



Financial Statements
June 30, 2024

Kingsbury General Improvement District

Independent Auditor's Report.....	1
Management's Discussion and Analysis	5
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	13
Statement of Activities.....	15
Fund Financial Statements	
Balance Sheet – Governmental Funds	16
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds	17
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	18
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities – Governmental Funds.....	19
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund.....	20
Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue Fund – Snow Removal	21
Statement of Net Position – Enterprise Funds	22
Statement of Revenue, Expenses, and Changes in Net Position – Enterprise Funds	24
Statement of Cash Flows – Enterprise Funds	25
Notes to Financial Statements	27
Required Supplementary Information	
Schedule of Changes in Net Pension Liability	54
Schedule of Contributions – Pension	56
Schedule of Funding Progress – OPEB	57
Schedule of Changes in Net OPEB Liability and Related Ratios	58
Supplementary Information	
Schedule of Capital Assets by Sources	59
Capital Assets used in the Operations of Governmental Funds by Function and Activity	60
Changes in Capital Assets used in the Operations of Governmental Funds by Function and Activity	61
Statement of Revenue and Expenses – Budget and Actual – Sewer Utility Fund	62
Statement of Cash Flows – Budget and Actual – Sewer Utility Fund	63
Statement of Revenue and Expenses – Budget and Actual – Water Utility Fund	64
Statement of Cash Flows – Budget and Actual – Water Utility Fund	65
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 <i>Government Auditing Standards</i>	66
Schedule of Findings and Responses	68
Auditors' Comments	69



Independent Auditor's Report

To the Board of Trustees
Kingsbury General Improvement District
Stateline, Nevada

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities and fund information of the Kingsbury 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and fund information of the District, as of June 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the governmental funds 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's 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; this includes 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 that 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.

Auditor's 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 auditor's report that includes our opinions. 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 GAAS 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 a 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 GAAS 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 of 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, schedule of changes in net pension liability, schedule of contributions - pension, schedule of funding progress - OPEB, and schedule of changes in net OPEB liability and related ratios 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 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 opinions on the financial statements that collectively comprise the District's basic financial statements. The schedule of capital assets by sources, capital assets used in the operations of governmental funds by function and activity, changes in capital assets used in the operations of governmental funds by function and activity, statement of revenue and expenses – budget and actual – sewer utility fund, statement of cash flows – budget and actual – sewer utility fund, statement of revenue and expenses – budget and actual – water utility fund, and statement of cash flows – budget and actual – water utility fund, are presented for purposes of additional analysis and are 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 schedule of capital assets by sources, capital assets used in the operations of governmental funds by function and activity, changes in capital assets used in the operations of governmental funds by function and activity, statement of revenue and expenses – budget and actual – sewer utility fund, statement of cash flows – budget and actual – sewer utility fund, statement of revenue and expenses – budget and actual – water utility fund, and statement of cash flows – budget and actual – water utility fund are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited, in accordance with auditing standards generally accepted in the United States of America, the District's 2023 financial statements, and we expressed unmodified opinions on the respective financial statements of the governmental activities, the business-type activities, and fund information in our report dated November 28, 2023. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

The statement of revenue and expenses – budget and actual – sewer utility fund, statement of cash flows – budget and actual – sewer utility fund, statement of revenue and expenses – budget and actual – water utility fund, and statement of cash flows – budget and actual – water utility fund for the year ended June 30, 2023 are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare the 2023 financial statements. The information was subjected to the audit procedures applied in the audit of the 2023 basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare those financial

statements or to those financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the , statement of revenue and expenses – budget and actual – sewer utility fund, statement of cash flows – budget and actual – sewer utility fund, statement of revenue and expenses – budget and actual – water utility fund, and statement of cash flows – budget and actual – water utility fund is fairly stated in all material respects in relation to the basic financial statements as a whole for the year ended June 30, 2023.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 25, 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 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.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Reno, Nevada
November 25, 2024

As management of Kingsbury General Improvement District (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2024.

Financial Highlights

- ♦ The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the current fiscal year by \$60,102,577. Of this amount, \$18,427,790 is *unrestricted net position* that may be used to meet the District's ongoing obligations to citizens and creditors.
- ♦ The District's total noncurrent liabilities and deferred inflows decreased by \$1,485,561 or 9%. This net decrease is mostly comprised of a \$166,092 decrease in the net pension liability and a \$1,369,133 decrease in loans payable.
- ♦ The District's *total net position* increased by \$4,364,720 during the current year. Net investment in capital assets, a component of *total net position*, increased \$5,742,446 primarily due to additions of capital assets and payments made on related debt, net of depreciation.
- ♦ At the end of the current year, the District's *governmental funds* reported combined total ending fund balances of \$9,684,012, an increase of \$1,170,563 in comparison with the prior year.
- ♦ At the end of the current fiscal year, non-spendable fund balances totaled \$1,534. The total committed fund balance is \$358,631. The total assigned fund balance for the general fund is \$995,416 for the fiscal year 2025 budget deficit. Unassigned fund balance is \$8,328,431.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements comprise three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to the financial statements. This report also contains supplementary and required supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the District's assets, deferred outflows, liabilities, and deferred inflows with the difference reported as *net position*. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of the related cash flows*. Thus, revenue and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The *governmental activities* of the District include streets, snow removal and erosion control (including drainage). The *business-type activities* of the District include water (treatment and distribution) and sewer (collection by the District and treatment paid for by the District but done by others).

The government-wide financial statements can be found on pages 13-15 of this report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds.

Governmental funds. *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund *balance sheet* and the governmental fund *statement of revenues, expenditures and changes in fund balances* provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

At year end, the District maintained three individual governmental funds. Information is presented separately in the governmental fund *balance sheet* and in the governmental fund *statement of revenue, expenditures and changes in fund balances* for the general fund, the special revenue fund (snow removal). There has been no activity in the capital projects fund (Tahoe Bond Act erosion control) since the year ended June 30, 2004.

The District adopts annual appropriated budgets for its general fund and its special revenue fund (snow removal). Budgetary comparison statements have been provided for these funds to demonstrate compliance with the budgets.

The basic governmental fund financial statements can be found on pages 16-21 of this report.

Proprietary funds. The District maintains *enterprise funds*, a type of *proprietary fund*, to report the same functions presented as *business-type activities* in the government-wide financial statements. The *enterprise funds* account for the District's water treatment and distribution activity and for its sewer collection activity and its payment to others for sewage treatment.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the *water utility fund* and the *sewer utility fund*.

The basic proprietary fund financial statements can be found on pages 22-26 of this report.

Notes to financial statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-53 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *supplementary information* including:

- ♦ *schedule of capital assets by sources*
- ♦ *capital assets used in the operations of governmental funds by function and activity*
- ♦ *changes in capital assets used in the operations of governmental funds by function and activity*

Additionally, supplementary information includes information individually for the *sewer utility fund* and for the *water utility fund* as follows:

- ♦ *statement of revenue and expenses – budget and actual*
- ♦ *statement of cash flows – budget and actual*

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$60,102,577 at the close of the current year.

The largest portion of the District's net assets (69%) reflects its investment in capital assets (e.g. property, plant, equipment and infrastructure such as pipelines, roads and erosion control improvements), less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Statement of Net Position and Statement of Activities

A portion (\$45,450) of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net position*, \$18,427,790, may be used to meet the District's ongoing obligations to its citizens and creditors.

As noted earlier, the District's total net position increased by \$4,364,720 during the current year.

At June 30, 2024, the end of the current year, the District is able to report positive balances in all three categories of net position. The same situation was true the prior fiscal year.

Governmental activities. Governmental activities increased the District's net position by \$1,004,921, thereby contributing 2% to growth in net position of the District. Net investment in capital assets decreased by \$15,271 and unrestricted net position increased by \$1,156,192.

Business-type activities. Business-type activities increased the District's net position by \$3,359,799, thereby contributing 6% of growth in net position of the District. Net investment in capital assets increased by \$5,893,717 and unrestricted net position decreased \$2,533,918.

Financial Analysis of the District's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

Governmental funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows, and balance of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *assigned and unassigned fund balances* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At June 30, 2024, the District's governmental funds reported combined ending fund balances of \$9,684,012, an increase of \$1,170,653 in comparison with the prior year. Of this amount, \$1,534 is non-spendable. The *fund balance* of the *general fund* increased \$1,226,474 in the current year from \$8,378,642 to \$9,605,116. Fund revenue was primarily from property taxes and state consolidated taxes. A large portion of the accumulating *fund balance* of the *general fund*, excluding a prudent reserve, will be utilized in coming years for pavement capital projects.

The *fund balance* of the *snow removal special revenue fund* decreased from \$134,717 to \$78,896 at June 30, 2024. The decrease of \$55,821 in *fund balance* was due to expenditures exceeding revenues.

Proprietary funds. The District's proprietary (*enterprise*) funds provide the same type of information found in the government-wide financial statements, but in more detail.

Kingsbury General Improvement District
Management's Discussion and Analysis
June 30, 2024

Statement of Net Position

	2024			2023
	Primary Government			
	Governmental Activities	Business-type Activities	Total	Total
Assets and deferred outflows				
Current and other, including deferred outflows	\$ 9,964,914	\$ 13,045,691	\$ 23,010,605	\$ 24,104,873
Capital assets, net and right of use leased assets, net	5,918,772	47,238,035	53,156,807	48,793,444
Total assets and other deferred outflows	15,883,686	60,283,726	76,167,412	72,898,317
Liabilities and deferred inflows				
Accounts payable and other liabilities	82,175	1,011,490	1,093,665	676,953
Prepaid fees and customer deposits	6,344	252,100	258,444	285,220
Noncurrent liabilities, including deferred inflows	567,486	14,145,240	14,712,726	16,198,287
Total liabilities and other deferred inflows	656,005	15,408,830	16,064,835	17,160,460
Net position				
Net investment in capital assets	5,917,924	35,711,413	41,629,337	35,886,891
Restricted	-	45,450	45,450	45,450
Unrestricted	9,309,757	9,118,033	18,427,790	19,805,516
Total net position	\$ 15,227,681	\$ 44,874,896	\$ 60,102,577	\$ 55,737,857

Statement of Activities

	2024					2023
	Program Revenue					
	Expenses	Charges for Services	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
FUNCTIONS/PROGRAMS						
Governmental activities						
Public works						
Highways and streets	\$ 1,409,583	\$ 101,244	\$ -	\$ (1,308,339)	\$ -	\$ (1,308,339)
Snow removal	706,396	687,082	-	(19,314)	-	(19,314)
Debt Service	80	-	-	(80)	-	(80)
Business-type activities						
Sewer	1,785,552	1,904,249	-	-	118,697	118,697
Water	3,534,581	4,908,550	1,277,745	-	2,651,714	2,651,714
	\$ 7,436,192	\$ 7,601,125	\$ 1,277,745	(1,327,733)	2,770,411	1,442,678
Ad valorem taxes				1,094,830	-	1,094,830
Consolidated taxes				772,996	-	772,996
Interest income				452,808	589,388	1,042,196
Miscellaneous income				12,020	-	12,020
Total general revenue				2,332,654	589,388	2,922,042
CHANGE IN NET POSITION				\$ 1,004,921	\$ 3,359,799	\$ 4,364,720

General Fund Budgetary Highlights

Taxes were the *general fund's* primary source of revenue (78%). This included property tax revenue of \$1,094,830 and state consolidated tax revenue of \$772,996. Actual *general fund* revenue was 5% greater than the budget. Expenditures were 53% less than the budget. The ending fund balance increased from \$8,378,642 to \$9,605,116.

Capital Asset and Debt Administration

At year end, the District's investment in capital assets from its governmental activities totaled \$5,917,924. The investment in capital assets from its proprietary activities totaled \$35,711,413, net of related debt.

There were no major capital asset events during the fiscal year.

In November 2007, the District obtained an additional low-interest, subsidized loan from the State of Nevada State Revolving Loan Fund (SRF) in an amount not to exceed \$3,000,000. The loan is secured by a general obligation bond of \$3,000,000 issued to the Nevada State Treasurer; however, the liability for the loan is shown strictly as the amount drawn to date and is recorded in the *water utility fund*. The loan provided 38.1% of the cost of water system improvements and served as the required match to a state grant providing 61.9% of the cost of those improvements. As of June 30, 2024, the District had outstanding \$780,592 in loan proceeds, which is the legal amount outstanding.

