clarified that they receive donations and collect the revenue from the gift shop sales. Mr. Elliston asked whether the Pahrump museum is struggling financially as well which Ms. Dudley confirmed. Ms. Dudley pointed out that their employee is not a County employee and does not get benefits through Nye County. She noted that their expenses are not as high as those of the Central Nevada Museum as this museum has more exhibits and has an older building.

Vice-Chairman Don Kaminski questioned why the tax is put towards the salary of the employee instead of towards the operating expense. He suggested that the cost for the employee may be too expensive and one should focus on keeping the museum open. Susan Dudley pointed out that the employee is under a labor union and currently covers 25 hours a week while volunteers could do the other hours.

Chris Mulkerns asked whether the museum charges an entrance fee which Mr. Metscher denied. He stressed that visitors will usually make a donation.

Chris Mulkerns stated that the amount asked for is certainly in the budget if the Board chooses to make the contribution.

Board Member Mike Sain inquired about the advertising for the museum. Susan Dudley explained that the museum had a video produced to advertise it online. Allen Metscher stressed that people refer to the video all the time when they visit the museum.

Board Member Roni Link asked whether the museum is ADA compliant which Mr. Metscher confirmed.

Susan Dudley emphasized that if the doors close to the Central Nevada Museum, 100% of the tax would automatically go to the museum in Pahrump.

Chairman Duane Downing voiced concerns that there are other services provided by Nye County that they might stop funding and that the Town will not be able to fund all of them.

Deputy Town Clerk Kat Galli pointed out that the employee who was mentioned earlier is an asset to the museum and is very helpful for visitors. She will research information for visitors and is always willing to help Town staff.

Susan Dudley and Allen Metscher thanked the Board for their time.

Backup 2 and 3

Administrative Manager Chris Mulkerns referred to backup 2 and 3 and noted that this is a 10-year comparison on the Town's tax revenue. She pointed out that property tax is not the Town's main source of revenue, but that this could change now that the Town annexed a larger taxing district.

Backup 4

Chris Mulkerns noted that backup 4 shows the projected numbers for the coming fiscal year. She pointed out that column 5 highlights the assessed valuation which was last year \$33 million last year and is projected to be \$167 million for the next fiscal year. She added that it is such a large difference due to the annexation.

Chris Mulkerns explained that the Town will receive the final numbers from the Department of Taxation (DTAX) on March 15, 2017 and will receive the abatement numbers on March 27, 2017. She stated that the abatement numbers have to be subtracted from the final numbers. She suggested assuming the abatement will be around \$425,000. She emphasized that the Town may not collect what is anticipated. Chairman Duane Downing proposed keeping the numbers the same until the Town knows the actual numbers.

Backup 5

Chris Mulkerns stated that backup 5 shows how the tax rate is collected for Tonopah. She pointed out that the Town gave up 20 cents to the Northern Nye County Hospital District.

Backup 7: Town Administration

Chris Mulkerns explained that backup 7 shows the employee information for Town administration on page 8. She clarified that buyout A and B were created due to employees leaving in the past. The Board will have to decide what option they want to go with. If the Town budgets for this scenario, they can hire a replacement immediately instead of having to wait. She added that the Town always budgets to be able to give every Town/TPU employee two-step/grade raises during one fiscal year. Chris Mulkerns clarified that the Town will only pay out up to 240 hours of annual leave and 80 hours of compensatory time. The Town only pays out sick leave if the employee has been with the Town for over ten years. Ms. Mulkerns added that the Board decided in 2011 to pay the retiree benefits after 10 years continuous full-time employment and the employee to be able to collect PERS without penalty at retirement. Duane Downing noted that the Town also contributes to OPEB (Other Public Employee Benefits). Ms. Mulkerns added that longevity is paid after four years of employment. It starts at 4% and caps at 10%.

Chris Mulkerns stated that the phone budget was raised to accommodate the new phone system lease. She noted that the budget for professional fees could include a contribution to the Central Nevada Museum and the Senior Nutrition Program. Duane Downing suggested budgeting a contribution of \$25,000 for the museum just in case they need it. The other Board Members agreed. Ms. Mulkerns pointed out that the cost for the general insurance is split between Town Administration, TPU Water Operations and TPU Sewer Operations. The budget allows for the possibility to pay the deductible of \$5,000 per incident.

