

**MINUTES  
CITY OF FALLON  
55 West Williams Avenue  
Fallon, Nevada  
March 20, 2018**

The Honorable City Council met in a regularly scheduled Council meeting on the above date in the Council Chambers, 55 West Williams Avenue, Fallon, Nevada.

**Present:**

Mayor Ken Tedford  
City Councilman, Robert H. Erickson  
City Councilwoman, Kelly Frost  
City Councilman, James D. Richardson  
City Engineer, Michael E. Miller  
Police Captain, Ron Wenger  
City Clerk, Gary C. Cordes  
Legal & Administrative Director, Robert Erquiaga  
Deputy City Attorney, Leonard E. Mackedon  
Deputy City Clerk, Elsie M. Lee  
Deputy Public Works Director, Ryan A. Swirczek  
Deputy Public Works Director, Brian A. Byrd  
Director of Tourism & Special Events, Jane Moon

The meeting was called to order by Mayor Tedford at 7:00 p.m.

Mayor Tedford led the Pledge of Allegiance.

Mayor Tedford inquired if the agenda had been posted in compliance with NRS requirements.

City Clerk Cordes advised that the agenda was posted in compliance with NRS 241.

**Approval of Council meeting minutes for February 20, 2018**

Mayor Tedford inquired if there were any additions or corrections to the minutes for February 20, 2018.

No additions or corrections were noted.

Councilman Richardson motioned to approve the Council meeting minutes for February 20, 2018 as submitted, seconded by Councilman Erickson and approved with a 3-0 vote by the Council.

**Approval of Warrants**

A) Accounts Payable

- B) Payroll
- C) Customer Deposit

Mayor Tedford inquired if there were any comments regarding the accounts payable, payroll and customer deposit warrants.

No comments were noted.

Councilwoman Frost motioned to approve the accounts payable, payroll and customer deposit warrants and authorize the Mayor to sign the same; seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

**Public Comments**

Mayor Tedford inquired if there were any public comments. He noted that comments are to be general in nature, not relative to any agenda items. No action may be taken on a matter raised under this item until the matter has been specifically included on an agenda as an item upon which action will be taken.

No public comments were noted.

**Presentation to Churchill County High School Archery Club Champions**

Mayor Tedford was pleased to present awards to the 2018 Nevada National Archery in the Schools Program (NASP) State Tournament Champions. Individual awards were distributed, and photographs were taken with the Mayor and City Council. Mayor Tedford noted that these archers worked very hard to win this championship and he also thanked the parents and grandparents for their dedication as they supported these fine youths.

|                  |                  |                    |
|------------------|------------------|--------------------|
| Cody Sponsler    | Matthew Sorensen | Joie Gibbons       |
| Shelbi Schultz   | Willow Peterson  | Victoria Martin    |
| Josh Evans       | Adrian Martinez  | Sawyer Gregersen   |
| Broder Thurston  | Will Swisher     | Joseph Harmony     |
| Darby Cecil      | Ben Bake         | Emily Rozzell      |
| Lukas Pritchard  | Ashton Mueller   | Jessica Bolling    |
| Faith Cornmesser | Averie Wood      | Coach Dean Schultz |

**Appointment of Eide Bailly as auditors for the City of Fallon for the fiscal year ending June 30, 2018**

Councilman Erickson explained that, pursuant to NRS 354.624, each local government in the State of Nevada shall provide for an annual audit of its financial statements. As background information, the City had, for many years, contracted with Kafoury Armstrong to perform the audit and that relationship had been beneficial to all parties. Two years ago, Kafoury Armstrong merged with Eide Bailly, a regional accounting firm that specializes in all aspects of public accounting, especially governmental accounting. Over the years, governmental accounting has become a specialty due to the ever-increasing complexities in reporting each year. Representatives from the local office that we have worked with have retired from Eide Bailly and have opened a private practice and they are not performing governmental auditing. The

