Indian Hills General Improvement District
Board of Trustees

Chairman	Vice Chairman	Secretary/Treasurer	Trustee	Trustee
Robert Garcia	Robert Stulac	Russ Siegman	Kathryn Clark-Ross	Nancy Jones

December 17, 2025
Regular Board Meeting
6:00 P.M.

District Board Room
3394 James Lee Park Road
Carson City, NV
89705
(775) 267-2805

MISSION STATEMENT

The Mission of the District is to provide, within its Charter, those public facilities and services which maintain and improve the quality of life of its resident families and to maintain and operate those facilities and services at the highest quality and in the most cost-effective manner possible, with the intent to continue to do so for a growing population of residents.

It is the intent of the Board of Trustees to protect the dignity of citizens who wish to comment before the Board. It is also the Board of Trustees' wish to provide the citizens of the district with an environment that upholds the highest professional standards.

In order to ensure that every citizen desiring to speak before the Board has the opportunity to express his/her opinion, it is requested that the audience refrain from making comments, hand clapping or making any remarks or gestures that may interrupt, interfere, or prevent the speaker from commenting on any present or future project.

In accordance with Federal law and U.S. Department of Agriculture policy, IHGID is prohibited from discriminating on the basis of race, color, national origin, sex, religion, age, disability (Not all prohibited bases apply to all programs.) To file a complaint of discrimination, write to USDA, Director, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D.C. 20250-9410, or call (800) 795-3272 (voice) or (202) 720-6382 (TDD). USDA is an equal opportunity provider, employer, and lender.

Communication for Hearing Impaired: Nevada Relay Service is available by calling 711. The TTY or HCO (hearing carry over) number is 800-326-6868, Voice only is 800-326-6888, VCO (voice carry over) is 800-326-4013.

Notice to Persons with Disabilities: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify the District Office in writing at 3394 James Lee Park Road, Carson City, NV 89705, or by calling 267-2805 at least 24 hours in advance.

Following is the Agenda, which is also posted on IHGID's website at: www.indianhillsnevada.com

AGENDA

6:00 P.M. – Regular Meeting

1. Call to Order - Regular Meeting of the Board of Trustees

2. Pledge of Allegiance

3. Public Interest Comment (No Action)

> The public may comment on any subject that is pertinent to IHGID. The public may comment on any item that is on this agenda at the time it is discussed. Therefore, the public is encouraged and permitted to make comments on any non-agenda items during the public interest comment period. Comments may be limited by the discretion of the Chair and may not exceed three (3) minutes. Please note that the Board is prohibited by law from deliberating or taking action on issues raised by the public that are not listed on this agenda.

4. Approval of Agenda-Chairman
   Items on this agenda may be taken out of order. Two or more agenda items may be combined for consideration. Any item appearing on this agenda may be removed, or its discussion delayed at any time.

   - Motion
   - Vote

5. Discussion and possible action to accept the annual audit for fiscal year ending June 30, 2025. Presentation by District audit firm Steele and Associates.
   (Jonathan Steele/General Manager, Chris Johnson)

   - Board of Trustees Discussion
   - Open Public Comment
   - Close Public Comment

6. Discussion and possible action to approve a one-year agreement for auditing services with Steele & Associates, LLC. (General Manager, Chris Johnson)

   - Board of Trustees Discussion
   - Open Public Comment
   - Close Public Comment

7. Reports to the Board:
   a. General Manager Report
      1. Administrative
      2. Water
      3. Wastewater
      4. Parks & Streets
   b. District Accountant Report
   c. Engineer Report
   d. Attorney Report

   - Board of Trustees Discussion
   - Open Public Comment
   - Close Public Comment

8. Discussion and possible action to award bid to RaPiD Construction Inc., in the amount of $3,497,754.30 for the FY 25/26 Street Rehabilitation Project and to authorize a $175,000.00 force account to be added to the contract, to be used for unforeseen changes in construction. (District Engineer Collin Sturge/General Manager, Chris Johnson)

   - Board of Trustees Discussion
   - Open Public Comment
   - Close Public Comment

9. Discussion and possible action to accept addendum #1 from Lumos & Associates, Inc. in the amount of $309,050.00 for professional engineering and construction services for the IHGID FY 25/26 Street Rehabilitation Project.
(District Engineer, Collin Sturge)

   - Board of Trustees Discussion
   - Open Public Comment
   - Close Public Comment

10. Discussion only regarding the IHGID boardroom rental fees.
(Chairman, Garcia)

   - Board of Trustees Discussion
   - Open Public Comment
   - Close Public Comment

11. Discussion and possible action to approve Draft Minutes from the November 19, 2025, Board Meeting.

   - Board of Trustees Discussion
   - Open Public Comment
   - Close Public Comment

12. Chairman and Trustees Reports, Correspondence
Under this item the Board Members will briefly identify relevant communications received by them before the meeting, or meetings attended, or potential business of the district. No action will be taken on any of these items, but a member may request such an item or topic be placed on a future agenda.

13. Adjournment

   - Motion
   - Vote

This agenda is posted at *www.indianhillsnevada.com*, *https://notice.nv.gov* and at the following locations:
District Main Office, 3394 James Lee Park Road

As of 8:30 A.M., December 12, 2025, by Brooke Thompson

AGENDA ITEM 5.

Discussion and possible action to accept the annual audit for fiscal year ending June 30, 2025. Presentation by District audit firm Steele and Associates.
(Jonathan Steele/General Manager, Chris Johnson)

Indian Hills General Improvement District
Financial Statements
June 30, 2025

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INDIAN HILLS GENERAL IMPROVEMENT DISTRICT
FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2025

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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees of the
Indian Hills General Improvement District

Opinions

We have audited the accompanying financial statements of the government activities, business-type activities, each major fund, and the aggregate remaining fund information of the Indian Hills General Improvement District as of and for the year ended June 30, 2025, 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 financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the Indian Hills General Improvement District as of June 30, 2025, and the changes in financial position 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Indian Hills General Improvement 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; and for 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 about the Indian Hills General Improvement 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 generally accepted auditing standards 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.

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In performing an audit in accordance with generally accepted auditing standards 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 Indian Hills General Improvement 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 Indian Hills General Improvement 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, budgetary comparison information, and pension information on pages 4 through 7, 36 and 37 through 38, respectively, 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 of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required management discussion and analysis, and pension 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.

The budgetary comparison 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 auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Indian Hills General Improvement District's basic financial statements. The supplementary information included on pages 40 through 42 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate 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 auditing standards generally accepted in the United States of America. In our opinion, the information is

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fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 3, 2025, on our consideration of the Indian Hills General Improvement District's internal control over financial reporting and our test 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 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 Indian Hills General Improvement District's internal control over financial reporting and compliance.

Carson City, Nevada
December 3, 2025

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Indian Hills General Improvement District
Management's Discussion & Analysis (Unaudited)
June 30, 2025

The management's discussion and analysis provides an overview of the District's financial activities for the fiscal year ended June 30, 2025. Please read it along with the District's financial statements, which follow this section.

Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the District. We believe the data, as presented, is accurate in all material aspects; that it is presented in a manner designed to fairly set forth the financial position and results of the operations of the District; and that all disclosures necessary to enable the reader to gain an understanding of the District's financial activity have been included.

Financial Highlights

- Capital assets in the Enterprises Fund increased by $386,856.
- Capital assets in the General Fund increased by $150,730.

Financial Overview

The District accounts for its overall financial matters through two primary Funds. The General Fund (Governmental type activities) accounts for all tax revenues and displays all amounts and types of expenses spent from those tax revenues. The Enterprise Fund (Business type activities) accounts for all non-tax service revenues produced by utility billings to customers and displays all amounts and types of expenses spent from those service fees.

These two funds are maintained entirely separate from each other, with provisions which allow movement of monies between them, but only on specific Board approval. These movements are shown in the financial statements as transfers in or transfers out.

Activities funded by the General Fund include the appropriate share of overall District administration, plus parks and recreation, storm drains and streets. All costs associated with these types of activities, from staff related costs to materials and operational supplies are budgeted annually. Annually, by the end of May, the Board sets a real estate tax rate for properties within the District, after receiving rate authorization limits from the State Department of Taxation (Taxation) by mid March.

The District has, on at least seven occasions in the last 30 years, adopted a tax rate for the year lower than the rate authorized by Taxation. As this key decision is made, the Board considers the entire scope of general fund supported activities, to be provided for during the upcoming year, the amount of general fund reserves, which should be kept in place for the future year, and then determines the rate that will produce those revenues.

Water production, storage, treatment and distribution, as well as sewage collection, treatment, effluent storage and disposal activities, for the entire utility district, are the activities which are funded by and accounted for in the Enterprise Fund. All costs associated with these types of activities, from staff related costs to materials and operational supplies, are budgeted annually and accounted for separately.

The board reviews the utility rates annually to determine the need for rate increases. Federal and State regulations or specifically required or internally determined infrastructure improvements, and utility systems expansion to accommodate growth, all influence the utility rate making function.

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Budgeting for a specific upcoming year is a function of projecting these rates, currently in effect, across the number of customers and volumes of usage to predict revenues, project reserves, and plan for systems improvements

Condensed Financial Statements

The condensed Statement of Net Position is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current & other assets	$ 4,097,572	$ 3,914,399	$ 7,633,447	$ 7,408,567	$ 11,731,019	$ 11,322,966
Capital assets	4,677,383	4,830,542	13,857,177	14,342,766	18,534,560	19,173,308
Non current assets	-	-	210,552	216,623	210,552	216,623
Deferred outflows	293,498	281,181	459,640	441,835	753,138	723,016
Total assets	9,068,453	9,026,122	22,160,816	22,409,791	31,229,269	31,435,913
LIABILITIES						
Current liabilities	682,585	430,258	519,720	814,749	1,202,305	1,245,007
Non current liabilities	682,170	303,037	3,376,981	3,781,357	4,059,151	4,484,394
Deferred outflows	84,925	51,170	310,245	269,604	395,170	320,774
Total liabilities	1,449,680	1,784,465	4,206,946	4,865,710	5,656,626	6,050,175
NET POSITION						
Invested in capital assets, net of related debt	4,666,520	4,813,361	11,166,844	11,289,243	15,833,364	16,102,303
Restricted cash	1,828,918	1,582,645	3,606,404	3,303,044	5,435,323	4,885,689
Unrestricted	1,123,335	1,445,951	3,180,622	2,951,795	4,303,956	4,397,746
Total net position	$ 7,618,773	$ 7,841,657	$ 17,953,870	$ 17,544,081	$ 25,572,643	$ 25,385,738

The condensed Statement of Activities is as follows:

	Governmental Activities		Business-Type Activities		Total	
	2025	2024	2025	2024	2025	2024
REVENUE						
Charges for services	$ -	$ -	$ 2,704,610	$ 2,558,783	$ 2,704,610	$ 2,558,783
General revenue	1,688,303	1,638,766	132,444	132,883	1,820,747	1,771,649
Transfers	16,389	(139,665)	(16,389)	139,665	-	-
Total revenue	1,704,692	1,499,101	2,820,665	2,831,331	4,525,357	4,330,432
EXPENDITURES						
General government	301,441	309,734	-	-	301,441	309,734
Public works	1,241,830	478,285	-	-	1,241,830	478,285
Culture & recreation	384,305	346,880	-	-	384,305	346,880
Water & sewer	-	-	2,360,401	2,432,109	2,360,401	2,432,109
Interest expenses	-	-	78,806	90,829	78,806	90,829
Total expenses	1,927,576	1,134,899	2,439,207	2,522,938	4,366,783	3,657,837
Change In Net Position	$ (222,884)	$ 364,202	$ 381,458	$ 308,393	$ 158,574	$ 672,595

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Indian Hills General Improvement District
Management's Discussion & Analysis (Unaudited)
June 30, 2025

Overall Financial Position and Results of Operations

The General Fund is sufficient to support the activities and programs operated within that fund. A greater emphasis has been placed on the maintenance of the District roads. This will require, at least the maintenance of the existing ad valorem tax rate.

The utility operations are under pressure to make some significant and expensive improvement expenditures over the next few years. This internal pressure is compounded by federal requirements as to the lower arsenic levels, which have been addressed by the construction of the pipeline from Douglas County. The District has installed emergency power generators at the District's main production well, the water treatment plant and the wastewater plant. State required treatments have also put external pressure on the District.

Operational Changes & Potential Future Impacts

The District has joined forces with Douglas County to build a pipeline to provide higher quality water to the District and to address the Federal arsenic standards. The District has received grants and loans from the State of Nevada and USDA. The District received grant commitments in the amount of $1,684,722. The District received loan commitments in the amount of $2,040,552. Construction on the pipeline was completed in the 2013/2014 fiscal year. The repayment period is 40 years but they can be repaid sooner without penalty if funds are available.

The District is approaching construction build out and cannot rely on connection fees paid for by developers and individuals to make significant improvements in its utility infrastructure. Therefore, the monthly water and sewer rates will need to be evaluated on a yearly basis. The most recent rate increase was approved on April 10, 2024. This 5-year rate increase was effective July 1, 2024 with the last year of the rate increase on July 1, 2028.

The miles of streets and the number of parks and public facilities are about to be stabilized. There is limited planning for expanded operations. As infrastructure ages, maintenance costs will still be a challenge.

Utility operational changes, as to supply and treatment of water and as to volume and treatment of wastewater, are expected to be impacted by the new state regulations requiring even higher level certifications (and increased numbers) of utility operators.

The District has received loans from USDA to pay for the sewer plant improvements which will be needed to meet State requirements. The loan is in the amount of $1,115,000 payable over 40 years. Construction was completed in the 2013/2014 fiscal year.

Budget Variance-General Fund Analysis

Budgeting commences in late January inside District Administration. By mid-February each governmental entity is provided preliminary projections from Taxation as to the projected tax revenues (sales taxes and ad valorem taxes), which are expected to be available to the entities. From these preliminary figures, a preliminary budget presentation is developed; the final figures come from Taxation in mid-March. The District adopts its next year budget by the end of May.

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Capital Assets & Debt-Current & Future

The District is organized under NRS 318 as a multi-faceted general improvement district. Under this organization, the District is allowed an upper limit indebtedness of 50% of the assessed value of properties inside the District. The assessed valuation of the District at June 30, 2025, is in excess of $180,096,893. The District's debt is currently at $2,598,298. This debt is approximately 1.4%. This is a healthy debt position and debt service is manageable in operating budgets.

The District budgeted 4.25% of projected net revenue to reserve for future infrastructure expenses.

Management Decisions & Future Impacts

Short term, the most significant potential impacts on the District finances are related to the utility operations. Given increasingly higher standards being placed on both the delivery of high quality water and the collection and treatment of wastewater, as well as the aging of the District's facilities, we believe greater emphasis will need to be placed on the collection of depreciation funds. The potential impacts, if realized, will be in the monthly rates.

Long term, the maintenance and needed upgrade of the District's streets, and the increased standards for the maintenance of the extensive storm drain system will impact the General Fund. Also, the construction of the pipeline in conjunction with Douglas County will impact the Enterprise Fund as the District will be required to repay the loans taken out to finance the construction. The District's General Fund should be in rather good shape for the foreseeable future.

Request for Information

This financial report is designed to provide a general overview of the District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the District at 3394 #A James Lee Park Road, Carson City, NV 89705, or call 775-267-2805.

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Indian Hills General Improvement District
Statement of Net Position
June 30, 2025

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets			
Cash & cash equivalents	$ 3,948,136	$ 7,224,557	$ 11,172,693
Taxes receivable	91,448	-	91,448
Accounts receivable, less allowance for doubtful accounts of $0 and $13,215	8,267	268,002	276,269
Other assets	49,721	140,888	190,609
Total Current Assets	4,097,572	7,633,447	11,731,019
Lease receivable	-	210,552	210,552
Lease assets, net of accumulated amortization	10,863	-	10,863
Property, Plant & Equipment, net	4,666,520	13,857,177	18,523,697
Total Assets	8,774,955	21,701,176	30,476,131
Deferred Outflows of Resources			
Pension requirement	293,498	459,640	753,138
Total Assets and Deferred Outflows of Resources	9,068,453	22,160,816	31,229,269
LIABILITIES			
Current Liabilities			
Accounts payable	644,323	30,657	674,980
Accrued payroll & benefits	34,123	72,125	106,248
Prepaid user fees		27,593	27,593
Accrued interest		12,069	12,069
Due to IRS	-	5,933	5,933
Current portion lease liability	4,139	-	4,139
Current portion of long-term debt	-	371,343	371,343
Total Current Liabilities	682,585	519,720	1,202,305
Non-Current Liabilities			
Compensated absences	2,490	4,677	7,167
Premium on bond issue	-	92,035	92,035
Bonds payable	-	2,226,955	2,226,955
Lease liability	7,098	-	7,098
Net pension liability	672,582	1,053,314	1,725,896
Total Non-Current Liabilities	682,170	3,376,981	4,059,151
Total Liabilities	1,364,755	3,896,701	5,261,456
Deferred Inflows of Resources			
Deferred inflows of resources - lease	-	177,247	177,247
Pension requirement	84,925	132,998	217,923
Total Liabilities and Deferred Inflows of Resources	1,449,680	4,206,946	5,656,626
NET POSITION			
Invested in capital assets, net of related debt	4,666,520	11,166,844	15,833,364
Restricted cash	1,828,918	3,606,404	5,435,323
Unrestricted	1,123,335	3,180,622	4,303,956
Total Net Position	$ 7,618,773	$ 17,953,870	$ 25,572,643

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See Accompanying Accountant's Audit Report & Notes to Financial Statements

Indian Hills General Improvement District
Statement of Activities
For the Year Ended June 30, 2025

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FUNCTIONS/PROGRAMS	Expenses	Program Revenues: Charges for Services	Program Revenues: Capital Grants & Contribution	Net (Expense) Revenue and Changes in Net Assets: Governmental Activities	Net (Expense) Revenue and Changes in Net Assets: Business-Type Activities	Net (Expense) Revenue and Changes in Net Assets: Total
Governmental Activities						
General government	$ 301,441	$ -	$ -	$ (301,441)	$ -	$ (301,441)
Public works	1,241,830	-	-	(1,241,830)	-	(1,241,830)
Culture & recreation	384,305	-	-	(384,305)	-	(384,305)
Total governmental activities	1,927,576	-	-	(1,927,576)	-	(1,927,576)
Business-Type Activities						
Water & sewer	2,360,401	2,704,610	-	-	344,209	344,209
Interest expense	78,806	-	-	-	(78,806)	(78,806)
Total business-type activities	2,439,207	2,704,610	-	-	265,403	265,403
Total	$ 4,366,783	$ 2,704,610	$ -	(1,927,576)	265,403	(1,662,173)
GENERAL REVENUES						
Tax revenue				1,609,770	-	1,609,770
Interest earnings				49,889	120,156	170,025
Grant revenue				1,876	-	1,876
Miscellaneous revenue				26,708	12,288	39,076
Gain on asset disposition				-	-	-
Interfund transfers				16,389	(16,389)	-
Total General Revenue				1,704,692	116,055	1,820,747
Change in Net Position				(222,884)	381,458	158,574
Net Position, June 30, 2024				7,841,657	17,544,081	25,385,738
Prior Period Adjustment (Note 10)				-	28,331	28,331
Net Position, June 30, 2024, as restated				7,841,657	17,572,412	25,414,069
Net Position, June 30, 2025				$ 7,618,773	$ 17,953,870	$ 25,572,643

