

**MINUTES OF THE REGULAR MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
TUESDAY, DECEMBER 19, 2023**

CALL TO ORDER - The meeting was called to order at the Kingsbury General Improvement District office located at 255 Kingsbury Grade, Stateline, Nevada at 5:04 p.m. by Jodie Nelson.

PLEDGE OF ALLEGIANCE

ROLL CALL – In attendance were Trustees Nelson, Yanish, Trigg. Trustee Parks was absent. Trustee Schorr arrived at 6:18 p.m. Also present were General Manager Mitch Dion, Operations Superintendent Brandon Garden, Administration & Human Resource Supervisor Judy Brewer, General Counsel Chuck Zumpft and Auditor Tiffany Williamson of EideBailly, Wesley Harper and Christine Johnson of Harper Professional Services, LLC. There was no public present.

PUBLIC COMMENT – There was no public.

APPROVAL OF AGENDA – It was suggested to move items 8 and 9 before item 7.

M-12/19/2023-1 - Motion by Yanish, seconded by Trigg, and unanimously passed to approve the Agenda as amended.

APPROVAL OF MINUTES – Nelson requested that attendee Hanna Pence be identified as a resident in the Roll Call of the November meeting.

M-12/19/2023-2 - Motion by Trigg, seconded by Nelson, and unanimously passed to approve the Regular Meeting Minutes dated November 14, 2023, as amended.

Trustee Schorr arrived at 6:18 p.m.

NO ACTION TOOK PLACE ON THE FOLLOWING ITEMS:

NEW BUSINESS

FOR POSSIBLE ACTION:

Receive Audit Report and Accept the FY 2023 Financial Statement.

Tiffany Williamson reviewed the letter of findings addressed to the Trustees provided within the report. In explanation to Nelson, Williamson clarified that the water and sewer funds are enterprise funds and general and snow removal are governmental funds. These accounts were set up this way in the bylaws. She explained that revenues and past due bills are handled differently depending upon the fund.

Williamson explained that the true up entries were adjustments due to posting reimbursement from Sewer Authority and not errors while the other entries are immaterial. She noted there were no disagreements with management. Schorr verified that management was proactive, and the corrections have been made to the financial statements.

Nelson noted there were no prior corrections in 2020/21 and she questioned the number of the entries. Williamson confirmed that the quality of accounting has not decreased, she explained the differences in the adjustments. Nelson questioned the requirement of noting the adjustments in the management representation letter, which Williamson explained is always included.

Williamson provided a review of the report and supplementary information.

Schorr questioned if the district's liabilities and debt service were reviewed. Williamson explained that the notes were tested and reviewed to ensure that the district is in compliance with covenant terms. They also evaluated for going concern and no issues were identified.

M-12/19/2023-3 - Motion by Nelson, seconded by Trigg, and unanimously passed to accept the Financial Statements and Auditor's Report for the Fiscal Year Ended June 30, 2023.

KGID Board Meeting Minutes 12/19/2023

Presentation and Discussion of Lobby Effort and Outcomes.

Wesley Harper and Christine Johnson of Harper Professional Services, LLC (HPS) presented their role and cited example of the affect of influence verse access in their association with the Nevada State Legislature.

Harper explained the objectives of working with HPS regarding KGID concerns for all levels of government. He outlined strategy of earlier engagement with agencies to open door of the legislature. He suggested consideration of the unincorporated municipalities in Douglas County work together to obtain the objectives.

Schorr requested clarification regarding how KGID could benefit. It was explained that there is a current issue regarding the line service area versus customers. Grant funding changes to admin code and possible funding directly from State to GID's were cited as possibilities. It is important for these items to be identified and articulated to have any impact.

Harper provided an example of processes amended prior to session. He explained that conversations can bring attention to matters and eventually resolution. It was noted that KGID is not recognized among the state legislators and therefore funds are not delegated to KGID. Harper noted that the current governor is up for re-election and may be receptive to conversations and it is important to be established with his office. It was noted that Incline Village will likely not participate in current events. Nelson noted the importance of proactively requesting funds on behalf of the constituents. Grant requests and grant writing were discussed along with utilizing consultants such as California Consultants in order to be successful. State land issues were discussed.

Trigg stated her support and noted the importance of KGID being recognized. Yanish verified that Harper does not have any conflict with other clients. Trigg stated that the cost is necessary. Dion confirmed that he is looking for the board's support to work with a lobbyist and the cost will be hourly. Feedback will be provided based on issues and time expended. Yanish confirmed her support and noted that Dion also spends time lobbying

Yanish questioned the difference of the League of Cities and Municipalities Services vs HPS. Harper explained that the consultants work directly with clients versus the League who considers all members of the League. If the Executive Director of the League receives a BDR with background work completed, it is likely to be more successful. The other benefits of the League were noted. Yanish noted that not all BDR's are used each year. Harper explained that sophisticated agencies are providing completed BDR's, which are likely to be presented.

No action was taken.

LIST OF CLAIMS – Nelson questioned check #63430 to Trojan Technologies. Garden explained the plant is having glitches within the UV system and calibrations and maintenance go through Trojan. This was for lamp replacements due to life expectancy.

