

**ROUND MOUNTAIN TOWN BOARD
BUDGET HEARING
DONALD L. SIMPSON COMMUNITY CENTER
650 CIVIC DRIVE, HADLEY SUBDIVISION
ROUND MOUNTAIN, NEVADA
rmtownadmin@gmail.com
TUESDAY, MAY 30, 2017 – 12:00 P.M.**

MINUTES

Members Present: Roger Morones, Vice Chair
Liandra Dutton, Member

Members Absent: James Swigart, Chair
Wes Hubred, Clerk
Lisa Davila, Member

Also Present: Pearl Olmedo, Town Manager
Rebecca Hansen, Administrative Supervisor

Citizens Present: none



CALL MEETING TO ORDER

Roger Morones: Ok, we will call special meeting dated Tuesday May 30, call the meeting to order at 12:15 p.m.
Roger Morones present, vice chair

Liandra Dutton: Liandra Dutton, member

PLEDGE OF ALLEGIANCE

The pledge of allegiance was recited.

GENERAL PUBLIC COMMENT (FIRST)

None

APPROVAL OF MAY 30, 2017 AGENDA

Olmedo: I would just like to state # 6 if we don't have one more Board Member present we may have to table it for a special meeting.

Dutton: We can't approve the agenda either because we don't have a quorum.

Item tabled.

12:00 PM-BUDGET HEARING-THIS PUBLIC HEARING IS TO PRESENT THE 2017-2018 TENTATIVE BUDGET TO THE PUBLIC, GATHER INPUT FROM ALL INTERESTED PERSONS, AND INDICATE ANY CHANGES TO BE MADE FOR THE FINAL BUDGET

Morones: As we do not have a quorum.

Olmedo: We can only present to the public and if there are any changes to be made we cannot do so at this time.

Morones: So given no public to hear and lack of quorum, we table number 5?

Olmedo: We will go through with just presenting.

Morones: Ok.

Olmedo: So a quick summary. The final budget will have a total of property tax revenues of \$ 582,381. There are a total of 6 governmental fund types with estimated expenditures of \$2,120,776 and we have 1 proprietary fund which would be the Round Mountain Public Utilities estimated expense of \$365,592. If you revert to your other packet you've got your tentative budget line item, your Town Board Workshop which we had on May the 23rd, and the budget hearing for today. Those are the breakdowns of the numbers and the summary to submit to the state. As noted from last budget workshop we have decreased the pool salaries, if you recollect we had in the individual personnel salaries, we had it calculated at 12 months. I decreased it to 6 months, so there is significant change in salaries. As you can see from tentative budget it was \$66,480 and we decreased it to \$28,440. Same with the employee benefits it went from \$8,797 and it decreased to \$3,763. With the quick change in formulas it saved us quite a bit there, and that is on page 6.

Morones: Thank you.

Olmedo: And there are just some other minor changes that is reflected in this, page 7 we had the fireworks at \$15,000, I actually went to the cost of the actual fireworks was \$ 14,778. If you go to page 8, we caught that we already purchased the Gas Pump Tracking system, so we eliminated that from the final budget, \$15,000 cost savings there.

Dutton: Now that number doesn't change, oh yes it does, I am sorry. At the very bottom, it still says \$365,625?

Olmedo: Yeah, if you look at the beginning fund balance you know it changed. So instead of 15 thousand dollars which was allotted in there anyways. I know that caught me, and I.

Morones: Wait, what?

Olmedo: So, she is talking about her tentative budget, \$365,625.

Morones: Sure right.

Olmedo: We should have decreased.

Morones: 15 thousand.

Olmedo: It should have increased 15 thousand but it didn't, but if you take a look at the columns and do the math and I did the math over and over and over on this and it checks out. So if you look at the ending fund balance \$ 250,265 it carries over and that 15 thousand is allotted in there.

Morones: So it still doesn't make sense to me, why didn't it get increased 265, why is it allotted in the 265, it should not be in the 265.