In June 2010, the District obtained an additional low-interest, subsidized loan from the State of Nevada State Revolving Loan Fund (SRF) in an amount not to exceed \$3,306,650. The loan is secured by a general obligation bond of \$3,306,650 issued to the Nevada State Treasurer; however, the liability for the loan is shown strictly as the amount drawn to date and is recorded in the *water utility fund*. This loan provided 100% funding of the cost of water meter installations. As of June 30, 2024, the District had outstanding \$1,210,710 in loan proceeds, which is the legal amount outstanding.

In March 2012, the District obtained a low-interest, subsidized loan from the State of Nevada State Revolving Loan Fund (SRF) in an amount not to exceed \$5,000,000. On October 29, 2014, the loan amount was increased to \$11,000,000. The loan is secured by a general obligation bond of \$11,000,000 issued to the Nevada State Treasurer. This loan will provide 80% funding of the Water Treatment Plant improvements. As of June 30, 2024, the District had drawn the full amount of loan proceeds and had outstanding \$5,755,783 in loan proceeds, which is the legal amount outstanding.

In January 2015, the District obtained an additional low-interest subsidized loan from the State of Nevada State Revolving Loan Fund (SRF) in an amount not to exceed \$6,000,000. The loan is secured by a general obligation bond of \$6,000,000 issued to the Nevada State Treasurer and is recorded in the *water utility fund*. The loan, which supplements the 2012 loan, will fund approximately 80% of the Water Treatment Plant improvements. As of June 30, 2024, the District had drawn the full amount of loan proceeds and had outstanding \$3,771,900 in loan proceeds, which is the legal amount outstanding.

State statutes limit the amount of general obligation debt a governmental entity may issue to 50% of the total assessed valuation within the government's boundaries. At June 30, 2024, the debt limitation of the District was \$147,222,331 which is significantly in excess of the District's outstanding general obligation debt.

Additional information on the District's long-term debt can be found under Note 7 – Loans Payable on pages 39-41.

Economic Factors

Federal grants are the dominant factor for infrastructure, driving costs up and availability of qualified contractors down. In November 2023, the district was awarded an SRF Loan of \$2.5 million with full debt forgiveness to consolidate the Ponderosa Mobile Home Park Water System into the districts. Additionally, the Tahoe Beach Club, the largest new development within the water service area opted to slow down production and divide the final phases, this limited the anticipated completion of the project and dedication of the assets to the district. Similarly, the Ridge, the second largest development in the district underwent a financial reorganization and fell behind on monthly payments to the district and subsequently recovered during the fiscal year. The district continued to have four large delinquent balances and opted to place two on the tax rolls for recovery.

Interest rates remained at or near 5% for most of the fiscal year, the district has used the LGIP and longer-term bonds to its advantage, collecting the highest rates possible within the investment policy and buffer the tail as interest rates are expected to decrease.

Growth through new development appeared to waiver mid-year but resumed at a solid pace. The district close-out of Sierra Colina was processed in 2024 and the other two large developments in the district are projected to move toward completion during the next 18 months. Remodeling of single family homes into large short-term vacations units also seemed to lull but came back strong as the County Commissioners resolved the uncertainty of permitting and the economy continued to grow.

Costs of goods and services has not had any relief, demand for essential goods, such as water meters, valves and pipe remain very high. Prices remain very high, but availability has improved. Most of these items are now available in six to eight weeks versus the six to eight months being experienced at the beginning of the fiscal year. Fuel has been the exception to the trend, the costs for fuel have fallen from their previous highs.

The cost of engineering or technical services has skyrocketed, the district is experiencing 30 to 40 percent increases for the hour charges by technical professionals to provide their services.

The federal election provided a backdrop of ambiguity and suspense, contemporary elements in the economy reflected these swings, but the short-term banking crisis in the Spring of 2024 contributed to the emotional uncertainty and swings in consumer confidence regardless of the data.

Next Year's Budgets and Rates

In 2002, the District embarked upon the masterplan for the water utility. During 2024 the last of the projects identified were placed into design for completion during the next two or three years. Over the 25 years, the district replaced nearly all of the lines, but unfortunately many of the early projects used materials and installation techniques that will result in less than anticipated life expectancy due to inattention to the very high-water pressures, demand, regulatory changes and other conditions within the district. Some of these lines have been replaced due to catastrophic failure or simply being undersized to support the conditions required. The district budgets have all reflected negative cash flow, during the past 3 years the snow fund rate has been restored to levels to which it was reduced from in 2018 and failed to address the inflationary factors. In December 2024, the district is scheduled to address the water and sewer funds with rate increase. Additionally, the district is approved for a \$2.5 M SRF fund grant forgiveness which is earmarked to restore the water fund capital reserve which was depleted in order to implement the water system consolidation.

During 2024 the district completed the long anticipated consolidated Administration and Operations Building. The renovation of the building at 160 Pine Ridge Drive completed the six-year effort to acquire and repair the building to serve the community. In response to staggering equipment maintenance and repair expenses the districts also initiated the acquisition and construction of an equipment storage facility to provide cover for the fleet of equipment and resources which have been left exposed in the extreme weather condition. It is anticipated that this will extend the life of the equipment, reduce maintenance costs, and improve the reliability of the district's equipment used in response or repairs.

The district now occupies its own facilities and can eliminate the substantial expenses associated with rent. However, the district now must budget for building expenses which were previously not included in the budget. Moreover, the district is adjacent to a building which it uses for rental. The district should see some efficiency in common services provided to two facilities on a common site, such as snow removal, painting, cleaning, or maintenance. Long-term, that building is likely to be consolidated into the district operations/administration, in addition to needing the space, the district needs the parking which both building is dependent upon.

The district has slowly implemented the computerized maintenance management system (complying with EPA requirements) and will use the data to refine the district processes and budget more effectively.

The district labor force continues to have gaps in key positions, mostly in the professional series. The budget will reflect some increases in attempt to recruit qualified people. So long as the vacancies exist, the budget reflects the unspent funds. The district did adopt a policy for temporary labor which is anticipated to assist the district with seasonal needs as well as the new building maintenance obligations.

Requests for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Business and Contracts Manager, Kingsbury General Improvement District, P.O. Box 2220, Stateline, Nevada 89449.

Kingsbury General Improvement District

Statement of Net Position

June 30, 2024

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and investments	\$ 9,569,868	\$ 10,260,951	\$ 19,830,819
Accounts receivable	48,040	480,495	528,535
Taxes receivable	149,373	-	149,373
Grants receivable	-	1,276,045	1,276,045
Due from other governments	-	46,779	46,779
Deposits and interest receivable	42,842	52,395	95,237
Prepaid expenses	1,534	22,558	24,092
Material inventory	-	178,940	178,940
Cash and investments - restricted	-	45,450	45,450
Bond issuance costs, net	-	47,822	47,822
Property, plant and equipment, net of accumulated depreciation	5,917,944	47,230,610	53,148,554
Right of use leased assets, net of accumulated amortization	828	7,425	8,253
Total assets	15,730,429	59,649,470	75,379,899
Deferred Outflows of Resources			
Deferred outflows related to pensions	139,143	543,823	682,966
Deferred outflows related to OPEB	14,114	90,433	104,547
Total deferred outflows of resources	153,257	634,256	787,513
Total assets and deferred outflows	15,883,686	60,283,726	76,167,412

Kingsbury General Improvement District

Statement of Net Position

June 30, 2024

	Governmental Activities	Business-Type Activities	Total
Liabilities			
Accounts payable - trade	\$ 74,999	\$ 870,902	\$ 945,901
Accrued expenses	7,176	-	7,176
Accrued interest payable	-	140,588	140,588
Prepaid user fees and customer deposits	6,344	252,100	258,444
Noncurrent liabilities			
Due within one year			
Compensated absences	12,733	73,866	86,599
OPEB obligation	2,303	14,755	17,058
Loans payable	-	1,369,132	1,369,132
Lease liability	438	3,948	4,386
Due in more than one year			
Compensated absences	8,427	32,088	40,515
Net pension liability	399,033	1,670,633	2,069,666
OPEB obligation	84,145	539,153	623,298
Loans payable	-	10,149,853	10,149,853
Lease liability	410	3,689	4,099
Total liabilities	596,008	15,120,707	15,716,715
Deferred Inflows of Resources			
Deferred inflows related to pensions	38,537	150,619	189,156
Deferred inflows related to OPEB	21,460	137,504	158,964
Total deferred inflows of resources	59,997	288,123	348,120
Total liabilities and deferred inflows	656,005	15,408,830	16,064,835
Net Position			
Net investment in capital assets	5,917,924	35,711,413	41,629,337
Restricted by Tahoe Regional Planning Agency	-	45,450	45,450
Unrestricted	9,309,757	9,118,033	18,427,790
Total Net Position	\$ 15,227,681	\$ 44,874,896	\$ 60,102,577

Kingsbury General Improvement District
Statement of Activities
Year Ended June 30, 2024

Functions/Programs	Expenses	Program Revenues	Grants and Contributions	Net (Expense) Revenue and Changes in Net Position		
		Charges for Services		Governmental Activities	Business-Type Activities	Total
Governmental activities						
Public works						
Highways and streets	\$ 1,409,583	\$ 101,244	\$ -	\$ (1,308,339)	\$ -	\$ (1,308,339)
Snow removal	706,396	687,082	-	(19,314)	-	(19,314)
Debt service	80	-	-	(80)	-	(80)
Total governmental activities	2,116,059	788,326	-	(1,327,733)	-	(1,327,733)
Business-type activities						
Sewer	1,785,552	1,904,249	-	-	118,697	118,697
Water	3,534,581	4,908,550	1,277,745	-	2,651,714	2,651,714
Total business-type activities	5,320,133	6,812,799	1,277,745	-	2,770,411	2,770,411
Total primary government	<u>\$ 7,436,192</u>	<u>\$ 7,601,125</u>	<u>\$ 1,277,745</u>	<u>(1,327,733)</u>	<u>2,770,411</u>	<u>1,442,678</u>
General Revenue						
Ad valorem taxes				1,094,830	-	1,094,830
Consolidated taxes				772,996	-	772,996
Interest income				452,808	589,388	1,042,196
Miscellaneous income				12,020	-	12,020
Total general revenue				2,332,654	589,388	2,922,042
Change in Net Position				1,004,921	3,359,799	4,364,720
Net Position, Beginning of Year				14,222,760	41,515,097	55,737,857
Net Position, End of Year				<u>\$ 15,227,681</u>	<u>\$ 44,874,896</u>	<u>\$ 60,102,577</u>

See Notes to Financial Statements

Kingsbury General Improvement District

Balance Sheet – Governmental Funds

June 30, 2024

	General	Special Revenue Fund (Snow Removal)	Total Governmental Funds
Assets			
Cash and investments	\$ 9,423,688	\$ 146,180	\$ 9,569,868
Accounts receivable	6,021	42,019	48,040
Taxes receivable	149,373	-	149,373
Deposits and interest receivable	40,923	1,919	42,842
Prepaid expenses	489	1,045	1,534
Total assets	\$ 9,620,494	\$ 191,163	\$ 9,811,657
Liabilities			
Accounts payable - trade	\$ 8,202	\$ 66,797	\$ 74,999
Accrued expenses	7,176	-	7,176
Prepaid user fees and customer deposits	-	6,344	6,344
Total liabilities	15,378	73,141	88,519
Deferred Inflows of Resources			
Unavailable revenue	-	39,126	39,126
Total liabilities and deferred inflows of resources	15,378	112,267	127,645
Fund Balances			
Nonspendable			
Prepaid expenses	489	1,045	1,534
Committed	248,563	110,068	358,631
Assigned for next year's budget deficit	995,416	-	995,416
Unassigned	8,360,648	(32,217)	8,328,431
Total fund balances	9,605,116	78,896	9,684,012
Total Liabilities and Fund Balances	\$ 9,620,494	\$ 191,163	\$ 9,811,657

Kingsbury General Improvement District
Reconciliation of the Balance Sheet to the Statement of Net Position – Governmental Funds
June 30, 2024

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - total governmental funds	\$ 9,684,012
--	--------------

Capital assets and right-to-use leased assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental fund.

Capital assets, being depreciated	\$ 14,792,610	
Right-to-use leased assets, being amortized	18,817	
Less accumulated depreciation/amortization	(8,892,655)	5,918,772

Unavailable revenue represents amounts that are not available to fund current expenditures and, therefore, are not reported in the governmental funds.	39,126
--	--------

Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds.