Indian Hills General Improvement District
Balance Sheet and Reconciliation of the
Balance Sheet to the Statement of Net Position
June 30, 2025

ASSETS		
Cash and investments	$	3,948,136
Taxes receivable		91,448
Accounts receivable		8,267
Other assets		49,721
Total Assets	$	4,097,572
LIABILITIES		
Accounts payable		644,323
Accrued payroll & benefits		9,613
Compensated absences		24,510
Total Liabilities		678,446
FUND BALANCE		
Assigned		1,828,918
Non-spendable		49,721
Unassigned		1,540,487
Total Fund Balance		3,419,126
Total Liabilities and Fund Balance	$	4,097,572
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION		
Fund Balance - General Fund	$	3,419,126
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		10,301,561
Less accumulated depreciation		(5,635,041)
Less noncurrent compensated absences		(2,490)
Right of use assets - lease		10,863
Less lease liability		(11,237)
Deferred outflows of resources - pension requirement		293,498
Less net pension liability		(672,582)
Less deferred inflows of resources - pension requirement		(84,925)
Net Position of Governmental Activities	$	7,618,773

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Indian Hills General Improvement District
General Fund
Statement of Revenue, Expenditures and Changes
In Fund Balance – Budget and Actual
And Reconciliation of Statement of Revenue,
Expenditures and Changes in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2025

	BUDGETED AMOUNTS			Variance Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Intergovernmental revenue				
Ad Valorem taxes	$ 1,196,205	$ 1,196,205	$ 1,208,771	$ 12,566
Consolidated tax	400,793	400,793	400,999	206
Grants	-	-	1,876	1,876
Miscellaneous				
Interest on investments	46,000	46,000	49,869	3,869
Miscellaneous	22,700	22,700	26,788	4,088
Total Revenues	1,665,698	1,665,698	1,688,303	22,605
EXPENDITURES				
General Government				
Salaries	78,253	78,253	69,759	8,494
Benefits	30,170	33,670	29,198	4,472
Services & supplies	216,050	212,550	193,848	18,702
Capital outlay	-	-	-	-
Total General Government	324,473	324,473	292,805	31,668
Public Works				
Salaries	181,490	181,490	139,771	41,719
Benefits	78,400	78,400	71,083	7,317
Services & supplies	102,900	582,900	784,798	(201,898)
Capital outlay	490,000	10,000	124,960	(114,960)
Total Public Works	852,790	852,790	1,120,612	(267,822)
Culture & Recreation				
Salaries	177,311	177,311	116,111	61,200
Benefits	63,100	63,100	52,645	10,455
Services & supplies	161,150	161,150	156,477	4,673
Capital outlay	38,000	38,000	37,770	230
Total Culture & Recreation	439,561	439,561	363,003	76,558
Total Expenditures	1,616,824	1,616,824	1,776,420	(159,596)
Excess (Deficiency) of Revenues over Expenditures	$ 48,874	$ 48,874	(88,117)	$ (136,991)
FUND BALANCE, June 30, 2024			3,490,854	
Interfund Transfers			16,389	
FUND BALANCE, June 30, 2025			$ 3,419,126	

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Indian Hills General Improvement District
General Fund
Statement of Revenue, Expenditures and Changes
In Fund Balance – Budget and Actual
And Reconciliation of Statement of Revenue,
Expenditures and Changes in Fund Balance to the Statement of Activities
For the Year Ended June 30, 2025

RECONCILIATION OF THIS STATEMENT OF REVENUE, EXPENDITURES, AND CHANGES IN FUND BALANCE TO THE STATEMENT OF ACTIVITIES

Net Change in Fund Balance - General Fund	$ (88,117)
Amount reported for governmental activities in the statement of activities are different because:	
Interfund transfers	16,389
Less current ROU asset amortization	(6,618)
Less current year depreciation	(309,271)
Less lease liability interest expense	(455)
Add back equipment lease expense	7,168
Add back capital outlay	162,730
Less difference between pension expense and contributions	(3,830)
Less change in noncurrent compensated absences	(880)
Change in Net Position of Governmental Activities	$ (222,884)

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Indian Hills General Improvement District
Enterprise Funds
Statement of Net Position
June 30, 2025

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
ASSETS			
Current Assets			
Cash & cash equivalents	$ 2,844,626	$ 4,379,931	$ 7,224,557
Accounts receivable, net of allowance for doubtful accounts of $7,533 and $5,682	164,769	103,233	268,002
Other assets	117,974	22,914	140,888
Total Current Assets	3,127,369	4,506,078	7,633,447
Lease receivable	210,552	-	210,552
Property, Plant & Equipment, net	7,771,622	6,085,555	13,857,177
Total Assets	11,109,543	10,591,633	21,701,176
Deferred Outflows of Resources - Pension requirement	199,356	260,284	459,640
Total Assets and Deferred Outflows of Resources	11,308,899	10,851,917	22,160,816
LIABILITIES			
Current Liabilities			
Accounts payable	27,235	3,422	30,657
Accrued payroll & benefits	32,512	39,613	72,125
Prepaid user fees	15,728	11,865	27,593
Accrued interest	9,850	2,219	12,069
Due to IRS	5,933	-	5,933
Current portion of long-term debt	252,500	118,843	371,343
Total Current Liabilities	343,758	175,962	519,720
Non-Current Liabilities			
Compensated absences	3,285	1,392	4,677
Premium on bond issue	32,213	59,822	92,035
Note and bonds payable	1,084,785	1,142,170	2,226,955
Net pension liability	456,844	596,470	1,053,314
Total Liabilities	1,920,885	1,975,816	3,896,701
Deferred Inflows of Resources			
Deferred inflows of resources - lease	177,247	-	177,247
Pension requirement	57,684	75,314	132,998
Total Liabilities and Deferred Inflows of Resources	2,155,816	2,051,130	4,206,946
NET POSITION			
Invested in capital assets, net of related debt	6,402,124	4,764,720	11,166,844
Restricted cash	2,004,491	1,601,913	3,606,404
Unrestricted	746,468	2,434,154	3,180,622
Total Net Position	$ 9,153,083	$ 8,800,787	$ 17,953,870

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See Accompanying Accountant's Audit Report & Notes to Financial Statements

Indian Hills General Improvement District
Enterprise Funds
Statement of Revenue, Expenses, and Changes in Net Position
For the Year Ended June 30, 2025

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
OPERATING REVENUE			
Water & sewer user fees	$ 1,536,558	$ 1,157,792	$ 2,694,350
Gain on disposal of assets	-	-	-
Connection fees	5,130	5,130	10,260
Grant income	-	-	-
Miscellaneous income	12,288	-	12,288
Total Operating Revenue	1,553,976	1,162,922	2,716,898
OPERATING EXPENSES			
Salaries & wages	282,714	263,325	546,039
Employees benefits	126,773	145,038	271,811
Services & supplies	432,820	237,887	670,107
Depreciation	466,944	405,500	872,444
Total Operating Expenses	1,309,251	1,051,750	2,360,401
Operating Income (Loss)	245,325	111,172	356,497
NONOPERATING REVENUE (EXPENSES)			
Interest income	70,609	49,547	120,156
Interest expense	(42,638)	(36,168)	(78,806)
	27,971	13,379	41,350
Income (Loss) Before Capital Contributions and Transfers	273,296	124,551	397,847
INTERFUND TRANSFERS	(98,229)	81,840	(16,389)
Change in Net Position	175,067	206,391	381,458
NET POSITION, June 30, 2024	8,949,685	8,594,396	17,544,081
Prior Period Adjustment (Note 10)	28,331	-	28,331
	8,978,016	8,594,396	17,572,412
NET POSITION, June 30, 2025	$ 9,153,083	$ 8,800,787	$ 17,953,870

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Indian Hills General Improvement District
Enterprise Funds
Statement of Cash Flows
For the Year Ended June 30, 2025

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
CASH FLOW FROM OPERATING ACTIVITIES			
Cash received from customers	$ 1,527,882	$ 1,159,543	$ 2,687,425
Miscellaneous cash receipts	339	-	339
Payment of employee salaries & benefits	(407,527)	(395,240)	(802,767)
Payment of services & supplies	(460,281)	(486,989)	(947,190)
Net cash provided by operating activities	660,493	277,314	937,807
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES			
Interfund transfers	(98,229)	81,840	(16,389)
Net cash provided (used) by non-capital financing activities	(98,229)	81,840	(16,389)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	(266,571)	(120,285)	(386,856)
Bond amortization premium	(1,342)	(2,493)	(3,835)
Principal paid on long-term debt	(244,519)	(114,837)	(359,356)
Interest paid on long-term debt	(45,804)	(36,765)	(82,569)
Net cash provided (used) by capital and related financing activities	(558,236)	(274,380)	(832,616)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received on investments	70,240	49,547	119,787
Net cash provided by investing activities	70,240	49,547	119,787
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	74,268	134,321	208,589
CASH AND CASH EQUIVALENTS, June 30, 2024	2,770,358	4,245,610	7,015,968
CASH AND CASH EQUIVALENTS, June 30, 2025	$ 2,844,626	$ 4,379,931	$ 7,224,557

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See Accompanying Accountant's Audit Report & Notes to Financial Statements

Indian Hills General Improvement District
Enterprise Funds
Statement of Cash Flows
For the Year Ended June 30, 2025

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
RECONCILIATION OF OPERATING INCOME (LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES			
Operating income (loss)	$ 245,325	$ 111,172	$ 356,497
Non-cash adjustment			
Depreciation	466,944	405,500	872,444
Increase (decrease) in cash from changes in:			
Accounts receivable	(12,377)	(2,301)	(14,678)
Other assets	(1,067)	(12,278)	(13,345)
Accounts payable	(44,306)	(249,185)	(293,491)
Accrued payroll and benefits	5,809	20,390	26,199
Prepaid user fees	(1,429)	(1,078)	(2,507)
Compensated absences	1,594	5,094	6,688
Net cash provided by operating activities	$ 660,493	$ 277,314	$ 937,807

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Indian Hills General Improvement District
Notes to Financial Statements
June 30, 2025

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Indian Hills General Improvement District (the District) is governed by an elected board of trustees and is responsible for providing water and sewer services and maintaining the streets and parks within its boundaries.

The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The accounting policies of the District conform to generally accepted accounting principles. The following is a summary of such significant policies:

Reporting Entity

The financial statements of the District consist only of the funds of the District. The District has no oversight responsibility for any other governmental entity since no other entities are considered to be controlled by or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding, and appointment of the governing board.

Government-Wide and Fund Financial Statements

The statement of net position and statement of activities comprise the government-wide financial statements and report information on all the non-fiduciary activities of the District. 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 revenues, 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 the direct expenses of a given program or function is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program or function. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program or function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program or function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are proprietary funds and fiduciary funds. Under this method, revenues are recognized at the time they are earned and expenses are recognized when the related liabilities are incurred. This basis also provides for matching of costs to the benefiting fiscal periods by capitalizing costs to be depreciated or amortized. Grants are recognized as revenues as soon as all eligibility requirements imposed by the provider have been met.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This method provides for recognizing expenditures at the time liabilities are incurred, while revenues are recorded when measurable and available to finance expenditures of the fiscal period. An exception to this general rule is that principal and interest on general long-term debt are recognized as expenditures when due. Available is defined as being due and collected within the current period or within 60 days of fiscal year end. Revenues due but received after the 60 day period are recorded as receivables and deferred revenue since the revenue is not available.

The accounts of the District are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenue, and expenditures, or expenses as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The District reports the following major governmental fund:

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

Additionally, the District reports the following fund types:

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenue earned, costs incurred and/or net income is necessary for management accountability.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Government Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow subsequent private-sector guidance.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the water and sewer program and other programs and functions of the District. Elimination of these charges would distort the direct costs and program revenue reported for the various programs and functions concerned. Internal balances reflected on the statement of net assets are self balancing accounts used to balance the major funds and indicate amounts paid by the Enterprise fund on behalf of the General fund.

Amounts reported as program revenue include charges to customers and operating grants and contributions. Resources dedicated by the District are reported as general revenue as are all tax revenue.

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements (Continued)

Amounts reported as program revenue include charges to customers and operating grants and contributions. Resources dedicated by the District are reported as general revenue as are all tax revenue.

Proprietary funds distinguish operating revenue and expenses from non-operating 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 District is the water and sewer user fees. Operating expenses include the cost of the salaries, benefits paid, administration, services and supplies.

Capital Assets

Capital assets include land, buildings, machinery and equipment, which are reported in the applicable governmental or business-type activities column in the government wide financial statements. Assets purchased or acquired with an original cost of $3,000 or more are reported at historical costs. Donated assets are recorded at their estimated fair market value on the date donated. The cost of maintenance and repairs is charged to expense as incurred. When capital assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts, and any resulting gain or loss is recognized in income for the period. Depreciation on all capital assets is provided on the straight-line basis over the estimated useful life as follows:

	Years
Buildings	5 - 30
Office furniture & equipment	5 - 15
Software	3 - 5
Vehicles & equipment	5 - 15
Other equipment	6 - 15
Park equipment & improvements	15 - 30
Street improvements	10
Water & sewer system	10 - 40

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve a portion of the applicable appropriation, is employed as an extension of formal budgeting integration in the General fund. Encumbrances lapse at the year end and are not carried over the succeeding year.

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NOTE 1 - SUMMARY OF S6IGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, as well as insurance costs, are deferred and amortized over the life of the bonds using the proportionate-to-stated-interest-requirements method.

In the fund financial statements, governmental fund types recognize the face amount of the debt issued as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs are reported as current expenditures of the fund receiving the proceeds.

Property Taxes

Property taxes are levied on July 1 each year, and are due in four equal installments in August, October, January, and March. Taxes are considered delinquent if not paid within ten days of the due dates.

The District does not directly collect any taxes. All taxes are collected by the county or state and remitted to the District. Property tax revenue is recognized when it becomes available. Available incudes current and prior year's property taxes collected by the District or the county within sixty days after year-end.

Statement of Cash Flows

For purposes of the statement of cash flows, the District considers all highly liquid debt instruments w th an original maturity of three months or less when purchased to be cash equivalents.

Compensated Absences

The District accrues a liability for compensated absences that meet all of the following criteria:

A. The District's obligations relating to employee's rights to receive compensation for future absences is attributable to services already rendered;

B. The obligation relates to rights that vest or accumulate;

C. Payment of compensation is probable; and

D. The amount can be reasonably estimated.

Vacation and sick leave may be accumulated by employees up to certain maximums and is payable upon retirement or termination. At the statement date, District personnel had accumulated vacation and sick pay of $89,147

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

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 changes in proportion and differences between employer contributions and proportionate share of contributions as well as contributions made after the measurement period for pensions qualify for reporting in this category.

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. Differences between expected and actual experience and between projected and actual investment earnings on pension plan investments, as well as the income related to the lease receivable, qualify for reporting in this category.

Fund Equity

In the fund financial statements, fund balance for Governmental fund are reported in classifications that comprise a hierarchy based primarily on how amounts can be spent. These include "non-spendable" which are not expected to be converted to cash, and consist of prepaid expense items, "restricted" by conditions of law, regulation grants or contract with external parties, "committed" which arise from acts of the District's Board, "assigned" which reflect an intent by management of the District or "unassigned" which is the residual amount. "Assigned" amounts are those amounts set aside to cover future capital expenditures related to replacement of fully depreciated capital assets.

The District first utilizes restricted resources to finance qualifying activities then unrestricted resources, as they are needed when amounts are available for the same use.

The District first utilizes committed resources, then assigned and then unassigned when amounts are available for the same use.

Net Position

In the fund and the government-wide financial statements, net position is presented in one of three classifications. Assets invested in capital assets are net of related debt, restricted and the residual unrestricted net assets. In the governmental environment, resources are often assigned or committed to specific purposes, indicating that those amounts are not considered available for general operations. In contrast to restricted amounts, these types of constraints are internal and can be removed or modified. Therefore, assignments and commitments are not presented in the statements of net position.

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NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, 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.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

The District adheres to the Local Government Budget Act incorporated within the statutes of the State of Nevada, which includes the following major procedures to establish the budgetary data reflected in these financial statements:

1. On or before April 15, the District's Board of Trustees files tentative budget with the Nevada Department of Taxation for all funds.

2. Prior to June 1, at a public hearing, the board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of majority of the members of the Board. The final budget is then forwarded to the Nevada Tax Commission to approve the requested Ad Valorem tax rate.

3. Formal budgetary integration in the financial records is employed to enhance management control during the year for all funds.

4. Budgets for funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Appropriations lapse at year end.

5. Budgeted amounts within funds, and between funds, may be transferred if amounts do not exceed the amounts originally budgeted. Such transfers are to be approved by the Budget Officer and/or the Board of Trustees, depending on the established criteria. Budget augmentations in excess of original budgetary amounts may be made only with prior approval of the District's Board of Trustees, following a scheduled and noticed public hearing.

In accordance with state statutes, actual expenditures may not exceed budgetary appropriations of the various functions of the General fund, or total appropriations of the Enterprise fund, except for bond repayments, short-term financing repayment and any other long-term contract expressly authorized by law or payments for the construction of public works from funds provided by the proceeds of a sale of bonds or short-term financing.

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NOTE 3 - CASH AND CASH EQUIVALENTS

The District invests cash in either the state governmental deposit pool, which holds securities collateralizing deposits, or with a commercial bank, which also collateralizes all state government deposits.

The State of Nevada Local Government Investment Pool is recorded at cost, which approximates fair value and is available to be withdrawn by the District on demand. The Pool is administered by the State Treasurer, with oversight by the State of Nevada Board of Finance. State statutes require the State Treasurer to collateralize the deposits made to it with other securities. The State of Nevada 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. The District reports its investments at fair value, which total $368,156 at June 30, 2025.

By provision of statutes, the District is authorized to deposit all money in banks or savings and loan associations located in the State of Nevada and must be subject to withdrawal on demand.