Olmedo: It should not be. We should actually have a higher balance, a 15 thousand dollar increase with the ending fund balance, correct.

Morones: Correct.

Dutton: So that total should different.

Rebecca Hansen: The ending fund balance is \$265 versus \$250

Morones: Why, it is like you doubled it?

Olmedo: \$250,265

Hansen: It is almost like it went backwards. Yeah we charged it instead of a negative.

Olmedo: \$265,625.

Hansen: You have an ending fund balance for tentative for Town Board as \$250, the budget hearing increases by 15 thousand. So the numbers are all the same at the bottom.

Morones: And they shouldn't be there should be a decrease it didn't increase anything.

Hansen: Should be like 235.

Morones: That is correct.

Olmedo: That is correct.

Hansen: So that should be 235?

Olmedo: 365,235 so it is off \$33.

Morones: 33 dollars, what? Better be of at least 15 thousand. But you added the 15.

Hansen: I was going to say if you take away 15 thousand, you have got 240.

Morones: Yes, it should be 240, no it should be 340, oh on the bottom section yes, that should read 240 to bring that to 340.

Hansen: Yeah, somehow when you took out the 15 it added itself back.

Olmedo: You see what I mean when I said I was having problems with my, I was about ready to. I almost paid for a computer out of pocket.

Dutton: Well and then up on top of that page where it says, Beginning Fund Balance, we have got \$ 340,265 and then next \$340,625.

Olmedo: Yes, so we will have to change that for 15. That will have to be most definitely corrected.

Morones: And there is a 30 thousand dollar bust right?

Olmedo: Yep, so that will be most definitely corrected.

Morones: Road Maintenance you took out another 15 thousand in Road Maintenance.

Olmedo: Yes that was a decrease from tentative to final hearing today.

Morones: Ok, and then the gas pump tracking, but the numbers came out the same.

Olmedo: The numbers came out the same.

Morones: So it is a 30 thousand dollar decrease total, for that area, correct?

Olmedo: No, only 15.

Dutton: You took out 15 for gas pump and 15 for roads.

Morones: It should be 30 thousand.

Olmedo: No, no, no, so the tentative, the columns, so the column here in tentative budget, don't look at the middle section.

Morones: Ok, even so, looking at the tentative, you have taken out the gas pump tracking at the budget hearing and you decreased the road maintenance by 15.

Olmedo: Yes.

Morones: So there should be a 30 thousand. That number 365 should be 30 thousand less, correct?

Olmedo: Yeah, no, yes now I understand what you are saying, it should be, so the formulas in there did something off, so that will have to be corrected. It should reflect 33.

Morones: \$335,625.

Olmedo: \$335,625 for a total for the final. And as always we don't really play with the revenues you know because it is just we don't know how much we gauge so it is just 25 thousand all across the board, and if we happen to get an increase with the revenues, it is just money in the bank.

Dutton: And you are talking about the gas tax?

Olmedo: Yeah, I am talking about the gas tax.

Dutton: And if I am understanding this right, we only receive it from the Landing Zone, from their gas sales. Am I right?

Olmedo: That is my understanding, is from our district.

Dutton: And Shoshone is not included in that.

Olmedo: You now it is just like the property taxes, which is just here in the subdivision and old Round Mountain, so we are not included with down the road in Carvers. And that is the same thing with voting, I know some members down in Carvers would love to sit on our Board, you know because they utilize our services, but because they are not in our taxing district, we're considered two separate entities.

Dutton: So where does Shoshone's \$1.75 in gas tax go?

Olmedo: County.

Dutton: And the county maintains their roads.

Olmedo: The County maintains their roads. It is interesting

Hansen: Shoshone Estates is the only paved roads out there so.

Dutton: Yeah.

Olmedo: The Sheriff that's unchanged from tentative to now, she came in with you know with a budget plan of spending \$47,064 that stayed the same. On page 10 the only thing that changed from tentative here, is the fire department is going to be spending 20 thousand dollars on new equipment, so he submitted those quotes to us, and that is for new suits for the firemen, and paging, updated pagers.

