

**SUN VALLEY
GENERAL IMPROVEMENT DISTRICT**

*Financial Statements and
Supplementary Information*

June 30, 2024



SILVA, SCEIRINE
& ASSOCIATES, LLC
CERTIFIED PUBLIC ACCOUNTANTS

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

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JUNE 30, 2024

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INDEPENDENT AUDITORS' REPORT

To the Board of Trustees
Sun Valley General Improvement District
Sun Valley, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the Sun Valley General Improvement District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the District as of June 30, 2024, and the changes in financial position, and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation in the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and certain pension information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States

of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The other supplementary information listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated November 4, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Silva, Scivine & Assoc, LLC

Reno, Nevada
November 4, 2024



SUN VALLEY GENERAL IMPROVEMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

This section of the Sun Valley General Improvement District's (District) annual financial report provides an overview of the District's financial activities for the fiscal year ended June 30, 2024. This section should be read in conjunction with the District's financial statements, which immediately follow this section.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year includes the following:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2024 by \$55,571,949, of which \$30,235,770, represents net position which are invested in capital assets.
- The District's total assets increased by \$4,000,967.
- The District decreased long-term liabilities by \$1,162,696.
- The District's total water sale were \$3,736,406, an increase of \$361,818.
- The District's total wastewater sales were \$3,103,261, an increase of \$260,485.

DISTRICT HIGHLIGHTS

- Board passed a 2.5% water increase pass through from TMWA and implemented a 6,000-gallon tier.
- Board passed a \$1.86 sewer base rate increase and a 5% increase to consumption.
- Board approved an agreement to bulk sell 159.99 AF water rights to Truckee Meadows Water Authority for a total amount of \$1,119,930.
- Board approved the disposal & demo of 5085 & 5089 Prosser Way rental properties.
- Renegotiated SVGID's TMWA first tier of existing large volume resale service rate increasing from 34 million to 38 million gallons/billing period.
- Through the American Rescue Plan Act Grant the District was able to provide a part-time Park Maintenance position at our recreation sites and several improvements at the Sun Valley Community Park and Gepford Park.

As part of the District's preventative maintenance (PM):

- Perform PMs on all District equipment and vehicles.
- PMs on all pumpstations.
- Flushed and cleaned the wastewater collection system.
- Flushed and cleaned the dead-end lines on the water distribution system.
- All parks were sprayed for weeds.
- Graffiti abatement at all parks.
- Repaired asphalt in parking lots and walking path in parks.
- Maintenance on the District rentals including replacing some appliances.
- Raised Manhole/water meter valves with concrete rings.
 - Installed mainline valves in water system for isolation.
 - Updated Personnel Manual.
 - Exercised valves.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Under the Capital Improvement Projects program

- Pacific Tek PV150 Mini Vac
- Tank Valve – Chocolate
- Cordless Gate Valve Exerciser
- GIS/GPS locations and mapping updates.
- TMWRF capital sewer improvements.
- Lighting, 2 Scoreboards, and Fencing at Gepford Park

Staff completed training including:

- Financial Management Systems Training.
- PERS Training (Benefits).
- Customer service training.
- Human Resource training.
- Nevada Recreation and Parks Society conference training.
- Harassment training.
- OSHA training.
- SDS training.
- The Safety Committee met bi-monthly to discuss issues and implementation.
- Management training.
- Map Optix training.
- Lifeguard training and certifications.

Additional Programs and Projects:

- Partnered with Washoe County Senior Services for Vets Day Celebration.
- The District donated \$5,000 dollars to Keep Truckee Meadows Beautiful for the “Annual Clean-up Day” participated in event with staff and equipment.
- The District continued its partnership with Washoe County Health Department and donated monies for garbage dumpsters for lot clean-ups.
- Month Long E-Waste Recycling Event – Partnered with Lifecycle Solutions.
- Partnered with Impala’s car club and held a car show in our park.
- Easter egg hunt at Sun Valley Park.
- Pool Season including a “Free Swim Day” – Sponsored by Robert & Norma Fink.
- Dive into summer – Community Resources Event.
- Free medical clinic – Partnered with Summit Church.

USING THIS ANNUAL REPORT

This annual report consists of three parts; Management’s Discussion and Analysis, Financial Statements, and Required Supplementary Information. The Financial Statements also include notes that explain in more detail some of the information in the financial statements.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

REQUIRED FINANCIAL STATEMENTS

The Financial Statements of the District report information about the District using generally accepted governmental accounting methods. These statements offer short- and long-term financial information about its activities. The Statement of Net Position includes all of the District's assets and obligations to creditors (liabilities). All of the current year's revenues and expenses are accounted for in the Statement of Revenues, Expenses, and Changes in Net Position. This statement measures the District's operations over the past year and can be used to determine whether the District has successfully recovered all its costs through its user fees and charges. The final required statement is the Statement of Cash Flows. The primary purpose of this statement is to provide information about the District's cash receipts and cash payments during the reporting period.

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

The analysis below focuses on the District's net position.

Condensed Statement of Net Position

	2024	2023
Assets:		
Current assets	\$ 29,411,869	\$ 24,259,117
Capital assets, net	33,287,021	34,438,806
Total assets	62,698,890	58,697,923
Deferred Outflows of Resources	1,004,308	1,067,633
Total Assets and Deferred Outflows of Resources	63,703,198	59,765,556
Liabilities:		
Current and other liabilities	3,249,948	2,407,591
Long-term liabilities	4,798,745	5,961,441
Total liabilities	8,048,693	8,369,032
Deferred Inflows of Resources	82,556	114,109
Total Liabilities and Deferred Inflows of Resources	8,131,249	8,483,141
Net Position:		
Net investment in capital assets	30,235,770	30,185,026
Unrestricted	25,336,179	21,097,389
Total net position	\$ 55,571,949	\$ 51,282,415

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

Changes in the District's net position can be determined by reviewing the following condensed Statement of Revenues, Expenses, and Changes in Net Position for the year.

	2024	2023
Net operating revenues	\$ 9,390,226	\$ 10,948,593
Interest income	445,356	99,588
Other revenues	677,766	675,460
Intergovernmental revenue	239,346	100,595
Capital contribution	901,721	842,740
Total revenues	11,654,415	12,666,976
Operating expense	7,286,722	6,956,031
Interest expense	78,160	106,964
Loss on sale of capital assets	-	433
Total expenses	7,364,882	7,063,428
Net position at beginning of year	51,282,415	44,102,835
Change in net position	4,289,533	5,603,548
Prior period adjustment	-	1,576,032
Net position at end of year	\$ 55,571,948	\$ 51,282,415

Operating revenues increased by 14.2% in 2024 compared to 2023.

Operating expenses reflect a 4.8% increased in 2024 compared to 2023.

