

**Indian Hills General Improvement District  
Board of Trustees**

Chairman	Vice Chairman	Secretary/Treasurer	Trustee	Trustee
Kathryn Clark-Ross	Dale Dunham	Russ Siegman	Robert Garcia	Bill Eisele

**December 8, 2022  
Regular Board Meeting**

**2:00 P.M.**

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

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**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.*

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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](http://www.indianhillsnevada.com)

# AGENDA

## 2:00 P.M.

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.
5. Discussion and possible action to accept the annual audit for fiscal year ending June 30, 2022. 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 quote from Maxwell Products Inc. in the amount of \$10,150.00 for 15,000 pounds of crack seal material. (General Manager, Chris Johnson)
  - Board of Trustees Discussion
  - Open Public Comment
  - Close Public Comment
7. Discussion and possible action to approve commencement of fundraising via a “buy a brick” program for purchase and donation of engraved paver bricks to the hardscape segment of the South Sunridge Dog Park project. (Vice Chairman, Dale Dunham)
  - Board of Trustees Discussion
  - Open Public Comment
  - Close Public Comment
8. Discussion and possible action to approve Draft Minutes from the November 16, 2022, Board Meeting.
  - Board of Trustees Discussion
  - Open Public Comment
  - Close Public Comment

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 item or topic be placed on a future agenda.
10. **Adjournment**

This agenda is posted at [www.indianhillsnevada.com](http://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 2, 2022, by


# **AGENDA ITEM 5.**

**Discussion and possible action to accept the annual audit for fiscal year ending June 30, 2022. Presentation by District audit firm Steele and Associates. (Jonathan Steele)  
(General Manager, Chris Johnson)**

Indian Hills General Improvement District  
Financial Statements  
June 30, 2022

Draft

**INDIAN HILLS GENERAL IMPROVEMENT DISTRICT  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2022**

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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, 2022, 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, 2022, 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.

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



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 November 28, 2022, 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  
November 28, 2022

Draft

**Indian Hills General Improvement District  
Management's Discussion & Analysis (Unaudited)  
June 30, 2022**

The management's discussion and analysis provides an overview of the District's financial activities for the fiscal year ended June 30, 2022. 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 went up by \$368,553.
- Capital assets in the General Fund increased by \$156,853
- During the fiscal year ended June 30, 2022, the District implemented GASBS No. 87, *Leases*. This standard establishes a single reporting model for lease accounting based on the foundation principal that leases are financings of the right to use an asset. As a result, implementation of this standard resulted in recognition of a right-of-use asset and an offsetting lease liability, as well as a lease receivable with an offsetting deferred inflow of resources.

### **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 27 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.

**Indian Hills General Improvement District  
Management's Discussion & Analysis (Unaudited)  
June 30, 2022**

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	
	2022	2021	2022	2021	2022	2021
<b>ASSETS</b>						
Current & other assets	\$ 2,761,009	\$ 2,255,667	\$ 7,203,708	\$ 6,461,864	\$ 9,964,717	\$ 8,717,531
Capital assets	4,711,265	4,852,785	14,400,152	14,947,049	19,111,417	19,799,834
Non current assets	-	-	227,412	232,556	227,412	232,556
Deferred outflows	187,587	121,026	369,382	295,895	556,969	326,921
<b>Total assets</b>	<b>7,659,861</b>	<b>7,229,478</b>	<b>22,200,654</b>	<b>21,847,364</b>	<b>29,860,515</b>	<b>29,076,842</b>
<b>LIABILITIES</b>						
Current liabilities	45,753	40,618	520,096	602,289	565,849	642,827
Non current liabilities	254,904	425,033	3,895,060	4,446,127	4,149,904	4,871,160
Deferred outflows	602,070	169,706	5,221,709	513,755	5,823,779	683,461
<b>Total liabilities</b>	<b>902,727</b>	<b>635,357</b>	<b>9,636,865</b>	<b>5,562,091</b>	<b>10,539,532</b>	<b>6,197,448</b>
<b>NET POSITION</b>						
Invested in capital assets, net of related debt	4,698,328	4,884,165	10,649,868	10,789,073	15,348,196	15,593,238
Restricted cash	1,115,392	714,525	3,603,454	3,261,676	4,718,845	4,036,201
Unrestricted	1,344,071	989,431	2,725,823	2,264,524	3,969,695	3,249,955
<b>Total net position</b>	<b>\$ 7,057,791</b>	<b>\$ 6,594,121</b>	<b>\$ 16,978,945</b>	<b>\$ 16,285,273</b>	<b>\$ 24,036,736</b>	<b>\$ 22,879,394</b>

*The condensed Statement of Activities is as follows:*

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
<b>REVENUE</b>						
Charges for services	\$ -	\$ -	\$ 2,913,500	\$ 2,622,964	\$ 2,913,500	\$ 2,622,964
General revenue	1,373,250	1,321,736	32,307	21,533	1,405,557	1,343,269
Transfers	63,137	67,927	(63,137)	(67,927)	-	-
<b>Total revenue</b>	<b>1,436,387</b>	<b>1,389,663</b>	<b>2,882,670</b>	<b>2,576,570</b>	<b>4,319,057</b>	<b>3,966,233</b>
<b>EXPENDITURES</b>						
General government	270,865	274,644	-	-	270,865	274,644
Public works	417,072	384,667	-	-	417,072	384,667
Culture & recreation	284,780	305,893	-	-	284,780	305,893
Water & sewer	-	-	2,075,040	2,105,287	2,075,040	2,105,287
Interest expenses	-	-	113,958	129,316	113,958	129,316
<b>Total expenses</b>	<b>972,717</b>	<b>965,204</b>	<b>2,188,998</b>	<b>2,234,603</b>	<b>3,161,715</b>	<b>3,199,807</b>
<b>Change in Net Position</b>	<b>\$ 463,670</b>	<b>\$ 424,459</b>	<b>\$ 693,672</b>	<b>\$ 341,967</b>	<b>\$ 1,157,342</b>	<b>\$ 766,426</b>

**Indian Hills General Improvement District  
Management's Discussion & Analysis (Unaudited)  
June 30, 2022**

**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 District approved a five year rate plan with annual increases reserved for infrastructure repairs during the 2014-2015 fiscal year. The last increase in this five year plan was effective September 2018.

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.

**Indian Hills General Improvement District  
Management's Discussion & Analysis (Unaudited)  
June 30, 2022**

**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, 2022, is in excess of \$148,643,351. The District's debt is currently at \$3,562,159. This debt is approximately 2%. This is a healthy debt position and debt service is manageable in operating budgets.

The utility rate structure of the District is conscious of the depreciation charged against the infrastructure as an appropriate accounting function. It has not, however, charged the users sufficiently to fully cover the depreciation amounts. The District approved a rate increase effective September 2014 with the increase being reserved for infrastructure expenses. In addition, the District budgets 4% of projected net revenue to reserve for 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.

**COVID-19**

Due to the COVID-19 Global Pandemic the District stopped charging late fees during the 2020/2021 fiscal year. The District also stopped water shut-offs as a result of the pandemic. The District re-instated late fees and water shut off procedures during the 2021/2022 fiscal year.

These revenues are not budgeted for and, therefore, are not relied on for operating expenses of the District.

**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.

Indian Hills General Improvement District  
Statement of Net Position  
June 30, 2022

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Current Assets			
Cash & cash equivalents	\$ 2,649,365	\$ 6,723,450	\$ 9,372,815
Taxes receivable	62,306	-	62,306
Accounts receivable, less allowance for doubtful accounts of \$0 and \$8,423	7,162	337,363	344,525
Other assets	42,176	142,895	185,071
<b>Total Current Assets</b>	<b>2,761,009</b>	<b>7,203,708</b>	<b>9,964,717</b>
Lease receivable	-	227,412	227,412
Lease assets, net of accumulated amortization	12,937	-	12,937
Property, Plant & Equipment, net	4,698,328	14,400,152	19,098,480
<b>Total Assets</b>	<b>7,472,274</b>	<b>21,831,272</b>	<b>29,303,546</b>
Deferred Outflows of Resources			
Pension requirement	187,587	369,382	556,969
<b>Total Assets and Deferred Outflows of Resources</b>	<b>7,659,861</b>	<b>22,200,654</b>	<b>29,860,515</b>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	9,591	61,512	71,103
Accrued payroll & benefits	30,348	61,023	91,371
Prepaid user fees	-	26,083	26,083
Accrued interest	-	23,048	23,048
Due to IRS	-	7,410	7,410
Current portion lease liability	5,814	-	5,814
Current portion of long-term debt	-	341,020	341,020
<b>Total Current Liabilities</b>	<b>45,753</b>	<b>520,096</b>	<b>565,849</b>
Non-Current Liabilities			
Compensated absences	2,948	4,700	7,648
Premium on bond issue	-	104,026	104,026
Bonds payable	-	3,305,238	3,305,238
Lease liability	7,667	-	7,667
Net pension liability	244,289	481,036	725,325
<b>Total Non-Current Liabilities</b>	<b>254,904</b>	<b>3,895,000</b>	<b>4,149,904</b>
<b>Total Liabilities</b>	<b>300,657</b>	<b>4,415,096</b>	<b>4,715,753</b>
Deferred Inflows of Resources			
Deferred inflows of resources - lease	-	213,095	213,095
Pension requirement	301,413	593,518	894,931
<b>Total Liabilities and Deferred Inflows of Resources</b>	<b>602,070</b>	<b>5,221,709</b>	<b>5,823,779</b>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	4,698,328	10,649,868	15,348,196
Restricted cash	1,115,392	3,603,454	4,718,846
Unrestricted	1,244,071	2,725,623	3,969,694
<b>Total Net Position</b>	<b>\$ 7,057,791</b>	<b>\$ 16,978,945</b>	<b>\$ 24,036,736</b>

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

Indian Hills General Improvement District  
Statement of Activities  
For the Year Ended June 30, 2022

	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
	Charges for Services	Capital Grants & Contributions	Governmental Activities	Business-Type Activities
Expenses				Total
<b>FUNCTIONS/PROGRAMS</b>				
Governmental Activities				
General government	\$ 270,865	\$ -	\$ (270,865)	\$ (270,865)
Public works	417,072	-	(417,072)	(417,072)
Culture & recreation	284,780	-	(284,780)	(284,780)
Total governmental activities	972,717	-	(972,717)	(972,717)
Business-Type Activities				
Water & sewer	2,075,040	-	-	838,460
Interest expense	113,958	-	-	(113,958)
Total business-type activities	2,188,998	-	-	724,502
Total	\$ 3,161,715	\$ -	(972,717)	(248,215)
<b>GENERAL REVENUES</b>				
Tax revenue		1,346,494	-	1,346,494
Interest earnings		1,947	-	10,470
Grant revenue		-	-	-
Miscellaneous revenue		22,650	17,507	40,157
Gain on asset disposition		2,159	6,277	8,436
Interfund transfers		63,137	(63,137)	-
Total General Revenue		1,436,387	(30,830)	1,405,557
Change in Net Position		463,670	693,672	1,157,342
Net Position, June 30, 2021		6,594,615	16,277,761	22,872,376
Prior Period Adjustment (Note 10)		(494)	7,512	7,018
Net Position, June 30, 2021, as restated.		6,594,121	16,285,273	22,879,394
Net Position, June 30, 2022		\$ 7,057,791	\$ 16,978,945	\$ 24,036,736

