

**SPECIAL NORTH LAS VEGAS  
CITY COUNCIL MEETING MINUTES**

May 15, 2001

**CALL TO ORDER:** 4:01 P.M. City Hall  
2200 Civic Center Drive, North Las Vegas, Nevada

**ROLL CALL            COUNCIL PRESENT:**

Mayor Michael L. Montandon  
Mayor Pro Tempore William E. Robinson  
Councilman John K. Rhodes  
Councilwoman Stephanie S. Smith  
Councilman Shari Buck

**STAFF PRESENT:**

City Manager Kurt Fritsch  
Assistant City Manager Gregory Rose  
City Attorney Sean McGowan  
City Clerk Eileen M. Sevigny  
Finance Director Vytas Vaitkus  
Public Works Director Jim Bell  
Director of Development Services Tom Bell  
Parks & Recreation Director Ken Albright  
Director of Human Resources Dan Tarwater  
Community Services Director Jacquelin Risner  
Director of Administrative Services Eric Dabney  
Library Director Anita Laruy  
Fire Chief Robert Dodge  
Chief of Police Joe Tillmon  
Chief of Detention Services Ken Ellingson  
Public Information Officer Brenda Johnson  
Assistant City Clerk Karen L. Storms

**VERIFICATION:** Eileen M. Sevigny, CMC, City Clerk

**BUSINESS:**

1. **CONDUCT THE PUBLIC HEARING, PURSUANT TO N.R.S. 354.596, ON THE CITY OF NORTH LAS VEGAS TENTATIVE BUDGET, THE NORTH LAS VEGAS REDEVELOPMENT AGENCY TENTATIVE BUDGET, AND THE NORTH LAS VEGAS LIBRARY DISTRICT TENTATIVE BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2001 AND ENDING JUNE 30, 2002 AND CHANGES TO THE BUDGETS FOR THE FISCAL YEAR BEGINNING JULY 1, 2000 AND ENDING JUNE 30, 2001. (Exhibit A)**

Mayor Montandon opened the Public Hearing.

Finance Director Vytas Vaitkus stated each individual budget would be reviewed comprehensively at this meeting.

In reviewing the City budget, Finance Director Vaitkus stated property tax revenues of \$24,730,000 included General Fund the, debt service, special revenue funds, and tax overrides. The tax rate was \$1.20 which was up 2.5 cents from last year. This increase was due to the shortfall in sales tax revenue. The budget contained ten government fund types including General Funds, special revenue funds, debt service funds, and capital project funds and with estimated expenditures of \$155,890,600 which was up 3.5% from the current year. The four proprietary funds, which included the Water and Sewer Fund, Golf Course Fund, Self-Insurance Fund, and Motor Equipment Fund had estimated expenses of \$62,973,200. The total estimated expenses for next year was \$219,000,000.

Finance Director Vaitkus explained at 37%, or \$30,000,000, the Consolidated Tax Distribution was the biggest single revenue source for the City's General Fund. Finance Director Vaitkus stressed the importance of keeping that revenue intact. In light of proposed legislative changes to alter the formula for distribution, the Mayor had attended a press conference where he reiterated the City's concern about losing even a portion of that revenue. Finance Director Vaitkus pointed out the Tentative Budget presented to Council contemplated there would be no legislative action regarding consolidated tax distribution. If a change were dictated by legislature, an amended budget would be filed.

Finance Director Vaitkus reviewed expenditures from the General Fund and stated public safety expenditures made up of police, fire and detention services comprised 59% of the

General Fund expenditures.

Councilman Rhodes asked for the dollar figures related to the percentages of funds expended for public safety and Finance Director Vaitkus responded \$55 million.

Councilwoman Smith questioned the differences in the statistics from the meeting held on April 24. Finance Director Vaitkus responded the documents submitted at the last meeting reflected the funds in the Tentative Budget before any supplemental requests were included.

Finance Director Vaitkus explained, at the last budget meeting, a question was asked regarding the decline in the population figures. A memo was included from Development Services Director Tom Bell explaining that the differences in numbers existed primarily because the method used to calculate the 2000 census figures differed from the method used by the State Demographer.

Councilman Buck asked if the proposed total revenue figure of \$82.1 million had changed. Finance Director Vaitkus stated it had not.

