

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

Chairman Dale Dunham	Vice Chairman Robert Stulac	Secretary/Treasurer Vicky Lufrano	Trustee Russ Siegman	Trustee Robert Garcia
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**December 20, 2023  
Regular Board Meeting 6:00 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

## **6:00 P.M. – Regular Meeting**

1. Call to Order - Regular Meeting of the Board of Trustees
2. Pledge of Allegiance
3. Public Interest Comment (No Action)

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

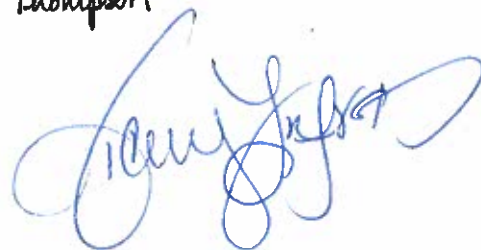
4. Approval of Agenda-Chairman  
Items on this agenda may be taken out of order. Two or more agenda items may be combined for consideration. Any item appearing on this agenda may be removed, or its discussion delayed at any time.
  - Motion
  - Vote
5. Discussion and possible action to accept the annual audit for fiscal year ending June 30, 2023. 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. Reports to the Board:
  - a. General Manager Report
    1. Administrative
    2. Water
    3. Wastewater
  - b. District Accountant Report
  - c. Engineer Report
  - d. Attorney Report
  - Board of Trustees Discussion
  - Open Public
  - Close Public Comment
7. Discussion and possible action to adopt a performance evaluation form for the General Manager.  
(Vice Chairman, Bob Stulac, Secretary/Treasurer, Vicky Lufano and Administrative Services Supervisor/Human Resources, Brooke Thompson)
  - Board of Trustees Discussion
  - Open Public Comment
  - Close Public Comment

8. Discussion only regarding use of district vehicles and equipment on public and private roads and easements within IHGID. (Trustee, Garcia)
  - Board of Trustees Discussion
  - Open Public Comment
  - Close Public Comment
  
9. Discussion only regarding the District Personnel Policy, NRS 281.210, and Resolution 2009R-02 regarding Trustee concerns of employing family members of existing employees. (General Manager, Chris Johnson)
  - Board of Trustees Discussion
  - Open Public Comment
  - Close Public Comment
  
10. Discussion and possible action to approve Draft Minutes from the November 15, 2023, Board Meeting.
  - Board of Trustees Discussion
  - Open Public Comment
  - Close Public Comment
  
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 an item or topic be placed on a future agenda.
  
12. 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 15, 2023, by

 Brooke Thompson



# **AGENDA ITEM 5.**

**Discussion and possible action to accept the annual audit for fiscal year ending June 30, 2023. Presentation by District audit firm Steele and Associates.  
(Jonathan Steele/General Manager, Chris Johnson)**

**Indian Hills General Improvement District  
Financial Statements  
June 30, 2023**

Draft

**INDIAN HILLS GENERAL IMPROVEMENT DISTRICT  
FINANCIAL STATEMENTS  
AND SUPPLEMENTARY INFORMATION  
YEAR ENDED JUNE 30, 2023**

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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, 2023, 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, 2023, 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 December 11, 2023, on our consideration of the Indian Hills General Improvement District's internal control over financial reporting and our test of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Indian Hills General Improvement District's internal control over financial reporting and compliance.

Carson City, Nevada  
December 11, 2023

Draft

**Indian Hills General Improvement District  
Management's Discussion & Analysis (Unaudited)  
June 30, 2023**

The management's discussion and analysis provides an overview of the District's financial activities for the fiscal year ended June 30, 2023. 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 \$318,362.
- Capital assets in the General Fund increased by \$19,779

**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 28 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, 2023**

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	
	2023	2022	2023	2022	2023	2022
<b>ASSETS</b>						
Current & other assets	\$ 3,483,256	\$ 2,761,009	\$ 7,727,724	\$ 7,203,708	\$ 11,210,980	\$ 9,964,717
Capital assets	4,440,241	4,711,265	13,817,973	14,400,152	18,258,214	19,111,417
Non current assets	-	-	222,103	227,412	222,103	227,412
Deferred outflows	248,269	187,587	467,409	369,382	715,678	556,969
<b>Total assets</b>	<b>8,171,766</b>	<b>7,659,861</b>	<b>22,235,209</b>	<b>22,200,654</b>	<b>30,406,975</b>	<b>29,860,515</b>
<b>LIABILITIES</b>						
Current liabilities	57,627	45,753	560,049	520,096	617,676	565,849
Non current liabilities	566,157	254,904	4,105,548	3,895,000	4,671,705	4,149,904
Deferred outflows	70,527	301,413	333,924	606,613	404,451	1,108,026
<b>Total liabilities</b>	<b>694,311</b>	<b>602,070</b>	<b>4,999,521</b>	<b>5,221,709</b>	<b>5,693,832</b>	<b>5,823,779</b>
<b>NET POSITION</b>						
Invested in capital assets, net of related debt	4,424,400	4,698,328	10,412,871	10,649,868	14,837,271	15,348,196
Restricted cash	1,618,246	1,115,392	4,189,401	3,603,454	5,807,646	4,718,846
Unrestricted	1,434,809	1,244,071	2,633,416	2,725,623	4,068,226	3,969,694
<b>Total net position</b>	<b>\$ 7,477,455</b>	<b>\$ 7,057,791</b>	<b>\$ 17,235,688</b>	<b>\$ 16,978,945</b>	<b>\$ 24,713,143</b>	<b>\$ 24,036,736</b>

