

**Minutes**  
**Indian Hills General Improvement District**  
**District Office**  
**3394 James Lee Park Rd. #A**  
**Carson City, NV 89705**  
**April 4, 2007**  
**6:00 P.M.**

**Trustees Present:** Chairman Brian Patrick, Vice Chairwoman Laura Lau, Secretary/Treasurer Denise Pierini, Trustee William Eisele, Trustee Kathryn Clark-Ross

**Trustees Absent:** (none)

**Staff Present:** General Manager Dennis Longhofer, Executive Assistant Vicki Reifer, Administrative Manager Nancy Fredrickson, Water Distribution Supervisor Dave Wright

**Others Present:** Art Baer, Bill Moriarty, Riley Evans, Penni Eisele

1. **Call to Order:** Chairman Patrick called the meeting to order at 6:04 P.M.
2. **Pledge of Allegiance:** Led by Chairman Patrick.
3. **Approval of Agenda:** Chairman Patrick asked the Board and members of the public if they requested any additional agenda revisions. There were no additional requested changes to the agenda.

*Trustee Clark-Ross moved to approve the agenda as presented. Seconded by Vice Chairwoman Lau. Motion carried unanimously.*

4. **Public Interest Comment:** Bill Moriarty commented on an article in the Record Courier newspaper on March 25, 2007 titled, "Indian Hills approves \$2 million bond". The article quoted General Manager Longhofer as stating, "We anticipate some rate increases in the future, but we haven't raised rates for awhile and costs have gone up so much." Bill Moriarty recalled that rates were increased in July of 2006. General Manager Longhofer explained that the reporter was inaccurate and that he informed the reporter that water rates have not been raised for some time because the water rate increase was effective in September 2004. He told the reporter specifics about the District's sewer rate increase which was effective in June 2006.

Bill Moriarty stated that what he is spending on water is not going down the sewer because his water charge last month was \$5.85 and the sewer charge was \$23.54.

General Manager Longhofer spoke on behalf of Michelle LaFontaine who was unable to attend the meeting. Michelle LaFontaine is concerned with motorized vehicles driving through the Vista Park area for the Valley Vista Phase 7 Syncon Homes development project. She is inquiring if there is something the District could do. General Manager Longhofer mentioned that no motorized vehicle signs are posted and that he would be contacting developer Syncon to inquire if a barrier could be installed to resolve the matter.

General Manager Longhofer discussed Nevada Rural Water's report on potential requirements of local water purveyors to promote water conservation and that water rates should be reviewed annually.

5. **Discussion and possible action on implementing an Annual Spring and Summer “Yard Improvements” contest, and including approval of prizes/awards for winning entries:** Trustee Clark-Ross requested the agenda item to encourage District residents to improve their yards which improves the property value. She will be going to Home Depot to inquire if they are willing to donate supplies or gift certificates.

**Public Interest Comment:** Water Distribution Supervisor Dave Wright recommended that the emphasis of the yard improvements contest focus on water conservation and Xeriscape landscaping.

Chairman Patrick commented on the population of the District being comprised of renters and retirees. He mentioned that there would be inequalities because of the financial difficulties for some residents not being able to afford to make any improvements.

Chairman Patrick requested that the agenda item is postponed until the next Board of Trustees meeting for Trustee Clark-Ross to formalize and provide additional information on the matter.

Trustee Eisele recommended that the agenda item is postponed. Vice Chairwoman Lau discussed inequalities with some residents being able to decorate their homes for the District’s annual holiday lighting contest because of the costs involved. She approved that the theme of the yard improvements contest should focus on water conservation.

*Agenda item postponed.*

6. **Discussion and possible action on implementing an Annual “Summer Kickoff” for District residents:** Trustee Clark-Ross informed the Board of a “Block Party” that a neighboring community has held for the last five years. She recommended that the District consider having such an event for the Indian Hills community. The Board of Trustees discussed the District’s past annual barbecue.