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Indian Hills General Improvement District  
Balance Sheet and Reconciliation of the  
Balance Sheet to the Statement of Net Position  
June 30, 2022

<b>ASSETS</b>	
Cash and investments	\$ 2,649,365
Taxes receivable	62,306
Accounts receivable	7,162
Other assets	<u>42,176</u>
<b>Total Assets</b>	<b>\$ 2,761,009</b>
<b>LIABILITIES</b>	
Accounts payable	9,591
Accrued payroll & benefits	17,458
Compensated absences	<u>12,890</u>
<b>Total Liabilities</b>	<b><u>39,939</u></b>
<b>FUND BALANCE</b>	
Assigned	1,115,393
Non-spendable	42,176
Unassigned	<u>1,563,501</u>
<b>Total Fund Balance</b>	<b><u>2,721,070</u></b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 2,761,009</b>
<b>RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION</b>	
Fund Balance - General Fund	\$ 2,721,070
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.	9,451,228
Less accumulated depreciation	(4,752,900)
Less noncurrent compensated absences	(2,948)
Right of use assets - lease	12,937
Less lease liability	(13,481)
Deferred outflows of resources - pension requirement	187,587
Less net pension liability	(244,289)
Less deferred inflows of resources - pension requirement	<u>(301,413)</u>
<b>Net Position of Governmental Activities</b>	<b>\$ 7,057,791</b>



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, 2022

	<u>BUDGETED AMOUNTS</u>			Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Intergovernmental revenue				
Ad Valorem taxes	\$ 986,682	\$ 986,682	\$ 1,008,804	\$ 22,122
Consolidated tax	336,473	336,473	337,690	1,217
Grants	-	-	-	-
Miscellaneous				
Interest on investments	2,000	2,000	1,947	(53)
Miscellaneous	21,700	21,700	24,809	3,109
Total Revenues	<u>1,346,855</u>	<u>1,346,855</u>	<u>1,373,250</u>	<u>26,395</u>
<b>EXPENDITURES</b>				
General Government				
Salaries	47,742	47,742	45,868	1,874
Benefits	19,300	19,300	36,841	(17,541)
Services & supplies	236,650	236,650	206,473	30,177
Capital outlay	5,000	5,000	-	5,000
Total General Government	<u>308,692</u>	<u>308,692</u>	<u>289,182</u>	<u>19,510</u>
Public Works				
Salaries	93,758	93,758	90,465	3,293
Benefits	36,900	36,900	50,009	(13,109)
Services & supplies	102,400	102,400	73,858	28,542
Capital outlay	402,000	402,000	116,326	285,674
Total Public Works	<u>635,058</u>	<u>635,058</u>	<u>330,658</u>	<u>304,400</u>
Culture & Recreation				
Salaries	120,258	120,258	85,421	34,837
Benefits	50,200	50,200	46,915	3,285
Services & supplies	155,900	155,900	137,663	18,237
Capital outlay	85,000	85,000	40,527	44,473
Total Culture & Recreation	<u>411,358</u>	<u>411,358</u>	<u>310,526</u>	<u>100,832</u>
Total Expenditures	<u>1,355,108</u>	<u>1,355,108</u>	<u>930,366</u>	<u>424,742</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ (8,253)</u>	<u>\$ (8,253)</u>	442,884	<u>\$ 451,137</u>
FUND BALANCE, June 30, 2021			2,215,049	
Interfund Transfers			<u>63,137</u>	
FUND BALANCE, June 30, 2022			<u>\$ 2,721,070</u>	

**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, 2022**

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

Net Change in Fund Balance - General Fund	\$ 442,884
Amount reported for governmental activities in the statement of activities are different because:	
Interfund transfers	63,137
Less current ROU asset amortization	(5,683)
Less current year depreciation	(292,690)
Less lease liability interest expense	(529)
Add back equipment lease expense	6,162
Add back capital outlay	156,853
Add back difference between pension expense and contributions	94,111
Add back change in noncurrent compensated absences	(575)
	463,670
Change in Net Position of Governmental Activities	\$ 463,670

Indian Hills General Improvement District  
Enterprise Funds  
Statement of Net Position  
June 30, 2022

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
<b>ASSETS</b>			
Current Assets			
Cash & cash equivalents	\$ 2,898,200	\$ 3,825,250	\$ 6,723,450
Accounts receivable, net of allowance for doubtful accounts of \$4,885 and \$3,538	219,045	124,318	337,363
Other assets	118,523	24,372	142,895
<b>Total Current Assets</b>	<u>\$ 3,229,768</u>	<u>3,973,940</u>	<u>7,203,708</u>
Lease receivable	227,412	-	227,412
Property, Plant & Equipment, net	8,077,728	6,322,424	14,400,152
<b>Total Assets</b>	<u>11,534,908</u>	<u>10,296,364</u>	<u>21,831,272</u>
Deferred Outflows of Resources			
- Pension requirement	178,954	190,428	369,382
<b>Total Assets and Deferred Outflows of Resources</b>	<u>11,713,862</u>	<u>10,486,792</u>	<u>22,200,654</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	50,451	11,061	61,512
Accrued payroll & benefits	31,683	29,340	61,023
Prepaid user fees	15,128	10,955	26,083
Accrued interest	19,071	3,977	23,048
Due to IRS	7,410	-	7,410
Current portion of long-term debt	230,884	110,136	341,020
<b>Total Current Liabilities</b>	<u>354,627</u>	<u>165,469</u>	<u>520,096</u>
Non-Current Liabilities			
Compensated absences	1,909	2,791	4,700
Premium on bond issue	36,409	67,617	104,026
Note and bonds payable	1,818,538	1,486,700	3,305,238
Net pension liability	233,047	247,989	481,036
<b>Total Liabilities</b>	<u>2,444,530</u>	<u>1,970,566</u>	<u>4,415,096</u>
Deferred Inflows of Resources			
Deferred inflows of resources - lease	213,095	-	213,095
Pension requirement	287,541	305,977	593,518
<b>Total Liabilities and Deferred Inflows of Resources</b>	<u>2,945,166</u>	<u>2,276,543</u>	<u>5,221,709</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	5,991,897	4,657,971	10,649,868
Restricted cash	2,006,943	1,596,511	3,603,454
Unrestricted	769,856	1,955,767	2,725,623
<b>Total Net Position</b>	<u>\$ 8,768,696</u>	<u>\$ 8,210,249</u>	<u>\$ 16,978,945</u>

Indian Hills General Improvement District  
Enterprise Funds  
Statement of Revenue, Expenses, and Changes in Net Position  
For the Year Ended June 30, 2022

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
<b>OPERATING REVENUE</b>			
Water & sewer user fees	\$ 1,492,346	\$ 1,068,888	\$ 2,561,234
Gain on disposal of assets	6,179	98	6,277
Connection fees	176,133	176,133	352,266
Grant income	-	-	-
Miscellaneous income	17,507	-	17,507
<b>Total Operating Revenue</b>	<u>1,692,165</u>	<u>1,245,119</u>	<u>2,937,284</u>
<b>OPERATING EXPENSES</b>			
Salaries & wages	225,142	205,815	430,957
Employees benefits	44,968	48,070	93,038
Services & supplies	439,672	195,923	635,595
Depreciation	546,329	369,121	915,450
<b>Total Operating Expenses</b>	<u>1,256,111</u>	<u>818,929</u>	<u>2,075,040</u>
<b>Operating Income (Loss)</b>	<u>436,054</u>	<u>426,190</u>	<u>862,244</u>
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Interest income	8,511	12	8,523
Interest expense	(65,753)	(48,205)	(113,958)
	<u>(57,242)</u>	<u>(48,193)</u>	<u>(105,435)</u>
<b>Income (Loss) Before Capital Contributions and Transfers</b>	<u>378,812</u>	<u>377,997</u>	<u>756,809</u>
<b>INTERFUND TRANSFERS</b>	<u>(84,741)</u>	<u>21,604</u>	<u>(63,137)</u>
<b>Change In Net Positon</b>	<u>294,071</u>	<u>399,601</u>	<u>693,672</u>
<b>NET POSITION, June 30, 2021</b>	<u>8,467,113</u>	<u>7,810,648</u>	<u>16,277,761</u>
Prior period adjustment (Note 10)	7,512	-	7,512
<b>NET POSITION, June 30, 2021, as restated</b>	<u>8,474,625</u>	<u>7,810,648</u>	<u>16,285,273</u>
<b>NET POSITION, June 30, 2022</b>	<u>\$ 8,768,696</u>	<u>\$ 8,210,249</u>	<u>\$ 16,978,945</u>

Indian Hills General Improvement District  
Enterprise Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2022

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 1,636,636	\$ 1,232,592	\$ 2,869,228
Miscellaneous cash receipts	23,141	99	23,240
Payment of employee salaries & benefits	(337,735)	(247,919)	(585,654)
Payment of services & supplies	(423,502)	(194,395)	(617,897)
Net cash provided by operating activities	<u>896,540</u>	<u>790,377</u>	<u>1,688,917</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Interfund transfers	(84,741)	21,604	(63,137)
Net cash provided (used) by non-capital financing activities	<u>(84,741)</u>	<u>21,604</u>	<u>(63,137)</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	(235,877)	(132,677)	(368,554)
Bond amortization premium	(1,517)	(2,817)	(4,334)
Principal paid on long-term debt	(327,167)	(106,191)	(433,358)
Interest paid on long-term debt	(71,041)	(48,778)	(119,819)
Net cash provided (used) by capital and related financing activities	<u>(635,602)</u>	<u>(290,463)</u>	<u>(926,065)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received on investments	1,213	12	1,225
Net cash provided by investing activities	<u>1,213</u>	<u>12</u>	<u>1,225</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	179,410	521,530	700,940
<b>CASH AND CASH EQUIVALENTS, June 30, 2021</b>	<u>2,718,790</u>	<u>3,303,720</u>	<u>6,022,510</u>
<b>CASH AND CASH EQUIVALENTS, June 30, 2022</b>	<u>\$ 2,898,200</u>	<u>\$ 3,825,250</u>	<u>\$ 6,723,450</u>

Indian Hills General Improvement District  
Enterprise Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2022

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
<b>RECONCILIATION OF OPERATING INCOME (LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES</b>			
Operating income (loss)	\$ 436,854	\$ 426,190	\$ 862,244
Non-cash adjustment			
Depreciation	546,329	369,121	915,450
Increase (decrease) in cash from changes in:			
Accounts receivable	(28,210)	(8,926)	(37,136)
Other assets	(108)	(3,166)	(3,274)
Accounts payable	12,989	1,955	14,944
Accrued payroll and benefits	(66,357)	5,217	(60,140)
Prepaid user fees	(889)	(763)	(1,652)
Compensated absences	(2,268)	749	(1,519)
<b>Net cash provided by operating activities</b>	<b><u>\$ 898,540</u></b>	<b><u>\$ 790,377</u></b>	<b><u>\$ 1,688,917</u></b>

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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.



Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

NOTE 1 - SUMMARY OF SIGNIFICANT 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 includes 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 with 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 \$54,285.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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.