Dutton: How do we have different numbers on the.

Olmedo: From tentative to the final?

Dutton: Yeah, when everything is the same across.

Morones: Except for the.

Olmedo: The cost difference is from the expenditures. We are looking to expend ending this year is 20 thousand. So the fire department has put in monies to expend this tax money at 20 thousand dollars and then they were also looking to spend an addition 20 thousand. So when I plugged the numbers negative to deduct the 20 thousand 2016-2017 it changed the ending fund balance and the beginning for this next fiscal year and that formula does not reflect here. And I did not plan on you know, the fire department did not come forward saying they were going to spend anything for 2016-2017, the current year we are working in.

Morones: I am still lost at 20 thousand, how did we go on the tentative from \$61,758 to \$41,758 were it shows nowhere that you subtracted 20 thousand.

Olmedo: So here, estimated current year 6/30/17 there was no money that they were going to be spending.

Morones: No, no I understand that, but when you look here to here, right.

Olmedo: Yeah.

Morones: These are the only two we are worried about, why is this decreased by 20 thousand?

Olmedo: Because of the expenditure, when we submitted this figure, you see the \$71,758.

Morones: Right, that is fine.

Olmedo: And then the expenditures they didn't have anything slated to spend in here, it was submitted with zero dollars, and then Sweeney came back last week and said we are going to be spending 20 thousand, so automatically it deducted from here.

Dutton: You think that it would show it.

Morones: Yes, I understand that, but these two numbers don't make sense on this paper.

Hansen: It is weird that is doesn't show anywhere.

Morones: If you add these together it should be \$91,758.

Olmedo: It should be, but it doesn't allot for this column in here. So this figure.

Morones: Here is my fear. Our ending final budget according to these numbers, show a 20 thousand dollar bust.

Olmedo: Yes and the 20 thousand dollar bust is from expenditures in the current fiscal year we are working in.

Morones: So does something need to be taken out here and it is not.

Olmedo: No, no, no this is for final. They are saying they are going to spend another 20 thousand dollars.

Morones: Right, so shouldn't this say \$91,758.

Olmedo: No, because of the 20 thousand decreases, this is the number, ignore this part.

Morones: I understand, but where is the 20 thousand decreases shown on here?

Olmedo: From the current fiscal year we are working in, and it not going to reflect the total from tentative or the budget, or here.

Hansen: Because it is spent this year.

Morones: I don't know.

Olmedo: So take a look at this one that is just a summary. So this is what we actually spent and this is what we are saying we are projecting to spend, and this is what was turned in for tentative. When I submitted this the fire department wasn't going to be spending any money.

Morones: Well that is ok, but the tentative that you approved was \$91,758, we haven't had any changes.

Olmedo: No changes

Morones: So the final should be \$91,758.

Olmedo: No, and so when I come in and formulate when we are deducting 20 thousand for their new equipment that automatically changes this figure. So from tentative to final, there is that 20 thousand decrease that we are going to be spending this year.

Hansen: Should it decrease on the beginning fund balance?

Morones: Yeah, there is something is, I don't know am I missing something Liandra.

Dutton: I think Becca is right it should be decreased on the beginning balance,

Morones: Because that is where it is coming out of.

Hansen: Because it is coming out of 16, right?

Olmedo: Ok, so you cannot pay attention to the tentative, we are focused on the here.

Morones: Ok, so you will have to work with me, because last time you said don't pay attention to the middle column and now you are telling me, don't pay attention to the first column?

Olmedo: So these beginning fund numbers have to carry over from the tentative to final, because that has not really changed, so.

Morones: So on a final, are you saying this is going to be 20 thousand more.

Olmedo: No, no, no that is correct. This is a correct number, our beginning fund balance because of that 20 thousand dollar decrease in the current fiscal year we are working in.

Dutton: Are they going to spend that in the next 30 days.

