

**MINUTES OF THE SPECIAL MEETING OF THE  
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES  
WEDNESDAY, APRIL 14, 2010**

**CALL TO ORDER** – The meeting was called to order at the Kingsbury General Improvement District office located at 160 Pine Ridge Drive, Stateline, Nevada at 6:00p.m. by Chairperson Hayes.

**PLEDGE OF ALLEGIANCE** – Hayes led the pledge to the flag.

**ROLL CALL** – Present were Trustees Schussel, Hayes, Barrett and Treanor. Absent was Trustee McDowell. Also present was General Manager Cameron McKay, Business & Contracts Manager Michelle Runtzel and Operations Supervisor Eric Johnson. Present for a portion of the meeting were Trustee candidates Daria Voyt, Jodie Nelson, Dan Norman, Tim Stoll and Natalie Yanish.

**PUBLIC COMMENT** – There was no public comment.

**APPROVAL OF AGENDA**

**M-4/14/10-1** – Motion by Treanor, seconded Barratt, and unanimously passed to approve the agenda as presented.

**APPROVAL OF CONSENT CALENDAR** – There were no consent calendar items on this agenda.

**CONSENT CALENDAR ITEMS BROUGHT FORWARD FOR DISCUSSION** - None

**UNFINISHED BUSINESS** – There was no unfinished business.

**NEW BUSINESS**

**BUDGET WORKSHOP AND APPROVAL OF REALLOCATIONS OF EXPENSES FOR THE FISCAL YEAR BEGINNING JULY 1, 2010 AND APPROVAL FOR CONSIDERATION OF WATER RATE INCREASE AT A PUBLIC HEARING TO BE HELD ON MAY 20, 2010** – At the request of Trustees Hayes and Treanor, this special meeting was called for to further analyze revisions to the fiscal year 2010/2011 Tentative Budget. There were several revisions made by KGID management in an effort to reduce expenditures. Significant revisions include the removal of a sixth water operator, a decrease in Water Fund Commercial Revenues that were over projected for the Lakeside Inn newly installed water meter, decreased budget assumptions of 100 hours overtime for each employee versus previously budgeted 125-150 hours, reduction in training and travel expenses, and a \$53,600 reduction in water fund utility expense assuming approximately 5% savings for pumping water off peak (nighttime). We also eliminated \$25,000 that was budgeted to complete a leak survey of the district.

Another significant change was to re-allocate salaries of the Operations Supervisor from 100% Water Fund to 15% General, 75% Water and 10% Sewer Funds. This allocation change was based on a discussion with Johnson on what he felt time spent in each fund is. Additionally, the road crew salary is proposed to change from 37.5% General, 25% Water and 37.5% Snow to 52.5% General, 10% Water and 37.5% Snow, again based on a conversation with the Street Maintenance Specialist who has estimated his time allocations.

Lastly, the latest budget revisions include a proposed \$2/mo or 3.17% increase in water rates effective July 1, 2010 and it was also proposed to have another \$2/mo or 3.08% increase beginning July 1, 2011.

The GM reports at the last budget workshop, the Tentative Budget was approved but there were questions on the escalated costs. We've made revisions which the GM presented to the board. Johnson explained that we were able to find an issue with the Lakeside Inn water meter and therefore we were billing them significantly more than they were actually using. On the Operations Supervisor position, we re-allocated costs for payroll based on where Johnson is actually spending his time.

Barratt has an issue with a 3% payroll increase, he understands staff didn't receive an increase last year yet but he has a difficult time approving a 3% increase with the current rate of inflation. Union negotiations will dictate any actual increase and the 3% increase entered into the budget is for contingency for expenditure authority.

Hayes commented that staff did a good job in the water fund in reducing expenses. He still has some concerns over the net operating profit, which is significantly less than in prior years.

There was discussion on raising rates and it was determined that we will bring a rate increase to the general public at a public hearing in May and then decide whether to approve the increase after public comment. There were concerns about increases due to the current economic conditions and discussion on whether to have annual incremental increases versus a single larger increase.

**M-4/14/10-2** – Motion by Treanor, seconded Schussel and unanimously passed to approve revisions to the Tentative Budget for the fiscal year beginning July 1, 2010 as presented.

**BOARD REPORTS** – There were no board reports.

**STAFF REPORTS** – Staff reports were not provided at this meeting.

**General Manager Report** – None

**Business & Contracts Manager Report** – None.

**Operations Supervisor Report** – None.

**ATTORNEY'S REPORT** – There was no attorney report for this meeting

**ENGINEER'S REPORT** – There was no engineer report for this meeting

**CORRESPONDENCE** – There was no correspondence for this meeting.

**ADJOURNMENT**

**M-4/14/10-3** – Motion by Treanor, seconded by Schussel and unanimous approval the meeting was adjourned at 9:20 p.m.

Respectfully submitted,

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W.R. Hayes –Chairman

Attest:

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Brett Barratt, Secretary