New Accounting Pronouncement

During the year ended June 30, 2022, the District adopted the provisions of GASB Statement No. 87, *Leases (GASBS 87)*. The objective of this statement is to better meet the information needs of financial statement users by improving the accounting and financial reporting for leases by governments. This statement increases the usefulness of government financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. Under this statement a lessee is required to recognize a lease liability and an intangible right-to-use asset and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about the government's leasing activities. The District applied GASBS 87 retrospectively for all prior periods presented, as required under the statement.

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.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

**NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)**

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.

**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 \$384,369 at June 30, 2022.

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	\$ 224,684	\$ 164,160	\$ 388,844
Reserved for depreciation	106,370	187,337	293,707
Reserved for water tank	16,588	-	16,588
Restricted bond funds	378,662	5,707	384,369
Reserved for rate increase	1,116,468	1,188,439	2,304,907
Reserved for construction	16,348	-	16,348
Rural Development debt service reserves	40,284	50,868	91,152
AB-198 capital reserve	107,539	-	107,539
<b>Total Restricted Cash</b>	<b>\$ 2,006,943</b>	<b>\$ 1,596,511</b>	<b>\$ 3,603,454</b>

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

NOTE 4 - CAPITAL ASSETS

Capital assets activity during 2022 was as follows:

	Balance June 30, 2021	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2022
<b>Government Activities</b>				
<b>Capital assets, not being depreciated</b>				
Construction in process	\$ -	\$ 65,386	\$ -	\$ 65,386
Land	236,479			236,479
Open space improvements	11,974			11,974
Trailheads & trails	110,833			110,833
Total non-depreciable assets	<u>359,286</u>	<u>65,386</u>	<u>-</u>	<u>424,672</u>
<b>Capital assets, being depreciated</b>				
Buildings	722,343			722,343
Office furniture & equipment	26,578			26,578
Software	16,900			16,900
Vehicles & equipment	141,701	52,840		194,541
Other equipment	315,039			315,039
Park equipment & improvements	1,076,141	38,627		1,114,768
Street improvements	6,636,387			6,636,387
Total depreciable assets	<u>8,938,089</u>	<u>91,467</u>	<u>-</u>	<u>9,026,556</u>
Total capital assets	<u>9,294,375</u>	<u>156,853</u>	<u>-</u>	<u>9,451,228</u>
Less accumulated depreciation	<u>(4,460,210)</u>	<u>(292,690)</u>		<u>(4,752,900)</u>
Governmental activities - capital assets, net	<u>\$ 4,834,165</u>	<u>\$ (135,837)</u>	<u>\$ -</u>	<u>\$ 4,698,328</u>
	Balance June 30, 2021	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2022
<b>Business-type Activities</b>				
<b>Capital assets, not being depreciated</b>				
Construction in process	\$ -	\$ 174,707	\$ -	\$ 174,707
<b>Capital assets, being depreciated</b>				
Water & sewer system	32,109,619	179,795		32,289,414
Buildings	337,251			337,251
Office furniture & equipment	28,846			28,846
Software	47,570			47,570
Vehicles & equipment	754,748	14,051	(5,000)	763,799
Other system improvements	849,311			849,311
Total depreciable assets	<u>34,127,345</u>	<u>193,846</u>	<u>(5,000)</u>	<u>34,316,191</u>
Total capital assets	<u>34,127,345</u>	<u>368,553</u>	<u>(5,000)</u>	<u>34,490,898</u>
Less accumulated depreciation	<u>(19,180,296)</u>	<u>(915,450)</u>	<u>5,000</u>	<u>(20,090,746)</u>
Business-type activities - capital assets, net	<u>\$ 14,947,049</u>	<u>\$ (546,897)</u>	<u>\$ -</u>	<u>\$ 14,400,152</u>

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

NOTE 4 – CAPITAL ASSETS (CONTINUED)

Depreciation expense is charged to functions as follows:

Governmental Activities		Business-type Activities	
General government	\$ 6,341	Water	\$ 546,329
Public works	236,951	Sewer	369,121
Culture & recreation	49,398		<u>\$ 915,450</u>
	<u>\$ 292,690</u>		

NOTE 5 – LEASE TRANSACTIONS

The District entered into a five year lease agreement, commencing February 6, 2021, 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 for the use of a postage meter commencing January 7, 2020, for a quarterly fee of \$576. 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. The impact of the adoption of this standard on beginning net assets is reported in Note 11.

Expense recorded under these leases for the year ended June 30, 2022, consisted of interest expense of \$529 and amortization expense of \$5,683. The lease assets consist of the following as of June 30, 2022

	Balance June 30, 2021	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2022
<b>Government Activities</b>				
Lease assets, office equipment	\$ 28,417	\$ -	\$ -	\$ 28,417
Less accumulated amortization	(9,797)	(5,683)		(15,480)
<b>Total right-to-use assets</b>	<u>\$ 18,620</u>	<u>\$ (5,683)</u>	<u>\$ -</u>	<u>\$ 12,937</u>

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

Year Ending June 30,	Principal	Interest	Total
2023	\$ 5,814	\$ 349	\$ 6,163
2024	4,965	166	5,131
2025	2,702	32	2,734
2026	-	-	-
2027	-	-	-
2028 and Later	-	-	-
	<u>\$ 13,481</u>	<u>\$ 547</u>	<u>\$ 14,028</u>

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

NOTE 5 – LEASE TRANSACTIONS (CONTINUED)

Lease liability activity is as follows:

	Balance June 30, 2021	Additions (Reductions)	Balance June 30, 2022	Due within One year
<b>GOVERNMENT ACTIVITIES</b>				
Lease liability	\$ 19,114	\$ (5,633)	\$ 13,481	\$ 5,814

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 \$12,442. 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, 2022, under this lease consisted of interest income of \$7,298 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
2023	\$ 5,309	\$ 7,132	\$ 12,441
2024	5,480	6,962	12,442
2025	6,072	6,785	12,857
2026	8,376	6,553	14,929
2027	8,646	6,284	14,930
2028-2032	54,272	26,847	81,119
2033-2037	81,072	16,271	97,343
2038 and Later	58,185	2,729	60,914
	<u>\$ 227,412</u>	<u>\$ 79,563</u>	<u>\$ 306,975</u>

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

	Balance June 30, 2021	Net Change	Balance June 30, 2022
<b>BUSINESS-TYPE ACTIVITIES</b>			
Lease receivable	\$ 232,556	\$ (5,144)	\$ 227,412
Deferred inflows - lease	\$ (225,044)	\$ 11,949	\$ (213,095)



Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

NOTE 6 – LONG-TERM DEBT

Bonds Payable

During the year ended June 30, 2001, the District issued a water revenue bond, series 2000, in the principal amount of \$643,500. The bond was issued for the purpose of replacement of storage, and replacement and upgrading of pipe components in the water system. Principal and interest, with a rate of 3.86%, is payable semi-annually on July 1 and January 1. The bond will mature in full on July 1, 2023. This bond issue was paid in full as of June 30, 2022.

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, 2022, was \$438,910.

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, 2022 was \$612,577.

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, 2022 was \$758,180.

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, 2022 was \$1,151,451.

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, 2022 was \$685,000.

As of June 30, 2022, the District held \$384,268 in three separate state investment pool accounts and \$2,925,378 in three separate bank accounts that were restricted for use in accordance with the bond and loan agreements.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

NOTE 6 – LONG-TERM DEBT (CONTINUED)

Annual debt service requirements to maturity for the bonds at June 30, 2022 are as follows:

Year Ending June 30,	Principal	Interest	Total
<u>Water Fund</u>			
2023	\$ 230,884	\$ 54,027	\$ 284,911
2024	236,733	55,038	291,771
2025	244,519	47,147	291,666
2026	252,500	38,991	291,491
2027	142,966	31,654	174,520
2028-2032	368,160	115,661	483,821
2033-2037	117,304	83,756	201,060
2038 and Later	456,356	113,566	569,922
	<u>2,049,422</u>	<u>539,740</u>	<u>2,589,162</u>
<u>Sewer Fund</u>			
2023	110,136	47,464	157,600
2024	110,921	43,368	154,289
2025	114,907	39,187	154,094
2026	118,913	34,856	153,769
2027	126,190	30,309	156,499
2028-2032	155,890	129,354	285,244
2033-2037	178,841	111,250	290,091
2038 and Later	681,038	143,194	824,232
	<u>1,596,836</u>	<u>578,982</u>	<u>2,175,818</u>
<b>Total Enterprise Fund</b>	<u><u>\$ 3,646,258</u></u>	<u><u>\$ 1,118,722</u></u>	<u><u>\$ 4,764,980</u></u>

Changes in Long-term Liabilities

During the year ended June 30, 2022, the following changes in liabilities reported in long-term debt:

	Balance June 30, 2021	Additions (Reductions)	Balance June 30, 2022	Due within One year
<b>GOVERNMENT ACTIVITIES</b>				
Lease liability	\$ 19,114	\$ (5,633)	\$ 13,481	\$ 5,814
Compensated absences	16,908	(1,070)	15,838	12,890
	<u>\$ 36,022</u>	<u>\$ (6,703)</u>	<u>\$ 29,319</u>	<u>\$ 18,704</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Compensated absences	\$ 39,966	\$ (1,519)	\$ 38,447	\$ 33,747
Premium on bond issue	108,360	(4,334)	104,026	-
Bonds and notes payable	4,079,617	(433,359)	3,646,258	341,020
	<u>\$ 4,227,943</u>	<u>\$ (439,212)</u>	<u>\$ 3,788,731</u>	<u>\$ 374,767</u>

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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 283.575 - .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.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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. Contributions are shared equally by employer and employee. Employees can take a reduced salary and have contributions made by the employer (EPC) or can make contributions by a payroll deduction matched by the employer.

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 result in a relatively level long-term contributions requirement as a percentage of salary.

For the fiscal years ended June 30, 2021 the Statutory Employer/employee matching rate was 15.25% for Regular and 22.00% for Police/Fire. The Employer-pay contribution (EPC) rate was 29.25% for Regular and 42.50% for Police/Fire.

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

At June 30, 2022, the District reported a liability of \$725,325 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, 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, 2021. At June 30, 2021, the District's proportion was 0.00795%.

For the year ended June 30, 2022, the District recognized pension expense of \$4,646. Amounts totaling \$98,544, 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, 2023. For the year ended June 30, 2022, the District contributed \$163,040 under the statutory requirements based upon covered payroll of \$670,813 which equates to 24.30% overall to the plan.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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, 2022, 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	\$ 80,344	\$ 5,105
Net difference between projected and actual earnings on pension plan investments	-	591,842
Change in assumptions	240,821	-
Changes in proportion and differences between District contributions and proportionate share of contributions	137,260	297,984
District contributions subsequent to the measurement date	98,544	-
Total	\$ 556,969	\$ 894,931

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:

<u>Year Ending June 30,</u>	
2023	\$ (82,345)
2024	(80,995)
2025	(84,017)
2026	(90,051)
2027	54,180
2028 and later	7,575
	\$ (275,653)

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 6.14 years for the measurement period ending June 30, 2021.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

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, 2021, 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, 2021 funding actuarial valuation

Actuarial assumptions used in the June 30, 2021 valuation were based on the results of the experience study for the period July 1, 2012 through June 30, 2016. The discount rate used to measure the total pension liability was 7.25% as of June 30, 2021. 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, 2021.

