



# Mesquite City Council

## Budget Work Session

### Mesquite City Hall

### 10 E. Mesquite Blvd.

### Thursday, May 12, 2016 - 3:00 PM

Minutes of a scheduled Special Budget meeting #2 of the City Council held on Thursday, May 12, 2016, at 3:00 P.M. at City Hall. In attendance were Mayor Allan S. Litman, Council members W. Geno Withelder, George Rapson, Kraig Hafen, Rich Green and Cynthia "Cindi" Delaney. Also, in attendance were; City Manager Andy Barton, Finance Director David Empey, Assistant Finance Director Dodie Melendez, City Liaison Aaron Baker, Personnel Manager Gina Mendez, Judge Ryan Toone, Deputy Fire Chief Rick Resnick, City Attorney Robert Sweetin, City Clerk Tracy Beck, other city staff and approximately 20 citizens.

Mayor Litman called the meeting to order at 3:00 P.M. (NOTE: This meeting has been tape-recorded and will remain on file in the office of the City Clerk for four years for public examination.)

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Below is an agenda of all items scheduled to be considered. Unless otherwise stated, items may be taken out of the order presented on the agenda at the discretion of the Mayor and Council. Public comment is limited to three minutes per person and may only address items that are not on the meeting's agenda.

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## **Public Comments**

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*During the Public Comment portion of the agenda comments must be limited to matters within the authority and jurisdiction of the City Council. Items raised under this portion of the Agenda cannot be deliberated or acted upon until the notice provisions of the Nevada Open Meeting Law have been met. If you wish to speak to the City Council at this time, please step up to the podium and clearly state your name. Comments are limited to 3 minutes in length.*

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### 1. Public Comments

[Minutes:]

Mayor Litman opened up the meeting to Public Comment.

[Minutes:]

Barbara Ellestad, Mesquite Citizen: I would like to offer an apology and I hope you accept it for my outburst yesterday, specifically Kraig Hafen and George Rapson and Richard Secrist. I apologize. Please accept that and the rest of the Council and staff. Thank you.

[Minutes:]

Mayor Litman: Thank you.

We will follow the same format as we did basically yesterday. If you can wait until each item, though, is pretty much completed before you ask your questions, in other words jot them down if you have them, I would appreciate that.

[Minutes:]

Council member Rapson: With Your Honor's permission, I would like to make a statement. I owe a couple of people an apology last night. Specifically, Andy Barton, Kash Christopher and Rick Resnick. I apologize for the ambush, and this is me, me speaking about me. I cannot represent anybody else in this Council. I committed in a one on one with these guys to support this raise. Actually, Councilwoman Delaney offered a compromise, and I should have listened. I didn't. I apologize for that, as well. The two issues of residency and this raise are not inextricably entwined, and I think we did know, Andy sent us a message. I'm not thrilled with the idea of having raises in the budget, but on the other hand, we all knew about it. I did know about it, and so fundamentally I think I was wrong.

And frankly, the residency issue, although I think it is an important topic, it's an important issue, and I think there are certain standards that we have to set, I don't have any personal evidence that could make it a conviction in a court of law. So without that evidence, I am not comfortable making the assertion. I apologize for doing that. I should not have done that. That is not preventing anybody else, if they have evidence, bring it on. I will support it if it is true. On the other hand, unless there is specific evidence, and I am not willing to ask for an ankle bracelet on the Chief or anything of that kind.

Having said that, I have been advised that it is probably not the forum today, but at the ratification hearing of the budget, I am going to make a motion, and I hope Council will support me. I truly think it is the right answer to essentially rescind my motion, and ask that the Council consider the budgetary increases for the Fire Department and approve those. If anybody wants to bring a complaint about the residency, I think that is their prerogative, and they should do that, but it won't be me. Thank you.

[Minutes:]

David Ballweg: I am a candidate for City Council. I would have to say that in some ways I don't agree with Council member Rapson's opinion about putting in the pay raise in the budget. To my knowledge, that has never been done. Pay

raises have always been a separate agenda item and discussed at that specific - so I think you are going to set a new precedent that the budget can automatically trigger a raise when it can be difficult to ferret that out of the budget numbers, the total number of people, the total salary paid. The Chief in this case, and Deputy Chief Resnick, I mean, it's fairly obvious, because there's just two people there. But in other cases I would just caution the Council from starting that precedent, and it's not that neither of them do a raise. Don't put it in the budget. Let's do like we have done in my experience for years is have a separate agenda item to offer those raises.

[Minutes:]

City Manager Andy Barton: Mr. Mayor, I want to start off my presentation with an apology, also. While I made an effort to make sure that the Council knew of the raises that were in the proposed budget, the one thing I didn't do is separate them from the budget and talk about them as specific agenda items. In hindsight, I wish I had done that. Unfortunately, I didn't. I will from this point on. As we go through the remainder of the budget today, I will call out the increases that are in the budget, so that the Council and the residents are aware of what those increases are. In the future, not just raises for regular employees, but executive raises will certainly come before the Council.

I should mention, though, that in this fiscal year, there were a number of raises related to department heads, some hadn't received a raised in eight years, that were folded into this year's budget. I don't recall us having a specific meeting to speak of them, but on balance and in light of what's said and what's been suggested and how yesterday unfolded, like I said, I think the best course in the future is to make sure that Council is fully aware and the residents are fully aware of the budgets and not try to put them in the budget. I just want to say there was absolutely no intent, on my part at least, to try to bury these things in the budget document.

[Minutes:]

Council member Hafen: Just for the record, I had a couple meetings set up with Kash, and for one reason or another we didn't get together on the budget, so I didn't commit to anything. My concern was this was totally inappropriate to hide it in the budget. I waited to see if anybody would say a word about the pay increase. Mr. Barton said nothing. Chief Christopher said nothing. I mean, everybody else that's appointed by us has come forward, explained the situation. It was clear what we were doing. There was total disclosure, and you know we talked about transparency, to me it was just the wrong way to go about it. When I asked you the question, and if we approved this, we were approving the raises. I just have a fundamental problem with that. We have not done that in the past. The other thing we have not done in the past is we have never given somebody just a 20% raise boom. It's been incremental. If this Council wants to do that, that's fine, but I will say this, if we continue to spend more than we bring in, and I think Mr. Empey hit that yesterday, and if we continue to do some of these

things, not incrementally increase salaries, you watch what is going to happen over the next four years when we do the budget. That gap, instead of closing, it is going to get bigger and bigger. I meant no offense to anybody. I talked to Rick. But I still have some concerns about the residency thing. I have never said to put an ankle bracelet on it. I guarantee if we did, I think we would flush some people out. I do have some concerns. If you read the language in the contract, and we will discuss it. I am sure it's pretty much a given where everybody is going with it, but I will also say that you can continue to have challenges in the Fire Department with the residency thing, the rank and file, if the Chief does not abide by it as well.

[Minutes:]

Lindy Hulet, Admin Assistant for the Fire Department: Not something I planned on doing, but I feel the need. I have been an admin assistant for 3 to 4 years at the Fire Department, 7 years at the Police Department before that. I am telling you that these two directors of this department have done everything that you have asked of them. My boss, my chief, has a residence here. He pays rent just like anybody else. This is my opinion, but I have seen it. We have been there. We helped him move in. We helped him move twice. Why does he have to own to have a residence here?

[Minutes:]

Council member Hafen: Can I ask a question?

[Minutes:]

Ms. Hulet: I also want you to know that we worked extremely hard. All of our time is given to give you what you asked for, your reports, your numbers, your crunch this, do that. We did all that last year as well, and gave it to you in an agenda item, and they were faced with the same kind of ambush, if I remember right. I am extremely nervous and shaking, but I am passionate and feel that like these two men have the most integrity out of all of the directors that I have worked for. Thank you for your time.

[Minutes:]

Council member Hafen: Can I ask you a question? I am going to ask Chief that. I never questioned their integrity. We do have a contract with them. When I interviewed the Chief, and you can pass this on, and I will talk to him personally. When I interviewed him for the job, he was going to live here. I've been told that he had to get things arranged so he could move his family here.

Ms. Hulet: He has a daughter in college. Does she have to go to community college or commute?

Council member Hafen: Does his wife live here? Does his family live here?

[Minutes:]

Ms. Hulet: They go back and forth. They have two homes. Do you have two

homes? Do you have a cabin or another home? He pays rent. He pays his dues to this community.

[Minutes:]

Council member Hafen: I can read you the language in the contract, but I just want --

[Minutes:]

Ms. Hulet: He does a lot more than some other staff in the City of Mesquite right now. He holds a residence, has mail.

[Minutes:]

Council member Hafen: That was my question.

[Minutes:]

Ms. Hulet: Maybe I won't chose to live with my husband my whole career. That's a choice. That's a marriage situation and their relationship choice. You can't force two married people to live together. They have two homes. They pay all their bills. I think you are way out of line.

## **Administrative Items**

2. Consideration of review and discussion of the FY 2016-2017 City Departmental Budgets for the following:
  - a) Mayor / Council: 10-41 General Fund
  - b) Museum: 10-81 General Fund
  - c) Redevelopment Fund: Fund #25
  - d) City Manager: 10-43 General Fund
  - e) City Clerk: 10-44 General Fund
  - f) City Attorney: 10-50 General Fund
  - g) Personnel: 10-48 General Fund
  - h) Judicial: 10-51 General Fund
    - 1) Court Admin. Fund: Fund # 15
    - 2) Forensic Services: Fund # 19
  - i) Finance: 10-46 General Fund

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|----|-----------------------------|--------------------|
| 1) | Non-Departmental (partial): | 10-49 General Fund |
| 2) | Trnsfs From/To Other Funds: | General Fund       |
| 3) | DSF-Canyon Crest SID:       | Fund # 81          |
| 4) | DSF-Anthem SID:             | Fund # 82          |
| 5) | SRF-SID Administration:     | Fund # 83          |
| 6) | DSF - G.O. Bonds:           | Fund # 85          |
| 7) | DSF-Waste Disposal:         | Fund # 87          |
| 8) | Vehicle/Equip Replacement:  | Fund # 99          |

- Discussion and Possible Action

[Minutes:]

Mayor Litman starts the budget hearing.