*The condensed Statement of Activities is as follows:*

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
<b>REVENUE</b>						
Charges for services	\$ -	\$ -	\$ 2,628,228	\$ 2,913,500	\$ 2,628,228	\$ 2,913,500
General revenue	1,485,572	1,373,250	36,832	32,307	1,522,404	1,405,557
Transfers	(33,447)	63,137	33,447	(63,137)	-	-
<b>Total revenue</b>	<b>1,452,125</b>	<b>1,436,387</b>	<b>2,698,507</b>	<b>2,882,670</b>	<b>4,150,632</b>	<b>4,319,057</b>
<b>EXPENDITURES</b>						
General government	275,473	270,865	-	-	275,473	270,865
Public works	434,879	417,072	-	-	434,879	417,072
Culture & recreation	322,109	284,780	-	-	322,109	284,780
Water & sewer	-	-	2,287,869	2,075,040	2,287,869	2,075,040
Interest expenses	-	-	102,595	113,958	102,595	113,958
<b>Total expenses</b>	<b>1,032,461</b>	<b>972,717</b>	<b>2,390,464</b>	<b>2,188,998</b>	<b>3,422,925</b>	<b>3,161,715</b>
<b>Change in Net Position</b>	<b>\$ 419,664</b>	<b>\$ 463,670</b>	<b>\$ 308,043</b>	<b>\$ 693,672</b>	<b>\$ 727,707</b>	<b>\$ 1,157,342</b>

**Indian Hills General Improvement District  
Management's Discussion & Analysis (Unaudited)  
June 30, 2023**

**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 District is looking at a possible rate increase for the 2024/2025 fiscal year.

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, 2023

**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, 2023, is in excess of \$162,417,896. The District's debt is currently at \$3,305,238. 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, 2023

	Primary Government		Total
	Governmental Activities	Business-Type Activities	
<b>ASSETS</b>			
Current Assets			
Cash & cash equivalents	\$ 3,358,919	\$ 7,342,160	\$ 10,701,079
Taxes receivable	68,968	-	68,968
Accounts receivable, less allowance for doubtful accounts of \$0 and \$0	6,261	237,788	244,049
Other assets	49,108	147,776	196,884
<b>Total Current Assets</b>	<b>3,483,256</b>	<b>7,727,724</b>	<b>11,210,980</b>
Lease receivable	-	222,103	222,103
Lease assets, net of accumulated amortization	15,841	-	15,841
Property, Plant & Equipment, net	4,424,400	13,817,973	18,242,373
<b>Total Assets</b>	<b>7,923,497</b>	<b>21,767,800</b>	<b>29,691,297</b>
Deferred Outflows of Resources			
Pension requirement	248,269	467,409	715,678
<b>Total Assets and Deferred Outflows     of Resources</b>	<b>8,171,766</b>	<b>22,235,209</b>	<b>30,406,975</b>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	17,395	84,796	102,191
Accrued payroll & benefits	33,236	70,307	103,543
Prepaid user fees	-	30,838	30,838
Accrued interest	-	19,484	19,484
Due to IRS	-	7,040	7,040
Current portion lease liability	6,996	-	6,996
Current portion of long-term debt	-	347,584	347,584
<b>Total Current Liabilities</b>	<b>57,627</b>	<b>560,049</b>	<b>617,676</b>
Non-Current Liabilities			
Compensated absences	1,007	1,693	2,700
Premium on bond issue	-	99,865	99,865
Bonds payable	-	2,957,653	2,957,653
Lease liability	9,379	-	9,379
Net pension liability	555,771	1,046,337	1,602,108
<b>Total Non-Current Liabilities</b>	<b>566,157</b>	<b>4,105,548</b>	<b>4,671,705</b>
<b>Total Liabilities</b>	<b>623,784</b>	<b>4,665,597</b>	<b>5,289,381</b>
Deferred Inflows of Resources			
Deferred inflows of resources - lease	-	201,146	201,146
Pension requirement	70,527	132,778	203,305
<b>Total Liabilities and Deferred Inflows     of Resources</b>	<b>694,311</b>	<b>4,999,521</b>	<b>5,693,832</b>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	4,424,400	10,412,871	14,837,271
Restricted cash	1,618,246	4,189,401	5,807,647
Unrestricted	1,434,809	2,633,416	4,068,225
<b>Total Net Position</b>	<b>\$ 7,477,455</b>	<b>\$ 17,235,688</b>	<b>\$ 24,713,143</b>

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

11

Indian Hills General Improvement District  
Statement of Activities  
For the Year Ended June 30, 2023

	Program Revenues		Net (Expense) Revenue and Changes in Net Assets			
	Expenses	Charges for Services	Capital Grants & Contributions	Governmental Activities	Business-Type Activities	Total
<b>FUNCTIONS/PROGRAMS</b>						
Governmental Activities						
General government	\$ 275,473	\$ -	\$ -	\$ (275,473)	\$ -	\$ (275,473)
Public works	434,879	-	-	(434,879)	-	(434,879)
Culture & recreation	322,109	-	-	(322,109)	-	(322,109)
Total governmental activities	1,032,461	-	-	(1,032,461)	-	(1,032,461)
Business-Type Activities						
Water & sewer	2,287,869	2,628,228	-	-	340,359	340,359
Interest expense	102,595	-	-	-	(102,595)	(102,595)
Total business-type activities	2,390,464	2,628,228	-	-	237,764	237,764
Total	\$ 3,422,925	\$ 2,628,228	\$ -	\$ (1,032,461)	\$ 237,764	\$ (794,697)
<b>GENERAL REVENUES</b>						
Tax revenue				1,457,921	-	1,457,921
Interest earnings				5,137	18,622	23,759
Grant revenue				-	-	-
Miscellaneous revenue				22,514	12,225	34,739
Gain on asset disposition				-	5,985	5,985
Interfund transfers				(33,447)	33,447	-
Total General Revenue				1,452,125	70,279	1,522,404
Change in Net Position				419,664	308,043	727,707
Net Position, June 30, 2022				7,057,791	16,978,945	24,036,736
Prior Period Adjustment (Note 10)				-	(51,300)	(51,300)
Net Position, June 30, 2022, as restated.				7,057,791	16,927,645	23,985,436
Net Position, June 30, 2023				\$ 7,477,455	\$ 17,235,688	\$ 24,713,143

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



Indian Hills General Improvement District  
Balance Sheet and Reconciliation of the  
Balance Sheet to the Statement of Net Position  
June 30, 2023

