

**MINUTES
CITY OF FALLON
55 West Williams Avenue
Fallon, Nevada
March 7, 2008**

The Honorable City Council met in a special Council meeting on the above date in the Council Chambers, 55 West Williams Avenue, Fallon, Nevada.

Present:

Mayor Ken Tedford, Jr.
City Councilman, Willis Swan, Jr.
City Councilman, Robert Erickson
City Councilman, John Tewell
City Engineer, Larry White
City Clerk, Gary Cordes
Police Captain, Frank Shyne

The meeting was called to order by Mayor Tedford at 8:30 a.m.

Mayor Tedford inquired if the agenda had been posted in compliance with NRS requirements.

City Clerk Cordes advised the agenda was posted in compliance with NRS 241.

Designation of Kafoury Armstrong & Company to audit the financial statements of the City of Fallon for the fiscal year ending June 30, 2008

City Clerk Cordes explained that the audit committee, consisting of Councilman Erickson and City Attorney Mackedon, has the responsibility to engage an auditor for the City. Nevada Revised Statutes (NRS) require that the City's financial statements be audited annually.

Councilman Erickson further explained that the City is required to appoint an auditor by April 1, per NRS. Kafoury Armstrong has worked with the City over the last four years and a majority of the years that he has been involved with the City. They have done an excellent job with our financial statements. He recommended a three year commitment with a provision for annual reviews of the scope of work and fee schedule. The reporting standards required for governmental entities have been increasing due to public sector issues such as Enron. These standards are phased in and the current phase of standards will take an extra 100 to 200 hours to complete. It is also an extra burden on our staff, as they provide the information for our auditors. The proposed fee this year is \$57,600.00 which is an increase from last year's fee of \$48,000.00. This is a reasonable increase due to the extra work required. He also recommended that any motion considered today include the authorization of the audit committee to request additional services from Kafoury Armstrong as necessary due to the additional requirements of the Federal government.

Mayor Tedford inquired if the Council had any questions or comments.

No comments were noted.

Mayor Tedford inquired if there were any public comments or questions.

No comments were noted.

Councilman Erickson motioned to retain Kafoury Armstrong & Company to audit the financial statements of the City of Fallon for the fiscal year ending June 30, 2008 and for a period of three fiscal years to be reviewed annually for the scope of work and fee structure and authorize the audit committee to request additional services from Kafoury Armstrong as necessary due to the additional requirements of the Federal government; seconded by Councilman Tewell and unanimously approved.

Introduction of Bill No. 742: An Ordinance amending the City of Fallon Municipal Code Title 5, by amending certain sections and repealing certain sections

Captain Shyne explained that, in the past, the Police Department was tasked with issuing work permits for employees in gaming establishments and employees that serve liquor. The Nevada Gaming Commission has taken over these responsibilities. The Federal Bureau of Investigation is requiring that portions of the ordinance be repealed and amended to reflect this change in order to process fingerprints. Once fingerprints are submitted for a background check, it can take up to 10 weeks to receive the information. As for the amended portion of the ordinance, currently the liquor licensee requirements are not the same for an employee that works for them in that liquor establishment. This amendment will require the licensee to undergo the same background check.

Mayor Tedford noted that this ordinance still requires that liquor establishment licenses would still come before the Council for review and approval. It would also come before the Council for revocation.


Councilman Swan introduced Bill No. 742: An Ordinance amending the City of Fallon Municipal Code Title 5, by amending certain sections and repealing certain sections.

Public Comments

Mayor Tedford inquired if there were any public comments.
No comments were noted.

Adjournment

There being no further business to come before Council, Mayor Tedford adjourned the meeting at 8:37 a.m.



Mayor Ken Tedford, Jr.

Attest:



Gary C. Cordes
City Clerk Treasurer