Restricted cash in the Business-Type Activities consists of the following:

	Water Fund	Sewer Fund	Total
Reserved from connection fees	$ 319,773	$ 294,123	$ 613,896
Reserved for depreciation	214,580	265,047	479,627
Reserved for water tank	7,700	-	7,700
Restricted bond funds	361,674	6,482	368,156
Reserved for rate increase	904,332	968,278	1,872,610
Reserved for construction	16,348	-	16,348
Rural Development debt service reserves	40,283	67,983	108,266
AB-198 capital reserve	139,801	-	139,801
Total Restricted Cash	$2,004,491	$ 1,601,913	$ 3,606,404

NOTE 4 – CAPITAL ASSETS

Depreciation expense is charged to functions as follows:

Governmental Activities		Business-type Activities	
General government	$ 5,596	Water	$ 466,944
Public works	253,733	Sewer	405,500
Culture & recreation	49,942		$ 872,444
	$ 309,271		

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NOTE 4 - CAPITAL ASSETS (CONTINUED)

Capital assets activity during 2025 was as follows:

Government Activities	Balance June 30, 2024	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2025
Capital assets, not being depreciated				
Construction in process	$ 7,747	$ 106,696	$ (7,747)	$ 106,696
Land	236,479			236,479
Open space improvements	11,974			11,974
Trailheads & trails	110,833			110,833
Total non-depreciable assets	367,033	106,696	(7,747)	465,982
Capital assets, being depreciated				
Buildings	722,343			722,343
Office furniture & equipment	26,578			26,578
Software	16,900			16,900
Vehicles & equipment	197,974			197,974
Other equipment	315,039	18,264		333,303
Park equipment & improvements	1,163,587	40,670	(12,000)	1,192,257
Street improvements	7,341,975	4,847		7,346,222
Total depreciable assets	9,783,796	63,781	(12,000)	9,835,577
Total capital assets	10,150,829	170,477	(19,747)	10,301,559
Less accumulated depreciation	(5,337,768)	(309,271)	12,000	(5,635,039)
Governmental activities - capital assets, net	$ 4,813,061	$ (138,794)	$ (7,747)	$ 4,666,520

Business-type Activities	Balance June 30, 2024	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2025
Capital assets, not being depreciated				
Construction in process	$ 700	$ -	$ (700)	$ -
Capital assets, being depreciated				
Water & sewer system	32,289,414			32,289,414
Buildings	337,251			337,251
Office furniture & equipment	28,846			28,846
Software	47,570			47,570
Vehicles & equipment	2,674,244	120,285		2,794,529
Other system improvements	849,311	267,271		1,116,582
Total depreciable assets	36,226,636	387,556	-	36,614,192
Total capital assets	36,227,336	387,556	(700)	36,614,192
Less accumulated depreciation	(21,884,571)	(872,444)		(22,757,015)
Business-type activities - capital assets, net	$ 14,342,765	$ (484,888)	$ (700)	$ 13,857,177

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NOTE 5 – LEASE TRANSACTIONS

During the prior fiscal year, the District entered into a five year lease agreement, commencing July 21, 2022, for the use of a folding machine for $190 per month. The District entered into a five year lease agreement, commencing February 6, 2022, for the use of a copy system for $342 per month. The lease also provides for sales tax and per copy charges which vary according to usage in addition to the monthly fee. The District also entered into a lease agreement during the current fiscal year for the use of a postage meter commencing August 18, 2023, for a quarterly fee of $540. With the adoption of GASBS 87, the District has recorded lease liabilities and related right-to-use assets for the remaining terms of the lease.

Expense recorded under these leases for the year ended June 30, 2025, consisted of interest expense of $455 and amortization expense of $6,618. The lease assets consist of the following as of June 30, 2025:

Government Activities	Balance June 30, 2024	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2025
Lease assets, office equipment	$ 48,903	$ -	$ -	$ 48,903
Less accumulated amortization	(31,422)	(6,618)		(38,040)
Total right-to-use assets	$ 17,481	$ (6,618)	$ -	$ 10,863

Minimum future lease payments under the non-cancelable leases are required as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 4,199	$ 296	$ 4,435
2027	4,279	165	4,435
2028	2,292	59	2,351
2029	536	4	540
2030	-	-	-
2031 and Later	-	-	-
	$ 11,237	$ 524	$ 11,761

Lease liability activity is as follows:

GOVERNMENT ACTIVITIES	Balance June 30, 2024	Additions (Reductions)	Balance June 30, 2025	Due within One year
Lease liability	$ 17,950	$ (6,713)	$ 11,237	$ 4,139

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NOTE 5 – LEASE TRANSACTIONS (CONTINUED)

The District also derives revenue from rents received for a cell tower on District property. Under an agreement with Verizon rents received this year totaled $12,884. The current five-year term is from April 27, 2020, and ends in 2025, with the option for extensions every five years through 2040, cancelable by the tenant at the end of the term. Annual rent increases 20% with each extension. As the tenant is reasonably certain to exercise the option to extend, the lease receivable and related deferred inflow of resources reflect the extended terms. Income recorded for the year ended June 30, 2025, under this lease consisted of interest income of $6,813, and miscellaneous income of $11,949.

Future rents to be received on the lease receivable are as follows:

Year Ending June 30,	Principal	Interest	Total
2026	$ 8,376	$ 6,553	$ 14,929
2027	8,646	6,284	14,930
2028	8,924	6,006	14,930
2029	9,211	5,719	14,930
2030	10,006	5,422	15,428
2031-2035	69,163	21,013	90,176
2036-2040	96,226	7,687	103,913
2041 and Later	-	-	-
	$ 210,552	$ 58,684	$ 269,236

Deferred inflows are recognized on a straight-line basis over the entire anticipated lease tern. Activity in the lease receivable and deferred inflows relating to the lease are as follows:

	Balance June 30, 2024	Net Change	Balance June 30, 2025
BUSINESS-TYPE ACTIVITIES			
Lease receivable	$ 216,623	$ (6,071)	$ 210,552
Deferred inflows - lease	$ (189,196)	$ 11,949	$ (177,247)

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NOTE 6 – LONG-TERM DEBT

Bonds Payable

During the year ended June 30, 2004, the District issued a water revenue bond, series 2003, in the principal amount of $1,700,000. The bond was issued for the purpose of enhancement of the water treatment plant of the District's public water system. Principal and interest, with a rate of 3.46%, is payable semi-annually on July 1 and January 1. The bond will mature in full on January 1, 2026. Remaining principal balance due on this bond payable at June 30, 2025, was $115,437.

During the fiscal year ended June 30, 2011, the District issued a general obligation (limited tax) water and sewer bond (additionally secured by pledged water revenue), series 2010, in the principal amount of $1,105,630 all of which had been disbursed to the District as of June 30, 2017. The bond was issued for the purpose of acquiring, constructing, reconstructing, improving, and extending the District's water system. Principal and interest, with a rate of 2.57%, is payable semi-annually on January 1, and July 1. The bond will mature in full on July 1, 2030. Interest paid and accrued on this debt totaling $25,628 was capitalized as part of the water system improvements. Remaining principal balance due on this bond payable at June 30, 2025 was $411,381.

During the fiscal year ended June 30, 2012, the District obtained a term loan from the United States Department of Agriculture, in the amount of $900,000. The loan was obtained for the purpose of acquiring, constructing, reconstructing, improving, and extending the District's water system. Principal and interest with a rate of 3.25% is payable monthly. Loan will mature in full on August 1, 2051. Remaining principal balance due on this note payable at June 30, 2025 was $708,967.

During the fiscal year ended June 30, 2014, the District obtained a term loan from the United States Department of Agriculture, in the amount of $1,382,000 for the purpose of replacing the interim financing and completing the District's sewer system improvements. Principal and interest with a rate of 2.75% is payable monthly. The loan will mature in full June 18, 2053. Interest paid and accrued on this debt totaling $18,209 was capitalized as part of the sewer system improvements. Remaining principal due on this note payable at June 30, 2025 was $1,099,325.

During the fiscal year ended June 30, 2012, the District issued a general obligation (limited tax) water bond (additionally secured by pledged revenue), series 2012, in the principal amount of $1,710,000. The bond was issued for the purpose of refunding the series 2007 bonds issued during the year ended June 30, 2007. The refunding redeemed the remaining balance of 2007 bonds in the amount of $1,790,000 resulting in a premium on issue recognized in the amount of $157,647. The principal amount allocated to and secured by sewer revenues is $1,111,500, with the remaining $598,500 allocated to and secured by water revenues. The premium on the issue is likewise allocated $102,471 to sewer operations and $55,176 to water operations. Principal and interest, with a variable interest rate, is payable semi-annually on November 1, and May 1. The bond will mature in full on November 1, 2026. Remaining principal balance on this bond payable at June 30, 2025 was $290,000.

As of June 30, 2025, the District held $368,156 in three separate state investment pool accounts and $3,238,248 in three separate bank accounts that were restricted for use in accordance with the bond and loan agreements.

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NOTE 6 – LONG-TERM DEBT (CONTINUED)

Annual debt service requirements to maturity for the bonds at June 30, 2025 are as follows:

Year Ending June 30,	Principal	Interest	Total
Water Fund			
2026	$ 252,500	$ 38,991	$ 291,491
2027	142,966	31,554	174,520
2028	92,935	28,035	120,970
2029	95,471	25,499	120,970
2030	98,078	22,892	120,970
2031-2035	149,762	91,961	241,723
2036-2040	129,300	72,120	201,420
2041 and Later	376,273	73,797	450,070
	1,337,285	384,849	1,722,134
Sewer Fund			
2026	118,913	34,856	153,769
2027	126,190	30,309	156,499
2028	29,489	27,560	57,049
2029	30,310	26,739	57,049
2030	31,155	25,894	57,049
2031-2035	169,281	115,964	285,245
2036-2040	194,203	91,042	285,245
2041 and Later	561,472	91,753	653,225
	1,261,013	444,117	1,705,130
Total Enterprise Fund	$ 2,598,298	$ 828,966	$ 3,427,264

Changes in Long-term Liabilities

During the year ended June 30, 2025, the following changes in liabilities reported in long-term debt:

	Balance June 30, 2024	Additions (Reductions)	Balance June 30, 2025	Due within One year
GOVERNMENT ACTIVITIES				
Lease liability	$ 17,950	$ (6,713)	$ 11,237	$ 4,139
Compensated absences	26,157	843	27,000	24,510
	$ 44,107	$ (5,870)	$ 38,237	$ 28,649
BUSINESS-TYPE ACTIVITIES				
Compensated absences	$ 55,459	$ 6,689	$ 62,148	$ 57,471
Premium on bond issue	95,870	(3,835)	92,035	-
Bonds and notes payable	2,957,653	(359,355)	2,598,298	371,343
	$ 3,108,982	$ (356,501)	$ 2,752,481	$ 428,814

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NOTE 7 – PENSION PLAN

General Information About the Pension Plan

Plan Description

The Public Employees' Retirement System of Nevada (PERS or the System) administers a cost-sharing, multiple-employer, defined benefit public employees' retirement system which includes both Regular and Police/Fire members. The system was established by the Nevada Legislature in 1947, effective July 1, 1948. The system 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 the 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 the System 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 as 2.5% of average compensation for each accredited year or service prior to July 1, 2001. For service earned on and after July 1, 2001, this multiplier is 2.67% of average compensation. For members entering the System on or after January 1, 2010, there is a 2.5% service time factor and for regular members entering the System on or after July 1, 2015, there is a 2.25% factor. The system 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 - .579.

Vesting

Regular members entering the System prior to January 1, 2010, are eligible for retirement at age 65 with five years of service, at age 60 with 10 years of service, or at any age with thirty years of service. Regular members entering the System on or after January 1, 2010, are eligible for retirement at age 65 with five years of service, or age 62 with 10 years of service, or any age with thirty years of service. Regular members who entered the System on or after July 1, 2015, are eligible for retirement at age 65 with 5 years of service, or at age 62 with 10 years of service, or at age 55 with thirty 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.

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NOTE 7 – PENSION PLAN (CONTINUED)

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 elected, the member cannot convert to the Employee/Employer Contribution plan and cannot withdraw these contributions.

The System's 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.

The System receives an actuarial valuation on an annual basis indicating the contribution rates required to fund the System 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 actuarial funding method used is the Entry Age Normal Cost Method. It is intended to meet the funding objective and results in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2024, the Statutory Employer/Employee matching rate was 17.5% for Regular and 25.75% for Police/Fire. The Employer-pay contribution (EPC) rate was 33.5% for Regular and 50.00% for Police/Fire.

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

At June 30, 2025, the District reported a liability of $1,725,896 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, 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 was based on total contributions due on wages paid during the measurement period. Each employer's proportion of the net pension liability is based on their combined employer and member contributions relative to the total combined employer and member contributions for all employers for the period ended June 30, 2024. At June 30, 2024, the District's proportion was 0.00955%.

For the year ended June 30, 2025, the District recognized pension expense of $249,650. Amounts totaling $142,415, 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. For the year ended June 30, 2025, the District contributed $242,261 under the statutory requirements based upon covered payroll of $861,313 which equates to 28.13% overall to the plan.

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NOTE 7 – PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

At June 30, 2025, 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	$ 366,143	$ -
Net difference between projected and actual earnings on pension plan investments	-	170,023
Change in assumptions	111,366	-
Changes in proportion and differences between District contributions and proportionate share of contributions	133,214	47,900
District contributions subsequent to the measurement date	142,415	-
Total	$ 753,138	$ 217,923

Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions, without regard to the contributions subsequent to the measurement date, are expected to be recognized in pension expense as follows:

Year Ending June 30,	
2026	$ 45,070
2027	218,329
2028	16,318
2029	(242)
2030	23,937
2031 and later	-
	$ 303,412

The net difference between projected and actual investment earnings on pension plan investments will be recognized over five years, all the other above deferred outflows and deferred inflows will be recognized over the average expected remaining service lives, which was 5.64 years for the measurement period ending June 30, 2024.

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NOTE 7 – PENSION PLAN (CONTINUED)

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)

Actuarial Assumptions

The System's net pension liability was measured as of June 30, 2024, 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 rate	2.50%
Investment rate of return	7.25%
Productivity pay increase	0.50%
Projected salary increases	Regular: 4.20% to 9.10%, depending on service Rates include inflation and productivity increases
Consumer price index	2.50%
Other assumptions	Same as those used in the June 30, 2023 funding actuarial valuation

Actuarial assumptions used in the June 30, 2024, valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020. The discount rate used to measure the total pension liability was 7.25% as of June 30, 2024. The projection of cash flows used to determine the discount rate assumed 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 that 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 for 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, 2024.

Investment Policy

The System's policies which determine the investment portfolio target asset allocation are established by the Retirement Board. The asset allocation is reviewed annually and is designed to meet the future risk and return needs of the System. As of June 30, 2024, PERS's long-term inflation assumption was 2.50%.

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NOTE 7 – PENSION PLAN (CONTINUED)

The following was the Retirement Board's adopted policy target asset allocation as of June 30, 2023:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return
Domestic Equity	34%	5.50%
International Equity	14%	5.50%
Domestic Fixed Income	28%	2.25%
Private Markets	12%	6.65%
Short-term Investments	12%	0.05%

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's proportionate share of the net pension liability of the PERS as of June 30, 2024, calculated using the discount rate of 7.25%, as well as what the District's share of the 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	$ 2,774,785	$ 1,725,483	$ 859,797

Pension Plan Fiduciary Net Position

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

NOTE 8 – OTHER POST EMPLOYMENT BENEFITS

The employees of the District are covered by the Public Employees Benefits Program of the State of Nevada (PEBP) a multiple employer, self insurance trust fund. PEBP provides health insurance benefits for current and retired employees of the State of Nevada and other public employers. Chapter 287 of the Nevada Revised Statutes established the benefit provisions provided to the participants of PEBP. These benefit provisions may only be amended through legislation. The Nevada Public Employees Benefits Program issues a publicly available financial report that includes financial statements and required supplementary information for PEBP. That report may be obtained by writing to the Nevada Public Employees Benefits Program, 901 South Stewart Street, Suite 1001, Carson City, Nevada 89701, or by calling (775) 684-7000.

The District only participates in the retirement benefits portion of the plan which provides for health insurance for retired employees. Retirement benefit costs are billed to the employer as they occur. Currently, the District has one retired employee that falls under the retirement benefit provisions. There were no amounts paid under this provision for the fiscal years ending June 30, 2025, June 30, 2024, and June 30, 2023.

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NOTE 9 – EXCESS EXPENDITURES OVER APPROPRIATIONS

The NRS require that governmental fund budgetary controls be exercised at the function level. For the year ended June 30, 2025, total expenditures exceeded appropriations for the following funds and/or functions, which are potential violations of the NRS:

Capital outlay, general fund, public works expense function	$	114,960
Services and supplies, general fund, public works expense function	$	201,898
Capital outlay, enterprise fund, operating expense function	$	221,856

While there were budget overages in the area of capital outlay in both the enterprise and general funds, and services and supplies in the general fund, the overages were covered with reserve funds set aside for infrastructure and asset repairs, maintenance and replacements.

NOTE 10 – PRIOR PERIOD ADJUSTMENT

Subsequent to the year ended June 30, 2024, it was determined that a payable accrued in 2023 in the amount of $28,331 represented duplicate recording of water expense paid to Minden. As the expense had been recorded twice, the accrual of the payable was unnecessary. As a result, a prior period adjustment has been recorded in the current fiscal year. The adjustment resulted in beginning net assets for the Enterprise Fund to be increased by $28,331. The restatement is reflected in the statement of net position and the statement of activities.

