

**MINUTES  
CITY OF FALLON  
55 West Williams  
Avenue Fallon, Nevada  
June 30, 2021**

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

**Present:**

Mayor Ken Tedford  
City Councilwoman Kelly Frost  
City Councilwoman Karla Kent  
City Clerk-Treasurer Sean Richardson  
Public Works Director Brian Byrd  
Deputy City Clerk Elsie Lee  
Deputy City Attorney Trent deBraga

The meeting was called to order by Mayor Tedford at 9:00 a.m.

Mayor Tedford led the Pledge of Allegiance.

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

Deputy City Clerk Elsie Lee advised that the agenda was posted in compliance with the NRS requirements.

**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.

Mr. Geoff Knell of 261 Serpa Place greeted the Council stating that he has been out of town street preaching, going to different states, offering the Gospel of the Lord Jesus Christ. It is quite an experience, and it sure is hot out there. I would like to preach this morning out of Romans chapter 13 verses 1-5. I am going to let you know that as believers in Christ we shouldn't let government dictate who we are, especially when the government is allowing sin to permeate. You need to understand that we can defy the government when it does evil. When it does good it honors God. When they are okay with killing the unborn, promoting destroying marriage, all this kind of stuff. We should be working for the people to bring God's standards back into government. I am going to read these verses here. Let everyone submit to the governing authorities, since there is no authority except from God, and the authorities that exist are instituted by God. So then, the one who resists the authority is opposing God's

command, and those who oppose it will bring judgment on themselves. For rulers are not a terror to good conduct, but too bad. Do you want to be unafraid of the one in authority? Do what is good, and you will have its approval. For it is God's servant for your good. But if you do wrong, be afraid, because it does not carry the sword for no reason. For it is God's servant, an avenger that brings wrath on the one who does wrong. Therefore, you must submit, not only because of wrath but also because of your conscience. You know there is an occlusion response team developed back in the Bush administration where they want to use this verse to make people submissive to the government when it's a tyrant. It is just shocking, you know, what I am saying here today, you're not going to hear it from the pulpit, in a sense where it's not going to push back evil, if we the people who believe in God's standards do something about it. It is like for the next session of the State Legislation this City Council can submit bills to amend, to change, and to appeal existing laws. Yeah, we the people. Because our State Government is being run by the Federal Government, and I am just shocked that they passed a bill and (inaudible) the pass of "Critical Racism Theory." They push the Equality Act, and it is going to be in the general election, the next general election in 22. That's going to legalize everything called equality of the law when it kills slowly and immediately human life. We need to do something about that. The City used the COVID-19 to shut down the Capitol and push things through. I challenged some of them, but no one wants to listen. Our government is defiant to God, and openly defy the Government because they are pushing evil not good out of the direct authority, but they are doing good. But this state government and our local governments are following their procedure, like they have a legal obligation. I am going to the School Board this evening, and I am going to let them have it with 3 minutes. But getting back to the Word of God. It is this entire government that calls us evil, murder, mayhem because in Proverbs 6:16 it says God hates six and seven are an abomination to Him: a lying tongue, arrogant eyes, hands that shed innocent blood, and people that run to mischief to plot evil. We are experiencing that. So, if what I said makes some sense to you, we the people, we get the authority to them to protect us, but they are killing us and they are making us angry, bitter, and divided. Thank you.

Mayor Tedford thanked Mr. Knell.

### **Review and discussion of the General Fund Budget appropriation transfers for fiscal year ending June 30, 2021**

City Clerk-Treasurer Sean Richardson informed the Council that Agenda Item #4 City management is just informing the Council that we have some budget appropriation transfers. The NRS allows this when presented in a public meeting, and we record it in the minutes. Attached to Agenda Item #4 is information involving the General Fund and just a few items. It is important to add, that this is simply an increase and decrease with certain objects within the General Fund, and you will notice that there is no actual net increase in appropriations, it is just moving budget line items amongst the same funds. I am here to present this in a public meeting and make sure that it is recorded in the minutes. No action is needed on this, it is just for discussion purposes. I would be happy to take any questions.