Olmedo: Yes, they are going to be spending it prior to June 30th and he has already got that purchase order in.

Morones: That's just not reflected anywhere. It is not reflected anywhere in here that there is a 20 thousand dollar decrease.

Hansen: You would assume it would.

Olmedo: You would assume yeah.

Morones: These numbers, these numbers do not, so all of a sudden it says \$61,758 to \$41,758, which is great, but nowhere in here does it show the decrease or why it changed, that's my concern, that's all.

Olmedo: Yeah.

Morones: We can talk it blue in the face well this is why, but it is not reflected.

Olmedo: And then for the final it is reflected there, and that is why the formulas change. So if you look at the tentative from here there was nothing to expend, now they are saying that they are going to utilize the 20 thousand in capital outlay they have budgeted, so this effects the ending fund balance.

Morones: I get it, I get it, it is just you look at this, somebody looks at this budget and they are going to go, What, and then you are going to have to sit and explain it instead of prove it.

Olmedo: This is the one that is posted in the Town Hall, that goes with everything that you see in summary, so your estimated current year ending and typically I do not change these, but because we had so many hands and so many people not giving me the information prior to submission of tentative, the figures look off to those who don't understand the budgeting aspect of it from tentative to final, so this next fiscal year it is very important that we can't miss meetings, if you want input it is very important that we have to submit everything prior to, what was that, April 15th deadline this year and we didn't, so because I didn't have all the true figures and I have got people coming at me saying I want to spend 20 thousand, after the fact, the tentative to final figures don't match, so if you don't understand the budgeting portion of it, it looks skewed here.

Dutton: Then we need to give them a deadline.

Olmedo: Yeah.

Dutton: If you're going to spend this money.

Morones: You can't do that now, Yeah, because I am looking at this 61 thousand in the fund balance and it goes to 41 thousand in a fund balance. There is nothing to show us that the fund balance has been taken out of this year so late, and that is what is confusing to me, so she is right there has to be a deadline for you capital outlay.

Olmedo: And I have stressed that deadline.

Dutton: Otherwise you are going to have to say, sorry.

Morones: Done, wait until next year.

Dutton: Use it after July 1st.

Morones: That's right.

Olmedo: So going.

Morones: I get it, I know where the fund balance decrease by 20 because they spent it. But come budget time, it is hard to say what, because it is not reflected here and nowhere during the course of the year have we ever said, ok we are going to give you your 20 thousand out of the fund. That is just a difficult one to fathom, but I get it, I get it.

Olmedo: But you know, just so you know here is the actual everything, the packet that goes up to the state, this is the one that is posted in the Town Hall and it reflects your actual that we have spent from the previous fiscal year to the one that we are looking to expend, and then the tentative and the final.

Dutton: Can we get copies of that?

Olmedo: Yes, you can get a copy, once all signatures have been applied; you guys always get a copy.

Morones: Can we not get a copy prior, to look at it?

Olmedo: You have it right there.

Morones: Oh, ok copy.

Olmedo: Those figures are in there.

Dutton: I was thinking this is what we spent; these are the numbers I would like to see are the ones we spent. That is what we don't have in front of us.

Olmedo: Oh yeah, yeah that is true, it is the actual, what we are projecting to end with, yeah that is not reflected in there. It is just showing you the tentative, the final, and the changes that were made there and why. With the police, with the fire one, the fire tax it is because of the 20 grand that they want to spend.

Morones: Late, after the fact.

Olmedo: This fiscal year.

Morones: Yeah, they can't do that.

Olmedo: And you know it is just across the board you know like I said it is for next year.

Morones: It is their money but.

Dutton: They have to understand the Town; they have to work with us you know.

Morones: That is crazy, ok.