<b>ASSETS</b>	
Cash and investments	\$ 3,358,919
Taxes receivable	68,968
Accounts receivable	6,261
Other assets	<u>49,108</u>
<b>Total Assets</b>	<b><u>\$ 3,483,256</u></b>
<b>LIABILITIES</b>	
Accounts payable	17,395
Accrued payroll & benefits	15,289
Compensated absences	<u>17,947</u>
<b>Total Liabilities</b>	<b><u>50,631</u></b>
<b>FUND BALANCE</b>	
Assigned	1,618,246
Non-spendable	49,108
Unassigned	<u>1,765,271</u>
<b>Total Fund Balance</b>	<b><u>3,432,625</u></b>
<b>Total Liabilities and Fund Balance</b>	<b><u>\$ 3,483,256</u></b>
<b>RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION</b>	
Fund Balance - General Fund	\$ 3,432,625
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.	9,471,009
Less accumulated depreciation	(5,046,609)
Less noncurrent compensated absences	(1,007)
Right of use assets - lease	15,841
Less lease liability	(16,375)
Deferred outflows of resources - pension requirement	248,269
Less net pension liability	(555,771)
Less deferred inflows of resources - pension requirement	<u>(70,527)</u>
<b>Net Position of Governmental Activities</b>	<b><u>\$ 7,477,455</u></b>

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

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, 2023

	<u>BUDGETED AMOUNTS</u>			Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>REVENUES</b>				
Intergovernmental revenue				
Ad Valorem taxes	\$ 1,066,626	\$ 1,066,626	\$ 1,094,948	\$ 28,322
Consolidated tax	382,383	382,383	362,973	(19,410)
Grants	-	-	-	-
Miscellaneous				
Interest on investments	1,600	1,600	5,137	3,537
Miscellaneous	21,700	21,700	22,514	814
Total Revenues	<u>1,472,309</u>	<u>1,472,309</u>	<u>1,485,572</u>	<u>13,263</u>
<b>EXPENDITURES</b>				
General Government				
Salaries	64,706	64,706	57,692	7,014
Benefits	23,450	25,550	1,014	24,536
Services & supplies	223,550	221,450	184,729	36,721
Capital outlay	-	-	-	-
Total General Government	<u>311,706</u>	<u>311,706</u>	<u>243,435</u>	<u>68,271</u>
Public Works				
Salaries	145,250	145,250	104,583	40,667
Benefits	52,100	52,100	37,312	14,788
Services & supplies	93,175	93,175	52,728	40,447
Capital outlay	427,000	427,000	18,779	408,221
Total Public Works	<u>717,525</u>	<u>717,525</u>	<u>213,402</u>	<u>504,123</u>
Culture & Recreation				
Salaries	137,350	137,350	98,053	39,297
Benefits	78,400	78,400	48,629	29,771
Services & supplies	148,725	148,725	136,051	12,674
Capital outlay	24,000	24,000	1,000	23,000
Total Culture & Recreation	<u>388,475</u>	<u>388,475</u>	<u>283,733</u>	<u>104,742</u>
Total Expenditures	<u>1,417,706</u>	<u>1,417,706</u>	<u>740,570</u>	<u>677,136</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 54,603</u>	<u>\$ 54,603</u>	745,002	<u>\$ 690,399</u>
FUND BALANCE, June 30, 2022			2,721,070	
Interfund Transfers			<u>(33,447)</u>	
FUND BALANCE, June 30, 2023			<u>\$ 3,432,625</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, 2023**

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

Net Change in Fund Balance - General Fund	\$ 745,002
Amount reported for governmental activities in the statement of activities are different because:	
Interfund transfers	(33,447)
Less current ROU asset amortization	(7,611)
Less current year depreciation	(293,707)
Less lease liability interest expense	(628)
Add back equipment lease expense	8,248
Add back capital outlay	19,779
Add back difference between pension expense and contributions	(19,914)
Add back change in noncurrent compensated absences	1,942
	1,942
Change in Net Position of Governmental Activities	\$ 419,664

Indian Hills General Improvement District  
Enterprise Funds  
Statement of Net Position  
June 30, 2023

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
<b>ASSETS</b>			
Current Assets			
Cash & cash equivalents	\$ 3,160,675	\$ 4,181,485	\$ 7,342,160
Accounts receivable, net of allowance for doubtful accounts of \$4,885 and \$3,538	140,119	97,669	237,788
Other assets	120,578	27,198	147,776
Total Current Assets	<u>3,421,372</u>	<u>4,306,352</u>	<u>7,727,724</u>
Lease receivable	222,103	-	222,103
Property, Plant & Equipment, net	<u>7,680,310</u>	<u>6,137,663</u>	<u>13,817,973</u>
Total Assets	11,323,785	10,444,015	21,767,800
Deferred Outflows of Resources			
- Pension requirement	<u>216,206</u>	<u>251,203</u>	<u>467,409</u>
Total Assets and Deferred Outflows of Resources	<u>11,539,991</u>	<u>10,695,218</u>	<u>22,235,209</u>
<b>LIABILITIES</b>			
Current Liabilities			
Accounts payable	51,819	32,977	84,796
Accrued payroll & benefits	34,335	35,972	70,307
Prepaid user fees	17,577	13,261	30,838
Accrued interest	16,087	3,397	19,484
Due to IRS	7,040	-	7,040
Current portion of long-term debt	<u>236,733</u>	<u>110,851</u>	<u>347,584</u>
Total Current Liabilities	363,591	196,458	560,049
Non-Current Liabilities			
Compensated absences	883	810	1,693
Premium on bond issue	34,953	64,912	99,865
Note and bonds payable	1,581,805	1,375,848	2,957,653
Net pension liability	<u>483,997</u>	<u>562,340</u>	<u>1,046,337</u>
Total Liabilities	2,465,229	2,200,368	4,665,597
Deferred Inflows of Resources			
Deferred inflows of resources - lease	201,146	-	201,146
Pension requirement	<u>61,418</u>	<u>71,360</u>	<u>132,778</u>
Total Liabilities and Deferred Inflows of Resources	<u>2,727,793</u>	<u>2,271,728</u>	<u>4,999,521</u>
<b>NET POSITION</b>			
Invested in capital assets, net of related debt	5,826,819	4,586,052	10,412,871
Restricted cash	2,373,459	1,815,942	4,189,401
Unrestricted	<u>611,920</u>	<u>2,021,496</u>	<u>2,633,416</u>
Total Net Position	<u>\$ 8,812,198</u>	<u>\$ 8,423,490</u>	<u>\$ 17,235,688</u>