[Minutes:]

Mr. Barton: Mr. Mayor, if I could indulge you for a moment and possibly change the order here. We have Mayor/Council, Museum, Redevelopment and City Manager. What I proposed to do is Mayor/Council, my budget, and then do Museum and Redevelopment Fund, if that's okay? It's more logical.

Mayor Litman: No problem.

[Minutes:]

Mr. Barton: For the Council budget, it should be on pages 22-24 of your budget document. For the '16/'17 budget, there's \$264,414, which represents a 37% decrease from this year. We have budgeted in an increase in vehicle allowance for one of the Council members. The Council member who is going to be leaving didn't take a vehicle allowance, so we have bumped up that accordingly in case the new Council member wants to take a vehicle allowance. There is funding in this budget for both National League of Cities, the D.C. and Nevada League of Cities. We have \$1500 budgeted for the national NLC, and we have \$7100 budgeted for Nevada NLC. This was not in the budget for this fiscal year. At the request of the Council member, both of these were put back in.

I received a question our membership in the State Ethics Commission. That membership is mandatory, and it's spread out. All cities in Nevada have to subscribe and pay dues. Chamber dues are \$2500. Membership in the Las Vegas Global Economic Alliance is \$3500. It has been suggested to me that this money could be pulled out of this budget and put instead into Economic Development Funds. I haven't discussed this with the Finance Director, but it's possible this could go into Fund 44, but that's a change the Council could make if that in fact is your desire.

Funding for the Hardy Group, basically our lobbyist for Carson City, remains at \$30,000 for next year. It's \$30,000 this year as well. That's the bad news. The good news is it is down from \$45,000, which is what we paid in 2015, the last session of the budget, so this is actually a very good deal for us.

Mesquite Regional Business was originally funded from the Council budget, but it's been removed from the General Fund and Council Budget and is now funded out of Fund 44. Essentially here, the proceeds from the Eagle's Landing sale, the ones that are dedicated to economic development, are proposed to pay for next year's financing of MRBI.

If there are questions about Miscellaneous supplies, that pretty much remains the same. If there are questions about that, that basically money is used to fund employee appreciation events. Usually we do something annually, sometimes semiannually to recognize and value the employees. That is what that money is for. (Indiscernible) Council budget is down 37% from this year.

[Minutes:]

Mayor Litman: Any questions from Council on that one?

[Minutes:]

Burton Weast: I am a board member of MRB, and I was also a member of the Economic Development Incentives Committee that worked on the report and generated the idea, which we appreciated your adopting of 25% Fund hold out from the property sales. I am a little bit conflicted, because obviously I want MRB funded; however, I think we would be remiss if we didn't point out that the Incentives Committee did not intend to have the 25% set aside fund MRB or consultants or LBGEA or anyone else. That money, in our view, was to be used as an incentive money for companies there were coming here, and also as incentive monies for existing businesses that might need help to expand or for fees or for other things that could be used to the benefit of the community. So I have to say that I think MRB has demonstrated its value in the last two years. I have been on the board a year and a half. George Gault has been the running operation for about that time or a little longer, and I think we have demonstrated that we have actually brought money to this city and brought money to this Council in excess of what we have been funded. I think you are setting a terrible precedent, frankly, when you set aside money and use it for these kinds of things. The idea for this money was something that I was aware of from my previous job in Oregon, and it had been a very successful process, but there was an iron clad rule. You don't use it for funding employees. You don't use it for funding those kinds of things. It's for incentives. So I understand the effort, I appreciate you want to fund MRB, but I think you are setting a pretty terrible precedent, because that 25% is just going to get used from here on out forever, and we are not going to have it for when we need it. Thank you.

[Minutes: ]

Mr. Barton: If we were to fold MRBI back into our General Fund, we would be increasing our deficit by \$140,000. I am not trying to devalue in the least what MRBI has accomplished and what they will accomplish in the future. My primary concern is keeping the doors open and the lights on. This year, we have a real

chance, a real decent chance of balancing the budget. Putting it back into the General Fund diminishes that chance. They have an opportunity next month to save somewhere in the vicinity of about \$250,000 for Worker's Comp insurance for the City and other insurance. There is the possibility that savings, that's the decision Council will have to make next month. That would in essence wipe out the deficit that we have right now. This is as close as I have come in the four years that I have been here to balance any budget, and I would just hate to see that go away. Again, it seemed to me a logical place to fund MRBI. I appreciate the concerns, and I would be surprised if George Gault didn't echo them. But in terms of my priorities, in terms of balancing the budget, and like I said keeping the lights on and the doors open, my preference would be to keep funding for MRBI out of the General Fund, find some other mechanism to do that, possibly do a long-term mechanism. But, of course, I will do whatever Council directs me to do.

[Minutes:]

George Gault: I agree with Burton's comments, obviously. I was thinking of that money, the Fund 44 money is deal closing money. After sitting through your meeting yesterday, I am real sympathetic to the dilemmas that you face in terms of finding the funding. I hope that there is a way to do that differently at some point.

I am also concerned about the amount of money. Did I hear correctly, Andy, \$140,000? That doesn't solve MRB's problem of trying to have enough money in a contract to recruit somebody for that side and bring another professional in on board and so on. You all know that. I hope you can find a way to see through that. Thank you.

[Minutes:]

Council member Green: I think the MRBI model is the model that we are going to use to grow our businesses for a long time here. I don't see it any different than if we had an economic function on staff. I just think this happens to work a lot better than it's ever worked when we've had it in house. So what we do need to seek is means of having more longer-term funding for MRBI. So when they see it's coming out of a special fund that was restricted to 25% of the proceeds of land sales, they get concerned. But if they see it coming out of the General Fund, they also get concerned, because they know the General Fund is subject to annual meetings to talk about budget. So it's a tough one to solve.

I would like to propose that we think about – I'm not going to recommend action at this time, but we think about taking that 75% of those land sales that we put in the Capital Project's account, and thinking about setting that aside to fund MRBI out on a more longer-term basis, and also have the 25% for the incentives that Burton has spoke of. So I am thinking we need to look at a way to give MRBI the certainty that there 's long-term funding, and not subject by year by year budget review, so they can go out to seek somebody who can step into George's

shoes. I hope that he would remain actively involved, but we have to look at a way to fund MRBI on a longer term basis and not have him subject to a year by year decision as to whether we have a balanced budget or not. I don't think Economic Development depends on whether we have a balanced budget or not. I think it's an ongoing function that we planted a lot of seeds; the seeds are producing, and we need to find a way to stay healthy in that area.

[Minutes:]

Council member Rapson: I tend to agree with Rich's comments here. I hate to keep using this analogy, but at Casablanca, when revenues started to go down, the last thing you did was cut marketing. I think that applies in this case with MRB. They have absolutely shown a successful record, particularly recently. They have paid for themselves. We have struggled with this for, what, four years now, I think? I agree that we can't keep making their survival at the whim of every budgetary process. You're either in or you're out for an extended period. Like Rich said and like George has said over and over, you can't get competent help to come here if you don't have a long-term agreement. They're not going to do it. We failed miserably in house, and I think this is starting to produce, and I don't think we can cut it loose now. That's our option if we go under the General Fund.

I agree with Burton and George both that we set those aside for a purpose, and that's to provide cash incentives or other type of incentives to close deals, to make it just a little better, whatever. I don't we should be spending that on operations, and then I would say MRB is an operation. To the extent that MRB brought potential buyers for City land, I am willing to certainly explore the reinvestment of that proceeds, the 75%, into their funding mechanism, and whether it's partial, full or whatever, but make a commitment. We have got one deal that I think it is going to close. There are certainly penalties if it is not. The other, one as Kraig has said, it's not done until it's done, and I get that. But I think that the only way we are going to successfully market Mesquite is with this vehicle, and if we don't fund this vehicle we are out of luck. I think we are cutting ourselves off at the knees.

[Minutes:]

Council member Withelder: I agree with Mr. Rapson. Obviously, MRB has become an integral part of the City. They've done an absolutely outstanding job in the last four years, and if it wasn't for them, we probably wouldn't be looking at some of the benefits that we're obviously going to reap here in the next couple of years. We can go on and on with the projects, but to have them come to the table and beg every year at Council budget sessions is just not going to make it. I think we've got to make a long-term commitment and get it done. Thank you.

[Minutes:]

Council member Delaney: I have always been a supporter of MRB and continue to be. My question is the \$600,000, wasn't that helping us to get out of that budget hole that we were in? We did not put it there? Okay, it landed at Capital

– I had suggested that we use that one fund to help fund them, because I didn't see any other way. I thought the \$600,000 was going into the General Fund, and I thought we had done a Resolution on that, so I was mistaken. So I am very much in agreement. I think we should look at long-term funding of this. We can see where they are. We can see where they are paying for themselves. I mean, the Job Fair is still going on right today. It is over there and there are people lining up to get in over there. They are supporting local businesses that are already here and bringing in new ones. I also support moving that \$600,000, when we get it into a fund that will support MRB.

[Minutes:]

Council member Rapson: Just as a point of clarification, there are two funds. One is 25%, that's the Incentive Fund, and the 75% is 75% of \$600,000, so it's about \$400,000 or whatever the number is. So I am suggesting, as Mr. Green did, that the Incentive Fund remain as an Incentive Fund, and we work out of the Capital Fund, which arguably they generated by bringing in the people who bought the land.

