

CARLIN CITY COUNCIL  
CITY OF CARLIN, STATE OF NEVADA  
BUDGET WORKSHOP  
CARLIN CITY HALL  
101 SOUTH EIGHTH STREET  
CARLIN, NEVADA  
March 16, 2011, 2:00 p.m.

**Call to Order and Roll Call:**

Mayor Cliff Eklund called the meeting of the City Council to order at 2:07 p.m.

1. Council Members Present: Mayor Cliff Eklund  
Vice Mayor Donnetta Skinner  
Councilperson Steve Feasel  
Councilperson Lincoln Litchfield  
Absent: Councilperson Lee Griswold
2. Administrative Staff: City Manager Glenn Trust, City Clerk LaDawn Lawson, Public Works Director Carlos Esparza
3. Public Present:

**Pledge of Allegiance**

**I. Discussion and review of the proposed Expense and Revenue budgets for Fiscal Year 2011-2012 and City Council discussion and direction regarding budget preparation (Non-Action Item)**

1. Mayor Cliff Eklund reported he and Councilperson Steve Feasel attended an ECEDA Executive Committee meeting and it was reported that the state possibly will take an extra \$.09 out of the County's Ad Valorem to cover the education budget. He stated they are currently \$3.64/100, the maximum they can take. He noted that John Carpenter suggested a committee be created to investigate some options to generate funding for the Elko campus. He stated the Councilperson Steve Feasel would participate for the committee if formed. He also reported there is a proposal by John Carpenter for a ¼ of 1% increase in the County's sales tax to support the programs at the college. He stated he is not sure about a tax increase, as it would put Elko County at an unfair advantage, especially when it comes to large purchases and it could hurt sales in the County.
2. Councilperson Steve Feasel stated that Carpenter's proposal was that donations to the college should go directly to the college instead of going to the regents who allocate the funds.
3. City Manager Glenn Trust reported that sales tax goes to the County and every entity has to agree to the premise.
4. Mayor Cliff Eklund stated his understanding was that if it was for a specific purpose, the County could levy the tax.
5. City Manager Glenn Trust explained the Ending Balances chart. He reported that March 15 is the date the state is required to provide final revenue projections, which has dropped over the years. He complimented the department heads on staying within their budgets. He stated the state sales taxes are 1.72% for 2010-2011 and a growth of 1.04% for 2011-2012. He stated even though they are doing better currently, the City would keep a conservative approach. He stated the projection for Carlin remains the same in the MV Fuel tax at about \$52,000. He noted the property tax is at a slightly higher assessed value.
6. Discussion was held on the \$.09 Ad Valorem reduction.
7. City Manager Glenn Trust explained Consolidated Tax is projected higher. He stated this budget segment would start with Streets, noting they took some funds out of Repairs and put it in Capital Improvement. He stated the only issue in Health and Sanitation is Mosquito Abatement.