Don Kaminski asked if staff knew what the utilities will cost at the new office. Chris Mulkerns stated that staff suggests not making any changes until a year from now when the Town has actual numbers for the cost. She stressed that there is plenty of money in all budgets to pay for the expense.

The parking situation at the new office was discussed.

Backup 9: Fire Department

Chris Mulkerns stressed that the Fire Department only has volunteers, no employees. She added that the Town is paying for the insurance for one retiree and possibly a portion for another employee.

Ms. Mulkerns noted that the operating supplies budget was raised to \$3,000. The travel budget was raised to \$5,000 last year. She rounded the power budget up to \$9,700. Ms. Mulkerns explained that the Town pays 100% of the utilities at the old firehouse and 50% of the utilities at the new firehouse. She raised the water budget to an even \$2,500.

Jerry Elliston asked if the cost for the old firehouse will eventually come off this budget and go to Town Administration. Ms. Mulkerns stated that staff would like to keep it like this for one year and then change it next year to be able to use actual numbers.

Don Kaminski asked if the Town can apply for grants for the fire department. Ms. Mulkerns clarified that if the grant is used for the Town's equipment, the Town can apply for grant funding. Duane Downing suggested looking into getting grants and possibly getting a ladder truck.

Backup 10: Convention Center/ Backup 11: Tourism/Events Coordinator job description

Chris Mulkerns explained that backup 10 (Convention Center) and backup 16 (Tonopah Historic Mining Park) include a buyout A and B option because of backup 11 (Tourism/Events Coordinator job description). She noted that staff would like to propose creating this new position as staff sees the need for it. She clarified that this position could be paid 50%/50% out of the Convention Center and Mining Park funds. She explained that this position could take on tasks like coordinating events, advertising Tonopah for conventions, attend travel shows, etc. If there was a dedicated position, the Town could do much more than what is currently being done. The position could coordinate softball tournaments, Jim Butler Days events, or events at the rodeo grounds. This person would be the point of contact. It would have to be an exempt position

because of the hours and the person would have to be flexible. She noted that staff's suggestion of a starting rate is attached to backup 10. She emphasized that this position would bring in more room tax and that staff will have the description on a future agenda for Board approval.

Chris Mulkerns noted that the current personnel budget includes a maintenance position.

The travel budget was raised to \$2,000 to accommodate the new position. The water budget was raised to \$3,000 due to leaks. Ms. Mulkerns suggested raising the repairs/maintenance budget to upgrade the bathrooms, etc. Duane Downing proposed budgeting \$40,000. The Board Members agreed.

Chris Mulkerns pointed out that the carpet, wainscoting, and flooring in the bar areas is budgeted in the current fiscal year.

Duane Downing stated that he likes the idea of having a tourism coordinator. He added that he does not like how the Convention Center costs more than what it brings in. He would like the numbers to go up.

Backup 12: Parks

The power budget was raised \$1,300.

Backup 13: Fairgrounds/Rodeo Grounds

No changes.

Backup 14: Joe Friel Sports Complex

The Power budget was raised to \$2,000.

Backup 15: Pool

Chris Mulkerns noted that the budget for salaries was raised to \$28,000 in case minimum wage is raised and in case the Town has to hire a pool manager.

The budget for power was raised to \$3,000 and the budget for water was raised to \$4,000.

Backup 16: Tonopah Historic Mining Park

Chris Mulkerns pointed out that, as explained before, this budget includes a buyout option A and B. She added that the current employees include one fulltime position, one part-time position with benefits, and one part-time position without benefits.

The budget for travel was raised to \$2,000, the budget for power to \$4,500 and the budget for propane to \$2,100.

Ms. Mulkerns noted that staff hopes to have the gift shop painted soon. The paint has already been purchased.

Backup 17: Town Maintenance

Chris Mulkerns noted that the staff positions currently include two full-time positions and one part-time position.

The budget for phones was raised to \$800, the budget for power was raised to \$39,000 and the budget for water was raised to \$29,000.

Ms. Mulkerns clarified that the capital outlay was budgeted to be \$80,000 because a new bucket truck is needed. She explained that capital outlay can only be used for new equipment.