[Minutes:]

Council member Green: If we take the \$450,000 and leave the \$150,000 in the Incentive Fund, we are pretty close to another deal on a small parcel. It is not a done deal, but it could be. We are estimating \$100, 140. So let's say \$120,000. Put it in the middle. We put \$30,000 of that in the Incentive, \$90,000 in the other, that's \$540,000. That could give us \$180,000 to MRBI for three years, probably a little bit short of what they'd like. We used to be at \$190,000, but we could top that up out of the General Fund without wrecking the General Fund. I think we need MRBI to tell us what they think they need to have on an annual basis to do the job, to go out and hire somebody, and to do the job.

[Minutes:]

Mr. Barton: I'd like to talk briefly about the City Manager's budget for 2016/'17. The number for next year is \$221,250. That's down 11.2% from the current year. There are no salary changes going into the next fiscal year. Under Membership, the lion's share of this membership will be your International City Management Association. There is no change for next year on that. We have increased Travel and Training both this year and next for one reason. That is we dropped our contract with our D.C. lobbyist last year to save money, so we increased Travel and Training in case there is a need for either myself or Aaron to travel to D.C. to do some lobbying. Keep in mind that just three years ago, we were paying \$96,000 a year for lobbyists. We budgeted for this year and for next year is \$5200 in Travel and Training for that purpose. There is \$1500 for Community Outreach, and basically that is for my monthly forum programs. That number has not changed from this year, either. That is basically it.

[Minutes:]

Mayor Litman: Any questions on 10-43?

[Minutes:]

Mr. Baker: 10-82, Museum. It is on page 92. I am happy to report that every level the museum is doing better than it has ever done before. In the way of donations, we have year to date 500 plus man hours donated over 65. 65 different people there. We have over 5,000 visitors from 22 different countries. So every single purpose we have, that museum is increasing. Increased repeat local visitors year over year, so I think we have a great staff there, Elsbeth, Val and Peter, fantastic.

The budget here is very similar to last year's. It's a shoestring budget, and I think they do a marvelous job with it. I will be happy to answer any questions you may have about it.

Fund 25, Redevelopment Fund. I want to lead with something real exciting here on this. It is proposed in this year's budget for the Redevelopment Agency that they pay off the 2012 Federal Obligation Fund, which is about \$2.5 million, so it will lower the fund balance significantly, but it will eliminate a note moving forward and still preserve plenty of fund balance. Mr. Empey and I visited about that and we feel like that is a solid decision to make there.

So I don't know what else you want to highlight on that budget. We do have some projects planned. I'll just talk about capital outlay. We have some land purchases. If there is land that becomes available, the Strategic Interest, the Redevelopmental Agency, that line item is there. There is nothing identified today. That's just an item that we keep in there every year. Community event signs or MSI signs, those ladder sign programs. Town Square Memorial Park, that's the capital project immediately if you're standing in front of the gym, to the right. We talked about it in years past. We have some different ways of constructing that. We talked about some other developers. They initially expressed interest. They backed out, so we are just going to go ahead and build it as we proposed we build it this year. That will actually get bond proceeds. The Historic Building Restoration, there's money for the old gym that will be matched by funding from the State that Mr. Secrist has received. The Campus upgrades are in there, that was approved a few weeks ago for \$60,000, and then Streetscapes, and that would also include some trail improvements as well in there as well. So those are the large capital projects in there.

[Minutes:]

Council member Green: Aaron, the income to this fund, the property taxes, what drives that? Is that the taxes on the property in the district or is it a portion of the property taxes?

[Minutes:]

Mr. Baker: It is a portion of the property tax. Out of the 2.7787% I think that is what the property tax rate is, the City gets about 1.6 of the 2.7.

[Minutes:]

Council member Green: 1.6 for this fund?

[Minutes:]

Mr. Baker: Yes, for this fund. The regular property tax fund for City, 901, gets a very, very small portion, and everyone else in the County gets their normal share of property tax.

[Minutes:]

Mr. Baker: Yes, 55 cents is what is in 901.

[Minutes:]

Council member Green: And this is by law?

[Minutes:]

Mr. Baker: Yes, by law.

[Minutes:]

Council member Green: And then that grant that we're looking at this year, is that the grant to help part of the cost on the gym?

[Minutes:]

Mr. Baker: Yes, it is, and that number 80, Mr. Secrist gave me a revised number today. It came down to \$44,000, but we are partnering with the State to start preservation office. By them giving some and we are getting some, we are able to get some stuff done.

[Minutes:]

Ms. Melendez: If you guys look at the Salaries and Wages, I adjusted the Assistant City Manager's Administrative Assistant. That should have been the City Liaison officer. I don't think Aaron caught it, and neither did I, until just now when I was looking at it. The total dollar amount is still the same amount.

[Minutes:]

Council member Green: So it's changed to 75%/25% right?

[Minutes:]

Mr. Baker: Yes, 75%/25%, 75% Redevelopment/25% General Fund. That's how we realized cost savings in the City Manager budget.

[Minutes:]

Council member Green: To encourage use of that, George mentioned the other night about broadening the scope, because we're just not getting a lot of usage of this fund. It's a huge balance that has built up. Do we have any thoughts about how we further encourage use?

[Minutes:]

Mr. Baker: If you are talking about the Incentives Programs in general for businesses, I do have some ideas that I will bring forward in the next couple of

months. One thing I am doing is in August I am doing the Chamber of Commerce luncheon to talk to businesses about these Incentive Programs. We try to talk to them, but sometimes they will just make a choice not to participate.

Council member Green: You can take a horse to water.

Mr. Baker: It's the truth. Some people have said, I'm really interested. We say, okay, you got to go through this process, and they say I don't want to do that process. We have never turned down anyone.

[Minutes:]

Ms. Beck: Good afternoon, Mayor and Council. The City Clerk's budget can be found on page 28. Last year you approved a budget for the City Clerk's office for \$149,124. In March 2016, the department head recommended for the 2016/'17, the recommendation was \$131,356, with a difference of \$17,768. The bulk of the difference of this was in the election expense of \$15,200. Minor reductions that included longevity of \$700, a cell phone that I have not requested nor would use at \$750, and some old items that could be absorbed by other budget items on the budget.

On April 5<sup>th</sup>, I had a department budget meeting with Dave, Dodi and Andy, and at this time I was told my part-time deputy clerk along with eight other positions that were discussed yesterday, the 8.5 and I had the .5, would be cut, and that was a savings of \$18,053, and that includes salary and the benefits, which left the department a new budget of \$113,303.

On the April 27<sup>th</sup> department head meeting, we the department heads were asked to cut an additional 5%. My cut would be \$5,665. I was actually able to cut \$5,685, so you all owe me \$20, okay. The Clerk's new budget is now \$107,618. There is a difference of \$41,506 between last year's approved budget and this year's, mainly because of the bulk of the election at \$18,000 and the department clerk at \$18,503. If you look at now the budget as it, I have had to eliminate all my subscriptions and memberships, all my travel and training, some records management supplies which I will absorb in my normal office supplies, and the postage and legal postings I had left over from the elections. So I went from a lean to somewhat anorexic budget, but that's okay. I have good thoughts and think that if we can get through this year, we will have some extra money next year.

Thank you, and any questions?

[Minutes:]

Mr. Sweetin: City Attorney. I was able to cut the budget again this year. I would note at the beginning I do have a raise budgeted for this year. I, pursuant to my contract, I have to come to Council to ask for that raise, and I will do that during the month of June. It is completely at your discretion to give me that raise. We

were able to reduce essentially in every category. One category where we did add some extra money, we didn't go up in our budget at all, but where we shifted money to was Travel and Training. I note that I think this was just a clerical error. I am not sure from where, but it says MLA Conferences/Continuing Ed. The continuing education that I am required to do is about 12 credit hours a year, which does cost money, and the City does pay for that to keep my license, but the majority of that travel and training is actually for the upcoming legislative session, to be able to get back and forth between Carson City if needed and then meetings up north when I have those.

Other than that, the only other major cut that we made is Professional Fees. That traditionally has been set at \$100,000. Traditionally we have come very very close to that \$100,000. This last year, since I was appointed, we spent about \$30,000, and that was from a preexisting case. I haven't independently since I have been City Attorney farmed out a single case. I have done everything in house, and we have been able to do that. I am not saying that will always be the case. There may situations that may come up where we need to hire outside Council for very specified legal reasons that insurance won't cover, but so far I have been able to do that. So it's a pretty simple straightforward budget.

If you guys have any questions, I will be happy to answer them.

[Minutes:]

Council member Green: You have a vacation buy out increase this year. That is because of the situation in your staff?

[Minutes:]

Mr. Sweetin: Correct, right now Donna's plan is to retire not this June, but next June, and so that money has been set aside for that purpose, if that occurs.

[Minutes:]

Mr. Empey: This would be a prime example of where those separation benefits would be paid out of this new fund for the accrued leave. So if all are amenable, we could adjust this budget downward to reflect that final payment to the departing employee and those accrued benefits to that new fund for payment of those exit leave benefits.

[Minutes:]

Council member Green: That was the basis for my question yesterday, Dave. If we leave it in the budget and we are also setting up an accrual for it, we are doubling up.

[Minutes:]

Mr. Empey: Right, but we would have to recognize that expenditure in that accrued leave budget, which there is no recognition for any expenses at this

point, so that would be an internal adjustment that we would have to make. It would be a help to the General Fund if we could do that, if you are so inclined to approve that.

[Minutes:]

Council member Green: But only for retirement buyouts.

Mr. Empey: That is correct.

[Minutes:]

Council member Rapson: I agree with that. That's what the fund was set up for, and this is exactly what fits into it. So how do we get that, or do you just do that now.