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REQUIRED SUPPLEMENTARY INFORMATION

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Indian Hills General Improvement District
Water and Sewer Enterprise Fund
Statement of Revenue, Expenditures and Changes in Net Position – Budget and Actual
For the Year Ended June 30, 2025

	BUDGETED AMOUNTS			Variance Favorable (Unfavorable)
	Original	Final	Actual	
OPERATING REVENUE				
Water & sewer user fees	$ 2,511,539	$ 2,511,539	$ 2,694,350	$ 182,811
Gain on disposal of assets	-	-	-	-
Grant income	-	-	-	-
Miscellaneous income	12,442	12,442	12,288	(154)
Connection fees	-	-	10,260	10,260
Total Operating Revenue	2,523,981	2,523,981	2,716,898	192,917
OPERATING EXPENSES				
Salaries & wages	627,600	627,600	546,039	81,561
Employee benefits	262,700	270,800	266,347	4,453
Services & supplies	747,050	738,950	670,107	68,843
Capital outlay	165,000	165,000	386,856	(221,856)
Depreciation	893,000	893,000	872,444	20,556
Total Operating Expenses	2,695,350	2,695,350	2,741,793	(46,443)
Operating Income	(171,369)	(171,369)	(24,895)	146,474
NONOPERATING REVENUE (EXPENSES)				
Interest income	101,000	101,000	120,156	19,156
Interest expense	(86,404)	(86,404)	(78,806)	7,598
	14,596	14,596	41,350	26,754
Excess (Deficiency) before Capital Contributions and Transfers	(156,773)	(156,773)	16,455	173,228
INTERFUND TRANSFERS	-	-	(16,389)	(16,389)
Change in Net Position	$ (156,773)	$ (156,773)	66	$ 156,839
RECONCILIATION TO STATEMENT OF ACTIVITIES:				
Add back capital outlay			386,856	
Less difference between pension expense and contributions			(5,464)	
Change in Net position of Enterprise Fund			$ 381,458	

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Indian Hills General Improvement District
Schedules of Required Supplementary Information
For the Year Ended June 30, 2025

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
Nevada State Public Employees' Retirement System

Year Ended June 30	District's proportion of the net pension liability (asset)	District's proportionate share of the net pension liability (asset)	District's covered employee payroll	District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability
2015	0.01013%	$ 1,160,372	$ 582,794	199.11%	75.13%
2016	0.00923%	$ 1,241,485	$ 546,565	227.14%	72.23%
2017	0.00938%	$ 1,247,834	$ 570,405	218.76%	74.42%
2018	0.01189%	$ 1,621,166	$ 741,598	218.60%	75.24%
2019	0.00840%	$ 1,145,083	$ 546,745	209.44%	76.46%
2020	0.00783%	$ 1,090,875	$ 531,414	205.13%	77.04%
2021	0.00795%	$ 725,325	$ 561,231	129.24%	86.51%
2022	0.00887%	$ 1,602,108	$ 609,795	262.73%	75.12%
2023	0.00972%	$ 1,774,724	$ 692,744	256.19%	76.16%
2024	0.00955%	$ 1,725,898	$ 730,460	236.28%	78.11%

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Indian Hills General Improvement District
Schedules of Required Supplementary Information
For the Year Ended June 30, 2025

SCHEDULE OF DISTRICT CONTRIBUTIONS
Nevada State Public Employees' Retirement System

Year Ended June 30	Actuarially Determined Contributions	Contributions in Relation to the Actuarially Determined Contributions	Contribution Deficiency (Excess)	Covered-Employee Payroll	Contributions as a % of Covered Employee Payroll
2015	$ 151,925	$ 145,533	$ 6,392	$ 582,794	24.97%
2016	$ 82,017	$ 78,432	$ 3,585	$ 546,565	14.35%
2017	$ 85,610	$ 84,584	$ 1,026	$ 570,405	14.83%
2018	$ 111,727	$ 110,609	$ 1,118	$ 741,598	14.91%
2019	$ 82,470	$ 81,104	$ 1,366	$ 546,745	14.83%
2020	$ 84,637	$ 81,562	$ 3,075	$ 531,414	15.35%
2021	$ 89,140	$ 83,629	$ 5,511	$ 561,231	14.90%
2022	$ 98,980	$ 97,925	$ 1,055	$ 609,795	16.06%
2023	$ 112,179	$ 113,131	$ (952)	$ 692,744	16.33%
2024	$ 133,184	$ 139,201	$ (6,017)	$ 730,460	19.06%

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SUPPLEMENTARY INFORMATION

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Indian Hills General Improvement District
General Fund
Schedule of Expenditures
For the Year Ended June 30, 2025

GENERAL GOVERNMENT	
Board of trustees	7,500
Equipment rental	8,939
Fuel expense	128
Insurance	21,962
Office expense	33,479
Other expenses	6,703
Payroll taxes and benefits	29,198
Professional fees	102,829
Repairs and maintenance	2,272
Safety program	507
Salaries and wages	69,759
Telephone	3,780
Travel and training	699
Utilities	5,050
Capital outlay	-
Total General Government	292,805
PUBLIC WORKS	
Board of trustees	3,750
Fuel expense	3,204
Insurance	21,962
Other expenses	981
Payroll taxes and benefits	71,083
Professional fees	79,580
Repairs and maintenance	663,284
Safety program	2,652
Salaries and wages	139,771
Telephone	954
Utilities	8,431
Capital outlay	124,960
Total Public Works	1,120,612

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Indian Hills General Improvement District
General Fund
Schedule of Expenditures
For the Year Ended June 30, 2025

CULTURE AND RECREATION	
Board of trustees	3,750
Equipment Rental	-
Fuel expense	2,839
Insurance	21,962
Other expenses	1,363
Recreation expense	3,912
Payroll taxes and benefits	52,645
Professional fees	14,206
Repairs and maintenance	39,866
Safety program	2,701
Salaries and wages	116,111
Contracted labor	-
Telephone	954
Travel and training	506
Utilities	64,418
Capital outlay	37,770
Total Culture and Recreation	363,003
Total Expenditures	$ 1,776,420

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Indian Hills General Improvement District
Water and Sewer Enterprise Fund
Schedule of Services and Supplies
For the Year Ended June 30, 2025

	Business-Type Activities		
	Water	Sewer	
SERVICE AND SUPPLIES			
Bad debt recovery	9,366	6,339	15,705
Board of trustees fees	7,500	7,500	15,000
Fuel expense	6,747	6,543	13,290
Garbage expense	-	18,175	18,175
Insurance	21,962	21,962	43,924
Lab Fees	10,955	10,688	21,643
Office expense	-	-	-
Other expense	6,808	7,119	13,927
Professional fees	20,274	26,328	46,602
Permit fees	3,893	5,384	9,277
Repairs and maintenance	37,748	40,429	78,177
Safety program	2,179	795	2,974
Telephone	5,997	3,601	9,598
Travel and training	1,125	1,440	2,565
Treatment chemicals	5,838	16,957	22,795
Utilities	82,707	64,627	147,334
Water Costs	209,121	-	209,121
Total Service and Supplies	$ 432,229	$ 237,887	$ 670,107

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REPORTS ON INTERNAL CONTROL & COMPLIANCE

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INDEPENDENT AUDITOR'S 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 Directors of the
Indian Hills General Improvement District

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, the business-type activities, each major fund, and the aggregate remaining fund information of the Indian Hills General Improvement District as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the Indian Hills General Improvement District's basic financial statements and have issued our report thereon dated December 3, 2025

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Indian Hills General Improvement District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing an opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Indian Hills General Improvement 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 in 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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Indian Hills General Improvement District's financial statements are free of 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 determination of financial statement amounts. 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 matter that is required to be reported under *Government Auditing Standards*.

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.

Carson City, Nevada
December 3, 2025

DRAFT

AUDITOR'S COMMENTS

DRAFT

To the Board of Trustees of the
Indian Hills General Improvement District

We have audited the basic financial statements of the Indian Hills General Improvement District for the year ended June 30, 2025, and have issued our report thereon dated December 3, 2025. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U. S. Generally Accepted Auditing Standards

As stated in our engagement letter dated March 30, 2023, our responsibility, as described by professional standards, is to express opinions about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects in conformity with U. S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Other Information in Documents Containing Audited Financial Statements

Our responsibility for the other information in the Management's Discussion and Analysis which contains the District's financial information and report does not extend beyond the financial information identified in the audit report. We do not have an obligation to perform any procedures to corroborate any of the other information contained in the Management's Discussion and Analysis. We did, however, read the information contained therein. As a result, nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation appearing in the financial statements.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Indian Hills General Improvement District are described in the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. There are no significant transactions that have been recognized in the financial statements in a different period than when the transaction occurred.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimate affecting the financial statement was management's determination that all accounts receivable 30 days old or less are collectible at year end. We evaluated the key factors and assumptions used to develop the estimate of collectability in determining what is reasonable in relation to the financial statements taken as a whole.

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Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. The total net income effect of all adjustments proposed and recorded by management was to increase net income by $9,762.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated December 3, 2025.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.

As required by generally accepted auditing standards and the terms of our engagement in planning and performing our audit, we considered the internal control solely to determine the auditing procedures to be employed for the purpose of enabling us to express our opinion on the financial statements and not to for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Therefore, we express no opinion or other form of assurance thereon.

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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 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 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 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* dated December 3, 2025, noted no significant deficiencies or material weaknesses.

It should be noted, however, that the excess expenditures over appropriations detailed in Note 9 represent potential violations of the Nevada Revised Statutes. Management should take care to monitor budgets closely and request budget changes and/or augmentation from the appropriate authorities at the State to avoid budget overruns in the future.

This information is intended solely for the use of management and the District and is not intended to be and should not be used by anyone other than these specified parties.

Carson City, Nevada
December 3, 2025

DRAFT

AGENDA ITEM 6.

Discussion and possible action to approve a one-year agreement for auditing services with Steele & Associates, LLC.
(General Manager, Chris Johnson)

Steele
Certified Public Accountants

Jonathan S. Steele, CPA CGMA

Vanessa L. Davis, CPA CGMA

December 11, 2025

To Board of Trustees

Indian Hills General Improvement District
3394 James Lee Park Road #A
Carson City, NV 89705

We are pleased to confirm our understanding of the services we are to provide Indian Hills General Improvement district for the year ended June 30, 2026.

Audit Scope and Objectives

We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, and the disclosures, which collectively comprise the basic financial statements of Indian Hills General Improvement District as of and for the year ended June 30, 2026. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Indian Hills General Improvement District's basic financial statements. Such information, 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 of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Indian Hills General Improvement District's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). These limited procedures will consist of inquiries of management regarding 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 will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies Indian Hills General Improvement District's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements:

1) General Fund, Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
2) Enterprise Funds, Statement of Revenue, Expenditures and Changes in Net Position – Budget and Actual
3) Supplementary Pension Information
4) General Fund Schedule of Expenditures
5) Enterprise Fund Schedule of Services and Supplies

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611 N. Nevada Street
Carson City, Nevada 89703
Phone: (775) 882-7198
Fax: (775) 883-4346

Members of: CPA Connect
Nevada Society of Certified Public Accountants
American Institute of Certified Public Accountants
Affordable Housing Association of Certified Public Accountants

The objectives of our audit are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, issue an auditor's report that includes our opinion about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. 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. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements.

The objectives also include reporting on internal control over financial reporting and compliance with provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.

Auditor's Responsibilities for the Audit of the Financial Statements

We will conduct our audit in accordance with GAAS and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of your accounting records of Indian Hills General Improvement District and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is an unavoidable risk that some material misstatements may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected customers, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We have identified the following significant risk(s) of material misstatement as part of our audit planning:

1) Management's override of controls

2) Estimates associated with allowance for uncollectible accounts

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure

confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*. 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, misrepresentation, or the override of internal control. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Indian Hills General Improvement District's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Responsibilities of Management for the Financial Statements

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met, following laws and regulations, and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is responsible for making drafts of financial statements, all financial records, and related information available to us; for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers); and for the evaluation of whether there are any conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for the 12 months after the financial statements date or shortly thereafter (for example, within an additional three months if currently known). You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) additional information that we may request for the purpose of the audit; and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by GAAS and *Government Auditing Standards*.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements of each opinion unit taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, or contracts or grant agreements that we report.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America (GAAP). You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to [include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon]. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP, (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP, (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes), and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Scope and Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

Other Services

We will also assist in preparing the financial statements and related notes of Indian Hills General Improvement District in conformity with accounting principles generally accepted in the United States of America based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Indian Hills General Improvement District; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or

containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Steele & Associates, LLC and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to the Nevada Department of Taxation or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for the purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Steele & Associates, LLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Nevada Department of Taxation. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Steele & Associates, LLC does not host any of Indian Hills General Improvement District's information. SteeleCPAsClientPortal.com is used solely to transmit data and is not intended to store Indian Hills General Improvement District's information. Indian Hills General Improvement District is solely responsible for downloading any deliverables and other records from the Steele & Associates portal that the Indian Hills General Improvement District wishes to retain for its own records at the completion of the engagement. If this engagement occurs over multiple years, Indian Hills General Improvement District should download such information at least annually.

The data and deliverables and other records will either be removed from the Steele & Associates portal or otherwise become unavailable to Indian Hills General Improvement District after one year from the engagement completion date.

Vanessa L. Davis, CPA is the engagement lead and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. We expect to begin our audit as soon as you provide us with the necessary information and to issue our reports no later than the due date required by statute.

Our fee for services will be $46,500. You will also be billed for out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, confirmation service provider fees, etc.) except that we agree that these expenses will not exceed $1,000. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Reporting

We will issue a written report upon completion of our audit of Indian Hills General Improvement District's financial statements. Our report will be addressed to Board of Trustees of Indian Hills General Improvement District. Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will state (1) that the purpose of the report is solely to describe the scope of 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 on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The report will also state that the report is not suitable for any other purpose. If during our audit we become aware that [Name of Governmental Unit] is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

We appreciate the opportunity to be of service to Indian Hills General Improvement District and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the attached copy and return it to us.

Very truly yours,

Steele & Associates, LLC

RESPONSE:

This letter correctly sets forth the understanding of [Name of Governmental Unit].

Management signature: _____

Title: _____

Date: _____

Governance signature: _____

Title: _____

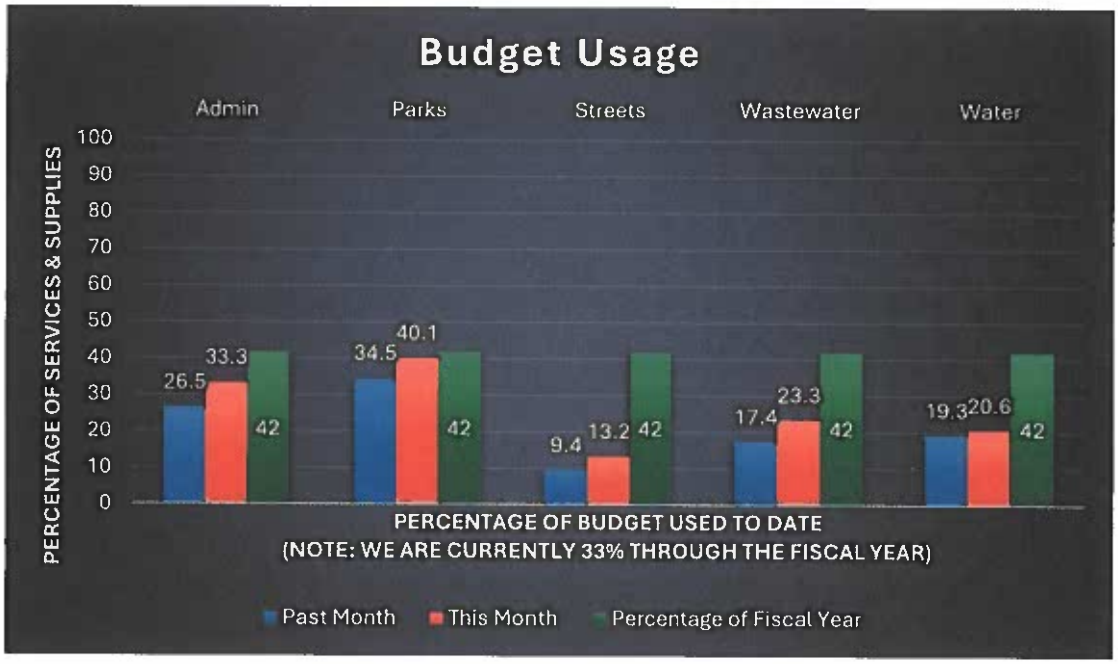
Date: _____

AGENDA ITEM 7a.

Reports to the Board:

a. **General Manager Report**

1. **Administrative**
2. **Water**
3. **Wastewater**



Current Grant Research:

Researching grants through the wildfire programs while working on our Community Wildfire Protection Plan.

Evaluated a grant that was suggested to me for pickleball courts. The USA Pickelball grant is for equipment (paddles, balls, and nets) which we will apply for once we have established some courts. It does not apply for infrastructure.

New Items:

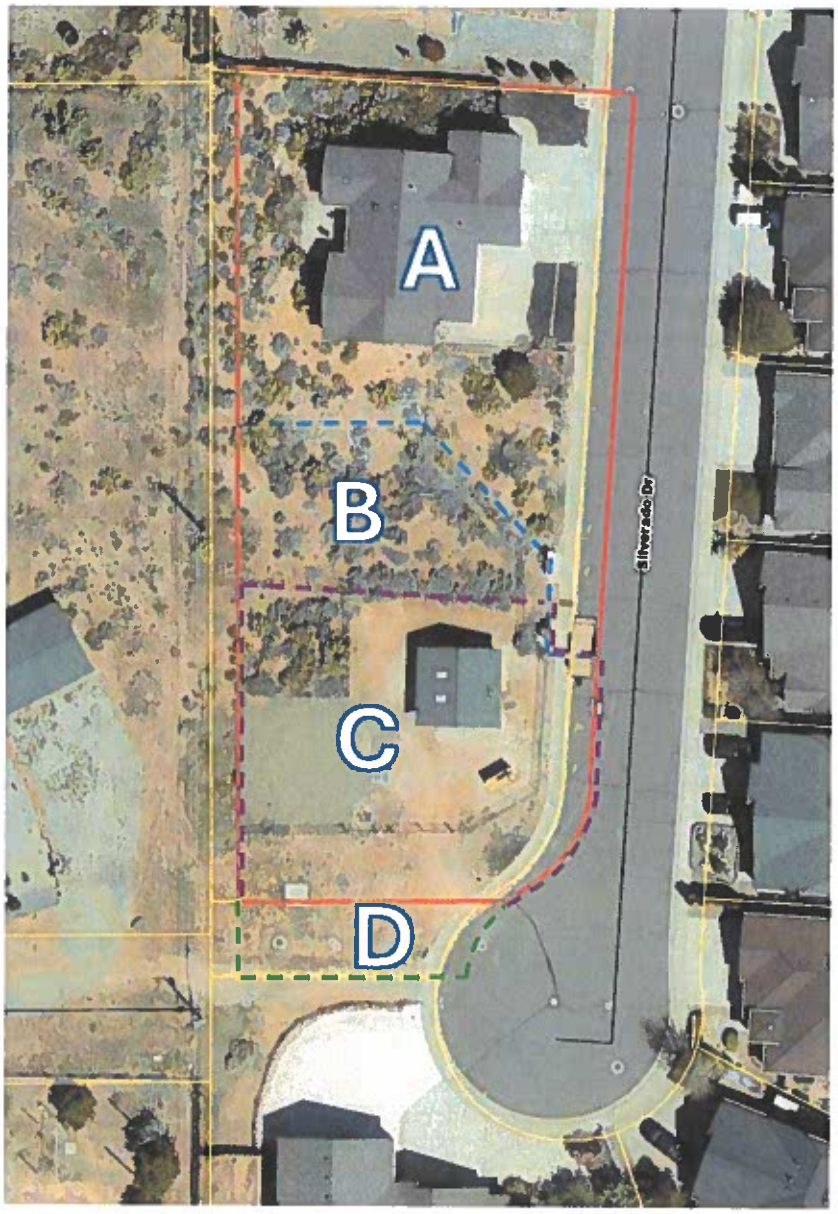
- We received four (4) bids on the Amador Project. I am very happy to report that they came in substantially lower than we were projecting. If the board approves the item in this agenda, we will award the bid.
- We have a number of training events coming up to include fire extinguisher training and some supervisory training. Brooke is doing a great job keeping us up to date with our training.
- We replaced the fence along the northern side of the Haystack catch water basin. The homeowner is very happy with it, and the catch water basin is properly secured. The parks department did a great job of clearing the brush inside the basin's northern edge for the fence replacement.
- I have compiled a list of my goals for the 2026 calendar year.

