



Sun Valley G.I.D. Budget Hearing Minutes of May 15, 2014

Board Members Present:

Sandra Ainsworth	Chairperson
Garth Elliott	Vice-Chair
Margaret Reinhardt	Secretary
Joseph Barstow	Treasurer
Susan Severt	Trustee

Board Members Not Present:

Staff Present:

Darrin Price	SVGID, General Manager
Mike Ariztia	SVGID, Public Works Director
Erin Dowling	SVGID, Customer Service Supervisor
Carol Bratcher	SVGID, Accountant
William Short	SVGID, CPA
Maddy Shipman	SVGID, Legal
Jennifer Merritt	SVGID, Staff

Others Present:

Vicky Maltman	Audience
Michael Rider	Audience
Ramona Brouchard	NV Trends

The meeting of the Sun Valley GID was called to order by Chair Sandra Ainsworth at 6:00 p.m. 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; Vice Chair Elliott, Chairperson Ainsworth, Secretary Reinhardt, Trustee Severt. A quorum was present.

Item#2. Pledge of Allegiance.

Led by Trustee Severt

Item#3. Motion to approve agenda.

Vice Chair Elliott made a motion to approve the agenda. Trustee Severt seconded the motion. The motion carried unanimously.

Item#4. Certify posting of agenda.

Jennifer Merritt certified posting of agenda.

Item#5. Public Comments for items not on the agenda.

Vicky Maltman commented she inquired with a District board member concerning the salaries that are posted on the District's website. Her question was concerning why some positions show that they make more than what their salary range permits. She also had some concerns regarding the term "salary" when the District has both salary and hourly employees. She inquired if the positions

that are outside of their pay range, if their salaried amount includes overtime, if so then that should be reported differently. Ms. Maltman also stated her initial request was sent to a board member who then followed up with the District's manager regarding the inquiry. She was copied on all the emails and saw that the District's General Manager inquired who the customer was that was making the inquiry. She stated if she had a question for the General Manager, she would ask the General Manager. When she got her response back she noticed other people were copied on the email as well and she did not appreciate that. Ms. Maltman commented her original inquiry still has not been answered. She would like to know what law says how many people are required to work, who sets the salary and/or hourly ranges, and if there is a range set, then why are there employees being paid above that set range. She also stated she does not object to anyone getting better education.

Audience member Ramona Brouhard with NV Trends reported there will be a candidate's night May 19, 2014 from 6:30 pm until 9:00 pm at the Bonanza Casino meeting room for Washoe County District 5 and for Assembly District 27 candidates.

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

Vice Chair Elliott reported he spoke with a lady who has lived in Sun Valley since 1959 to get more information on Sun Valley's history. When he asked to speak with her husband, she said her husband past away last month; he passed away from a freak accident. He had a pace maker and was working with electricity. While he was working he was shocked and died from electrocution.

Item#7. Discussion and motion to adopt the final budget for Fiscal Year 2014/2015.

At 6:10 pm Chairperson Ainsworth opened the public hearing for the District's budget hearing. At 6:11 pm Chairperson Ainsworth closed the public hearing after no public comments.

Darrin Price, General Manager gave a brief recap of the District's proposed fiscal year budget for 2014/2015. He stated board members and the public had approximately forty-one days to review the proposed budget and to make any suggestions and/or edits. The difference between the original approved tentative budget and the revised proposed final budget is the following; Water Budget 1.7% decrease, Sewer Budget .5% decrease, Acquisition Budget 2% decrease, and the Recreation Budget 5% decrease making a total of 9.2% overall decrease to the approved tentative budget. Mr. Price restated the differences based on the information given by the District's Accountant Ms. Bratcher; Water Budget has a reduction in loss of \$50,756.00, Sewer Budget has a .5% less than tentative budget, Acquisition Budget has an increase in the loss of \$32,000.00, Properties and Garbage Budget no change, and the Recreation Budget has a reduction in loss of \$14,200.00. He stated as requested by some of the board members, staff did review the budgets and made some deductions as requested. He also stated the last time the District had an increase to water rates was May 2011 to the base rate and April 2009 to the consumption rate. The last time the District had an increase to sewer rates was 2009. Mr. Price provided a copy of survey results from the brief survey the District did with the other approved agencies for information purposes only. The other agencies built into their budgets a percentage increase for employee compensation. He stated the District is the only agency on the list that did not build compensation increases into the budget.