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, 2021, PERS's long-term inflation assumption was 2.50%.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

NOTE 7 – PENSION PLAN (CONTINUED)

The following was the Retirement Board’s adopted policy target asset allocation as of June 30, 2021:

Asset Class	Target Allocation	Long-Term Geometric Expected Real Rate of Return
Domestic Equity	42%	5.50%
International Equity	18%	5.50%
Domestic Fixed Income	28%	0.75%
Private Markets	12%	6.65%

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, 2021, 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	\$ 1,448,426	\$ 725,325	\$ 132,333

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](http://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, 2022, June 30, 2021, and June 30, 2020.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2022

**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, 2022, total expenditures exceeded appropriations for the following funds and/or functions, which are potential violations of the NRS:

Benefits expense governmental fund, general government function	\$	17,541
Benefits expense governmental fund, public works function	\$	13,109
Benefits expense enterprise fund, operating expense function	\$	7,114

**NOTE 10 – ADOPTION OF GASBS No. 87, LEASES**

As discussed in Note 1, during the fiscal year ended June 30, 2022, the District adopted the provisions of GASBS No. 87, *Leases*. Under this standard, leases should be recognized and measured using the facts and circumstances that exist at the beginning of the period of implementation or, if applied to earlier periods, the beginning of the earliest period restated. As a result of the implementation of GASBS No. 87, the District recorded a lease liability for leased office equipment and a right-of-use asset for that equipment. As those leases were both incurred in years prior to the year ended June 30, 2022, the District elected to record both the liability and right-of-use asset as of June 30, 2021, resulting in a reduction of government fund net assets in the amount of \$494, an increase in long term assets of \$18,620, and an increase in long term liabilities of \$19,114. This restatement is reflected in the statement of net position and the statement of activities.

GASBS No. 87 also requires lessors to recognize leases by recording a receivable representing the discounted cash flow of the rental income revenue stream offset by a deferred inflow of resources at the beginning of the period of implementation. As the cell tower lease was obtained in years prior to the year ended June 30, 2022, the District elected to record both the receivable and the related deferred inflow as of June 30, 2021, resulting in an increase in enterprise fund net assets in the amount of \$7,512, an increase in long term assets of \$232,556, and an increase in deferred inflows of resources of \$225,044. This restatement is reflected in the statement of net position and the statement of activities.



REQUIRED SUPPLEMENTARY INFORMATION

Draft

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, 2022

	<u>BUDGETED AMOUNTS</u>			Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>OPERATING REVENUE</b>				
Water & sewer user fees	\$ 2,368,000	\$ 2,368,000	\$ 2,561,234	\$ 193,234
Gain on disposal of assets	-	-	6,277	6,277
Grant income	-	-	-	-
Miscellaneous income	12,442	12,442	17,507	5,065
Connection fees	51,300	51,300	352,266	300,966
Total Operating Revenue	<u>2,431,742</u>	<u>2,431,742</u>	<u>2,937,284</u>	<u>505,542</u>
<b>OPERATING EXPENSES</b>				
Salaries & wages	501,085	501,085	430,957	70,128
Employee benefits	190,900	190,900	198,044	(7,114)
Services & supplies	681,450	681,450	635,595	45,855
Capital outlay	577,000	577,000	345,894	231,106
Depreciation	921,000	921,000	915,450	5,550
Total Operating Expenses	<u>2,871,435</u>	<u>2,871,435</u>	<u>2,525,910</u>	<u>345,525</u>
Operating Income	(439,693)	(439,693)	411,374	851,067
<b>NONOPERATING REVENUE (EXPENSES)</b>				
Interest income	4,050	4,050	8,523	4,473
Interest expense	(127,783)	(127,783)	(113,958)	13,825
	<u>(123,733)</u>	<u>(123,733)</u>	<u>(105,435)</u>	<u>18,298</u>
Excess (Deficiency) before Capital Contributions and Transfers	(563,426)	(563,426)	305,939	869,365
<b>INTERFUND TRANSFERS</b>				
	-	-	(63,137)	(63,137)
Change in Net Position	<u>\$ (563,426)</u>	<u>\$ (563,426)</u>	242,802	<u>\$ 806,228</u>
<b>RECONCILIATION TO STATEMENT OF ACTIVITIES:</b>				
Add back capital outlay			345,894	
Less difference between pension expense and contributions			<u>104,976</u>	
Change in Net position of Enterprise Fund			<u>\$ 693,672</u>	

Indian Hills General Improvement District  
Schedules of Required Supplementary Information  
For the Year Ended June 30, 2022

**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
2014	0.01011%	\$ 1,053,893	\$ 577,813	182.39%	76.31%
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	\$ 578,405	218.76%	74.42%
2018	0.01189%	\$ 1,621,168	\$ 741,598	218.60%	75.24%
2019	0.00840%	\$ 1,145,083	\$ 546,745	209.44%	76.46%
2020	0.00783%	\$ 1,090,075	\$ 531,414	205.13%	77.04%
2021	0.00795%	\$ 726,325	\$ 561,231	129.24%	86.51%

Indian Hills General Improvement District  
Schedules of Required Supplementary Information  
For the Year Ended June 30, 2022

**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
2014	\$ 152,535	\$ 142,046	\$ 10,489	\$ 577,813	24.58%
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%

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SUPPLEMENTARY INFORMATION

Indian Hills General Improvement District  
 General Fund  
 Schedule of Expenditures  
 For the Year Ended June 30, 2022

(Page 1 of 2)

<b>GENERAL GOVERNMENT</b>	
Board of trustees	7,375
Equipment rental	6,813
Fuel expense	211
Insurance	16,442
Office expense	37,035
Other expenses	6,012
Payroll taxes and benefits	36,841
Professional fees	109,670
Repairs and maintenance	255
Safety program	312
Salaries and wages	45,868
Telephone	15,659
Travel and training	1,101
Utilities	5,588
Capital outlay	-
Total General Government	289,182
 <b>PUBLIC WORKS</b>	
Board of trustees	3,688
Fuel expense	2,181
Insurance	16,295
Other expenses	673
Payroll taxes and benefits	50,009
Professional fees	16,730
Repairs and maintenance	26,492
Safety program	1,704
Salaries and wages	90,465
Telephone	747
Utilities	5,348
Capital outlay	116,326
Total Public Works	330,658

Indian Hills General Improvement District  
 General Fund  
 Schedule of Expenditures  
 For the Year Ended June 30, 2022

(Page 2 of 2)

**CULTURE AND RECREATION**

Board of trustees	3,688
Equipment Rental	445
Fuel expense	3,082
Insurance	16,295
Other expenses	(190)
Recreation expense	6,531
Payroll taxes and benefits	46,915
Professional fees	14,672
Repairs and maintenance	33,705
Safety program	1,704
Salaries and wages	85,421
Contracted labor	1,116
Telephone	731
Travel and training	204
Utilities	55,680
Capital outlay	40,527
<b>Total Culture and Recreation</b>	<u>310,526</u>
<b>Total Expenditures</b>	<u>\$ 930,366</u>

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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, 2022

	Business-Type Activities		
	Water	Sewer	
<b>SERVICE AND SUPPLIES</b>			
Bad debt recovery	3,781	2,738	6,519
Board of trustees fees	7,375	7,375	14,750
Fuel expense	5,274	4,580	9,854
Garbage expense	(931)	7,225	6,294
Insurance	16,297	16,295	32,592
Lab Fees	5,724	7,384	13,108
Office expense	1,903	2,250	4,153
Other expense	6,807	6,018	12,825
Professional fees	62,087	35,177	97,264
Permit fees	4,868	4,371	9,239
Repairs and maintenance	36,865	30,629	67,494
Safety program	2,277	1,506	3,783
Telephone	9,807	2,167	11,974
Travel and training	1,553	1,283	2,836
Treatment chemicals	4,392	14,044	18,436
Utilities	72,586	52,881	125,467
Water Costs	199,007	-	199,007
Total Service and Supplies	<u>\$ 439,672</u>	<u>\$ 195,923</u>	<u>\$ 635,595</u>



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REPORTS ON INTERNAL CONTROL & COMPLIANCE

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, 2022, 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 November 28, 2022.

**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.

## **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  
November 28, 2022

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, 2022, and have issued our report thereon dated November 28, 2022. 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 April 8, 2019, 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 90 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.

### ***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 following material misstatements detected as a result of audit procedures were corrected by management:

1. Record adjustments necessary to comply with GASB 68 increasing net income by \$158,283.
2. Record adjustments to accounts receivable and related allowance accounts increasing net income by \$61,831.
3. Record adjustment to capitalize assets expensed in the amount of \$276,704.

The total net income effect of all adjustments proposed and recorded by management was to decrease net income by \$543,149.

### ***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 November 28, 2022.

### ***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.

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 November 28, 2022, 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  
November 28, 2022

Draft

# **AGENDA ITEM 6.**

**Discussion and possible action to approve a quote from Maxwell Products Inc. in the amount of \$10,150.00 for 15,000 pounds of crack seal material. (General Manager, Chris Johnson)**



## SALES QUOTATION

Accept By 11/30/2022 Quote# 5516  
 Ship By 12/23/2022

### Quote Info

<b>Customer Ref No</b>	<b>Payment Term</b> - Cash Account -	<b>Est Delivery Date</b> N/A	<b>Sales Rep</b> Chris Robb 801-803-9281 chris.robbs@maxwellproducts.com
<b>Customer</b> Indian Hills Improvement District 3394 James Lee Park Rd. Carson, NV 89705	<b>Delivery Address</b> Indian Hills Improvement District 3394 James Lee Park Rd. Carson, NV 89705 Ray: 775-800-3808	<b>Project Info</b> 6 pallets	

### Items

Description	Quantity	U/M	Rate	Total
Elastoflex 430 (ZipBox)	15,000	LB	0.5800	8,700.00
Freight	1	EA	1450.0000	1,450.00

### Quote Totals

<b>Sub Total</b>	10,150.00
<b>Taxes</b>	0.00
<b>Total</b>	10,150.00

### Conditions

- Accepting quote or placing an order constitutes acceptance of our standard terms and conditions
- Quote only valid if accepted by 11/30/2022 and shipped by 12/23/2022
- We reserve the right to reduce or increase quoted prices and product availability without notice in the event of significant market volatility or supply chain disruption. We will always do our best to provide notice in advance of changes in pricing or product availability

### Return Policy

No goods will be accepted without prior consent in writing from Maxwell Products. Pallets must be unopened with original labelling intact in like new condition. All returns must be freight prepaid by the customer and returned within 30 days of the original shipment. Credit for returned material will be applied to future orders. Credit for returned material made to order and may not be returned.

SPARKS = 3.96 / lb  
 THIS QUOTE = 4.68 / lb  
 INCLUDING SHIPPING

### Acceptance

The above price(s), specifications and conditions of initialed items are satisfactory and are hereby accepted.

By ..... Signature .....

# **AGENDA ITEM 7.**

**Discussion and possible action to approve commencement of fundraising via a “buy a brick” program for purchase and donation of engraved paver bricks to the hardscape segment of the South Sunridge Dog Park project.  
(Vice Chairman, Dale Dunham)**

# Proposal “Buy-a-Brick” Beautification Project

Indian Hills General Improvement District



# Introduction

## Dale Dunham

- Indian Hills GID - Vice Chairman
- Neighborhood Volunteer
- Journeyman Mason



# Project Summary

- Reduce Water Use and Maintenance
- Beautify Grounds & Honor Community
- Make Affordable for All to Participate



The goal is to honor current and past community service. We have the opportunity to engage the entire community to commemorate a person or event \*Participation parameters TBD.