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

Indian Hills General Improvement District  
Enterprise Funds  
Statement of Revenue, Expenses, and Changes in Net Position  
For the Year Ended June 30, 2023

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
<b>OPERATING REVENUE</b>			
Water & sewer user fees	\$ 1,417,332	\$ 1,098,036	\$ 2,515,368
Gain on disposal of assets	5,985	-	5,985
Connection fees	56,480	56,430	112,860
Grant income	-	-	-
Miscellaneous income	12,225	-	12,225
Total Operating Revenue	<u>1,491,972</u>	<u>1,154,466</u>	<u>2,646,438</u>
<b>OPERATING EXPENSES</b>			
Salaries & wages	258,539	239,254	497,793
Employees benefits	130,325	115,486	245,811
Services & supplies	452,710	187,224	639,934
Depreciation	531,687	372,644	904,331
Total Operating Expenses	<u>1,373,261</u>	<u>914,608</u>	<u>2,287,869</u>
Operating Income (Loss)	<u>118,711</u>	<u>239,858</u>	<u>358,569</u>
<b>NONOPERATING REVENUE (EXPENSES)</b>			
Interest income	18,457	165	18,622
Interest expense	(58,295)	(44,300)	(102,595)
	<u>(39,838)</u>	<u>(44,135)</u>	<u>(83,973)</u>
Income (Loss) Before Capital Contributions and Transfers	78,873	195,723	274,596
<b>INTERFUND TRANSFERS</b>	<u>(9,721)</u>	<u>43,168</u>	<u>33,447</u>
Change in Net Position	69,152	238,891	308,043
<b>NET POSITION, June 30, 2022</b>	8,768,696	8,210,249	16,978,945
Prior period adjustment (Note 10)	(25,650)	(25,650)	(51,300)
<b>NET POSITION, June 30, 2022, as restated</b>	<u>8,743,046</u>	<u>8,184,599</u>	<u>16,927,645</u>
<b>NET POSITION, June 30, 2023</b>	<u>\$ 8,812,198</u>	<u>\$ 8,423,490</u>	<u>\$ 17,235,688</u>

Indian Hills General Improvement District  
Enterprise Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2023

	Business-Type Activities		
	Water Fund	Sewer Fund	Total
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Cash received from customers	\$ 1,518,333	\$ 1,153,882	\$ 2,672,215
Miscellaneous cash receipts	11,570	-	11,570
Payment of employee salaries & benefits	(399,664)	(331,129)	(730,793)
Payment of services & supplies	(439,633)	(164,245)	(603,878)
Net cash provided by operating activities	<u>690,606</u>	<u>658,508</u>	<u>1,349,114</u>
<b>CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES</b>			
Interfund transfers	(9,721)	43,168	33,447
Net cash provided (used) by non-capital financing activities	<u>(9,721)</u>	<u>43,168</u>	<u>33,447</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Acquisition and construction of capital assets	(142,879)	(187,884)	(330,763)
Bond amortization premium	(1,456)	(2,705)	(4,161)
Principal paid on long-term debt	(280,884)	(110,136)	(341,020)
Interest paid on long-term debt	(61,648)	(44,881)	(106,529)
Net cash provided (used) by capital and related financing activities	<u>(436,867)</u>	<u>(345,606)</u>	<u>(782,473)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received on investments	18,457	165	18,622
Net cash provided by investing activities	<u>18,457</u>	<u>165</u>	<u>18,622</u>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	262,475	356,235	618,710
<b>CASH AND CASH EQUIVALENTS, June 30, 2022</b>	<u>2,898,200</u>	<u>3,825,250</u>	<u>6,723,450</u>
<b>CASH AND CASH EQUIVALENTS, June 30, 2023</b>	<u>\$ 3,160,675</u>	<u>\$ 4,181,485</u>	<u>\$ 7,342,160</u>



Indian Hills General Improvement District  
Enterprise Funds  
Statement of Cash Flows  
For the Year Ended June 30, 2023

	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)	\$ 118,711	\$ 239,858	\$ 358,569
Non-cash adjustment			
Depreciation	531,687	372,644	904,331
Increase (decrease) in cash from changes in:			
Accounts receivable	47,276	999	48,275
Other assets	(8,695)	(2,826)	(11,521)
Accounts payable	9,977	24,916	31,893
Accrued payroll and benefits	(14,720)	18,218	3,498
Prepaid user fees	2,450	2,306	4,756
Compensated absences	3,920	5,393	9,313
Net cash provided by operating activities	<u>\$ 690,606</u>	<u>\$ 658,508</u>	<u>\$ 1,349,114</u>



Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

**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, 2023

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, 2023

**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, 2023

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 \$66,714.



Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

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, 2023

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employees' Retirement System of Nevada (PERS) and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 2 – BUDGETS AND BUDGETARY ACCOUNTING

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

1. On or before April 15, the District's Board of Trustees files tentative budget with the Nevada Department of Taxation for all funds.
2. Prior to June 1, at a public hearing, the board indicates changes, if any, to be made to the tentative budget and adopts a final budget by the favorable vote of majority of the members of the Board. The final budget is then forwarded to the Nevada Tax Commission to approve the requested Ad Valorem tax rate.
3. Formal budgetary integration in the financial records is employed to enhance management control during the year for all funds.
4. Budgets for funds are adopted on a basis consistent with Generally Accepted Accounting Principles (GAAP). Appropriations lapse at year end.
5. Budgeted amounts within funds, and between funds, may be transferred if amounts do not exceed the amounts originally budgeted. Such transfers are to be approved by the Budget Officer and/or the Board of Trustees, depending on the established criteria. Budget augmentations in excess of original budgetary amounts may be made only with prior approval of the District's Board of Trustees, following a scheduled and noticed public hearing.