Secretary Reinhardt inquired what the various percentages mean on the individual budgets under the notes column.

Carol Bratcher, Accountant responded the percentages are notes for informational purposes more for her own use. The percentages are the legal amounts that the District has to pay for those line items. The percentages are set by legislation.

Chairperson Ainsworth inquired for clarification if the percentages are the rate that the District pays and not an increase.

Ms. Bratcher responded that is correct, it is the percent that the District pays and the rates haven't changed in several years. It has nothing to do with increasing the budget; they are just notes for information.

Secretary Reinhardt inquired if there is an increase to the District's employee compensation line budget.

Mr. Price responded staff did not budget for employee compensation increases. The budget amount is the same as the District's 2013/2014 budget. He stated he performed a brief comparison survey with the approved agencies to provide the District Board with information what the other agencies are proposing for their budgets regarding employee compensation.

Vice Chair Elliott commented he liked seeing some of the decreases in the budget. He inquired about the computer services and supplies. He also stated he thinks the Bureau of Land Management (BLM) lease amount seems high and wondered if there is a chance to negotiate the lease amount.

Mr. Price responded that computer services and supplies budget item has been reduced by \$4k. He also responded the BLM leases property long term through a lease agreement.

Ms. Bratcher responded the lease amounts are set by BLM. The BLM charges the District for twenty years at a time and the leases have all been paid in full to date. The amount shown on the budget sheets are for amortized purposes over the next twenty years.

Chairperson opened the public hearing again for public input.

Audience member Vicky Maltman inquired for clarification that the BLM amount of \$2,571.00 that is shown on the budget sheets has already been paid in full in one payment for the twenty years; and it is only reflecting on the District's budget for informational purposes on a yearly basis.

Both Ms. Bratcher and Mr. Price responded to Ms. Maltman's inquiry that she was correct.

Treasurer Barstow arrived at 6:25 pm

Secretary Reinhardt inquired if the savings to the computer services and supplies was due to the computer upgrade and the District won't need to replace any computers for a while.

Mr. Price responded the new computers were purchased from the District's Acquisition Fund last year. He stated because of the computer upgrade staff reduced the budget amount because staff is anticipating to have less repairs or replacements related to computers.

Secretary Reinhardt inquired why the budget increased to the computer hardware and software contracts. She inquired if the increase is due to all of the contract services that are supposed to be saving the District money.

Mr. Price responded a portion of the increase is related to the Sensus software which is the District's meter reading software.

Ms. Bratcher responded computer software is related to meter reading, Springbrook, AutoCAD, and other various computer programs.

Secretary Reinhardt inquired if there was an increase to the budget for website software.

Ms. Bratcher responded staff reduced the budget amount for website consulting.

Vice Chair Elliott inquired if the savings to street cuts is related to the recent equipment purchase that allows the District to bore under the road. He also inquired what funds are used for the wastewater treatment plant repairs.

Mike Ariztia, Public Works Director responded the savings for street cuts is related to the District's recent purchase of equipment. Mr. Ariztia stated the equipment can only be used for water related projects and not for wastewater projects.

Ms. Bratcher also responded she sets aside money every month for water, sewer, and depreciation. These funds are used to pay for expenses related to operation and maintenance and/or replacement as needed for each appropriate fund.

Mr. Price responded the District depreciates out its equipment and facilities. The District uses a portion of the depreciation to help cover cost for replacements.

Audience member Vicky Maltman inquired about the increases to both the Washoe Construction and Washoe Sewer Charges within the Sewer Budget. She also inquired what these two lines items are for.

Mr. Price responded the increases that Ms. Maltman is referring to are increases in revenue and not increases to expenses in the District's Sewer Budget.