Compensated absences payable	(21,160)	
Net pension liability	(399,033)	
OPEB obligation	(86,448)	
Lease payable	(848)	(507,489)

Deferred outflows and inflows of resources related to pensions and other post employment benefits (OPEB), are applicable to future periods and, therefore, are not reported in the governmental funds

Deferred outflows of resources related to pensions	139,143	
Deferred outflows of resources related to OPEB	14,114	
Deferred inflows of resources related to pensions	(38,537)	
Deferred inflows of resources related to OPEB	(21,460)	93,260

Net position of governmental activities	\$ 15,227,681
---	---------------

Kingsbury General Improvement District
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds
Year Ended June 30, 2024

	General	Special Revenue Fund (Snow Removal)	Total Governmental Funds
Revenue			
Ad valorem taxes	\$ 1,094,830	\$ -	\$ 1,094,830
Intergovernmental state shared revenue			
Consolidated taxes	772,996	-	772,996
Miscellaneous			
Charges for services	-	681,759	681,759
Interest income	434,921	17,887	452,808
Rental income	101,244	-	101,244
Other revenue	1,099	10,920	12,019
	<u>2,405,090</u>	<u>710,566</u>	<u>3,115,656</u>
Total revenue			
Expenditures			
Public works			
Current			
Salaries, wages and benefits	221,941	151,160	373,101
Services and supplies	755,397	483,291	1,238,688
Capital outlay	199,049	129,707	328,756
Debt service			
Principal	2,189	2,189	4,378
Interest	40	40	80
	<u>1,178,616</u>	<u>766,387</u>	<u>1,945,003</u>
Total expenditures			
Excess (Deficiency) of Revenue over (under) Expenditures	<u>1,226,474</u>	<u>(55,821)</u>	<u>1,170,653</u>
Fund Balance, Beginning of Year	<u>8,378,642</u>	<u>134,717</u>	<u>8,513,359</u>
Fund Balances, End of Year	<u>\$ 9,605,116</u>	<u>\$ 78,896</u>	<u>\$ 9,684,012</u>

Kingsbury General Improvement District

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of
Activities – Governmental Funds
Year Ended June 30, 2024

Amounts reported for governmental activities in the statement of net assets are different because:

Net changes in fund balances - total governmental funds	\$ 1,170,653
---	--------------

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is depreciated/amortized over their estimated useful lives.

Capital outlay	\$ 328,756	
Depreciation and amortization expense	<u>(484,405)</u>	(155,649)

Debt service payments for long-term debt, including leases, are reported as expenditures in the governmental funds, but are reported as a reduction of long-term liabilities in the Statement of Net Position.

Lease principal payments	4,378
--------------------------	-------

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

Change in unavailable revenue	5,323
-------------------------------	-------

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Change in long-term compensated absences	(3,424)	
Change in OPEB liability related amounts	<u>(946)</u>	(4,370)

Governmental funds report pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned is reported as pension expense.

Pension expense	<u>(15,414)</u>
-----------------	-----------------

Change in Net Position of Governmental Activities	<u><u>\$ 1,004,921</u></u>
---	----------------------------

Kingsbury General Improvement District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenue				
Ad valorem taxes	\$ 1,270,694	\$ 1,270,694	\$ 1,094,830	\$ (175,864)
Intergovernmental state shared revenue				
Consolidated taxes	790,070	790,070	772,996	(17,074)
Miscellaneous				
Interest income	116,588	116,588	434,921	318,333
Rental income	103,353	103,353	101,244	(2,109)
Other revenue	5,104	5,104	1,099	(4,005)
Total revenue	2,285,809	2,285,809	2,405,090	119,281
Expenditures				
Public works				
Highway and streets				
Current				
Salaries and wages	164,229	164,229	149,037	15,192
Employee benefits	120,476	120,476	72,904	47,572
Services and supplies	234,168	234,456	755,397	(520,941)
Capital outlay	1,909,760	1,984,760	199,049	1,785,711
Debt service				
Principal	-	-	2,189	(2,189)
Interest	-	-	40	(40)
Total expenditures	2,428,633	2,503,921	1,178,616	1,325,305
Excess (Deficiency) of Revenue over (under) Expenditures before Other Financing Uses	(142,824)	(218,112)	1,226,474	1,444,586
Other Financing Uses				
Contingency	(72,859)	(75,118)	-	75,118
Excess (Deficiency) of Revenue over (under) Expenditures	(215,683)	(293,230)	1,226,474	1,519,704
Fund Balances, Beginning of Year	7,948,743	7,948,743	8,378,642	429,899
Fund Balances, End of Year	\$ 7,733,060	\$ 7,655,513	\$ 9,605,116	\$ 1,949,603

Kingsbury General Improvement District

Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Special Revenue

Fund – Snow Removal

Year Ended June 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenue				
Charges for services	\$ 695,997	\$ 695,997	\$ 681,759	\$ (14,238)
Interest income	29,147	29,147	17,887	(11,260)
Other revenue	26	26	10,920	10,894
Total revenue	725,170	725,170	710,566	(14,604)
Expenditures				
Snow removal				
Current				
Salaries and wages	130,396	130,396	93,898	36,498
Employee benefits	93,127	93,127	57,262	35,865
Services and supplies	955,421	955,458	483,291	472,167
Capital outlay	120,750	120,750	129,707	(8,957)
Debt service				
Principal	-	-	2,189	(2,189)
Interest	-	-	40	(40)
Total expenditures	1,299,694	1,299,731	766,387	533,344
Deficiency of Revenue under Expenditures before Other Financing Uses	(574,524)	(574,561)	(55,821)	518,740
Other Financing Uses				
Contingency	(38,991)	(38,992)	-	38,992
Deficiency of Revenue over Expenditures	(613,515)	(613,553)	(55,821)	(557,732)
Fund Balances, Beginning of Year	225,024	225,024	134,717	90,307
Fund Balances, End of Year	\$ (388,491)	\$ (388,529)	\$ 78,896	\$ (467,425)

Kingsbury General Improvement District

Statement of Net Position – Enterprise Funds

June 30, 2024

(with comparative totals as of June 30, 2023)

	2024			2023
	Sewer Utility Fund	Water Utility Fund	Total	Total
Assets				
Current assets				
Cash and investments	\$ 4,300,762	\$ 5,960,189	\$ 10,260,951	\$ 13,687,550
Accounts receivable	117,993	362,502	480,495	427,893
Grants receivable	-	1,276,045	1,276,045	-
Due from other governments	46,779	-	46,779	81,518
Deposits and interest receivable	18,820	33,575	52,395	54,363
Prepaid expenses	5,301	17,257	22,558	14,448
Material inventory	910	178,030	178,940	145,229
Total current assets	4,490,565	7,827,598	12,318,163	14,411,001
Property, plant and equipment	8,460,982	63,523,696	71,984,678	66,055,866
Less accumulated depreciation	(5,843,795)	(18,910,273)	(24,754,068)	(23,381,879)
Right of use leased assets	56,452	112,904	169,356	169,356
Less accumulated amortization	(53,977)	(107,954)	(161,931)	(124,320)
Net property, plant and equipment	2,619,662	44,618,373	47,238,035	42,719,023
Other assets				
Cash and investments - restricted	-	45,450	45,450	45,450
Bond issuance costs, net	-	47,822	47,822	58,256
Total other assets	-	93,272	93,272	103,706
Total assets	7,110,227	52,539,243	59,649,470	57,233,730
Deferred Outflows of Resources				
Deferred outflows related to pensions	114,106	429,717	543,823	672,177
Deferred outflows related to OPEB	13,591	76,842	90,433	124,860
Total deferred outflows of resources	127,697	506,559	634,256	797,037
Total Assets and Deferred Outflows	\$ 7,237,924	\$ 53,045,802	\$ 60,283,726	\$ 58,030,767

Kingsbury General Improvement District

Statement of Net Position – Enterprise Funds

June 30, 2024

(with comparative totals as of June 30, 2023)

	2024			2023
	Sewer Utility Fund	Water Utility Fund	Total	Total
Liabilities				
Current liabilities				
Accounts payable - trade	\$ 73,334	\$ 797,568	\$ 870,902	\$ 475,171
Accrued interest payable	-	140,588	140,588	157,394
Prepaid user fees and customer deposits	68,566	183,534	252,100	279,361
Compensated absences	11,893	61,973	73,866	45,336
OPEB obligation	2,218	12,537	14,755	-
Lease liability	1,316	2,632	3,948	39,401
Loans payable	-	1,369,132	1,369,132	1,335,304
Total current liabilities	157,327	2,567,964	2,725,291	2,331,967
Long-term liabilities				
Compensated absences, net	8,033	24,055	32,088	70,052
Net pension liability	332,047	1,338,586	1,670,633	1,813,981
OPEB obligation	81,028	458,125	539,153	551,205
Lease liability, less current portion	1,230	2,459	3,689	7,636
Loans payable, less current portion	-	10,149,853	10,149,853	11,518,986
Total long-term liabilities	422,338	11,973,078	12,395,416	13,961,860
Total liabilities	579,665	14,541,042	15,120,707	16,293,827
Deferred Inflows of Resources				
Deferred inflows related to pensions	31,603	119,016	150,619	75,381
Deferred inflows related to OPEB	20,665	116,839	137,504	146,462
Total deferred inflows of resources	52,268	235,855	288,123	221,843
Total liabilities and deferred inflows	631,933	14,776,897	15,408,830	16,515,670
Net Position				
Invested in capital assets, net of related debt	2,617,116	33,094,297	35,711,413	29,817,696
Restricted by Tahoe Regional Planning Agency for capital projects	-	45,450	45,450	45,450
Unrestricted	3,988,875	5,129,158	9,118,033	11,651,951
Total net position	\$ 6,605,991	\$ 38,268,905	\$ 44,874,896	\$ 41,515,097

Kingsbury General Improvement District
Statement of Revenue, Expenses, and Changes in Net Position – Enterprise Funds
Year Ended June 30, 2024
(with comparative totals for the year ended June 30, 2023)

	2024			2023
	Sewer Utility Fund	Water Utility Fund	Total	Total
Operating Revenue				
Charges for services	\$ 1,904,249	\$ 4,908,550	\$ 6,812,799	\$ 6,648,793
Operating Expenses				
Salaries, wages and benefits	248,201	991,637	1,239,838	1,380,073
Services and supplies	1,452,031	832,889	2,284,920	2,264,173
Depreciation and amortization	85,080	1,403,796	1,488,876	1,440,655
Total operating expenses	1,785,312	3,228,322	5,013,634	5,084,901
Operating Income	118,937	1,680,228	1,799,165	1,563,892
Nonoperating Revenue (Expense)				
Interest income	211,568	377,820	589,388	404,912
Loss on disposal of assets	-	(5,715)	(5,715)	(326)
Interest expense	(240)	(300,544)	(300,784)	(341,103)
Total nonoperating revenue (expense)	211,328	71,561	282,889	63,483
Income Before Capital Grants	330,265	1,751,789	2,082,054	1,627,375
Capital Grants	-	1,277,745	1,277,745	-
Change in Net Position	330,265	3,029,534	3,359,799	1,627,375
Net Position, Beginning of Year	6,275,726	35,239,371	41,515,097	39,887,722
Net Position, End of Year	\$ 6,605,991	\$ 38,268,905	\$ 44,874,896	\$ 41,515,097

Kingsbury General Improvement District
Statement of Cash Flows – Enterprise Funds
Year Ended June 30, 2024
(with comparative totals for the year ended June 30, 2023)

	2024			2023
	Sewer Utility Fund	Water Utility Fund	Total	Total
Operating Activities				
Cash received from customers	\$ 1,863,653	\$ 4,871,251	\$ 6,734,904	\$ 6,566,568
Cash paid to employees and benefits	(228,058)	(932,568)	(1,160,626)	(1,159,597)
Cash paid to suppliers	(1,375,274)	(521,227)	(1,896,501)	(2,361,107)
Net Cash from Operating Activities	260,321	3,417,456	3,677,777	3,045,864
Capital and Related Financing Activities				
Capital expenditures	(937,661)	(5,080,394)	(6,018,055)	(2,161,426)
Principal payments of long-term debt	-	(1,335,305)	(1,335,305)	(1,611,162)
Principal payments of lease liabilities	(13,134)	(26,267)	(39,401)	(62,457)
Interest/amortization paid on long-term debt	(240)	(300,763)	(301,003)	(350,716)
Net Cash used for Capital and Related Financing Activities	(951,035)	(6,742,729)	(7,693,764)	(4,185,761)
Investing Activities				
Interest on investments	211,568	377,820	589,388	404,912
Net Cash from investing Activities	211,568	377,820	589,388	404,912
Net Change in Cash and Cash Equivalents	(479,146)	(2,947,453)	(3,426,599)	(734,985)
Cash and Cash Equivalents, Beginning of Year (Including Restricted Cash Held in the Water Fund)	4,779,908	8,953,092	13,733,000	14,467,985
Cash and Cash Equivalents, End of Year (Including Restricted Cash Held in the Water Fund)	\$ 4,300,762	\$ 6,005,639	\$ 10,306,401	\$ 13,733,000