Chairman Patrick requested that the agenda item is postponed until the next Board of Trustees meeting for Trustee Clark-Ross, resident Penni Eisele and Recreation Manager Sandi Eisele to formalize and provide additional information on the matter.

**Public Interest Comment:** (none)

*Agenda item postponed.*

7. **Discussion and possible action to amend the minimum amount for recording (and depreciating) a newly purchased fixed asset from \$1,000 to \$5,000:** General Manager Longhofer referred to the District’s depreciation schedule which currently lists several indistinguishable items. He informed the Board that the District’s Auditor recommended that the amount be amended from \$1,000 to \$5,000. Administrative Manager Nancy Fredrickson explained that the District determines the life of the asset and information on the asset is entered into a software program called ProSystem Fixed Assets which automatically calculates depreciation. She stated that many items listed in the District’s current depreciation schedule should be an inventory item. The District’s Auditor informed Administrative Manager Fredrickson that many local government agencies use the \$5,000 value to record and depreciate a fixed asset.

Trustee Eisele inquired if the District inventories its equipment. District staff recalled that an inventory was conducted several years ago but it was not fully completed because the information collected by District staff was not properly recorded. The Board of Trustees recommended that the District perform another inventory to properly record the information. General Manager Longhofer commented that it would probably take District staff one to two months to perform a District-wide inventory.

**Public Interest Comment:** (none)

*Vice Chairwoman Lau moved to amend the minimum amount for recording (and depreciating) a newly purchased fixed asset from \$1,000 to \$5,000. Seconded by Secretary/Treasurer Pierini. Motion carried unanimously.*

- 8. Discussion and possible action on combining the Parks and Streets Departments (General Fund):** General Manager Longhofer explained that the former General Manager separated the parks and streets departments due to conflicts with employees. He discussed the need for combining departments to facilitate cross training and to improve organization of work performed by staff in both departments.

**Public Interest Comment:** (none)

Trustee Clark-Ross recalled that the parks and streets departments were separated with the intent to improve service. General Manager Longhofer clarified that it was a conflict between employees. Vice Chairwoman Lau agreed with combining departments in order to utilize staff in both departments to work on various parks and streets projects and daily routine tasks. Trustee Eisele stated his concerns with having trained employees that are capable of taking care of District parks. General Manager Longhofer mentioned that the two seasonal employees recently hired seem to be more qualified than the former full-time employees. He commented on the seasonal employees finding several problems with sprinklers being broken and turned off that should have been turned on in areas where the grass was brown. Trustee Eisele questioned if the seasonal employees were licensed to spray weeds. General Manager Longhofer discussed several upcoming training opportunities and requirements that full-time and seasonal employees obtain an herbicide spraying certification and streets flagging certification. He commented on assignment of tasks being distributed between streets and parks employees and that coordination of employees to complete tasks and special projects in all District related field work functions will be improved.

Secretary/Treasurer Pierini inquired with General Manager Longhofer if he approached District employees on the matter and if they support the idea. General Manager Longhofer responded that employees are in support of combining the departments. General Manager Longhofer discussed various functions of street employee tasks which includes but is not limited to crack sealing, street sign repair, street sweeping, street painting, maintenance of storm drain systems including detention basins and sewer collections. He informed the Board that there are two full time employees and two seasonal employees in both the parks and streets departments. He commented on the intent of revising the job title of parks and streets positions to "Field Operations Technician." He suggested that the District consider hiring a full time position in the parks and streets departments.

Water Distribution Supervisor Wright commented on Kingsbury General Improvement District's monthly fees charged to customers which includes a \$40 flat rate fee for water and a \$20 flat rate fee for snow removal and road repair. He stated that Kingsbury General

Improvement District uses its monthly fee collected for snow removal and road repair towards annual street maintenance efforts and towards snow removal if needed. The Board of Trustees and District staff discussed the differences between fog sealing, chip sealing and slurry sealing.