Ms. Bratcher also responded the Washoe Construction and the Washoe Sewer Charges are reimbursable items to the District from Washoe County. This is Washoe County's portion of expenses per the Sewer Agreement between the District and Washoe County.

Audience member Vicky Maltman commented on the Properties and Garbage Fund. She inquired who and when was it determined that the garbage franchise fees would be used towards beautification and what is considered a beautification project.

Bill Short, District CPA responded the District Board established the use of the Properties and Garbage Fund. He stated when the District obtained the garbage franchise there was a lot of controversy imposing the franchise fee because it would increase the garbage rates. It was considered a compromise that the franchise fees would be used for beautification, garbage subsidies, and the dumpster program.

Maddy Shipman, District Counsel responded in the definition of garbage is cleanup. Ms. Shipman stated she was not with the District when the original resolution was adopted but she thinks it is an interruptive item. The use of the funds should be in the general realm of garbage or cleanup because cleaning up is getting rid of garbage/waste; cleaning up can include beautification.

Audience member Vicky Maltman stated she is confused on the term beautification. She has seen many properties within the District's boundaries and has spoken with several elderly and/or infirmed residents who can no longer manager their properties. She inquired when is it considered helping Sun Valley and Sun Valley residents to use a portion of the garbage franchise fees to help residents' cleanup their properties.

Ms. Shipman responded Ms. Maltman's inquiry would need to be placed on a future agenda for formal discussion.

After no further public input Chairperson Ainsworth closed the public comments.

Trustee Severt stated she recognizes the loss in revenue because Truckee Meadows Fire District refuses to pay their fire hydrant bill. She also recognizes the District did not budget for a lobbyist and she hopes that does not come back to be a bad thing for the District customers. Without a lobbyist it is going to be difficult to follow the hundreds of bills that are just administrative bills, and administrative bills are usually the ones that have the most impact on local governments.

After some discussion Trustee Severt made a motion to adopt the District's final budget for Fiscal Year 2014/2015 as presented. Treasurer Barstow seconded the motion.

During discussion Vice Chair Elliott stated he is glad to see the budget came down from the approved tentative budget. He stated it is heading in the right direction but does not know if it is enough for him to approve. He stated there are big avenues that still need to be explored in the coming months to do proper diligence for the District's customers and he will bring those items up under future agenda items.

The motion carried by the following; Ayes: Treasurer Barstow, Trustee Severt, Chairperson Ainsworth Noes: Vice Chair Elliott, Secretary Reinhardt

Item#8. Public Comments.

Audience Member Vicky Maltman commented she has worked with many other organizations and budgets. She recognizes the District's Manager and staff make for the most part every effort to be better stewards of the District customers' money more than the elected board members. She inquired how the Board can give money for the various classes that were over \$10,000.00. She remembers that she couldn't attend the meeting when the class was up for discussion and she submitted a letter to be read into the record and it was not, it was included with the minutes. She inquired how the Board can continually give and not make any concession to those people who elected them. There are individuals who have to go to the food banks and letting their properties die because they can afford to maintain them. She thinks it is time to remember those who elect the board members and who the Board needs to be responsible to.

Item#9. Board Comments

Treasurer Barstow apologized for being late, he had vehicle problems.

Trustee Severt commented the Washoe County Blue Ribbon Committee presented their proposal for regional fire service to the Board of County Commissioners on May 13, 2014. She stated the full report can be seen at the www.washoecounty.us/tmfpd/brc.htm.

Item#10. Future Agenda Items.

Vice Chair Elliott requested review of the District's Beautification Fund to look at what it could be used for. He also requested review of the District's longevity and consider if it the Board wants to continue it.

Trustee Severt requested review of the new hire benefit package. She would also like to review the District's continuity and emergency action plan and discuss what the role of the board members would be.

Item#11. Adjournment.

Secretary Reinhardt made a motion to adjourn at 6:54 pm. Vice Chair Elliott seconded the motion. The motion carried unanimously.