THE DISTRICT'S FUNDS

The District has five enterprise funds: water, wastewater, properties and garbage, acquisition, and parks and recreation. The water fund was established in 1967, with the acquisition fund being established in 1972. The wastewater fund was established in 1981. On April 10, 2007, the District created the properties and garbage fund to account for rental of District property and garbage franchise fees. On February 25, 2010, the District created the parks and recreation fund to operate the swimming pool and parks acquired from Washoe County. The funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. The enterprise funds account for operations that are financed and operated in a manner similar to private business enterprises, where the intent of the District is that the cost (expenses, including depreciation) of providing goods or service to the general public on a continuing basis be financed or recovered primarily through user charges. The acquisition, maintenance, and improvement of the physical plant facilities required to provide these goods and services are financed from existing cash resources, the issuance of bond (revenue or general obligation), federal grants, and other District funds. These funds are not

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

MANAGEMENT'S DISCUSSION AND ANALYSIS

JUNE 30, 2024

considered to be financial reporting funds. For the financial statements, the financial activities of the District are presented as a single proprietary fund.

CAPITAL ASSETS

At June 30, 2024, the District's total capital assets are \$33,287,021 net of accumulated depreciation of \$39,198,304. There was an overall decrease in capital assets in the current year of \$1,151,785, resulting from depreciation expense of \$1,536,529, additions of \$1,463,252, and sales of \$1,093,751. See Note 3.

LONG-TERM DEBT

At fiscal year-end, total loan payable to the State of Nevada Revolving Fund for water system improvements were \$1,768,571. The District also has outstanding notes payable to the City of Sparks for sewer system improvements in the amount of \$1,282,680. See Note 4 for additional information.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report was prepared for the benefit of the customers, bond investors, and the Board of Trustees of the Sun Valley General Improvement District. The Comprehensive Financial Report was prepared to provide interested parties with a general overview of the Sun Valley General Improvement District's accountability for the financial resources it manages. For questions or additional information, please contact the Sun Valley General Improvement District at 775-673-2220.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2024

ASSETS

Current Assets:

Cash and Investments:

Cash	\$ 18,660,352
Imprest Cash	3,300
Investments	3,254,638
Restricted Cash	6,259,605

Account Receivable:

Trade Receivables, Net	839,670
Other	102,301

Inventory	151,964
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Prepaid Expenses	140,039
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Total Current Assets	<u>29,411,869</u>
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Capital Assets:

Non-Depreciable	4,788,739
Depreciable, Net	28,498,282

Total Capital Assets	<u>33,287,021</u>
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Total Assets	62,698,890
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DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows related to pensions	<u>1,004,308</u>
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Total Assets and Deferred Outflows of Resources	<u>\$ 63,703,198</u>
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(Continued on next page.)

See accompanying notes.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

STATEMENT OF NET POSITION

JUNE 30, 2024

(Continued from previous page.)

LIABILITIES

Current Liabilities:

Accounts Payable	\$ 699,017
Salaries and Benefits Payable	7,110
Unearned Revenue	1,557,859
Deposits from Others	41,033
Interest Payable	8,017
Current Portion of Compensated Absences	114,364
Current Portion of Long-Term Debt	822,548
Total Current Liabilities	<u>3,249,948</u>

Non-current Liabilities:

Compensated Absences	114,366
Net Pension Liability	2,455,676
Long-Term Debt	2,228,703
Total Noncurrent Liabilities	<u>4,798,745</u>

Total Liabilities	8,048,693
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DEFERRED INFLOWS OF RESOURCES

Deferred inflows related to pensions	<u>82,556</u>
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Total Liabilities and Deferred Inflows of Resources	8,131,249
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NET POSITION

Net Investment in Capital Assets	30,235,770
Unrestricted	25,336,179
Total Net Position	<u>55,571,949</u>

Total Liabilities, Deferred Inflows of Resources, and Net Position	<u><u>\$ 63,703,198</u></u>
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See accompanying notes.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION YEAR ENDED JUNE 30, 2024

OPERATING REVENUES

Customer Charges	\$ 8,986,995
Service Charge	242,707
Washoe County Sewer Charge	160,524
Total Operating Revenue	<u>9,390,226</u>

OPERATING EXPENSES

Salaries and Benefits	1,838,526
Purchased Water	1,285,389
Operating Expenses	1,209,135
Insurance	378,839
Materials, Supplies, and Repairs	218,296
General and Administrative	198,375
Licenses and Fees	170,079
Utilities	149,027
Office Supplies	128,659
Power for Pumping	67,009
Telephone	28,129
Professional Services	61,483
Depreciation and Amortization	1,536,529
Other	17,247
Total Operating Expenses	<u>7,286,722</u>

OPERATING INCOME	2,103,504
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NONOPERATING REVENUE (EXPENSE)

Property Taxes	430,591
Combined Taxes	175,705
Investment Income	445,356
Interest Expense	(78,160)
Intergovernmental Revenue	239,346
Other Revenues	30,047
Gain (Loss) on Sale of Capital Assets	41,423
Total Nonoperating Revenues (Expenses)	<u>1,284,308</u>

INCOME BEFORE CAPITAL CONTRIBUTIONS	3,387,812
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Capital Contributions	<u>901,721</u>
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CHANGE IN NET POSITION	4,289,533
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TOTAL NET POSITION - BEGINNING OF YEAR	<u>51,282,415</u>
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TOTAL NET POSITION - END OF YEAR	<u><u>\$ 55,571,948</u></u>
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See accompanying notes.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2024

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers	\$ 9,075,593
Payments to suppliers	(3,861,466)
Payments to employees	(1,759,552)
Net Cash Provided by Operating Activities	<u>3,454,575</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Tax proceeds not attributable to capital purposes	606,296
Other noncapital receipts	275,819
Net Cash Provided by Noncapital Financing Activities	<u>882,115</u>

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES

Principal paid on long-term debt	(1,202,529)
Proceeds from sale of water rights	1,119,930
Purchase of capital assets	(1,449,804)
Interest paid	(80,693)
Net Cash (Used) by Capital and Related Financing Activities	<u>(1,613,096)</u>

CASH FLOWS FROM INVESTING ACTIVITIES

Interest income	<u>241,818</u>
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NET CHANGE IN CASH AND CASH EQUIVALENTS 2,965,412

CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR 20,207,737

CASH AND CASH EQUIVALENTS, END OF YEAR \$ 23,173,149

RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION

Cash and cash equivalents in current assets	\$ 18,663,652
Cash and cash equivalents in restricted assets	6,259,605
Total Cash and Cash Equivalents	<u><u>\$ 24,923,257</u></u>

(Continued on next page.)

See accompanying notes.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

STATEMENT OF CASH FLOWS YEAR ENDED JUNE 30, 2024

(Continued from previous page.)