[Minutes:]

Mr. Empey: We will summarize today's discussions regarding adjustments to the budget, and what we will do here is we will decrease the vacation sick buy out down to whatever it would normally be accrued, but identify how much of those accrued leave benefits would inure to the longer term, the unrecordable liability portion of those type of benefits. We will bring a number back to you when we reconvene on the 17<sup>th</sup> of May, and so you can see what the value of that reclassification is.

[Minutes:]

Mr. Barton: Included in this year's budget is a recommendation for Gina to get a 5% raise and have a position title change from HR manager to HR Director. We made a similar change last year. We took Rashan and upgraded his position to Director. I recommend that we do the same this year for Gina Mendez. Thank you.

[Minutes:]

Ms. Mendez: Mayor, Council, other than that, just asking for the essentials, just to be able to cover the basic needs for HR, which would be payment to the State of Nevada, which is a must, per NRS 288, to be able to cover Recruitment, the ads in the newspaper, drug testing, lab results, and the background fingerprint fees, and just a minimal amount for employee programs, and that would cover employee of the month, employee of the year, benefits there, and then whenever Nick has one of the programs, I go ahead and he can use some of this money from my budget, so he can go ahead and do those programs.

[Minutes:]

Mr. Barton: Included in this year's budget is a request to give a 5% raise for Judge Toone. He has not received a raise since accepting his position as an elected judge in 2013, so we think this is long overdue, and we recommend it.

[Minutes:]

Judge Toone: Good afternoon, Mayor, City Council. It is my pleasure to be with you. After today's hearing, you're all welcome to come out and watch the

baseball team that Travis Anderson and I coach at Pioneer Park. We are hoping to get our second win of the season.

(Break in taped recording)

[Minutes:]

Judge Toone: -- of all cases to provide efficient and courteous service, to preserve the integrity of the judiciary, and to maintain a safe environment for both our employees and the public. I would like to thank the City Council and Administration for your ongoing support for the municipal courts. In addition to my position, we have two full-time clerks and a part-time clerk that is funded I believe for approximately 5 hours a week. That part-time clerk has made a big difference in our ability to process bench warrants to make sure that we are holding people accountable that are supposed to come to court.

I would like to start with Fund 10-51. It is a General Fund Budget that is located on pages 44 through 46. As you can see, it includes salaries, funding for basic office supplies, funding for professional and technical services such as public defenders, interpreters, pro tem judges, court computer programs. I will just note most of the budget things like public defenders, interpreters, those are things that are required by law in certain cases.

The budget request seeks raises for our Court Clerk-1 position, and for my position, as City Manager Barton mentioned. As to our Court Clerk-1 employee, she exceeds work expectations in all respects. She plays a critical role in all of our court technology improvement projects. She stepped up to make our project with a third-party agency a reality, so we are better able to locate and contact individuals that fail to appear to court. She also stepped up to help our drug court program become a reality. I cannot say enough positive things about her. I often have to tell her that she is going to be getting in trouble with Gina Mendez if she works on the weekends.

The budget includes a request for a 5% raise for my position. My contract went into effect at the start of 2013. It calls for annual consideration of a raise subject to there being available funds. If the City Manager feels that there is available funds, he can recommend that can go into the budget, and then that would be subject to a budget review process by you. I don't know if that is similar or different to other people's contracts, so I brought copies so you can take a look at that.

In addition to the contract language, as City Manager Barton mentioned, I have not come before the Council to request a raise in the past. I have attached as a second page some of the court's accomplishments that we worked on in past years. If you would like, Mayor, I am happy to review some of those accomplishments, or if you would like I could go on and talk about the rest of our budget. Would you like me to cover those accomplishments or would you like

me to go with the rest of the budget?

[Minutes:]

Mayor Litman: Let's go through the budget first.

[Minutes:]

Judge Toone: Okay. That covered basically our General Fund Budget. If there is anything else in that budget that you would like me to talk about, I am happy to do that.

[Minutes:]

Council member Green: I have just one question. The general activity level in the court and for this year, has it turned out that your budget for the public defender and interpreters, has it been enough to cover the needs that are required by law?

[Minutes:]

Judge Toone: For the interpreter, it stays fairly steady. We have a Spanish interpreter that comes. She comes on our traffic court dates. She also comes on our arraignment dates, and then as needed for our trials, and so that has been fairly steady. There has not been an increase that I am aware for her costs.

We see a slight increase in the need for public defenders. That can vary from year to year, depending on the number of cases where jail time is contemplated. It's either mandated by statute for a driving under the influence offense or a domestic violence offense. The City Attorney typically seeks jail time in certain drug cases, and so those are also cases where we might see a need for a public defender.

Council member Green: Thank you.

Judge Toone: The next fund that I need to talk to you about is Fund 15.

It is located on pages 100 and 101. Fund 15 includes several court funds. The first I want to highlight is some funding that we received from the State of Nevada Administrative Office of the Courts. This is an \$8400 grant that we received to start our drug court program, and I provided a pamphlet for you that talks a little bit more about the drug court program. We presently have five participants. I have appreciated the participation from the City, from law enforcement, from public defenders, from community providers. We are seeking to make a difference to break the cycle of people who are continuing to come back to our courts because of drug-related addictions or alcohol-related addictions, and I would like to invite you all to come out and visit one of our drug court sessions if you would like.

Some of the other things that are in our Fund 15 are fees that we are required to

collect by law. Some of those fees go to the State. We are permitted under law to keep a certain portion of those fees in our Fund 15. Those fees can be used to improve our court. For example, technology, education, and court projects. So in some instances, we have taken items out of the General Fund in an effort to help the City with budget challenges and cover things like education out of Fund 15. Fund 15 also tracks collection fees paid by defendants in accordance with State law. These fees fund efforts to work with our third-party agency to locate and contact individuals who fail to appear for court. As you recall, in the past year, you approved a contract for us to work with this third-party agency. The defendants paid a collection fee. This is typically as a result of them failing to appear for court or failing to take care of a requirement. That funding can be used to help locate additional people, and we've talked about that. I am happy to answer any questions you might have on that. Do you have any questions about Fund 15?

[Minutes:]

Council member Green: I see we are going to pull \$10,000 out then go to the General Fund. This may be a combination question for both Mr. Empey and yourself. With annual expenses of only \$11,000 a year, we would have a buildup in this fund. Is there anything that restricts us from transferring that, Dave? I see you got \$10,000. Where did the \$10,000 come from?

Judge Toone: I am happy to explain that. The way that this fund works is that the court's able to keep the monies that go into this fund. Most courts generally hang onto the money. They never turn it over to their governing bodies. They save up for projects like new computer systems, new buildings, things like that, so their funds tend to build up. We have not done that here. That's in part due to the fact that I recognize that the City has budget challenges. Under law, if a court decides it does not wish to hold on to those funds, they can be turned over to the General Fund budget after they remained in the court budget for two years. So this happened a number of years ago with the City challenges, we agreed that we could turn most of those funds that were available over to the City. That more or less cleared out the funds. It has built back over a bit over the last couple of years, and having talked to City Manager Barton and Dave Empey about some of the requests that the departments and the court try to find ways to fund our budget, I agreed to transfer that \$10,000 over. So we can certainly keep an eye on that, and if there are available funds in the future those could potentially go to the City. I would be happy to talk to administration about that.

[Minutes:]

Council member Green: But those are revenues driven mainly by the administrative fee are running \$25/\$30 a year, and our expenses are running \$11, so unless something happens.

[Minutes:]

Judge Toone: In that fund, and I have been working with Dave Empey to make

sure that we are splitting that out, because that fund also includes the grant fund money and the collection money. There's money in there that's AA funds, and that is certainly the bulk of the money, and that's where the \$10,000 is coming from. We are working on breaking that down a little bit more, and hopefully that will make it easier for both our court and for the City to see what's going on with that fund in the future.

The last fund I need to talk about is Fund 19. This is the easiest fund to talk about, because it is simply a pass through Fund. It is on page 110. This fund records fees paid to the court in cases where drug or alcohol analysis takes place. The fund passes through the account and goes into the General Fund. These are the DUI cases where there is some analysis on blood or on breath. DUI cases, and then there are also some funds that can go into that case if there is testing done on suspected drugs. So that basically just passes right through and goes to the General Fund.

[Minutes:]

Council member Green: Makes you wonder why there is a separate fund.

[Minutes:]

Council member Delaney: I would like to hear about your accomplishments a little bit more.

[Minutes:]

Judge Toone: I would be happy to review that. I will briefly review these. One of the accomplishments is some of the grant funds we have been able to receive. We received grant funds from the State for recorder equipment and for the Breaking the Cycle program which I talked to you a little bit about. The write up gives a little more information on that. We have worked to improve access to the court information to the public. We have achieved online payment ability for defendants who wish to have the convenience of paying the fines and fees in certain cases on line. We installed the court information board with information about available resources for people that come to the court. We have also made improvements to the court website. Also, there was recently a press release that we put out that talked about some information we have been able to gather about judges that have served in the Valley over the past. So if anybody is interested in that, I hope you might find it interesting.

We worked to improve accountability. Each year, hundreds of individuals receive citations to appear in court, fail to appear in court or fail to take care of their court requirements. We worked with the City Council to obtain resources to clear a backlog of hundreds of unissued bench warrants that needed to be issued when I was appointed, and to stay current on bench warrants that needed to be issued. We have also obtained permission from the City Council to work with a third-party vendor to help locate and contact individuals that have failed to appear for court.

The next point I will bring out is we have worked to improve the operations of the municipal court. With the assistance of the finance department and Mesquite administrative offices of the courts, we have implemented minimum accounting standards to ensure that we are safeguarding taxpayer funds, and we have successfully completed an audit conducted by an independent body in 2015.

We are currently working with the State to complete a process that will make it unnecessary for court staff to spend hours each week manually entering citation data. This will help our staff be more productive.