Existing Items:

- We continue to conduct our monthly vehicle maintenance meetings. This gives the supervisors and the district mechanic a chance to sit down and work out maintenance plans. It has been a very successful program.
- We continue to do our quarterly safety inspections. We have identified several safety issues and corrected the issues. The supervisors and I conduct these inspections, with each of us having our own checklists. We identify issues and corrective plans, and the supervisor of that area addresses them.
- I have created a Frequently Asked Questions page on the webpage that covers questions that people ask, and who to contact in situations. The page also has links to the respective agencies, and information about Code Enforcement, Douglas County Sheriff's Office, and Douglas County.
- I have almost completed the UNR Cooperative Extension program for the development of the Community Wildfire Preparedness Plan. I will prepare the plan over the next few months, and coordinate with Douglas County on their plan.
- We had to cancel our Trunk or Treat due to a lack of participation. We made newsletter announcements, webpage announcements, and board meeting announcements but still did not receive enough volunteers to hold the event. I announced the cancellation with the few people that had volunteered, thanked them for their support, and announced it on the webpage. On the webpage, I also linked and pointed residents to the Douglas County Sheriff's Office Trunk or Treat that was happening the same day.
- I have prepared a presentation for the board to list my accomplishments this year for my evaluation.

Completed / Past Items to be removed next month:

- Our Firewise Coordinator and I conducted Firewise Inspections for a small number of homes in the district. This was, again, a voluntary signup that we scheduled to give homeowners time to address any concerns in time for community cleanup day.
- The Carson Valley Trails Association Spoker Run was a success with a large number of bicyclists attending the event.
- The Carson Valley Trails Association 5k run / walk was also a success. We will continue to coordinate with event providers to promote our district and the amenities that we have.
- The Parks Department has been very busy clearing the defensible space throughout the district. They have cleared along the western side of the district, providing a break along the fences and reducing wildfire fuels.
- The Parks Department has also been very busy clearing access areas along our easements and trails, removing brush that has overgrown over the years. They've cleared along the Easterling Trail and along the exercise trails. The skid steer has already proven its worth.
- The Wastewater Department has also been using the skid steer for clearing down along the easements over the sewer lines, giving them access to the manholes and access points that are back in the brush.
- I met with Tom Dallaire, Director of Community Development for Douglas County, regarding the easement on Mrs. St Germain's property. We spoke of a number of issues, but one suggestion is as follows:



The area inside the solid orange line is Mrs. St Germain's property (A, B, and C). The area inside the blue dashed line is our easement (B & D). Mrs. St Germain had the fence put along the purple line, effectively blocking us from a portion of the easement (B). The "public area" that she has referenced in a previous meeting is actually owned by Syncom Homes and we have an easement there as well (D). Tom and I are asking Sycom Homes to dedicate that parcel to Indian Hills GID (D). Once that is done, we will do a boundary adjustment on both properties. The northern boundary of D will b pushed up to the purple line to include are C. Mrs. St Germain's property line will be reduced to the purple line so that her property will be

sections A & B. Mrs. St Germain has not been paying taxes on the entire property, only on area A.
This will effectively absorb area C into area D, creating a property owned by Indian Hills GID. Areas A & B will remain Mrs. St Germains, with no easement on her property.

As requested by the board, here is a compilation of the GM goals from the board's 2025 evaluations:

- Evaluate operating expense options vs capital expense options.
- Master Maintenance Schedule showing man-hours required for each task performed in the district, per department.
- Continue to pursue cost-cutting measures.
- Search & apply for any and all grant opportunities to support the District's infrastructure needs.
- Enhance Employee Safety Programs and relay improvements to the board.
- Further reduce wildfire fuels around District to enhance the Firewise program.
- Complete Amador Project to accepted quality standards, at or under budget.

These are my personal goals to accomplish this year:

- Become proficient in the District's GIS system and establish a standard for our maps and GIS.
- Make certain District maps available for public viewing, where acceptable.
- Develop and build the District's Community Wildfire Protection Plan using the newly acquired knowledge from the seminars.
- Drive more public awareness of our webpage and research ways to distribute information.
- Research and establish a volunteer program for help with District public events.
- Research USDA and other available loans to evaluate the cost / benefit of using loans to fund district projects while keeping reserves.

Administrative Report December 2025

The ACH program continues to be well received. Residents are thankful the district has implemented this option for payments. We currently have 610, 30.198% of residents taking advantage of automatic withdrawal. We continue to receive requests and new authorization forms daily.

In November we sent out 29 past-due bills resulting in two disconnections. One account has since paid in full, and service was restored. The other appears to be vacant.

We had eight new account sign-ups in November. These are homes that have changed ownership.

The POOL/PACT Strategic Planning retreat that I attended on November 20th and 21st in Minden was awesome. It was in a workshop setting where board members of Pool Pact and its oversite committee members had an opportunity to help shape the future of POOL/PACT and the valuable services they provide for their members. We discussed future goals, objectives and services that members may like to see. I am anxious to see the written report from Bechamps & Associates who facilitated the retreat.

On Thursday, January 8, 2025, all staff will attend yearly Fire Safety training. This is always fun and well-received training. After the classroom portion, employees are able to use what they have learned and extinguish a controlled fire.

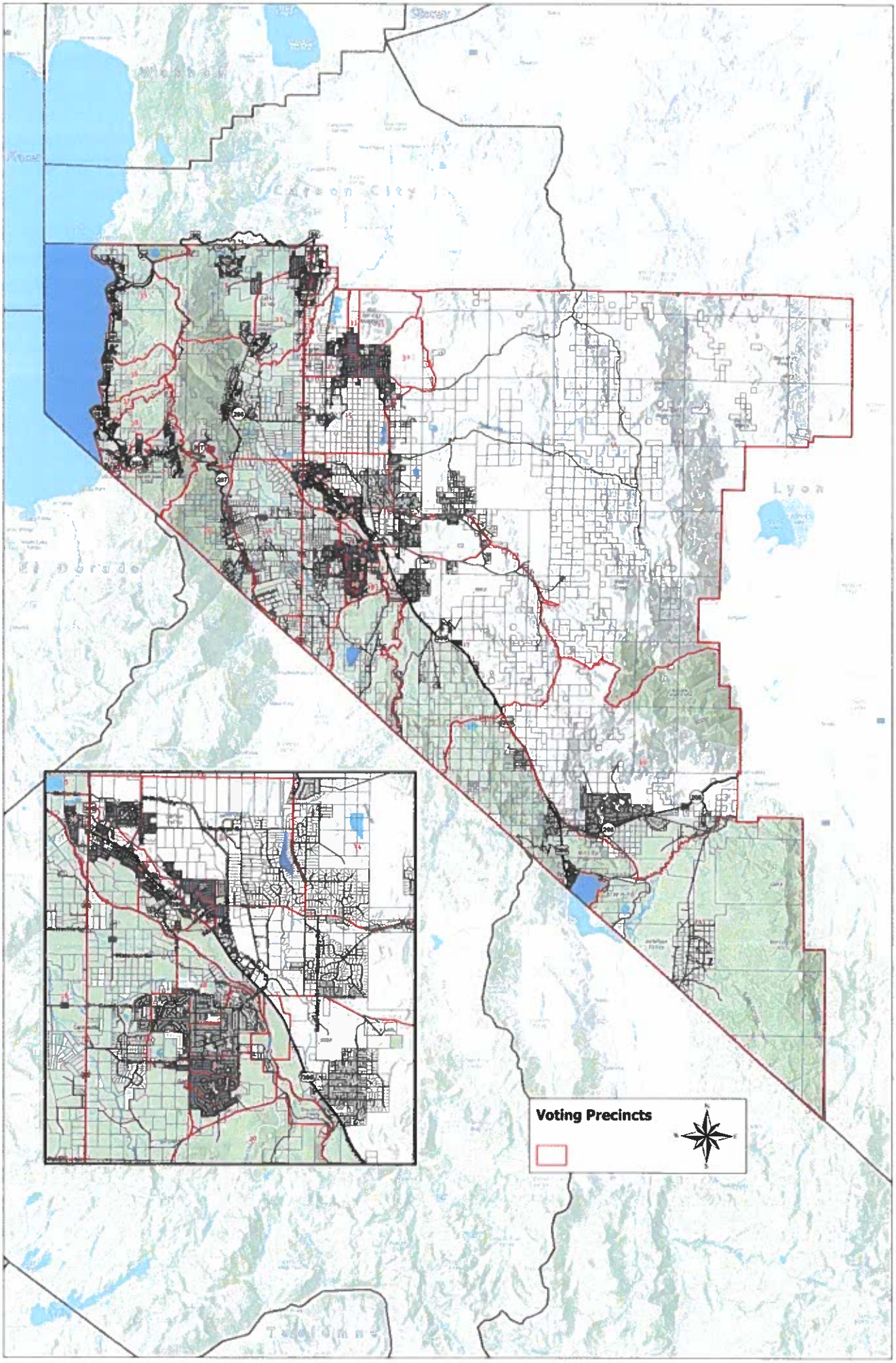
District staff, Trustees, and residents generously filled 30 of the 38 Project Santa Clause Angels we received. This will make these local children very happy on Christmas day! Thank you all for your help, it is appreciated.

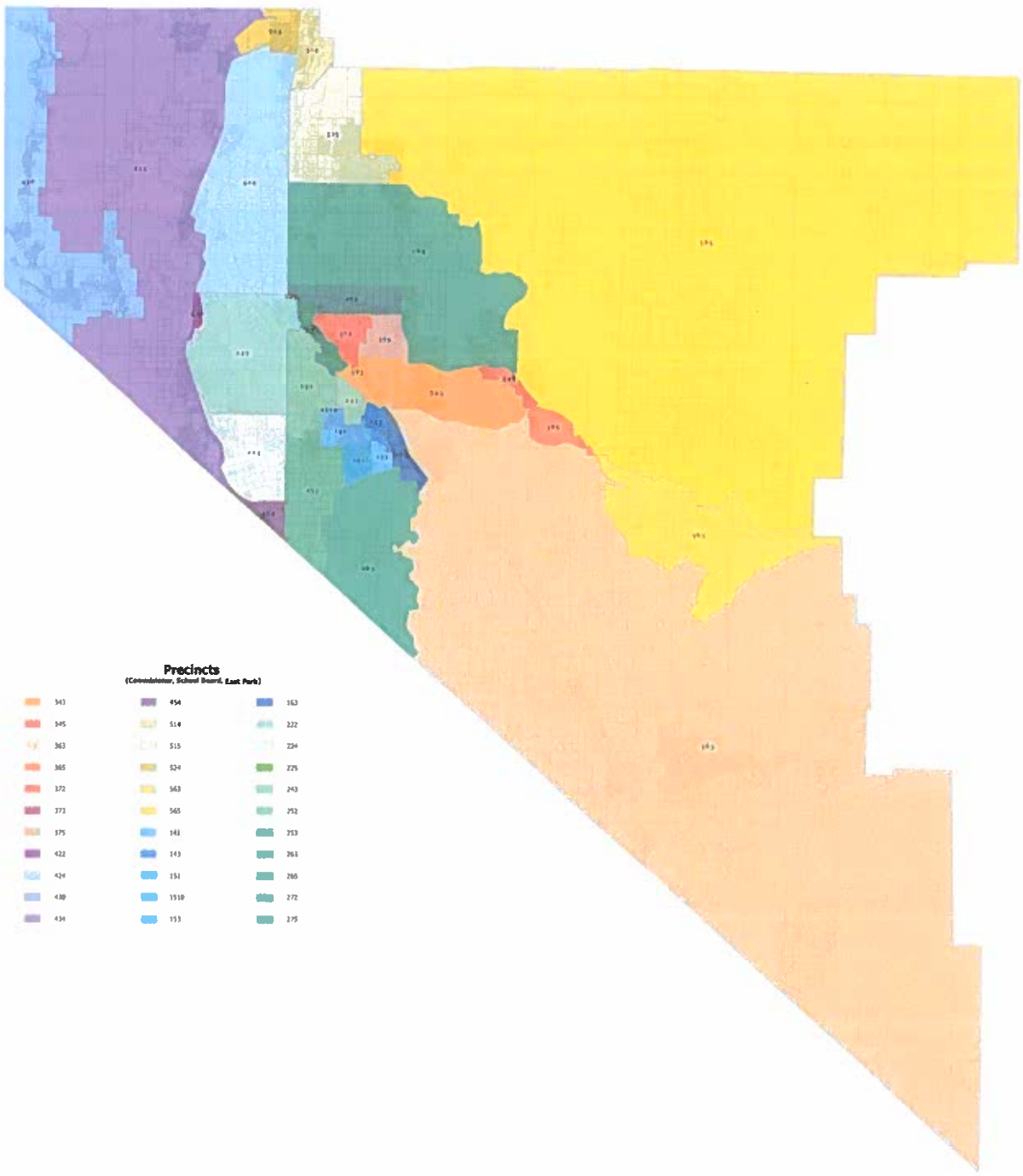
Amy Burgans, Douglas County Clerk-Treasurer asked that I make the board aware of some changes to Douglas County precincts. This will be brought before the Board of County Commissioners at the January 22, 2026, BOCC meeting for presentation only. Per NRS 293, creating precincts is a task given to the County Clerk and then submitted to the Secretary of State and Legislative Counsel Bureau for final approval (to ensure they comply with State and Federal law).
The new precinct plan is designed to simplify the voters' understanding of their precinct. Instead of using sequential numbers, each precinct will have a three-digit number with each digit referencing something important:

- The first digit reflects your County Commission district.
- The second digit reflects your School Board district.
- The third digit reflects your Fire District.

For instance, if you live in precinct 252, that means you are in Commission District 2, School Board District 5, and East Fork Fire District 2.

This approach makes it much easier for voters to immediately understand their districts. And for the Election Office, it streamlines the ballot-creation process significantly. With this new plan, the number of precincts will go from 41 to 33. I have attached the current precinct map and the conceptual precinct map for your information. If you have any questions or concerns, please contact the election office at 775-783-6095.


Voting Precincts
Lyon


Precincts
(Commissioner, School Board, East Park)
343
345
363
365
372
373
375
422
424
430
434
454
514
515
524
563
565
141
143
151
151D
153
163
222
224
225
243
252
253
261
265
272
275

Water Department Report December 2025

Water Quality:

· The Bac-T sample results for November 2025 came back good.

· The Hobo water plant received 7.9 MG of (Minden) water for the month of November.

· North and South School Well have been shut down for the winter due to low demand.

· Ridgeview pumped 1.8 MG for the month of November.

· Hobo well has been shut down for the winter.

Water Plant Rounds:

· Every morning all operations of the Water plant are checked. Morning rounds consist of,

· The water level and operation of all water storage tanks are checked and recorded.

· The water pressure at the plant and off-site booster stations is checked and recorded.

· All flow and totalizer meters are checked, and the amount of water used is recorded.

· The booster pumps at the plant are checked for proper voltage and current. They are also. checked for excessive temperatures at bearings and checked for any water leaks. All information is recorded.

· Water samples are taken from the plant, and we check the water for proper chlorine residuals and calibrate the chlorine analyzer as needed. We also check the water for PH, clarity, and temperature. All information is recorded.

· Trends of the water system are checked through SCADA. Checking these trends for anomalies in the distribution system can give us an early warning of future problems.

Maintenance:

· The Water department excavated a meter pit at 936 Lehigh Cir. due to a leak in the meter pit.

· The Water department excavated the service line to 1054 Pebble Beach Ct. due to a leak in the line. This repair required the removal of a sidewalk panel to complete.

· The Water department excavated a meter pit at 3539 Smoketree Ave. due to a leak in the meter pit. This repair required the removal of a sidewalk panel to complete.

· The Water department excavated a meter pit at 984 Sunburst Dr. due to a leak in the meter pit.

· The Water department excavated a meter pit at 888 Valley Vista Dr. due to a leak in the meter pit.

Wastewater Department Report December 2025

1: Treatment plant:
Ryan and Dave repaired a 2" plant reuse water leak on the NW corner of the SBR basins. We replaced the cracked tee that was 4' underground with Sch 80 fittings and a heavy-duty barrel coupler for a long-lasting repair.

We hauled the new skid steer loader with the masticator out to the plant. Ryan cleared some Sagebrush north of the east primary pond and determined the masticator wasn't running at full speed. S and W tractor picked up the loader for repair.

Ryan cleaned all the components of the polymer mixing machine for the dewatering system and hosed down the back side of the press. We normally only wash down the front side.

Ryan continues to drag our roads and Hobo Hot Springs Road. All roads are in great condition thanks to Ryan's work on them.

The average daily flow to the Wastewater plant for November 2025 was .308 MGD (Million Gallons per Day) or 308,000 gallons per day.

2: Lift Stations:
Ray has applied the second coat of paint to the Lift 2 emergency generator enclosure. Thanks Ray!
All 4 lift stations continue to perform satisfactorily.

3: Sewer Collection:
Ryan inspected problem manholes and is editing the list as needed. He is up to date on manhole flushing.

Parks & Streets Department Report December 2025

Parks and Streets staff continue to preform weekly checks of all parks and open spaces. Checks are done on Mondays and Fridays during the Fall months as usage is decreased with the cooler temperatures. Staff checks and cleans/restocks all of the district's public restrooms, checks all trash cans and dog bag dispensers on district property along with doing a visual inspection of the playground equipment.

Staff have also begun adding 240 yards of playground fibar which is needed at all playgrounds for fall protection.

Additionally, with the help of the Town of Minden staff have installed a new flagpole string and all new hardware.

Parks staff continue to spray weeds throughout the district with a roundup/2-4d mixture to get a handle on the weeds. Staff have also been cleaning up trails and detention ponds using the masticator purchased by the district this summer.

Streets staff have also begun crack sealing of roads on the west side of Hwy 395.

Additionally, staff continue to sweep all streets in the district once a week. Street sweeping is done on the west side of 395 on Monday's and the east side of 395 on Friday. Staff are also working diligently to pick up all leaves at parks and in the streets.

Staff also continue the filling of potholes throughout the district as needed. Staff have also started our fall cleanup. Staff will be trimming all trees and shrubs in preparation for the winter months ahead.

Additionally, staff has installed Christmas lights on the district office and shop, vista grande trees and the Christmas tree at the top of Mica in Sunridge.

AGENDA ITEM 7b.