Affordability is key to bolster maximum interest to achieve lower purchase price. As a bonus, this project will beautify our parks and in some cases reduce water consumption and maintenance.

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# Objectives

- Approval from IHGID to start fundraising
- Approve coordination with RCT project
- Define / approve area for this POC
- Achieve pledges/donations for 50+ bricks
- Designate Citizen vs. Sponsors placement

50+ bricks improves affordability.

Citizens order 4x8 bricks at cost plus.

Sponsors order 8x8 bricks at premium, defraying overall project cost.

Limit sponsor placement to area borders.

The next cost reduction comes at 250

Limit POC-Proof of Concept to 1 location- optimize the successful completion with public donated/purchased bricks.

Coordinate project with RCT funded projects to defray installation cost and improve reserves for maintenance.



# Key Benefits

- Honor community service
- Promote community pride in our parks
- Reduce water consumption & maintenance



This proposal offers community the opportunity to leave a lasting legacy honoring loved ones and stand out community servants. Participants become vested in the park beautification.

This project is a POC-Proof of Concept that may be replicated to replace underutilized grass area reducing water consumption, while creating unique areas for fellowship and reflection (chess table)

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# Endorsements

See questionnaire result on next page



We hope to gain additional endorsements as a grass roots movement across the entire district.

We hope to gain corporate endorsement by approaching local business, and leveraging the fundraising expertise of interested board/community members.

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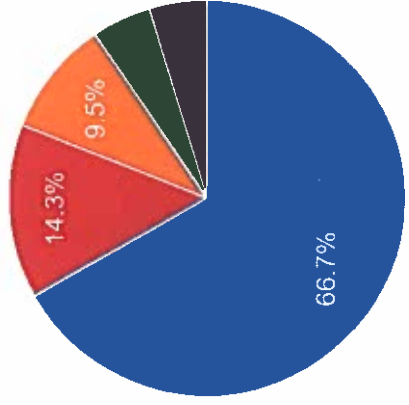


# Questionnaire Feedback

- 76.2%+ Positive
- 14.3% Negative
- 9.5% Other

Would you buy/donate a brick at \$19.99 to honor someone in your family, for installation near benches at IHGID parks as a place of reflection?

21 responses



- Yes I am interested in buying/donating a commemorative engraved brick
- No I am NOT interested in buying/donating a commemorative engraved...
- I am interested in 1+1 replica brick to keep or present to the family of a love...
- will request that if I purchase a brick, I will request that it be placed in the So...
- I have done so before. A lovely way to remember loved ones!

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# Fundraising

## Anonymous pledge from resident

- Up to \$100 for each board member donation
- Max match of \$500 total for board donations
- Presenter pledging \$100 to honor specific individual(s)

## Request approval from board to:

- Designate an account to begin fundraising
- Earmark park reserve funds to expedite completion
- Funds can be reimbursed as add'l bricks are purchased

Blank bricks at lower cost can be installed to complete defined coverage area.

Personalized bricks can replace blanks once a favorable qty has been achieved to warrant purchase/install efforts.

Once the public sees one project completed, anticipate more public interest for future projects in other district locations (IHGID grounds and parks) to further reduce water consumption.

# Pattern Aa (4'x8') 36@\$29.99

	K.Clark		Citizen4		Citizen10		Citizen16		Citizen22		Citizen28
Bill		Dale\$200		Citizen5		Citizen11		Citizen17		Citizen23	
	AP\$500		Citizen6		Citizen12		Citizen18		Citizen24		Citizen29
Terri		Citizen1		Citizen7		Citizen13		Citizen19		Citizen25	
	Citizen2		Citizen8		Citizen14		Citizen20		Citizen26		Citizen30
Chris J.		Citizen3		Citizen9		Citizen15		Citizen21		Citizen27	

# Proposal Aa Cost Estimate

COST CALCULATION		CONTRIBUTION CALC @ \$29.99/engraved brick 30 citizens, 1 location			Sub Totals	Blank	Engraved	
Blank	108 @	\$4.50	\$486.00	Blank 108 @	\$0.00	\$0.00		
Engraved	36 @	\$22.50	\$810.00	Engraved 36 @	\$22.50	\$810.00		
Install	144 @	\$13.33	\$1,920.00	Install 36 @	\$7.49	\$269.64		
Total Cost			\$3,216.00			\$1,079.64		
				Shortage	-\$2,136.36			
				Seed Money Pledged	\$700.00			
				Revised Shortage	-\$1,436.36			
				Revised if Install covered by RCT Dog Park Project			\$483.64	Balance reserve for maintenance/future brick proj
				Total			144	
				Blank			108	
				Engraved			36	

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# Pattern Bb (4'x8') 69@\$29.99

	K.Clark		Citizen4		Citizen10		Citizen16		Citizen22		Citizen28
	Citizen31		Citizen32		Citizen35		Citizen40		Citizen46		Citizen52
	Bill	Dale\$200		Citizen5		Citizen11		Citizen17		Citizen23	
		Citizen33		Citizen36		Citizen41		Citizen47		Citizen53	
	Rob\$500		Citizen6		Citizen12		Citizen18		Citizen24		Citizen29
	Citizen34		Citizen37		Citizen42		Citizen48		Citizen54		Citizen58
	Terri		Citizen1		Citizen7		Citizen13		Citizen19		Citizen25
		Citizen38		Citizen43		Citizen49		Citizen55		Citizen59	
	Citizen2		Citizen8		Citizen14		Citizen20		Citizen26		Citizen30
	Citizen39		Citizen44		Citizen50		Citizen56		Citizen60		Citizen62
	Chris J.		Citizen3		Citizen9		Citizen15		Citizen21		Citizen27
		Citizen45		Citizen51		Citizen57		Citizen61		Citizen63	

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# Pattern Cc (4'x8') +12 Corp@\$99

Corp1 \$99	Corp2 \$99	Corp3 \$99	Corp4 \$99	Corp5 \$99	Corp6 \$99	Corp7 \$99	Corp8 \$99	Corp9 \$99	Corp10 \$99	Corp11 \$99	Corp12 \$99
	K.Clark		Citizen4		Citizen10		Citizen16		Citizen22		Citizen28
Bill		Dale\$200		Citizen5		Citizen11		Citizen17		Citizen23	
	Rob\$500		Citizen6		Citizen12		Citizen18		Citizen24		Citizen29
Terri		Citizen1		Citizen7		Citizen13		Citizen19		Citizen25	
	Citizen2		Citizen8		Citizen14		Citizen20		Citizen26		Citizen30
Chris J.		Citizen3		Citizen9		Citizen15		Citizen21		Citizen27	

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# Statement of Work

## To be provided by Dog Park Contractor

This project will seek to supply the primary hardscape material with public funding and create a maintenance reserve for this portion of the RCT funded Dog Park.

Hardscape design to be integrated into Dog Park design plan according to favorable aesthetics and realistic targets for public donated/purchased bricks



# Project Timetable

Start fundraising/selling bricks upon board approval and stage bricks for RCT project implementation.

This project timeline relies heavily on completion of the new Dog Park Design, cost projections and project plan for hardscape portion. The sooner the promotion of the brick sales the sooner we can fill up spaces required to meet the hardscape design vs. using blanks.

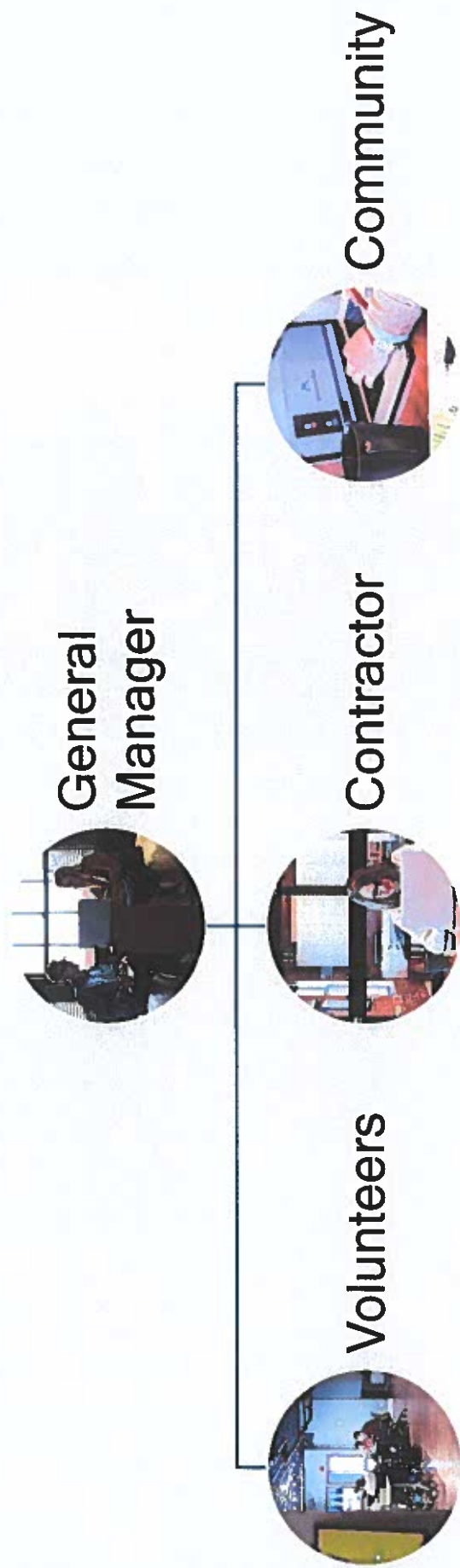
	Description	Start Date to Completion Date
Phase 1	Fundraising	ASAP to T-60days groundbreaking
Phase 2	Order and Delivery	T-60 Days to groundbreaking
Phase 3	Install and Maint	TBD to TBD see reserve projection

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# Key Personnel

Subject to board direction and approval:



# Questions?



# Background Data:

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Corp1 \$99	Corp2 \$99	Corp3 \$99	Corp4 \$99	Corp5 \$99	Corp6 \$99	Corp7 \$99	Corp8 \$99	Corp9 \$99
	K.Clark		Citizen4		Citizen10		Citizen16	
Bill		Dale\$200		Citizen5		Citizen11		Citizen17
	Rob\$500		Citizen6		Citizen12		Citizen18	
Terri		Citizen1		Citizen7		Citizen13		Citizen19
	Citizen2		Citizen8		Citizen14		Citizen20	
Chris J.		Citizen3		Citizen9		Citizen15		Citizen21

**COST CALCULATION**

Blank	108 @	\$4.50	\$486.00
Engraved	36 @	\$22.50	\$810.00
Corp 8x8	12 @	\$36.00	\$432.00
Install	156 @	\$13.33	\$2,080.00
<b>Total Cost</b>			<b>\$3,808.00</b>

**CONTRIBUTION CALC @\$29.99/engraved brick**

Blank	108 @	\$0.00	\$0.00
Engraved	36 @	\$22.50	\$810.00
Corp 8x8	12 @	\$99.00	\$1,188.00
Install 4x8	156 @	\$7.49	\$1,168.44
Install 8x8	12 @	\$64.40	\$772.80
			<b>\$3,939.24</b>

