



**Sun Valley General Improvement District
Board Meeting Minutes of
May 27, 2021**

Board Members Present:

Sandra Ainsworth	Chair	(via teleconference)
Susan Severt	Vice Chair	
Joseph Barstow	Secretary	
Carmen Ortiz	Treasurer	
Michael Rider	Trustee	

Board Members Not Present:

Staff Present:

Jon Combs	SVGID, General Manager
Chris Melton	SVGID, Public Works Director
Erin Dowling	SVGID, Customer Service Supervisor
Jennifer Merritt	SVGID, Administrative Assistant
Maddy Shipman	SVGID, Legal Counsel

Other Members Present:

Mark Neumann	Public
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The meeting of the Sun Valley General Improvement District was called to order by Vice Chair Severt at 6:00 pm in the Sun Valley District Administrative Building, 5000 Sun Valley Blvd., Sun Valley, NV.

Item# 1. Roll call and determination of a quorum.

Board members present; Chairperson Ainsworth, Vice Chair Severt, Secretary Barstow, Treasurer Ortiz and Trustee Rider. A quorum was present.

Item# 2. Pledge of Allegiance.

Led by Treasurer Ortiz

Item# 3. Public comments for items not on the agenda.

None

Item# 4. Motion to approve the agenda.

Trustee Rider made a motion to approve the agenda. Treasurer Ortiz seconded the motion. The motion carried unanimously.

Item# 5. Certify posting of the agenda.

Ms. Merritt certified posting of the agenda.

Item# 6. Trustee/Manager's announcements, request for information, and statements relating to items not on the agenda.

Mr. Combs announced the flag has been lowered to honor the victims of the tragedy in San Jose, Ca. He also announced the District's movie in the park is scheduled for Friday, June 25th at the Sun Valley Community Park featuring the Secret Life of Pets 2; movie will start at dusk.

Item# 7. Discussion and action to approve account payables for May 27, 2021.

Treasurer Ortiz gave a brief report of the account payables, customer refunds and payroll for May 27, 2021.

Treasurer Ortiz made a motion to approve the account payables for May 27, 2021 in the total amount of \$115,609.94. Trustee Rider seconded the motion. After discussion the motion carried unanimously.

There were no public comments.

Item# 8. Discussion and action to approve board meeting minutes of May 13, 2021.

Trustee Rider made a motion to approve the Sun Valley General Improvement District Board Meeting Minutes of May 13, 2021 as submitted. Treasurer Ortiz seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 9. Presentation by Tim Holland with LP Insurance regarding renewal option(s) for District Health Insurance with action to approve option(s) renewal.

Mr. Combs provided a copy if the District's Health Insurance renewal prepared by LP Insurance. He reported this year's Hometown Health Insurance renewal premium for employee health and vision insurance is \$213,147; there is a minimal increase of 2.7%. Mr. Combs briefly explained the differences between each health coverage options for consideration. He reported the District's existing plan has minimal increases to the employees out of pocket expenses related to copays, prescriptions and deductibles, the District offers two plans PPO and HMO. The District wanted to give the employees an option for insurance, especially for those who pay full/portion of their health insurance. LP Insurance provided additional health coverage options from Sierra Health and Life for consideration. Mr. Combs reminded the Board that the District is subject to the Health Care Act that requires the District to offer insurance to District employees once they are eligible for retirement. Sierra Health and Life annual premium is \$232,645; a 29.4% increase in premiums and high out of pocket expenses on the employees.

Mr. Combs provided a copy of the District's Dental Insurance renewal prepared by LP Insurance. He reported this year's Diversified Dental Insurance renewal premium for employee health insurance is \$18,259; there is an increase of 4% and no changes to the plan.

Staff recommends approval of the District's current Hometown Health PPO 500, Hometown Health HMO 500, and Diversified Dental insurance plans.

After further discussion Treasurer Ortiz made a motion to approve renewal of the District's employee health, dental and vision insurance. Vice Chair Severt seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 10. Presentation by General Manager of District's third quarter financials for Fiscal Year 2021.

Mr. Combs gave a brief report on the District's revenues and expenses thru May 21, 2021. Mr. Combs reported the District's 2020/2021 budget approved water revenue was projected at \$3,429,600, year-to-date the District's revenue is \$3,346,425. The District's water revenue consists of water charges, new account setup, late fees, reconnection fees, construction charges, construction reimbursements and other various other operating revenues. The District's 2020/2021 budget approved water expenses was projected at \$3,662,254, year-to-date the District's expenses are \$2,991,350. The District's water expenses consists of employee compensation and benefits, contract services and supplies, repair and maintenance, utility services, engineering services, various other water operation services and depreciation. The overall 2020/2021 approved Water Fund was projected to have a net income loss of (\$232,654), based on year-to-date revenues and expenses the District is now projected to have a net income of \$355,075.