Another thing I would like to point out is that we worked to develop relationships with different courts in Clark County so that we can successfully facilitate transfer of cases to appropriate specialty courts, such as Mental Health Court, we were able to get a person into Mental Health Court down in Las Vegas, it was a success in my opinion. We also have been able to help a veteran get into an inpatient program up in Utah.

The last thing I will highlight is Judicial Education. Earlier this year, I received a certificate from the Nevada Supreme Court, Chief Justice Perry Gary for completion of 240 hours of judicial education. I am approximately half way through the Judicial Studies Master's program at the University of Nevada, Reno. Although our contract calls for the City to assist with the cost for judicial training, I have not sought funding from the City for my training, but I've obtained scholarships and funding from the State and other sources, so that it did not impact the City.

[Minutes:]

Mayor Litman: I might state that I have worked with the Judge also on the issues of Veteran's Courts, and we have gone down to Las Vegas on the Mayor's Project on Homeless Veterans down there, and the Judge is very highly received by both Judge Stevens and Judge Seragosa. So we are making a bit of a name for ourselves in Mesquite, because we got a judge that can go down there and do things.

[Minutes:]

Judge Toone: Thank you very much, Mayor and City Council. It is my privilege to serve you.

[Minutes:]

Mayor Litman: We are now at Finance.

[Minutes:]

Mr. Barton: Mr. Mayor, before Dave gets going, one of the proposals in the budget is a raise for Dodi Melendez, highly recommended by Dave Empey. I support the raise. Dodi is a tireless worker all year round, but this time of year especially. Her commitment to her job is truly (indiscernible). Dave can probably

go into the details of the raise and why she is so deserving.

[Minutes:]

Mr. Empey: I see I am last in the batting order here, and as the old adage goes, you save the best for last, but I am not sure that is the case today. I appreciate the introduction by Andy. The finance department budgets are found on page 30 and 31. I think if you look at the adjusted budget on page 30 of \$259,000 and compare that with the tentative budget of \$263,000, there has been a very modest increase, and a lot of that has been through attempts to find ways to reduce the load that's borne by the General Fund.

If we take a look over on page 31 in the Salary section, it is true that I proposed an increase for Dodi, and she is, as Andy has alluded to, very deserving and worthy of the increase. She has become an absolute and invaluable part of the finance department. She is excellent in external customer service as well as internal customer service. She fields many, many calls from other departments' employees. She does payroll, which is not an easy thing. It's much more. It goes much deeper than processing time sheets to initiate payroll checks. There are questions on how you interpret collective bargaining agreements. So she is an expert in so many different areas. She has incredible institutional knowledge, so she is worth every penny of her earnings from my perspective. We have in the salaries adjusted just a little bit the amount that is being charged to the Special Improvement District, Fund 83 is a special revenue fund on page 129. Finance Director, this current year and for several years prior to that, 25% of my wages were charged to the SID Administration Fund. That's now boosted up to 30%, and none of Dodi's salary previously has been charged to this Special Improvement Administrative Fund, but this year there is a portion of her salary that will be so allocated. Again, this is driven by two considerations. One is how can we continue to provide service and yet find savings to the General Fund. Well, in that regard, we consider the service that finance was providing to the Special Improvement Districts. With the increasing number of early payoffs of Special Improvement District liens that are occurring, there seems to be considerable more activity there, so we felt like these increases were well warranted.

If you go down still looking at page 31, books and subscriptions, and memberships, that has increased \$100 from the original budget. Travel and Training, that's at \$4000. We have our annual Caselle Clarity training seminars that occur, and this next one is in Las Vegas. The largest item is the GFOA financial continuing ed. With an eye towards the future and considering succession planning issues, I think it's a wise investment to have Dodi attend these professional technical seminars that GFOA presents to help her establish some credentials in the GFOA community. It will pay dividends back to the City by doing so.

If you go down through Operating Expenses, it is a minimal amount.

Professional Technical services, by and large the significant expenditure there has to do with the annual audit of \$41,750 and a single audit of \$5000. That is a slight increase from the prior year. I'll be bringing forward to Council a proposal to renew a three-year audit engagement contract that will take us up through fiscal year '19. You will see the Caselle software support and the Ameriflex administration credit card fees. Those are all fees that the City is assessed through the flexible savings account. That brings our adjusted tentative budget down almost \$14,000 from the department manager recommended budget of \$277,000. So if there are any questions, I would be happy to entertain.

[Minutes:]

Council member Green: Mine is more of a comment than a question. Customer Service, Dave mentioned that Dodi is very good at that. That extends to Council people, too. Both Dave and Dodi have answered a lot of questions. I am a CPA. I ask a lot of questions. They have a lot of answers, and I don't know how we get buy with two people. Dave also mentioned the idea of succession planning. I think that is pretty important, because this is a huge function. It's two people, only two people. So we need to think about some other blood in in there at some point. I know we are not going to add personnel now, but we do need to think about that down the road, because we have had two stalwarts for some time here turning out a lot of work on a two-man department for not only a \$20 million General Fund budget, but look at all those other funds and all the activity. It is really to me with pretty good knowledge of what it takes to run the shop, the finance accounting shop, I think this is amazing, so I want to thank both Dave and Dodi for all the help they have given me.

[Minutes:]

Council member Rapson: I would like to echo that same sentiment exactly, and speaking of succession planning, I think that probably is something that the Council needs to look at within the next year with respect to a lot of departments. I think we are running into accounting, public works. You know, Bill Tanner, I don't think he is going to be here forever. Andy is not going to be here forever. It is important to have some ideas at how we transition. I don't know what the answer is. I am not suggesting anything. I am just saying rather than just wait till it happens and pull somebody out of another town to come in here, and with the history that Bill Tanner has, it's a daunting task to find somebody that can fill those shoes, and I think there is something we need to at least discuss.

Mayor Litman: Any other questions?

[Minutes:]

Mr. Empey: In the non-departmental fund found on page 38/39 and 40, within this department you will find expenditures that typically are borne by the entire organization rather than specific to a given department. So the budget if you look back in history on page 38, in actual '14 and actual FY-15, you see the budgets in this department have been considerably higher, \$1,452,000 and \$1,363,000. Then for this year we started distributing costs that were previously

incurred in this department and have been allocating those expenses back to various departments within the General Fund and in other funds as well. With the hopes that how do you control some of these costs if you don't know what they are, and so the department needs to know what some of those controllable costs are to manage them. So that was a big change for this year. I think it was a good move. I know that it was something that Council has been asking for. So anyway, that is why the budget as you see on page 38, the Tentative Budget is \$557,000. I don't know if you have any specific questions with regards to the details of that \$557,000 budget, but if there are, I am happy to entertain.

[Minutes:]

Council member Withelder: Is there some other name we can give to this department that obviously exists but doesn't exist because it is non-departmental? I think I have asked this question every year for the past seven years, and I still haven't gotten an answer.

[Minutes:]

Mr. Empey: We are open to suggestions.

[Minutes:]

Council member Withelder: I know it's kind of a play on words.

[Minutes:]

Council member Rapson: Non-departmental just means that it's not allocable to a specific department. It doesn't fall into any other department, so that's where the non-departmental goes. It is a typical, fairly common accounting term, just so you know. The insurance, I see there is the \$330,000, so this is one of the benefits that we are going to hope to reduce in our discussions. How many different funds have the insurance that affects that negotiation?

[Minutes:]

Mr. Empey: There are two funds. This department and the Sewer Fund.

Council member Rapson: And the one we saw last night. \$167,000 something like that.

Mr. Empey: My preliminary calculations based on some numbers that I have seen will touch this particular line item of \$330,000, and again this is very preliminary, but by about \$50,000. But we will see what happens when we have those in-depth detail meetings with those carriers. I heard \$200,000.

[Minutes:]

Council member Rapson: That's what I heard, too, and I am just curious if we get \$50,000 out of this and the other one is only \$167,000 in total, does that just go away?

[Minutes:]

Mr. Empey: No, there will be a portion of savings to the Sewer Fund as well, not to the same magnitude as this department would realize, but again that is just a quick analysis based on the preliminary numbers that I have seen from one insurance company if that were to occur. We will have to wait and see, I guess.

[Minutes:]

Council member Green: We are estimating the \$290,000 for that insurance line for the current year. So you are going to \$330,000, but then that is subject to whatever we work out next week?

[Minutes:]

Mr. Empey: I just didn't want to short change us.

[Minutes:]

Council member Green: So you've gone ahead and put in kind of a higher number in, and we will see what happens, because we won't know until next week. On the allocation, I think that is excellent that we are spreading those costs out. Where are they actually managed, those costs that we are allocating? Are they managed at the incurrence or at the user's level?

[Minutes:]

Mr. Empey: At the user's level. On the monthly financial statement that's published, each one of the managers has total access and visibility of what his power usage is, what his water usage is, and as you heard from Nick yesterday, he has responded to those water usage fees that has prompted him to do something about it.

[Minutes:]

Council member Green: That's the example of allocating, because when they were setting here, we may not have had anybody looking at them. He gets them in his budget, and he says hey I want to do something about it. So that's a great move.

