



MAYOR
Geno Martini

CITY COUNCIL
Donald Abbott, Ward I
Ed Lawson, Ward II
Ron Smith, Ward III
Charlene Bybee, Ward IV
Kristopher Dahir, Ward V

CITY ATTORNEY
Chet Adams

CITY MANAGER
Stephen Driscoll

CITY COUNCIL BUDGET WORKSHOP
8:30 A.M., Monday, February 26, 2018
Sparks City Hall, Lower Level, 431 Prater Way, Sparks, Nevada

1. Call to Order (Time: 8:30 a.m.)

The workshop of the Sparks City Council was called to order by Mayor Pro Tempore Ron Smith at 8:30 a.m.

2. Roll Call (Time: 8:30 a.m.)

Council Members Donald Abbott, Ed Lawson, Ron Smith, Charlene Bybee, Kristopher Dahir, City Manager Steve Driscoll, Chief Assistant City Attorney Shirle Eiting and City Clerk Teresa Gardner, PRESENT.

ABSENT: Mayor Geno Martini.

3. Pledge of Allegiance (Time: 8:31 a.m.)

The Pledge of Allegiance was led by Financial Services Director Jeff Cronk.

4. Public Comment (Time: 8:31 a.m.)

Executive Director of the Truckee Meadows Parks Foundation Nathan Daniels asked the City Council to reprioritize park funding, stating there has not been an increase in funding since the recession.

5. Agenda (Time: 8:32 a.m.)

5.1 Approval of the Agenda (FOR POSSIBLE ACTION)

Consideration of taking items out of sequence, deleting items and adding items which require action upon a finding that an emergency exists.

A motion was made by Council Member Dahir, seconded by Council Member Abbott, to approve the agenda as submitted. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

6. Review, discussion and possible direction on the proposed Capital Improvement Plan (CIP) for Fiscal Years 2019 through 2023. (FOR POSSIBLE ACTION) (Time: 8:32 a.m.)

An agenda item from Capital Projects Manager Brian Cason on the proposed CIP, its support of the comprehensive plan and projects being considered. Mr. Cason discussed projects including rehabilitation and preventative maintenance for various streets throughout the city, facilities

maintenance and upgrades at various city buildings. Mr. Cason also gave an overview of IT projects including hardware replacement and infrastructure upgrades throughout the city.

Council Member Lawson requested information on the number of people that utilize the Alf Sorensen Community Center (ALF). Council discussed staff's preservation of the fields at Golden Eagle Regional Park (GERP) and on preserving assets, usage of the Burgess Tennis Courts because of receiving requests for pickleball courts, the proposed dog park at Black Hills Park, and safety concerns and lighting at Victorian Square. Council Member Lawson gave direction to the City Manager to look into the \$100,000 in tourism funds set aside for bollards. Council Member Lawson also gave direction for Elaine Way. to be a priority and wants the street rehabilitated before Fall.

A motion was made by Council Member Bybee, and seconded by Council Member Abbott, to accept the report. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

7. Review of current fiscal estimates for the 2017-2018 and 2018-2019 fiscal years, and consideration and possible direction of fiscal policies to be utilized for the 2018-2019 fiscal year budget. (FOR POSSIBLE ACTION) (Time: 9:16 a.m.)

An agenda item from Financial Services Director Jeff Cronk who provided an overview of current fiscal estimates and other fiscal considerations relating to the 2017-2018 and 2018-2019 fiscal years. City Manager Driscoll requested input on Council policies and gave an overview of discussion points such as the current status of the budget, a review of Council policies, the city still being in a slight sustainable loss situation and his recommendations based on current budget status and Councils' policies. The 2018-2019 Tentative Budget will be prepared based on input and direction received and will be filed with the State by April 15, 2018 as required. The City Manager will direct the creation of the City Manager's Final Budget recommendations which are tentatively scheduled to be presented to the City Council and Redevelopment Agency for further input and approval on April 23, 2018.