Mayor Tedford inquired if there were any questions from the Council and explained that Item #4 is just an explanation of what the NRS requires for budget transfers and appropriations at the end of the year.

No comments were noted.

Mayor Tedford inquired if there was any public comment.

Mr. Geoff Knell of 261 Serpa Place stated that he is just thinking about the future and the

question is when the stuff hits the fan, these funds are taken out and transferred to another department how is that going to affect the ones that are going to be moved out of that department?

City Clerk-Treasurer Sean Richardson directed Mr. Knell to the information provided in the agenda packet informing him that we are allowed to do it between functions and programs if it is in within the same fund. Particularly this year, if you look, we did it by function. Municipal Court is a wash, we increased Salaries and Wages by \$10,000, Employee Benefits by \$10,000, and then we turned around and took it out of Services and Supplies, so it is a wash in the Municipal Court budget. There is no increase or decrease in that budget, and then we did the same thing in the Public Safety function, which includes the Police Department and the Fire Protection. If you net all of this out, it is a wash. Yes, we increase Employee Benefits \$120,000 but we took it out of Service Supplies of both the Police Department and the Fire Protection Department. So, there was essentially no transferring of budget amongst either function. Hopefully, that answers your question.

Mayor Tedford informed Mr. Knell that the way that these augmentations are done at the end of the year Geoff, when the budget is started by NRS you must have a balanced budget in local government, and we would regardless. When you start the budget year in July and end in June that is a target that you are trying to hit, and sometimes in each fund you can't hit the target perfectly, so you must make sure they all balance perfectly by the end of June 30<sup>th</sup>, so that is what these augmentations do.

Mr. Knell stated that the base of this organization upgrade to the fact of loss funding during the shut-down.

Mayor Tedford explained that this is what Sean said. You don't always lose funding; it is just that it must match at the end of the year. The last couple of years those Arch fundings and CARES Act have come into play. Agenda Items #5-#9 will help explain the dollars and cents of it better. This year the amounts are a little bigger because of the CARES Act. Next year it will be called Arch, but we will get into that more when the time comes.

City Clerk-Treasurer Sean Richardson stated that this fiscal year budget was approved in May. We were 2 months into the pandemic. We were very conservative by assuming sales tax, property tax, some of these major revenue sources in the General Fund was going to be a significant decrease so we budgeted accordingly very conservatively. We had additional revenue sources coming in related to the pandemic and in the name of the CARES Act Grant. Additionally, we had 2 major projects. The Maine Street Project and the Front Street Reconstruction Project. At the time in May, we don't know how much expenditures we were going to incur at this point. Now, we know we are almost 95% done with South Maine Street and approximately 60-70 percent done with Front Street. In May, we had no idea what we needed to budget, but we knew that the revenue sources were going to be funded from the RTC Commission, we knew we had NDOT grant money coming in, and CDBG money coming in. We did not budget any revenue source at that time because we didn't know how much would incur, at that point. This year was a unique year, not only because of COVID-19 but also, we had 2 major projects that finally went into place. With this information, we are asking for a significant augmenting in the General Fund. In Resolution 21-02, it lists out where those revenue sources are. These revenue sources weren't budgeted because they were grant type, or they are an increase of an unanticipated revenue sources that did come in, especially in the form of property tax and CTX tax, which is primarily sales tax. The list showing the 4.5 million is how we derived to our total augmentation amount. With those amounts I have provided a schedule of how and where the revenue sources are going into the budget, and how the augmentation of the expenditures are going to be allocated. The majority of this is related to

the CARES Act, and the 2 major projects. I would like to recommend to Council approval on adoption 21-02 that would augment the General Fund by \$4,447,130.00.

Mayor interceded and read Agenda #5 for the record.

No further comments were noted.