Shortage \$131.24  
Seed Money Pledged \$700.00  
Revised Shortage \$831.24

Revised, if Install covered by RCT Dog Park Project \$2,911.24

Corp10 \$99	Corp11 \$99	Corp12 \$99
Citizen22		Citizen28
	Citizen23	
Citizen24		Citizen29
	Citizen25	
Citizen26		Citizen30
	Citizen27	

k 30 citizens, 1 location

Sub Totals

Blank	Engraved
6	6
12	0
6	6
12	0
6	6
12	0
6	6
12	0
6	6
12	0
6	6
12	0
Blank	Engraved
108	36

Total	144
+Corporate 8 x 8	12

Balance reserve for maintenance/future engraved brick proj

# **AGENDA ITEM 8.**

**Discussion and possible action to approve Draft Minutes from the November 16, 2022, Board Meeting.**



**Minutes**  
**Indian Hills General Improvement District**  
**Board of Trustees Meeting**  
**District Office**  
**3394 James Lee Park Rd. #A**  
**Carson City, NV 89705**  
**November 16, 2022**  
**Regular Board Meeting 6:00 P.M.**

**Trustees Present:** Chairman Kathryn Clark-Ross, Vice Chairman Dunham, Secretary/Treasurer Sageman, Trustee Eisele.

**Trustees Present via Zoom Meeting:** none.

**Trustees Absent:** Trustee Garcia

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

**Others Present:** District Counsel Chuck Zumpft, District Engineer Tim Russell, Peter Beekhof with Westridge Homes, Michael Stanka with Stanka Consulting and Residents Brian Patrick, Kendra Wilson, Penni Eisele, Ben Walker, Debbie Walker, and Robert Stulac.

**Others Present via Zoom Meeting:** none.

**6:00 P.M. - Regular Meeting**

1. **Call to Order**  
Request that Cell Phones and Pagers be turned off for recording purposes.  
Vice Chairman Dunham called the meeting to order at 6:00PM.
2. **Pledge of Allegiance:** Led by Trustee Eisele.
3. **Public Interest Comment:** Resident Kendra Wilson stated that she lives on Somerset and has her business on Mica, the Edward Jones office, she just lost the election. That is ok, she has a silver lining. She has a proposal or a seed to plant that she would not have been able to plant while she was a candidate or is she was on the board. Kendra stated that her day job is she is financial advisor, she met with Stacie when she was running for the board. Stacie advised her that our reserves earn next to nothing in interest. Edward Jones where she works has some of the best rates locally for CD's, which are no risk FDIC insured investments. A one-year CD is at 4.7%, 3 months 3.9%, as a resident she wants our reserves, her money that she puts in to work for us. Kendra stated when she talks to her clients, she tells them money not sitting in the bank is money that you worked for that is not working for you. She does not know how to go forward with this maybe she needs to bring a more robust proposal to the board or put something on the agenda. Kendra stated that on her commute to work she sometimes likes to bike, the Mica Cottages have parking spaces on Vista Grande.  
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Last time she talked to Chris about it they talked about maybe being able to put the bike path up on the sidewalk, but she brings it up today because they are starting to do landscaping. She would like an update on that, we need a bike path.

Resident Debbie Walker stated the park on North Sunridge, the swing is so loud please oil it.

Resident Robert Stulac stated what Kendra brought up. When he was out campaigning, he was asked when people come to public comment what is the next step does it get put on the agenda the next month or what happens.

General Manager Chris Johnson stated we can't discuss it because it is public comment so the best route is for her can come into the office to meet with us and then bring the issue to the board if needed. Resident Robert Stulac stated it is a good idea, he will let her know.

Resident Brian Patrick stated for clarification correct him if he is wrong any citizen can offer an item on the agenda at any time.

General Manager Chris Johnson stated yes but we need to have something to present to the board.

#### **4. Approval of Agenda**

General Manager Chris Johnson stated item five Kelli Nevills had to cancel her presentation tonight, so he requests that we pull item five from the agenda.

*Vice Chairman Dunham motioned to approve the agenda with the removal of item five. Trustee Eisele seconded. Motion carried 4-0. Trustee Garcia was absent from the meeting.*

#### **5. Presentation from Kelli Nevills from Nevada Division of Forestry for Indian Hills GID to become a Firewise Community.**

This item was removed from the agenda.

**Public comment: none**

**Board of Trustees further discussion/comment: none**

#### **6. Discussion and possible action to approve, approve with conditions or deny the request from Stanka Consulting LTD. on two tentative parcel maps for 3282 Plymouth and 3292 Plymouth and for Indian Hills GID to accept ownership and maintenance of proposed utilities (water & Sewer) and/or proposed surface improvements (road, curb, and gutter).**

District Engineer Tim Russell stated this item, there has been activity on these two parcels off Plymouth for quite some time. Annexation and other activities such as right of way. The applicant has gone through the County process for the tentative map, they are in the process

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of finalizing their improvement plans for the final. The tentative map never came to this board that was an oversight on the Counties part. So, to get the board's input and approval the developer is here tonight and to explain the project and answer any questions. The board can act to accept ownership maintenance of the water and sewer. The other component is the surface improvements in the cul-de-sacs or roads which have curb and gutter. Typically District policy is that all district roads should have curb, gutter and sidewalk and the district will accept them. Tim stated as an example the donut hole over here off Vista Grande as it comes north are county, basically anywhere in the district you do not see curb gutter and sidewalk those roads are not maintained by the district. Tim stated the applicant can speak now and answer questions.

Michael Stanka with Stanka Consulting introduced himself to the board. Michael stated the water and sewer is pretty straight forward, the recommendation of your engineer suggests that you accept it. The only thing in question that is pending is the roads will you accept the maintenance of curb and gutters without sidewalks. The question is if sidewalks are not installed will the district not accept the maintenance. That is what they want to discuss, is that a requirement, it is not a County requirement but is it a district requirement. These are cul-de-sacs so they would be long sidewalks for minimal people. That is what they want to discuss, would those be required for the transfer of roads to the district. Based on the location of these cul-de-sacs, they go up to a County road so you would end up with a sidewalk on these roads, no sidewalk on the County road and then sidewalk again. It is up to the district to grant a deviation of your requirements or not.

Pete Beekhof the owner of Westridge homes introduced himself, Pete stated that he is the developer of the homes on Plymouth, last time he was here requesting the easement a comment was made that the district does not want any more roads. His big question is the future maintenance of the roads, the cul-de-sac will have six residents on the future Lily Court and two residents on the other court. His understanding from staff and the engineer's recommendation is to have the district not accept dedication of the roads. So, he is supposed to set up a HOA for 500 feet of road and two houses and 400 feet of road for four houses. His understanding is the general improvement district is to maintain roads, streets and so forth. When he mentioned this to Douglas County if they would take care of it, they said no we will not and told us to come back to Indian Hills GID that is their jurisdiction, that is theirs to take care of. They are back here trying to make sure they are clear on who is going to take care of the roads and if it is a matter of them having to put sidewalks in so the district will take dedication of the roads, they are going to spend more money putting more improvements in to take care of than just the roads. The sidewalks will go nowhere, there are no sidewalks to them and having a thousand feet of sidewalk for two houses, the rural district which is what the County classified it as. Pete stated that he understands there are County guidelines and District guidelines here they feel like they are caught in the center here, they feel they are getting taxed without getting representation. They are paying the same tax as the guy down the road that does not have to maintain his street you do it. He is not quite sure how that works, that is how he sees it. He knows it comes down to dollars for maintenance, but taxes are collected on that. He is not sure how that works, he has never sat on the boards side of the table.

Chairman Clark-Ross stated that she is confused are they Douglas or us. District Engineer Tim Russell stated they are part of Indian Hills; they have been annexed into Indian Hills

GID.

Chairman Clark-Ross stated ok did we agree to roads and sidewalks, she understood it was just water and sewer.

District Engineer Tim Russell stated that is one of the challenges here Madam Chairman, they have gone to the County and gotten a lot of approvals from the County. They are at a point where they are trying to get the plans finalized and start construction, but they have never come to the district to formally ask for the district to maintain their roads or water and sewer, normally that happens six to nine months ago. This is where we have gotten to unfortunately, if they came to us earlier on, we could have given them conditions that we would accept if they did certain things. It is late in the game which is one of the challenges for the board to consider. Ultimately it is up to the board to accept without sidewalk or or not. Tim stated he is just telling the board what the typical standard and past practice has been to require curb, gutter, and sidewalk because Indian Hills by nature is more of a residential community providing those facilities for its residents.

Trustee Eisele stated the one question he has is, previously if we did anything like this it would include sidewalks and gutters. He understands that if they did sidewalks, it would come out to a dead end. What happens if we don't have them put in sidewalks and the County comes in later on puts a sidewalk in on Plymouth and says we have to put in sidewalks. Bill stated he is confused, he can see some day where we may have sidewalks going down the hill, he would hate to not do it and be required to do it later. That is where he is at now.

Vice Chairman Dunham stated unfortunately when you develop property you have to do your homework, this one slipped through the crack. Being in a long line of contractors he knows this falls back on the developer. You have to do your homework if we are going to have sidewalks the developer installs them. Our district has a different tax rate that is no different than developers in California, Minnesota and here in Nevada. Eagle Valley Construction, infrastructure, Millard, Serpo this is something that is a stickler because someday it might need sidewalks who pays for it at that point. Dale stated in his experience this is on the developer the six people, people do walk there we don't need to pick up the cost to maintain it there are six people involved he recommends you put in the houses, and we will see what happens in five or ten years.

Secretary/Treasurer Siegman stated he echoes what the other board members have said. His concern is that we are making a special case for your development because you have x number of homes, so we might be opening the door for the next developer to come in and say well I only have this many homes why do I need to do it. If that has been our position that we require sidewalks, curbs, gutters, and pavement that then we need to stick with that. From his point of view this is your development not ours, if you want to develop here you need to meet our standards. He believes the curb, gutter and sidewalks would be put into County standards before we would accept them. That is his position on it.

Chairman Clark-Ross stated if we, what would this cost.

General Manager Chris Johnson stated he thinks the answer you are looking for are six residents going to provide an equal amount of taxpayer dollars to pay for those two

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additional roads that we are not going to have the money to maintain in the near future. The bottom line is no, we have heard this argument from both of the gated communities when they have asked us to provide maintenance on their roads, they have made the same argument that they pay taxpayer dollars but what is misunderstood in all of this is taxpayer dollars are not paid in to pay for your specific street. Taxpayer dollars are paid in for streets in common so if you use the argument that I pay taxpayer dollars, but I live at the first house in on Mica Drive should I only pay for eight hundred feet of road, should we look at the roads and divide it up and pay taxes based off where people live. You could effectively say that someone who lives on the corner of Indian only uses eight hundred feet of road in the district so is it fair to tax them on all the district roads and that is not what it is about taxes are for the common use roads. To say that they are taxpayer dollars and taxpayer dollars are used to pay for their roads that is not an accurate statement, they are paying for the common roads. To come in, his opinion those are six additional homes that is an extensive cost of road maintenance in our future. As an example, today our crew was crack sealing on Plymouth, typically we try to crack seal a quarter of the district a year. Right now, a pallet of crack seal has gone from \$1,200 to \$2,000 he is looking hard at the budget to see how many more we can buy. Taking on two more roads is adding to the cost of a conundrum that we are already facing.