Kingsbury General Improvement District
Statement of Cash Flows – Enterprise Funds
Year Ended June 30, 2024
(with comparative totals for the year ended June 30, 2023)

	2024			2023
	Sewer Utility Fund	Water Utility Fund	Total	Total
Reconciliation of Operating Income to Net Cash from Operating Activities				
Operating income	\$ 118,937	\$ 1,680,228	\$ 1,799,165	\$ 1,563,892
Adjustments to reconcile operating income to net cash from operating activities				
Depreciation and amortization	85,080	1,403,796	1,488,876	1,440,655
Changes in				
Deferred outflows, inflows, and net pension/OPEB liability	16,711	71,705	88,416	209,682
Accounts receivable	(12,881)	(39,721)	(52,602)	(49,994)
Due from other governments	34,739	-	34,739	90,273
Deposits and interest receivable	655	1,313	1,968	(38,682)
Material inventory	(33)	(33,678)	(33,711)	(1,693)
Prepaid expenses	(2,806)	(5,304)	(8,110)	12,941
Accounts payable - trade	45,087	350,644	395,731	(198,455)
Compensated absences	3,202	(12,636)	(9,434)	10,794
Prepaid user fees and customer deposits	(28,370)	1,109	(27,261)	6,451
Total adjustments	141,384	1,737,228	1,878,612	1,481,972
Net Cash from Operating Activities	\$ 260,321	\$ 3,417,456	\$ 3,677,777	\$ 3,045,864
Non-Cash Capital and Related Financing Activities				
Loss on disposal of assets	\$ -	\$ 5,715	\$ 5,715	\$ -

Note 1 - Summary of Significant Accounting Policies

The Kingsbury General Improvement District (the "District") was organized under the provisions of Nevada Revised Statutes Chapter 318. Under the Statute, the District has been granted authority to provide water, sewer, and road maintenance services for the benefit of individuals residing within its geographical boundaries and to provide water to portions of nearby properties outside of the District's geographical boundaries.

The financial statements of the District have been prepared in conformity with generally accepted accounting principles, as applied to government units.

Comparative Data

Comparative total data for the prior year has been presented in the accompanying financial statements in order to provide an understanding of changes in the District's financial position and operations. However, comparative (i.e., presentation of prior year totals for each governmental fund type) data has not been presented in each of the statements since its inclusion would make the statements unduly complex and difficult to read.

Financial Reporting Entity

The District is governed by an elected Board of Trustees. The financial statements of the District consist only of the funds and account groups of the District for which the District is considered to be financially accountable. The District is not financially accountable for any other governmental entity since no other entities are considered to be controlled by or dependent on the District. Control or fiscal dependence is determined on the basis of budget adopting authority, taxing authority, funding and appointment of the respective governing board.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of position and the statement of activities) report information on all of the activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenue, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which expenses of a given function or segment is offset by program revenue. *Direct expenses* are those that are clearly identifiable with a specific function or segment. Expenses reported for functional activities include allocated indirect expenses. *Program revenue* includes (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenue are reported instead as *general revenue*.

Separate financial statements are provided for governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenue is recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenue is recognized as soon as it is both measurable and available. Revenue is considered to be *available* when it is collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenue to be available if it is collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

Property taxes, intergovernmental revenue (consolidated taxes), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the government.

The government reports the following major governmental funds:

General Fund: The General Fund is the general operating fund of the District used to account for all financial resources except those required to be accounted for in another fund.

Snow Removal Fund (Special Revenue Fund): Effective January 1, 1998, by Board resolution, the District created the Snow Removal Fund to account for the snow removal fee revenue and snow removal related expenditures. Fund balances are considered committed for use during a subsequent year. Interfund loans from the General fund are authorized in years operational requirement results in a Fund balance deficit.

In addition, the government has the following governmental fund:

Tahoe Bond Act Erosion Control Capital Projects Fund (Capital Projects Fund): The Tahoe Bond Act Erosion Control Capital Projects Fund was created August 11, 1998 to account for the receipt and disbursement of erosion control grant funds under the Tahoe Bond Act and other grants funding erosion control capital projects. There has been no activity in this fund since the year ended June 30, 2004.

The government reports the following major proprietary funds:

Enterprise Funds: The Water and Sewer Enterprise Funds are used to account for operations of the water and sewer departments. Enterprise Funds are used to account for those operations that are financed and operated in a manner similar to private business enterprises where the Board has decided that the determination of revenues earned, costs incurred, or net income is necessary or useful for management accountability. Long-term liabilities expected to be financed from proprietary fund operations are accounted for in those funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer function and various other functions of the government. Elimination of these charges would distort the direct costs and program revenue reported for the various functions concerned.

Amounts reported as program revenue include (1) charges to customers or applicants for goods, services, or privileges provided, and (2) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenue included all taxes.

Proprietary funds distinguish operating revenue and expenses from nonoperating items. Operating revenue 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 revenue of the enterprise fund is charges to customers for services. The District also recognizes as operating revenue the portion of connection fees intended to recover the cost of connecting new customers to the system. Operating expenses for enterprise funds include the cost of services, administrative expenses, and depreciation on capital assets. All revenue and expenses not meeting this definition are reported as nonoperating revenue and expenses.

All interest income is allocated between the General Fund, Enterprise Funds (Sewer Fund and Water Fund), and Snow Removal Special Revenue Fund, based on a percentage for each fund as derived from the cash position of those funds.

Cash and Cash Equivalents and Investments

The District's cash and cash equivalents include cash on deposit at one commercial bank and in the State Treasurer's Local Government Investment Pool. Cash equivalents also include highly liquid investments that are available on demand and are, therefore, classified as cash equivalents on the Statements of Cash Flows.

Investments are recorded at fair value, which is the same as the value of the pool shares. The State of Nevada Local Government Investment Pool is an unrated external investment pool that does not provide information on realized or unrealized gain or loss activity. Accordingly, changes in the investment pool are reflected as net investment income in the accompanying financial statements.

Restricted cash is held based on agreed upon reserve requirements from external parties.

Accounts Receivable

Exchange receivables due from customers are uncollateralized customer obligations due under normal terms requiring payment within 30 days from the invoice date. Exchange receivables are stated at the amount billed to the customer. The Company charges interest on overdue customer account balances at a rate of 10%. Payments of exchange receivables are allocated to the specific billings identified on the customer's billings summary, or, if unspecified, are applied to the earliest unpaid billing.

The District considers receivables at June 30, 2024 to be fully collectible; therefore, no allowance for doubtful accounts is required. Any accounts receivable which are subsequently deemed uncollectible will be expensed at that time. The District makes no provision for estimated uncollectible ad valorem taxes receivable. Adequate legal remedies are presently available to enforce the collection of such taxes and any taxes which may prove uncollectible should not be material in amount.

Due from Other Governments

Amounts due from other governments are for billing adjustments received by the District after year-end.

Material Inventory

All inventories are valued at cost using the first-in, first-out (FIFO) method. Inventories of governmental funds are recorded as expenditures when purchased.

Prepaid Expenses

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, erosion control improvements and similar items) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Infrastructure prior to July 1, 2003 is excluded from these numbers. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Structure and improvements	27-35
Utility plant	3-50
Transmission and distribution mains	8-75
Equipment	3-35
Infrastructure	10-50

Right to use leased assets are recognized at the lease commencement date and represent the District's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right to use leased assets are amortized over the shorter of the lease term or useful lives of the underlying asset using the straight-line method. The amortization period varies from 2 to 5 years.

Impairment

The District reviews the carrying value of property and equipment for impairment whenever events and circumstances indicated that the carrying value of an asset may not be recoverable from the estimated future cash flows expected to result from its use and eventual disposition. In case where undiscounted expected future cash flows are less than the carrying value, an impairment loss is recognized equal to an amount by which the carrying value exceeds the fair value of assets. The factors considered by management in performing this assessment include current operating results, trends and prospects, the manner in which the property is used, and the effects of obsolescence, demand, competition, and other economic factors. Based on this assessment, there was no impairment at June 30, 2024.

Loans Payable

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position.

Compensated Absences

All vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements.

In the enterprise funds, compensated absences are recorded when the liabilities are incurred. In the governmental funds, vested or accumulated vacation leave and sick leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it.

Vacation may be accumulated by employees up to certain maximums and is payable upon retirement or termination. Employees with over five years of service receive accrued sick pay at 50% of their current hourly rate upon retirement or termination. The financial statements reflect the vacation accrual plus 50% accrual of sick pay for all eligible non-exempt employees. Exempt employees' personal time off (PTO) is recorded in the financial statements at 100%.

Grant Revenue

The District receives grant monies from other governmental entities. Grant revenue for the water line replacement project is reported and accounted for in the Water Utility Fund. Grant revenue from other activities is reported in the applicable fund when expended. Grant revenue is recognized when qualifying expenditures are incurred.

Deferred Outflows and Inflows of Resources

In addition to assets, a separate section is reported 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 will not be recognized as an outflow of resources (expense/expenditure) until then. The District reports deferred outflows of resources related to pensions and OPEB on the government wide and proprietary fund statements of net position.

In addition to liabilities, a separate section is reported 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 will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred inflows of resources related to pensions and OPEB on the government wide and proprietary fund statements of net position and related to unavailable revenue on the governmental funds balance sheet.

Fund Equity

In the government-wide and proprietary fund financial statements, equity is classified as net position and displayed as follows:

Net Investment in capital assets – consists of capital assets and leases, net of accumulated depreciation and amortization and related debt, or other borrowings that are attributable to the acquisition, construction or improvement of those assets.

Restricted net position – consists of net position with constraints placed on their use either by (1) external groups such as creditors, grantors, contributors, or laws and regulations of other governments; or (2) law through constitutional provisions or enabling legislation. The District has restricted amounts for deposits which are restricted by the Tahoe Regional Planning Agency.

Unrestricted net position – all other net position that does not meet the definition of “net investment in capital assets” or “restricted.”

The District’s policy is to first apply expenditures against restricted net position balances and then unrestricted balances.

In the year ended June 30, 2024, the Board designated that funds be designated for the future budgeted purchases of vehicles. Amounts are designated as follows: \$248,563 in the general fund, \$110,068 in the snow removal fund, \$399,536 in the water utility fund and \$8,320 in the sewer utility fund.

In the governmental fund financial statement, fund balances are classified as follows:

Nonspendable – represents amounts that are either not in a spendable form or are legally or contractually required to remain intact. Prepaid expenses are reported as nonspendable fund balances.

Restricted – represents amounts which can be spent only for specific purposes because of state or federal laws, or externally imposed conditions. The District has no restricted fund balances.

Committed – represents amounts which can be used only for specific purposes determined by the members of the governing Board's formal action through a resolution or action. The District has committed fund balances of \$358,631 related to board designated amounts for future budgeted purchases of vehicles.

Assigned – represents amounts that are intended by the District for specific purposes but do not require action by the governing Board. The District's assigned funds represent the full fund balances assigned for next year's budget deficit and for future snow removal services.

Unassigned – represents all amounts not included in other classifications.

When an expenditure is incurred for purposes for which both restricted and unrestricted amounts are available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned amounts are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally, unassigned funds, as needed, unless the Board of Directors has provided otherwise in its commitment or assignment actions.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Nevada (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. 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.

Postemployment Benefits Other Than Pensions (OPEB)

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Self Insurance Trust Fund, Public Employees' Benefits Program (PEBP) and additions to/deductions from PEBP's fiduciary net position have been determined on the same basis as they are reported by PEBP. For this purpose, PEBP recognizes benefit payments when due and payable in accordance with the benefit terms. PEBP's cash and cash equivalents consist of short-term, highly liquid investments that are both (a) readily convertible to known amounts of cash and (b) so near to materiality that they present insignificant risk of changes in value due to changing interest rates.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Note 2 - Compliance with Nevada Revised Statutes and the Nevada Administrative Code

The District conformed to all significant statutory constraints on its financial administration for the year ended June 30, 2024.