RECONCILIATION OF OPERATING INCOME TO TO NET CASH PROVIDED BY OPERATIONS

Operating income	\$ 2,103,503
Adjustments to reconcile operating income to Net Cash	
Provided by operating activities:	
Depreciation and amortization	1,536,529
Changes in:	
Accounts receivable-user fees	(118,025)
Other receivables	(101,080)
Inventory	1,238
Deferred outflows	63,325
Prepaid expenses	(15,827)
Accounts payable	64,591
Unearned revenues	2,905
Deferred inflows	(15,777)
Salaries and benefits payables	(56,445)
Deposits from others	(114,209)
Compensated absences	73,968
Net pension liability	29,879
Total Adjustments	1,351,072
Net Cash Provided (Used) by Operations	\$ 3,454,575

See accompanying notes.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Sun Valley General Improvement District (the District) are prepared in accordance with accounting principles generally accepted in the United States of America (GAAP). The District applies all relevant Governmental Accounting Standards Board (GASB) pronouncements.

Reporting Entity

Sun Valley General Improvement District was created in 1965 and operates under NRS 318 by an elected board of trustees. The District, a quasi-municipal corporation, operates a water and sewer system, and recreational facilities for the benefit of individuals owning property or residing within its geographic boundaries. The District exercises no control over other governmental agencies and authorities as defined by the GASB and as such is the only entity reported in these financial statements. The District is located in Washoe County, Nevada. However, it is not included in the financial statements of Washoe County.

Basis of Presentation and Method of Accounting

The accounting system is organized and operated on a fund basis using the accrual basis of accounting. The District's financial statements have been prepared on the basis of the governmental proprietary fund concept as adopted by the GASB. The governmental proprietary fund concept provides that financial activities be presented as a single proprietary fund which includes enterprise funds. The District maintains the following divisions: Water Operations, Acquisition, Wastewater, Properties and Garbage, and Recreation, which are combined to present the District's single enterprise fund. The individual divisions include a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein. They are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of enterprise funds are charges to customers for sales and services. Operating expenses of enterprise funds include the cost of sales and services, administrative expenses, and depreciation of capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Nonexchange transactions, in which the District gives (or receives) value without directly receiving (or giving) equal value in exchange, include grants, entitlements, and donations. In accordance with GASB No. 33, *Accounting and Financial Reporting for Nonexchange Transactions*, revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Cash, Investments, and Equivalents

Cash, short-term investments, and restricted investments other than the District's negotiable certificates of deposit are stated at cost, which approximates current fair value. Negotiable certificates of deposit are stated at fair value.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

The District has no formal investment policy. All investments are made pursuant to NRS 355.170 and it has been board policy to hold all surplus funds in time certificates of deposit ranging from 30 days to four years. The District may only invest in the following types of securities:

- Certain "A" rated notes and bonds purchased by a registered broker-dealer that are issued by corporations organized and operating in the United States (U.S.) and that mature within five (5) years from the date of purchase; asset-backed securities and collateralized mortgage obligations rated "AAA" or higher by a nationally recognized rating service. These investments must not, in the aggregate, exceed 20% of the total portfolio at the time of purchase, nor include notes and bonds issued by any one corporation in excess of 25% of such investments.
- U.S. bonds and debentures maturing within ten (10) years from the date of purchase.
- Certain farm loan bonds.
- Bills and notes of the U.S. Treasury, maturing within ten (10) years from the date of purchase.
- Obligations of an agency of the U.S. or a corporation sponsored by the government, maturing within ten (10) years from the date of purchase.
- Obligations of state and local governments if, (1) the interest is exempt for federal income tax purposes, and (2) the obligation has been rated "A" or higher by a nationally recognized bond credit rating agency.
- Negotiable and nonnegotiable certificates of deposit from commercial banks and insured savings and loan associations.
- State of Nevada Local Government Pooled Investment Fund.
- Certain securities issued by local governments of the State of Nevada.
- Certain bankers' acceptances.
- Certain short-term paper issued by a corporation organized and operating in the U.S.
- Other securities expressly provided by other statutes, including repurchase agreements.
- Certain "AAA" rated mutual funds that invest in (1) securities issued by the Federal Government or agencies of the Federal Government, (2) Master, bank notes or other short-term commercial paper rated as "A-1" or "P-1" issued by a corporation or depository institution organized, licensed and operating in the United States and/or (3) Repurchase agreements that are fully collateralized by (1) and (2) above.

For purposes of the statement of cash flows, the District considers all cash and certificates of deposit, as well as investments with original maturities of three months or less when purchased as cash and cash equivalents.

Fair Value Measurements

Certain assets and liabilities are required to be reported at fair value. The fair value framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are described as follows:

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Level 1 – Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly and fair value is determined through the use of models or other valuation methodologies including:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in markets that are inactive;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs to the valuation methodology are unobservable and significant to the fair value measurement. These unobservable inputs reflect the District's own assumptions about the inputs market participants would use in pricing the asset or liability (including assumptions about risk). These unobservable inputs are developed based on the best information available in the circumstances and may include the District's own data.

Restricted Assets

Amounts shown as restricted assets have been restricted by either bonds, by law, or by contractual obligations to be used for specified purposes, such as servicing bonded debt and construction of capital assets.

Receivables

Receivables consist mostly of water service and connection charges and taxes. Accounts receivable represent amounts billed directly by the District. The District presently has adequate legal remedies to enforce the collection of water service and connection charges and taxes. Any such amounts which may ultimately prove uncollectable should not be material in amount. However, due to recent changes by the state legislature to NRS 318 regarding the filing of liens by General Improvement Districts, the Board of Trustees adopted a policy whereby a reserve for uncollectible accounts was established for all past due amounts. Past due amounts are added to the Washoe County property tax rolls.

Inventory

Inventories consist of operating materials and supplies held for consumption and are recognized as an expense at the time inventory is used. The District carries inventory at the lower of cost or market, on a first-in, first-out (FIFO) basis.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid costs.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Capital Assets

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated acquisition value on the date received.

The District defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset life are not capitalized. Depreciation is computed using the straight-line method over the estimated useful lives of the various classes of plant and equipment as follows:

Capital Asset Description	Life (in Years)
Storage tanks	33
Meters, service and transmission and distribution lines	33 - 40
Fire hydrants	33
Pumping equipment	15
Structure and improvements	5 - 30
Power operated equipment	3 - 10
Office furniture and equipment	5 - 10
Sewage treatment plant	40

Compensated Absences

District employees are entitled to certain compensated absences based on their length of employment. The employees may accumulate vacation pay up to a limit of 30 days. Employees are paid 100% of their accumulated vacation pay when they terminate their employment for any reason only if they have worked three months or more. Sick leave may be accumulated. Upon termination an employee who has five years of full-time employment shall be compensated for 40% of their total accrued sick leave up to a maximum of 1,000 hours of pay-out hours. The amount of accumulated compensated absences is \$114,365 at June 30, 2024.

Pensions

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the District's Nevada Public Employees' Retirement System (NVPERS) plans (Plans) and additions to/deductions from the Plans' fiduciary net position have been determined on the same basis as they are reported by NVPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The District has one item which qualifies for reporting in this category. See pension disclosure in Note 6. In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has one item which qualifies for reporting in this category. See pension disclosure in Note 6.