Reno office of Eide Bailly reached out and offered to move our account to the Elko office of Eide Bailly with partner Teri Gage and provide the accounting services that are required. The Audit Committee, which consists of Councilman Erickson, City Attorney Mike Mackedon, and Legal and Administrative Director Erquiaga, along with City Clerk Cordes and Mayor Tedford, met with Eide Bailly and negotiated a proposal with them as to how the audit would be staffed and conducted. They assured us that Teri Gage has strong family connections in Fallon, and Mary Cain, prior to transferring to Eide Bailly in Elko, had participated in the Fallon audit. They also assured us that they would provide us with at least two, and possibly three, staff members that had previously worked on our audit. This arrangement will facilitate a seamless transition to a new partner in charge of the audit. We have enjoyed a smooth audit the last few years, completed on time. Eide Bailly provided a letter of engagement and the Audit Committee reviewed it. It is a letter similar to what has been negotiated in the past, it provides for the same services with one addition. The addition is a requirement of Governmental Accounting Standards Board (GASB) 85, a schedule of liability in the funding of Other Post-Employment Benefits (OPEB), and that will impact our financial statements. Even with that addition, Eide Bailly has proposed a fee of \$79,500 which is about the same that we have had the last few years. Last year we had a special single audit required due to a federal grant, this year we do not need that audit because we do not have that federal grant. He, and the rest of the Audit Committee, recommends the appointment of Eide Bailly as auditors for the City of Fallon for the fiscal year ending June 30, 2018.

Legal and Administrative Director Erquiaga concurred with Councilman Erickson's comments. He stated that was a sufficient summary and the letter is in line with previous years, as Councilman Erickson had stated, it seems reasonable and clearly outlines what is expected.

Mayor Tedford inquired if the Council had any comments or questions.

No comments were noted.

Mayor Tedford inquired if there were any public comments or questions.

No comments were noted.

Councilman Erickson motioned to confirm the appointment of Eide Bailly as auditors for the City of Fallon for the fiscal year ending June 30, 2018 and authorize the Mayor to sign the engagement letter; seconded by Councilwoman Frost and approved with a 3-0 vote by the Council.

### **Public Comments**

Mayor Tedford inquired if there were any public comments.

No public comments were noted.

### **Council and Staff Reports**

Legal and Administrative Director Erquiaga: No comments were noted.

Deputy City Attorney Leonard Mackedon: No comments were noted.

Deputy City Clerk Lee: No comments were noted.

Deputy Public Works Director Byrd: No comments were noted.

Tourism Director Moon: No comments were noted.

Deputy Public Works Director Swirczek: No comments were noted.

City Clerk Cordes: No comments were noted.

Captain Wenger: No comments were noted.

City Engineer Miller: No comments were noted.

Councilwoman Frost: No comments were noted.

Councilman Richardson: No comments were noted.

Councilman Erickson: No comments were noted.

Mayor Tedford: Mayor Tedford reminded of the Pony Express Statue Dedication on April 3 at 9:00 a.m. at the west gateway.

Mayor Tedford also reminded of the Maine Street fountain dye for middle school wrestling champions on March 23 at 1:45 p.m.

Mayor Tedford was also excited to help the City get in the spirit for the Nevada Wolfpack basketball game this Thursday at 4:07 p.m. as they play Loyola Chicago in the NCAA Sweet 16 Tournament. We will dye the fountain blue with the Fallon Chapter of the Nevada Alumni Association, our employees will wear Wolfpack silver and blue, electronic reader boards and other signs will display *Go Pack!*, televisions will have the game on along with blue punch and cookies for customers at City Hall. We want to have some fun with this and support the team.

### **Executive Session**

Mayor Tedford tabled the executive session, as it was not needed at this time.

### **Adjournment**

There being no further business to come before the Council, Mayor Tedford adjourned the meeting at 7:25 p.m.

  
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Mayor Ken Tedford

Attest:   
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Gary C. Cordes, City Clerk/Treasurer