8. Discussion was held on the mines contribution to the Abatement.
9. City Manager Glenn Trust stated there is a \$5,200 Capital Outlay in Cemetery, which are donations.
10. Public Works Director Carlos Esparza stated the funds are for the Bully Barn.
11. City Manager Glenn Trust reported there is \$25,000 in Capital Outlay for the Library and discussed how they can use the room taxes, which will be a Council decision on how to use the funds in Capital Outlay. He stated there are a few adjustments in Other Expenses, one being Workers Compensation for volunteers and board members, which has been increased. He discussed the accounting fees.
12. Vice Mayor Donnetta Skinner stated the accounting has been difficult up until now and the fees should be leveling off soon.
13. City Manager Glenn Trust stated he is going to have a discussion with Kafoury Armstrong. He stated the Legal Notices have increased and Engineering Fees need to be tracked and stay within budget.
14. City Clerk LaDawn Lawson explained the Contract fees include, minute transcription, software and Washoe County.
15. Mayor Cliff Eklund stated Kay Brooks inquired about a raise.
16. Vice Mayor Donnetta Skinner stated that she agreed with a raise.
17. City Manager Glenn Trust explained she is paid what transcription is generally paid and there is an increase built into the numbers this year.
18. City Clerk LaDawn Lawson stated she has worked for a number of years and if they can afford it, giving her an increase would be 'nice'.
19. Vice Mayor Donnetta Skinner stated it would be good to do something this year as a sign of appreciation.
20. Mayor Cliff Eklund stated Building Inspections have been increased in the budget and he expects with the significant building permit fees next year, it will increase the revenue.
21. Discussion was held on Beehive Wireless.
22. City Manager Glenn Trust stated Auto Expense at \$40,000 is "about the right number". He noted Liability Insurance has been increased.
23. Discussion was held on Grant Incentives.
24. City Manager Glenn Trust explained Communications has been broken out to the various departments. He noted Fuel Expense is a variable that they are watching.
25. Public Works Director Carlos Esparza stated twice a year he calls to get a price for fuel and Al Park has been consistently the best price.
26. Vice Mayor Donnetta Skinner stated she hears criticism of the Fire Department driving the vehicles.
27. City Manager Glenn Trust stated he would do what the Council wishes.
28. Vice Mayor Donnetta Skinner stated she documented one (1) police car that was left running.
29. Mayor Cliff Eklund inquired how many Fire Department vehicles are being taken home.
30. City Manager Glenn Trust replied three (3). He discussed the policy generated by the Council.
31. Mayor Cliff Eklund stated he has received complaints on the Fire Department vehicles.
32. City Manager Glenn Trust stated City policy is that they cannot drive with their families in the vehicles.
33. Councilperson Lincoln Litchfield stated it is a big deal and has to be taken to heart when the Council makes a policy.
34. Discussion was held on errands and using City vehicles.
35. Mayor Cliff Eklund stated there was a proposal by the Chief of Police in the past when fuel increased to use motorcycles in the summer months for patrolling to save fuel.
36. Discussion was held on the departments being contacted for any needs they have when a trip is being made.
37. City Manager Glenn Trust stated they are concerned about a fuel cost spike.
38. Mayor Cliff Eklund stated Carlin has the best price on fuel.

39. City Manager Glenn Trust stated they are watching fuel on a daily basis. He stated there is another safety valve in the Capital Projects Transfer, which could be used if there is a substantial increase in fuel.
40. Discussion was held on the Transfer to Grant Fund, Carlin Clinic Contribution and ECEDA Contribution.
41. City Manager Glenn Trust stated all of the transfers are done at the end of the year. He stated the three (3) debts they have is the Fire Science Academy water line, the Senior Center and 2007 note for backhoe, two (2) police vehicles and ambulance.
42. City Clerk LaDawn Lawson stated in the past they used the Miscellaneous for Planning Board Members training and Council trips.
43. Mayor Cliff Eklund explained they are required to have a Contingency Fund.
44. City Manager Glenn Trust stated they are beginning to “grow” the General Fund Balance. He stated the budget and audit are on the website as required.
45. Discussion was held on the League of Cities.
46. City Clerk LaDawn Lawson explained that in the pass it allowed the City to get affordable health insurance.
47. Mayor Cliff Eklund stated the League has been beneficial to the City.
48. City Manager Glenn Trust stated it is important to grow the cash for emergency purposes in the Utility Fund, noting most of it is held in reserve due to statute. He stated it is a proprietary enterprise fund and has a required balance by statute.
49. Mayor Cliff Eklund stated every year they had to transfer money into the fund and would have to levy increases to the residents. He stated the City has put in gradual increase in the past few years to build the fund, as eventually the City will have to replace a lot of the lines.
50. City Clerk LaDawn Lawson explained that until this policy, the City did not have the funds.
51. City Manager Glenn Trust explained all of the Utility revenues reflect a 3% increase. He provided an overview of the line items. He noted the connection fees should increase with the new development. He stated the Utility Fund represents about 1/3 of the revenues in the City.
52. Discussion was held on the costs when the water is turned off.
53. Discussion was held on the UNR waterline bond.
54. City Manager Glenn Trust reported the Water expenditures include the 2% increase to the employees.
55. Discussion was held on the Uniforms.
56. City Manager Glenn Trust stated the Landfill money is paid to the City of Elko. He explained in Miscellaneous that the Postage is for sending the utility bills. He explained the sites that require Electricity. He explained the Depreciation Expense.
57. Public Works Director Carlos Esparza stated there has to be a new roof on the Power House that would cost approximately \$40,000 to \$60,000.
58. Mayor Cliff Eklund stated a building was donated to the City and might be less to reconstruct this building than replacing the roof.
59. Discussion was held on the cost.
60. City Manager Glenn Trust inquired if the funding should be put in the budget for the new roof.
61. Mayor Cliff Eklund stated the building is so old, is it cost effective to put a roof on.
62. Discussion was held on the roof and the donated building.
63. City Manager Glenn Trust suggested they put the funds requested for the roof and in the meantime check on the cost for the donated building to be erected.
64. Councilperson Lincoln Litchfield stated they should get bids to see how much the cost is and budget the amount.
65. Public Works Director Carlos Esparza reported a security fence must be put around the sewer pond because of safety for the children and the quotes vary from \$40,000 to \$95,000. He stated the project could be broken up into two or three phases.
66. City Manager Glenn Trust explained because it is a City facility it has to be done by a licensed contractor, has to be inspected and permitted and everything done correctly because if there is