Net Position

The District's financial statements utilize a net position presentation. Net position comprises the various net earnings from operating and nonoperating revenues, expenses, and contributions of capital. Net position is classified in the following three components: net investment in capital assets, restricted, and unrestricted.

- Net investment in capital assets – This category groups all capital assets, including infrastructure, into one component of net position. Accumulated depreciation and the outstanding balances of debt that are attributable to the acquisition, construction, or improvement of these assets reduce the balance in this category.
- Restricted – This category represents the net position of the District with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District did not have any restricted net position at June 30, 2024.
- Unrestricted – This category represents the net position of the District, not restricted for any project or other purpose.

Use of Estimates

Management of the District has made certain estimates and assumptions relating to the reporting of assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Actual results could differ from those estimates.

Budgetary Principles

The District is required by state statute to conduct public hearings and subsequently adopt annual budgets for all its funds on or before June 1 for the ensuing year. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles. Budgeted amounts originally adopted may be amended by resolution of the Board of Trustees before year-end. Expenses may not legally exceed budgeted appropriations at the activity level, except for expenses related to long-term contracts for the purchase of utility service.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE 2 - CASH AND INVESTMENTS

Cash and investments at June 30, 2024 consist of the following:

Cash on hand	\$ 3,300
Deposits with Financial Institutions	18,660,352
Investments	3,254,638
Total Cash and Investments	<u>\$ 21,918,290</u>

Investments

Nevada Revised Statutes (NRS 355.170) set forth acceptable investments for Nevada governments (see Note 1). The District does not have a formal investment policy that would further limit its investment choices nor further limit its exposure to certain risks as set forth below.

Interest Rate Risk

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value is to changes in market interest rates. One of the ways that the District manages its exposure to interest rate risk is by purchasing a combination of shorter term and longer-term investments and by timing cash flows from maturities so that a portion of the portfolio is maturing or coming close to maturity evenly over time as necessary to provide the cash flow and liquidity needed for operations. Information about the sensitivity of the fair values of the District's investments, to market interest rate fluctuations is provided by the following table that shows the distribution of the District's investments by maturity.

	Total	Remaining Maturity (Years)		
		Less than 1	1-5	6-10
First American Gov't MM Fund	\$ 60,360	\$ 60,360	\$ -	\$ -
Negotiable Certificates of Deposit	3,176,852	240,781	2,936,071	-
	<u>\$ 3,237,212</u>	<u>\$ 301,141</u>	<u>\$ 2,936,071</u>	<u>\$ -</u>

Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The District's investment in a money market fund has a credit rating of AAA by Standard & Poor's. The District's other investments are in negotiable certificates of deposits which do not have a rating requirement.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned. Some of the District's bank deposits are covered by FDIC insurance and collateralized by the Office of the State Treasurer/ Nevada Collateral Pool.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. Securities held by the District or by the District's custodians are diversified to eliminate risk of loss from over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities. At June 30, 2024, the following investments in a single issuer exceeded 5% of the District's total investments:

<u>Issuer</u>	<u>Fair Value</u>	<u>Percentage of Total Investments</u>
Wells Fargo Bk N A	\$ 239,064	7.30%
Georgia Bkg Co Atlanta Ga	246,503	7.53%
Ubs Bk USA Salt Lake City	177,793	5.43%
Morgan Stanley Private Bk Natl	238,310	7.28%
CAPITAL ONE MCLEAN	244,250	7.46%
WELLS FARGO SIOUX FALLS	206,659	6.31%
WELLS FARGO	241,526	7.38%
SYNCHRONY BK RETAIL CTF DEP	240,781	7.35%
GOLDMAN SACHS BK USA NEW YORK	180,929	5.52%
ALLY BK SANDY UTAH	237,873	7.26%
State Bk India New York N Y	234,279	7.15%
AMERICAN EXPRESS NATI BK	228,279	7.97%
BANK HAPOALIM B M NEW YORK BRH	215,612	6.58%

Fair Value Measurement

The District categorizes its fair value investments within the fair value hierarchy established by generally accepted accounting principles. The District has the following recurring fair value measurements as of June 30, 2024:

	<u>Fair Value</u>	<u>Fair Value Hierarchy</u>		
		<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Investments Measured at Fair Value:				
First American Gov't MM Fund	\$ 60,360	\$ 60,360	\$ -	\$ -
Negotiable Certificate of Deposit	3,176,852	-	3,176,852	
	3,237,212	\$ 60,360	\$ 3,176,852	\$ -
Investments Not Classified by Level:				
Accrued interest	17,426			
Total Investments	<u>\$ 3,254,638</u>			

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE 3 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2024 is as follows:

	Balance July 1, 2023	Additions and Transfers	Retirements and Transfers	Balance June 30, 2024
Non-Depreciable Capital Assets				
Land	\$ 1,714,661	\$ -	\$ -	\$ 1,714,661
Water Rights	2,352,242	-	(1,076,263)	1,275,979
Construction in Progress	677,688	1,120,412	-	1,798,100
	<u>4,744,591</u>	<u>1,120,412</u>	<u>(1,076,263)</u>	<u>4,788,740</u>
Depreciable Capital Assets				
Buildings, Structures and Improvements	5,461,620	88,145	(16,666)	5,533,099
Fire Hydrants	676,572	-	-	676,572
Furniture and Fixtures	103,634	-	(822)	102,812
Office Equipment	256,974	-	-	256,974
Storage Tanks	5,558,928	7,533	-	5,566,461
Meters, Service and Transmission and Distribution Mains	34,559,296	6,918	-	34,566,214
Autos and Trucks	976,226	-	-	976,226
Plant / Sewage Treatment Plant	18,622,146	190,374	-	18,812,520
Power Operated Equipment	68,095	49,870	-	117,965
Pumping Equipment	1,087,742	-	-	1,087,742
	<u>67,371,233</u>	<u>342,840</u>	<u>(17,488)</u>	<u>67,696,585</u>
Total Capital Assets	<u>72,115,824</u>	<u>1,463,252</u>	<u>(1,093,751)</u>	<u>72,485,325</u>
Less Accumulated Depreciation for:				
Water	17,094,876	779,631	(411)	17,874,096
Sewer	19,249,126	640,884	(411)	19,889,599
Property and Garbage	205,521	11,783	(14,421)	202,883
Recreation	1,127,495	104,231	-	1,231,726
Total Accumulated Depreciation	<u>37,677,018</u>	<u>1,536,529</u>	<u>(15,243)</u>	<u>39,198,304</u>
Capital Assets, net	<u>\$ 34,438,806</u>	<u>\$ (73,277)</u>	<u>\$ (1,078,508)</u>	<u>\$ 33,287,021</u>

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

NOTE 4 - LONG-TERM DEBT

Individual issues of bonds and notes outstanding at June 30, 2024 are:

Type of Indebtedness (Purpose)	Maturity	Interest Rates	Annual Principal and Interest	Original Issue Date	Original Issue	Outstanding June 30, 2024
Direct Borrowing:						
Bonds Payable						
Sun Valley General Improvement District, Nevada, General Obligation (Limited Tax) Water Bond (Additionally Secured by Pledged Revenues) Series 2014	2026	2.57%	\$ 600,680	10/23/2014	\$6,293,154	\$ 930,276
Sun Valley General Improvement District, Nevada, General Obligation (Limited Tax) Water Bond (Additionally Secured by Pledged Revenues) Series 2014	2028	2.57%	\$ 196,532	10/23/2014	\$2,591,812	\$ 838,295
Direct Borrowing:						
Notes Payable						
City of Sparks, Nevada - TMWRF Capacity	2027	1.25%	\$ 405,318	6/28/2004	\$6,900,000	\$ 1,282,680

The following represents the changes in long-term liabilities during the year:

	Balance July 1, 2023	Additions	Retirements	Balance June 30, 2024	Amounts Due Within One Year
Direct Borrowing:					
Nevada Water Bond \$6.3M	\$ 1,530,956	\$ -	\$ (600,680)	\$ 930,276	\$ 306,142
Nevada Water Bond \$2.6M	1,034,827	-	(196,532)	838,294	100,164
City of Sparks \$6.9M	1,687,997	-	(405,318)	1,282,680	416,241
Compensated Absences	154,762	73,968	-	228,730	114,364
Total	<u>\$ 4,408,542</u>	<u>\$ 73,968</u>	<u>\$ (1,202,530)</u>	<u>\$ 3,279,980</u>	<u>\$ 936,911</u>

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

As of June 30, 2024, annual debt service requirements of business-type activities to maturity are as follows:

Year Ending June 30,	Bonds Payable		Notes Payable	
	Principal	Interest	Principal	Interest
2025	\$ 406,306	\$ 22,725	\$ 416,242	\$ 14,741
2026	828,341	29,722	427,459	9,503
2027	209,488	12,385	438,979	4,125
2028	214,906	6,966	-	-
2029	109,530	1,407	-	-
Total	<u>\$1,768,571</u>	<u>\$ 73,205</u>	<u>\$1,282,680</u>	<u>\$ 28,369</u>

NOTE 5 – DEFERRED COMPENSATION PLAN

All permanent employees of the District are eligible to participate in a District sponsored deferred compensation plan (the Plan) created in accordance with Internal Revenue Code Section 457. The Plan provides for the deferral of a portion of the employees' compensation until retirement, termination, or certain other covered events. The funds are invested on behalf of the employees through an administrator in various instruments including mutual funds, money market funds, and others.

Benefit terms, including contribution requirements for the plan are established and may be amended by the Board of Directors. Employees are permitted to make contributions to the plan up to applicable Internal Revenue Code limits and are immediately vested in their own contributions and earnings on those contributions. The District matches contributions up to 6% of an employee's salary. During the year ended June 30, 2024, the District contributed \$57,351 to the plan. Currently, the District has minimal administrative involvement, does not perform the investing function for the plan and, therefore, is not considered to have fiduciary responsibility for the plan or hold the plan in a trustee capacity.

NOTE 6 - DEFINED BENEFIT PENSION PLAN

Plan Descriptions

PERS administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both Regular and Police/Fire members. PERS was established by the Nevada Legislature in 1947, effective July 1, 1948. The System is administered to provide a reasonable base income to qualified employees who have been employed by a public employer and whose earnings capacities have been removed or substantially impaired by age or disability. Benefit provisions under the Plans are established by State statute and District resolution. PERS issues publicly available reports that include a full description of the pension plans regarding benefit provisions, assumptions and membership information that can be found on the NVPERS website.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Benefits Provided

Benefits, as required by the Nevada Revised Statutes (NRS or statute), are determined by the number of years of accredited service at time of retirement and the member's highest average compensation in any 36 consecutive months with special provisions for members entering the system on or after January 1, 2010 and July 1, 2015. Benefit payments to which participants or their beneficiaries may be entitled under the plan include pension benefits, disability benefits, and survivor benefits.

Monthly benefit allowances for members are computed as 2.5% of average compensation for each accredited year or service prior to July 1, 2001. For service earned on or after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the system on or after January 1, 2010, there is a 2.50% multiplier and for regular members entering the system on or after July 1, 2015, there is a 2.25% factor. The system offers several alternatives to the unmodified service retirement allowance which, in general, allow the retired employee to accept a reduced service retirement allowance payable monthly during his or her lifetime and various optional monthly payments to a named beneficiary after his or her death.

Regular members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or at age 62 with 10 years of service, or at any age with 30 years of service. Regular members who entered the System on or after July 1, 2015, are eligible for retirement at age 65 with five years of service, or at age 62 with 10 years of service, or at age 55 with 30 years of service, or at any age with 33 1/3 years of service.

The normal ceiling limitation on monthly benefits allowances is 75% of average compensation. However, a member who has an effective date of membership before July 1, 1985, is entitled to a benefit of up to 90% of average compensation. Members become fully vested as to benefits upon completion of five years of service.

Contributions

The authority for establishing and amending the obligation to make contributions and member contribution rates, is set by statute. New hires, in agencies which did not elect the Employer-Pay Contribution (EPC) plan prior to July 1, 1983, have the option of selecting one of two contribution plans. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer. The system's basic funding policy provides for periodic contributions at a level pattern of cost as a percentage of salary throughout an employee's working lifetime in order to accumulate sufficient assets to pay benefits when due. The system receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the system on an actuarial reserve basis. Contributions actually made are in accordance with the required rates established by the Nevada Legislature. These statutory rates are increased/decreased pursuant to NRS 286.421 and 286.450.

The required contribution rate for the year ended June 30, 2024 was 33.50% for the EPC plan. The District's contributions were \$385,655 for the year ended June 30, 2024.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

PERS Investment Policy

PERS' policies which determine the investment portfolio target asset allocation are established by the PERS Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System.

The following was the PERS Board's adopted policy target asset allocation as of June 30, 2023:

Asset Class	Target Allocation	Long-Term
		Geometric Expected Real Rate of Return
U.S. Stocks	42%	5.50%
International Stocks	18%	5.50%
U.S. Bonds	28%	0.75%
Private Markets	12%	6.65%
	<u>100%</u>	

Net Pension Liability

At June 30, 2024, the District reported a liability of \$2,455,675 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on the District's share of contributions in the PERS pension plan relative to the total contributions of all participating reporting units and members. At June 30, 2023, the District's proportion of the regular plan was .01345%, compared to its .01344% proportion measured as of June 30, 2022, an increase of .00001.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District calculated using the discount rate of 7.25%. The following also reflects what the District's net pension liability would be if it were calculated using a discount rate that is 1.00 percentage point lower (6.25%) or 1.00 percentage point higher (8.25%) than the current discount rate of 7.25%.

	1% Decrease in Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase in Discount Rate (8.25%)
Net Pension Liability	\$ 3,821,391	\$ 2,455,675	\$ 1,328,558

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the Comprehensive Annual Financial Report, available on the NVPERS website.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The total pension liability was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Investment rate of return	7.25% per year.
Salary increases	4.20% to 9.10% depending on service.
Inflation rate	2.50% per year.
Productivity pay increase	0.50%
Other assumptions	Same as those used in the June 30, 2023 funding actuarial valuation.