**Discussion and possible approval and adoption of Resolution No. 21-02: A resolution augmenting the fiscal year 2020-2021 budget of the General Fund in the amount of Four Million Four Hundred Forty-Seven Thousand One Hundred Thirty Dollars (\$4,447,130.00), the Airport Fund in the amount of Seven Hundred Thirty-Nine Thousand Seven Hundred Eighty-Nine Dollars (\$739,789.00), and other matters properly related thereto**

City Clerk-Treasurer Sean Richardson stated that the Airport Fund is related to the Pavement Rehab grant we received from the FAA. This \$639,000.00 of the \$739,789.00 is related to the FAA grant, and then we had a transfer from the General Fund for the additional \$100,000.00. Additionally, since the General Fund and Airport Fund's revenue sources involve the ad valorem tax, we are required by NRS to have a Notice of Publication in the paper showing the intention of the Council to potentially augment these budgets, and we did comply with that. The notice was published last Wednesday, June 23<sup>rd</sup> in the LVN, and located at the very end of this agenda item packet, you can see the proof of publication from the LVN.

Mayor Tedford inquired if the Council had any questions.

No comments were noted.

Mayor Tedford inquired if there was any public comment.

Mr. Geoff Knell of 261 Serpa Place I've read over the agenda for the County Commissioners, and they discussed where they were giving money to the City for Front Street. Is that included in this budget.

Mayor Tedford directed Mr. Knell to his agenda packet in hand. Turn to Resolution 21-02, it is in your packet.

Mr. Geoff Knell stated that it is kind of hard to hear.

Mayor Tedford again directed Mr. Knell to the agenda packet. Turn to Resolution 21-02, open it up. Follow along in your packet because we have several of these to get through, so please follow along in your packet. The information is all in the packet. It is Agenda #5, Resolution 21-02. You will see down there on the line Contributions from Churchill County, \$100,000.00.

City Clerk-Treasurer Sean Richardson explained that this is also where the RTC reimbursement can be found.

Mayor Tedford reiterated the RTC contribution of \$512,000.00.

No other comments were noted.

Councilwoman Frost motioned to approve the adoption of Resolution No. 21-02: A resolution augmenting the fiscal year 2020-2021 budget of the General Fund in the amount of Four Million Four Hundred Forty-Seven Thousand One Hundred Thirty Dollars (\$4,447,130.00), the Airport Fund in the amount of Seven Hundred Thirty-Nine Thousand Seven Hundred Eighty-Nine Dollars (\$739,789.00), and other matters properly related thereto; seconded by Councilwoman Kent and approved with a 2-0 vote by the Council.

Mayor Tedford wanted the record to reflect that Councilman James Richardson is out-of-town.

**Consideration and possible approval and adoption of Resolution No. 21-03: A resolution augmenting the fiscal year 2020-2021 budget of the Electric Enterprise Fund in the amount of Two Hundred Thousand Dollars (\$200,000.00), the Sewer Enterprise Fund in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00), and other matters properly related thereto.**

City Clerk-Treasurer Sean Richardson stated that he analyzed all the Enterprise Utility Funds from last month and found that the Electric Enterprise and the Sewer Enterprise were close to that budget amount, with still a couple of months left of this fiscal year, plus the accrual that will take place. I am not sure if this is necessary, but to provide a cushion and avoid a budget violation, I am requesting these budget augmentations and the sources is cash on hand. There is sufficient cash on hand for these augmentations. The Electric Enterprise has been abnormally high, especially this month, the electric purchase invoice could fluctuate quite a bit. This is just providing that cushion, along with the Sewer Fund. There are just several little budget items that will provide that. With this information I am requesting approval of Resolution 21-03.

Mayor Tedford stated that it is very hot out so the electric bills probably will not be going down. Any questions of the Council?

No comments were noted.

Mayor Tedford inquired if there was any public comment.

No comments were noted.

Councilwoman Kent motioned to approve the adoption of Resolution No. 21-03: A resolution augmenting the fiscal year 2020-2021 budget of the Electric Enterprise Fund in the amount of Two Hundred Thousand Dollars (\$200,000.00), the Sewer Enterprise Fund in the amount of One Hundred Fifty Thousand Dollars (\$150,000.00), and other matters properly related thereto; seconded by Councilwoman Frost and approved with a 2-0 vote by the Council.