- ever an issue, the City would be contacted about the specifications whether it was signed off by a general contractor.
67. Mayor Cliff Eklund suggested they budget \$60,000, as he considered the cost too high.
  68. Councilperson Steve Feasel suggested \$75,000.
  69. City Manager Glenn Trust explained the budget is just an estimate and agrees with \$75,000, as he agrees \$95,000 is too high. He stated they should not budget lower than they expect it to cost. He explained that augmentation of the budget could only be done when the City has resources that are not in the budget originally. He stated the cost would show up in annual depreciation in the Utility Fund and depreciating both projects over 20 years, it would be about \$7,700 per year.
  70. Discussion was held on training.
  71. City Manager Glenn Trust stated the Senior Center numbers in brackets are in the black, noting the ending balance in 2009 was \$3,264 in the red which was vast improvement over the 90,000 deficit in 2008, and that problem has been corrected by a transfer. He noted that the balances are positive now.
  72. Mayor Cliff Eklund explained the fund is heavily funded by grants. He stated the funding for the bus might be reduced by the state.
  73. City Manager Glenn Trust stated there is \$50,000 transfer to the Senior Center contemplated. He stated without that transfer, the Center would be in the red. He stated the grant revenue is not guaranteed.
  74. Vice Mayor Donnetta Skinner explained that because the bus is not used much, they were told it would not affect Carlin.
  75. City Clerk LaDawn Lawson stated the required matches are usually taken out of County funds.
  76. City Manager Glenn Trust stated the salaries and wages include the increase with everything else staying "flat".
  77. Discussion was held on the three (3) categories for salaries and wages in the Senior Center Fund.
  78. City Manager Glenn Trust stated there are no capital projects budgeted for the current year, noting the carpeting put in last year was for safety purposes.
  79. Discussion was held on the vans and possible problems and whether the work could be done locally.
  80. Regarding the Cemetery Fund, City Manager Glenn Trust pointed out the special revenue funds include the Cemetery/Perpetual Care is funded by contributions, donations and cost for grave sites and could not be "touched for the first 10 years". He stated after that they can only use the interest, by statute, and are not allowed to use the principle. He stated the only expense is the \$5,200 donated for a shed that will be transferred to the General Fund. He explained the Park & Rec Tax Fund has a significant balance from Room Tax. He stated the proposal is to make two (2) transfers; one (1) \$45,000 would be to transfer \$25,000 to the General Fund for the Library, and the other of \$20,000 to the Equestrian Center for lighting. He stated they do need lighting for the summer events.
  81. Discussion was held on lighting for the motor cross.
  82. Mayor Cliff Eklund inquired if the lights are moved from the old motor cross to the new motor cross and the lease should expire is it still City property? He stated they have discussed moving eight (8) poles to the Equestrian Park.
  83. Further discussion was held on the lights.
  84. Vice Mayor Donnetta Skinner stated they would need \$20,000 for the lighting.
  85. City Manager Glenn Trust explained the next transfer would be \$50,000 to the Parks and could be used for additional electric poles and a canopy over the playground, which would need significant engineering. The other portion of \$50,000 would be for the library.
  86. Mayor Cliff Eklund stated the original amount for the Equestrian Park lighting was \$25,000.
  87. Public Works Director Carlos Esparza stated he could get poles as Wells Rural Electric is going to remove many of the power poles. He stated they are on the east side of Willow Street

