

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

March 21, 2006

CALL TO ORDER: 4:34 P.M.

ROLL CALL **COUNCIL PRESENT:**

Mayor Michael L. Montandon
Mayor Pro Tempore William E. Robinson
Councilwoman Stephanie S. Smith
Councilman Shari Buck
Councilman Robert L. Eliason

STAFF PRESENT:

City Manager Gregory Rose
Assistant City Manager Sam Chambers
Assistant City Manager Maryann Ustick
Chief Deputy City Attorney Carie Torrence
City Clerk Karen L. Storms
Communications Director Brenda Johnson
Economic Development Director Mike Majewski
Finance Director Phil Stoeckinger
Fire Chief Al Gillespie
General Services Director Eric Dabney
Information Technology Director Steve Chapin
Parks & Recreation Director Mike Henley
Planning and Zoning Manager Marc Jordan
Police Chief Mark Paresi
Public Works Director Jim Bell
Utilities Director David Bereskin
Chief Deputy City Clerk Anita Sheldon

VERIFICATION: Karen L. Storms, CMC
City Clerk

BUSINESS:

1. WORKSHOP ON THE 2006-2007 TENTATIVE BUDGET.

City Manager Gregory Rose advised construction of the 2006-07 budget was influenced by three documents, the first being Visioning 2025 which was approved by Council in March of 2005. The second document, also approved by Council in March of 2005, was the Work Plan for FY2005-06 and FY2006-07. The third document was the Capital Improvement Program which was approved by Council in December of 2005.

It was anticipated the City would spend approximately \$186,424,788 in FY2006-07 for capital improvements. City Manager Rose stated a major factor to consider when identifying capital projects was the increased cost of construction.

Another factor that influenced the budget development included the continuous growth rate of the City which in 2005 was 9%. City Manager Rose advised Aliante was approximately 40% built out and it was anticipated development would continue during the next year.

City Manager Rose touched on some of the achievements made possible by the tentative budget which included funding for the design and construction of the Martin Luther King/Alexander Library. The budget also encouraged citizen volunteering, gradually decreased the property tax rate, continued to provide an 18% General Fund end balance and a balanced budget. City Manager Rose pointed out there were no fee increases included in this budget. Anticipated revenue in the proposed budget was \$549 million and expenditures were estimated to be \$549 million.

The General Fund projection for Fiscal Year 2000 was estimated to result in a fund balance of 21.1%. City Manager Rose recommended the allocation of \$2.0 million of the excess funds to Oracle 11i and \$4.0 million toward the construction of the MLK/Alexander Library. It was hoped that Clark County would partner with North Las Vegas on the library construction. City Manager Rose also recommended that \$2.0 in excess funds be allocated toward redevelopment and the acquisition of property.

The bulk of General Fund revenue came from Consolidated Tax followed by licenses and permits. Only 10% of the revenue was derived from property taxes. The General Fund revenue was increased by 7.3%, or \$12.9 million, and expenditures were increased by 19.5%, or \$32.0 million; however, the General Fund end balance still remained at 18%.

Revenues in Fund 268, the Street Maintenance, Parks and Fire Capital Fund, increased to \$8.7 million, a 10% increase. It was noted the debt service of \$3.6 for the new fire station and the multi-generational facility was included in this budget. Street maintenance expenditures were estimated at \$4.0 million, parks expenditures at \$1.0 million and expenditures for Fire at \$1.4 million which included \$532,000 for rescue units for Station Nos. 53 and 55.

Revenues were increasing in Fund 287, the Public Safety Tax Fund, to \$25.7 million, a 10% increase, and expenditures increased by 20.2%, or \$28.3 million. A staffing shortage in the Detention Center resulted in an increased amount of overtime and an effort was being made to increase staff in FY2006-07. Several new positions were also being added to the Police Department staffing pattern.

Fund 288, the Police Officer Sales Tax Initiative, approved by the 2005 Nevada State Legislature, required a commitment by the City to not reduce the Police Department budget. City Manager Rose advised this budget adhered to that commitment. Projected revenue was \$9.4 million and expenditures were estimated at \$7.1 million. Twenty-five police officers and related equipment were added in FY2005-06 at a cost of \$2.3 million. Fifty police officers and related equipment were planned for FY2006-07 at a cost of \$4.4 million and upgrades of six sergeants, two detectives and two traffic officers would be added at a cost of \$.4 million. Fifty additional police officers were planned for FY2007-08.

The Enterprise Fund, which included water, wastewater and the golf course, was a self-supporting fund.

It was estimated that water fund revenues would be approximately \$57.0 million, an increase of 4.8%. Water fund expenditures were estimated at \$55.5 million. It was noted the Payment in Lieu of Taxes (PILT) showed a reduction to \$1.4 million.

Wastewater Fund revenues were estimated to be \$39.4 million, an increase of 14%, and expenditures projected at \$35.6 million with a reduction of the PILT to \$.6 million.