[Minutes:]

Mr. Empey: We will go ahead and move on to Transfers from/to other funds. I think we touched upon this yesterday, so we won't spend a lot of time here, but let me give you the page numbers that I am looking at. The Transfers to the General Fund are found on page 18. You will see under the Tentative Budget Column, this is one of those small fonts, that \$10,000 is the transfer from the Court Administrative Assessment Fund that Judge Toone just spoke of. It's kind of a discretionary transfer to the General Fund that's based on like a 2-year look back period. Also from the Forensic Services Fund, \$3500, which I think the Judge also addressed. \$50,000 from the More Cops Fund, that is something that is new this year. Historically, the General Fund has always been supportive of the More Cops Fund, and primarily for the reason that More Cops sales tax revenues were insufficient to meet the expenses of that fund. So General Fund

has been supplementing the budget there. You can see on the transfers out, over the past couple of years transferred from the General Fund to More Cops Fund, \$205,000. So this is just a small, small, I guess, repayment, if you will, of those Transferred funds from years gone by. The next line item, \$1,016,000, that's the payment. It is hard to wrap your head around why it is the way it is, but the way the bonding agreement was established was the General Fund would really support this payment and kind of guarantee the payment of this obligation, and so that's why we go through this kind of transaction methodology where the Redevelopment Agency transferred this same amount to the General Fund. The General Fund then transfers it out to a debt service fund. I can think of simpler ways to do it, but this is the way that it's spelled out in some of the bond agreements.

[Minutes:]

Council member Green: So that is exactly off-set by the transfer in?

[Minutes:]

Mr. Empey: Right. This final item of \$38,680 is a transfer into the General Fund from the Technology Repair and Replacement Fund. That fund has been dormant now in terms of any funding from the General Fund. It's always been funded by the General Fund, and it just didn't seem necessary for expenditures to come out of that fund rather than the General Fund, so for the purpose of transparency, I guess, we thought it best to bring all of this spending for Information Technology purposes back into that department. That would be a one-time transfer, and it will effectively close that Fund 98.

The funds transferred from the General Fund can be found over on page 21. You will see that the transfer from the General Fund is \$1,747,000, and the funds transferred into the General Fund are \$1,118,000, so there is a net disparity there. Going into the detail, we have \$175,000 going to the Senior Center. Here's that debt service payment of \$1,016,000 that's RDA related. We got funding for Waste Disposal bonds of \$46,175. Then here are transfers to the City Services Fund of \$500,000, that is to recognize that accrued leave benefit that we were talking about. I am wondering if that is a technical blip, Dodi. I was thinking that had been adjusted to \$400,000.

[Minutes:]

Ms. Melendez: (Indiscernible).

[Minutes:]

Council member Green: You said \$400,000 yesterday but before you said \$350,000.

[Minutes:]

Mr. Empey: Yes, there had been some discussions subsequent to that. So that brings us to the total of the transfers from the General Fund. Any questions from Council?

[Minutes:]

Mr. Empey: Now we move to the Transfer of Canyon Crest SID found on page 127. Canyon Crest was the first of the two Special Improvement Districts that were established and authorized by City Council. I think Canyon Crest Special Improvement District was formed in 2005. That had an original outstanding lien of about \$5.5 million. Just briefly for everyone, the understanding of how these Special Improvement Districts work and function. The developer approaches the City, saying we would like to develop this property. Would you essentially coauthor an underwriting of bonds for public sale, and so the underwriter sells \$5.5 million of Canyon Crest Special Improvement District Bonds. At that point, those bonds are in the hands of bondholders. Could be anyone of us in this room. And so how those bonds are paid are through semi-annual assessments, and those assessments are just like making a mortgage payment. They include a portion of interest, and they include some principal on the lien balance, so they pay down just like a mortgage does over I think a 20-year period for these Canyon Crest Bonds. The amounts that you see here on page 27, as far the collections and the interest; those are based on the amortization schedules of the outstanding bond at the conclusion of the February 1<sup>st</sup> debt service payment. At that point, we know exactly what the outstanding bonds are for the remaining life and how much of those bonds are assessed in the coming 12-month period. It's very likely, it's probable that property owners are going to decide to pay off their bonds, and so those numbers will change considerably from budget. You will notice back in FY '15 actual principal payments made were \$667,000. If you were to look at the budget for that particular year, it would have been maybe a third of that. These numbers change based on the desires of property owners to pay out their Special Improvement liens. These are the funds that also record the debt service payments, and so you can get a feel for how those bonds are being paid off.

You will notice a discrepancy between the interest near the third line down, Collections Interest in the tentative budget is \$155,000, and you will notice on the expenditure portion the bond payment interests of \$127,000. That incremental difference is what is transferred to the Special Improvement District Administration Fund. That's what pays for the salaries of Dodi and myself, for example, and to pay for the assessment management groups administration of the semi-annual assessment billings to property owners. That was a provision made for when one of these Special Improvement Districts were first implemented.

I could duplicate the same wording on the next page, on page 128, the Special Improvement Districts function virtually the same. I think the Anthem Special Improvement District was formed in 2007, I believe, if I remember correctly, and it was over \$13 million. We maintain separate records for them. It's quite a process to derive financial statements for month to month.

On the following page, you will see the Special Improvement District Administration Fund. You will see the revenues into this are coming from transfers from Canyon Crest and the Anthem SID's. You will see the \$28,000 coming from Canyon Crest and the transfer from Anthem at \$115,000. The incremental differences between what the Wood Assessment Management Group bills on a semi-annual assessment billings and what is actually paid as debt service interest. That is the mechanism and the means for paying for the expenditures that are enumerated below. We separate the expenditures for the Canyon Crest Portion as opposed to the Anthem portion, so we know exactly which Special Improvement District's needs are being met. Any questions there from Council?

[Minutes:]

Council member Green: So those fees that we get are exceeding our expenditures, so our fund balance continues to build up. Should we be charging these a bit more, or is there going to be some turnaround there? What happens to that balance, because if we are bringing in \$140,000 in assessment fees, our share, and our costs are running considerably less than that, that fund is just continuing to build up, you've offset a little bit by increasing or putting 10% to Dodi and another 5% of yourself in there, so that helps the General Fund, but are there opportunities to further help the General Fund through this build up.

[Minutes:]

Mr. Empey: I like to be fair with this fund. I've talked with other jurisdictions, and they put entire full-time staff in these Special Improvement Administration Funds. In good conscience, I allocate our fees based upon the actual time and effort that goes in. Sure, I could probably charge 50% of my salary, 50% of Dodi's, but if someone were to ask show me how you spend 50% of your time on these two funds, I'm not sure I could do it. So it is based really on actual effort given, I guess.

[Minutes:]

Council member Green: Are we building up a pot that when these bonds are all paid off, we'll be left with a balance?

[Minutes:]

Mr. Empey: At that point, these funds will then be transferrable to the General Fund.

[Minutes:]

Council member Green: Do you expect you will still be the Finance Director at that point and I'll still be on Council?

[Minutes:]

Mr. Empey: I doubt it.

[Minutes:]

Council member Rapson: Well, that was kind of my question, is that a restricted

fund balance that we cannot attack until it's a done?

[Minutes:]

Mr. Empey: Right, until those bonds have been repaid in full, at which time you know they could be made available to the General Fund.

[Minutes:]

Council member Rapson: They are not to the bond holders, to the servicing companies, nothing else? They're ours?

Mr. Empey: Yeah.

[Minutes:]

Council member Green: But those SID fees are intended to compensate for the costs. So the fact that we are very efficient at what we are doing, we are just allowing the fund to build up, a rainy day fund if you will.

[Minutes:]

Mr. Empey: Right. We are closing things out quickly now. Page 131, that is our Debt Service Fund. You will see the revenue source is there collecting from the Redevelopment Fund \$2,473,000, and the transfer in from the General Fund of \$1,016,000. Really, all of that is Redevelopment debt related, and you will see on the expenditure side of this that we are paying redevelopment debt principal of \$3,270,000 and the interest on that debt service is about \$219,000. That's all based upon amortization schedules that are in connection with these debt obligations.

On page 130, this is a Waste Disposal Bond that we had for many years. This is the one that bears interest at 5 ½%, which I think Council member Rapson referred to yesterday. The annual debt service on that is \$74,000. You will see in the transfer from the General Fund Line, this year is \$56,175. In prior years, it has always been \$74,895, which is always the amount of the debt service. What we did is in order to help the General Fund Balance out just a little bit, we reduced that General Fund Transfer this year to \$56,175.

(Break in taped recording)

[Minutes:]

Mr. Empey: So by adjusting the transfer from the General Fund, we bring that projected 2017 ending fund balance down to the equivalent of one year's debt service. In these debt service funds, we try to maintain at least and require to with some debt obligations to maintain a balance and a debt service fund equal to 1 year's debt service.

[Minutes:]

Council member Green: Council member Rapson mentioned yesterday about the possibility of doing a refunding issue to capitalize on rates, and I know it is a small balance, but is there a huge redemption premium there if we wanted to pay

these off? There's only \$459,000 left. So the General Fund is in essence funding this thing, if we were to pay those off even with a redemption fee, we would be eliminating the \$75,000 annual General Fund cost. What we are giving up by taking that General Fund money out of our investments is a very small amount, because it's not earning much.

[Minutes:]

Mr. Empey: Right. I will revisit that with USDA Rural Development, who has issued these bonds. I can tell you when I spoke with them, it has probably been two years now, it is a cumbersome proposition.

[Minutes:]

Council member Green: I am wondering if we could pay it all off?

[Minutes:]

Mr. Empey: Yes, that was my question to them at the time. They didn't necessarily want to do that. I can see why at 5 ½%. I think they have an interest on maintaining outstanding – they have a portfolio, and they don't want to see a decline in their outstanding debt portfolio. I will revisit that topic with USDA.

Let's do page 124, City Services. This is a fund and again let me draw your attention to the fund descriptions that are found on page 6 and 7 and 8 that describe these funds. Let me just share with you briefly the fund description for Fund 97, if you don't mind. This fund recognizes and provides necessary resources for future liabilities to separating staff employees for accrued leave benefits earned for unused vacation and sick leave pay. Such benefit payments are not normally budgeted within the other governmental funds. When separating from employment with the City, such benefits will be paid directly from this fund. So that's what this fund is used for and how it's resourced and how those resources are used.

