

White Pine County Tourism and Recreation Board
Regular Meeting and Final Budget Hearing FY 21/22 Minutes

Date: April 28, 2020
Time: 4 p.m. regular meeting; 4:30 p.m. public budget hearing
Location Bristlecone Convention Center – White Pine Room

Members Present: Caroline McIntosh
Ian Bullis – via phone
Kurt Carson – via phone
Bryane Goeringer – via phone
Marietta Henry – via phone

Staff Present: Kyle Horvath
James Beecher - via phone
Errol Porter

Members Absent: None

Public Present: Wayne Cameron, George Chachas, Maureen Otzelberger, Alan Wise on the phone.

Chairman McIntosh called to order the meeting of the White Pine County Tourism and Recreation Board on April 28, 2020 at 4 p.m. in the White Pine Room at the Bristlecone Convention Center. Chairman McIntosh led in the Pledge of Allegiance.

- I. **Public Comment:** George Chachas spoke to agenda item 9 – Proposed Space Agreement with the Chamber needs to be scrapped. He commented the Chamber is a private club; it does not promote other businesses other than their own members. The signage needs to be addressed. We have arrows showing where the facilities are but there are no distance markers. The signage on the front windows of the building can't be seen. There is nothing in the packet regards to putting the walkway in the Convention Center parking lot. The center isle walkway needs to be back. The facility as it has been put up to date does not meet ADA minimum standards. The drain on the corner of Lyons on the south corner is not concreted in. The cut across the road has been patched with dirt. The stop sign on the corner of Fifth and Lyons has yet to be replaced. Street lights have not been addressed for months. With all the money this Board has given the County golf course, I want to know what the increase in play has been over the last three years. I have not seen anything regarding Mr. Spear who was a contractor with the Tour and Recreation Board. Does he have a state business license, city business license, commercial location or a home occupation permit. He took over \$300,000 in bonus money from this facility. He was a contractor; he was not an employee. George said he did not receive a copy of the corrected minutes of March 24, 2020 which would have reflected his written comments that he presented. He requested that his comments be entered into the record. The minutes that I have do not have that.

II. **New Business:**

1. **Approval of Agenda, Including Removal of Agenda Items-Chairman McIntosh:**

Motion: Member Bullis moved to accept agenda as presented.

Motion seconded: Member Carson. **Motion carried.**

2. Approval of Minutes:

Motion: Member Henry moved to approve minutes of March 24, 2020.

Motion seconded: Member Bullis. **Motion carried.**

3. Review of the Financial Report: Kyle spoke to the Room Tax Report. For the Motel/Hotel \$100,325.85 was collected; the RV Parks/Campgrounds collected \$4,030.88 for a grand total of \$104,356.73. He then gave the breakdown to the various entities. The Room Tax Comparison shows that the \$104,356.73 is only down 1.6 percent from where we were currently last year. In reference to the Year to Date Budget, because of bringing the money over from last year due to the audit, we do now have an operating surplus that truly reflects the way we have been operating for this entire fiscal year. Right now, we are operating at \$162,492.54. Anything that was over budgeted is the same thing that has been over budgeted for the last couple months. We are still on average for payroll, for community marketing; we will have enough money to finish out the year.

4. Ratify Bills:

Motion: Member Henry moved to ratify bills in the amount of \$96,333.16, check nos. 24604 through 24642 minus Bath Lumber in the amount of \$163.44, check no. 24620.

Motion seconded: Member Goeringer. **Motion carried.**

5. Approval to Pay Bill to Bath Lumber: Chairman McIntosh advised she will abstain from this item due to her interest in Bath Lumber.

Motion: Member Henry moved to pay \$163.44 to Bath Lumber, Check No. 24620.

Motion seconded: Member Bullis. **Motion carried with Member McIntosh abstaining from vote.**

6. 4:30 p.m. – Adjourn Regular Meeting for Final Budget Hearing FY21/22

Chairman McIntosh adjourned the Regular Meeting at 4:30 p.m. and opened the public meeting for the Final Budget Hearing FY21/22.

Kyle Horvath said that knowing budget cuts were imminent, he did a lot of comparable research to what other tourism communities were doing. He went through everything from a ten percent budget cut all the way up to a 25 percent budget cut which ultimately equated to a little over \$400,000, which was out of the question. After consideration, 17 percent is what he went with. Kyle proceeded to indicate the possible losses through City room tax (\$240,975); County room tax (\$27,081); center events (\$12,500) and grant reimbursements (\$20,000). For expenses, he is recommending cuts in T&R Events (\$10,000); Travel and Promotions (\$3,000); Travel and Promotions Board (\$500); Postage (\$2,000); Billboard Advertising (\$10,000); Grant Advertising-Reimbursable (\$20,000); Historic Asset Maintenance (\$15,000); Printing (\$2,000); Community Marketing Campaign (\$10,000); Consulting Services (\$10,000); Outdoor Rec. Grants (\$10,000); Aid to

Organizations (\$15,000); Capital Outlay (\$75,000). To reduce our expenses by 17 percent, the goal was to knock out \$187,414 which would have made the total Tour and Rec expenses down to \$915,023. As you can see where it is shown right now is \$919,937. With the reductions that are recommended, there is still \$4,000 over what a true 17 percent would be. Even though, it still shows an operating surplus of \$89,707.70. We can show that we are cutting but are still operating at a surplus and taking care of our employees. I feel comfortable that if we do truly see a 17 percent reduction that we can still operate under this proposed budget.