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

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

**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 \$395,489 at June 30, 2023.

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	\$ 309,513	\$ 288,993	\$ 598,506
Reserved for depreciation	137,380	207,547	344,927
Reserved for water tank	29,030	-	29,030
Restricted bond funds	389,617	5,872	395,489
Reserved for rate increase	1,332,994	1,256,957	2,589,951
Reserved for construction	16,348	-	16,348
Rural Development debt service reserves	40,284	56,573	96,857
AB-198 capital reserve	118,293	-	118,293
<b>Total Restricted Cash</b>	<b>\$ 2,373,459</b>	<b>\$ 1,815,942</b>	<b>\$ 4,189,401</b>

**NOTE 4 – CAPITAL ASSETS**

Depreciation expense is charged to functions as follows:

	Balance June 30, 2022	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2023
<b>Government Activities</b>				
Lease assets, office equipment	\$ 28,417	\$ 10,515	\$ -	\$ 38,932
Less accumulated amortization	(15,480)	(7,611)		(23,091)
<b>Total right-to-use assets</b>	<b>\$ 12,937</b>	<b>\$ 2,904</b>	<b>\$ -</b>	<b>\$ 15,841</b>



Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

NOTE 4 - CAPITAL ASSETS (CONTINUED)

Capital assets activity during 2023 was as follows:

	Balance June 30, 2022	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2023
<b>Government Activities</b>				
<b>Capital assets, not being depreciated</b>				
Construction in process	\$ 65,386	\$ 19,779	\$ -	\$ 85,165
Land	236,479			236,479
Open space improvements	11,974			11,974
Trailheads & trails	110,833			110,833
Total non-depreciable assets	<u>424,672</u>	<u>19,779</u>	<u>-</u>	<u>444,451</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	194,541			194,541
Other equipment	315,039			315,039
Park equipment & improvements	1,114,768			1,114,768
Street improvements	6,636,387			6,636,387
Total depreciable assets	<u>9,026,556</u>	<u>-</u>	<u>-</u>	<u>9,026,556</u>
Total capital assets	<u>9,451,228</u>	<u>19,779</u>	<u>-</u>	<u>9,471,007</u>
Less accumulated depreciation	<u>(4,752,900)</u>	<u>(295,707)</u>		<u>(5,048,607)</u>
Governmental activities - capital assets, net	<u>\$ 4,698,328</u>	<u>\$ (273,928)</u>	<u>\$ -</u>	<u>\$ 4,424,400</u>
	Balance June 30, 2022	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2023
<b>Business-type Activities</b>				
<b>Capital assets, not being depreciated</b>				
Construction in process	\$ 174,707	\$ 229,987	\$ (333,383)	\$ 71,311
<b>Capital assets, being depreciated</b>				
Water & sewer system	32,289,414			32,289,414
Buildings	337,251			337,251
Office furniture & equipment	28,846			28,846
Software	47,570			47,570
Vehicles & equipment	763,799	434,158	(17,400)	1,180,557
Other system improvements	849,311			849,311
Total depreciable assets	<u>34,316,191</u>	<u>434,158</u>	<u>(17,400)</u>	<u>34,732,949</u>
Total capital assets	<u>34,490,898</u>	<u>664,145</u>	<u>(350,783)</u>	<u>34,804,260</u>
Less accumulated depreciation	<u>(20,099,356)</u>	<u>(904,331)</u>	<u>17,400</u>	<u>(20,986,287)</u>
Business-type activities - capital assets, net	<u>\$ 14,391,542</u>	<u>\$ (240,186)</u>	<u>\$ (333,383)</u>	<u>\$ 13,817,973</u>

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

**NOTE 5 – LEASE TRANSACTIONS**

During the current fiscal year, the District entered into a five year lease agreement, commencing July 21, 2022, for the use of a folding machine for \$190 per month. The District entered into a five year lease agreement, commencing February 6, 2022, for the use of a copy system for \$342 per month. The lease also provides for sales tax and per copy charges which vary according to usage in addition to the monthly fee. The District also entered into a lease agreement for the use of a postage meter commencing January 7, 2021, 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.

Expense recorded under these leases for the year ended June 30, 2023, consisted of interest expense of \$628 and amortization expense of \$7,611. The lease assets consist of the following as of June 30, 2023

	Balance June 30, 2022	Additions or Transfers in	Deletions or Transfers out	Balance June 30, 2023
<b>Government Activities</b>				
Lease assets, office equipment	\$ 28,417	\$ 10,515	\$ -	\$ 38,932
Less accumulated amortization	(15,480)	(7,611)		(23,091)
<b>Total right-to-use assets</b>	<b>\$ 12,937</b>	<b>\$ 2,904</b>	<b>\$ -</b>	<b>\$ 15,841</b>

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

Year Ending June 30,	Principal	Interest	Total
2024	\$ 6,996	\$ 410	\$ 7,406
2025	4,796	400	5,196
2026	2,162	113	2,275
2027	2,232	43	2,275
2028	189	1	190
2028 and Later	-	-	-
	<b>\$ 16,375</b>	<b>\$ 967</b>	<b>\$ 17,342</b>

Lease liability activity is as follows:

	Balance June 30, 2022	Additions (Reductions)	Balance June 30, 2023	Due within One year
<b>GOVERNMENT ACTIVITIES</b>				
Lease liability	<b>\$ 13,481</b>	<b>\$ 2,894</b>	<b>\$ 16,375</b>	<b>\$ 6,996</b>

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

**NOTE 5 – LEASE TRANSACTIONS (CONTINUED)**

The District also derives revenue from rents received for a cell tower on District property. Under an agreement with Verizon rents received this year totaled \$12,442. 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, 2023, under this lease consisted of interest income of \$7,132, 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
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	8,924	6,006	14,930
2029-2033	59,047	25,058	84,105
2034-2038	87,316	13,810	100,926
2039 and Later	98,242	1,172	39,414
	<u>\$ 222,103</u>	<u>\$ 72,430</u>	<u>\$ 294,533</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, 2022	Net Change	Balance June 30, 2023
<b>BUSINESS-TYPE ACTIVITIES</b>			
Lease receivable	<u>\$ 227,412</u>	<u>\$ (5,309)</u>	<u>\$ 222,103</u>
Deferred inflows - lease	<u>\$ (213,095)</u>	<u>\$ 11,949</u>	<u>\$ (201,146)</u>

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

NOTE 6 – LONG-TERM DEBT

Bonds Payable

During the year ended June 30, 2004, the District issued a water revenue bond, series 2003, in the principal amount of \$1,700,000. The bond was issued for the purpose of enhancement of the water treatment plant of the District's public water system. Principal and interest, with a rate of 3.46%, is payable semi-annually on July 1 and January 1. The bond will mature in full on January 1, 2026. Remaining principal balance due on this bond payable at June 30, 2023, was \$334,763.