Olmedo: The other major change that you guys, we have already reviewed that salaries, the why there was an increase there. It is because of the benefits, you know, the insurance rate premiums went up, so that is reflected in there. We are not looking to spend anything for capital project or special capital project funds. But we will have to look at spending money out of that soon. I want to say we want to expend out of there every 5 years, so that 5 years is coming upon us. The last time we spent money out of that fund was for the cardio room and racket ball court expansion. So those are the other little things we have to keep track of, not only do we have to look at a time frame, but there is a deadline to spend some of these, out of some of these accounts. Last time, I am on page 13, when somebody brought up why the professional fee was so high, we decreased significantly if you can see from tentative 65 thousand we dropped it down to 20 thousand, and that is in the event we have to have somebody take a look at, let's say the grinder, the trash pump, let's say we wanted to start rolling forward with that and at least getting some plans in place for the trash pump to spend in 18-19 you know. That is what the 20 thousand dollars is designed for.

Morones: Ok.

Olmedo: Or we have to have someone come out and take a look at the SKADA system to make sure we are, you know, just to get the specs for us, things like that.

Morones: That makes sense. And then just a quick fix on that supplies for that 500 typo, I don't know.

Olmedo: No, no, no I did that on purpose, I raised it up on purpose.

Dutton: You mean you lowered it?

Olmedo: No, no, no.

Morones: Operating supplies at \$30,500.

Olmedo: You know how in the budget workshop last time it was at \$30,000.

Morones: Oh you increased it? You went back to the tentative?

Olmedo: I went back to the tentative yes.

Morones: Oh.

Dutton: Just on that one though?

Olmedo: Just on that one yes.

Morones: Ok, cool.

Dutton: Is it easier to have more than what we need in the budget, than to go back and ask for more money? I was curious about that.

Olmedo: Yeah you know last time I think with all the conversation that took place you know I was, I didn't want to decrease a lot of things, because you know if we run into any major issues, especially with the sewer system, it is better to have, you know just because the money there is doesn't necessarily mean we are going to spend it all.

Dutton: Right.

Olmedo: But the cushion is there in the event something happens. You know with the sewer lines being in the middle of the road you can see on Hadley Circle some of the dips there. My fear is what if we get a cracked main line, that's going to happen, that is what that money is there for, out of his operating cost in the event that we have to repair one of those main lines. I would rather have that money there, than to come back and you know.

Dutton: And basically ask for it from somewhere.

Olmedo: I mean it is not a big deal but you know to me that is what the previous administrative supervisor has taught us, you know on these budget practices.

Morones: But you don't want to fluff it too much either, I mean that is a bad practice.

Olmedo: You don't want to fluff it too much. Another thing is, although we have the budget fluffed for lack of a better word. It is better for the Town because the amount of money we have always had in the bank, the previous Town Manager let me know that at one point the state and/or the county, was looking at our ending fund balance because it was so healthy that there was a potential for them to come take our money to cover some of their things at county and state level.

Dutton: So if we don't spend enough we may not keep it.

Hansen: They don't think you need it so they take it back.

Morones: Well that's all good, until you are faced with the fact that you can no longer fluff the budget and have to run lean. I mean we are at a point where we have to start running lean and not worry about increasing so much, whether we use it or not.

Olmedo: Yeah.

Morones: We can't show that we are increasing this budget just to add money, just in case. It has to be a lot closer and a lot tighter than the previous; we are in a different situation than the previous Town manager, we can't continue to ask for stuff whether we think we are going to use it or not. That is my biggest thing, we have to be able to show that we're doing something to bring it down or get close, but we can't bite our. It is a balance game.

Olmedo: It is a balance game.

Morones: We can't kill ourselves to know that we didn't budget for, like Liandra said, now we have to ask for something that doesn't exist. So it is a fine line.

Olmedo: Yeah, you are right, it is a fine line and it just costs us, if you don't spend your money that was one of the fears that they could come in and take.

Morones: I don't, again, to go back to your earlier statement, it can't be so high that you say just cause it is in there we can't use, we don't have to spend it, we have to be careful at that more than ever. Again damn scale. So what, given the overall number, what is our out budget for this year, the final number budgeted for the Town? Is that the 2.7 million?