Chairman McIntosh opened the comments up to the Board members. Member Bullis felt good about the proposal and that it even left us some room for things to be less expensive. Members Henry, Goeringer and Carson felt the same, that Kyle had done a good job with a difficult situation.

Chairman McIntosh opened the comments up to the public. George Chachas said he didn't hear all the comments from the different Board members because of the way the meeting needs to be conducted via zoom.

Chairman McIntosh felt the focus is good. Chairman McIntosh closed the public hearing and reopened the regular meeting to Item No. 7.

7. Approval of Budget for FY 21/22:

Motion: Made by Member Carson to approve the budget for FY 21/22.

Motion seconded: Member Bullis. **Motion carried.**

8. Selection of Auditor: Kyle Horvath said the Department of Taxation gave us an extension on naming our auditor. We reached out to several people; we received one response back. It was Teri Gage from the Eide Bailly Company. Her proposal came out to the same price we had paid for Robert Moore - \$12,000. Kyle's ask is that you approve Teri Gage's proposal in the amount of \$12,000 so the Department of Taxation can be notified. Kyle said he she would probably get going late August, early September.

Motion: Member Bullis made motion to accept proposal from Teri Gage in the amount of \$12,000 to serve as our auditor.

Motion seconded: Member Henry. **Motion carried.**

9. Update on Progress for Shared Space Agreement with Chamber of Commerce: James Beecher advised the Board that we have the counter proposal from the Chamber of Commerce, which is significantly different from what the Board proposed. He summarized that the Board's proposal was to help renovate part of the building, we would also provide coverage for the reception area in the way of an employee. In exchange for that we would be getting rent free to occupy that area. What they have countered with is that we buy the building for \$100,000; that we still renovate the area

at our cost; that we still provide an employee to man that area and that we also give them five years of free rent to occupy the remainder of the building. Mr. Beecher said whether you want to do this or not is a policy question. This proposal from the Chamber is very significantly different from what we had initially contemplated. Chairman McIntosh said we need to do due diligence with tax payer money; that we need to get a more formalized appraisal of the building before we proceed. Member Henry in agreement. Member Bullis said it is not a bad idea in concept. He wasn't sure about the five years of free rent. Perhaps a reduced rent. Member Goeringer agrees with Member Bullis. We need to see an appraisal. Member Carson agrees with the other members. Chairman McIntosh suggested Mr. Horvath be tasked with working on getting an appraisal. Mr. Beecher's recommendation is that we discount the rent to the extent that the purchase price is discounted. That would be a good start towards initiating discussions. Chairman McIntosh asked if we needed a motion; Mr. Beecher's response was No.

10. Approval of \$1,500 payment to Tim Cohee, Mountain Resort Consultant, and to approve providing a hotel room for one night as well as catering lunch, dinner and lunch the next day: Member Bullis spoke to this subject. At our last meeting, Mr. Bullis told the Board that we were having a gentleman come out and give us a realistic assessment of whether a ski resort would be a sustainable option here. There was a mix-up in the communication. He was expecting us to put in place a compensation contract for his time before he came. Unfortunately, that was not clearly communicated by him. Member Bullis is bringing this back to the Board for consideration/approval to compensate Mr. Cohee. All members thought it was a good idea.

Motion: Member Bullis made motion to approve payment to Tim Cohee, a Mountain Resort Consultant, in the amount of \$1,500 to cover the cost of him coming out to give us his opinion on possibly bringing a mountain resort here and providing a hotel room for one night and catering lunch, dinner and lunch the next day.

Motion seconded: Member Goeringer. **Motion carried.**

11. Review and approval of FY21/22 Aid to Organization Grants: Chairman McIntosh said that since we are not all together, she is going to read proposals for each organization's request, that they are for next year and we are under the reduction.