Backup 18: TPU Sewer Fund

Chris Mulkerns referred to page 3 and noted that a previous Board had voted to have a rate increase of 50 cents on the sewer flat rate and a 10-cent increase per 1,000 gallons every year unless the Board decides it is not necessary. Duane Downing stressed that the Town has been starting to take care of problems and needs the revenue to pay for these expensive projects. Chris Mulkerns stressed that the relining of sewer lines in the current fiscal year and following fiscal year will cost around \$350,000 each fiscal year in order to reline the sewer main under Main Street. Duane Downing noted that he supports continuing the rate increase so that TPU can pay for fixing sewer lines. Chris Mulkerns added that the Town also has to consider the possibility of a project coming in at the airport. She stressed that TPU would have to do improvements that would cost millions to accommodate that. She clarified that staff had a meeting with BEC Environmental to discuss whether the company interested in having a project at the airport could cover some of the cost.

Duane Downing stated that he thinks the increase should stay in place. Don Kaminski and Roni Link agreed.

Utility Manager Joe Westerlund noted that TPU is permitted to accept porta potty waste which brings in revenue.

Chris Mulkerns referred to page 1 of backup 18 and explained that the salaries for the sewer administration department include 100% of the employee cost of Becky Braska and a third of Chris Mulkerns' salary.

Deputy Town Clerk Kat Galli pointed out that staff would like to purchase new computers for all staff members as some are outdated and everyone works on a different system with various software versions. Chris Mulkerns noted that if everyone got the most expensive computer with all the accessories such as screens and software, it would be \$1,000 each. Duane Downing suggested increasing each department's office supplies budget by \$1,000. Don Kaminski stressed that having new equipment will reflect positively on the Town. Ms. Galli noted that this will change the office supplies budgets for the Mining Park, Convention Center, etc.

Chris Mulkerns pointed out that she would like to raise the refund budget to \$500. Duane Downing suggested raising it to \$1,000.

Chris Mulkerns stated that the salaries listed on page 2 of backup 18 for sewer operations include employees Sam Tappe and Robert Herren. There were no changes in the operations budget (page 2) or in the treatment plant budget (page2).

Backup 20: TPU Water Fund

Chris Mulkerns noted that a third of her salary is paid out of the TPU water administration fund. She added that office supplies for administration were raised to \$3,500. She noted that salaries in the operations fund include 50% of Joe Westerlund's salary and all of Dave Speakman's and Jason Carman's salary.

Don Kaminski asked if any of the other employees are trained to replace Mr. Westerlund in case he left. Joe Westerlund explained that Mr. Tappe is certified as a Water Operator III, Mr. Herren is certified as a Water Operator II and Wastewater Operator I, and is testing to get his Water Operator III certification. Mr. Westerlund clarified that it is only required to have a Water Operator III and a Wastewater Operator I certification to operate the system. Chris Mulkerns added that she and Mr. Westerlund lay out to all employees what certifications they can get so that they can operate the system and also get raises. Mr. Westerlund noted that the goal is to get everybody certified for everything and that he hopes to get 5-10 years out of every employee.

Chris Mulkerns noted that all TPU and Town Maintenance employees receive a \$200 stipend for boots every year and that all other protective equipment is provided.

Roni Link asked if the Town had any generators for any of the buildings which Chris Mulkerns denied. Ms. Mulkerns noted that she believes the school gyms would be better equipped to house people in case of an extensive power outage or case of emergency. She stressed that the Convention Center does not have a fully functioning kitchen.

Joe Westerlund referred to page 3 of backup 20 (Wells) and stated that it is recommended to clean all wells every 3-5 years. The wells are coming up on 5 years in 2018/19.

There were no changes in the Transmissions or Distribution budgets.

Chris Mulkerns referred to page 4 of backup 20 (Surcharge) and noted that there will be a 10-cents per 1000 gallons increase. She added that \$1.40 of the water rate the customers pay is taken out for surcharge. She emphasized that the Town is committed to paying off their debt and setting aside money to replace things in the future.

Chris Mulkerns pointed out that TPU currently has less revenue than expenditure. Duane Downing emphasized that TPU will make more revenue to cover all the cost in about 2020.

Roni Link asked if there was a flow plan for fire hydrants. Joe Westerlund explained that all hydrants are exercised once a year. If they do not work, they are replaced. He emphasized that there are currently only two hydrants that are not in compliance or out of operation and are therefore painted black.