Actuarial assumptions used in the June 30, 2023 valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020.

The discount rate used to measure the total pension liability was 7.25% as of June 30, 2023. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments for current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Expense, Deferred Outflows and Inflows of Resources Related to Pensions

For the year ended June 30, 2024, the District recognized pension expense of \$291,559. As of June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 320,082	\$ -
Changes in assumptions	230,143	-
Net difference between projected and actual earnings on pension plan assets	-	22,985
Changes in proportion	68,428	59,571
Contributions subsequent to the measurement date	385,665	-
	<u>\$ 1,004,318</u>	<u>\$ 82,556</u>

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 2024

The District’s contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ending June 30, 2025. Other amounts reported as deferred outflows of resources and (deferred inflows) of resources related to pensions will be recognized in pension expense as follows:

Years Ending June 30	Amount
2025	\$ 68,802
2026	93,940
2027	326,953
2028	34,511
2029	11,891
	<u>\$ 536,097</u>

NOTE 7 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District maintains commercial insurance coverage covering each of those risks of loss. Management believes such coverage is sufficient to preclude any significant uninsured losses to the District. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years.

NOTE 8 – CONSTRUCTION COMMITMENTS

The District has active construction projects as of June 30, 2024. At year-end, the District’s commitments with contractors are as follows:

Project	Remaining Commitments	Estimated Completion
5 Ridges Project 1	\$ 1,160,239	January 2025
Sun Valley Apartments	127,361	January 2025
	<u>\$ 1,287,600</u>	

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SUN VALLEY GENERAL IMPROVEMENT DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NPL
(NET PENSION LIABILITY)
PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA
LAST TEN FISCAL YEARS

	Plan Year Ended				
	2024	2023	2022	2021	2020
District's proportion of the Net Pension Liability	0.01345%	0.01344%	0.01355%	0.01325%	0.01230%
District's proportionate share of the Net Pension Liability	\$ 2,455,675	\$ 2,425,797	\$ 1,235,996	\$ 1,845,322	\$ 1,677,282
District's covered employee payroll	\$ 1,151,212	\$ 1,064,061	\$ 997,932	\$ 979,427	\$ 934,799
District's proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	213.31%	227.98%	123.86%	184.91%	171.25%
Plan fiduciary net position as a percentage of the Total Pension Liability	76.16%	75.12%	86.51%	77.04%	85.18%
	2019	2018	2017	2016	2015
District's proportion of the Net Pension Liability	0.01420%	0.01465%	0.01386%	0.01494%	0.01492%
District's proportionate share of the Net Pension Liability	\$ 1,936,362	\$ 1,949,090	\$ 1,864,622	\$ 1,709,484	\$ 1,554,487
District's covered employee payroll	\$ 940,856	\$ 914,036	\$ 842,837	\$ 884,690	\$ 858,163
District's proportionate share of the Net Pension Liability as a percentage of its covered employee payroll	205.81%	213.24%	221.25%	193.23%	181.14%
Plan fiduciary net position as a percentage of the Total Pension Liability	79.68%	74.42%	72.23%	75.13%	76.31%

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

REQUIRED SUPPLEMENTARY INFORMATION SCHEDULE OF DISTRICT'S CONTRIBUTIONS PUBLIC EMPLOYEES' RETIREMENT SYSTEM OF NEVADA LAST TEN FISCAL YEARS

	Determined for the Year Ended				
	2024	2023	2022	2021	2020
Actuarially Determined Contribution	\$ 385,655	\$ 311,492	\$ 295,582	\$ 283,722	\$ 291,744
Contributions Related to the Actuarially Determined Contribution	<u>\$ 385,655</u>	<u>\$ 311,492</u>	<u>\$ 295,582</u>	<u>\$ 283,722</u>	<u>\$ 291,744</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered employee payroll	\$ 1,151,212	\$ 1,051,896	\$ 1,064,061	\$ 997,932	\$ 979,427
Contributions as a percentage of covered employee payroll	33.50%	29.61%	27.78%	28.43%	29.79%

	Determined for the Year Ended				
	2019	2018	2017	2016	2015
Actuarially Determined Contribution	\$ 218,168	\$ 293,870	\$ 257,654	\$ 234,957	\$ 230,547
Contributions Related to the Actuarially Determined Contribution	<u>\$ 218,168</u>	<u>\$ 293,870</u>	<u>\$ 257,654</u>	<u>\$ 234,957</u>	<u>\$ 230,547</u>
Contribution Deficiency (Excess)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
District's covered employee payroll	\$ 934,799	\$ 940,856	\$ 914,036	\$ 842,837	\$ 884,690
Contributions as a percentage of covered employee payroll	23.34%	31.23%	28.19%	27.88%	26.06%

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

SCHEDULE OF NET POSITION BY DIVISION JUNE 30, 2024

	Water Operations	Wastewater	Acquisition	Properties and Garbage	Parks and Recreation	Total
ASSETS						
Current Assets:						
Cash and Investments:						
Cash	\$ 4,123,001	\$ 607,029	\$ 13,161,616	\$ 225,533	\$ 543,173	\$ 18,660,352
Imprest Cash	3,300	-	-	-	-	3,300
Investments	-	625,958	2,628,680	-	-	3,254,638
Restricted Cash	2,285,375	2,028,066	-	1,582,565	363,599	6,259,605
Account Receivable:						
Trade Receivables, Net	493,574	319,231	-	-	26,865	839,670
Other	84,600	1,331	13,601	-	2,769	102,301
Inventory	135,091	16,873	-	-	-	151,964
Prepaid Expenses	71,589	64,844	-	-	3,606	140,039
Total Current Assets	7,196,530	3,663,332	15,803,897	1,808,098	940,012	29,411,869
Capital Assets:						
Non-depreciable	3,505,098	252,010	-	797,778	233,853	4,788,739
Depreciable, Net	13,807,196	13,706,648	-	28,522	955,916	28,498,282
Total Capital Assets	17,312,294	13,958,658	-	826,300	1,189,769	33,287,021
Total Assets	24,508,824	17,621,990	15,803,897	2,634,398	2,129,781	62,698,890
DEFERRED OUTFLOWS OF RESOURCES						
Deferred outflows related to pensions	502,154	502,154	-	-	-	1,004,308
Total Assets and Deferred Outflows of Resources	\$ 25,010,978	\$ 18,124,144	\$ 15,803,897	\$ 2,634,398	\$ 2,129,781	\$ 63,703,198
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 450,136	\$ 70,014	\$ 126,740	\$ 525	\$ 51,602	\$ 699,017
Salaries and Benefits Payable	4,214	-	-	-	2,896	7,110
Unearned Revenue	1,541,573	13,381	-	2,905	-	1,557,859
Deposits from Others	34,603	-	-	-	6,430	41,033
Interest Payable	-	8,017	-	-	-	8,017
Current Portion of Compensated Absences	57,182	57,182	-	-	-	114,364
Current Portion of Long-Term Debt	406,306	416,242	-	-	-	822,548
Total Current Liabilities	2,494,014	564,836	126,740	3,430	60,928	3,249,948
Non-current Liabilities:						
Compensated Absences	57,183	57,183	-	-	-	114,366
Net Pension Liability	1,227,838	1,227,838	-	-	-	2,455,676
Long-Term Debt	1,362,265	866,438	-	-	-	2,228,703
Total Noncurrent Liabilities	2,647,286	2,151,459	-	-	-	4,798,745
Total Liabilities	5,141,300	2,716,295	126,740	3,430	60,928	8,048,693
DEFERRED INFLOWS OF RESOURCES						
Deferred inflows related to pensions	41,278	41,278	-	-	-	82,556
	5,182,578	2,757,573	126,740	3,430	60,928	8,131,249
NET POSITION						
Net Investment in Capital Assets	15,543,723	12,675,978	-	826,300	1,189,769	30,235,770
Unrestricted	4,284,677	2,690,593	15,677,157	1,804,668	879,084	25,336,179
Total Net Position	19,828,400	15,366,571	15,677,157	2,630,969	2,068,853	55,571,949
Total Liabilities, Deferred Inflows of Resources, and Net Position	\$ 25,010,978	\$ 18,124,144	\$ 15,803,897	\$ 2,634,399	\$ 2,129,781	\$ 63,703,198