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, 2023 was \$547,217.

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, 2023 was \$742,308.

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, 2023 was \$1,125,950.

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, 2023 was \$555,000.

As of June 30, 2023, the District held \$395,489 in three separate state investment pool accounts and \$3,448,985 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, 2023

NOTE 6 – LONG-TERM DEBT (CONTINUED)

Annual debt service requirements to maturity for the bonds at June 30, 2023 are as follows:

Year Ending June 30,	Principal	Interest	Total
<b>Water Fund</b>			
2024	\$ 236,733	\$ 55,038	\$ 291,771
2025	244,519	47,147	291,666
2026	252,500	38,991	291,491
2027	142,966	31,554	174,520
2028	92,935	28,035	120,970
2029-2033	297,188	105,947	403,135
2034-2038	121,173	79,887	201,060
2039 and Later	430,524	99,115	529,639
	<u>1,818,538</u>	<u>485,714</u>	<u>2,304,252</u>
<b>Sewer Fund</b>			
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	29,489	27,560	57,049
2029-2033	160,232	125,013	285,245
2034-2038	183,821	101,423	285,244
2039 and Later	642,226	124,956	767,182
	<u>1,486,699</u>	<u>526,672</u>	<u>2,013,371</u>
<b>Total Enterprise Fund</b>	<u>\$ 3,305,237</u>	<u>\$ 1,012,386</u>	<u>\$ 4,317,623</u>

Changes in Long-term Liabilities

During the year ended June 30, 2023, the following changes in liabilities reported in long-term debt:

	Balance June 30, 2022	Additions (Reductions)	Balance June 30, 2023	Due within One year
<b>GOVERNMENT ACTIVITIES</b>				
Lease liability	\$ 13,481	\$ 2,894	\$ 16,375	\$ 6,996
Compensated absences	15,838	3,116	18,954	17,947
	<u>\$ 29,319</u>	<u>\$ 6,010</u>	<u>\$ 35,329</u>	<u>\$ 24,943</u>
<b>BUSINESS-TYPE ACTIVITIES</b>				
Compensated absences	\$ 38,447	\$ 9,314	\$ 47,761	\$ 46,068
Premium on bond issue	104,026	(4,161)	99,865	-
Bonds and notes payable	3,646,258	(341,020)	3,305,238	347,584
	<u>\$ 3,788,731</u>	<u>\$ (335,867)</u>	<u>\$ 3,452,864</u>	<u>\$ 393,652</u>



Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

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, 2023

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, 2022 the Statutory Employer/employee matching rate was 15.5% for Regular and 22.75% for Police/Fire. The Employer-pay contribution (EPC) rate was 29.75% for Regular and 44.00% for Police/Fire.

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

At June 30, 2023, the District reported a liability of \$1,602,108 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2022, 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, 2022. At June 30, 2022, the District's proportion was 0.00887%.

For the year ended June 30, 2023, the District recognized pension expense of \$214,739. Amounts totaling \$109,422, 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, 2023, the District contributed \$188,447 under the statutory requirements based upon covered payroll of \$767,904 which equates to 24.54% overall to the plan.



Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

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, 2023, 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	\$ 207,447	\$ 1,145
Net difference between projected and actual earnings on pension plan investments	19,547	-
Change in assumptions	205,802	-
Changes in proportion and differences between District contributions and proportionate share of contributions	173,460	202,160
District contributions subsequent to the measurement date	109,422	-
Total	\$ 715,678	\$ 203,305

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>	
2024	\$ 66,188
2025	62,817
2026	56,085
2027	217,007
2028	29,301
2029 and later	-
	\$ 431,398

The net difference between projected and actual investment earnings on pension plan investments will be recognized over five years, all the other above deferred outflows and deferred inflows will be recognized over the average expected remaining service lives, which was 5.70 years for the measurement period ending June 30, 2022.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

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, 2022, 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, 2022 valuation were based on the results of the experience study for the period July 1, 2016 through June 30, 2020. The discount rate used to measure the total pension liability was 7.25% as of June 30, 2022. 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, 2022.

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, 2022, PERS's long-term inflation assumption was 2.50%.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

NOTE 7 – PENSION PLAN (CONTINUED)

The following was the Retirement Board's adopted policy target asset allocation as of June 30, 2022:

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, 2022, calculated using the discount rate of 7.25%, as well as what the District's share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.25%) or 1 percentage-point higher (8.25%) than the current discount rate:

	1% Decrease In Discount Rate (6.25%)	Discount Rate (7.25%)	1% Increase In Discount Rate (8.25%)
Net Pension Liability	\$ 2,459,760	\$ 1,602,108	\$ 894,417

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, 2023, June 30, 2022, and June 30, 2021.

Indian Hills General Improvement District  
Notes to Financial Statements  
June 30, 2023

**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, 2023, total expenditures exceeded appropriations for the following funds and/or functions, which are potential violations of the NRS:

Capital outlay, enterprise fund, operating expense function	\$ 33,107
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While there was a budget overage in the area of capital outlay in the enterprise fund, the overage was covered with reserve funds set aside for infrastructure and asset repairs, maintenance and replacements.