Mr. Combs reported the District's 2020/2021 budget approved sewer revenue was projected at \$2,863,500, year-to-date the District's revenue is \$2,514,261. The District's sewer revenue consists of water charges, new account setup, late fees, reconnection fees, construction charges and construction reimbursements and other various other operating revenues. He stated he expects the sewer revenues will be close to the budgeted amount once the District's receives Washoe County's true-up portion for shared sewer charges. The District's 2020/2021 budget approved sewer expenses was projected at \$3,024,161, year-to-date the District's expenses are \$2,391,175. The District's sewer expenses consists of employee compensation and benefits, contract services and supplies, repair and maintenance, utility services, engineering services, various other sewer operation services and depreciation. The overall 2020/2021 approved Sewer Fund was projected to have a net income loss of (\$160,661), based on year-to-date revenues and expenses the District is now projected to have a net income of \$123,086.

Mr. Combs reported the District's 2020/2021 budget approved capital improvement project/acquisition revenue was projected at \$1,425,018, year to date the District's revenue is \$657,864. The District's capital improvement project/acquisition revenue consists of water ad valorem, interest income from bonds, ctax/fair share, annexation fees, and facilities fees. He stated staff had originally budgeted high for water and sewer facilities fees based on the amount of development that is projected; however, majority of the development is still in the planning phase. He anticipates the District will start seeing an increase in water sewer facilities fees next fiscal year. The District's 2020/2021 budget approved capital improvement project/acquisition expenses was projected at \$1,699,000, year-to-date the District's expenses are \$269,710. The District's capital improvement project/acquisition expenses consists of District's water, sewer and recreation capital improvements. He stated majority of the capital improvement projects are paid by the developer; as the need for

improvements or upgrades are contributed to new development. The overall 2020/2021 approved Acquisition Fund was projected to have a net income loss of (\$273,982), based on year-to-date revenues and expenses the District is now projected to have a net income of \$388,154.

Mr. Combs reported the District's 2020/2021 budget approved properties and garbage revenue was projected at \$168,205, year-to-date the District's revenue is \$223,630. The District's properties and garbage revenue consists of Prosser rental income and garbage franchise fees. There was an estimate of \$60k in additional garbage franchise fees received, he believes this is due to more homes are being purchased and/or rented. The District's 2020/2021 budget approved properties and garbage expenses was projected at \$128,450 year-to-date the District's expenses are \$86,284. The District's properties and garbage expenses consists of dumpster and recycling program, garbage subsidies, community beautification projects such as Keep Truckee Meadows Beautiful and assistance with junk car removal, repair and maintenance of Prosser rentals and depreciation. The overall 2020/2021 approved Properties and Garbage Fund was projected to have a net income of \$39,755, based on year-to-date revenues and expenses the District is now projected to have a net income of \$137,345.

Mr. Combs reported the District's 2020/2021 budget approved recreation revenue was projected at \$318,500, year-to-date the District's revenue is \$265,897. The District's recreation revenue consists of the District's recreation fee, park use fees, recreation facility leases, recreation programs leagues and pool admissions and lessons. He stated the loss in recreation revenue was due to park and pool closer due to COVID. The District's 2020/2021 budget approved recreation, parks and pool, expenses was projected at \$288,418 year to date the District's expenses are \$251,290. The District's recreation expenses consists of park landscapers, parks repair and maintenance, utilities for parks, pool and recreation facilities, chemicals for the pool and pool staff compensation and depreciation. The overall 2020/2021 approved Recreation Fund was projected to have a net income of \$30,082, based on year-to-date revenues and expenses the District is now projected to have a net income of \$14,608.

Mr. Combs reported the District's 2020/2021 budget for all funds revenue was projected at \$8,204,823, year-to-date the District's total revenue is \$7,008,078. The District's 2020/2021 budget for all funds expenses was projected at \$8,802,283, year-to-date the District's total expenses are \$5,989,808. The overall 2020/2021 budget for all funds was projected to have a net income of loss of (\$597,460), based on year-to-date revenues and expenses the District is now projected to have a net income of \$1,018,270.