Olmedo: Yes, are you talking about total expenditures?

Morones: Yep.

Olmedo: So it would be the 2.1 for the General and the \$365, let me add that up for you so you just have an actual figure for yourself.

Dutton: Where are you getting the 2.1?

Morones: I see 2.7, where are you getting 2.1 from?

Olmedo: So here, it is in here, so you have 2.1 million for the general fund that is just for the Town departments, your administration, your buildings and grounds

Dutton: Right, all of these added up together.

Olmedo: All these added up together and then the 365 is just for the Water Company.

Dutton: Ok.

Olmedo: And so with these two figures, total Town and Enterprise Fund we are looking at.

Morones: Revenue, we are talking revenues right?

Olmedo: No, I am talking Expenditures.

Morones: Expenditures, ok.

Olmedo: You are looking at 2.4 million dollars for between the two entities.

Dutton: Ok.

Olmedo: In expenditures.

Dutton: And then this is our beginning fund balance, right?

Olmedo: That is our raw beginning fund balance, yes.

Dutton: So we are in the hole?

Olmedo: So our.

Dutton: Cause if you take 1.8 minus 2.4.

Olmedo: So this is the beginning and that is the revenue we have projected coming in. And then you are looking at an ending fund balance of that \$776,917. That is just with between tentatively what we are doing, get for revenue, total revenue we are looking to get and \$860,381 and adding that to the beginning fund balance and then minus out the 2.1 million.

Dutton: Yeah, the 2.7 is what you are going to be, take in right?

Olmedo: These are saying total resources that we have in total, total.

Dutton: Ok.

Olmedo: Your expenditures and your revenues and then that is what is left.

Morones: What is left?

Dutton: On page 7, the \$776,917.

Morones: That one.

Olmedo: Yes, that is the ending fund balance. That is reflected, that number you know could be higher. Again we have not received anything for net proceeds of minerals yet. That is saying we are going to spend what we project to spend at the end of this fiscal year we are working in.

Dutton: How does that compare to this year? Where are we at this year at the end of June?

Olmedo: For expenditures or revenues?

Dutton: For ending fund balance, after you have gotten your revenues, after you have spent your money, what are we in the hole are we up?

Olmedo: No, that is the 776.

Dutton: This is for 2017-2018 I am wondering where we are at 2016-2017.

Morones: How did we compare to the budget last year?

Hansen: Actual figures.

Olmedo: Oh, how do we compare to.

Morones: How is this going to compare with last years? How is the 17-18 budget going to compare with the 2016-2017 budget?

Olmedo: We are looking poor this year it is poor 2016-2017 it is bad, because of the fact that we self-funded for that sewer project.

Morones: No, I understand.

Dutton: Sewer, pool all of that, yeah.

Olmedo: Yeah, for everything, so.

Dutton: Do we know our final numbers yet? Obviously it is a little projected because we have a month to go.

Olmedo: No we don't have our final figures yet. No, I am still waiting for several.

Morones: So we are over budget last year. What was the total budgeted expenditures last year?

Olmedo: Actual year?

Morones: Actual, well, what was budgeted, I know actual we are going to go over right?

Olmedo: What was actual? I don't have.

Hansen: I have it on the flash drive.

Olmedo: Do you have it on the flash drive?

Hansen: Wait the flash drive is at the office.

Morones: Just when you, I would like to see where this budget compares to last year's budget, the current working budget.

Olmedo: Ok, you want.

Morones: Did we decrease from the current budget ending 2016-2017? How do we stand in comparison to? That's all.

Olmedo: Submitting for this time around.

Morones: Yeah with 2017-2018 how did that compare with 2016-2017 budget.

Dutton: Yeah.

Morones: That is where I kind, I mean, I would like to see how we, did we decrease our expenditure, did we save some money, how did we do on our budgeting this year compare to what was budgeted 2016-2017.

Olmedo: Oh, we decreased in spending this year, we did.

Morones: Ok.