**NOTE 10 – PRIOR PERIOD ADJUSTMENT**

Subsequent to the year ended June 30, 2022, it was determined that a receivable accrued in the amount of \$51,300 represented a duplicate recording of connection fee income. As the income had been received prior to year-end, the accrual was unnecessary. As a result, a prior period adjustment has been recorded in the current fiscal year. The adjustment resulted in beginning net assets for the Enterprise Fund to be reduced by \$51,300. The 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, 2023

	<u>BUDGETED AMOUNTS</u>			Variance Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>OPERATING REVENUE</b>				
Water & sewer user fees	\$ 2,333,000	\$ 2,333,000	\$ 2,515,368	\$ 182,368
Gain on disposal of assets	-	-	5,985	5,985
Grant income	-	-	-	-
Miscellaneous income	12,442	12,442	12,225	(217)
Connection fees	164,160	164,160	112,860	(51,300)
Total Operating Revenue	<u>2,509,602</u>	<u>2,509,602</u>	<u>2,646,438</u>	<u>136,836</u>
<b>OPERATING EXPENSES</b>				
Salaries & wages	562,114	562,114	497,793	64,321
Employee benefits	220,500	220,500	204,364	16,136
Services & supplies	672,800	663,200	639,934	23,266
Capital outlay	132,000	141,600	174,707	(33,107)
Depreciation	929,000	929,000	904,332	24,668
Total Operating Expenses	<u>2,516,414</u>	<u>2,516,414</u>	<u>2,421,130</u>	<u>95,284</u>
Operating Income	(6,812)	(6,812)	225,308	232,120
<b>NONOPERATING REVENUE (EXPENSES)</b>				
Interest income	2,025	2,025	18,622	16,597
Interest expense	(110,240)	(110,240)	(102,595)	7,645
	<u>(108,215)</u>	<u>(108,215)</u>	<u>(83,973)</u>	<u>24,242</u>
Excess (Deficiency) before Capital Contributions and Transfers	(115,027)	(115,027)	141,335	256,362
<b>INTERFUND TRANSFERS</b>				
	-	-	33,447	33,447
Change in Net Position	<u>\$ (115,027)</u>	<u>\$ (115,027)</u>	174,782	<u>\$ 289,809</u>
<b>RECONCILIATION TO STATEMENT OF ACTIVITIES:</b>				
Add back capital outlay			174,707	
Less difference between pension expense and contributions			(41,446)	
Change in Net position of Enterprise Fund			<u>\$ 308,043</u>	



Indian Hills General Improvement District  
Schedules of Required Supplementary Information  
For the Year Ended June 30, 2023

**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	\$ 570,405	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%	\$ 725,325	\$ 561,231	129.24%	86.51%
2022	0.00887%	\$ 1,602,108	\$ 609,795	262.73%	75.12%

Indian Hills General Improvement District  
Schedules of Required Supplementary Information  
For the Year Ended June 30, 2023

**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%
2022	\$ 98,980	\$ 97,925	\$ 1,055	\$ 609,795	16.06%

**SUPPLEMENTARY INFORMATION**

Draft

Indian Hills General Improvement District  
 General Fund  
 Schedule of Expenditures  
 For the Year Ended June 30, 2023

(Page 1 of 2)

<b>GENERAL GOVERNMENT</b>	
Board of trustees	7,500
Equipment rental	7,632
Fuel expense	321
Insurance	14,787
Office expense	34,057
Other expenses	5,960
Payroll taxes and benefits	1,014
Professional fees	92,047
Repairs and maintenance	-
Safety program	-
Salaries and wages	57,692
Telephone	15,536
Travel and training	964
Utilities	5,925
Capital outlay	-
Total General Government	243,435
 <b>PUBLIC WORKS</b>	
Board of trustees	3,750
Fuel expense	3,579
Insurance	15,840
Other expenses	1,966
Payroll taxes and benefits	37,312
Professional fees	(2,624)
Repairs and maintenance	22,628
Safety program	917
Salaries and wages	104,583
Telephone	1,124
Utilities	5,548
Capital outlay	18,779
Total Public Works	213,402

Indian Hills General Improvement District  
 General Fund  
 Schedule of Expenditures  
 For the Year Ended June 30, 2023

(Page 2 of 2)

**CULTURE AND RECREATION**

Board of trustees	3,750
Equipment Rental	-
Fuel expense	2,958
Insurance	16,839
Other expenses	1,459
Recreation expense	5,829
Payroll taxes and benefits	48,629
Professional fees	9,125
Repairs and maintenance	28,795
Safety program	1,228
Salaries and wages	98,053
Contracted labor	-
Telephone	1,070
Travel and training	220
Utilities	64,778
Capital outlay	1,000
<b>Total Culture and Recreation</b>	<u>283,733</u>
<b>Total Expenditures</b>	<u>\$ 740,570</u>

Draft



Indian Hills General Improvement District  
Water and Sewer Enterprise Fund  
Schedule of Services and Supplies  
For the Year Ended June 30, 2023

	Business-Type Activities		
	Water	Sewer	
<b>SERVICE AND SUPPLIES</b>			
Bad debt recovery	5,154	3,888	9,042
Board of trustees fees	7,500	7,500	15,000
Fuel expense	6,736	5,924	12,660
Garbage expense	-	11,230	11,230
Insurance	16,840	16,893	33,733
Lab Fees	6,319	8,363	14,682
Office expense	3,284	3,278	6,562
Other expense	5,763	6,417	12,180
Professional fees	37,404	14,280	51,684
Permit fees	4,874	4,651	9,525
Repairs and maintenance	38,182	25,278	63,460
Safety program	2,167	602	2,769
Telephone	11,440	3,297	14,737
Travel and training	1,668	1,948	3,616
Treatment chemicals	8,926	14,164	23,090
Utilities	77,504	59,511	137,015
Water Costs	218,949	-	218,949
<b>Total Service and Supplies</b>	<u>\$ 452,710</u>	<u>\$ 187,224</u>	<u>\$ 639,934</u>

Draft

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, 2023, and the related notes to the financial statements, which collectively comprise the Indian Hills General Improvement District's basic financial statements and have issued our report thereon dated December 11, 2023.

**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  
December 11, 2023

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, 2023, and have issued our report thereon dated December 11, 2023. 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 30 days old or less are collectible at year end. We evaluated the key factors and assumptions used to develop the estimate of collectability in determining what is reasonable in relation to the financial statements taken as a whole.

### ***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 decreasing net income by \$26,447.
2. Record adjustments to accounts receivable and related allowance accounts decreasing net income by \$24,637.

The total net income effect of all adjustments proposed and recorded by management was to decrease net income by \$47,415.