So what you see here is funding from a General Fund of \$500,000, and there is nothing budgeted for the expenditures. Now in our discussion of 15, 20 minutes ago on a separating employee that we are anticipating, we can reduce the General Fund expenditure related to those accrued leave benefits, and budget those benefits' payments within this fund. It will help the General Fund. It will utilize this fund for the purpose for which it was intended. We will bring back the value of what that would be, and so we would adjust the expenditure budget for this fund.

[Minutes:]

Council member Green: The liability we are trying to establish here is basically the banked leave and banked sick pay. So if somebody takes their vacation every year, do we just absorb that cost in our General Fund costs? Nothing be accrued for their eventual early departure. If they bank part of their vacation or they don't take it all --

[Minutes:]

Mr. Empey: That's right. What typically happens in the budgeting process is that we cap, for example, for most. We've got collective bargaining units here, but let's just say everybody is capped at 240 hours of maximum leave accrual for vacation purposes. We pay down to that amount every December. So there's still that 240 hours of accrued vacation pay that is not not budgeted for. So when an employee separates from the City, that \$240,000 is not budgeted for in the General Fund, so this City Services Fund 97 will be able to accommodate that separating employment. It's interesting to note that with the turnover at the police department, I'll bring them up as an example; they have had several separated employees over the past year and a half or so. When that happens, we paid out those benefits as we are obligated to do, but Chief has decided that in order preserve his budget and not exceed it, he would just not hire and not replace that officer until the savings have been there and closed it. And that affects services. This will be a big help on several different levels.

[Minutes:]

Council member Green: On our non-contract employees, do we have a use it or lose it policy, or are they allowed to bank?

[Minutes:]

Mr. Empey: Use it or lose it on vacation pay? No, it's banked.

[Minutes:]

Council member Green: So non-contract employees, that's why the total is a \$1.5 million to basically cover contract and non-contract employees.

[Minutes:]

Mr. Empey: Right. Let's turn our attention now to the Technology Fund. Have we already discussed that? It's on 125, the very next page. You can see the tentative budget shows a transfer to the General Fund of \$38,680, and if you look down at the General Fund, the ending Fund Balance Summary, you will see that with that transfer, that closes out that fund.

The last fund I need to talk about is the Vehicle Replacement Fund. That is found on page 126. You will see that there are no transfers into this Vehicle Replacement Fund for this year, but there will be a spending of \$100,000 for several police vehicles. I would draw your attention to the fund balance summary down below. We are depleting that fund balance by \$100,000, and so we are projecting 2017 fund balance of \$433,473. This fund balance at one time was upward of \$2.5 million. In an effort to smooth out the capital needs requirements of the various departments, we always had this fund to bank on to buy large pieces of equipment for public safety purposes, for example. So this is an area where we will probably need to address and take a closer look at in funding in future years, especially with the needs we are hearing about from public safety for replacement vehicles and engines that are 25 years old. Right

now that would create a little shock to the General Fund and or this fund. That's a discussion for another year, I guess.

[Minutes:]

Council member Green: There's nothing that restricts us from using this fund for part of the cost of a fire engine if we so chose?

[Minutes:]

Mr. Empey: No, no restrictions there.

[Minutes:]

Council member Rapson: Do we have, by department, long term sort of capital investment program or budget? The Fire Department has one that says, I am going to need this and this and this in these years, and it goes out 10 years or 5 years or whatever it is. And if so, where are we in relationship to those, or we do we find that?

Mr. Empey: 60.

[Minutes:]

Ms. Melendez: Capital Projects.

[Minutes:]

Mr. Empey: Those kinds of Capital Expenditures I don't think are reflected. Yes, I specifically requested from public safety directors to provide at least a three-year equipment needs schedule, and they are significant. You might recall last year on budget we had a transfer item on there to fund this particular fund. I don't remember the specific amount. It might have been \$200,000/\$300,000/\$400,000. I really don't remember, \$370,000, I think.

[Minutes:]

Council member Rapson: \$370,000

[Minutes:]

Mr. Empey: That was this year, but in last year's budget there was a specific amount withdrawn. I would like to say this is an area we will need to pay some attention to next year and then certainly in the following year. Any other questions from the Council?

3. Review and discuss amendments of the FY 2016-2017 City of Mesquite Tentative Budget from the Wednesday, May 11, 2016 Budget Work Session Meeting.

- Discussion and Possible Action

[Minutes:]

Mayor Litman now deferred to Mr. Empey's amendments from yesterday.

[Minutes:]

Mr. Empey: As you can see, with the Salary and Benefit Reductions to the General Fund, we have broken this down by fund. As you see before you, there are adjustments to the General Fund into the Street Maintenance Fund 11 and into the Transportation Impact fees, Fund 22. Within the General Fund yesterday, there was discussion about decreasing salary and benefits that amounted to \$37,248. There was also discussion of increasing the rec fee memberships from, I believe, what was set at \$172,000 to \$215,000, which I think Dodi was working closely with Nick to come up with that revised revenue amount. Also revised was the Medical Marijuana to \$224,000 for FY '16/'17. So that is an increase of \$144,000. The positive effect to the General Fund through those budget expenditure decreases and their revenue increases amounts to about \$224,000. Keep in mind, our deficit was \$239,000. We also discussed yesterday that business license fees for this year were projected at \$569,000, and we are working with that Department Director to see if that is a bit overstated. So there might a \$50,000 downward adjustment there. So these are all adjustments that we will bring back to Council when we reconvene on the 17<sup>th</sup> of May, and we will have all of these tabulated.

Let me just finish up with the effects on Fund 11. We will include \$15,000 in interest income revenue, and also in Fund 22 \$12,000 in interest income revenue there. Then increase the expense for the TCIP review in the amount of \$60,000. What's happened just since we concluded from last evening, we determined that there has been some overlap on propane expenditures in the Rec department and the Recreation fund. So we are proposing decreases of \$10,000 to the General Fund. In the Propane account #10-81 28, decrease in the propane line item #17-81 610 for \$7,000. That would be reflected also in the budget adjustments that we will bring back to Council on the 17<sup>th</sup> of May.

I am not sure I heard of any other budget adjustments from the budget reviews that we have discussed here today, other than the separating employee. So we will add that to the amounts that you have before you now, and we will have those ready for next Tuesday. Anything else from Council?

[Minutes:]

Council member Hafen: Back to the Fire Department, the Chief and Deputy, since I was the one that brought that up, we pulled that off. I wasn't opposed to some pay increases. In the past, it has been incremental. So if we just want to adjust that back on an incremental basis, I am not opposed to that. Council member Rapson made his comments. I will deal with the residency issue of the Chief, and if I have an additional problem, I will bring it back. 20% at one – we have never done that. Andy, we haven't done that since you have been here. I have no problem with an incremental increase over 3 or 4 years. I mean, (indiscernible) got a partial one last year, so if his is 10 or 15, it's 5% or whatever you want to do. I just fundamentally don't think it is wise to just 20%, 15% in one motion.

[Minutes:]

Council member Rapson: I don't have any heartburn with that, either. What is exactly the proposed in the budget before you removed it? What is the increase for each one percentage wise?

[Minutes:]

Ms. Melendez: 15 and 20.

[Minutes:]

Mr. Barton: Chief is 20 and 15 on the Deputy Chief.

[Minutes:]

Council member Rapson: I have no opposition to phase in, and I think it just has to get equalized at some point to where it is similar to Troy Tanner's, and I think that was phased in.

[Minutes:]

Mr. Barton: Council member Hafen is right. There is a precedent for a 20% raise, more like 25% raise. That was what the Council elected to do last year with police management. The difference between the proposed raise and this budget and what happened last year is that it was done in steps. I believe there were five steps given to the police chief, the deputy chief and now the police captain.

[Minutes:]

Council member Hafen: And it was also done in a meeting, not through the budget.

[Minutes:]

Lindy Hulet: The increases last year that were given to the Police Department were done through negotiations. They were hidden and slide through on that Teamsters, MPAO Teamster's Agreement. Then the following month, we were asked to present our contract, which we spent hours and weeks on, doing what you counseled us to do. Then it was declined and turned down. We had the stats. Everything was there. I am sorry. I have seen it happen all these years. You should talk to the admin of the station once in a while to see the real picture. We see what is going on with promotions and savings and not savings. We know how it works. We pay the bills. We put them together. We give them all their presentations and work together to make it work right. We met every one of you, with the exception of maybe one or two, but it's not because we didn't try. I individually contacted you, made appointments. We gathered the numbers to compare to other departments, to compare to their subordinates that make as much as Rick does right now. There is captains. The south recrowding is real, and it was real last year, so to even come close to even catching up to be compared to other public safety department heads. That is why there is a 15% and 20% increase there. That's all. They didn't come prepared with their contracts and all that, because he understood that everything was in agreement

and that is the way it should have been. If you didn't get the message, then it's because you didn't come talk to him. I don't know how many times he calls Andy a day. He communicates with Andy constantly. He doesn't make a step or purchase or anything without contacting his supervisor. I don't have a chance tomorrow to come back and apologize, and so I do give my apologies. I wish I were more like Judge Toone, mild mannered, but it does get exhausting. We do our best, and we are grateful to work here, and we try to do what you ask and that's all. Thank you for this time.

[Minutes:]

Mayor Litman: How do you want to handle this, Mr. Barton? You want to separate this out, not separate this out?

[Minutes:]

Mr. Barton: We can certainly bring this back the next Council meeting and discuss it then.

[Minutes:]

Council member Hafen: The proposal was 5% or whatever they want to do over a 3 or 4-year period. That is what everybody else got. Is that right, Andy, or not?

[Minutes:]

Mr. Barton: We can come back with a salary schedule that's equivalent to the one that was given to the police managers. The Council can convert it up or down.

[Minutes:]

Council member Hafen: I do, believe just for the benefit to the last individual, I think the police chief had only been here a year at that time. So I think that needs to be weighed into the equation, with all due respect.