Reports to the Board:

b. District Accountant Report

INDIAN HILLS GID
ACCOUNTANTS REPORT
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OVERTIME/CALL OUT	7
BUDGET TO ACTUAL (REVENUE/EXPENSES)	8-10

INDIAN HILLS GID
CASH BALANCES
11/30/2025

CASH BALANCES		**11/30/2025**
Operating	$5,153,700.95	
Reserved from rate increase	$1,877,767.84	
Reserved for Parks	$12,392.14	
Reserved for Streets	$1,389,554.27	
Operating Available		$1,873,986.70
Payroll		$24,594.26
Money Market-NV State Bank	$1,653,539.02	
Reserve for Infrastructure	$894,437.03	
Reserve for Connections	$613,896.66	
Reserve for Storm Water Mgt	$67,628.89	
Reserve for Sewer Debt Reserves	$70,359.20	
Reserve for Short Lived Assets	$62,329.95	
Money Market Available		-$55,112.71
Money Market-Moreton	$3,336,906.86	
Reserve for Water Conservation-Parks	$10,000.00	
Moreton Available		$3,326,906.86
Pipeline	$673,976.17	
Reserve for USDA Debt Service	$40,284.00	
Reserve for O&M	$67,941.82	
Reserve for Short Lived Assets	$412,959.70	
Reserve for AB198 capital repl	$144,281.92	
Reserve for construction	$16,347.55	
Pipeline Available		-$7,838.82
Total Available		$5,162,536.29
Investment Pool		
IHGID		$10,116.95
IHCIP(2m 2007 Bonds)		$140,926.13
Drinking Water Bond		$222,480.05
Total		**$373,523.13**

INDIAN HILLS GID
CASH BALANCES BY FUND
11/30/2025

CASH BALANCES	11/30/2025		
	WATER	SEWER	ADMIN
Operating	1,152,557.21	1,905,653.03	2,095,490.71
Reserved from rate increase	890,166.11	987,601.73	
Reserved for streets			1,389,554.27
Reserved for parks			12,392.14
Reserved for water tank			
Operating Available	**262,391.10**	**918,051.30**	**693,544.30**
Money Market-Nevada State Bank	440,421.40	749,563.27	463,554.35
Reserve for Infrastructure	231,371.49	278,380.35	384,685.19
Reserve for Connections	319,773.33	294,123.33	
Reserve for storm water mgt			67,628.89
Reserve for sewer debt service		70,359.20	
Reserve for sewer short lived assets		62,329.95	
Money Market Available	**-110,723.42**	**44,370.44**	**11,240.27**
Money Market-Moreton	**1,112,302.29**	**1,112,302.28**	**1,112,302.29**
Reserve for water conservation-Parks			10,000.00
Moreton Available	**1,112,302.29**	**1,112,302.28**	**1,102,302.29**
Pipeline	673,976.17		
Reserve for debt service (fully funded)	40,284.00		
Reserve for O&M	67,941.82		
Reserve for short lived assets	412,959.70		
Reserve for AB198 capital replacement	144,281.92		
Reserve for construction	16,347.55		
	-7,838.82		
TOTAL AVAILABLE	**1,256,131.15**	**2,074,724.02**	**1,807,086.86**

INDIAN HILLS GID
LONG TERM DEBT
AS OF 11/30/25

DEBT		BALANCE	PAYMENT		FINAL PAYMENT	INTEREST RATE
WATER 2003 BOND		$ 58,213.28	59,220.37	due Jan and July	1/1/2026	3.46%
WATER/SEWER 2007 BOND	*	$ 150,000.00	**	due May and Nov	11/1/2026	4.00%
USDA SEWER		$ 1,061,003.86	4,754.08	MONTHLY	1/1/2052	2.75%
USDA PIPELINE		$ 701,744.98	3,357.00	MONTHLY	8/1/2051	3.25%
PIPELINE 2010 STATE		$ 376,324.53	40,343.06	due Jan and July	7/1/2030	2.57%
		$ 2,347,286.65				

* (35% WATER, 65% SEWER)
** payment amount varies

8

INDIAN HILLS GID
ATTORNEY EXPENSES
NOVEMBER 2025

MONTHLY FEES	3,000.00
TOTAL	3,000.00

INDIAN HILLS GID
ENGINEERING EXPENSES
NOVEMBER 2025

		budget	billed	total paid	% complete
ENGINEERING FEES	1,999.20	24,000.00	7,999.20	7,999.20	33.33%
REMEDY MEDICAL	3,605.00	10,200.00	3,605.00	3,605.00	35.34%
STREET MAINTENANCE	0.00	81,800.00	59,158.25	59,158.25	72.32%
STREET REHAB (AMADOR)	25,074.00	249,550.00	230,711.00	230,711.00	92.45%
	30,678.20				

Indian Hills General Improvement District
OVERTIME/CALLOUT HOURS
NOVEMBER 2025

Employee	Hours	pay date 11/14/2025	Hours	pay date 11/26/2025	Hours	pay date	Total Hours	Total Earnings
WATER TECH		0.00		0.00		0.00	0	0.00
WATER TECH		0.00		0.00		0.00	0	0.00
PARKS	2	61.44		0.00		0.00	2	61.44
PARKS		0.00		0.00		0.00	0	0.00
STREETS		0.00		0.00		0.00	0	0.00
STREETS		0.00		0.00		0.00	0	0.00
WATER SUPER		0.00		0.00		0.00	0	0.00
WATER SUPER		0.00		0.00		0.00	0	0.00
ADMIN SUPPORT		0.00	4	281.28		0.00	4	281.28
ADMIN SUPPORT		0.00		0.00		0.00	0	0.00
SEWER TECH		0.00		0.00		0.00	0	0.00
SEWER TECH	1	53.68		0.00		0.00	1	53.68
SEWER SUPER		0.00	2	223.32		0.00	2	223.32
SEWER SUPER		0.00		0.00		0.00	0	0.00
MECHANIC		0.00		0.00		0.00	0	0.00
MECHANIC		0.00		0.00		0.00	0	0.00
TOTALS	3.00	115.12	6.00	504.60	0.00	0.00	9.00	619.72

INDIAN HILLS GID
BUDGET TO ACTUAL
NOT INCLUDING DEPRECIATION
FOR THE PERIOD ENDED NOVEMBER 30, 2025
WATER

				(OVER)/	41.67%
INCOME		**BUDGET**	**ACTUAL**	**UNDER**	
	FEES	1,495,778.00	725,054.33	770,723.67	48.47%
	CONNECTION FEES	0.00	0.00	0.00	0.00%
	CRICKET/VERIZON	14,929.92	6,220.80	8,709.12	41.67%
	GRANT INCOME	0.00	0.00	0.00	0.00%
	INTEREST	60,000.00	23,405.35	36,594.65	39.01%
	MISCELLANEOUS	0.00	1,279.23	(1,279.23)	0.00%
	TOTAL REV	1,570,707.92	755,959.71	814,748.21	48.13%
EXPENSES					
	SALARIES/BENEFITS	446,004.39	167,415.00	278,589.39	37.54%
	OPERATING EXP	503,100.00	204,393.18	298,706.82	40.63%
	DEBT PRINCIPAL	252,500.18	56,222.50	196,277.68	22.27%
	DEBT INTEREST	38,990.70	18,293.27	20,697.43	46.92%
	CAPITAL OUTLAY	1,724,624.00	53,613.30	1,671,010.70	3.11%
	TOTAL EXP	2,965,219.27	499,937.25	2,465,282.02	16.86%
	PROFIT (LOSS)	-1,394,511.35	256,022.46	(1,650,533.81)	

NON-CASH				
infrastructure depletion (DEPRECIATION)	552,000.00	230,000.00	322,000.00	41.67%

INDIAN HILLS GID
BUDGET TO ACTUAL
NOT INCLUDING DEPRECIATION
FOR THE PERIOD ENDED NOVEMBER 30, 2025
SEWER

				(OVER)/	41.67%
INCOME		**BUDGET**	**ACTUAL**	**UNDER**	
	FEES	1,115,040.00	507,698.85	607,341.15	45.53%
	CONNECTION FEES	0.00	0.00	0.00	0.00%
	INTEREST	45,000.00	18,226.78	26,773.22	40.50%
	MISCELLANEOUS	0.00	0.00	0.00	0.00%
	TOTAL REV	1,160,040.00	525,925.63	634,114.37	45.34%
EXPENSES					
	SALARIES/BENEFITS	485,425.90	173,783.58	311,642.32	35.80%
	OPERATING EXP	266,600.00	90,049.93	176,550.07	33.78%
	DEBT PRINCIPAL	118,842.48	102,508.01	16,334.47	86.26%
	DEBT INTEREST	34,926.48	14,950.54	19,975.94	42.81%
	CAPITAL OUTLAY	985,750.00	51,692.30	934,057.70	5.24%
	TOTAL EXP	1,891,544.86	432,984.36	1,458,560.50	22.89%
	PROFIT (LOSS)	-731,504.86	92,941.27	(824,446.13)	

NON-CASH:				
infrastructure depletion (DEPRECIATION)	455,000.00	189,583.35	265,416.65	41.67%

INDIAN HILLS GID
BUDGET TO ACTUAL
NOT INCLUDING DEPRECIATION
FOR THE PERIOD ENDED NOVEMBER 30, 2025
GENERAL

					(OVER)/	41.67%
INCOME			**BUDGET**	**ACTUAL**	**UNDER**	
	AD VALOREM		1,245,324.00	698,159.04	547,164.96	56.06%
	DOUGLAS CO. CONSOLIDATED TAX		402,412.00	192,598.72	209,813.28	47.86%
	PARK REV		1,500.00	625.00	875.00	41.67%
	GRANT		0.00	0.00	0.00	0.00%
	DONATIONS		0.00	0.00	0.00	0.00%
	MISCELLANEOUS		0.00	0.50	(0.50)	0.00%
	INTEREST		48,000.00	19,017.83	28,982.17	39.62%
	STORM WATER		21,700.00	9,182.00	12,518.00	42.31%
	TOTAL REV		1,718,936.00	919,583.09	799,352.91	53.50%
EXPENSES						
ADMIN	SALARIES/BENEFITS		110,741.61	42,821.03	67,920.58	38.67%
	OPERATING EXP		225,850.00	65,653.90	160,196.10	29.07%
	CAPITAL OUTLAY		8,000.00	5,752.75	2,247.25	71.91%
PARKS	SALARIES/BENEFITS		270,660.89	85,202.55	185,458.34	31.48%
	OPERATING EXP		174,000.00	67,077.18	106,922.82	38.55%
	CAPITAL OUTLAY		43,000.00	42,345.63	654.37	98.48%
STREETS	SALARIES/BENEFITS		277,660.89	84,754.00	192,906.89	30.52%
	OPERATING EXP	**	111,200.00	-110,288.67	221,488.67	-99.18%
	CAPITAL OUTLAY		1,220,000.00	148,882.30	1,071,117.70	12.20%
	TOTAL EXP		2,441,113.39	432,200.67	2,008,912.72	17.71%
	PROFIT		-722,177.39	487,382.42	(1,209,559.81)	

** due to reversal of June A/P

NON-CASH:				
infrastructure depletion (DEPRECIATION)	383,600.00	159,833.30	223,766.70	41.67%

AGENDA ITEM 7c.

Reports to the Board:

c. Engineer Report

LUMOS & ASSOCIATES

Boise • Carson City • El Dorado Hills • Fallon • Lake Tahoe • Reno www.LumosInc.com

Carson City
308 N. Curry Street, Suite 200
Carson City, Nevada 89703
775.883.7077

12/10/2025

Chris Johnson, District Manager
Indian Hills GID
3394 James Lee
Carson City, NV 89705

Subject: Engineer's Report to the Board – December 2025 Board Meeting

Dear Chris:

The following is a list of services that Lumos & Associates (Lumos) has provided to Indian Hills General Improvement District (IHGID), and update to general District items that have been coordinated over the last month:

- Lumos has received bids from Contractors for the FY 25 / 26 Street Rehabilitation Project (Amador), and will be providing that information, along with a recommendation, in a separate item of the agenda.
- Lumos has completed review of the Remedy Medical Center plans and has a draft NAC Report for their new development. Lumos will be providing both documents to Kimley Horn (Developer's Engineer) when final review is complete and ready.
- Lumos is preparing the District's annual Small MS4 report for submittal to Nevada Division of Environmental Protection (NDEP). The Small MS4 is the ongoing permit between Indian Hills GID and NDEP regulating stormwater discharge.

I will be happy to answer any questions during the Board Meeting.

Sincerely,

Collin Sturge, P.E.
IHGID District Engineer

AGENDA ITEM 7d.

Reports to the Board:

d. Attorney Report

AGENDA ITEM 8.

Discussion and possible action to award bid to RaPiD Construction Inc., in the amount of $3,497,754.30 for the FY 25/26 Street Rehabilitation Project and to authorize a $175,000.00 force account to be added to the contract, to be used for unseen changes in construction.
(District Engineer Collin Sturge/General Manager, Chris Johnson)

LUMOS & ASSOCIATES

MEMORANDUM

DATE:	12/10/2025
TO:	Chris Johnson – IHGID General Manager
FROM:	Collin Sturge, P.E. – IHGID District Engineer
CC:	Brooke Thompson; Mason Phillips, P.E.
PROJECT:	PWP-DO-2026-031; Lumos PN 11600.004
SUBJECT:	IHGID FY 25/26 Street Rehabilitation Project – Recommendation of Construction Award

The IHGID FY 25/26 Street Rehabilitation Project aims to improve the existing surface and utility infrastructure along portions of Amador Circle, Ore Court, and Placer Court. The proposed surface improvements involve the full reconstruction of the roadway corridor including, but not limited to, the asphalt concrete pavement section, sidewalk, curb & gutter, valley gutter and spandrel, striping and ADA improvements. The proposed utility improvements include the installation of new 6-inch PVC C900 waterline, water services, meter boxes, and fire hydrant assemblies; as well as the spot repair of sewer main and manholes, CIPP lining of 8-inch sewer mains, lateral reconnections, and installation of Type 4R catch basins. In addition to all the new infrastructure, the project also includes removal and disposal or abandonment of existing facilities.

Four (4) bids for the project were received and publicly opened on December 03, 2025 at 10:00 am in the Lumos & Associates Carson City Office. All bids received were within the range of approximately $3,490,000 to $4,190,000, with the Engineer's Opinion of Probable Construction Cost (OPCC) being approximately $4,240,000. The apparent low bidder is RaPiD Construction Inc. at a bid price of $3,497,754.30.

Lumos has compiled the Contractor's bids, along with the original OPCC on the attached Bid Tabulation for reference.

Upon review of the documents, RaPiD Construction Inc. has submitted a responsive and responsible bid for the project; therefore, Lumos & Associates recommends that RaPiD Contruction Inc. be awarded the full Contract in the amount of $3,497,754.30. Lumos also recommends The Board authorize a $175,000 Force Account be added to the Contract, to be used for unseen changes in construction (the Contractor must receive approval from Chris Johnson, District General Manager, prior to utilizing the Force Account).

If there are any questions, I will be happy to answer them in December's Board Meeting.

Sincerely,

Collin Sturge, P.E.
IHGID District Engineer

Indian Hills General Improvement District
INGID FY 25-26 Street Rehabilitation Project
PWPW DO-2026-031
Bid Tab

