

**MINUTES OF THE REGULAR MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
TUESDAY, DECEMBER 21, 2021**

CALL TO ORDER - The meeting was called to order at the Kingsbury General Improvement District office located at 255 Kingsbury Grade, Stateline, Nevada at 5:03 pm by Jodie Nelson.

PLEDGE OF ALLEGIANCE

ROLL CALL – In attendance were Trustees Vogt, Nelson and Yanish. Trustee Parks arrived at 5:15. Yanish left the meeting at 5:15 and returned at 5:30. Also present were General Manager Mitch Dion, Operations Superintendent Brandon Garden, Human Resource and Administration Supervisor Judy Brewer, and General Counsel Chuck Zumpft. Public present included Tiffany Williamson of EideBailly and district resident Larry Schussell.

PUBLIC COMMENT – Larry Schussell of 367 Terrace View Drive reported on the situation near his property. He noted that a new pump has been installed and he has been shoveling the drains. He requested that this project should be made a priority from grant funds in future budget. He also stated he is opposed the Tahoe Keys proposed use of herbicides and suggested KGID take action regarding this proposal. Dion acknowledged his comments also expressing concerns about the proposal and explained KGID’s engagement and continued monitoring of the issue.

APPROVAL OF AGENDA –

M-12/21/2021-1 - Motion by Vogt, seconded by Nelson, and unanimously passed to approve the agenda.

APPROVAL OF MINUTES –

M-12/21/2021-2 - Motion by Vogt, seconded by Nelson, and unanimously passed to approve the Special Meeting Minutes dated October 21, 2021, Regular Meeting Minutes dated November 16, 2021, and Special Meeting Minutes dated November 18, 2021.

APPROVAL OF CONSENT CALENDAR –

M-12/21/2021-3 - Motion by Yanish, seconded by Vogt, and unanimously passed to approve the Consent Calendar Item A: List of Claims in the amount of \$509,326.25 as represented by check numbers 60985 through 61095.

NEW BUSINESS

NO ACTION TOOK PLACE ON THE FOLLOWING ITEMS:

FOR POSSIBLE ACTION:

PRESENTATION OF AUDITED FINANCIAL STATEMENTS AND AUDITOR’S REPORT FOR THE FISCAL YEAR ENDED JUNE 30, 2021; POSSIBLE ACTION TO ACCEPT THE FINANCIAL STATEMENTS AND AUDITOR’S REPORT: Tiffany Williamson of EideBailly presented the Financial Statements and Auditor’s Report. She noted the change to unrestricted funds for the Water Fund and the new requirement in 2021 to include lease accounting. She reviewed the report attachments. She noted there are two material weaknesses regarding and adjustment for unavailable grant revenue posted as a receivable and the restatement of this item. She noted the Auditor’s letter dated November 19, 2021 to the Board that discusses the audit, significant accounting policies, disclosures, and adjustments made as a result of the audit procedures.

Trustee Parks arrived during Williamson’s report.

Nelson noted that the balances at US Bank exceed \$250K and she suggested splitting the accounts between banks for insurance coverage. She discussed control recommendations, net materiality, allocation of property rentals, audit requirements and upcoming lease accounting for grants with Williamson.

Yanish temporarily exited the meeting.

M-12/21/2021-4 - Motion by Vogt, seconded by Parks, and passed to accept the Financial Statements and Auditor's Report for the Fiscal Year Ended June 30, 2021.

CORRECTION OF THE GENERAL MANAGER CONTRACT: Brewer provided written report. Brewer stated that the salary noted in the contract should be adjusted to offset the contributions which were being paid for by Dion verse the district. Based upon the Pers rules, the provision for the district to pay Dion's retirement contributions was not possible and the salary adjustment was a zero-sum difference for the district but was consistent with the contractual obligation and NRS. Dion explained that PERS advised the district that the contract stipulation for the district to pay on behalf of the employee does not comply with NRS. In order for the district to compensate for the employee's share of retirement, the salary has to be adjusted. He explained that base salary gets reduced by 15% for Pers. Therefore, he has been paying the portion of retirement which the district should be paying. He indicated that they had been trying to resolve this issue with Pers since his first weeks of employment and this was the resolution recommended by Pers.

