



## **Sun Valley G.I.D. Budget Hearing Minutes of May 16, 2013**

### **Board Members Present:**

Sandra Ainsworth	Chairperson
Margaret Reinhardt	Secretary
Joseph Barstow	Treasurer
Susan Severt	Trustee

### **Board Members Not Present:**

Garth Elliott	Vice-Chair
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### **Staff Present:**

Darrin Price	SVGID, General Manager
Erin Dowling	SVGID, Customer Service Supervisor
Carol Bratcher	SVGID, Accountant
Jennifer Merritt	SVGID, Staff
Maddy Shipman	SVGID, Legal
Bill Short	SVGID, CPA

### **Others Present:**

Vicky Maltman	Audience
Brian Bonnenfant	University of Nevada, Reno

**The meeting of the Sun Valley GID was called to order by Chairperson 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; Joseph Barstow, Sandra Ainsworth, Margaret Reinhardt, Susan Severt. A quorum was present.

#### **Item#2. Pledge of Allegiance.**

Led by Joseph Barstow

#### **Item#3. Motion to approve agenda**

*Joseph Barstow made a motion to approve the agenda. Susan 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.**

None

**Item#6. Review and discussion regarding comparison of benefits, wages, and economies of approved similar entities in selected regions; with possible direction to staff.**

Brian Bonnenfant, Project Manager of Center for Regional Studies at University of Nevada, Reno gave a brief presentation regarding the Sun Valley area economics and its comparison to other entities with similar duties. (Presentation attached)

Joseph Barstow inquired about the income and benefits less than \$24,000, if the percentage that was provided is based on one working parent or two working parents.

Brian responded it is based on a household. The Census data does not differentiate how many people contribute to a median household income.

Margaret Reinhardt inquired if the definition of a household income is three working people. Based on her own research she found that average income per person is \$18,000.

Brian responded he believes the information that Margaret is referring to is a per capita income. Per capita income is the total amount of income divided by the total amount of people, including children living within one home. There is no set definition for median household income regarding the number of income earners. A household income is based on the universe of the household; there could be one or six people in a household. On average, there are typically two or three people per household.

Audience member Vicky Maltman commented she disagrees with the figures presented for the median value per housing. She believes that some of the housing values are skewed.

Brian responded median value per housing is based on the information provided by each person that participated in the Census survey. He commented that most likely there are some skewed figures for all of the comparison areas. The data is to be used as a comparison only and not to project the actual value of each property.

Sandra Ainsworth thanked Brian for his presentation.

No action or direction was taken.

**Item#7. Discussion and motion to adopt the final budget for Fiscal Year 2013/2014.**

Sandra Ainsworth read into the record the Order of Procedures for the Public Hearing.

Margaret Reinhardt read into the record the Notice of the Public Hearing of Tentative Budget and provided a Proof of Publication.

Darrin Price provided a copy of the final budget that will be filed with the State.

Sandra inquired if staff has received any additional correspondents that are relevant to the District's budget.

Darrin commented staff has not received any other correspondents.

Sandra called for public comments.

Audience member Vicky Maltman commented on the presentation by Brian regarding the economic health of Sun Valley. She requested the Board to consider employees paying 50%

of the premiums for dependents health benefits. She also stated since the installation of the new water meters, readings are more accurate therefore some residents are paying more for water. She believes it is time to give the District customers a break.

Darrin Price stated the budget that is presented is the same budget that was approved as the tentative budget which includes the deductions of benefits for employees. Originally staff anticipated a 15% increase for health benefits, but the quote came in with a 6% increase, that reduction is reflected in the budget. The budget amounts that have been projected are steady and the District is operating as close to zero based on expenses. He also stated staff is not recommending any rate increase at this time.

Margaret Reinhardt inquired about the Recreation Fund running at a loss. She stated last year the Recreation Fund ran at a loss and thought the District used funds from another District account to support the Recreation Fund and she thought that was not allowed. It was explained to the Board by Bill Short during last year's budget hearing that using funds from one account to support another account is not allowed. She inquired if the District can legally borrow from one account to support another account and if not, is there something the District can do to make the Recreation Fund support itself.

Bill Short responded the District hasn't taken money from any other accounts to support the Recreation Fund. If you take out the depreciation factor, the budget is projected to only have a minimal operating loss. The District can operate at a loss, because the District has depreciation and depreciation is a non cash item. The District can also operate at a loss as long as the District maintains a positive cash flow in the Recreation Fund. The State looks at how much the cash equivalent is in the account and not how the District is operating.

Darrin commented as good business practice the District has depreciation accounts to set money aside for potential replacements. The budget amounts that have been provided are staff's best guess based on historical records and current operation and maintenance of the facilities. Based on prior audits it is proven that staff normally comes under budget.

Susan Severt commented that there is a graffiti problem in the Sun Valley community and she would like to consider a graffiti abatement program as another Community Beautification Project. She suggested adding an additional \$10,000 to the existing Community Beautification Projects line item or create a new line item to separate the programs in the Properties and Garbage Fund. The Board at a future meeting can discuss how they would like to operate the program.

Maddy Shipman suggested the Board should consider Susan's suggestion as a separate motion from the approval of the budget.

*Susan Severt made a motion to add \$10,000 to Community Beautification Projects in the Properties and Garbage Fund, to be used for beautification by enhancing graffiti abatement within Sun Valley. Joseph Barstow seconded the motion.*

During discussion Darrin commented that there are funds available to support the request. The Board can modify the amount during the next fiscal budget depending on the program success.

Susan Severt stated she is requesting to put the funds in the budget to give the Board the ability to come up with a program and/or a project. She would like to see the Board presented

with a graffiti abatement schedule, possible through a partnership with an existing agency. The Board at that time can decide if they want to proceed with the graffiti abatement and if not, she does not expect that money to be used for anything else.

*The motion carried unanimously.*

*After further discussion Susan Severt made a motion to approve the 2013/2014 budget as amended in the amount of \$6,283,067.00. Joseph Barstow seconded the motion. The motion carried unanimously.*

**Item#8. Public Comments.**

None

**Item#9. Board Comments.**

Susan Severt commented that the Keep Truckee Meadows Beautiful Great Clean-up went very well and she appreciates all the staff and organizations that participated.

**Item#10. Future agenda items.**

None

**Item#11. Adjournment.**

*Margaret Reinhardt made a motion to adjourn at 7:00 pm. Joseph Barstow seconded the motion. The motion carried unanimously.*