Mr. Combs gave a brief report on the District's cash/reserves/debt analysis thru April 30, 2021. The District has three bank accounts; O&M (operating account) with a cash balance of \$3,989,597, CIP (reserve account) with a cash balance of \$8,918,949, and CD's (investment account) with a cash balance of \$3,141,292. The District's debt consists of two sewer loans with the City of Sparks (Truckee Meadows Water Reclamation Facility) and two State of Nevada Water Bonds. The first City of Sparks Sewer Loan; principal balance is \$959,701 plus interest of \$39,932 (interest at maturity) with a scheduled payoff date of fiscal year 2027. The second City of Sparks Sewer Loan; principal balance is \$1,507,301 plus interest of \$62,732 (interest at maturity) with a scheduled payoff date of fiscal year 2027.

The first State of Nevada Water Bond; principal balance is \$2,967,230.11 plus interest of \$213,724,.37 (interest at maturity) with a scheduled payoff date of fiscal year 2026. The second State of Nevada Water Bond; principal balance is \$1,504,750.56 plus interest of \$159,294.10 (interest at maturity) with a scheduled payoff date of fiscal year 2029. The District's reserve consists of the following; Unrestricted reserves in the overall CIP account is \$4,839,057; \$2,557,282 reserved for Water CIP (AB 198 Grant/Capital Replacement per the bond contract), Water Bonds 1 & 2, and Depreciation/R&M misc.; \$2,148,568 City of Sparks Loans plus improvements; and \$2,515,335 for CD Investments.

Audience member Mr. Neumann inquired if the interest the District is earning from its CD's is less than what the District is paying on its bonds.

Mr. Comb responded yes, the bonds are greater than what the District receives in its interest from CD's.

Vice Chair Severt called the Public Hearing to order at 6:41 pm.

Item# 11. Discussion and action on the Sun Valley General Improvement District Tentative Budget; as well as possible changes to the adoption of the Final Budget for Fiscal Year 2021/2022.

Vice Chair Severt read into the record the Order of Procedures for the District's Public Hearing.

Secretary Barstow provided proof of publication for the public hearing.

Mr. Combs provided a final copy of the District's Fiscal Year 2020/2021 budget for review. He gave a brief overview of the District's proposed final budget for fiscal year 2021/2022. Mr. Combs reported the District's Water Fund consists of; Revenues \$3,626,922, Expenses \$3,577,106, providing a proposed Net Income for the Water Fund \$49,816. District's Sewer Fund consists of; Revenues \$2,979,700, Expenses \$2,985,304, providing a proposed Net Income (Loss) for the Sewer Fund (\$5,604). District's Properties and Garbage Fund consists of; Revenues \$191,800, Expenses \$129,026, providing a proposed Net Income for the Properties and Garbage Fund \$62,774. District's Recreation Fund, the fund consists of; Revenues \$349,000, Expenses \$409,848, providing a proposed Net Income (Loss) for the Recreation Fund (\$60,848). District's Acquisition Fund consists of; Revenues \$827,234, Expenses \$1,240,900 providing a proposed Net Income (Loss) for the Acquisition Fund (\$413,666).

Mr. Combs reported 2021/2022 overall report summary for all funds revenues is projected at \$7,974,656, all funds' expenses is projected at \$8,342,184 an overall Net Income (Loss) of (\$36,528). He stated the net income loss is due to the capital improvement projects; some projects might get deferred to next fiscal year or paid by a developer; reducing the overall net income loss. He thanked staff for all of their hard work with assembling the District's 2021/2022 tentative budget and requested approval of the draft tentative budget.

Trustee Rider made a motion to adopt the District's Fiscal Year 2021/2022 final budget. Secretary Barstow seconded the motion. The motion carried unanimously.

Vice Chair closed the Public Hearing at 6:53 pm

There were no public comments.

Item# 12. Discussion and possible action regarding use of District vehicles used by General Manager and Public Works Director.

Mr. Melton reported staff is respectfully requesting approval for the General Manager and Public Works Director the authority to use District vehicles to drive to and from work. He stated this would be a time savings on staff; this is so both the General Manager and Public Works Director can attend meetings and functions without having to pick up or drop off vehicles to or from. He stated now that COVID restrictions are being lifted staff will be attending meetings in-person, which last beyond normal work hours. He also stated staff's use of the vehicles will follow the confines and guide lines of the District's Personnel Manual.

Mr. Melton reported there should not be a significant increase to the budget if approved; the only increase will be for fuel and the estimate increase for fuel is \$1,700 annually. Both vehicles don't get enough usage to require a lot of maintenance other than oil changes, as needed.