Chairman Clark-Ross stated thank you Chris, that was good.

**Public comment:** Resident Brian Patrick stated that we have annexed people in different areas of the district like in Jacks Valley without any reconsideration if they form an HOA for the six owners, they take responsibility for roads with the six owners but continuing on they will pay for water and sewer. The ownest is not on the district anymore it is on the homeowners. He does not like saying that. He is not sure if them creating an HOA is a possibility Chuck, but it seems like the only way out for them.

District Counsel Chuck Zumpft stated he defers to Tim on that. District Engineer Tim Russell stated that is certainly an option and not uncommon.

Resident Brian Patrick stated that may change the nature of the road that they install, that is a county issue.

District Counsel Chuck Zumpft stated Tim will the district have an opportunity to inspect all the underground work before it is accepted and approved. District Engineer Tim Russell stated yes that would be a requirement and coordinated with the County.

Resident Robert Stulac stated Tim you said seven or eight months ago Douglas County approved what. District Engineer Tim Russell stated the process for creating lots is you go to the County or entities involved, the next formal step is a tentative map that gets approved through the County, that is basically saying this is what we want to do, the County says ok if you want to do that here are all the conditions you have to meet for us to approve it, once approved then it moves to the improvement plans and then the final map. The final map is the document that gets recorded that creates the parcels, physically creates them. That document that cannot happen until the physical improvements are made. You don't want to have a situation where maps are created, and no physical improvements are made so that is the process.

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Resident Robert Stulac stated it seems odd that the County would approve that prior to this being addressed, is that normal.

District Engineer Tim Russell stated no that is not normal as stated before it fell through the cracks. Tim stated it is a hard thing the frequency of a tentative map process in Indian Hills is one or two in the last ten years, so the County forgot that they need to check with us.

Resident Robert Stulac stated Robert in their eyes it was all approved, so it sucks.

General Manager Chris Johnson stated County Development emails him with any projects that are on the horizon, he goes through to see if there are any that apply to us, the vast majority of the time they do not apply to us but if they do then we can attend the meetings. We did not receive anything on this project.

Pete Beekhof stated that he believes prior to him buying the property there was a tentative map already approved for the Dixon split, he does not know if that came to this board or not. They changed that map so the county made them go back, if they would have done a subdivision map then they would have gone through a more formal process. He was not told to do anything else. He feels that, well first he is not asking anyone to pay for anything on the development side. When they did their homework, the County does not require sidewalks, so they did not know about our requirements. What the board is telling him, and he thinks they are being very short sighted on this part is if he spends \$40,000 on sidewalks that the district will take dedication of the road and the sidewalks so now the district is getting twice as many items to take care of so sidewalks and roads, is that what the board is telling him.

Chairman Clark-Ross stated no that is not what she is saying.

Vice Chairman Dunham stated at this time in conjecture of what will be or what will come that is down the road. Right now, in his position no we are not, it is bad that you did not follow all the right things. I guess being a new developer you didn't know. You are asking to have the same luxuries they have as residents of Indian Hills; it falls outside the whole. You are shaking your head, Brian.

Resident Brian Patrick stated you guys already accepted them. Vice Chairman Dunham stated he did not know they accepted anything. What was accepted the water.

District Engineer Tim Russell stated no nothing has been accepted. The primary parcels are annexed into Indian Hills that is all. Vice Chairman Dunham stated the way he understood with that annex we are not providing anything other than sewer and water. District Engineer Tim Russell stated the annexation. Resident Brian Patrick stated what he is saying is if you have annexed them in.

Administrative Services Supervisor/Human Resources Brooke Thompson stated we can not be having this discussion back and forth. General Manager Chris Johnson stated Madam Chair a matter of order right now you need to close public comment and give the developer another chance to talk. You can not have a discussion with the developer or the public and the board during public comment.

Resident Kendra Wilson stated that she lives close to this on Somerset. She walks her dogs to where sidewalk ends by Tenant and around. As a neighbor she would love to see an extension of the sidewalk she would like for board to do a requirement to do sidewalks and also finish up the sidewalk on Plymouth just as a neighbor she thinks it would really jazz up the place.

Resident Brian Patrick stated correct him if he is wrong, if you annexed in this group and they are going to come in and pave a road and put in a sidewalk according to your specifications you have annexed them in, he does not think you can deny them of this. We had this issue with the 27 homes up here, same thing. They are jumping through the hoops, it is on us he doesn't care how long the street is, it is on us.

**Board of Trustees further discussion/comment:** Chairman Clark-Ross stated is Brian right, what is our obligation.

District Counsel Chuck Zumpft stated he is not right, the District's obligation is to provide services that it has to the rest of the residents, landowners at the expense of the new landowners. Offers of dedication are rejected by governing bodies all the time. Most maps have notes from the County that says we acknowledge the dedication, and we are reserving for acceptance if we want to take it later. We have obligation to accept offers of dedication provide you do have an obligation to provide water service and sewer service if they provide for all the infrastructure into their properties and to the district within our rules, guidelines, and codes with those installations, so you do have obligations as a result of their property being annexed accepting offers of dedication is not on that list and you have no obligation to deviate from the district's customs and rules of sidewalks unless it serves a benefit to the district to do so.

General Manager Chris Johnson stated Mr. Beekhof was not finished.

Peter Beekhof stated Brian made a point, he believes he is right if we jump through your hoops, and you don't accept the dedication then we have an escalated issue that could not be resolved here between us. If he does this, he does not know how we can deny him dedication. The sidewalk going up Plymouth is County jurisdiction he does not know that we can say he has to do that sidewalk. If he moves forward and he does install sidewalks, will we have an issue of the district accepting dedication of the sidewalk and roads now you have two things to maintain.

General Manager Chris Johnson stated he is 100% accurate that portion of Plymouth is the County, where the sidewalk ends that is the end of Indian Hills and the start of County. We cannot ask them to install sidewalk there that is County where they end are county.

Peter stated and they, the County just did a bunch of improvements there. He has seen people walking there he is not saying there is not a need for it. He is saying that it is not part of his requirement to meet our requirements but if that is the way they have to go ok, then the district has sidewalks and streets to maintain, do you want more 1200 feet of sidewalk to maintain.

Vice Chairman Dunham stated because of on fault of his own, sometimes things slip through the cracks. If he goes forward with doing the curb and sidewalk will this road still going to be County. General Manager Chris Johnson stated no we are not talking about that section of Plymouth that is County, this road would be inside the district.

Vice Chairman Dunham stated he is confused he is trying to justify having the equipment our resources going down the road. At this point he thinks the six owners should share their costs have their own easements and take care of it. It should be on them it serves no other purpose than to the residents going to and from their homes.

Trustee Eisele stated because of the road and sidewalk coming out to a county road he can't see any reason to have sidewalks there. If he knew in the future that the county would put in sidewalks on

Plymouth, then he would say yes but he has no idea what will happen. Bill stated that he is confused are there more than those houses going in there.

Peter Beekhof stated no that is it.

Chairman Clark-Ross stated she hates to say this but her experience with the County is we will not ever see any sidewalks there.

General Manager Chris Johnson stated that he can't say anything it is a County road. When we redid Plymouth, the County also redid their portion of it so we could share the costs and then the county decided not to do it at the same time, so we did our section and that was it. The thing with sidewalks not meeting up with other sidewalks, it happens all the time it is all over the district. One of the reasons we are so strict with the sidewalks is for ADA compliance

Pete Beekhof stated that he has not seen Douglas County build a road or sidewalk in the last 20 years. He does not see the County doing anything. There is very little room for curb and gutter and sidewalk on Plymouth, they would have to have a railing because of the slope on the side. Pete said originally, they tried to not do any curb or sidewalk, but the County shot it down because of the roads. They were hoping not to have the cul-de-sac either, but the County also shot it down. Pete stated he was not here when this was annexed in but his understanding from the annexation is that those tax dollars from those parcels or a portion of go to Indian Hills GID to maintain those streets. Everyone keeps saying we are not paying our share, but those homeowners will be paying them taxes and their share for roads, someone Indian Hills will be collecting those tax dollars.

Secretary/Treasurer Siegman stated maybe the misunderstanding is that the taxes are not for the roads, they are not all for the roads we still have water and sewer to maintain.

General Manager Chris Johnson stated the sewer and water funds are enterprise funds which means they are funded out of the sewer and the water operations. The ad valorem fund goes into parks, streets and maintenance of the district. Chris stated what benefits are those roads bringing to the district, they bring benefit to those six homes. It is the same thing in the gated communities they have their own roads and maintain them.

Pete Beekhof stated they are your people. To have a HOA for six homes it's not ok, they would have to a president, vice president, etcetera. They offer dedication of things all the time when the dedication is not taken; they reserve the right to take dedication at a later date. He doesn't know if that is an option for the district.

Secretary/Treasurer Siegman asked why the County isn't taking responsibility for these roads, he understands the annexation which makes us responsible for water and sewer but not the roads, sidewalks, landscaping, or anything else.

District Engineer Tim Russell stated the County as Mr. Beekhof indicated will typically do the deferment for responsibility of roads.

General Manager Chris Johnson stated we know our road condition here, the condition they are in and what we are trying to do. The County is much worse off, there are roads in the County that make our bad roads look pretty nice and on top of that they are trying to build new roads to deal with the traffic. The County doesn't want to take on more roads.

Secretary/Treasurer Siegman stated so we don't want it the County doesn't want it so where does that leave him. General Manager Chris Johnson stated well that is the conundrum.

Peter Beekhof stated he is thinking why doesn't he just get undedicated/ unannexed and then go to the County and say here you go these are your roads and they will get an outside source for water and sewer from the GID. General Manager Chris Johnson stated but you have to be annexed to get



water and sewer. Pete stated if I give you more sidewalk then it doesn't get maintained he does not know how to get out of. No one has money for road maintenance he gets it. It seems short sided to him to ask for more to maintain. Secretary/Treasurer Seigman asked if we have the same option as Douglas County to defer acceptance of the dedication.

General Manager Chris Johnson stated that is an option but again you are foreseeing Mr. Beekhof to take a gamble on that. If in five years you bring this back and there are no sidewalks it is still against the policy and if he puts the sidewalks in now then we don't accept it he put up a lot of money for infrastructure for nothing.

Trustee Eisele stated is the discussion to have sidewalks or no sidewalks in that area.

General Manager Chris Johnson stated no the bottom-line discussion is we going to accept dedication of those roads and maintenance of the roads whether there are sidewalks or not, whether there are sidewalks is our policy. Even if there are sidewalks there, we don't have to accept the dedication of those roads or assume the maintenance of those roads.

Chairman Clark-Ross stated so the bottom line is those roads forget the sidewalks or anything else, just the roads. General Manager Chris Johnson stated yes that is why we are looking at a conundrum right now, if they put in sidewalks and we defer five years down the road and then they come back and ask again they are putting in additional costs, it pushes it onto them later. Right now, it is not for discussion whether they put in sidewalks, the question is do you want to accept the maintenance of the roads.

Pete Beekhof stated if we decide to put in sidewalks then we can come back to another meeting to ask for dedication.

Vice Chairman Dunham asked District Counsel Chuck Zumpft what our legal obligation is.