Aid to Organizations 2020-2021

#	Name	\$ Amount Requested	\$ Amount Proposed
ATO 01-20	Eastern NV Landscape Coalition	1,500	700
ATO 02-20	White Pine Ranch Rodeo	2,000	900
ATO 03-20	White Pine Chamber of Commerce	1,500	350
ATO 04-20	Steptoe Valley Trap, Skeet, Target	2,000	750
ATO 05-20	Great Basin Service Club	8,000	6,000
ATO 06-20	Bristlecone Bowman	5,000	2,000

ATO 07-20	Great Basin Trails Alliance	5,000	3,000
ATO 08-20	WP Chamber of Commerce	600	600
ATO 09-20	White Pine Horse Races	20,000	18,000
ATO 10-20	Ely Outdoor Enthusiasts	2,000*	
ATO 11-20	Ely Outdoor Enthusiasts	1,000*	
ATO 12-20	Ely Outdoor Enthusiasts	800*	
ATO 13-20	Ely Outdoor Enthusiasts	1,000*	3,000 for all four*
ATO 14-20	White Pine Productions	4,245	2,000
ATO 15-20	Ely Film Festival	9,650	3,000
ATO 16-20	Ely Children's Theater	500	250
ATO 17-20	McGill Town Council	10,000	700
ATO 18-20	White Pine Public Museum	1,891.20	Cancelled
ATO 19-20	White Pine Men's Golf Association	4,800	2,800
ATO 20-20	White Pine Ladies Golf Association	1,200	500
ATO 21-20	NNR Foundation	10,000	8,000
ATO 22-20	White Pine Rodeo Team	6,000	2,700

The total amount requested is \$98,686.20. The award amount suggested is \$55,250. Kyle asked a question about the approval of the \$55,000 in the just approved budget of FY 21/22. Since this award suggestion is over the \$55,000 can we still make the motion to reflect \$55,250. Mr. Beecher's recommendation is to go ahead and approve it with the \$55,250 and if we need to augment our budget, we will do so next year. Members Bullis, Carson, Henry are all in agreement with suggested award amounts.

Motion: Member Henry made motion to accept awarding the grants in the amount of \$55,250.

Motion seconded: Member Bullis. **Motion carried.**

Kyle said that May 15 is when the Capital Improvement and Outdoor Recreation grants open. They will close right before our June meeting.

12. Executive Director's Report:

- a. Marketing
- b. Events
- c. Facilities

Errol provided a copy of his report to the Board members. He spoke on Social Media, targeted digital, our website (ElyNevada.net) and updates on upcoming events.

Kyle said we have received statewide recognition for our messaging with other communities copying our messaging. We are now working on new messaging, so we are leading the crowd.

III. Old Business:

1. Parking Lot Subcommittee Report-Goeringer: Kyle said he spoke with Terry Reck. The light poles are finishing up in fabrication. The temperature is correct to finish up the rest of the work

by the end of May. Handicap spots will be added close to the Convention Center; the patching in the road and the drain will be complete. A crosswalk will be put across the road; the lights will go in; the trees will go in.

2. White Pine Golf Course Update-McIntosh:

3. White Pine Trails Update-Goeringer: Member Goeringer said they are in the process of submitting a \$10,000 grant. Kyle said we are still working with the Mountain Bike Association.

4. Nevada Northern RR Director's Report: Submitted in packet.

5. White Pine Public Museum Update:

6. Main Street Update:

7. Board Member Reports: Member Henry said they are going forward with the horse races. Member Goeringer said he is working on finishing up the trail system and trail maintenance and how we are going to handle the Tears, Fears and Beers race.

IV. Public Comment: George Chachas wanted to remind the Board that anytime you buy something, the seller does the appraisal. On Item 10, Approval of Mountain Resort Consultant, NRS 354 says you can't spend money you didn't budget for. There were two items that you covered. One was Aid to Organizations, there was nothing on the table or in the packet. Also, the report from Errol – I didn't see it here; I couldn't follow it. The full packet says everything. I want to look at that material. The Nevada Northern Railroad continues to get grant money from the Board in addition to the \$240,000 or more that they receive in room tax. Again, they are not operating under the Open Meeting Law and the taxpayer cannot see how the monies are spent. Mr. Bassett manages the railroad and his wife is the bookkeeper or was or is again. There must not be any nepotism. The railroad was seeking approximately \$450,000 from the City Council and for what we don't know. I want to know what their debt is. They had an obligation to be out of debt by 2019. Rumor is there has been an embezzlement at the railroad – tens of thousands of dollars. I keep seeing negative signs at the north end of town. I don't want you guys to get a dime from Main Street America. If we are going to clean up the town, let's clean up the town. At the other end of town, we have something else. Normally in years past, you could not advertise brothels. But now we are advertising. We need to stop what happened today. I couldn't hear what people were saying. You are on the verge of violating the Open Meeting Law.

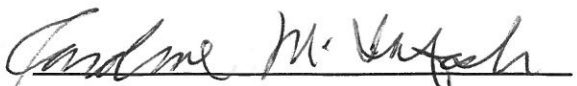
V. Adjournment:


Motion: Member Goeringer. To adjourn.

Motion seconded: Member Henry. **Motion carried.**

Minutes submitted by: Judi Bourbeau

Minutes approved by:


Name


Date