Note 3 - Budgets and Budgetary Accounting

The budget document is compiled pursuant to the Local Government Budget Act set forth in Chapter 354 of the Nevada Revised Statutes. These statutes have provisions for preparation, filing, notice, public hearing, and adoption in connection with the budgetary process for Nevada local governments. Budgets for all funds are adopted on a basis consistent with generally accepted accounting principles (GAAP), as applied to government units. All annual appropriations lapse at fiscal year-end. Budgets are required by law for all governmental fund types and proprietary fund types. Expenditures may not legally exceed budget appropriations at the fund or function level; for proprietary funds, expenditures include operating and non-operating expenses only.

Note 4 - Cash and Investments**Cash and Deposits**

The District maintains one common checking account and a temporary cash investment account for all funds. Detail of cash and cash equivalents at June 30, 2024, is as follows:

Petty cash	\$ 2,384
Cash in checking	<u>670,965</u>
Total cash	673,349
Held by Douglas County	1,702
Fixed Income Securities	1,787,664
State of Nevada Local Government Investment Pool (valued at NAV)	<u>17,413,554</u>
Total cash and investments and cash and investments - restricted	<u><u>\$ 19,876,269</u></u>

The District's fixed income securities all have investment maturities in 1-5 years.

Custodial Credit Risk – Deposits

In the case of deposits, custodial credit risk is the risk that, in the event of a bank failure, the District's deposits may not be returned to it. The District's policy is to voluntarily participate in the Nevada State Collateral Pool for public fund deposits. The bank accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to an aggregate of \$250,000.

The collateral pool is administered and monitored by the Nevada State Treasurer's Office. Due to its participation in the Nevada State Collateral Pool, the District's deposits were primarily insured and collateralized except as noted above.

Pooled Investment Funds

Pooled investment funds consist of cash deposited in the interest-bearing State of Nevada's Local Government Investment Pool. Investments are recorded at fair value. The State of Nevada Local Government Investment Pool is an unrated external investment pool that does not provide information on realized or unrealized gain or loss activity. Accordingly, changes in the investment pool are reflected as net investment income in the accompanying financial statements.

Earnings and realized and unrealized gains and losses are included in the Combined Statement of Revenue, Expenditures and Changes in Fund Balance and the Statement of Revenue, Expenses and Changes in Fund Equity, captioned as investment income.

Interest rate risk – Interest rate risk is the risk of possible reduction in the value of a security, especially a bond, resulting from a rise in interest rates. This risk can be mitigated by diversification of durations of fixed rate investments held in the investment portfolio. State statute limits investment in bills and notes of the U.S. Treasury, along with obligations of an agency of the U.S. or a corporation sponsored by the U.S. government to those maturing within ten years from the date of purchase. The weighted average maturity of the District's investments is less than three years.

Credit risk – Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations and is a function of the credit quality ratings of investments. The District follows State statute for reducing exposure to investment credit risk by investing in U.S. Agency securities.

The District is invested in the Local Government Investment Pool as of June 30, 2024. The LGIP operates under NRS and is administered by the Office of the State Treasurer. The LGIP invest in securities as allowed by statute. The LGIP is valued at NAV and therefore is not valued according to the hierarchy. At June 30, 2024, the LGIP had a weighted average maturity of 82 days. The District is able to withdraw funds on a daily basis and has no outstanding commitments as of June 30, 2024.

The fair value of the pooled investments deposited in the State of Nevada's Local Government Investment Pool is equal to the value of the pool shares. At June 30, 2024, the carrying amount of \$17,413,554 is recorded at fair value, and the various funds of the Kingsbury General Improvement District in the State of Nevada's Local Government Investment Pool was approximately 88% of the District's total cash and investment balance.

The District's deposits are maintained in recognized pooled investment funds under the care of oversight agencies. The State of Nevada's Local Government Investment Pool is administered by the Office of the State Treasurer. In addition, the Local Government Investment Pool has an Investment Committee and is subject to annual audits.

Fair Value Measurements

The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District does not have any investments that are measured using Level 3 inputs.

As of June 30, 2024, the District had the following recurring fair value measurements:

	Total	Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Instruments by fair value level				
U.S. agencies	\$ 1,787,664	\$ -	\$ 1,787,664	\$ -
Total investment measured at fair value	\$ 1,787,664	\$ -	\$ 1,787,664	\$ -

The following is a description of the valuation methodologies used by the District for its Level 2 assets:

U.S. agencies – Valued using matrix pricing and market corroborated pricing models.

Note 5 - Fixed Assets

A summary of changes in general fixed assets in the governmental activities follows:

	July 1, 2023	Additions	Deletions/ Transfers	June 30, 2024
Capital assets, being depreciated				
Equipment and vehicles	\$ 1,594,767	\$ 37,801	\$ (188,220)	\$ 1,444,348
Office equipment	30,046	1,839	(1,499)	30,386
Land	126,482	-	-	126,482
Infrastructure	12,678,728	209,776	26,280	12,914,784
Construction in progress (infrastructure)	223,940	79,340	(26,670)	276,610
Total capital assets, being depreciated	14,653,963	328,756	(190,109)	14,792,610
Less accumulated depreciation	(8,584,548)	(480,227)	190,109	(8,874,666)
Total capital assets, being depreciated, net	6,069,415	(151,471)	-	5,917,944
Right to use leased assets, being amortized				
Buildings and improvements	15,594	-	-	15,594
Furniture and equipment	3,223	-	-	3,223
Total right to use leased assets, being amortized	18,817	-	-	18,817
Less accumulated amortization	(13,811)	(4,178)	-	(17,989)
Total right to use leased assets, being amortized, net	5,006	(4,178)	-	828
Governmental activities capital assets, net	\$ 6,074,421	\$ (155,649)	\$ -	\$ 5,918,772

The General Fund and Snow Removal Special Fund are the sources of funds for the acquisition of general fixed assets.

Kingsbury General Improvement District

Notes to Financial Statements

June 30, 2024

A summary of enterprise fund property, plant and equipment for the year ended June 30, 2024 follows:

	July 1, 2023	Additions	Deletions/ Transfers	June 30, 2024
Equipment and vehicles	\$ 5,509,308	\$ 338,468	\$ (51,038)	\$ 5,796,738
Infrastructure	6,010,872	1,432,624	796,996	8,240,492
Utility plant	52,101,105	2,014,403	264,978	54,380,486
Ozone facility	805,127	3,306	-	808,433
Construction in progress	1,629,454	2,229,254	(1,100,179)	2,758,529
	66,055,866	6,018,055	(89,243)	71,984,678
Less accumulated depreciation	(23,381,879)	(1,451,265)	79,076	(24,754,068)
Property, plant, and equipment, net	42,673,987	4,566,790	(10,167)	47,230,610
Right to use leased assets, being amortized				
Buildings and improvements	140,347	-	-	140,347
Furniture and equipment	29,009	-	-	29,009
Total right to use leased assets, being amortized	169,356	-	-	169,356
Less accumulated amortization	(124,320)	(37,611)	-	(161,931)
Total right to use leased assets, being amortized, net	45,036	(37,611)	-	7,425
Business-type activities capital assets, net	\$ 42,719,023	\$ 4,529,179	\$ (10,167)	\$ 47,238,035

Depreciation and amortization expense was charged to functions/programs of the primary government as follows:

	Depreciation	Amortization
Governmental activities		
Highways and streets	\$ 421,192	\$ 2,089
Snow removal	59,035	2,089
Total depreciation and amortization expense, governmental activities	\$ 480,227	\$ 4,178
Business-type activities		
Water	\$ 1,378,722	\$ 25,074
Sewer	72,543	12,537
Total depreciation and amortization expense, business-type activities	\$ 1,451,265	\$ 37,611

Note 6 - Compensated Absences

The following schedule summarizes the changes in accrued compensated absences:

Beginning of year	\$ 133,124
Increases	80,589
Decreases	<u>(86,599)</u>
End of year	<u>\$ 127,114</u>
Due within one year	<u>\$ 86,599</u>

Note 7 - Loans Payable

In November 2007, the District entered into an additional loan contract with the State of Nevada in order to construct projects for the public water system. The maximum amount available from the "Drinking Water State Revolving Fund" is \$3,000,000. Interest on any loan funds disbursed shall accrue at 2.96% and is payable semiannually on January 1st and July 1st of each year. Principal payments shall be made semiannually on January 1st and July 1st, commencing on the January 1st or July 1st immediately following the date the District draws the maximum authorized (i.e., \$3,000,000) under the loan contract, the date the District completes the project, or three years from the date of the initial principal advance under the loan contract, whichever occurs first. In connection with the loan, the District delivered a \$3,000,000 bond to the State Treasurer as collateral in the event of default by the District. The District received a grant to fund 61.9% of the water capital projects and used the loan proceeds to fund 38.1% of the project. As of June 30, 2024, the District had outstanding \$780,592 in loan proceeds, which is the legal amount outstanding.

In June 2010, the District entered into an additional loan contract with the State of Nevada in order to construct projects for the public water system. The maximum amount available from the "Drinking Water State Revolving Fund" is \$3,306,650. Interest on any loan funds disbursed shall accrue at 2.85% and is payable semiannually on January 1st and July 1st of each year. Principal payments shall be made semiannually on January 1st and July 1st, commencing on the January 1st or July 1st immediately following the date the District draws the maximum authorized (i.e., \$3,306,650) under the loan contract, the date the District completes the project, or three years from the date of the initial principal advance under the loan contract, whichever occurs first. In connection with the loan, the District delivered a \$3,306,650 bond to the State Treasurer as collateral in the event of default by the District. The District used the loan proceeds to fund 100% of this project, which is related to the installation of water meters. As of June 30, 2024, the District had outstanding \$1,210,710 in loan proceeds, which is the legal amount outstanding.

Kingsbury General Improvement District

Notes to Financial Statements

June 30, 2024

In March 2012, Kingsbury General Improvement District obtained a low-interest, subsidized loan from the State of Nevada State Revolving Loan Fund (SRF) in an amount not to exceed \$5,000,000. On October 29, 2014, the loan amount was increased to \$11,000,000. Interest on any loan funds disbursed shall accrue at 2.39% and is payable semiannually on January 1st and July 1st of each year. Principal payments shall be made semiannually on January 1st and July 1st, commencing on the January 1st or July 1st immediately following the date the District draws the maximum authorized (i.e., \$11,000,000) under the loan contract, the date the District completes the project, or three years from the date of the initial principal advance under the loan contract, whichever occurs first. The loan is secured by a general obligation bond of \$11,000,000 issued to the Nevada State Treasurer in the event of default by the District. This loan will provide 80% funding of the Water Treatment Plant improvements. As of June 30, 2024, the District had drawn the entire loan and outstanding \$5,755,783 in loan proceeds, which is the legal amount outstanding.

In January 2015, Kingsbury General Improvement District obtained an additional low-interest subsidized loan from the State of Nevada State Revolving Loan Fund (SRF) in an amount not to exceed \$6,000,000. Interest on any loan funds disbursed shall accrue at 2.28% and is payable semiannually on January 1st and July 1st of each year. Principal payments shall be made semiannually on January 1st and July 1st, commencing on the January 1st or July 1st immediately following the date the District draws the maximum authorized (i.e., \$6,000,000) under the loan contract, the date the District completes the project, or three years from the date of the initial principal advance under the loan contract, whichever occurs first. The loan is secured by a general obligation bond of \$6,000,000 issued to the Nevada State Treasurer and is recorded in the water utility fund in the event of default by the District. The loan, which supplements the 2012 loan, will fund approximately 80% of the Water Treatment Plant improvements. As of June 30, 2024, the District had drawn the entire loan and outstanding \$3,771,900 in loan proceeds, which is the legal amount outstanding.

The following schedule summarizes the changes in long-term debt:

Direct Borrowings	Beginning Balance	Additions	Payments	Ending Balance	Current Portion
State of Nevada					
\$3,000,000	989,266	-	(208,674)	780,592	214,896
\$3,306,650	1,393,254	-	(182,544)	1,210,710	187,783
\$11,000,000	6,401,348	-	(645,565)	5,755,783	661,086
\$6,000,000	4,070,422	-	(298,522)	3,771,900	305,367
	<u>\$ 12,854,290</u>	<u>\$ -</u>	<u>\$ (1,335,305)</u>	<u>\$ 11,518,985</u>	<u>\$ 1,369,132</u>

Kingsbury General Improvement District

Notes to Financial Statements

June 30, 2024

The annual requirements to amortize the existing balances drawn on the loans are as follows:

Fiscal Years Ending June 30,	Direct Borrowings		
	Principal	Interest	Total
2025	\$ 1,369,132	\$ 272,610	\$ 1,641,742
2026	1,403,827	237,915	1,641,742
2027	1,439,409	202,331	1,641,740
2028	1,357,694	165,837	1,523,531
2029	1,271,635	133,684	1,405,319
2030-2034	4,294,212	259,091	4,553,303
2035-2039	383,076	6,563	389,639
	<u>\$ 11,518,985</u>	<u>\$ 1,278,031</u>	<u>\$ 12,797,016</u>

Interest expense totaled \$290,350 for the year ended June 30, 2024.