City Manager Rose advised the Golf Course was expected to break even in FY2005-06 but was projected to operate at a deficit in 2006-07. In response to a question by Mayor Montandon, City Manager Rose stated if it were decided by Council to make improvements to the golf course, funds from the General Fund would have to be reallocated to the Enterprise Fund to cover the cost. Mayor Montandon commented it might be more appropriate to incorporate the revamping of the golf course with the widening of North 5th Street.

The Internal Service Fund indicated the self-insurance revenues were estimated to be \$10.4 million and the expenses were projected at \$6.5 million.

Motor equipment revenues were estimated at \$10.4 and expenses at \$4.5 million.

City Manager Rose stated supplemental requests were received for 352 positions which he felt were strongly justified. Although it was not feasible to approve every position requested, 250 positions were recommended for approval. The City Attorney's office requested one Legal Assistant for the Criminal Division and a Case Management System to manage the workload. Four Marshals were requested by Municipal Court but they would not be hired for six months into the fiscal year.

The Police Department budget was in excess of \$100 million and increased by \$14.2 million, or 16.4%. A total of 97.25 FTEs were requested consisting of 50 Police Officers and 10 upgrades funded by the Sales Tax Initiative, 32 positions funded by the Public Safety Tax and 15.25 other support positions.

Police Department Capital Improvement Plan (CIP) projects included the Downtown Precinct, the North Central Precinct, improvements to the shooting range and the Southern Nevada Area Communications Council (SNACC) radio equipment.

Councilwoman Smith stated it was her understanding that the North Las Vegas shooting range would be closed down when the City of Las Vegas constructed their shooting range. Police Chief Paresi explained the decision had not yet been reached as to which entities would have access to the new shooting range.

The operating budget for the Fire Department was increased by 14.0% to \$29,056,900 with requested supplementals in the amount of \$7.9 million. Included were 16 firefighters and associated equipment, three battalion chiefs and equipment, two fire protection specialists, a fire marshal and two fire prevention inspectors with related equipment.

In response to a question by Councilman Buck, City Manager Rose advised the increased staffing would not fully staff the Fire Department. His intention was to complete staffing over a two-year period.

Capital improvements for the Fire Department included the relocation of Fire Station 53, the remodel of Fire Station 54, the construction of Fire Station 57 and related apparatus.

It was recommended that two Plans Examiners and one Office Assistant be added to the Planning and Zoning Department, as well as web-based software for the Comprehensive Plan Implementation.

The budget for the Economic Development Department was increased by \$392,474, or 8.2%, to \$5,224,364. Supplemental requests included the addition of a Redevelopment Coordinator, property acquisition, a Comprehensive Master Plan, the City Entryway Program, neighborhood beautification and a marketing video.

The Office of Neighborhood Services was a new department with a budget of \$9,263,244 and supplemental requests in the amount of \$1.5 million. It was recommended that six Improvement Assistants be added for graffiti abatement, as well as a Neighborhood Outreach Coordinator, a Neighborhood Services Volunteer Coordinator, an Executive Secretary, a Community Improvement Crew Leader, an Office Assistant and a Receptionist. Also included in the supplemental requests was the equipment related to those positions. City Manager Rose stated one of the purposes of the Office of Neighborhood Services was to recruit volunteers to assist with the neighborhood beautification process.

The General Fund budget for Parks and Recreation was increased by \$3.1 million, or 34.0%, to \$32,261,300 which included \$14.6 million in construction projects funded by the Park District, Bureau of Land Management (BLM), General Obligation Bonds and tax override funds. Some of the capital improvement projects included were trail improvements, a multi-generational center, Craig Ranch improvements, the McCool Regional Park development, the Downtown Central Park development, as well as other renovation projects. City Manager Rose stated it was planned to coordinate the construction design of the new City Hall, the Downtown Precinct and a park within that area.

The supplemental requests for the Parks and Recreation Department included two Customer Service Specialists, a Parks Crew Leader, two Recreation Center Leaders, a Safekey Recreation Programmer and a Safekey Fiscal Specialist, as well as related vehicles and equipment. Also included in the supplemental requests were the Balloonapalooza event, contracted landscaping, the Neighborhood Recreation Center rehabilitation and other miscellaneous expenses.

The Public Works General Fund budget was increased by \$4.3 million, or 14.9%, to \$158,390,450 which included \$136.3 million in CIP and construction projects. City Manager Rose recommended approval of the second of three phases of the street-sweeping operation which would add four FTEs at a cost of \$1.17 million. Eleven FTEs were recommended for minor betterments, traffic signal and paving marking programs to expedite the signal construction at a lesser cost, as well as marking and paving bike lines. Also requested were two FTEs for building inspection, five engineering FTEs to support the CIP and three FTEs for traffic operations and safety.

Other requests submitted by Public Works included a shoulder maintenance program, a storm water program, supplemental management services and fiber network connectivity. The capital improvement projects budget was \$136.3 million and included flood control projects at the Centennial Parkway Channel and the Gowan Outfall, as well as the new City Hall campus and several transportation projects.

