

City of Elko)
County of Elko)
State of Nevada)

SS February 18, 2022

The City Council of the City of Elko, State of Nevada met for a special meeting beginning at 3:00 PM, Friday, February 18, 2022. The meeting was held in the council chambers, 1751 College Ave., Elko and via GoTo Meeting.

This meeting was called to order by Mayor Reece Keener. The public can participate in person, by phone, tablet, laptop, or computer by registering with the GoTo Meeting link provided in the agenda. Questions can be sent to cityclerk@elkocitynv.gov.

I. CALL TO ORDER

The Agenda for this meeting of the City of Elko City Council has been properly posted for this date and time in accordance with NRS requirements.

II ROLL CALL

Present:

Reece Keener, Mayor
Mandy Simons, Councilwoman
Chip Stone, Councilman
Clair Morris, Councilman
Giovanni Puccinelli, Councilman

City Staff Present:

Diann Byington, Recording Secretary
Curtis Calder, City Manager
Candi Quilici, Accounting Manager
Scott Wilkinson, Assistant City Manager
Kelly Wooldridge, City Clerk
Dale Johnson, Utilities Director

III. PLEDGE OF ALLEGIANCE

IV. COMMENTS BY THE GENERAL PUBLIC

Pursuant to N.R.S. 241, this time is devoted to comments by the public, if any, and discussion of those comments. No action may be taken upon a matter raised under this item on the agenda until the matter itself has been specifically included on a successive agenda and identified as an item for possible action. **ACTION WILL NOT BE TAKEN**

There were no public comments.

V. NEW BUSINESS

V.A. Review, discussion, and possible approval to include a property tax rate increase in the FY 2022-2023 Budget and notify the State of Nevada Department of Taxation thereof, and matters related thereto. **FOR POSSIBLE ACTION**

Curtis Calder, City Manager, said they sent out a chart earlier today that shows tax projections. That is really the only new information other than the County made the decision to increase their tax rate to 0.50 cents. He recommended going to 0.20 cents at this time.

Mayor Keener stated there has been no published decision made by State Taxation about this. He opened the item up to the public for comments.

Chris Johnson, 123 Woods Court, said he wasn't able to attend the County's meeting in time for the action on their item. He is concerned on the division between the entities, the School District, the City and the County. He would like to see it more cohesive. This is an opportunity and we shouldn't let this opportunity go. He was concerned that the school district will not be getting any part of the tax rate the County and the City are increasing. When they spoke to residents, they found it difficult to get the bond idea passed. The voters do not want a bond years ago and that is why they went to the Pay as you Go tax rate before. Some voters were not happy with the choice of School District projects but those projects were discussed many times before they were started. We need to give the community a chance to talk about this and we need to get creative with budgeting our projects. He didn't like these tax increases without including the school district.

Lee Hoffman, 1085 Barrington Ave., stated the Elko County Republican Party has not taken a stand on this issue and he was not present representing them. It is his understanding is that if the City does not take that 0.20 cents, it will not benefit the school district in any way. This is our local government and the government closest to the people is the best government. You are constrained by NRS as to what you can do. He supported what the County Commission has done. He encouraged the City to take this step. He would rather the City have some resources coming from our citizens for our citizens. He doesn't like taxes anymore than anyone else but he doesn't like going to the federal government for assistance. This is a positive step. If the School District needs more money, something could be done then. We do need to put plans out there as to how we will use those revenues.

Mayor Keener closed public comments. We are looking at this being a short window. The School District would be able to come back in two or four years and put their issue on the ballot again. The School District will be okay for a couple of years since they will be ending the pay as you go with about \$16 million in their bank. We will be able to put these funds into the Capital Construction Fund and do more work on the roads.

Councilman Morris said it is important to move forward with the 0.20 cents. The money is generated in the City of Elko and it should stay here.

Councilman Puccinelli agreed with Mr. Hoffman. It was confusing to him for a while so he is trying to keep it as simple as he could. We can ask for the 0.20 cents to get our foot in the door. He is all for capital improvements.

Councilman Stone said he doesn't want to see it sitting in a general fund. Capital Improvements are a big thing. The public needs to remember there is a cap of 3%. He supported the 0.20 cents on this.

Councilwoman Simons said the pros are pretty big. This is our only shot. She has spoken to many people she trusts and they all said we should do this. Raising taxes eats at her because there are still people suffering from the pandemic and inflation. She was not in favor of raising taxes at this time.

Councilman Stone said it was his understanding, if we don't take the 0.20 cents...

Mr. Calder tried to break it down for everyone. If you think of property tax as a pie, there are four pieces to that pie. You have two pieces of the pie, about 50% of the pie, going to the Elko County School District because Pay as you Go is still in affect. There is another 1/4 of the pie that goes to Elko County. There is a final piece of that pie that goes to the City (generally speaking). If Elko County wouldn't have raised taxes at all and the City of Elko did not go after that rate, basically 25% of that tax bill would go away. That can be a significant decrease. With the County's action on Wednesday, increasing tax rates by 0.50 cents, and the City didn't do anything, it will only be an 8% reduction. There will still be a reduction if the City does nothing. Is that 8% more valuable in your pocket or with the City, tied to capital construction. We can do more big road projects with that tax increase, nearly double of what we are doing now. This is an opportunity and it is worth going after. This is a placeholder and does not raise the rate as of today. There will be a lot of opportunities for the public to attend our budget presentations.

Councilman Stone said our taxes are going up. The City is growing and our needs are getting greater. He doesn't like it any more than anyone else.

Councilman Puccinelli thought we were not truly going in and raising the taxes. We are basically keeping it the same. There is a chance there could be a slight reduction if we only take the 0.20 cents.

Mr. Calder said the assessed valuations will go up. If you spent \$1,000 last year in property taxes, you tax bill will go up to \$1,030. You will not pay more than an additional 3% because the law will not allow it. Anything calculated above 3% will be abated.

Councilwoman Simons admitted she had been confused. She thought we were raising taxes but we are not. In fact, the taxes are going down 0.05 cents. She clarified that if the School District comes in and does something, this will all go away.

**** A motion was made by Council Member Puccinelli, seconded by Council Member Morris to forward a recommendation to the State of Nevada Department of Taxation of the City of Elko's intent to increase our levy on real property within the City of Elko by \$0.20 cents, effective 7/1/2022, to be dedicated for capital construction.**

The motion passed unanimously. (5-0)

VI. COMMENTS BY THE GENERAL PUBLIC

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There were no public comments.

There being no further business, Mayor Reece Keener adjourned the meeting.



Mayor Reece Keener



Kelly Wooldridge, City Clerk