**Consideration and possible approval and adoption of Resolution No. 21-04: A resolution authorizing a temporary interfund loan from the Water Treatment Enterprise Fund to the Sanitation Enterprise Fund in the amount of Two Hundred Thousand Dollars (\$200,000.00), and other matters properly related thereto.**

City Clerk-Treasurer Sean Richardson stated that last fiscal year on the same day we approved the temporary loan in the amount of \$365,000.00 in the Sanitation Fund, as a temporary loan. With that we adjusted rates in September of 2020, and it went into effect in November 2020. With the rate change we believe that it would be sufficient to pay off this loan. Without having all 12 months of the rate adjustment we fell short, so it was pay down \$165,000.00 to \$200,000.00, as it currently is with a tight cash flow in the sanitation fund, the City is requesting to do an additional interfund loan for an additional \$200,000.00. The sanitation rates for last year were tied to CPI and the years moving forward so it will have a slight adjustment again this year, and it will be effective in August. I am confident that we should be able to pay of the remainder of this prior to the end of the next fiscal year. We are requesting Resolution 21-04, which would be the temporary interfund loan. Upon approval this would be forwarded to the Department of Taxation notifying them of our request.

Mayor Tedford inquired if Council had any questions or comments.

No comments were noted.

Councilwoman Frost motioned to approve the adoption of Resolution No. 21-04: A

resolution authorizing a temporary interfund loan from the Water Treatment Enterprise Fund to the Sanitation Enterprise Fund in the amount of Two Hundred Thousand Dollars (\$200,000.00), and other matters properly related thereto; seconded by Councilwoman Kent and approved with a 2-0 vote by the Council.

**Consideration and possible approval and adoption of Resolution No. 21-05: A resolution authorizing a temporary interfund loan from the Electric Enterprise Fund to the Water Enterprise Fund in the amount of Five Hundred Thousand Dollars (\$500,000.00), and other matter properly related thereto.**

City Clerk-Treasurer Sean Richardson stated that as previously mentioned the City had 2 major street construction projects, and part of that construction was updating the infrastructure of several of the utilities including, electric, water, and sewer. The entire project was allocated amongst those 4 funds General Fund, Electric Fund, Water, and Sewer, depending on the type of construction or improvement. The Water Funds cashflow could not afford the projects that were incurred. Due to the timing difference the Maine Street project's water portion will be funded by Federal grants this next fiscal year. It is just due to the timing difference that we are waiting for those funds to come in. In the interim period we will be short in cashflow in that fund, so we are just requesting a short-term loan from the Electric Enterprise. The Front Street construction will be funded from the RTC Commission, which is at the County. We are requesting those funds be distributed in July. Next month we should see a large distribution for our portion of the RTC funding. With that, we will turn around and supplement or deposit those cash amounts into the appropriate funds, based on the allocation. This is just a temporary interfund loan in the short-term for the Water Fund, knowing that we have RTC funds, and we will have Federal Grants coming in the next fiscal year, to pay that off within the 1-year time.

Mayor Tedford stated that the RTC funds aren't at the County. That is just a Board we sit on with the County. Not to be confused with it being their money, it is our money. It is a Board we sit on, no more than on the prior one we mentioned. The \$100,000.00 was straight from the County because it bordered the Senior Center. That is why they gave the \$100,000.00 in that project for South Maine. The RTC money was our money, not from the County. This is just a short-term loan to bridge until that Federal money gets here.

Councilwoman Frost asked if the money was expected to be here in July, or August.

City Clerk-Treasurer Sean Richardson replied that yes, we will be putting it on the next agenda. We are going to be requesting, I believe, \$1.16 million of RTC funding. I don't know what the turn-around time is, once requested, but it will be immediate, I would imagine. The Federal funding, we are still waiting for what is going to happen. There are still decisions to be made at the Federal level and wastewater infrastructure is one of the major qualifying factors.

Mayor Tedford inquired if there were any other questions, or public comment.

No comments were noted.