City Manager Rose advised the Utilities Department consisted of Water and Sewer and shared a budget. He stated a program was recently designed for developers to request an expedited process wherein plans would be turned around within a two-week period. This process was performed by a private contractor at an additional cost to the developer. Some of the supplemental requests for Water/Sewer included a Field Services Supervisor, eight FTEs for engineering and field service, three FTEs for customer service, three FTEs for billing and accounting, as well as other services and equipment.

Supplemental requests for the Water Fund staffing included four Field Service Representatives, an Engineering Associate and an Inventory Control Specialist.

The Water Fund supplemental requests also included water system upgrades at a cost of \$2.8 million, Southern Nevada Water Authority (SNWA) wholesale water for \$404,700, reservoir repainting at \$500,000, 2330 Zone N service water at \$2,030,000, fleet replacement at a cost of \$135,000 and the Automatic Meter Reading System (AMR), Hansen billing and radio upgrades at a cost of \$2.8 million.

In response to a question by Mayor Pro Tempore Robinson, City Manager Rose advised billing for water would be done in-house and payments sent directly to the City.

The Sewer Fund supplemental requests consisted of sewer oversizing at \$515,000, a water reclamation facility at a cost of \$6.2 million, pipeline/manhole rehabilitation at \$2.0 million, an A-channel Phase II interceptor at \$2.5 million and Frehner Road and Lamb Boulevard improvements at a combined cost of \$876,500.

The Library District operating budget increased by \$188,050, or 8.5%, to \$3,085,300, excluding capital improvement projects, which included the Aliante Library debt service at \$687,500. The plan was to close the small library on Craig Road and transfer the employees to the Aliante Library. It was requested to add one Library Assistant to the staffing pattern.

The budget for General Services increased by \$1.1 million, or 13.2%, to \$15,727,100. Supplemental requests included vehicle replacement, fleet supply and service increases, four Building Custodians, one Multi-trades Assistant, a Management Analyst and an Office Assistant. Also included were campus remodeling and ADA modifications, contracted maintenance and custodial increases. The Building Custodian positions would be for the Police Department and the Justice Complex which required added security.

The Human Resources budget showed an increase of \$1.1 million, or 25.5%, to \$5,708,900. Supplemental requests included six Human Resources Specialists, three Human Resources Senior Specialists, two trainers and one part-time Office Assistant. Also requested was \$500,000 for in-house training and \$200,000 toward the Tuition Reimbursement Program.

The Finance Department budget increased by \$587,400, or 18.9%, to \$3,687,600. Supplemental requests included the addition of a Payroll Coordinator, a Management Analyst, a Senior Financial Analyst, a Budget Analyst, a Senior Buyer, a Business License Specialist and a part-time Enforcement Officer. City Manager Rose stated it was his intention to have one Budget Analyst and one Senior Financial Analyst provide support to all departments.

The City Clerk budget was increased by \$412,461, or 36.3%, to \$1,549,500. Supplementals included \$260,000 toward municipal elections, a Deputy City Clerk for six months and the addition of a part-time Office Assistant.

The Information Technology (IT) budget was increased by \$2.1 million, or 25.7%, to \$10,391,400, excluding CIP. One of the problems faced by the IT Department was not enough Staff to handle the City's technology issues. City Manager Rose stated an effort was being made to give employees in the field the ability to update records without having to return to their offices. He recommended funds be made available for the software and staff to accomplish that goal. City Manager Rose advised the Hansen system had not been updated for seven years and he recommended funds be allocated to enhance the current system. Other supplemental requests included Oracle upgrade and backfills, two FTEs to staff the IT Help Desk, a Systems Support Analyst, A senior Network Analyst for Windows, a Network Analyst, a Management Analyst, four GIS Analysts and Technicians and a Technology Support Supervisor.

The City Manager's budget increased by \$298,200, or 11.9%, to \$2,811,100. City Manager Rose advised there were two Assistant City Managers and one Executive Secretary to support them. He recommended an additional Executive Secretary to support one of the Assistant City Managers. Other requests were for the increased costs for the City Newsletter, the 7500 acre project, a Visioning Consultant, an increase in the number of hours for the part-time Administrative Receptionist, copier rental and the State of the City video.

City Manager Rose concluded the presentation by stating, although the economy of the City of North Las Vegas was presently very strong, it would be prudent to prepare for a time when the economy would not be as healthy. There were several capital improvement projects pending and the City must be prepared for the inevitable increase in construction costs. City Manager Rose stated this would be accomplished by a reduction in taxes and continuing to increase the City's fund balances, as well as gradually increasing staffing levels.

City Manager commended Staff on the hard work and dedication put forth to prepare the tentative budget. He stated the budget would be brought back to Council in May 2006 for final consideration.

ACTION: TENTATIVE BUDGET REVIEWED

PUBLIC FORUM

There was no public participation.

ADJOURNMENT

ACTION: THE MEETING ADJOURNED AT 5:17 P.M.

MOTION: Mayor Pro Tempore Robinson

SECOND: Councilman Buck

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

NAYS: None

ABSTAIN: None

APPROVED: April 19, 2006

Mayor Michael L. Montandon

ATTEST:

Karen L. Storms, CMC
City Clerk