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION BY DIVISION YEAR ENDED JUNE 30, 2024

	Water Operations	Wastewater	Acquisition	Properties and Garbage	Parks and Recreation	Total
OPERATING REVENUES						
Customer Charges	\$ 3,736,406	\$ 2,942,737	\$ 1,934,717	\$ 25	\$ 373,110	\$ 8,986,995
Service Charge	-	-	-	242,707	-	242,707
Washoe County Sewer Charge	-	160,524	-	-	-	160,524
Total Operating Revenue	3,736,406	3,103,261	1,934,717	242,732	373,110	9,390,226
OPERATING EXPENSES						
Salaries and Benefits	876,179	876,179	-	-	86,168	1,838,526
Purchased Water	1,285,389	-	-	-	-	1,285,389
Operating Expenses	8,727	1,083,558	-	223	116,627	1,209,135
Insurance	186,953	187,334	-	-	4,552	378,839
Materials, Supplies, and Repairs	125,974	46,209	-	8,192	37,921	218,296
General and Administrative	75,061	76,132	-	32,524	14,658	198,375
Licenses and Fees	93,045	75,712	-	-	1,322	170,079
Utilities	11,681	11,681	-	28,513	97,152	149,027
Office Supplies	62,001	64,006	-	-	2,652	128,659
Power for Pumping	67,009	-	-	-	-	67,009
Telephone	13,072	13,552	-	-	1,505	28,129
Professional Services	32,119	23,589	-	1,925	3,850	61,483
Depreciation and Amortization	779,631	640,884	-	11,783	104,231	1,536,529
Other	11,217	6,030	-	-	-	17,247
Total Operating Expenses	3,628,058	3,104,866	-	83,160	470,638	7,286,722
OPERATING INCOME (EXPENSE)	108,348	(1,605)	1,934,717	159,572	(97,528)	2,103,504
NONOPERATING REVENUE (EXPENSE)						
Property Taxes	-	-	430,591	-	-	430,591
Combined Taxes	-	-	175,705	-	-	175,705
Investment Income	-	-	445,356	-	-	445,356
Interest Expense	(60,851)	(17,309)	-	-	-	(78,160)
Intergovernmental Revenue	-	-	-	-	239,346	239,346
Other Revenues	10,306	14,760	-	-	4,981	30,047
Gain (Loss) on Sale of Capital Assets	43,668	-	-	(2,245)	-	41,423
Total Nonoperating Revenues (Expenses)	(6,877)	(2,549)	1,051,652	(2,245)	244,327	1,284,308
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	101,471	(4,154)	2,986,369	157,327	146,801	3,387,812
Capital Contributions	901,721	-	-	-	-	901,721
Transfers In (Out)	(889,201)	234,563	654,638	-	-	-
Total Contributions and Transfers	12,520	234,563	654,638	-	-	901,721
CHANGE IN NET POSITION	113,991	230,409	3,641,007	157,327	146,801	4,289,533
TOTAL NET POSITION, BEGINNING OF YEAR	19,714,409	15,136,162	12,036,150	2,473,642	1,922,052	51,282,415
TOTAL NET POSITION, END OF YEAR	\$ 19,828,400	\$ 15,366,571	\$ 15,677,157	\$ 2,630,969	\$ 2,068,853	\$ 55,571,948

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

SCHEDULE OF CASH FLOWS BY DIVISION YEAR ENDED JUNE 30, 2024

	Water Operations	Wastewater	Acquisition	Properties and Garbage	Parks and Recreation	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 3,364,251	\$ 3,141,603	\$ 1,921,116	\$ 241,933	\$ 406,690	\$ 9,075,593
Payments to suppliers	(1,778,922)	(1,810,392)	81,525	(71,705)	(281,972)	(3,861,466)
Payments to employees	(830,429)	(831,031)	-	-	(98,092)	(1,759,552)
Net Cash Provided (Used) by Operating Activities	754,900	500,180	2,002,641	170,228	26,626	3,454,575
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES						
Tax proceeds not attributable to capital purposes	-	-	606,296	-	-	606,296
Other noncapital receipts	10,306	21,186	-	-	244,327	275,819
Cash (paid) received from other funds	(889,201)	234,563	654,638	-	-	-
Net Cash Provided (Used) by Noncapital Financing Activities	(878,895)	255,749	1,260,934	-	244,327	882,115
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Principal paid on long-term debt	(797,212)	(405,317)	-	-	-	(1,202,529)
Proceeds from sale of water rights	1,119,930	-	-	-	-	1,119,930
Developer capital contributions	1,750,108	-	-	-	-	1,750,108
Purchase of capital assets	(1,126,140)	(235,522)	-	-	(88,142)	(1,449,804)
Interest paid	(60,851)	(19,842)	-	-	-	(80,693)
Net Cash Provided (Used) by Capital and Related Financing Activities	885,835	(660,681)	-	-	(88,142)	137,012
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income	-	-	241,818	-	-	241,818
NET CHANGE IN CASH AND CASH EQUIVALENTS	761,840	95,248	3,505,393	170,228	182,811	4,715,520
CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR	5,649,836	2,539,847	9,656,223	1,637,870	723,961	20,207,737
CASH AND CASH EQUIVALENTS, END OF YEAR	\$ 6,411,676	\$ 2,635,095	\$ 13,161,616	\$ 1,808,098	\$ 906,772	\$ 24,923,257
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION						
Cash and cash equivalents in current assets	\$ 4,126,301	\$ 607,029	\$ 13,161,616	\$ 225,533	\$ 543,173	\$ 18,663,652
Cash and cash equivalents in restricted assets	2,285,375	2,028,066	-	1,582,565	363,599	6,259,605
Total cash and cash equivalents	\$ 6,411,676	\$ 2,635,095	\$ 13,161,616	\$ 1,808,098	\$ 906,772	\$ 24,923,257
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATIONS						
Operating income (loss)	\$ 108,348	\$ (1,605)	\$ 1,934,717	\$ 159,571	\$ (97,528)	\$ 2,103,503
Adjustments to reconcile operating income to Net Cash Provided (used) by operating activities:						
Depreciation and amortization	779,631	640,884	-	11,783	104,231	1,536,529
Changes in:						
Accounts receivable-user fees	(193,476)	38,452	-	-	36,999	(118,025)
Other receivables	(84,600)	(110)	(13,601)	-	(2,769)	(101,080)
Inventory	1,312	(74)	-	-	-	1,238
Deferred outflows	31,663	31,662	-	-	-	63,325
Prepaid expenses	(8,157)	(7,703)	-	-	33	(15,827)
Accounts payable	199,971	(214,812)	81,525	(327)	(1,766)	64,591
Unearned revenues	-	-	-	2,905	-	2,905
Deferred inflows	(15,777)	-	-	-	-	(15,777)
Salaries and benefits payables	(21,859)	(22,662)	-	-	(11,924)	(56,445)
Deposits from others	(94,079)	(15,776)	-	(3,704)	(650)	(114,209)
Compensated absences	36,984	36,984	-	-	-	73,968
Net pension liability	14,939	14,940	-	-	-	29,879
Total Adjustments	646,552	501,785	67,924	10,657	124,154	1,351,072
Net cash provided (used) by operations	\$ 754,900	\$ 500,180	\$ 2,002,641	\$ 170,228	\$ 26,626	\$ 3,454,575