Chairman Patrick suggested that the District consider a “lead or supervisor” job position in which that employee would be responsible for both parks and streets functions.

*Vice Chairwoman Lau moved to approve combining the Parks and Streets Departments (General Fund). Seconded by Trustee Eisele. Motion carried unanimously.*

9. **Discussion and possible action on adoption of a Tentative Budget for fiscal year 2007-2008, and including authorizing and directing the General Manager to timely submit the adopted tentative Budget to the Nevada Department of Taxation:** The Board of Trustees and District staff referred to the fiscal year 2007-2008 tentative budget spreadsheet which was included in the Board meeting packet. General Manager Longhofer explained that implementation of a stormwater management fee is a requirement of the District’s stormwater management plan. A stormwater management fee revenue amount of \$25,000 which calculates to .83 cents per customer was added to the 2007-2008 General Fund Administrative budget. A stormwater expense amount of \$25,000 was added to the 2007-2008 General Fund Administrative budget. The stormwater expense amount of \$25,000 is comprised of the District’s costs to implement several requirements of the District’s stormwater management plan that are mandated by the Nevada Division of Environmental Protection which includes but is not limited to public education and maintenance of all storm drain systems including detention basin infrastructure.

Chairman Patrick allowed for open discussions between District staff, members of the Board and community on issues regarding the fiscal year 2007-2008 tentative budget.

Administrative Manager Nancy Fredrickson commented on the percentile disbursement of wages in both the General Fund and Enterprise Fund as it relates to local government agencies establishing water and sewer rates. She informed the Board that service and supplies expense line items in both the General Fund and Enterprise Fund were consolidated to improve analysis of the general ledger. Administrative Manager Fredrickson explained to Chairman Patrick that Professional Services include expenses incurred by the District for services related to Engineering, Attorney, Certified Public Accountants and Auditors, Computers and other Consultants.

General Manager Longhofer referred to administrative budget items which include purchasing a vehicle for District staff to use. Trustee Eisele and General Manager Longhofer discussed the General Manager’s \$575 per month gas allowance. Trustee Eisele clarified that the vehicle would be used by District staff and not the General Manager. The Board of Trustees and General Manager Longhofer discussed options of where to purchase vehicles and whether the District requires four-wheel drive vehicles. General Manager Longhofer explained that Board approval is required prior to the District purchasing any vehicle with a cost of \$5,000 or more.

The Board of Trustees discussed the importance and need to budget for computer software and hardware upgrades and street improvements. Some members of the Board disagreed with budgeting for a new podium and conference table because it was not a necessary expense.

The Board of Trustees and District staff discussed funding for one or two full time parks maintenance positions and additional seasonal positions in the Parks and Recreation General Fund budget. Administrative Manager Fredrickson advised the Board that the budget could be

revised or augmented to include related expenses for any new positions if the District hires additional seasonal or full time employees during that fiscal year. The Board of Trustees agreed to budget \$40,000 for additional seasonal positions in the Parks and Recreation 2007-2008 General Fund budget.

Trustee Eisele mentioned that some employees have cut their District uniform shirt sleeves. He recommended that uniforms are not modified if the District is paying for them.

Administrative Manager Fredrickson explained to the Board that the Budgeted Ending Fund Balance amount of \$220,907 (Line 73, Column N, Administrative General Fund Budget) was calculated by subtracting the Beginning Fund Balance amount of \$317,257 (Line 4, Column N, Administrative General Fund Budget) from the Net Revenues Over Expenses amount of \$96,350 (Line 71, Column N, Administrative General Fund Budget.) She clarified that the Ending Fund Balance is not used in the Enterprise Fund. General Manager Longhofer clarified that the \$241,000 revenue received from the Insurance Company is not included as a revenue in the 2007-2008 General Fund budget.

