



# CITY OF FERNLEY

## CITY COUNCIL AGENDA REPORT

Meeting Date: April 7, 2021

**REPORT TO:** Mayor and City Council  
**REPORT FROM:** Daphne Hooper, City Manager  
**REVIEWED BY:** Brandi Jensen, City Attorney  
**REVIEWED BY:** Denise Lewis, City Treasurer

**FINANCIAL IMPACT:**

Yes:  No:

**CURRENTLY BUDGETED:**

Yes:  No:

**FUND/ACCOUNT:**

225-575-650

**ACTION REQUESTED:**  Consent  Ordinance  Resolution  Motion  Receive/File

**AGENDA ITEM: Staff Report (For Possible Action): Discussion and possible action to adopt Bill #295, as Ordinance #2021-005 modifying Fernley Municipal Code Title 2, Chapter 9, Article IV Fernley Convention and Tourism Board in Section 2.09.35 Budget, to allocate the Disbursement of funds to 40% and Convention/Civic Center to 60%.**

**Agenda Item Brief:**

On March 3, 2021 Council introduced Bill #295. Bill #295, Ordinance #2021-005 will change the allocation of TLT revenue, after payments to the Department to Taxation and the Lyon county, 40% to Disbursement of funds and 60% to the Convention/civic center funds.

**Recommended Motion:**

"I move to adopt Bill #295, an Ordinance #2021-005 amending the Fernley Municipal Code Title, 2, Chapter 9, Article IV Fernley Convention and Tourism Board in Section 2.09.35 Budget to allocate the Disbursement of funds to 40% and the Convention/civic center to 60%."

**Business Impact (per NRS Chapter 237):**

- A Business Impact Statement is Attached.
- A Business Impact Statement is not required because this is not a rule (term excludes vehicles by which legislative powers are exercised under NRS Chapters 271, 278, 278A, or 278B).

See attached report for background, analysis, alternatives.

**ALTERNATIVES:**

The Board may not approve the proposed changes and/or may either propose an alternate modification of the Chapter 9, Article IV of the Fernley Municipal Code.

**BACKGROUND:**

On February 17, 2010 the Fernley City Council adopted Ordinance #2010-006 which established the Fernley Convention and Tourism Authority Board and described the FCTA's appointment guidelines, terms of office, removal of office, compensation and expenses, operating regulations and other matters relating to FCTA. On June 15, 2011 the Fernley City Council adopted Ordinance #2011-005 which amended Fernley Municipal Code to establish the City of Fernley Convention and Tourism Authority Board consist of the voting members of the Fernley City Council.

On March 20, 2019 the City Council by Resolution #19-003 approved modifying the allocation of the transient lodging tax revenue, after the disbursement to Nevada State Department of Taxation and Lyon County to sixty percent (60%) to the convention/civic center fund and forty percent (40%) to the disbursement of funds fund.

On February 8, 2021 the FCTA Board recommended staff to move forward in changing the Fernley Municipal Code to allocate the TLT revenue funds, after payments to the Department of Taxation and Lyon County, to 60% to the Convention/civic center and 40% to Disbursement of funds.

On March 3, 2021, Council introduced Bill #295 modifying Fernley Municipal Code Title 2, Chapter 9, Article IV Fernley Convention and Tourism Board in Section 2.09.35 Budget – to allocate the Disbursement of funds to 40% and Convention/Civic Center to 60%.

**RECOMMENDATIONS:**

Title 2, Chapter 9, Article IV of the Fernley Municipal Code governs the Fernley Convention and Tourism Authority Board. The Board reviewed Article IV and recommends Council to modify the Disbursement of funds and Convention/Civic center in Section 2.09.35 Budget to allocate 40% of the revenue generated by the TLT to the Disbursement of funds and allocate 60% of the TLT revenue to the Convention/civic center fund. Increasing the Convention/civic center budget will place the City of Fernley in a better financial position to pay for the construction, operation, and maintenance of the future Fernley Community Campus and at the same time, still having enough funds for the Disbursement of funds or FCTA grants.

**PRIOR COUNCIL ACTION:**

March 3, 2021: Council introduced Bill #295.

February 8, 2021: Passed, approved, and recommended staff to modify Article IV.

March 20, 2019: Passed, approved, and adopted Resolution #19-003

June 15, 2011: Passed, approved, and adopted Ordinance #2011-005

February 17, 2010: Passed, approved, and adopted Ordinance #2010-006

**LEGAL IMPLICATIONS:**

NRS 268.0962, NRS 268.0964

**FINANCIAL IMPLICATIONS:**

Allocating 60% of the TLT Revenue to Convention/civic center fund will increase the fund balance.

**ATTACHMENTS:**

**Draft Chapter 9, Article IV City Convention and Tourism Authority mark-up  
Bill #295 Proposed Chapter 9, Article IV City Convention and Tourism Authority**