Schorr questioned check #63459 to Harper Professional Services. Dion explained this was for the needs assessments review process to identify funding needs and sources.

M-12/19/2023-4 - Motion by Yanish, seconded by Trigg, and unanimously passed to approve the List of Claims in the amount of \$1,680,906.32 as represented by check numbers 63402 through 63504.

FINANCIAL STATEMENTS – OCTOBER 2023

Financials were received and reviewed. Nelson noted the balance sheet balances again possibly due to auditor adjustments. She requested the maturity dates be added to the investments along with the State Pool rate.

Discussion and Initiation of Foreclosure Process.

Three accounts are severely past due and it was recommended that the foreclosure process be initiated. The liens have been filed and formal resolution is required to initiate proceedings.

Schorr verified that Zumpft concurs with the letter dated 2020 as a cost effective and efficient method of collection. Nelson confirmed the February meeting will include a public hearing as part of the statute. The process is adding the property to the tax roll and if remains delinquent it can possibly go to sale. Zumpft noted that this would like be a matter of years, but once started would be effective until the debt is cleared.

M-12/19/2023-5 - Motion by Yanish, seconded by Trigg, and passed to authorize the General Manager to initiate proceedings and set public hearing placing delinquent accounts in excess of \$40,000 on the Douglas

County Tax Rolls for collection and establish February 20, 2024, as public hearing for placing the following parcels on the tax rolls for collection, APN 1319-30-520-017, 1319-30-514-017, 1319-30-710-012.

Discussion and Review of District Owned Parcels

A written report and summary were provided for discussion. Of the district owned parcels, four do not have a current use and two do not have a future need. These parcels were reviewed. People owning adjacent properties to the district's property on S. Benjamin are interested in purchasing the lot for a residential project. The lot would assist their accessibility and improve their development potential.

The process of surplusing property was reviewed and direction was requested. It was noted that other land sites will be needed in the future.

The valuation was discussed and Yanish noted the complexities of property valuation in the Tahoe Basin. Dion explained the first step is to surplus the property and hire a professional appraiser. Zumpft advised that the sale of surplus property by a government body is different from an open market and more complicated. Dion stated that the S. Benjamin property warrants more consideration and discussion.

Schorr stated that considerations should be a bit different, and the sales proceeds should be considered versus the potential investment. He favored the idea that if sold, it should be considered as a method to obtain something of value, such as reducing OPEB liability. Trigg stated her support of retaining the property for future use.

Nelson summarized, the board wasn't eager to sell the property at this time and Yanish suggested they contact a professional to get an opinion regarding the value.

No action was taken.

Amendment to the Agenda.

M-12/19/2023-6 - Motion by Trigg, seconded by Nelson, and unanimously passed to table items 13: Discussion of Stormwater/Drainage Program and 14: Discussion and approval of Public Information Policy for a later meeting.

Board Reports

Nelson reported that the Sewer District had a clean audit. They have been discussing moving the access to the Sewer District Pump Station as the Forrest Service has requested they actively participate in the cost.

Yanish attended the Nevada League of Cities and Municipalities quarterly meeting. They are transitioning to next year, Lori Bagwell term as President concluded and Glen Levitt is installed as Executive Director. At the meeting, she discussed BDR's related to KGID. She commented that TRPA has a workforce housing committee and their amendments were passed through Regional Planning and Implementation Committee and the Governing Board, including provision for bonus units for deed restrictive workforce housing.

Management Reports

General Manager's Report

There have been operational issues at the plant and maintenance is needed. EPA rules to go in effect in the fall will include lead and copper monitoring which is not a concern for KGID customers. Part of the program includes day care facilities, but a big impact is not anticipated.

Correspondence was noted including failing GID, Topaz Ranch Estates. A water and snowpack presentation was provided along with the seasonal outlook.

Utility Operations Superintendent's Report

Nelson questioned the line repair on Gary Lane. Garden explained they completed it with 3 feet of cover and rock work over the line for protection. The Panorama leak was on a steel line that was left in service following the replacement project a few years back.

Garden explained that the water loss report showed a significant increase which may be attributed to the water use by the fire department for various controlled burns in the area.

Administrative and Human Resources Report

Recruitment for several positions is ongoing and office organization for the move is taking time. The positions were reviewed. Schorr suggested that grant writing should be considered for including into one of the job requirements.

The relocation to the new building was discussed to be fully operational by 20 Feb.

Engineer’s Report

There were no questions.

Attorney’s Report

There was nothing to report.

CORRESPONDENCE – Dion noted the Office of Elections; there are three seats available for election with two incumbents that will be termed out. Nelson noted candidate disclosure statements must be completed by January 15, 2024.

FINAL PUBLIC COMMENT – There was no public.

UNFINISHED BUSINESS

ADJOURNMENT

M-12/19/2023-7 - Motion by Yanish, seconded by Trigg, and unanimously passed to adjourn the meeting at 7:59 p.m.

Respectfully submitted,

Jodie Nelson, Chair

Attest:

Cindy Trigg, Secretary