Councilman Rhodes questioned where the \$5 million for supplemental budget requests was coming from and Finance Director Vaitkus responded the primary source of that extra revenue was last year's greater than expected ending balance. That accounted for \$4 million and the other \$1 million was comprised of funds derived from the City's increased assessed value. Finance Director Vaitkus pointed out the City's assessed value had increased 7% over last year. Councilman Rhodes then asked how many people would be hired to staff the new recreation center. Director of Parks and Recreation Ken Albright responded there would be eight full time employees added in addition to the approximately nineteen full time equivalent employees.

Finance Director Vaitkus then reviewed the Redevelopment Agency Budget stating there were property tax revenues of \$1,343,000 which was down slightly from last year's total of \$1,358,000. Mayor Montandon pointed out the properties in the Redevelopment Area had begun to depreciate but thought the new improvements along Lake Mead Boulevard that it would have offset that depreciation. Community Development Director Jacque Risner stated although there was new development in this area, the other properties that were not improved were deteriorating at a very rapid rate.

Mayor Montandon asked if the \$1 million previously allocated to the Redevelopment Agency was reflected in the budget. Finance Director Vaitkus stated it was reflected in the estimated expenditures of \$2,184,000. Community Development Director Jacque Risner stated that money had been specifically set aside for acquisition of properties in the County island and

a proposal would be brought before Council in the near future.

Finance Director Vaitkus stated 55% of the Redevelopment Fund was reserved for land purchases and related expenses.

Finance Director Vaitkus then reviewed the Library District Fund by stating the budget contained one fund with tax revenues totaling \$1,298,000 which was up from last year's total of \$1,212,000 which was an increase of 7%. The Library District Fund reflected \$1,401,000 in expenditures.

Councilwoman Smith questioned the need for a Domestic Violence Victims Advocate. City Attorney Sean McGowan responded it was an additional service to the community in light of the high number of domestic violence cases. If approved, the position would assist the legal staff by getting witnesses to trial. Councilwoman Smith was surprised a full time position was necessary for those services. City Attorney McGowan responded the City Attorney's Office received approximately one new domestic violence case per day. City Attorney McGowan pointed out the first and second offenses were prosecuted by the City; the third offense, a felony, went to the District Attorney's Office. City Attorney McGowan added he anticipated this new employee to be bilingual, speaking Spanish as well as English.

Councilman Rhodes asked if the community would be better served by referring victims of domestic violence to another agency or non-profit organization specializing in that area. City Attorney McGowan stated it was a community support function that would direct those in need to the appropriate shelter for protection.

Councilwoman Smith questioned whether the other entities in the valley had a similar position. City Attorney McGowan responded most other entities had at least one, if not more employees to handle domestic violence advocacy.

Councilman Rhodes asked, if the City were allocating funds to the other entities dealing with domestic violence, could those funds be reallocated back to the City. Finance Director Vaitkus did not believe the County would be in support of supplementing the City's budget for this purpose and further added there was no money going to the County for that specific purpose. City Manager Fritsch added the money supplied to the County were from taxes from all residents for County wide services they provided.

Finance Director Vaitkus stated 58% of the budget was for employee salaries; 22% was for fringe benefits on those salaries. The remaining 20% was for services and supplies (18%) and capital outlay (2%).

Councilman Rhodes asked if 80% of the total budget being salary related expenses was new or if those numbers had been fairly consistent over the years. Finance Director Vaitkus responded salaries and related benefits had constituted between 75% and 85% of the General Fund budget for many years.

Mayor Montandon asked that improved computer technology be a budgeted item for next year's consideration as they would assist the Council as well as City Staff with management functions. City Manager Fritsch stated improvements in that area were slowly being made and those efforts would continue.

Councilman Rhodes requested a review of the City's wireless communication capabilities.

Councilman Buck requested more interactive information be placed on the City's website to be more user friendly to the community. She then asked if there was money to enhance the current website's capabilities. City Manager Fritsch responded Staff positions had been added to the Information Technologies Division of Administrative Services and, at a later date, a request would be coming forth to request the necessary equipment to implement those upgrades.

Councilman Buck then asked if, in the future, the City lost funds through the redistribution of the consolidated tax restructuring, the funding would still be in place for the eighty additional positions added to this budget. City Manager Fritsch responded that many of the requested positions were for six months, rather than the entire fiscal year. That made it possible for a review of the mid-year budget to determine if revenues would still support those positions. A review of past personnel budgeting practices would also be reviewed so that when the 2002-2003 budget was developed, an accurate picture of the staffing structure could be determined. City Manager Fritsch added he was confident the consolidated tax redistribution would bring some additional revenue to the City but possibly not as much as originally hoped for because it would be a roll-out process. Finance Director Vaitkus added approximately four years ago, the City approved a rainy day fund, or the Financial Stabilization Fund, to be used only in those instances where revenues received were less than was budgeted. The funding for that fund came from a greater than expected ending balance at a time when revenues were being received in greater amounts than expected because of the booming economy. That fund contained \$2.5 million. If there were to be a downturn in revenues, those funds could be used to supplement the budget.