Note 8 - GASB 87 Leases

Key estimates and judgments related to leases include how the District determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. The District uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the District generally uses the US Treasury monthly average rate at the beginning of the fiscal year based on the term length with an adjustment for the risk-free rate. The lease term included the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the District is reasonably certain to exercise. The District monitors changes in circumstances that would require a remeasurement of its lease and will remeasure any lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. Lease assets are reported as right to use along with other capital assets. Lease liabilities are reported with debt on the statement of net position.

The District has entered into various agreements to lease office equipment and a building with initial terms ranging from 36 months to 5 years. The various leases terminate between August 2023 and May 2026. During the year, the District recorded \$41,789 in amortization expense and \$801 in interest expense. The District used discount rates ranging from 2% to 6% based on the US Treasury monthly average rate based on the term length as described above.

Remaining obligations associated with these leases are as follows:

<u>Fiscal Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 4,386	\$ 123	\$ 4,509
2026	4,099	35	4,134
	<u>\$ 8,485</u>	<u>\$ 158</u>	<u>\$ 8,643</u>

Long-term lease liability activity is summarized as follows:

	<u>July 1, 2023</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2024</u>
Office space	\$ 37,165	\$ -	\$ (37,165)	\$ -
Equipment	15,098	-	(6,613)	8,485
	<u>\$ 52,263</u>	<u>\$ -</u>	<u>\$ (43,778)</u>	<u>\$ 8,485</u>

Note 9 - Segment Information for Enterprise Funds

The District maintains two Enterprise Funds which provide water and sewer services. Segment information is detailed in the basic financial statements on pages 22-26.

Note 10 - Pensions

General Information About the Pension Plan

Plan Description

The District contributes to the Public Employees' Retirement System of the State of Nevada (PERS). 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. PERS 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.

Benefits Provided

Benefits, as required by 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 PERS 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 at 2.5 percent of average compensation for each accredited year of 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 PERS on or after January 1, 2010, there is a 2.50% service time factor. Regular members entering PERS on or after July 1, 2015, have a 2.25% multiplier for all years of service. PERS 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.

Post-retirement increases are provided by authority of NRS 286.575 – 286.579.

Vesting

Regular members entering PERS prior to January 1, 2010 are eligible for retirement at age 65 with 5 years of service, at age 60 with 10 years of service, or at any age with 30 years of service. Regular members entering PERS on or after January 1, 2010, are eligible for retirement at age 65 with 5 years of service, or age 62 with 10 years of service, or any age with 30 years of service. Regular members entering PERS on or after July 1, 2015 are eligible for retirement at age 65 with 5 years of service, or age 62 with 10 years of service, or at 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. Both Regular and Police/Fire 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. One plan provides for matching employee and employer contributions, while the other plan provides for employer-pay contributions only. Under the matching Employee/Employer Contribution plan a member may, upon termination of service for which contribution is required, withdraw employee contributions which have been credited to their account. All membership rights and active service credit in the System are canceled upon withdrawal of contributions from the member's account. If EPC was selected, the member cannot convert to the Employee/Employer Contribution plan.

PERS' 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.

PERS receives an actuarial valuation on an annual basis indicating the contribution rates required to fund PERS 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 actuary funding method used is the entry age actuarial cost method. It is intended to meet the funding objective and result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2024 and 2023, the Statutory Employer/employee matching rate was 17.50% and 15.50%, respectively, for Regular employees. The Employer-pay contribution (EPC) rate was 33.50% and 29.75%, respectively, for June 30, 2024 and 2023 for Regular employees.

The District's contributions were \$152,969 for the year ended 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 adopted policy target asset allocation as of June 30, 2022:

Asset Class	Target Allocation	Long-Term Geometric Expected 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%

*As of June 30, 2023, PERS' long-term inflation assumption was 2.50%.

Net Pension Liability

At June 30, 2024, the District reported a liability 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 of \$2,069,666, was based on the District's share of contributions to the PERS pension plan relative to the total contributions of all participating PERS employers and members. At June 30, 2023, the District's proportion was 0.01134 percent, which was a decrease of 0.00104 percent from its proportion measured as of June 30, 2022.

Pension Liability Discount Rate Sensitivity

The following presents the net pension liability of the District as of June 30, 2024, calculated using the discount rate of 7.25%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.25%) or 1-percentage-point higher (8.25%) than the current discount rate:

	1% Decrease in Discount Rate 6.25%	Discount Rate 7.25%	1% Increase in Discount Rate 8.25%
Net pension liability	\$ 3,220,757	\$ 2,069,666	\$ 1,119,740

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the PERS Comprehensive Annual Comprehensive Financial Report ("ACFR"), available on the PERS website. Additional information supporting the schedule of employer allocations and the schedule of pension amounts by employer is located in the PERS ACFR.

Actuarial Assumptions

The District'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:

Inflation	2.50%
Payroll growth	3.50%
Investment rate of return/discount rate	7.25%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.20% to 9.10%, depending on service
Consumer price index	2.50%
Other assumptions	Same as those used in the June 30, 2023 funding actuarial valuation

Mortality rates for healthy regular members and contingent beneficiaries were based on Pub-2010 General Healthy Retiree Amount-Weighted Above-Median Mortality Table with rates increased by 30% for males and 15% for females. For ages before age 40, mortality rates are based on Pub-2010 General Employee Amount-Weighted Above-Median Mortality Tables. For ages 40 through 50, the rates were smoothed between the above tables. Mortality rates for disabled regular members based on Pub-1020 Non-Safely Disabled Retiree Amount-Weighted Mortality Table with rates increased by 20% for males and 15% for females.

Mortality rates for current beneficiaries were based on Pub-2010 Contingent Survivor Amount-Weighted Above Median Mortality Table with rates increased by 15% for males and 30% for females. For ages before age 35, mortality rates are based on Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table. For ages 35 through 45, the rates were smoothed between the above tables.

Mortality rates pro pre-retirement regular members were based on Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table.

The mortality tables were projected generationally with the two-dimensional mortality improvement scale MP-2020.

Actuarial assumptions used in the June 30, 2023 valuation were based on the results of the experience study issued September 10, 2021.

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 plan contributions will be made in amounts consistent with statutory provisions and recognizing the plan's current funding policy and cost-sharing mechanism between employers and members. For this purpose, all contributions that are intended to fund benefits for all plan members and their beneficiaries are included, except the projected contributions that are intended to fund the service costs for future plan members and their beneficiaries are not included.

Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. 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 as of June 30, 2023.

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

For the year ended June 30, 2024, the District recognized pension expense of \$228,465. Amounts resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2024. At June 30, 2024, the District reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 269,773	\$ 19,373
Changes of assumptions	193,970	-
Net difference between projected and actual investment earnings on pension plan investments	-	-
Changes in proportion and differences between employer contributions and proportionate share of contributions	66,254	169,783
Contributions subsequent to the measurement date	152,969	-
	<u>\$ 682,966</u>	<u>\$ 189,156</u>

The \$152,969 reported as deferred outflows of resources related to pensions, resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2025.

The average of the expected remaining service lives of all employees that are provided with pensions through PERS (active and inactive employees) is 5.63 years.

Other estimated amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, excluding contributions subsequent to the measurement date, will be recognized in pension expense as follows:

<u>Fiscal Years Ending June 30,</u>	
2023	\$ 37,760
2024	39,882
2025	252,885
2026	15,929
2027	(5,615)
	<u>\$ 340,841</u>

Additional Information – Additional information supporting the Schedule of Employer Allocations and the Schedule of Pension Amounts by Employer is located in the PERS Annual Comprehensive Financial Report (ACFR) available on the PERS website at www.nvpers.org under Quick Links – Publications.

Note 11 - Other Post-Employment Retirement Obligation (OPEB)

Plan Description and Eligibility

NRS 287.023 allows retired employees of governmental entities with the State of Nevada to join the State's Public Employee Benefit Program (PEBP), an agent multiple-employer defined benefit OPEB plan administered by a nine-member governing board. PEBP provides medical, prescription, vision, life and accident insurance, and dental for retirees. The Plan is not accounted for as a trust fund, as an irrevocable trust has not been established to account for the Plan and no individual financial reports are issued.

Eligibility and subsidy requirements are governed by statutes of the State of Nevada and can only be amended through legislation. The statutes were revised effective of November 30, 2008 to create new participation limitations so that only active members of PEBP can elect coverage after retirement. Based on the statute revision, former employees and retirees must have retired and joined PEBP by September 1, 2008 to elect PEBP membership unless the District is currently utilizing PEBP's as its health insurance provider.

Benefits provided

PEBP provides medical, dental, vision, mental health and substance abuse and also offers fully insured HMO products. Long-term disability and life insurance benefits are fully insured by outside carriers.

Employees covered by benefit terms

At June 30, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	5
Inactive employees entitled to, but not yet receiving benefit payments	-
Active plan members	5
	<hr/>
	10
	<hr/> <hr/>

Contributions

Per NRS 287 contribution requirements of the participating entities and covered employees are established and may be amended by the PEBP Board. The Boards' contractually required contribution for the year ended June 30, 2024 was \$18,625, actuarially determined as an amount that is expected to finance the costs of benefits earned by employees during the year. Employees are not required to contribute to the OPEB plan.

Total OPEB Liability

The District's total OPEB liability of \$640,356 was measured as of June 30, 2024.

Actuarial assumptions and other inputs

The total OPEB liability in the June 30, 2024 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate	2.50%
Salary increases	3.00%, including inflation
Health care trend rates	6.80% in 2024, fluctuating down to 3.90% by 2075
Retiree's share of benefit-related costs	All retirees currently covered by the PEBP are assumed to retain their existing election until death

The discount rate was based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on Pub-2010 mortality table for males and females projected 18 years; this assumption does not include a margin for future improvements in longevity.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study issued September 2021.

Kingsbury General Improvement District

Notes to Financial Statements

June 30, 2024

Changes in the Total OPEB Liability:

Balance, June 30, 2023	\$ 637,231
Changes for year	
Service cost	19,298
Interest	23,652
Changes in assumptions or other inputs	(22,767)
Benefit payments	(17,058)
Net changes	3,125
Balance, June 30, 2023	\$ 640,356

Sensitivity of the total OPEB liability to changes in the discount rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93 percent) or 1-percentage-point higher (4.93 percent) than the current discount rate:

	1% Decrease in Discount Rate 2.93%	Discount Rate 3.93%	1% Increase in Discount Rate 4.93%
Net OPEB liability	\$ 727,732	\$ 640,356	\$ 568,374

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Health Care Cost Trend Rates	1% Increase
Net OPEB liability	\$ 555,339	\$ 640,356	\$ 746,117

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For the year ended June 30, 2024, the District recognized OPEB expense of \$46,175. The table below shows deferred resources as of the year ended June 30, 2024:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes of assumptions	\$ -	\$ 118,891
Differences between expected and actual experience	104,547	40,073
	<u>\$ 104,547</u>	<u>\$ 158,964</u>

Future recognition of these deferred resources is shown below:

<u>Fiscal Years Ending June 30,</u>	
2025	\$ 3,225
2026	(9,546)
2027	(41,268)
2028	(6,335)
2029	(493)
	<u>\$ (54,417)</u>

Note 12 - Commitments

On September 17, 2019, the District awarded a five-year Sanitary Sewer System Services Contract with a contract period of October 1, 2019, through Sept. 30, 2024, in the amount of \$727,110 with approved hourly rates for force account work. For the year ended June 30, 2024, the District incurred \$130,909 for this work.

On March 17, 2021, the District approved an Agreement for Legal Services with Minden Lawyers, LLC. For a term of three (3) years commencing April 1, 2021, renewable annually by mutual consent of District and Firm, with a monthly retainer amount payable of \$4,000 and an hourly rate of \$260/hr. On June 13, 2023, the District approved an Agreement renewable (3) years commencing July 1, 2023, with a monthly retainer amount payable of \$2,500 and an hourly rate of \$310/hr. As of June 30, 2024, the District incurred \$38,253 for this work.