Additional discussion ensued and it was mutually agreed upon by all trustees they don't have a problem with both the General Manager and Public Works Director using company vehicles to and from work. These positions are on-call, as needed, and should have access to a company vehicle and it is also nice to have the presence of the District vehicles through the valley.

Trustee Rider made a motion to approve staffs request for use of the District vehicles by the General Manager and Public Works Director as presented. Secretary Barstow seconded the motion. The motion carried unanimously.

There were no public comments.

Item# 13. Review of 2021 Legislative update report provided by Holland & Hart and review of BDR's and/or Bills; with possible direction to staff.

Mr. Combs provided a copy of Holland & Hart's 2021 Legislative Session update report through May 24, 2021 for review. The District is following various bills related to Water Rights, Open Meeting Law, Public Records, Public Work Projects, Ethics, voting and other related items to elected officials. He stated this year's session was relatively quiet for the District and not much changed for general improvement districts. He reported AB6 was passed and signed into law; this bill changes the requirement that the State Engineer must hold a hearing on an application for temporary change to the place of diversion or manner of use water already appropriated. He reported this does not have an impact on the district, the bill is for irrigation water and not river/surface water.

Ms. Shipman commented on AB280; provides that single-stall restroom located in a public place must be as inclusive and accessible as possible. She also commented AB321 and AB422 both are related to elections and came out of committee with no amendments.

There were no public comments.

Item# 14. Legal report by Maddy Shipman.

None

Item# 15. Field report by Chris Melton.

Mr. Melton reported on the following items:

- Both of the Sun Valley Pools have been inspected and permitted for operation by Washoe County Health Department. The District currently has six lifeguards and one cashier for this year's pool season. Staff would like to have additional lifeguards to assist with the pool schedule.
- Northern Nevada Food Bank will be using the Sun Valley Community Park as one of its locations for its Summer Meals Programs for youth. The program will run from June 14, 2021 thru July 31, 2021 Monday thru Friday at 11:30am to 12:30pm.
- The District received confirmation from Commissioner Jung regarding her donation of \$20k from her Washoe County discretionary funds to be used towards replacement of doors at the Sun Valley Neighborhood Center.

Item# 16. Office report by Erin Dowling.

Ms. Dowling reported on the following items:

- The District's sewer re-evaluation period closes at the end of June.
- The District's approved water consumption rate increase goes into effect June 1st; bills will be prorated.
- Counterfeit bill detectors have been installed at each of the registers to help reduce on fraud.
- The District office will be closed Monday, May 31 in observance of Memorial Day.

Item# 17. Manager report by Jon Combs.

Mr. Combs reported on the following:

- Staff will be performing employee evaluations in June and evaluations compensation consideration will be on the District's June 24th board meeting.
- LP Insurance will be giving a presentation to the employees on Monday, June 7th during the employee meeting to review the changes to the health insurance.
- He will be attending the Northern Nevada Water Planning Commission meeting Wednesday, June 2nd; it will be his first in-person meeting.
- He thanked staff for all their hard work and dedication keeping within the budget this past fiscal year.

Item# 18. Public Comments.

Mr. Nuemann commented Washoe County Commissioners are considering closing Wild Creek Golf Course for good and making it into a dog park. He is against this because of all the opportunities the golf course has to offer community members, especially for the youth.

Item# 19. Board Comments.

Chairperson Ainsworth commented on the mural at the Sun Valley Pool, she thinks it looks great and can't wait to see the final product.

Trustee Rider commented he was pleased to see CPR training in action while driving by the pool. He commented on the importance of offering sports and other outlets for youth to use to help keep them out of trouble. He agrees keeping Wild Creek Golf Course open would benefit the new high school. He also commented that sports help build and shape the youth into responsible adults.

Vice Chair Severt commented it is great to see the youth back in the Sun Valley Parks; she missed seeing park activity last summer. She hopes everyone stays safe so we can continue to move forward.

Treasure Ortiz commented sports are critical to the youth, especially for the Sun Valley community.

Item# 20. Future Agenda Items.

Mr. Combs reported the following items will be on the next agenda;

- Standing Item – Legislative Update

Vice Chair Severt requested a Pool update.

Item# 21. Adjournment.

Secretary Barstow made a motion to adjourn at 7:16 pm. Treasure Ortiz seconded the motion. The motion carried unanimously.

Approved by the SVGID Board of Trustees on June 24, 2021
Minutes Prepared by: Jennifer Merritt, Administrative Assistant