City Manager Fritsch stated the first sale of BLM land in the 7500 acres would add revenue to the City in both assessed valuation and population. He pointed out there would be a lag time between the time the land was developed and the time when taxes were collected.

Councilman Buck asked, with the increasing cost of water and power, was it anticipated water rates would be increased. City Manager Fritsch stated it was a very real possibility since the cost of the water to the City would be going up as well. Finance Director Vaitkus added with respect to the water and sewer fund, the City incurred costs for pumping as well as the cost of the water. A rate study would be conducted in the near future to evaluate all of the underlying costs associated with delivering those services to the customers and to determine the appropriate rate to charge those customers. In the General Fund, Finance Director Vaitkus pointed out, the cost of electricity and gas have increased in some areas, but a \$1.5 million contingency account would be used to pay for increased costs associated with the electricity and power for operating City facilities.

Councilwoman Smith asked that many of the services offered by the City in connection with other entities be combined to be less labor intensive. She then asked about the status of the City's investments. Finance Director Vaitkus explained the City invested in short term money market accounts and treasury bills. With regard to longer term investments, two to five years, \$20 million was invested by Paragon Investments, producing a higher return. The City's investment earnings totaled approximately \$5 million per year.

Mayor Montandon closed the Public Hearing.

ACTION: PUBLIC HEARING HELD.

**2. ADOPT THE SUBJECT BUDGETS EITHER AS PRESENTED OR WITH MODIFICATION, FOR FISCAL YEARS 2001 - 2002 AND THE AMENDED BUDGET FOR FISCAL YEAR 2000 - 2001.**

**CITY OF NORTH LAS VEGAS BUDGET**

ACTION: FY2001-2002 BUDGET FOR THE CITY OF NORTH LAS VEGAS ADOPTED AS AMENDED; CHANGES TO THE BUDGET FOR THE FY 2000-2001 ADOPTED.

MOTION: Mayor Montandon

SECOND: Mayor Pro Tempore Robinson

AYES: Mayor Montandon, Mayor Pro Tempore Robinson, Councilmen Rhodes, Smith and Buck

NAYES: None

ABSTAIN: None

**CITY OF NORTH LAS VEGAS REDEVELOPMENT AGENCY BUDGET**

ACTION: FY 2001-2002 BUDGET FOR THE CITY OF NORTH LAS VEGAS REDEVELOPMENT AGENCY ADOPTED; CHANGES TO THE BUDGET FOR THE FY 2000-2001 ADOPTED.

MOTION: Mayor Montandon

SECOND: Mayor Pro Tempore Robinson

AYES: Mayor Montandon, Mayor Pro Tempore Robinson, Councilmen Rhodes, Smith and Buck

NAYES: None

ABSTAIN: None

**NORTH LAS VEGAS LIBRARY DISTRICT BUDGET**

ACTION: FY 2001-2002 BUDGET FOR THE CITY OF NORTH LAS VEGAS LIBRARY DISTRICT ADOPTED; CHANGES TO THE BUDGET FOR THE FY 2000-2001 ADOPTED.

MOTION: Mayor Montandon

SECOND: Mayor Pro Tempore Robinson

AYES: Mayor Montandon, Mayor Pro Tempore Robinson, Councilmen Rhodes, Smith and Buck

NAYES: None

ABSTAIN: None

**PUBLIC FORUM**

There were no participants.

**ADJOURNMENT**

ACTION: THE MEETING ADJOURNED AT 4:55 P.M.

MOTION: Mayor Pro Tempore Robinson

SECOND: Councilwoman Smith

AYES: Mayor Montandon, Mayor Pro Tempore Robinson, Council Members Rhodes, Smith and Buck

NAYS: None  
ABSTAIN: None

**APPROVED: June 6, 2001**

/s/ Michael L. Montandon  
MAYOR MICHAEL L. MONTANDON

Attest:

/s/ Eileen M. Sevigny  
Eileen M. Sevigny, CMC, City Clerk