On September 20, 2022, the District approved a three-year Snow Removal Contract with Manchester Enterprises, Inc. on a time and material basis with minimum guaranteed annual payments of \$315,000 for fiscal year 2022/2023, \$250,000 for fiscal year 2023/2024, \$250,000 for fiscal year 2024/2025, plus any fuel surcharges. The contract period is September 1, 2022, through August 31, 2025, with optional annual extensions with minimum annual payments \$235,000. As of June 30, 2024, the District incurred \$512,873 for this work.

On April 20, 2021, the District approved an IT management contract with Pac States Integrated Business Technology for services related to IT management service office server/computers, backup etc. with a monthly amount payable of \$1,132 and a onetime setup fee \$1,755. In December 2021 the monthly amount payable increased to \$1,223 to include email security. As of June 30, 2024, the District incurred \$14,670 for this work.

On June 22, 2021, the District approved an employment contract with the General Manager, Mitchell S. Dion for a term of three (3) years beginning July 26, 2021, and ending June 30, 2024. On August 15, 2023, the District approved a 5% percent increase in salary and then on September 19, 2023 extended his contract to June 30, 2025. As of June 30, 2024, the General Manager salary is \$181,135.

On June 15, 2021, the District approved an engineering services agreement with Dowl Engineering for services related to Sewer Master Plan for an amount not to exceed \$172,500 As of June 30, 2024, the District incurred \$20,255 for this work.

On April 19, 2022, the District approved an architectural services agreement with Paul Cavin Architect LLC for services related to Equipment Storage Facility Project for an amount not to exceed \$26,300 As of June 30, 2024, the District incurred \$0 for this work.

On September 20, 2022, the District approved an architectural services agreement with Paul Cavin Architect LLC for services related to 160 Pineridge improvements for an amount not to exceed \$192,700. On February 6, 2023, the District approved additional architectural service for second floor at 160 Pineridge improvement in the amount of \$73,000 bringing the total amount not to exceed \$265,700 As of June 30, 2023, the District incurred \$262,780 for this work.

On September 20, 2022, the District approved an engineering services agreement with Dowl Engineering for services related to FY 23 Waterline and Road Improvement Project for an amount not to exceed \$315,067. Then on October 17, 2023, the District approved an additional \$25,000 bringing the total not to exceed \$340,067. As of June 30, 2024, the District incurred \$147,696 for this work.

On September 20, 2022, the District approved an engineering services agreement with Farr West Engineering for services related to FY 23-25 Waterline and Road Improvement Project for an amount not to exceed \$68,012. As of June 30, 2024, the District incurred \$13,222 for this work.

On October 18, 2022, the District approved a Geotech services agreement with Eastern Sierra Engineering for services related to FY 23-25 Waterline and Road Improvement Project for an amount not to exceed \$119,7000. As of June 30, 2024, the District incurred \$23,587 for this work.

On December 13, 2022, the District approved a professional services agreement with Resource Concepts Inc. for services related to Pump Station 3 Rehabilitation for an amount not to exceed \$24,500 As of June 30, 2024, the District incurred \$30,700 for this work.

On January 17, 2023, the District approved an engineering services agreement with DOWL Engineering for services related to Palisades Sewer Lift Station Rehabilitation for an amount not to exceed \$40,000. As of June 30, 2024, the District incurred \$15,357 for this work.

On March 21, 2023, the District approved an engineering services agreement with DOWL Engineering for services related to Market Street Lift Station Repairs and Renovation for an amount not to exceed \$113,000. As of June 30, 2024, the District incurred \$13,527 for this work.

On April 18, 2023, the District approved an audit proposal for audit services for the fiscal year ending June 30, 2023, 2024, and 2025 (with possible two one-year extensions) in the amounts of \$50,000, respectively for each of the three fiscal years and reimbursement of necessary out of pocket expenses amounts for travel and other expenditures in accordance with the proposal. As of June 30, 2024, the District had not incurred \$50,803 for this work.

On April 18, 2023, the District approved an award of a construction contract to Farr Construction Corp for the FY 2024 Water & Road Improvement Project in an amount not to exceed \$2,314,136. As of June 30, 2024, the District incurred \$1,293,621 for this work.

On June 13, 2023, the District approved an award of a construction contract to Group West Construction Inc for the 160 Pine Ridge Building Renovation and Repair in an amount not to exceed \$2,349,067. On November 14, 2023, the District approved change orders bay doors and siding repairs in the amount of \$23,264. Then on April 16, 2024, the District approved window and door replacements in the amount of \$72,509, which brings the total not to exceed \$2,444,840. As of June 30, 2024, the District incurred \$2,442,370 for this work.

On June 13, 2023, the District approved an award of a construction contract to Express Sewer & Drain, Inc. for the Palisades Lift Station Rehabilitation in an amount not to exceed \$106,000. As of June 30, 2024, the District incurred \$111,062 for this work.

On June 13, 2023, the District approved a procurement contract with Brightly Software Inc. for services related to Computerized Maintenance Management Software for an amount not to exceed \$14,179. As of June 30, 2024, the District incurred \$4,393 for this work.

On June 13, 2023, the District approved an engineering services agreement with DOWL Engineering for services related to 2023 PAVER Update Project for an amount not to exceed \$29,880. As of June 30, 2024, the District incurred \$29,880 for this work.

On July 18, 2023, the District approved an engineering services agreement with DOWL Engineering for services related to 2024 Waterline and Road Repair and Renovation Project for an amount not to exceed \$365,042. As of June 30, 2024, the District incurred \$140,442 for this work.

On July 18, 2023, the District approved an engineering services agreement with Eastern Sierra Engineering for services related to 2024 Waterline and Road Repair and Renovation Project for an amount not to exceed \$112,234. As of June 30, 2024, the District incurred \$1140 for this work.

On September 19, 2023, the District approved an engineering services agreement with DOWL Engineering for services related to Ponderosa MHP Water System for an amount not to exceed \$322,069 As of June 30, 2024, the District incurred \$216,578 for this work.

On September 19, 2023, the District approved an engineering services agreement with Eastern Sierra Engineering for services related to Ponderosa MHP Water System for an amount not to exceed \$43,650 As of June 30, 2024, the District incurred \$24,973 for this work.

On September 19, 2023, the District approved an imaging contract and services agreement with Precision Document Imaging for services related to scan documents, index and shred approx. 200 boxes, and document storage access for an amount not to exceed \$132,605 As of June 30, 2024, the District incurred \$6,400 for this work.

On November 14, 2023, the District approved a professional service with Eastern Sierra for services related to Stormwater Masterplan presentation for an amount not to exceed \$4,000 As of June 30, 2024, the District had not incurred any costs for this work.

On February 20, 2024, the District approved a procurement contract with Western Nevada Supply for services related to FY 2023-2024 Waterline Replacement Material for an amount not to exceed \$718,923 As of June 30, 2024, the District incurred \$682,366 for this work.

On June 18, 2024, the District approved an engineering services agreement with DOWL Engineering for services related to FY26 Waterline and Road Repair/Renovation Project for an amount not to exceed \$975,556 As of June 30, 2024, the District had not incurred any costs for this work.

On June 18, 2024, the District approved an engineering services agreement with DOWL Engineering for services related to FY 25/26 Road Surface Repair and Renovation Project for an amount not to exceed \$328,217 As of June 30, 2024, the District had not incurred any costs for this work.

Kingsbury General Improvement District
Schedule of Changes in Net Pension Liability
Last Ten Fiscal Years

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Proportion of the net pension liability	0.01134%	0.01238%	0.01160%	0.01198%	0.01221%	0.01294%	0.01250%	0.01317%	0.01316%	0.01298%
Proportionate share of the net pension liability	\$2,069,666	\$2,234,758	\$1,057,619	\$1,668,873	\$1,665,356	\$1,765,366	\$1,662,494	\$1,772,738	\$1,508,376	\$1,353,150
Covered payroll	\$ 869,887	\$ 904,667	\$ 819,712	\$ 844,434	\$ 829,092	\$ 858,662	\$ 794,412	\$ 791,013	\$ 784,199	\$ 724,070
Proportionate share of the net pension liability as a percentage of its covered payroll	237.92%	247.03%	129.02%	197.63%	200.87%	222.22%	209.27%	224.11%	192.35%	186.88%
Plan fiduciary net position as a percentage of the total pension liability	76.16%	75.12%	86.51%	77.04%	76.46%	75.24%	74.40%	72.23%	75.10%	76.30%

Kingsbury General Improvement District
Schedule of Changes in Net Pension Liability
Last Ten Fiscal Years

Notes to schedule:	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Inflation rate	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
Payroll growth	3.50%	3.50%	3.50%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
Investment rate of return/Discount rate	7.25%	7.25%	7.25%	7.50%	7.50%	7.50%	7.50%	8.00%	8.00%	8.00%
Productivity pay increase	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.50%	0.75%	0.75%	0.75%
Projected salary increase*	4.20% to 9.10%	4.20% to 9.10%	4.20% to 9.10%	4.25% to 9.15%	4.25% to 9.15%	4.25% to 9.15%	4.25% to 9.15%	4.60% to 9.75%	4.60% to 9.75%	4.60% to 9.75%
Consumer price index	2.50%	2.50%	2.50%	2.75%	2.75%	2.75%	2.75%	3.50%	3.50%	3.50%
	2023 - 2021			2020 - 2017				2016 - 2014		
Mortality rates Healthy**	Pub-2010 General and Safety Healthy Retiree and Employee			Headcount-Weighted RP-2014 Healthy				RP-2000 Combined Healthy Mortality Table		
Disabled	Pub-2010 Non-Safety and Safety Disabled Retiree Amount-Weighted			Headcount-Weighted RP-2014 Healthy				RP-2000 Combined Disabled Mortality Table		
Current beneficiaries**	Pub-2010 Contingent Survivor and General Employee			Headcount-Weighted RP-2014 Healthy				N/A		
Pre-retirement**	Employee Pub-2010 General and Safety Employee			Headcount-Weighted RP-2014 Healthy				N/A		
Future mortality improvement	Generational Projection Scale MP-2020			6 years				N/A		

* Depending on service. Rates include inflation and productivity increases.

** Amount-Weighted Above-Median.

Kingsbury General Improvement District
Schedule of Contributions – Pension
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 152,969	\$ 131,459	\$ 136,212	\$ 121,388	\$ 124,866	\$ 117,570	\$ 119,906	\$ 116,004	\$ 93,741	\$ 92,312
Contributions in relation to the contractually required contribution	(152,969)	(131,459)	(136,212)	(121,388)	(124,866)	(117,570)	(119,906)	(116,004)	(93,741)	(92,312)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 900,901	\$ 869,887	\$ 904,667	\$ 819,172	\$ 844,434	\$ 829,092	\$ 858,662	\$ 794,412	\$ 791,013	\$ 784,199
Contributions as a percentage of covered payroll	16.98%	15.11%	15.06%	14.82%	14.79%	14.18%	13.96%	14.60%	11.85%	11.77%

Kingsbury General Improvement District

Schedule of Funding Progress – OPEB

June 30, 2024

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Unfunded AAL (UAAL) (b)-(a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ([b-a]/c)
June 30, 2024	\$ -	\$ 640,356	\$ 640,356	0.00%	\$ 325,201	196.91%
June 30, 2023	-	637,231	637,231	0.00%	374,124	170.33%
June 30, 2022	-	695,507	695,507	0.00%	404,854	171.79%
June 30, 2021	-	817,127	817,127	0.00%	558,847	146.22%
June 30, 2020	-	505,633	505,633	0.00%	437,302	115.63%
June 30, 2019	-	425,432	425,432	0.00%	503,544	84.49%
June 30, 2018	-	375,156	375,156	0.00%	710,271	52.82%

Kingsbury General Improvement District
Schedule of Changes in Net OPEB Liability and Related Ratios
Last Ten Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018
Service costs	\$ 19,298	\$ 22,564	\$ 30,246	\$ 23,845	\$ 18,444	\$ 16,268	\$ 14,814
Interest	23,652	25,090	18,101	11,508	15,464	14,939	13,362
Differences between expected and actual experience	-	(65,843)	-	343,516	-	11,214	28,542
Changes in assumptions or other inputs	(22,767)	(21,462)	(151,263)	(49,855)	52,928	18,636	4,418
Benefit payments	(17,058)	(18,625)	(18,704)	(17,520)	(6,635)	(10,781)	(10,438)
Net Change in Total OPEB Liability	3,125	(58,276)	(121,620)	311,494	80,201	50,276	50,698
Total OPEB Liability - Beginning	637,231	817,127	817,127	505,633	425,432	375,156	324,458
Total OPEB Liability - Ending	<u>\$ 640,356</u>	<u>\$ 758,851</u>	<u>\$ 695,507</u>	<u>\$ 817,127</u>	<u>\$ 505,633</u>	<u>\$ 425,432</u>	<u>\$ 375,156</u>
Covered-Employee Payroll	\$ 325,201	\$ 374,124	\$ 404,854	\$ 558,847	\$ 437,302	\$ 503,544	\$ 710,271
Total OPEB Liability as A Percentage of Covered-Employee Payroll	196.91%	202.83%	171.79%	146.22%	115.63%	84.49%	52.82%

* GASB Statement No. 75 requires ten years of information to be presented in this table. However, until ten years of data is available, the District will present information only for those years for which information is available.



