MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
July 19, 2016

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
Chief of Police, Kevin Gehman
City Clerk, Gary C. Cordes
City Attorney, Michael F. Mackedon
Deputy City Attorney, Leonard E. Mackedon

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 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 Erickson 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.

Approval of Fiscal Year 2017 Debt Management Policy, Indebtedness Report and Capital Improvement Plan

City Clerk Cordes read prepared comments into the record: "The Debt Management Policy was created to fulfill the requirements of NRS 350.013. The Debt Management Policy and Schedule of Indebtedness were compiled by Marty Johnson of JNA Consulting Group LLC. This will be the second time Marty Johnson has provided this service. JNA Consulting has an excellent reputation in governmental financial management and we are glad to have them on our team.

As Marty Johnson indicates in his executive summary, the City is generally limited in the bonds it can issue by its statutory debt limit, the $3.40 limit on overlapping tax rates and the amount of revenue available to pay debt service on bonds. The City of Fallon Debt Management Policy discusses the outstanding and proposed debt of the City, its ability to afford such debt and other items relating to the issuance of debt.

As of June 30, 2016, the City had no general obligation debt outstanding paid from property tax which would be from the General Fund. We have two types of debt: medium term which has a 10 year life for medium size projects and long term bond which has a 20 year life for very large projects.

At June 30, 2016, the City has a total amount of $2,147,067 of medium term obligations debt outstanding. It has $9,437,212 in revenue/general obligation revenue supported bonds. Total Debt at June 30, 2016 is $11,584,280. So, of the $11,584,280 in total debt, $11,091,861 is debt paid from revenues generated from the utility enterprise funds. That means debt owed by the General Fund at June 30, 2016 is $492,419; that consists of $29,938 due to Bank of America and the balance due to enterprise funds. The City presently has approximately $135,285,000 of statutory debt limit available.

The State of Nevada Department of Taxation requires a five year Capital Improvement Plan. There are no projects which would require the City to issue general obligation bonds nor levy a specific tax. Operational costs of the improvement plan will be paid from the operating revenues from each responsible fund." City Clerk Cordes recommended approval of the Fiscal Year 2017 Debt Management Policy, Indebtedness Report and Capital Improvement Plan.

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 approve the Fiscal Year 2017 Debt Management Policy, Indebtedness Report and Capital Improvement Plan as submitted; seconded by Councilman Richardson and approved with a 3-0 vote by the Council.

At this time, Councilwoman Frost asked if the Capital Improvement Plan was a living document that could be changed if necessary.

City Clerk Cordes replied affirmatively.

Introduction of Bill No. 773: An Ordinance amending Title 2, Administration and Personnel, of the City of Fallon Municipal Code, for the purpose of adding a new chapter thereto, Chapter 2.06, the Judicial Branch, for the purposes of codifying provisions relating to the Judicial branch of the government of the City of Fallon and the appointive office of Municipal Court Judge, and to make the City of Fallon Municipal Court a court of record, and for other matters properly related thereto

Deputy City Attorney Leonard Mackedon explained that the Fallon Municipal Code has never included language which speaks to the Judicial Branch of the City of Fallon. This ordinance would declare that the municipal court for the City of Fallon would become a court of record which has its advantages for appealing decisions from the Municipal Court to the District Court. The appellate court would be able to rely on the record created during trials for review in the appellate process rather than the current practice of retrying the case.

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

Councilman Richardson inquired as to the reason the effective date of this bill would be in October.

Deputy City Attorney Leonard Mackedon explained that this is the first reading of the bill, so we have to go through the adoption and publication period so it is anticipated that it would become effective in October.

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

No comments were noted.

Councilwoman Frost introduced Bill No. 773.

Introduction of Bill No. 774: An Ordinance amending Title 2, Administration and Personnel, of the City of Fallon Municipal Code, for the purpose of re-codifying provisions relating to salaries of elected officers of the City of Fallon that were previously mistakenly removed from published copies of the City of Fallon Municipal Code, and for other matters properly related thereto

Deputy City Attorney Leonard Mackedon explained that this is a housekeeping matter. It was discovered that in 1997 these provisions which deal with payment of salaries to elected officials was not repealed, it simply fell off the books. Possibly through a communication error with the codifiers; it is a little unclear. It stopped being published in the Fallon Municipal Code after 1997. There was no action taken to officially remove it so we are simply reading it back in and, going forward, it will show up as part of the Fallon Municipal Code.

Mayor Tedford added that we did an employee manual and we made it into section 2 of the Fallon Municipal Code and sent it to the codifier. The salary process about how to pay elected officials was part of that code but not part of the employee manual. So it dropped out of the code and no one noticed until recently. Since then, we have been paid the same way as the code allowed because that was what the City Clerk's Office did but it needs to be returned to the Fallon Municipal Code.

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 introduced Bill No. 774.

Public Comments

Mayor Tedford inquired if there were any public comments.
No public comments were noted.

Council and Staff Reports

City Attorney Michael Mackedon: No comments were noted.

Deputy City Attorney Leonard Mackedon: No comments were noted.

City Clerk Cordes: No comments were noted.

Chief Gehman: No comments were noted.

Councilwoman Frost: No comments were noted.

Councilman Richardson: No comments were noted.

Councilman Erickson: No comments were noted.

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 7:24 p.m.

Ken Tedford

Mayor Ken Tedford

Attest: GCC

Gary C. Cordes, City Clerk/Treasurer