Olmedo: But not in the sewer company, the sewer company went up higher based upon what we are looking at from current year working to this one we are submitting, because of that project.

Dutton: The money that we paid that with was the 1. Where did we take that money from? I remember we had pulled it.

Olmedo: The 1.3?

Dutton: Yeah.

Olmedo: We took it from our cash in the bank, because.

Dutton: From the general fund.

Morones: But that was from 2016-2017 and I know we, I know money will look poor.

Dutton: Yeah.

Morones: Right.

Olmedo: Yeah.

Morones: We took what we had a nice balance in the checking account, we decided to take it upon ourselves to fund that, we had it and we funded it. I understand that, and it wasn't reflected in the budget. Well it had to be, because you were expending that money so it took our cash flow down.

Olmedo: Yeah, so once we, and then on top of that this last fiscal year, the one we are currently working in now, we still have to augment that because of that money that should of spent, should have been spent in 2015-2016 did not happen. We did not start the project until after the new fiscal year started, so that will be reflected in this current year and that one will probably, it will have to be most definitely augmented because remember that extra money that we asked for 2 board meetings ago. And then it being transferred into the enterprise fund. So, it is going to show that we spent more money in the current one that we are working in than we budgeted for.

Morones: But in 2016-2017 right?

Olmedo: In 2016-2017.

Morones: Ok, I am more concerned, I mean 2016-2017 it is done, right. There is not much we can.

Dutton: Just about.

Morones: Just about, it is going to show horrible, it is going to show we spent too much. It is going to show that we operated at a deficit.

Olmedo: Most definitely.

Morones: You are going to have people going, oh, I told you, you're running with a 2 million dollar deficit. Maybe for 2016-2017 we did because we had too, right, we had to, but moving forward we don't expect that kind of budget to be busted so badly that we have to atone for another over spending year. That is my concern.

Olmedo: We don't anticipate it.

Morones: Well we never do, but I mean, the anticipation was the sewer project we get it, it wasn't that you didn't anticipate it, we did. The sewer project was coming we are going to spend a ton of money, we get it, had to be done if not we are out of compliance, next thing you know we have wet lands out there that we have to maintain for the rest of our lives, so we had to do it, we get it. But we don't have any of those planned expenditures coming up in 2017-2018 that we go back and look and say what happened, and I know you can't always anticipate stuff that is always you have some cap to spend, but when we do this in 2018-2019 I don't want Liandra and I to sit here and say where did that 1.3 million go out of the bank account.

Dutton: You talked about the Enterprise Fund, is that in this at all, in the budget?

Olmedo: Yes, it is in the back, the Enterprise Fund is page 13 and 14. In this you are not going to see the 2016-2017 figures, this is just the tentative and the final, just so you remember and this is cleaner than what 2016-2017 is going to look like.

Dutton: Am I missing where it says Enterprise Fund?

Morones: No, because I don't see where it says Enterprise Fund either.

Hansen: It just says revenues fund on it.

Olmedo: It is just the Round Mountain Public Utilities.

Dutton: So that's the same thing?

Olmedo: The same thing yeah, when we talk about the Enterprise Fund that is the Round Mountain Public Utilities Company.

Dutton: Ok.

Olmedo: It is because the reason why it is the Enterprise is that is our only money making company.

Dutton: Right.

Morones: When do we expect the water hike?

Olmedo: Hopefully soon.

Morones: Yeah, we dictate that?

Olmedo: We.

Morones: Or the county, who dictates that?

Dutton: The state, right?

Olmedo: So what is going to happen with that is Nevada Rural Water Company authority is going to analyze all of our consumption, sewer, all of that, water consumption you know, the sewage, everything. They are going to analyze those figures and then they are going to look at what other public utility companies are charging across the state. Once that comparison comes in we are going to come back with what we feel you know, should be the increase.

Morones: The last increase was when?

Olmedo: November 4th of 2010 was the last increase. So we could be looking at a combination of a water increase and a sewer increase or we can look at just a sewer only increase.