Supplementary Information
June 30, 2024

Kingsbury General Improvement District

Kingsbury General Improvement District
Schedule of Capital Assets by Sources
June 30, 2024

Governmental Fund Capital Assets	
Equipment and vehicles	\$ 1,444,348
Office equipment	30,386
Land	126,482
Infrastructure	12,914,784
Construction in progress (infrastructure)	<u>276,610</u>
Total Governmental Fund Capital Assets	<u><u>\$ 14,792,610</u></u>
Investment in Governmental Funds Capital Assets by Source	
General Fund	\$ 13,837,680
Special Revenue Fund	<u>954,930</u>
Total Governmental Fund Capital Assets	<u><u>\$ 14,792,610</u></u>

Kingsbury General Improvement District
Capital Assets used in the Operations of Governmental Funds by Function and Activity
June 30, 2024

Function and Activity	Equipment and Vehicles	Office Equipment	Land	Infrastructure	Construction in Progress (Infrastructure)	Total
Streets and Highways	\$ 843,480	\$ 21,363	\$ 32,558	\$ 11,601,409	\$ 202,085	\$ 12,700,895
Snow Removal	600,868	9,023	93,924	176,590	74,525	954,930
Erosion Control	-	-	-	1,136,785	-	1,136,785
Total Governmental Fund Capital Assets	<u>\$ 1,444,348</u>	<u>\$ 30,386</u>	<u>\$ 126,482</u>	<u>\$ 12,914,784</u>	<u>\$ 276,610</u>	<u>\$ 14,792,610</u>

Kingsbury General Improvement District

Changes in Capital Assets used in the Operations of Governmental Funds by Function and Activity

Year Ended June 30, 2024

Function and Activity	Governmental Funds Capital Assets July 1, 2023	Additions/ Transfers	Deletions/ Transfers	Governmental Funds Capital Assets June 30, 2024
Streets and Highways	\$ 12,602,729	\$ 212,381	\$ (114,215)	\$ 12,700,895
Snow Removal	914,449	143,046	(102,565)	954,930
Erosion Control	<u>1,136,785</u>	<u>-</u>	<u>-</u>	<u>1,136,785</u>
Total Governmental Funds Capital Assets	<u>\$ 14,653,963</u>	<u>\$ 355,427</u>	<u>\$ (216,780)</u>	<u>\$ 14,792,610</u>

Kingsbury General Improvement District
Statement of Revenue and Expenses – Budget and Actual – Sewer Utility Fund
Year Ended June 30, 2024
(with Comparative Totals for Year Ended June 30, 2023)

		2024		2023
	Budget	Actual	Variance	Actual
Operating Revenue				
Sewer use fees	\$ 1,883,847	1,841,822	\$ (42,025)	\$ 1,860,822
Connection fees and other revenue	7,400	62,427	55,027	39,324
Total operating revenue	1,891,247	1,904,249	13,002	1,900,146
Operating Expenses				
Salaries and wages	189,799	159,600	30,199	149,259
Employee benefits	131,878	88,601	43,277	119,730
Services and supplies	1,722,450	1,452,031	270,419	1,426,583
Depreciation/amortization	56,023	85,080	(29,057)	78,170
Total operating expenses	2,100,150	1,785,312	314,838	1,773,742
Operating Income	(208,903)	118,937	327,840	126,404
Nonoperating Income				
Interest income	87,441	211,568	124,127	136,637
Interest expense	-	(240)	(240)	(1,296)
Total nonoperating income	87,441	211,328	123,887	135,341
Change in Net Position	\$ (121,462)	\$ 330,265	\$ 451,727	\$ 261,745

Kingsbury General Improvement District
Statement of Cash Flows – Budget and Actual – Sewer Utility Fund
Year Ended June 30, 2024
(with Comparative Totals for Year Ended June 30, 2023)

		2024		2023
	Budget	Actual	Variance	Actual
Operating Activities				
Cash received from customers	\$ 1,887,724	\$ 1,863,653	\$ (24,071)	\$ 1,866,348
Cash paid to employees	(253,477)	(228,058)	25,419	(208,440)
Cash paid to suppliers	(1,672,016)	(1,375,274)	296,742	(1,347,225)
Net Cash from (used for)				
Operating Activities	(37,769)	260,321	298,090	310,683
Capital and Related Financing Activities				
Capital expenditures	(211,634)	(937,661)	(726,027)	(168,292)
Principal payments of				
lease liabilities	-	(13,134)	(13,134)	(20,819)
Interest/amortization				
paid on long-term debt	(35)	(240)	(205)	(1,296)
Net Cash used for Capital and				
Related Financing Activities	(211,669)	(951,035)	(739,366)	(190,407)
Investing Activities				
Interest on investments	4,888	211,568	206,680	136,637
Net Change in Cash and Cash				
Equivalents	(244,550)	(479,146)	(234,596)	256,913
Cash and Cash Equivalents,				
Beginning of Year	4,246,338	4,779,908	533,570	4,522,995
Cash and Cash Equivalents,				
End of Year	<u>\$ 4,001,788</u>	<u>\$ 4,300,762</u>	<u>\$ 298,974</u>	<u>\$ 4,779,908</u>

Kingsbury General Improvement District
Statement of Revenue and Expenses – Budget and Actual – Water Utility Fund
Year Ended June 30, 2024
(with Comparative Totals for Year Ended June 30, 2023)

		2024		2023
	Budget	Actual	Variance	Actual
Operating Revenue				
Water fees	\$ 4,768,992	\$ 4,801,300	\$ 32,308	\$ 4,716,416
Connection fees	10,200	107,250	97,050	130,600
Total operating revenue	<u>4,779,192</u>	<u>4,908,550</u>	<u>129,358</u>	<u>4,847,016</u>
Operating Expenses				
Salaries and wages	662,892	631,770	31,122	671,551
Employee benefits	593,335	359,867	233,468	239,469
Services and supplies	1,138,029	832,889	305,140	748,496
Depreciation/amortization	1,293,387	1,403,796	(110,409)	1,335,098
Total operating expenses	<u>3,687,643</u>	<u>3,228,322</u>	<u>459,321</u>	<u>2,994,614</u>
Operating Income	<u>1,091,549</u>	<u>1,680,228</u>	<u>588,679</u>	<u>1,852,402</u>
Nonoperating Revenue (Expenses)				
Interest income	10,509	377,820	367,311	26,630
Gain on disposal of assets	-	(5,715)	(5,715)	-
Interest expense	(358,591)	(300,544)	58,047	(385,699)
Total nonoperating expenses	<u>(348,082)</u>	<u>71,561</u>	<u>419,643</u>	<u>(359,069)</u>
Change in Net Position	<u>\$ 743,467</u>	<u>\$ 3,029,534</u>	<u>\$ 2,286,067</u>	<u>\$ 1,493,333</u>

Kingsbury General Improvement District
Statement of Cash Flows – Budget and Actual – Water Utility Fund
Year Ended June 30, 2024
(with Comparative Totals for Year Ended June 30, 2023)

		2024		2023
	Budget	Actual	Variance	Actual
Operating Activities				
Cash received from customers	\$ 4,779,192	\$ 4,871,251	\$ 92,059	\$ 4,700,220
Cash paid to employees	(1,256,247)	(932,568)	323,679	(951,157)
Cash paid to suppliers	(1,138,029)	(521,227)	616,802	(1,013,882)
Net Cash from Operating Activities	2,384,916	3,417,456	1,032,540	2,735,181
Capital and Related Financing Activities				
Capital expenditures	(7,940,385)	(5,080,394)	2,859,991	(1,993,134)
Proceeds from capital grants	3,750,000	-	(3,750,000)	-
Principal payments of long-term debt	(1,611,163)	(1,335,305)	275,858	(1,611,162)
Principal payments of lease liabilities	-	(26,267)	(26,267)	(41,638)
Interest/amortization paid on long-term debt	(346,890)	(300,763)	46,127	(349,420)
Net Cash used for Capital and Related Financing Activities	(6,148,438)	(6,742,729)	(594,291)	(3,995,354)
Investing Activities				
Interest on investments	10,509	377,820	367,311	268,275
Net Change in Cash and Cash Equivalents	(3,753,013)	(2,947,453)	805,560	(991,898)
Cash and Cash Equivalents, Beginning of Year	9,306,164	8,953,092	(353,072)	9,944,990
Cash and Cash Equivalents, End of Year	\$ 5,553,151	\$ 6,005,639	\$ 452,488	\$ 8,953,092



**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
Kingsbury General Improvement District
Stateline, 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 the governmental activities, business-type activities and fund information of the Kingsbury 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 and have issued our report thereon dated November 25, 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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 financial statements. 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*.

District's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the District's response to the findings identified in our audit are described in the accompanying schedule of findings and responses. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Eide Bailly LLP".

Reno, Nevada
November 25, 2024

**2024-001 Internal Control over the Preparation of Financial Statements
Material Weakness**

<i>Criteria:</i>	Management is responsible for establishing and maintaining an effective system of internal control over financial reporting. One of the components of an effective system of internal control over financial reporting is the preparation of full disclosure financial statements that do not require adjustment as part of the audit process, including any adjustments necessary.
<i>Condition:</i>	The District does not have an internal control system designed to provide for the preparation of the financial statements and related financial statement disclosures in accordance with generally accepted accounting principles, including recording necessary journal entries and ensuring all amounts are properly recorded. In conjunction with the completion of our audit, we were requested to draft the financial statements and accompanying notes to those financial statements, and record cash to accrual conversion entries. Although this circumstance is not unusual for an organization of your size, the preparation of financial statements as a part of the audit engagement may result in financial statements and related information included in financial statement disclosures not being available for management purposes as timely as it would be if prepared by Division personnel. It is the responsibility of management and those charged with governance to determine whether to accept the risk associated with this condition because of cost or other considerations.
<i>Cause:</i>	Procedures have not been implemented to ensure District personnel possess the experience to prepare the District's full disclosure financial statements in accordance with generally accepted accounting principles, including ensuring that all necessary adjustments are recorded and amounts are properly recorded.
<i>Effect:</i>	The financial statements and related financial statement disclosures have been prepared by the independent auditors.
<i>Recommendation:</i>	We recommend that the District enhance internal controls over financial reporting that would allow for District personnel to prepare the District's full disclosure financial statements in accordance with generally accepted accounting principles, including ensuring that all necessary adjustments are recorded and amounts are properly recorded.
<i>Views of Responsible Officials:</i>	Management agrees with the finding.



Auditors' Comments

To the Board of Trustees
Kingsbury General Improvement District
Stateline, Nevada

In connection with our audit of the financial statements of the governmental activities, the business-type activities, and fund information of the Kingsbury General Improvement District (the "District") as of and for the year ended June 30, 2024, and the related notes to the financial statements, nothing came to our attention that caused us to believe that the District failed to comply with the specific requirements of Nevada Revised Statutes. However, our audit was not directed primarily toward obtaining knowledge of noncompliance. Accordingly, had we performed additional procedures other matters may have come to our attention regarding the District's noncompliance with the requirements of Nevada Revised Statutes, insofar as they relate to accounting matters.

Current Year Statute Compliance

The required disclosure on compliance with the Nevada Revised Statutes and the Nevada Administrative Code is contained in Note 2 to the financial statements.

Progress on Prior Year Statute Compliance

The District monitored all significant constraints on its financial administration during the year ended June 30, 2023.

Current Year Recommendations

See the schedule of findings and responses for current year recommendations.

Progress on Prior Year Recommendations

Finding 2023-001 reported for the year ended June 30, 2023 was resolved during the year ended June 30, 2024.

A handwritten signature in black ink that reads "Eide Bailly LLP".

Reno, Nevada
November 25, 2024