Chris Mulkerns noted that once the Town receives the abatement numbers, she can have more accurate numbers for the March 31, 2017 budget workshop. She added that the Board will discuss capital projects during this workshop.

Duane Downing asked about the lighting on Main Street. Joe Westerlund explained that this will be addressed when the highway is redone in 2019. Chris Mulkerns added that there will be flashing lights at crosswalks. Joe Westerlund noted that there will be five crosswalks with signals throughout Town. He pointed out that the highway will only be one lane going through Town with a turning lane in the middle. It will be wider lanes and wider sidewalks.

Chris Mulkerns noted that staff will place an item on a future agenda to change the room tax grant application guidelines. Kat Galli pointed out that she has had problems getting reports and receipts from applicants. Ms. Mulkerns added that staff suggests not paying the grant funds until receipts and the final report are received by the office.

3. Public Comment

None.

4. Adjourn

The budget workshop adjourned at 1:20 p.m.

Minutes transcribed by:



Kat Galli, Deputy Town Clerk

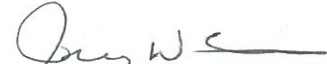
Approved:




Duane Downing, Chairman



Don Kaminski, Vice-Chairman



Jerry W. Elliston, Clerk



Rhonda S. Link, Member



Michael Sain, Member

TONOPAH LIBRARY BOARD OF TRUSTEES
BUDGET WORKSHOP MINUTES
FEBRUARY 23, 2017
Tonopah Convention Center
301 Brougner Avenue, Tonopah, NV 89049

Tonopah Library Board of Trustees Chairman Don Kaminski called the budget workshop to order on February 23, 2017 at 8:11 a.m. Also present were Vice-Chairman Mike Sain, Clerk Roni Link, and Trustees Duane Downing and Jerry Elliston. Five others were in attendance.

1. Public Comment

Acting Librarian Dianne Ryals stated that she would like to have a less official meeting to get to know everyone like a potluck. She noted that meetings are sometimes stressful. She added that she would like to have a party with Library and Town staff in the spring. Trustee Jerry Elliston pointed out that he would like to have more presence in the newspaper every month. He suggested working with the Tonopah High School journalism class.

2. Budget Workshop

Administrative Manager Chris Mulkerns explained that the backup shows the revenue numbers on the top and expenditures on the bottom. She pointed out that the Town took over the Library in 2008/2009. All employees are part-time, no benefits, and the Library currently has four employees including one maintenance person. She noted that the budget allows for one more person to be hired. She stressed that when the Town took over, the Library was in bad shape financially and it was therefore decided not to have full-time employees with benefits. Duane Downing added that the Board wants to make sure the Library can be self-sufficient.

Chris Mulkerns noted that about \$200,000-\$250,000 were donated to the Library years ago and that it is the District Attorney's opinion that the Library can spend this money on their operating expense. This was allowed by past Boards but this Board decided to put the money back into the fund.

Chris Mulkerns explained that it is budgeted to give every employee two raises within the coming fiscal year, if warranted. She stressed that the Library pays medical benefits for two retired employees.

Chris Mulkerns emphasized that the Library collects the most revenue from property tax collections. She explained that the projected revenue is lower due to the Town's taxing district expansion. She suggested to budget to collect \$150,000 to be safe. Duane Downing stressed that the Town and Library always budget to collect less than expected and always budget to spend more than anticipated.

Acting Librarian Dianne Ryals suggested budgeting to collect \$500 in book sales as the Library never collects much revenue. Duane Downing proposed budgeting lower if necessary. Don Kaminski asked why the Library is selling books. Deputy Town Clerk Kat Galli clarified that the Library has to spend 10% of their budget on books but is running out of space for all the books. Dianne Ryals added that they sometimes

sell an older book but then someone requests it again so they purchase it again. The Library also received book donations. She clarified that they usually sell books that have not been checked out in two years. She noted that Library employee Tawnia Seward is making an effort to read all books at the Library. If she does not like the book, staff will sell it. Ms. Ryals suggested budgeting \$200 in book sales.

Don Kaminski asked if there was any interest in having a full-time position. Chris Mulkerns noted that the Library might not be able to afford it.

Chris Mulkerns suggested raising the advertising budget to have more money available for ads in the local newspaper. Dianne Ryals noted that she would like that. Duane Downing proposed budgeting \$3,000. Chris Mulkerns pointed out that the travel budget of \$5,000 is needed as Ms. Ryals will be attending classes to get certified as a librarian. Ms. Ryals and Ms. Seward will also be attending training seminars.