Additionally, State law requires a public hearing on the Tentative Budget to be held by the governing body not sooner than the third Monday in May and not later than the last day in May. This year's public hearing on the fiscal 2018-2019 Tentative Budget is scheduled for May 28, 2018. The City Manager currently intends to present the 2018-2019 Final Budget to the City Council and Redevelopment Agency also on May 28, 2018, immediately following the public hearing on the 2018-2019 Tentative Budget. The Final Budget must be submitted to the State by June 1, 2018.

Discussion included: revenues are coming in stronger than forecasted equating to an ending fund balance higher than predicted; the AT&T refund; the city beginning to recover from the recession and stabilizing; the ending fund balance; CTAX; property tax and the property tax cap; license and permits; employee contracts; health insurance; heart and lung claims; worker's compensation and general liability claims; GERP turf replacement; recreational marijuana revenues; IT hardware/software upgrades; CIP deferrals; the sewer rate study; and expiring grants. Council Member Bybee stated she wants the city to have a strong voice in the upcoming Legislature for the heart and lung claims and property tax.

Council took a break at 10:32 a.m.; Council reconvened at 10:43 a.m.

Mr. Cronk reviewed each of the current Council fiscal policies.

Fiscal Policy 1: General Fund unrestricted ending Fund balance equal to 8.3% of expenditures. A motion was made by Council Member Lawson, and seconded by Council Member Bybee, to continue fiscal policy 1 with a target of 6%. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

Fiscal Policy 2: Establish a General Fund contingency amount up to 3% of total expenditures in the annual budget. A motion was made by Council Member Dahir, and seconded by Council Member Abbott, to continue fiscal policy 2. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

Fiscal Policy 3: Transfer a minimum of 2.5% of total General Fund revenue plus full funding of IT Hardware & Software Replacement Plans from the General Fund to the Capital Projects Fund. A motion was made by Council Member Lawson, and seconded by Council Member Bybee, to approve fiscal policy 3 as: policy 3a.) revert the franchise fee to previous years allocation, and policy 3b.) \$500,000 from marijuana revenues be used for the GERP fields and \$800,000 from marijuana revenues be used for the IT hardware and software replacement plans. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

Fiscal Policy 4: Commit a portion of annual business license receipts to the Stabilization Fund up to the maximum fund balance allowed within NRS 354.6115. A motion was made by Council Member Lawson, and seconded by Council Member Abbott, to continue fiscal policy 4. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

Fiscal Policy 5: General Fund personnel costs do not exceed 78% of general fund total revenues. A motion was made by Council Member Dahir, and seconded by Council Member Lawson, to continue fiscal policy 5. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

Fiscal Policy 6: Report the annual Other Post Employment Benefit (OPEB) and Workers Compensation liabilities and annually determine strategies to reduce or fund these liabilities. Mr. Cronk suggested to expand the policy to include all employee benefit liabilities. A motion was made by Council Member Lawson, and seconded by Council Member Dahir, to continue fiscal policy 6 with the addition to expand the policy to include all employee benefit liabilities. Council Members Abbott, Lawson, Smith, Bybee, Dahir, YES. Passed unanimously.

Mr. Driscoll provided a summary of other funds and interlocal agreements with other government agencies and top needs he will be proposing to Council in the Budget. Council Member Dahir asked to have a detailed conversation about forensic services costs.

8. Comments

8.1 Comments from the Public (Time: 11:42 a.m.) - None

8.2 Comments from City Council and City Manager (Time: 11:42 a.m.)

Council Member Dahir wants to see funding set aside for Council as discretionary spending for community engagement. Council Member Lawson requested a workshop to discuss the funding for discretionary spending; affordable housing, residential infill, and overlay; and the regional

homeless issue, which needs to be a regional solution. City Manager Driscoll and Mayor Pro Tempore Smith thanked Council and staff for their work and time.

9. Adjournment (Time: 11:48 a.m.)
Council was adjourned at 11:48 a.m.

/djd

GENO R. MARTINI, Mayor

ATTEST:

Teresa Gardner, City Clerk

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