LUMOS

Bid Item No.	Description	Units	Quantity	Engineers Estimate		RaPID Construction Inc.		Fitt Carson Co.		Resource Development Company LLC		Sierra Nevada Construction, Inc.	
				Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price	Unit Price	Total Price
	General												
1	Mobilization and Demobilization	LS	1	$100,000.00	$100,000.00	$170,000.00	$170,000.00	$81,754.00	$81,754.00	$199,000.00	$199,000.00	$150,000.00	$150,000.00
2	Traffic Control	LS	1	$100,000.00	$100,000.00	$50,000.00	$50,000.00	$89,475.00	$89,475.00	$45,000.00	$45,000.00	$253,230.00	$253,230.00
3	SWPPP / Dust Control	LS	1	$25,000.00	$25,000.00	$18,000.00	$18,000.00	$39,500.00	$39,500.00	$25,000.00	$25,000.00	$7,000.00	$7,000.00
4	Potholing	LS	1	$40,000.00	$40,000.00	$110,000.00	$110,000.00	$52,630.00	$52,630.00	$42,000.00	$42,000.00	$25,000.00	$25,000.00
	General Total				**$265,000.00**		**$348,000.00**		**$283,359.00**		**$311,000.00**		**$435,230.00**
	Surface Improvements												
5	3" Type 3 PG64-28W AC on 6" Type 9 Class B Aggregate Base	SF	124,700	$5.00	$623,500.00	$4.80	$598,560.00	$5.70	$710,790.00	$6.50	$810,550.00	$4.40	$548,680.00
6	Permanent Bituminous Pavement Patch	SF	1,030	$16.00	$16,480.00	$4.85	$4,994.50	$15.50	$15,965.00	$24.00	$24,720.00	$8.00	$8,240.00
7	Replace Landscaping	SF	40	$20.00	$800.00	$120.00	$4,800.00	$280.50	$11,220.00	$604.00	$24,160.00	$25.00	$1,000.00
8	Remove and Replace PCC Sidewalk	SF	25,000	$22.00	$550,000.00	$14.00	$350,000.00	$17.00	$425,000.00	$18.00	$450,000.00	$24.00	$600,000.00
9	Remove and Replace PCC Valley Gutter and Spandrel	SF	2,230	$30.00	$66,300.00	$30.00	$66,300.00	$39.50	$87,295.00	$31.00	$68,510.00	$35.00	$77,350.00
10	Remove and Replace PCC Driveway Transition	SF	150	$35.00	$5,250.00	$45.00	$6,750.00	$54.50	$8,175.00	$40.00	$6,000.00	$40.00	$6,000.00
11	Remove and Replace PCC Type 3 Curb and Gutter (24" Wide)	LF	0										
12	Remove and Replace PCC Type 2 Curb and Gutter (26" Wide)	LF	6140	$80.00	$492,800.00	$80.00	$492,800.00	$58.00	$357,280.00	$23.00	$141,680.00	$70.00	$431,200.00
13	Install PCC ADA Pedestrian Ramp	EA	6	$5,500.00	$33,000.00	$9,000.00	$54,000.00	$3,812.00	$22,872.00	$5,400.00	$32,400.00	$4,100.00	$24,600.00
14	Reconstruct Survey Monument	EA	12	$1,000.00	$12,000.00	$800.00	$14,400.00	$458.00	$8,244.00	$2,400.00	$43,200.00	$1,408.00	$25,296.00
15	Install Red Curb Paint	LF	320	$3.00	$960.00	$2.00	$640.00	$7.00	$2,240.00	$5.00	$1,600.00	$3.85	$1,232.00
16	Install 24" White Thermoplastic Stop Bar	LF	80	$14.00	$1,120.00	$20.00	$1,600.00	$30.00	$2,400.00	$21.00	$1,680.00	$15.00	$1,200.00
17	Install 2' x 20' White Thermoplastic Crosswalk Keys	LF	138	$14.00	$2,660.00	$20.00	$3,800.00	$28.00	$5,320.00	$21.00	$3,990.00	$15.00	$2,850.00
18	Install Preformed Thermoplastic Pavement Marking (STOP Legend)	EA	4	$400.00	$1,600.00	$413.00	$1,652.00	$703.50	$2,814.00	$482.00	$1,928.00	$400.00	$1,600.00
	Surface Improvements Total				**$1,812,470.00**		**$1,688,294.50**		**$1,638,815.00**		**$1,818,488.00**		**$1,729,183.00**
	Sanitary Sewer Improvements												
19	Remove and Dispose of Existing Asbestos Sewer Main	LF	440	$150.00	$66,000.00	$12.00	$5,280.00	$33.50	$14,740.00	$156.00	$68,640.00	$50.00	$22,000.00
20	Remove and Dispose of Existing Type I Sanitary Sewer Manhole	EA	7	$200.00	$1,400.00	$1,400.00	$9,800.00	$5,230.00	$36,610.00	$3,800.00	$26,600.00	$3,200.00	$22,400.00
21	4" Service Lateral Reconnection	EA	16	$8,500.00	$136,000.00	$4,850.00	$76,800.00	$5,338.00	$85,408.00	$5,380.00	$84,800.00	$6,700.00	$107,200.00
22	4" Service Lateral Relocation and Reconnection	EA	2	$12,000.00	$24,000.00	$4,800.00	$9,600.00	$6,379.00	$12,758.00	$8,000.00	$16,000.00	$7,000.00	$14,000.00
23	Install 8" SDR-35 PVC Sanitary Sewer Pipe	LF	440	$270.00	$118,800.00	$205.00	$90,200.00	$169.00	$74,360.00	$280.00	$123,200.00	$280.00	$123,200.00
24	Install Type I Sanitary Sewer Manhole	EA	9	$14,000.00	$126,000.00	$14,500.00	$130,500.00	$12,581.00	$113,229.00	$14,500.00	$130,500.00	$14,500.00	$130,500.00
25	8" Cured in Place Liner Installation	LF	1,460	$200.00	$292,000.00	$115.00	$167,900.00	$139.00	$202,940.00	$117.00	$170,820.00	$95.00	$138,700.00
26	Protect and Adjust Existing Sewer Manhole to Finish Grade	EA	6	$3,600.00	$21,600.00	$1,500.00	$9,000.00	$1,815.00	$10,890.00	$5,000.00	$30,000.00	$3,000.00	$18,000.00
27	Remove Existing Catch Basin and Install New Type 4R Catch Basin	EA	3	$8,000.00	$24,000.00	$8,500.00	$25,500.00	$7,565.00	$22,695.00	$6,400.00	$19,800.00	$10,000.00	$30,000.00
28	Remove and Dispose of Existing 15" Reinforced Concrete Pipe	LF	12	$250.00	$2,760.00	$25.00	$300.00	$210.00	$2,520.00	$950.00	$11,400.00	$180.00	$2,160.00
29	Install 15" SDR-35 PVC Storm Sewer Pipe	LF	12	$440.00	$5,280.00	$140.00	$1,680.00	$244.00	$2,928.00	$830.00	$9,960.00	$270.00	$3,240.00
	Sanitary Sewer Improvements Total				**$817,540.00**		**$527,160.00**		**$579,878.00**		**$691,720.00**		**$611,400.00**
	Water System Improvements												
30	8" Restrained PVC C900 Waterline & Appurtenances	LF	3,220	$160.00	$515,200.00	$120.80	$388,400.00	$181.50	$584,430.00	$211.00	$679,420.00	$200.00	$644,000.00
31	New Fire Hydrant Assembly	EA	10	$18,000.00	$180,000.00	$14,000.00	$140,000.00	$13,610.00	$136,100.00	$20,600.00	$206,000.00	$16,000.00	$160,000.00
32	Install 8" Diameter Gate Valve	EA	12	$4,000.00	$48,000.00	$2,700.00	$32,400.00	$2,833.00	$33,996.00	$3,800.00	$45,600.00	$4,000.00	$48,000.00
33	New 3/4" Single Water Meter & 3/4" Service Connection	EA	1	$6,000.00	$6,000.00	$9,000.00	$9,000.00	$6,031.00	$6,031.00	$10,400.00	$10,400.00	$4,100.00	$4,100.00
34	New 3/4" Double Water Meter & 1" Service Connection (Simple)	EA	30	$8,000.00	$240,000.00	$9,000.00	$270,000.00	$7,488.00	$224,640.00	$9,500.00	$285,000.00	$5,700.00	$171,000.00
35	New 3/4" Double Water Meter & 1" Service Connection (Complex)	EA	10	$12,000.00	$120,000.00	$9,500.00	$95,000.00	$8,492.00	$84,920.00	$9,200.00	$92,000.00	$6,000.00	$60,000.00
36	Abandon Existing 6" Asbestos Waterline in Place	LS	1	$15,000.00	$15,000.00	$8,415.30	$8,415.30	$7,490.00	$7,490.00	$60,000.00	$60,000.00	$20,000.00	$20,000.00
37	Abandon or Remove Existing Gate Valve	EA	16	$750.00	$12,000.00	$350.00	$5,600.00	$235.00	$3,760.00	$1,150.00	$18,400.00	$1,000.00	$16,000.00
38	Demolish and Remove Existing Fire Hydrant Assembly	EA	7	$2,000.00	$14,000.00	$2,800.00	$19,600.00	$1,900.00	$13,300.00	$4,800.00	$33,600.00	$2,500.00	$17,500.00
	Water System Improvements Total				**$1,150,200.00**		**$968,415.30**		**$1,094,667.00**		**$1,430,420.00**		**$1,140,600.00**
	Miscellaneous												
39	Rock Excavation (Contingent Item)	CY	25	$250.00	$6,250.00	$1.00	$25.00	$204.00	$5,100.00	$300.00	$7,500.00	$125.00	$3,125.00
40	Overexcavation of Unsuitable Material and Backfill (Contingent Item)	CY	500	$150.00	$75,000.00	$56.00	$28,000.00	$104.00	$52,000.00	$150.67	$75,335.00	$75.00	$37,500.00
41	Perform Waterline Vertical Offset (Contingent Item)	EA	3	$6,000.00	$18,000.00	$9,300.00	$27,900.00	$12,060.00	$36,180.00	$18,600.00	$55,800.00	$14,000.00	$42,000.00
	Miscellaneous Total				**$99,250.00**		**$55,925.00**		**$93,280.00**		**$138,635.00**		**$82,625.00**
	Project Grand Total				**$4,144,760**		**$3,497,754**		**$3,689,999**		**$4,182,233**		**$3,999,007**

AGENDA ITEM 9.

Discussion and possible action to accept addendum #1 from Lumos & Associates, Inc. in the amount of $309,050.00 for professional engineering and construction services for the IHGID FY 25/26 Street Rehabilitation Project. (District Engineer, Collin Sturge)

LUMOS & ASSOCIATES

Boise • Carson City • El Dorado Hills • Fallon • Lake Tahoe • Reno www.LumosInc.com

Reno
950 Sandhill Road, Suite 100
Reno, Nevada 89521
775.827.6111

November 25, 2025 Addendum #1

Chris Johnson, District Manager
Indian Hills General Improvement District
3394 James Lee Park Road #A
Carson City, NV 89705

Re: Proposal for Professional Engineering & Construction Services: Addendum #1
IHGID FY 25/26 Street Rehabilitation Project
Amador Cir, Ore Ct, & Placer Ct Surface Reconstruction & Utility Rehabilitation

Dear Chris:

Lumos & Associates, Inc. (Lumos) is pleased to provide you with this proposed addendum for engineering and construction related services for the Indian Hills GID FY 25/26 Street Rehabilitation Project.

We propose the following tasks to assist you with the construction of your project:

Project Scope

Task 9 – Construction Management

Lumos will provide Construction Management services for this project as described below:

- Facilitate the preconstruction conference and weekly progress meetings throughout the project duration - including the preparation of agendas and minutes for all meetings.
- Perform construction coordination including response to RFIs.
- Review and provide recommendations on contractor's traffic control plans.
- Review and approve contractor's submittals for conformance to the contract documents.
- Review and provide recommendations on test results.
- Review and provide recommendations on contractor's schedule and work progress.
- Review construction for acceptance and/or mitigation.
- Provide verification and approval of contractor's monthly pay request.
- Provide weekly electronic quantities.
- Supervise the inspection and material testing activities.
- Provide recommendations for any necessary construction changes due to field conditions.
- Assist in work change directive and field order preparation and implementation.
- Assist in change order review and approval.
- Provide final test results, field reports, project photos and videos in electronic format (.pdf).

Task 10 – Construction Surveying
Lumos will provide Construction Surveying services for this project as described below:

Control Verification Survey – Conduct an initial survey to locate and densify existing control referencing the project basis of bearings and benchmark as shown on the project plans. A minimum of 3 project benchmarks will be established around the project to be used during construction. Horizontal control or densifying control for the use of contractor surveying is not included in this scope. (One Field Trip)

Utilities – Provide 1 set of stakes at an offset requested by the contractor to following proposed utility improvements.

- *Water Lines* – set at ends, angle points, fire hydrants, valves, and every 100 feet point-on-line offset stakes. (Two Field Trips)
- *Sanitary Sewer* – 2 offset stakes to each manhole with cut/fill marked to rim elevations per the plan and profile sheets. (Two Field Trips)
- *Storm Drain* – 2 offset stakes to each catch basin with cuts provided to invert elevations per the plan and profile sheets. (One Field Trip)

Final Grade – Provide 1 set of offset stakes at an offset distance requested by contractor to top back of curb on 50' intervals in tangents and 25' intervals in curves including all horizontal and vertical points of curvature, points of tangent and angle points. Cuts or fills will be marked on all stakes to the finished surface grade as shown on the plan and profile sheets. (Five Field Trips)

Centerline Monuments - Lumos will provide 1 set of straddlers around monument well locations when requested by contractor. Lumos will provide aluminum or brass capped survey grade monuments to be set in wells (wells to be installed by contractor). Lumos will return to the site once monuments have been installed to mark the monument caps. A Record of Survey will be prepared and filed with Douglas County showing the new monument type and locations. (Two Field Trips)

A maximum of 13 field visits to the site for Task 1 budgeted for this proposal.

Task 11 – Construction Services
Lumos will provide Construction services for this project as described below:

Inspection
The following staffing shall be provided during construction of surface and utility improvements:

- Provide Inspector(s) that have the appropriate certification required by the Nevada Alliance for Quality Transportation Construction (NAQTC) and American Concrete Institute (ACI). Provide one part-time inspector, four (4) hour workdays for 140 shifts. We anticipate a total of 560 inspection hours.

The inspectors assigned to this project will:

- Attend the preconstruction conference.
- Monitor the work performed by the Contractor and verify that the work is in accordance with the plans and specifications.
- Assist in problem resolution with the District, contractor personnel, utility agencies, the public and others.
- Prepare daily inspection reports, submitted weekly to the District, and CC'd to the appropriate government jurisdiction(s).
- Provide quantity reports and assist in review of contractor's monthly progress payments.
- Maintain a daily log to provide verification of the distribution of public relation notices required to be delivered by the contractor.
- Capture photos and videos during construction activities to be provided to the District.
- Maintain and deliver a clean field set of "as-builts" drawings.
- Assist in preparation of the Punch List.

Materials Testing

Provide material testing for compliance with the specifications per the Standard Specifications for Public Works Construction, Revision 8 of the 2012 Edition (Orange Book) testing requirements.

The following test and frequencies are anticipated:

- Provide On-Site Nuclear Guage Testing and Sampling of manufactured aggregate and native soils. Testing frequency shall be at random locations throughout the project.
- Provide On-site thin-lift Nuclear Gauge Testing and Sampling for asphalt concrete placement. Testing frequency shall be at random locations throughout the project.
- Provide AC Testing. Provide asphalt concrete tests at random locations throughout the project. Laboratory tests shall include ignition oven extraction, aggregate gradation, specific gravity, flow & stability, and Marshall unit weight. Five (5) hot mix samples are anticipated. Reports will also include voids in total mix.
- Provide Asphalt Concrete Coring and Lab Testing. Lab test shall include core unit weight. Fifteen (15) – asphalt cores are anticipated. Test reports will also include percent compaction.
- Provide Portland Cement Concrete Testing. Provide field testing during concrete placement which will include: Temperature, Slump, Air Content, Unit Weight, and fabrications of Compressive Strength Specimens. Eighteen (18) field samples and one hundred eight (108) compressive strength tests are anticipated.

- Provide Native Soils and Manufactured Aggregate testing. Soils and aggregate testing are anticipated to include: Sieve Analysis, Plasticity Index, and Moisture Density Curves. We anticipate six (6) samples for testing.

Task 12 – Record Drawings

Work under this task includes preparation of Record Drawings for the IHGID FY 25/26 Street Rehabilitation Project. Lumos & Associates will prepare the record drawings utilizing contractor-prepared redlines as well as Lumos inspectors' field notes. The record drawings will be provided to IHGID in electronic format (.pdf). No survey work is included in the preparation of the Record Drawings. The timeline for completion of this task will be 30 days after receiving the contractor redlines from the project after construction.

Task 13 – On-Call Surveying Services

Additional Construction Surveying above and beyond the scope listed in Task 10 will be performed on a time and materials basis in accordance with our current fee schedule.

Assumptions / Exceptions

Lumos has made the following assumptions in preparation of this proposal:

- No additional submittals to permitting agencies are included in this proposal.
- Certified Payroll review is not included in this proposal.
- An as-built survey is not included.
- "Red Top" and "Blue Top" staking for subgrades and final surface grades.
- Irrigation, landscape, striping, signs, gas line and electric line survey staking.

Fees

The tasks described in the Scope of Work will be completed for the following fees:

Task	Description	Fee
Task 9	Construction Management	$87,700.00
Task 10	Construction Surveying	$52,000.00
Task 11	Construction Services	$160,100.00
Task 12	Record Drawings	$9,250.00
Task 13	On-Call Surveying Services	T & M
	Grand Total:	**$309,050**

Tasks 9 through 12 are lump sum. Task 13 is time and materials. If this proposed addendum is acceptable to the board, please authorize us to proceed under our existing contract. Any additional services requested but not covered by this Scope of Work can be provided by another amendment to the proposal.

Lumos and Associates, Inc. will send monthly progress billings on this project. The amount of these billings will be based upon the percentage of work completed. The terms are 'Due Upon Receipt' and accounts are past due after 30 days. Accounts over 30 days old will be subject to interest at the rate of 1 ½% per month and such collection action as may be necessary to collect the account. In addition, a "Stop Work Order" may be issued on past due accounts. In this case, no further work will be performed until the account is brought current.

Thank you again for allowing Lumos and Associates to provide you with this proposal. If you have any questions, please do not hesitate to contact me at 775.827.6111.

Sincerely,

Collin Sturge, P.E.
Indian Hills GID District Engineer

Dan Stucky, P.E.
Director of Engineering

AGENDA ITEM 10.

Discussion only regarding the IHGID boardroom rental fees.
(Chairman, Garcia)

INDIAN HILLS GENERAL IMPROVEMENT DISTRICT

3394 James Lee Park Rd. #A
Carson City, NV 89705

MEETING ROOM RENTAL AGREEMENT
(TO ACCOMPANY SPECIAL USE PERMIT AND MEETING ROOM POLICY)

Request to rent the meeting room is as follows:

DATE(s)_____, from (Start Time) _____ to (End Time) _____

Name and phone number of the contact person:

Name _____ Phone #: ()_____

Fax #: ()_____

Office/Company _____

Address _____

MEETING ROOM CHARGES

ROOM CAPACITY WITH TABLES & CHAIRS		APPROXIMATELY – 90 persons
WITHOUT TABLES		APPROXIMATELY – 100 persons
Hourly Rate	**$25 per hour**	**$175 over 6 hours**
Cleaning/Damage Deposit	**$200.00**	**(Refundable, whole, or part)**

CANCELLATIONS MUST BE CALLED IN 3 DAYS IN ADVANCE TO AVOID A $75.00 CANCELLATION CHARGE.

PLEASE SIGN AND RETURN A COPY OF THE AGREEMENT/CHARGE FORM, SPECIAL USE PERMIT AND MEETING ROOM POLICY FORM.
A CHECK MUST BE RECEIVED NO LATER THAN TEN (10) WORKING DAYS BEFORE THE RESERVED DATE AND MADE PAYABLE TO INDIAN HILLS GENERAL IMPROVEMENT DISTRICT.

I AGREE TO THE CHARGES,

_____
Signature

_____
Print Name

AGENDA ITEM 11.

Discussion and possible action to approve Draft Minutes from the November 19, 2025, Board Meeting.

Minutes
Indian Hills General Improvement District
Board of Trustees Meeting
District Office
3394 James Lee Par Road #A
Carson City, NV 89705
November 19, 2025
Regular Board Meeting
6:00 P.M.

Trustees Present: Chairman Garcia, Vice Chairman Stulac, Secretary/Treasurer Siegman, Trustee Clark-Ross, and Trustee Jones.

Trustees Absent: none.

Staff Present: General Manager Chris Johnson, Administrative Services Supervisor/Human Resources Brooke Thompson.

Others Present: District Engineer Colin Surge, District Counsel Chuck Zumpft, and Residents Tammy James, Lynn Dement, Ben & Debbie Walker, and Dallas Debatin.

6:00 P.M. – Regular Meeting

1. **Call to Order**
   Request that Cell Phones and Pagers be turned off for recording purposes.
   Chairman Garcia called the meeting to order at 6:00PM.

2. **Pledge of Allegiance:** Led by Trustee Clark-Ross.

3. **Public Interest Comment:** Resident Lynn Dement: 1020 Mica Drive. I just wanted to say thank you for contributing to the Halloween things. It was great. So, again I have my hand up. If you all would be willing to donate for holiday lights. We have six areas for the holiday lights. And I could use a little help with the prizes that are given out. I would appreciate it. Thank you.

4. **Approval of Agenda-Chairman**

Vice *Chairman Stulac motioned to approve the agenda. Trustee Clark-Ross seconded. Motion carried 5-0.*

5. Reports to the Board:
   a. General Manager Report
      General Manager Chris Johnson reported that:
      - The Amador project encountered an unexpected cost increase, requiring

plan revisions. Bid opening was delayed to December 3, but contractor interest remains strong.

- A new Frequently Asked Questions (FAQ) page has been added to the district website. An informational flyer, created from this content, is included in the report. It will be converted to PDF and made available online.
- The FAQ page will also be referenced in new customer welcome packets, per Secretary/Treasurer Siegman's request.
- All board members successfully received the email announcement regarding the FAQ page.
- The Community Wildfire Preparedness Plan, developed with the UNR Cooperative Extension, is nearly complete. It identifies high-risk zones, mitigation strategies, and evacuation routes. A seminar will be completed next Monday, after which the final plan will be assembled.
- The district canceled the trunk-or-treat event due to low participation (only five vehicles), but other community events ensured children still had options.
- Johnson updated the format of his ongoing project report, showing completed items for one month before removal.