- across from the Fish Pond and Chinese Garden. He stated they are tall ones. He stated they would have to have a good engineering design for the lighting.
88. City Manager Glenn Trust proposed a \$20,000 expenditure under Administrative Capital Project. He stated they also want to do some upgrades to the server, computers and scanning for archiving in Administration. He stated everything in the City is paper and they need to archive paper records electronically.
  89. City Clerk LaDawn Lawson stated that Mr. Jones is to get back to them for the cost.
  90. City Manager Glenn Trust explained they use a lot of paper and this would be cost saving. He stated \$10,000 would be for a new roof for the old clinic. He explained the maintenance program for the streets is listed in Capital Projects at a cost of \$65,000.
  91. Public Works Director Carlos Esparza explained the Street Repair Plan is based on the condition of the streets and which streets have curb and gutter and an overview is included in the packet.
  92. Mayor Cliff Eklund stated they need to develop a chip and seal program to keep the streets.
  93. Public Works Director Carlos Esparza stated he had someone look at those streets and the ones he wanted done were too far-gone to work on. He is researching a new product.
  94. City Manager Glenn Trust stated the list is what they are proposing for street, but there is another \$70,000 they can request from Regional Transportation, but that is not enough for one (1) block. He stated he would not like to waste the \$70,000 without getting good results.
  95. Mayor Cliff Eklund stated at some point, the City is going to have to bond the streets.
  96. Councilperson Steve Feasel stated when the citizens see the improvements on the streets; they will be in favor of a bond.
  97. Public Works Director Carlos Esparza stated they would have to have a large bond at some future date to do the streets.
  98. City Manager Glenn Trust stated his priority is the streets, but feels he needs some direction from the Council on the Library.
  99. Vice Mayor Donnetta Skinner stated Newmont has given it to Mary Korpi who has taking it to and Executive Board for the funds to do the library. She stated they will probably hear next month on how much they might donate.
  100. City Manager Glenn Trust stated the option is to budget nothing for this and assume that Newmont will donate or budget a reasonable amount. He stated because of the roof pitch, they would have to build a portico to protect people entering. He stated he does not know how much that will cost. He stated just on the inside of the library there is \$150,000 worth of work to do. He recommends that some amount be budgeted, not \$200,000, but \$30,000 might be a reasonable amount.
  101. Mayor Cliff Eklund stated there is already \$25,000 budgeted and if they added \$40,000 from the Capital Projects Fund and the Friends of the Library gives \$50,000. He stated \$115,00 would pretty much do most of the work. He noted if Newmont does donate \$100,000, the City does not have to use the \$40,000.
  102. Vice Mayor Donnetta Skinner reported she requested \$100,000 from Newmont.
  103. Councilperson Steve Feasel stated he agreed with City Manager Glenn Trust's figure.
  104. Vice Mayor Donnetta Skinner stated she would like a reasonable.
  105. Councilperson Lincoln Litchfield state he agreed with \$30,000.
  106. City Manager Glenn Trust confirmed there would be a \$30,000 transfer from Capital Projects to Library.
  107. Vice Mayor Donnetta Skinner stated they still have to make a request of Barrick.
  108. City Manager Glenn Trust stated they would prepare a bid for the interior work.
  109. Discussion was held on the bid process.
  110. City Manager Glenn Trust stated the Capital Projects would be approximately \$200,000 after all the transfers. He stated Police Forfeiture is unknown, but he had added those collected so far. He explained the Grants Fund has the energy efficient grant of \$255,000 and the City will be spending this money in the coming year and the Administrative Grant of \$112,134 is the

first installment on the CDBG Grant and the City will sign that over to the Health Center to pay their contractor. He stated the transfer from Police Grants of \$34,500 is the money to offset the salaries. He explained the Park & Rec is the Operating Fund.

111. Mayor Cliff Eklund requested that City Manager Glenn Trust commend the Department Heads on their work with the budget as they have done a good job.

**II. Comments by the General Public: Pursuant to NRS 241.020(2C) this time is devoted to comments by the general public and discussion to those comments. No action may be taken upon a matter raised under this item until the matter has been included on a successive agenda and identified as an action item. (Non-Action Item)**

1. None.

**III. Adjournment. (Action Item)**  
**Councilperson Lincoln Litchfield moved for adjournment with Vice Mayor Donnetta Skinner seconding the motion. The meeting was adjourned at 5:19 p.m.**

**APPROVED:**

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**CLIFF EKLUND, MAYOR**

**ATTEST:**

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**LADAWN LAWSON, CITY CLERK**