District Counsel Chuck Zumpft stated he believes that historically when similar projects have been offered for dedication if those applicants demonstrated that they have complied with all the district rules and expectations and historically under those circumstances the district has always accepted the offers of dedication then you are a little harder pressed to deny it because you should have a reason not to continue your historical morals. Chuck stated to answer your question no he does not think so.

Trustee Eisele asked General Manager Chris Johnson for his recommendation.

General Manager Chris Johnson stated he recommends that we accept the water and sewer facilities because that is required for them to go on and at this point, he recommends that we do not accept the surface improvements, they go against our policies, you all know it is black and white. Those of you that worked with me on the board know that he is all our precedence. If you make an exception once you have to make an exception again and again.

Mr. Stanka if we included the sidewalks would that change your recommendation on accepting the maintenance. General Manager Chris Johnson stated historically we have accepted it if the developer meets all conditions and requirements. At this point he can't say yes or no but based on how this has been handled in the past he would say yes but he cannot speak for the board.

*Trustee Eisele motioned to approve the request from Stanka Consulting LTD. on two tentative parcel maps for 3282 Plymouth and 3292 Plymouth and for Indian Hills GID to accept ownership and maintenance of proposed utilities (water & Sewer). Chairman Clark-Ross seconded. Motion carried 4-0. Trustee Garcia was absent from the meeting.*

*Trustee Eisele motioned to approve with conditions the request from Stanka Consulting LTD. on two tentative parcel maps for 3282 Plymouth and 3292 Plymouth and for Indian Hills GID to accept ownership and maintenance of proposed surface improvements (road, curb, and gutter) on the condition that they install surface improvements to comply with Indian Hills GID's specifications. Chairman Clark-Ross seconded. Motion carried 4-0. Trustee Garcia was absent from the meeting.*

**7. Discussion and possible action to accept a bid for the Sanitary Sewer Lift Station Bypass #3 project from Knox Excavation, Inc. in the amount of \$57,725.00.**

General Manager Chris Johnson stated he defers to Tim. District Engineer Tim Russell stated what you have, back in October they attempted to get some bids for the lift station bypass at lift station three on South Sunridge. There is no way to maintain the lift station without shutting the whole thing down, this has been going on for a while when John was here. This is to connect and block off the sewer going to the lift station pump from that new manhole to the force main. This is step one of a twostep process. They attempted to get some bid months ago, attempted again and finally got bids on this. Knox came back with a bid that is within our budget so that is great. Tim stated at this point he recommends that the board award this contract to Knox Excavation.

General Manager Chris Johnson stated this as Tim stated was part of last year's budget it was budgeted for at \$70,000, we are on budget, and it has been approved for. The bid came in lower so that is good.

Chairman Clark-Ross stated that she was impressed that we saved money. General Manager Chris Johnson stated for this to come back lower in this economy he was shocked.

Vice Chairman Dunham stated we only got two bids.

General Manager Chris Johnson stated that was it and that is the second attempt the first time we didn't get any bids.

Vice Chairman Dunham stated that his concern is the difference in prices it is almost 25% difference, for years it is all about the low bid but to only get two bids. You think that is a great bid.

General Manager Chris Johnson stated yes, and we cannot wait he is concerned. We got this last month the day the packet went out so we could not get it in the board packet. He had Collin ask them to extend the days. The difference does not surprise him, look at the past. There is no rhyme or reason on bids these days.

Trustee Eisele stated he has nothing.

Secretary/Treasurer Siegman stated he has nothing.

**Public comment: none**

**Board of Trustees further discussion/comment: none**

*Vice Chairman Dunham motioned to accept a bid for the Sanitary Sewer Lift Station Bypass #3 project from Knox Excavation, Inc. in the amount of \$57,725.00. Trustee Eisele seconded. Motion carried 4-0. Trustee Garcia was absent from the meeting.*

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

Chairman Clark-Ross stated can you believe we have had Chris for a year.

Trustee Eisele stated that he has worked with Chris a lot this last year and Chris is doing a fantastic job for us. He has been able to make a lot of changes, all employees love working with Chris and that is a big thing. Chris works very good with the board, he has an open-door policy, which is really good. There are other managers who do not have an open-door policy.

Vice Chairman Dunham stated that he agrees with Bill when he hears Chris talk to a room full of people or to just him, he shows the same enthusiasm and energy level above what is expected of him. Thank you, Chris.

Secretary/Treasurer Siegman stated that he hasn't been here long enough to fully assess Chris but from what he has seen he has no complaints or concerns. He has not had a bad experience. Keep it up.

Chairman Clark-Ross stated that she has Robert's comments, he submitted via email. Robert stated: Evaluation: satisfactory. Comments: I look forward to Chris's evolution as a general manager of IHGID and appreciate that staff appreciates respects and generally likes our new general manager. I am optimistic current and future boards will be able to work collaboratively on matters important to the district and as Chris says "assign value and prioritize" accordingly. I regret that this vacation scheduled more than two years ago prohibited my attendance to deliver and deliberate this evaluation in person.

**Public comment:** Resident Kendra Wilson stated that she really appreciates Chris, open-door policy is an understatement he spent over an hour with her going on a tour of district. He is always very engaged, and she appreciates the work he is doing.

Resident Robert Stulac stated he has interacted with Chris on a number of occasions over the last few months, he is very helpful, very transparent. He also took him on a tour. He gives him a high rating on his evaluation, he exceeds expectations. Robert stated that he looks forward to working with him.

Resident Penni Eisele stated that he is the best we have had, she likes open door policy.

General Manager Chris Johnson stated that he appreciates all the comments here. Chris stated that this is a passion. He lives here, this is his home. He is looking out for his neighborhood. As far as the open-door policy he would not have it any other way. Chris stated he does not have all the answers and never will, he has people who come in and see him, he has a board that talks to him and public that provides input. It is that kind of atmosphere that helps us to see things because sometimes when you are so focused on one job and looking down the road of the norms it is the person from the side that brings ideas and solutions, he enjoys that.

Chris thanked Kendra and Robert for coming out to do a tour of the district, he extends that invitation to the world because he finds that our neighbors do not understand how much is going on here. He likes it that our neighbors can come out here and meet our staff and the professionalism we have with our staff. Today our staff came together one from water and one from sewer to crack seal and train the parks guys how to crack seal that is the team we have. Thank you, we will keep doing what we are doing. Chris stated that with his evaluation he would like to request a merit increase of 5% for the board to approve.

Chairman Clark-Ross stated so you not only want your job, but you want more money too. Brooke what do you think, I would like to hear from you.

Administrative Services Supervisor/Human Resources Brooke Thompson stated well you all know what I think. Brooke stated she thinks staff as a whole she can 100% speak for staff because they would all come to her. Staff was all a little concerned not knowing what to expect from Chris and he has come in here being a breath of fresh air, not that our previous general manager didn't value our opinions, but he didn't necessarily do anything with them. Chris is doing a great job; everyone is very very happy. Anything that I have brought to Chris we have taken care of quickly, the morale around here staff wise has skyrocketed in a very short time. It is simple things, field staff didn't want green ugly shirts, it was a battle before with simple, little things. That is all gone with Chris. People enjoy coming here again and want to continue doing the work that they do. Chris's leadership has created that bond that seemed to fade away over time. I think he is doing great.

Chairman Clark-Ross stated she is glad she asked Brooke, that is exactly how she feels she could not have said it any better. Administrative Services Supervisor/Human Resources Brooke Thompson stated yes, the rapport that the rapport that Chris has built with all the staff very quickly is appreciated. He cares what everyone is doing, wants to learn and takes an interest in that. That helps builds the rapport, respect, and trust.

General Manager Chris Johnson stated it was almost exactly one year ago today that he was sitting in a chair in front of you interviewing and you voted no. Chris stated he came around the table afterwards, Kathryn do you remember what I said to you. Chairman Clark-Ross stated yes something about proving to her. Kathryn stated and you did, but she did have reservations. She thought that you would not be able to disconnect from the airport and she was worried because of the prior general manager.

*Trustee Eisele motioned to approve a 5% merit increase to General Manager Chris Johnson's annual salary based on his successful performance evaluation. Vice Chairman Dunham seconded. Motion carried 4-0. Trustee Garcia was absent from the meeting.*

**Board of Trustees further discussion/comment: none**

**9. Reports to the Board:**

**a. General Manager Report**

General Manager Chris Johnson reviewed his report with the Board.

Chris stated thank you the big thing was last month was busy. We had a lot going on out here and it was a lot of fun. We have received the official approval for the dog park grant, he will work with Tim to get the design going. He is also looking at some improvements here. Parks and streets staff have been winterizing, they have one more mowing to do. Streets they are crack sealing today and did a great job. Chris stated he is building relationships throughout the community; these relationships are invaluable to us. Chris stated that they had the General Manager's meeting up here, every two months all General Manager's from the GID's, Town managers and he invited the County Manager, Assistant County Manager and the Chiefs meet have lunch and talk about issues and how to work collaboratively together. When our vac truck was down, they would have let us borrow theirs if it was

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not broken too. Those relationships need to be fostered and maintained. We will be hosting the Nevada League of Cities lunch in December and the Chamber breakfast here in January it is building relationships and putting our name on the map.

**1. Administrative**

General Manager Chris Johnson reviewed the administrative report with the Board.

**2. Water**

General Manager Chris Johnson reviewed the water report with the Board.

**3. Wastewater**

General Manager Chris Johnson reviewed the wastewater report with the Board.

**b. District Accountant Report**

General Manager Chris Johnson reviewed the accountant report with the Board.

**c. Engineer Report**

District Engineer Tim Russell stated other than the previous agenda items, he has nothing else to add.

**d. Attorney Report**

District Counsel Chuck Zumpft stated that he has nothing to report.

**Public comment:** Resident Kendra Wilson stated bringing back the bike path being on the sidewalk on Vista Grande what can we do. General Manager Chris Johnson stated there is almost nothing we can do about that. Douglas County approved that before the bike path was there, we have no teeth in it. Anything the developer is going to do is going to be out of the kindness of their heart, Chris stated he will contact Community Development again. Resident Kendra Wilson stated she understands it is Douglas County, but it is something that we should be concerned about, the safety of our residents in our neighborhood. We should be concerned.

Resident Robert Stulac asked where this is. General Manager Chris Johnson stated this is at Mica Drive and Vista Grande.

Vice Chairman Dunham stated Brooke you are doing great, so glad you are here.

**10. Discussion and possible action to approve Draft Minutes from the October 19, 2022, Board Meeting.**

*Trustee Eisele motioned to approve Draft Minutes from the October 19, 2022, Board Meeting. Vice Chairman Dunham seconded. Motion carried 4-0. Trustee Garcia was absent from the meeting.*

**11. 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 item or topic be placed on a future agenda.**

Chairman Clark-Ross stated that the Trunk or Treat was such a bid success, great job. She gets a lot of feedback, and everyone loved it. Vice Chairman Dunham stated that it is nice to see people sitting in the audience tonight.

**12. Adjournment**

*Trustee Eisele motioned to adjourn the meeting. Chairman Clark-Ross seconded. Motion carried 4-0. Trustee Garcia was absent from the meeting.*

Meeting adjourned at 7:49P.M.

**FINAL APPROVED MINUTES AS PRESENTED**

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**Trustee  
Bill Eisele**