[Minutes:]

(not at a microphone) Lindy Hulet: He did not ask for a raise last year. The increments were there.

[Minutes:]

Council member Hafen: The question is, is there a problem with incremental raises or not, other than the 20% at one time? What we are saying is we can give incremental raises and spread it out over a few years. That's what I am saying.

[Minutes:]

(not at a microphone) Lindy Hulet: Start it at a good thing and then start incremental raises, like you did.

[Minutes:]

Council member Hafen: He was hired two years ago and he agreed to the base salary. I don't know what else to do.

[Minutes:]

(not at a microphone) Lindy Hulet: The incremental increases really should be across the board for the City. I don't know who should be tallied or given that responsibility. As you can see, our (indiscernible) are not the only one. (Indiscernible).

[Minutes:]

Council member Delaney: For those of us that met with Chief Christopher, I believe the big deal on this, Rick correct me if I am wrong, but this was because you have subordinates making or that will be making considerably more than you or Kash, and that some of the raises that we did turn them down on steps last year, I voted no on police management steps as well. I believe it should be on what kind of job you do. I believe they all do a great job. That's not even what I am saying, but I believe that the Council people that met with Chief Christopher and with you agreed that it was time to get you at least up above your subordinates, and that this was to get this leveled out. Then we did steps last year. Not everybody started at step 1, and I think that is what Lindy is trying to say is that if step 1 was down here, then some of them that have been there longer or they started at step 3, so therefore their pay was higher. Is that correct? That's how I saw it.

[Minutes:]

Deputy Chief Rick Resnick: Yes, that is correct. Last year with the Teamsters Contract for the Fire Union, that very instant all three captains succeeded me in salary at that particular point. That's why we put that management package together. Lindy is correct that in that management package, Chief Christopher was not scheduled for a raise at that particular time, because he was new, and that he would kick in on I believe was the 2<sup>nd</sup> or 3<sup>rd</sup> year on that. I guess time with this next increase contractually with the Teamster's Union, all those captains are ad hoc staff, so their salary, their benefits package, they do at the end of the day make more than I do, and also one of them actually is above Chief Christopher.

[Minutes:]

Council member Delaney: And that is really one of the things that this was about, I believe, was trying to get this a little bit more equitable so that our top people are making the top salaries.

[Minutes:]

Deputy Chief Resnick: That is correct, to bring everything into alignment so subordinates weren't being paid more than supervisors, and then to take it from that point that you know either coming back with a more minimalized step increase system or something that would be palatable to everybody, but yes, this

increase was to get that back into alignment where supervisors or the managers, where Chief Christopher and myself were actually above salary from the three captains.

[Minutes:]

Council member Delaney: And while I've got the floor, I've been biting my tongue, and I've got to say this. I feel that this Council Chamber is completely inappropriate and unprofessional place to discuss someone's personal life.

[Minutes:]

Mayor Litman: Personal opinion at this point, I think we should look for a motion to do something with this rather than sit here and just banter back and forth, because I don't think we are going to accomplish anything in doing this.

[Minutes:]

Council member Withelder: I am going to direct this to Mr. Sweetin. Mr. Sweetin, is it possible that we have an attorney/client and discuss this as a Council in private and then bring it back very, very soon to an agenda item on the council meeting.

[Minutes:]

Mr. Sweetin: We would only be able to do that if there is some threat in litigation and here there just isn't. All this is is whether to give them raises or not. So I don't see an avenue to get into an attorney/client on this.

[Minutes:]

Council member Withelder: I don't think any of us are averse to giving them raises, I think it is just something that should be discussed internally.

[Minutes:]

Mr. Sweetin: The only way we could do that is if, for example, the fire department was threatening to sue us for some inequitable pay issue. That's the issue is that it all has to be out here, unless we can find some sort of potential litigation to bring it back or personnel issue. Normally, this could be an interior personnel issue. Here it is not, because we are talking about fire management, so their personnel matters are public matters to be out in the open.

[Minutes:]

Council member Rapson: I don't believe there is any dispute that the raises are not in contest here. I think we are all in agreement that the raises are appropriate. What it comes down to now is how much and when. We have to start this somewhere, and let's start with discussion. When I talked to the Chief and Rick, I was okay with the whole thing. I am still not adverse to that, but I do get it is precedent. It is a lot of money, and it's a big chunk. I am going to throw 50% of each request out this year, 50% next year. That's not the 3 or 4 years. It's not the all at once. It's somewhere in the middle, and I am going to use that as a compromise. Union negotiations is a compromise. Everything is a

compromise, and so I am going to throw that out there and see where that goes, because I am okay with that.

[Minutes:]

Deputy Chief Resnick: Thank you, Councilman, and I do appreciate your comments earlier in the meeting. I very much appreciate addressing us like that. Thank you.

[Minutes:]

Council member Withelder: Mr. Rapson, are you going to propose that as a motion?

[Minutes:]

Council member Rapson: I will propose it as a motion.

**Council member Rapson moved to approve 50% of the request for Fiscal Year 2016-2017 and the remaining 50% for Fiscal Year 2017-2018. Council member Withelder seconded the motion.**

[Minutes:]

Council member Delaney: I just have one question. Is 50% from you guys anywhere close?

[Minutes:]

Council member Green: What I have done is I have looked at, again Cindi is right, this is a question of steps versus merit. I am a merit guy. I voted no on the police steps. I voted no on the fire steps. I said merit is the way to go. I talked to Chief Tanner and said you left something on the table; I wouldn't have accepted a 6% step. I would have given you a 10% merit increase. I am a big fan of merit increases for management, not steps, to make that clear.

If we would grant the 20 and 15 that were asked for, we would end up with a police chief still exceeding our fire chief by about 8%. Our deputy police chief still exceeding our deputy fire chief by 10%, and that follows on down through. The average public safety senior person versus fire versus police is about a 10% difference. I can live with that, especially in view of the experience level of the police chief in relation to the fire chief, so I am not of the opinion to go 50/50, because I believe 100% in merit.

[Minutes:]

Council member Rapson: I am glad you brought the merit thing up, because I agree with the merit, but the other thing is that comparing the two departments is apples to apples with respect to longevity, and there are a lot of nuances in there. I personally don't think that's incredibly relevant. My goal was to get you guys at some point above the people below you, which is exactly what we were trying to do with the police chief, and we did it in steps, not steps, as a contract steps type thing, but in a series of raises to get them to a point. I still believe that it's okay. I get it, but if it is 15 and 20%, is that correct? Or 20 and 15. That

means there is a 10% raise July 1<sup>st</sup>. That is a pretty good substantial raise. There will be another one the following year. That gets you an equivalent amount, so that's the 20%. That gets you guys both above the people below you in two years. Sometimes it does not happen overnight. Again, we talked about compromise. We talked about something here, and I want to work with this thing and make it work, and we do have budget constraints. We don't have an open piggy bank, so I am going to stay with my proposal, and if I don't get it, then we can go to round two, but I do appreciate you guys. I know you work hard and I know you do a good job. The one thing I didn't say that I wanted to say earlier is that I have had no reason – you and the Chief have never given me a reason to doubt your honesty or your integrity, and that's true. This isn't about that. This is clearly just simply -- and I think the Chief and you guys have done an incredible job. I see a big difference in the fire department between now and what it was before. It is a recognizable difference. Collecting revenues, overtime has gone. Still not where I would like to see it, but it has gone down, and I know part of that is contractual. Training, consistency and procedure, manuals, I get it. You guys have done a great job. I do want to do this. It is just a question of who believes in how to get there.

Mayor Litman: So we do have a motion on the floor. Any other discussion on this motion.

**Yes: 2 Against: 3 (Green, Delaney, Hafen)**

[Minutes:]

Mayor Litman: The motion does not pass.

[Minutes:]

Council member Delaney: I propose that we do what we said we were going to do when we met with the Chief. I believe that we should move forward with the agreed-to raises to get these guys where they need to be. They are still below the other administration and the other public safety departments, but I believe that the way all this came about with last year, Chief did not take a raise. He didn't ask for one. He wasn't due one. Rick did receive a raise. I think it's time that we take some pride in our administration and we back up what we say we are going to do, and my motion is to move forward with the raises that were proposed.

**Council member Delaney moved to move forward with the raises that were proposed. Seconded by Council member Green.;**

[Minutes:]

Deputy Chief Resnick: Thank you. I do appreciate that, and I do want to echo or add my 2 cents into that, and I am sure Chief Christopher would be in agreement. We are very grateful for your even consideration on it, as we are willing to work with you on those levels, and just the consideration alone on this

we do appreciate this.

**Yes: 3 No: 2 (Hafen, Rapson)**

[Minutes:]

Mayor Litman: And that motion passed.

[Minutes:]

Mr. Sweetin: I just note for clarification purposes that vote was simply to return the budget to its current format. That did not actually grant the raises to the Fire Department.

[Minutes:]

Mayor Litman: Correct.

4. Review and discuss proposed amendments of the FY 2016-2017 City of Mesquite Tentative Budget.

- Discussion and Possible Action

## **Public Comments**

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*During the Public Comment portion of the agenda comments must be limited to matters within the authority and jurisdiction of the City Council. Items raised under this portion of the Agenda cannot be deliberated or acted upon until the notice provisions of the Nevada Open Meeting Law have been met. If you wish to speak to the City Council at this time, please step up to the podium and clearly state your name. Comments are limited to 3 minutes in length.*

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5. Public Comment

[Minutes:]

Mayor Litman opened up the meeting to Public Comment. There were none.

## **Adjournment**

6. Adjournment

[Minutes:]

Mayor Litman adjourned the meeting at 5:14 PM.

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Allan S. Litman, Mayor

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Tracy E. Beck, City Clerk