Don Kaminski suggested taking \$2,000 for the increased advertising budget from the phone budget which would bring it down to \$5,000.

Chris Mulkerns asked Ms. Ryals if she agrees with budgeting \$15,000 for book purchases. Ms. Ryals clarified that the Library can get away with \$12,000 as they reported to the State that they spend 9% of the budget on books, not 10%.

Duane Downing suggested raising the equipment budget to \$13,000.

Chris Mulkerns pointed out that the Board budgeted to transfer \$40,000 into the capital projects fund in the current fiscal year. Dianne Ryals noted that she still has to purchase new carpet for the Library. She added that she would like to have a breezeway between the buildings. She stressed that they would have to get approval from SHPO (State Historic Preservation Office) to attach something to the Historic Library. She emphasized that they allow changes if it makes the building more usable. She noted that there were plans at some point to extend the building. She would like that as she is running out of room and there is no space for children's computers. Joe Westerlund voiced concerns about the breezeway as the water lines run under the sidewalk. He added that he can have staff investigate it.

Dianne Ryals noted that she would like additional storage for the Library and a telescope that could possibly be installed on top of the breezeway so that kids cannot get to it. Roni Link asked if a container would help. Ms. Ryals explained that the Library already has a container but it is full. Mr. Westerlund referred to the telescope and pointed out that he feels the Library will run into scheduling issues as the Library closes before it gets dark and the stars can be seen. Duane Downing suggested choosing a different location as there should be less lights than at the Library's location. Dianne Ryals stressed that she would like to coordinate this project with Town staff so that the Library staff would not have to take care of handling the telescope. Chris Mulkerns noted that a mobile telescope might be the better solution.

Don Kaminski stated that an appraisal for the property located next to the Library was conducted in 2013. He noted that the property would be great for additional parking and storage. Chris Mulkerns pointed out that the owners wanted about \$36,000-\$40,000 while the property only appraised at \$12,000. Jerry Elliston suggested hiring an architect to plan what is needed.

Duane Downing suggested buying rare books and displaying them under glass. Kat Galli noted that the Library could possibly purchase multiple books for local book clubs. She proposed asking the book clubs which books they'd like to read. Jerry Elliston added that there is the possibility to have more e-books to draw people who read, but on an e-reader. Dianne Ryals stressed that she and Tawnia Seward will be attending a class about coding. They plan on organizing a class for local children. Ms. Ryals added that her husband's company is willing to donate the needed computers.

Don Kaminski proposed budgeting to purchase the property next to the Library. Duane Downing suggested budgeting a transfer of \$25,000 into the Western Nevada Community Foundation (WNCF) fund. He added that he thinks the Library should budget \$55,000 for capital projects. Chris Mulkerns clarified that the WNCF fund is currently at \$148,500 and was originally set up to provide support for the Library District which includes all approved expenses. Duane Downing emphasized that the goal is to have enough money so that the interest rate generates extra money. He stressed that the Library cannot count on revenues as they may drop back down like in 2011/2012.

Dianne Ryals stated that she would like to change the book purchase budget back to \$15,000 so she can purchase a program to rent e-books and possibly rent out e-readers.

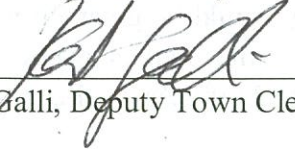
3. Public Comment

None.

4. Adjourn

The meeting adjourned at 9:27 a.m.

Minutes transcribed by:

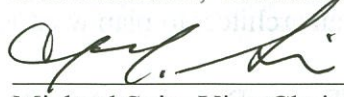


Kat Galli, Deputy Town Clerk

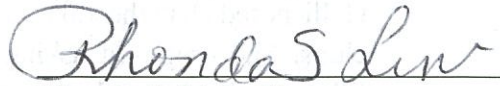
Approved:



Don Kaminski, Chairman

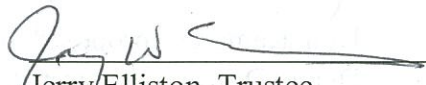


Michael Sain, Vice-Chairman



Rhonda S. Link, Clerk

Duane Downing, Trustee



Jerry Elliston, Trustee