General Manager Longhofer discussed the costs associated for a powered brush cutter and street painter and that the costs for those items were overlooked and not included as a capital outlay item for streets equipment. The Board of Trustees agreed to budget \$20,000 for capital outlay other equipment in the Streets 2007-2008 General Fund budget. He commented on the possibility that the District consider installation of fuel tanks and pumps to fill gasoline in District vehicles and equipment.

General Manager Longhofer recommended some revisions in the fiscal year 2007-2008 General Fund tentative budget as followed. The Board of Trustees agreed with the following revisions.

#### **General Fund – Parks & Recreation**

§    **Row 5, Column Q    \$30,000 to \$40,000 (Seasonal Employees)**

#### **General Fund – Streets**

§    **Row 36, Column Q    \$10,000 to \$20,000 (Other Equipment)**

**Break at: 7:45 P.M.**

**Reconvened at: 8:05 P.M.**

General Manager Longhofer discussed the conservative amount of \$96,080 for water and sewer connection fee revenues and that connection fees would be put aside in a separate fund for Enterprise Fund capital improvement projects. He explained to Secretary/Treasurer Pierini that the District should receive \$150,000 grant revenue for the solar power project. The Board of Trustees, General Manager and resident Bill Moriarty discussed the potential benefits of solar power and if installation of solar power would be cost effective.

General Manager Longhofer explained that a District employee needs to be on call twenty four hours a day and that stand by is not paid to employees during normal business hours. He informed the Board that a District employee does rounds and works on the decanter at the wastewater plant for four hours on Saturdays. Water Distribution Supervisor Wright stated

that the laptop computer budgeted in the Enterprise Fund water capital outlay equipment would reduce the two hour overtime callout expense.

Administrative Manager Fredrickson advised the Board of adding a 1% emergency contingency fund amount of \$8,640.80 in the sewer operations services and supplies 2007-2008 Enterprise Fund budget. General Manager Longhofer explained that the District is required to deposit the 1% emergency contingency fund and 1% depreciation funding in separate bank accounts. Administrative Manager Fredrickson informed resident Art Baer that the Nevada Department of Taxation is requiring that the District start funding for depreciation.

The Board of Trustees and Water Distribution Supervisor Wright discussed other items requested by the water department which includes exterior painting of the Green Tank, refurbishing of the Ridgeview Tank and inspection of the Valley Vista Tank. Water Distribution Supervisor Wright commented on the need for a tapping tool which will hot tap an existing water main and that the District could charge a fee for providing the service to a developer, homeowner or contractor. He recommended that a four wheel drive pick up truck be purchased to replace the two wheel drive pick up truck which is currently being used by water operator employees.

General Manager Longhofer and Administrative Manager Fredrickson recommended a revision in the fiscal year 2007-2008 Enterprise Fund tentative budget as followed. The Board of Trustees agreed with the following revision.

**Enterprise Fund – Sewer Operations**

§ <b>Add Row Below Row 32, Column L</b>	<b>Add \$8,640.80 (Emergency-Contingency Fund 1%)</b>
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*Vice Chairwoman Lau moved to adopt the Tentative Budget for fiscal year 2007-2008 as amended with the following revisions; General Fund – Parks & Recreation \$30,000 to \$40,000 (Seasonal Employees); General Fund – Streets \$10,000 to \$20,000 (Other Equipment); Enterprise Fund – Sewer Operations Add \$8,640.80 (Emergency-Contingency Fund 1%), and to authorize and direct that the General Manager timely submits the adopted tentative Budget to the Nevada Department of Taxation. Seconded by Trustee Eisele. Motion carried unanimously.*

- 10. Adjournment:** General Manager Longhofer informed the Board that the May Board of Trustees meeting will be held on Thursday, May 17, 2007 as required by the State of Nevada Department of Taxation to approve the final 2007-2008 budget.

*Vice Chairwoman Lau moved to adjourn the meeting at 9:05 P.M. Seconded by Trustee Eisele. Motion carried unanimously.*

**FINAL APPROVED MINUTES AS PRESENTED**

  
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Secretary/Treasurer  
Denise Pierini