Hansen: A service charge increase.

Olmedo: A service charge increase, I mean he is going to look at everything and let us know where we sit, and of course that is going to be a few board meetings where you are going to have to decide whether you know, what you all want to do, we will put forth a recommendation and you guys take it or leave it or say you know this is what you guys what we feel should happen, maybe perhaps not so much of an increase here, but put it here, but yeah the last increase was in 2010. I know prior management talked about doing an increase over time, let's say a 10 year time frame and every year at July 1.

Morones: Not to exceed a certain percentage.

Olmedo: Yeah increase, let's go with a dollar, let's increase by a dollar so that when it increases everybody is really looking at gradual increase, and it catches up with you know the cost of operating everything, but that took a lot of, honestly I don't know why they didn't go with that, so they just went with boom, let's do it all at once. So we are going to be hit with a huge sticker shock if they say, hey you know, your sewer is pretty low and you should be at, what are we 14 dollars right now, they could say, you should be at 21 dollars.

Dutton: Right.

Hansen: And our service charge is only 1 dollar, which doesn't even cover the cost of a year's worth of mailing, they could turn around and say hey, change it to 10 dollars, you are covering other fees.

Morones: Anything else?

Dutton: We can't do anything.

Morones: Anything else on the budget that you wanted us to be made aware of?

Olmedo: I do want to make you aware of the letter we received for the Department of Taxation and again it goes back to. So the Department of Taxation has examined your fiscal year 2017-2018 tentative budget pursuant to NRS 354.596(5) and finds it to be in compliance with the law and appropriate regulations with the exception of the filing requirements that states "on or before April 15, a copy of the tentative budget must be submitted to the Department of Taxation". The Town's tentative budget was not postmarked until May 10, 2017, which is almost a month after the due date. Please be reminded a proof of publication of the notice of the public hearing must be transmitted to Department with you final budget per NRS 354.5983. So again, going forward and for next year, it is really important that you know, we can't cancel any meetings, we have got to be here for the tentative budget and to get those meetings in, to get the input, prior to April 1st.

Dutton: Maybe we need to start earlier in getting the tentative budget going just in case we run into the same problem we did this year.

Olmedo: My process, you know, I have always get the budget going way ahead of time, but you know the input, if you want to input you have got to make the meetings so that we are not at crunch time.

Morones: Can we start 2018-2019 now?

Olmedo: You know we can, probably should with you know and no, I am not trying to take anything away from you guys, thank you, because you are the first group that truly wants to be involved, that truly want to try to understand this. I would say stop into the office and take a look.

Dutton: What is our timeframe right now, what date do we have to have our final budget to the state?

Olmedo: June 1st.

Morones: Post marked 6/1?

Dutton: Impossible.

Morones: In two days we will be late.

Olmedo: We will be late, so again these dates are really important when it comes to filing the tentative and the budget hearing and all of that. You know it is not the 5 of you that takes the heat, it's me.

Dutton: Well it is because of the 5 of us that it is late.

Olmedo: So for future, as being board members, you know, you have got to take the roles seriously when it comes to these types of things, you know, I can't put the blame on you because I get tisked at state they say you need to make your board understand that these are very important, you are the one that is at stake. So I have to let you know that because these are late I am the one solely taking the hit for it because I am preparing the budget.

Dutton: Right.

Olmedo: And these.

Dutton: As of now, this wouldn't be sent out, at the earliest, would be next Tuesday.

Olmedo: Next Tuesday, correct.

Dutton: Which would be after the 1st.

Olmedo: Can't change it, what do you do?

Hansen: You guys showed up

Olmedo: Yeah, you guys showed up.

Dutton: Yeah, I don't know, it is just unfortunate.

POSSIBLE ADOPTION OF THE 2017-2018 FINAL BUDGET

Item tabled.

GENERAL PUBLIC COMMENT (SECOND)

None

ADJOURN MEETING

Morones: The meeting is now adjourned at 1 p.m.