

**MINUTES OF THE BUDGET WORKSHOP MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
TUESDAY APRIL 1, 2025**

CALL TO ORDER - The meeting was called to order at Kingsbury General Improvement District office located at 160 Pine Ridge, Stateline, Nevada at 5:02 p.m. by Sandy Parks.

PLEDGE OF ALLEGIANCE -

ROLL CALL - In attendance were Trustees Trigg, Felton, Nelson, Johns and Parks. Also present were Interim General Manager Joe Esenarro, Administrative & H.R. Supervisor Judy Brewer, Accountant II Brandy Johns. Jodie Nelson was the public present.

PUBLIC COMMENT – Jodie has several questions and comments as it related to the tentative budget.

APPROVAL OF AGENDA (Agenda Item #5)- Tabled Item #6 for the April 15 board meeting.

M-04/01/2025-1 - Motion by Johns, seconded by Trigg, and unanimously passed to approve the agenda.

SUMMARY

Capital Outlay Projections Workshop

The board conducts a budget workshop to review capital outlay projections for the remainder of the current fiscal year ending June 30th and the upcoming 2025-2026 fiscal year. They discussed estimated costs for road rehabilitation projects, including engineering expenses that may occur in May or June. Brandy explained that these projections are estimates of what might be completed or accrued by the end of the fiscal year, and the board will decide if any changes are needed for the tentative budget to be presented in May.

Capital Projects and Associated Costs

The board discussed several capital projects and their associated costs. They focus on the Tahoe Beach Club inspections, which are paid back to the district, and the sprung structure project, which requires an additional \$90,000 for a sprinkler system due to fire department regulations. The board decided to try to get a variance for the sprinkler system requirement. They also discussed the Market Street lift station renovation, with concerns raised about its urgency and potential environmental impact. The board considers the

engineering costs for various projects and debates whether the budgeted amounts are sufficient, particularly for the Market Street project, given its critical nature.

Capital Outlay Projects and Priorities

The board discussed various capital outlay projects and their priorities for the next few years. They reviewed items such as road maintenance, upgrading the SCADA system for remote monitoring and control of water systems, and updating accounting software. The board acknowledges that while they have projects planned for the next two years, they lack a comprehensive long-term plan. They express the need to balance addressing immediate concerns like road resurfacing with longer-term infrastructure improvements for water and sewer systems. The board agrees that once a new general manager is hired, they will reassess priorities and develop a more detailed plan for future projects.

Waterline Project and Rate Increases

In the meeting, Kingsbury discussed the 2425 Waterline project, which is scheduled for completion in 2026. The project is currently out to bid and is expected to be completed this year. Kingsbury also mentioned the need for rate increases, particularly for the water and sewer funds, which have seen significant reductions in their reserves. The decision not to implement rate increases at this time was made to allow the new general manager to assess the situation. Kingsbury also discussed the snow fund, which has been depleted in the past and may require a rate increase in the future. The water fund is expected to recover as there are no major projects planned in the near future.

Property Management and Budget Review

The board discussed the management and potential sale of a property they own at 298 Kingsbury Grade, as well as the need to review and potentially increase in rental rates. They agreed to add this topic to a "parking lot" list of future agenda items. The board also reviewed the budget approval process, confirming they will approve a tentative budget in April and a final budget in May. They discussed the district's financial reserves, noting that while they have significant funds in the bank, they are expecting reserves to decrease due to planned projects and operational expenses.

Budget and Rate Increase Discussion

The board discussed the district's budget and potential rate increases. They reviewed the sewer authority costs, which are increasing by \$20,000 over last year's budget, including a 1.5% rate increase. The board compared rate increase processes in Nevada versus California, noting that Nevada does not require community approval. They consider the need for a rate study to justify potential increases, especially given the declining water fund

reserves. The board debated whether an external engineer is necessary for the study or if internal projections would suffice. They agreed to locate and review the most recent rate study and to further investigate the legal requirements for public rate increases in Nevada.

Staffing and Budget Review Discussion

Brandy reviewed the current staffing situation and budget allocations for different departments. The water department is hoping to hire one more person, while the road crew has two filled positions. The office staff and management positions are fully budgeted, including room for a new general manager. The budget allows for potential new hires or position changes by the incoming general manager. Overall, the district is projected to decrease reserves by \$5-6.5 million in the next year, with the water fund facing the most significant reduction. The board discussed potential ways to reallocate costs between funds and the need to raise rates in the future to address the declining water fund balance.

Email System Setup and Budget Review

The board discusses issues with setting up their emails and IT support. The board also debates whether to keep their email addresses on the website, considering alternatives like a general board email address. They briefly reviewed budget allocations across different funds and discuss potentially adjusting these allocations, agreeing that this would be a task for the new general manager to examine and propose changes.

FINAL PUBLIC COMMENT –

No final comment

ADJOURNMENT –

M-04/01/25-2 - Motion by Trigg, seconded by Johns, and unanimously passed to adjourn the meeting at 7:24 p.m.

Respectfully submitted,

Sandy Parks, Chair

Attest:

Cindy Trigg, Secretary

DRAFT