Board Discussion:

- Secretary/Treasurer Siegman and Chairman Garcia complimented the new FAQ materials.
- Trustee Jones and Chairman Garcia indicated they have questions, which they will raise later during the Board Discussion section.

1. Administrative

   Chairman Garcia asked if there were any questions regarding the Administrative Report and invited Brooke Thompson to add anything beyond her written submission.

   Administrative Services Supervisor/Human Resources Brooke Thompson reported:

   - The employee who had been out on workers' compensation since January is no longer able to perform essential job functions and has been terminated.
   - The district has hired the seasonal employee full-time to replace him.

   The board discussed the new full-time hire:

   - The employee, Robert, was praised by Chris Johnson for his strong work ethic, positive attitude, and commitment despite working nearly a year at $20/hr. with no benefits, including working holidays without additional compensation.

- Robert has worked the full summer season and will now learn winter operations.
- He is also a lifelong Indian Hills resident.
- Board members expressed support and approval of the hiring decision.

2. Water
3. Wastewater
4. Parks & Streets

b. District Accountant Report

- Chairman Garcia asked if the board had any questions for the district accountant (Stacie), who was absent.
- General Manager Chris Johnson jokingly noted: *"Bottom line, we're not bankrupt."*

Money Market Fund – Key Update

- Chairman Garcia shared good financial news:
  - The district's money market fund is locked in at an interest rate above 5%.
  - This rate does not expire or roll over, provided funds remain in the account.
  - Since district debt service rates are well below 5%, the district is in an excellent financial position, with no need to withdraw money for operational needs.
- Vice Chairman Stulac asked how long the rate was locked in.
  - Answer: For the duration of the account—essentially indefinite.

Debt Status

- Chris Johnson referenced page 19, noting:
  - The water bond will be fully paid off in two months.
  - The water/sewer bond will be fully paid off in one year.
  - These are two of the district's highest-interest debts.
- Board members expressed approval and noted the district is "doing it right."

Investment Strategy Discussion

- Chairman Garcia noted that unlike previous years—when the district paid higher interest on debt than it earned—now the reverse is true. Because of this:
  - Early debt retirement is no longer financially beneficial.
  - The locked-in 5%+ money market rate is unusually advantageous.

Balance and Additional Money Market Accounts

- Secretary/Treasurer Siegman asked about the money market balance.

- It is listed on page 17.
- Chris Johnson stated the balance is approximately $3.3 million.
- Current yield is believed to be around 5.14%.

- Trustee Jones questioned whether funds in the Nevada State Bank account should be moved, given the superior return in the Mortan account.
- Chris Johnson will review terms and options with the district accountant (Stacie) to determine whether funds can be transferred to improve returns.

Budget Timing Question

- Vice Chairman Stulac asked about a section of the budget (handwritten page 25) showing expenses exceeding revenue.
- Chris Johnson explained:
  - This is normal timing fluctuation in an annual budget.
  - Example: Equipment purchased early in the fiscal year (like the skid steer) happens before property tax revenue (ad valorem) is fully received.
  - Over time, revenues and expenditures will balance.
  - Current snapshot:
    - Parks is over budget due to recent expenditures.
    - Streets is under budget but will increase when street work begins.

Discussion of Additional Investment Options

- Secretary/Treasurer Siegman asked whether the district could consider equity-traded funds (ETFs).
- Chris Johnson emphasized:
  - The district needs immediate liquidity for emergency situations.
  - Investments must comply with Nevada Revised Statutes (NRS) regarding public funds.
- Legal counsel (Chuck Zumfpt) added:
  - Investments must comply with state law, non-compliance is unlawful.
  - Suggested looking into the State Investment Pool, widely used and offering strong liquidity and good returns.
- Chairman Garcia asked Chris Johnson to investigate the State Investment Pool and report back at the next meeting.

c. Engineer Report

Amador Project / Bid Opening

- Bid opening for all three Amador project reports has been moved to December 3.
- Delay was due to contractor questions that prompted value engineering and design modifications aimed at reducing costs.
- At the December board meeting, Collin will present:
  - Bid tabulations

    - Recommendations
    - His proposal for construction services
- No construction cost adjustments were made yet—potential savings will be clearer once bids are received.

Remedy Medical Center
- Plan review is complete; Collin will send comments to the developer's engineer this week.
- Working on the NBC report that will accompany the submittal to NDEP.
- Awaiting additional assumptions from the design engineer/architect to complete system modeling.

Tank Dives
- Coordination continues with Matt Bell on tank dive documentation.
- Working on obtaining payment for the North Tank inspection completed last year.

Cottages Phase 2
- Collin is still completing research and closing out requirements with NDEP.

Jacks Valley Road Development (Townhomes / Senior Living Project)
- Major update: The developer's plan has changed.
    - Originally planned 155 townhomes, some on Indian Hills parcels.
    - Current plan focuses on a much larger senior living community, but only on Douglas County parcels.
    - The six lots:
        - 4 lots slope toward Indian Hills.
        - 2 northern lots slope north and fall outside Indian Hills' boundary.
- Updated understanding:
    - The project will now be developed only on the two northern Douglas County lots.
    - These lots are outside Indian Hills' service area.
    - Therefore, Indian Hills GID will not provide water or sewer service to this development.

Infrastructure & Annexation Discussion
- Chairman Garcia asked whether Indian Hills could annex the area.
    - Chris Johnson said no; boundaries cannot be changed for that purpose.
    - Even if annexed, Indian Hills' existing infrastructure could not support the development.
- Developer previously considered using Indian Hills parcels, but it would have required expensive lift stations and infrastructure upgrades.

Douglas County Sewer Service
- Douglas County plans to:

    - Extend Vista Grande through all six lots.
    - Extend their own sewer infrastructure to serve the two northern lots.
  - The project will be fully served by Douglas County sewer, not septic.
  - Board members expressed relief that septic systems will not be added uphill of Indian Hills, due to nitrate concerns.

d. Attorney Report

District Counsel Chuck Zumfpt: I have nothing to report.

Summary of Board Reports & Discussion

Pool Pact Retreat and HR Conference

- Brooke Thompson (HR/Administrative Services) shared:
  - The Pool Pact Board Retreat is scheduled for tomorrow and Friday, so no update yet.
  - She attended a recent HR conference, which focused heavily on AI's growing role in HR.
  - More breakout sessions than usual; event was held at the Tahoe Blue Event Center (very cold—attendees received blankets).
- Trustee Jones asked how the conference insights may apply to the district; Brooke noted it was beneficial.

Parks/Tennis Courts

- Vice Chairman Stulac raised concerns about delamination and lifting areas on the tennis courts.
- GM Chris Johnson:
  - Acknowledged the issue; has been monitoring.
  - Courts are old; patchwork is failing.
  - Full replacement is in the Capital Improvement Plan for 2027, along with resurfacing the basketball court and adding pickleball courts.
  - No warranty exists for the previous patchwork due to the court's age.

Project Santa Claus

- Brooke reported:
  - Tree going up soon; "angels" (gift tags) available.
  - Only 6 or 7 angels left; trustees encouraged to pick one up.
  - Coordination on timing since Brooke will be out the next day.

Website Updates, FAQs, and "Fast Facts"

- Chair Garcia praised the email blast test and FAQ updates.
- Discussed new "Fast Facts" section:
  - Intended as short, digestible bullet items about district history and operations.
  - Examples include district founding, regulatory changes leading to infrastructure investments, etc.
  - Designed to complement the narrative "About" section.

Resident Communication Materials

- Trustees discussed the new two-page informational documents (District vs. County responsibilities).
- Plans:
    - Convert into a single, double-sided color handout for in-person distribution.
    - Consider adding:
        - Douglas County Sheriff's non-emergency number.
        - Consistent color-coding (blue for IHGID, orange for county).
    - Chair Garcia and others emphasized maintaining color for clarity.

Mailing vs. Grassroots Distribution

- Mailing district-wide would cost $2,260.
- Board sentiment favored grassroots distribution:
    - Materials placed in the office, included in new customer packets, and handed out by engaged residents at parks or events.
    - Some residents are uncomfortable with door-to-door distribution.
    - Emphasis on neighbor-to-neighbor communication.

Update on Contact with Ms. St. Germain

- GM Johnson has not contacted her regarding the proposed solution.
- He wants to wait until details are finalized because past conversations have led to misunderstandings.
- She has been unresponsive since an unexpected mediation notice.

Manpower & Resource Tracking Database

- Correction noted: Capital Improvement Plan is already complete.
- Phase 1 (posting basic schedules online) is complete.
- Phase 2 (collecting detailed task man-hours district-wide) is 90–95% complete.
- Data will help:
    - Explain resource allocation.
    - Inform board decisions.
    - Support accountability and staff autonomy.
    - Provide context when emergencies (e.g., major leaks) divert crews from routine work.

Discussion Points

- Secretary/Treasurer Siegman cautioned against using detailed man-hour numbers directly with customers, as it may be poorly received.
- GM Johnson agreed, emphasizing use of diplomacy:
    - Focus on limited resources and prioritization, not numerical justifications.
- Vice Chair Stulac noted the data also helps justify potential future staffing.

Staff Autonomy and Leadership

- GM Johnson described how empowering supervisors (e.g., Parks Supervisor Steve) to collect data and make decisions has improved accuracy, efficiency, and ownership.
- Chair Garcia stated the goal is balancing autonomy with accountability.

Additional Notes

- Trustees appreciated the collaboration behind the new informational documents.
- Once updated, Trustee Clark-Ross will distribute copies to senior groups.
- The board agreed to include the FAQ and Fast Facts flyers in new customer packets and make printed copies available at the district office.

Public Comment: Resident Lynn Dement: Glad you started this, Lynn Dement. I'm glad you started discussion on these the fliers. I have a question on the layout of page two. Could it be to me you have yard sidewalks, garbage storage, and then to the right of it it's called Contact Douglas County Enforcement. But then underneath it, speeding cars, there was an animal. And if you don't read the whole thing, it kind of looks like to me they're a part of contact Douglas County enforcement. Could it be laid out a little differently that, so those three items have their own next line. And it doesn't connect at all to the Douglas County enforcement box there. Did I make that clear? I don't know. But anyway, I do have a comment about this whole thing. I hope you will decide not to spend money mailing these items. Chris did a beautiful email to everyone which contained everything that anybody needs to know. And so, I almost feel like this is a duplication to do it yet again in another form. I mean, it's very nice and it includes everything, but it's already been done on the on the website and it's been emailed to those who signed up, and I feel like in a way, you're beating it to death. People here are adults. They don't need their hands held. Brooke has put this information in the newsletter multiple times, like every three months. I think she puts the phone numbers and who to call for what. Chris has it on the website. I mean, how many more reminders do you want to send to people? To me, it's effort spent duplicating this. It could be spent on other things that the district needs. I mean, this has already been done by Brooke in the newsletter, and if people don't read the newsletter, it's not the board or the manager's job. I don't feel to go hold them by the hand and say, oh, you didn't read your newsletter, so I'm going to send you a special little flier here. You shouldn't have to if they don't know the answer to the question, it's their own fault. And you can't treat people in the community like children, that is just a pet peeve of mine. I'm sorry.

Chairman Garcia: Thank you for your comments. Thanks for your comments.

Resident Lynn Dement: This has been publicized an awful lot. I've been here five years, and it's been in the newsletter. I couldn't tell you how many times. And to me all the time Nancy put into doing this. It's already on the website and email, and people didn't put their email out there. Whose fault is that?

Chairman Garcia: Thank you for coming.

Resident Lynn Dement: Do you need to track them down and say, here, you do it this way. Thank you.

Chairman Garcia: Thank you for your points. Okay.

6. **Discussion and possible action to cap district gazebo reservations for IHGID residents.**

Summary – Discussion on Gazebo Reservation Policy

- Chairman Garcia introduced Item 6: Discussion and possible action to cap district gazebo reservations for Indian Hills residents.
  - He explained he originally supported equal fees for residents and non-residents because all users benefit from the gazebo and contribute to maintenance.
  - However, he now believes Indian Hills residents should receive a break on fees and asked Brooke and Chris to draft a proposal reflecting that.
  - The resulting language is what the board is reviewing.
- Secretary/Treasurer Siegman noted:
  - The board had a long discussion last month on this issue.
  - The wording presented was based on prior board guidance.
  - District Counsel Chuck Zumpft reviewed the wording and made minor suggestions, which have been incorporated.
- Board Discussion:
  - Trustee Jones stated the schedule is "clear and makes sense" and supports adopting it.
  - Vice Chairman Stulac had no further comments.
  - Secretary/Treasurer Siegman made no further comments.
  - No additional board discussion was presented.

Public Comment: none

Secretary/Treasurer motioned to cap district gazebo reservations for IHGID residents as laid out in the park use fee schedule. Vice Chairman Stulac seconded. Motion carried unanimously.

7. **Discussion and possible action regarding General Manager Chris Johnson's annual performance evaluation.**

Summary – Item 7: General Manager Chris Johnson Annual Performance Evaluation

- Chairman Garcia reopened the meeting after a short recess and introduced Item 7, Chris Johnson's annual performance evaluation.
- He congratulated General Manager Chris Johnson on a positive review, noting the average score of 3.74, which falls between "meets" and "exceeds expectations."
- He clarified earlier remarks about the Capital Improvement Plan (CIP), explaining that CIP is a *prerequisite* for pursuing USDA grants and low-interest loans. Updates on financing options will be returned to the board when available.

Board Member Comments

- Trustee Jones praised Chris's professionalism, dedication, initiative, and high qualifications based on her observations.
- Trustee Clark-Ross had no further comments beyond those given at the previous meeting.
- Vice Chairman Stulac commended Chris for addressing all improvement suggestions from last year's evaluations and described his performance as "superb."

- Secretary/Treasurer Siegman:
  - Said Chris performs exceptionally on the tasks she personally observes.
  - Explained she marked some items "middle of the road" or "not rated" due to limited visibility into certain duties.
  - Suggests the evaluation form and process need refinement, calling the current process "herky-jerky."
  - Recommends developing a clearer, more consistent evaluation system before next year.

Discussion on Goals, Process, and Future Improvements

- Board discussed the need for:
  - A more structured, transparent process for defining and reviewing GM goals.
  - Ensuring Chris provides goals, objectives, and status updates *with* the evaluation packet before the board completes their evaluations.
  - Including these updates at the 6-month check-in as well.
- Trustee Jones sought clarity about how goals are generated and how they relate to monthly reports.
  - Garcia explained goals originate from board member input during evaluations and through ongoing discussions.
- Chris Johnson will compile board-provided goals from the evaluations and present them next month.
- Consensus that:
  - A separate goals-and-results form should be created for future evaluations.
  - Only high-level goals need to be included unless otherwise determined.
  - The board will further refine the process in January.

Public Comment: Resident Lynn Dement: I've already said it before. Lynn Dement at 1021. I just wanted to add my $0.02 as a resident. I'm outside probably half of the day, every day, walking around the district and talking to people and looking around. And this year in particular, the district has never looked better, never looked cleaner, never looked more well-manicured. The parks are outstanding, especially South Sunridge Park. The edging is perfect, the weeds are done, and I think that shows Chris's judgment in hiring the people he hires to do this work. And I just can't imagine creating a schedule every day for all these people, all the employees, to have an assignment every single day, all throughout the district. It's mind boggling to me that he can handle this, and I think he deserves more than a 5% raise personally.

Summary – Salary Increase Discussion Following GM Performance Evaluation

- After closing public comment and returning to board discussion, Chairman Garcia summarized General Manager Chris Johnson's salary request, quoting directly from Chris's written submission:
  - Chris requested a 5% salary increase.
  - The district budgets a 5% potential increase for *all positions* during the annual budget cycle.

- Although the GM position is not covered by the collective bargaining agreement, the district still budgets as if a 5% increase may be awarded.
- For Chris, the 5% increase equals $5,304 for the coming year.

- Chairman Garcia emphasized:
  - The district is small and operates with a limited budget.
  - While staff may deserve more, the board has a fiduciary responsibility to remain conservative and stay within the budget.
- Chairman Garcia then asked the board:
  - If there was any further discussion on the salary matter.
  - And whether a board member wished to make a motion regarding the GM's salary increase request.

Vice Chairman Stulac motioned to approve a 5% increase to General Manager Chris Johnson's annual salary based on a positive review with an average of 3.7. Chairman Garcia seconded. Motion carried unanimously.

Chairman Garcia: Congratulations, Chris. Thank you again for a wonderful year.

General Manager Chris Johnson: Thank you.

Secretary/Treasurer Siegman: I just want to make it clear I didn't vote for that because it's in the budget. I voted for it because I think you're doing a good job.

8. Discussion and possible action to approve Draft Minutes from the October 15, 2025, Board Meeting.

Public Comment: none

Summary – Board Comments on Meeting Minutes Format

- GM Chris Johnson complimented Brooke Thompson on the meeting minutes, noting they strike a balance between detail and length.
- Brooke Thompson cautioned not to speak too soon, jokingly.
- Trustee Jones praised the use of indentation and bullets, saying it makes the minutes easy to read and follow.
- Chairman Garcia and Vice Chairman Stulac agreed, thanking Brooke for her efforts.

Trustee Jones motioned to approve Draft Minutes from the October 15, 2025, Board Meeting. Secretary/Treasurer Siegman seconded. Motion carried unanimously.

9. Chairman and Trustees Reports, Correspondence
Under this item the Board Members will briefly identify relevant communications received by them before the meeting, or meetings attended, or potential business of the district. No action will be taken on any of these items, but a member may request such an item or topic be placed on a future agenda.
Summary – Lighting, Board Room Fees, and Revenue Discussion

Lighting Updates

- Trustee Clark-Ross and Chairman Garcia complimented the new lighting around the district and the trees, noting it looks bright and visually appealing.
- GM Chris Johnson confirmed work had started on installing new lights around the building.
- Secretary/Treasurer Siegman reported a streetlight at the end of the driveway turns on and off randomly; Chris suggested it may be a faulty photocell and will have staff check it.
- Trustee Jones highlighted this as an example of Chris Johnson's responsiveness and attention to safety concerns.

Board Room Fee Policy

- Chairman Garcia noted the board room fee policy will be reviewed in December, clarifying that this is separate from the previously discussed gazebo fees.
- Emphasis on the district's efforts to creatively generate revenue while being mindful of limited space and budget constraints.

Revenue Discussion

- Chairman Garcia encouraged board members to think creatively about potential revenue opportunities for the district.
- Ideas could be discussed individually with Chris Johnson or brought to the board.
- Emphasis on an open, no "stupid ideas" approach, with evaluation of feasibility to improve the district's financial structure.

10. Adjournment

Vice Chairman Stulac motioned to adjourn the meeting. Secretary/Treasurer Siegman seconded. Motion carried 5-0.

Meeting adjourned at 7:38PM

FINAL APPROVED MINUTES AS PRESENTED

Secretary/Treasurer
Russ Siegman