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

BUDGETARY COMPARISON SCHEDULE YEAR ENDED JUNE 30, 2024

	Final Budget	Actual	Variance with Final Budget
OPERATING REVENUES			
Customer Charges	\$ 10,981,185	\$ 8,986,995	\$ (1,994,190)
Service Charge	-	242,707	242,707
Washoe County Sewer Charge	130,000	160,524	30,524
Total Operating Revenue	11,111,185	9,390,226	(1,720,959)
OPERATING EXPENSES			
Salaries and Benefits	1,812,207	1,838,526	(26,319)
Purchased Water	1,475,000	1,285,389	189,611
Operating Expenses	1,141,800	1,209,135	(67,335)
Insurance	394,964	378,839	16,125
Materials, Supplies, and Repairs	4,835,200	218,296	4,616,904
General and Administrative	245,250	198,375	46,875
Licenses and Fees	141,500	170,079	(28,579)
Utilities	156,900	149,027	7,873
Office Supplies	259,950	128,659	131,291
Power for Pumping	60,000	67,009	(7,009)
Telephone	34,100	28,129	5,971
Professional Services	116,502	61,483	55,019
Depreciation and Amortization	1,492,151	1,536,529	(44,378)
Other	-	17,247	(17,247)
Total Operating Expenses	12,165,524	7,286,722	4,878,802
OPERATING INCOME (EXPENSE)	(1,054,339)	2,103,504	3,157,843
NONOPERATING REVENUE (EXPENSE)			
Property Taxes	407,409	430,591	23,182
Combined Taxes	175,000	175,705	705
Investment Income	-	445,356	445,356
Interest Expense	(49,109)	(78,160)	(29,051)
Intergovernmental Revenue	90,000	239,346	149,346
Other Revenues	18,900	30,047	11,147
Gain (Loss) on Sale of Capital Assets	-	41,423	41,423
Total Nonoperating Revenues (Expenses)	642,200	1,284,308	642,108
INCOME (LOSS) BEFORE CONTRIBUTIONS AND TRANSFERS	(412,139)	3,387,812	3,799,951
Capital Contributions	-	901,721	901,721
Transfers In (Out)	5,006	-	(5,006)
Total Contributions and Transfers	5,006	901,721	896,715
CHANGE IN NET POSITION	\$ (407,133)	4,289,533	\$ 4,696,666
TOTAL NET POSITION - BEGINNING OF YEAR		51,282,415	
TOTAL NET POSITION - END OF YEAR		\$ 55,571,948	



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING AND ON COMPLIANCE AND
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Trustees
Sun Valley General Improvement District
Sun Valley, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Sun Valley General Improvement District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Sun Valley General Improvement District's basic financial statements, and have issued our report thereon dated November 4, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Silva, Scivine & Assoc, LLC

Reno, Nevada

November 4, 2024





**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH REVENUE BOND RESOLUTIONS**

To the Board of Trustees
Sun Valley General Improvement District
Sun Valley, Nevada

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of the Sun Valley General Improvement District (the District) as of and for the year ended June 30, 2024, and the related notes to the financial statements, which collectively comprise Sun Valley General Improvement District's basic financial statements, and have issued our report thereon dated November 4, 2024.

In connection with our audit, nothing came to our attention that caused us to believe that Sun Valley General Improvement District failed to comply with the terms, covenants, and provisions of the bond resolutions on the bonds outstanding of Sun Valley General Improvement District as of June 30, 2024, insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding Sun Valley General Improvement District's noncompliance with the above-referenced terms, covenants, provisions, or conditions of the bond resolutions, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Board of Trustees and management of Sun Valley General Improvement District and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Silva, Sceirine & Assoc, LLC".

Reno, Nevada
November 4, 2024

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

SUMMARY SCHEDULE OF PRIOR AUDIT FINDING YEAR ENDED JUNE 30, 2024

FINDING – FINANCIAL STATEMENT AUDIT

Finding #2023-001 – Material Weakness – Capital Assets

Condition:

During the year (ended June 30, 2023), the District discovered that the value of land and water rights belonging to the District was not properly reflected in the financial statements. As a result, beginning net position was restated to correct for the value of land previously omitted. The value of the land was approximately \$1.7 million and approximately \$200k in water rights were deeded to the Truckee Meadows Water Authority, resulting in an approximate restatement to beginning net position of approximately \$1.57 million.

Recommendation:

The previous auditors recommended that with utilization of a new capital asset system, the District should continue to closely monitor transactions relating to land and water rights and maintain proper support for the value of assets owned by District.

Status as of June 30, 2024:

Nothing was noted during our audit of the June 30, 2024 to justify a repeat of this finding.

SUN VALLEY GENERAL IMPROVEMENT DISTRICT

INDEPENDENT AUDITORS' COMMENTS

JUNE 30, 2024

STATUTE COMPLIANCE

Current Year

The District conformed to all significant statutory constraints on its financial administration during the year.

AUDIT RECOMMENDATIONS

Current Year

There were no recommendations of the magnitude which were considered necessary for inclusion in this report as of or for the year ended June 30, 2024.