Councilwoman Kent motioned to approve the adoption of Resolution No. 21-05: A resolution authorizing a temporary interfund loan from the Electric Enterprise Fund to the Water Enterprise Fund in the amount of Five Hundred Thousand Dollars (\$500,000.00), and other matter properly related thereto; seconded by Councilwoman Frost and approved with a 2-0 vote by the Council.

**Consideration and possible approval and adoption of Resolution No. 21-06: Adjustment of Allowance for Doubtful Accounts – Enterprise Fund Account Receivables.**

City Clerk-Treasurer Sean Richardson explained that the list of uncollectible was from the fiscal year 2019. In the fiscal year of 2020 audit, I accounted for this as an uncollectible for that debt, but it is still listed on our accounts receivable on our books. If approved, this would decrease our accounts receivable, and I would adjust allowance for doubtful for the same amount. We went through our entire collection process, to attempt to collect these. These are customers that are no longer here and have been sent to collection and are almost 2 years old. These are really deemed uncollectable. This is just allowing for us to write them off on our books, so that is what we are requesting today.

Mayor Tedford stated that this is July 1<sup>st</sup>, 2018 – June 30<sup>th</sup>, 2019. This is less than ½ of 1 percent of our receivables, which is a low amount. I think we have about 28 million in billings.

City Clerk-Treasurer Sean Richardson stated that we normally accrue for ½ percent on our books for allowances and it is booked at ½ percent. This is coming in lower than what our allowance is.

Mayor Tedford stated that the names are kept, and if they ever move back into the City, their names are in the computer so they would have to pay the whole past-due balance. This does happen on occasion. Any other questions, or comments?

No comments were noted.

Councilwoman Frost motioned to approve the adoption of Resolution No. 21-06: A resolution authorizing the adjustment for doubtful accounts – enterprise fund accounts receivable in the amount of \$34,475.67; seconded by Councilwoman Kent and approved with a 2-0 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 comments were noted.

Mr. Geoff Knell of 261 Serpa Place stated, we are a lot more cheerful, amazing what the Lord has done. Brethren, we have our own personal ways, we make our own freewill choices. When I travel the United States, that's why I sound a little hoarse, and I have a deep voice because I have been out there in different states; Ohio, Louisiana, and recently have come from Arizona. You know, I take a look at this survey, and how our culture is, how our society is, and it is just amazing. There is joy in it, but mostly there is so much division, anger, and bitterness. I have been attacked by witches, satanists, lesbians. Getting into an understanding, that our governments are solely influenced under legal obligation. When a government itself allows evil to permeate. When it comes to the condition of a psychological mindset of the communist impetration of these divinity schools and pastors being indoctrinated, being under a certain mindset. So, we are eager to take the information to the so-called (inaudible) believers in the building, and they become non-combat effective. I see out there, it's disastrous. You know, like the weather, the big, nice windstorm that came through yesterday. I have never experienced such hard-core winds. I was out there cleaning up an evaporative cooler, swamp cooler, it was vicious. God lets the weather happen to look at the (inaudible) to repent, and to believe in Him. That is a sign from God, repent. Like it says in II Chronicles 7:14, it talks about He controls the rain, He shuts it off, He controls the weather to let you know that He wants you to repent. He wants his government to repent and come back to God. I was taught this: the Antichrist Spirit, government, man, society, and then

God. We are killing human life; we are promoting such a morality. I was at the dog park before I left. 2 lesbians, teenagers, 15-years old, they were holding hands. I asked, "you aren't a lesbian, are you?" They turned around and did a "deep throat," they kissed really hard. They condition on what society has become, and is not of God, and we are suffering His wrath. The weather, through the (inaudible) and in the humanistic (inaudible) that the psychological mind to be in a position here, where we are living today, this very second. Awake yourselves, people are being conditioned to go along with evil. I will close with this Isiah 5:20: Wrong to those who call evil good, and good evil.

**Council and Staff Reports**

Mayor Tedford inquired if there were any Council or staff reports.  
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 9:38 a.m.

Attest:   
Sean C. Richardson, City Clerk-Treasurer

  
Mayor Ken Tedford