Vogt stated that any changes to the contract should be approached cautiously noting conflicts with the previous General Manager's contract, but she supports his request.

Nelson requested a copy of the PERS requirement and the contract. Vogt agreed.

Dion suggested a motion to the continue the item to next meeting.

Parks stated her dissatisfaction to the approved contract being unacceptable to PERS. Zumpft stated it is unknown why PERS would not accept the format which was previously accepted for the previous General Manager.

Yanish questioned if there is a compliance issue regarding payment to the employee or PERS if this is not resolved. Zumpft confirmed that Dion is currently making required payments and there is no compliance issue with PERS.

Nelson requested the employment agreement and PERS information for review.

M-12/21/2021-5 - Motion by Nelson, seconded by Parks, and unanimously passed to table the correction of the General Manager's Contract to the next meeting or a special meeting if appropriate.

Vogt noted the large sum paid over 5 months. Nelson offered for a Special Meeting to address this item which Dion confirmed isn't necessary.

BOARD REPORTS – None.

STAFF REPORTS -

GENERAL MANAGER'S REPORT – Dion explained they are monitoring the weather along with infrastructure funding for specific target areas. Garden was successful with the grant funding request for the additional sweeper. They will request approval of the Board for disposal of other vehicles in the February meeting.

Dion stated the water break on Donna over Thanksgiving was due to an old steel pipe and would be included in an upcoming request to expand the Water Line replacement project to remedy this problem. He noted the water analysis for Terrace View is conclusive that it is a groundwater issue and details were included in his report.

He provided an update on the infrastructure proposal being publicized and explained that Water Work Force Development may be an opportunity as funds for training seem to be a priority. Rural Water and others are planning to expand training and possibly include administrative needs too. He provided an update regarding the Lakeside Casino demolition.

UTILITY OPERATIONS SUPERINTENDENT’S REPORT – Garden addressed the recent water breaks and related smaller leaks in addition to the upcoming project to correct these issues. Dion noted that prior modifications and the age of the steel pipes are some of the contributing factors. A fair amount of the district includes steel pipe.

Garden added they are addressing ice issues in gutters along with pre-treatment for the upcoming storm. Garden confirmed there were minimal complaints regarding the snow removal during the last storm. Upon inspection, he was satisfied with the recent plowing conditions. Parks stated her dissatisfaction with the snow removal on her street. Garden explained the process and preparedness for the upcoming storm.

ADMINISTRATIVE AND HUMAN RESOURCES REPORT – Nelson noted the logistics challenges of employees at the office due to Covid. Dion confirmed they have a plan and are working through it.

ATTORNEY’S REPORT – Zumpft noted he recently completed review of the documents and maps regarding the retaining wall maintenance and is working with Dion and Garden to move forward with the County.

ENGINEER’S REPORT – Dion offered to answer questions in Van Dyne’s absence; there were none.

CORRESPONDENCE – Dion explained the situation regarding the two meters that were mixed up when installed during the meter project. The policy is to review accounting over a 3-year period. He explained that the usage of this property was significantly higher over this past summer, particularly during the fire. He elaborated regarding his conversation with the customer who was requesting the entire bill be deleted and explained that she has opted to approach the board. No additional action was requested.

UNFINISHED BUSINESS

FINAL PUBLIC COMMENT – Parks and Nelson suggested moving the December 2022 meeting to earlier in the month. Parks requested an update on the purchase of 255 Kingsbury Grade. Dion explained that the offer has been accepted placing the district in second position and the first buyer is going through a County Conditional Use Permit process and have ordered an appraisal.

ADJOURNMENT

M-12/21/2021-6 - Motion by Vogt, seconded by Nelson, and unanimously passed to adjourn the meeting at 6:18 p.m.

Respectfully submitted,

Jodie Nelson, Trustee

Attest:

Darya Vogt, Secretary