### ***Disagreements with Management***

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

### ***Management Representations***

We have requested certain representations from management that are included in the management representation letter dated December 11, 2023.

### ***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, 2023, noted no significant deficiencies or material weaknesses.

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

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

Carson City, Nevada  
December 11, 2023

Draft

# **AGENDA ITEM 6a.**

## **Reports to the Board:**

### **a. General Manager Report**

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

We are completely in winter mode now. The parks are completely winterized, and the crew has been crack sealing throughout the district. Steve has provided me with a comprehensive maintenance plan for the parks and streets, and we are moving forward with maintenance.

I will be basing my monthly manager reports on the objectives and goals set by the board.

In regard to the training and development, we continue to do training to ensure that our staff is capable across the board. Brooke is now an alumna of Leadership Douglas County Class of 2023. That is a very valuable class that teaches participants about ALL aspects of the Douglas County community. They do leadership training, and visit agencies across varying from manufacturing, county courts, local businesses, up to the state legislature and government.

Stacie will be attending grant writing training to give us an added benefit in the grant process. We are researching grant writing classes & training and will be sending her as soon as we can identify good training opportunities.

I am working on a Strategic Plan for the district. The process will begin with a Capital Improvement Plan for roads, water, and wastewater infrastructure. This plan will also give a financial outlook into the reserves over that timeframe.

We conducted our annual fire extinguisher training on the 14<sup>th</sup>. The staff participates in training on how to identify the situation, assess the situation, and use a fire extinguisher if appropriate. We then use the fire extinguishers that are about to be serviced and train on extinguishing a gas fire in the maintenance yard. Everybody successfully extinguished the fire using an extinguisher.

The speed sign on South Sunridge has provided some very valuable information. I provided these details to DCSO and they put speed enforcement in place during some key times. They conducted a very large number of traffic stops and issued a number of citations. The data shows that there is a decline in the number of speeders. I will keep working with DCSO to reduce the speeding in the district.

We have had many compliments on the Christmas lights and decorations.



The ACH program continues to be well received. Residents are thankful the district has implemented this option for payments. We currently have 557, 27.574% of residents taking advantage of automatic withdrawal. We continue to receive requests and new authorization forms daily.

In November we sent out thirty-seven past-due bills resulting in one disconnection, that account paid in full, and service was restored.

The district's Gazebo reservations are done for the season. We had nine tennis court reservations in November.

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

I am excited to announce that I am a graduate of Leadership Douglas County after completing the yearlong LDC program. It was an honor to be a part of this wonderful program. After growing up and residing in Douglas County my entire life I still learned so much about the County. Leadership Douglas County is a community leadership program designed to develop informed, involved, and knowledgeable community members for Douglas County. The program creates community leaders from all walks of life through academic training and by focusing on our community's leadership needs, history, values, members, strengths, and issues. Leadership Douglas County is an opportunity to participate in the creation of a vision for our future.

On Wednesday, November 16, 2023, the General Manager and Supervisors attended Building Blocks to Effective Leadership training. The purpose of this class was to review and develop the necessary building blocks to become an effective leader. Attendees were able to identify opportunities to improve leadership skills through self-awareness. Engage in behaviors that demonstrate caring and interest in our employees. Understand how detailed and personalized communication creates an engaging work environment and Communicate a compelling purpose to our employees.

On Thursday, December 14, 2023, all staff attended yearly Fire Safety training. This is always fun and a well-received training. After the classroom portion, employees are able to use what they have learned and extinguish a controlled fire.

**Water Quality:**

- The Bac-T sample results for November 2023 came back good.
- The Hobo water plant received 8.3 MG of (Minden) water for the month of November.
- North Well and South Well have been turned off for the winter due to low demand.
- Ridgeview Well pumped 1.9 MG of water for November.
- Hobo well has been turned off for the winter.

**Water Plant Rounds:**

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

- The water level and operation of all water storage tanks are checked and recorded.
- The water pressure at the plant and off-site booster stations is checked and recorded.
- All flow and totalizer meters are checked, and the amount of water used is recorded.
- The booster pumps at the plant are checked for proper voltage and current. They are also checked for excessive temperatures at bearings and checked for any water leaks. All information is recorded.
- Water samples are taken from the plant, and we check the water for proper chlorine residual and calibrate the chlorine analyzer as needed. We also check the water for PH, clarity, and temperature. All information is recorded.
- Trends of the water system are checked through SCADA. Checking these trends for anomalies in the distribution system can give us an early warning of future problems.

**Maintenance:**

- The water department has been working closely with Spanish Springs Construction during the installation of the new water main on Indian Dr.
- The Water department issued a boil water order for Gregory Ct. due to a loss of pressure in the main. The existing main was damaged while installing the new water main for the Indian Dr. water line project. The water main was repaired, and pressure was restored. Bacteriological sampling was done and came back negative, and the boil water order was lifted.
- The Water department excavated a water meter pit at 892 Vista Park Dr. due to a leak in the meter pit. This leak required the removal of a sidewalk panel.

1: Treatment plant: We decided to haul the sludge out of the northeast pond in-house. Ryan has been hauling 3 loads, 2 to 3 days a week with the gooseneck trailer. He has reduced the pile by about a half and will continue hauling as weather allows.

One of the two axles on the gooseneck trailer failed and a wheel fell off the trailer. We decided to replace both axles due to the age of the trailer. I also repaired the running, brake and turn signal wiring. I also replaced the rear brake, turn and running light assemblies. We are also having a valve stem replaced today. This slowed down Ryan's sludge hauling. He is hauling again as of 12/13/23. I have been prepping the south exterior wall for paint. We will follow up with gutter installation to protect the wall from moisture.

Ryan and I have dragged the roads on a regular basis, especially after any rain.

2: Lift Stations:

All 4 lift stations continue to perform satisfactorily.

Summit Plumbing cleaned out Lift 3 and 4 wet wells. 3 wasn't as bad as we thought it would be, 4 had a lot of rocks at the bottom of the wet well and a lot of grease.

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

Continue weekly check of sewer hot spots (manholes that develop above average grease buildup) and physically pulling sewer lids, checking for flow, debris, root intrusion and confirming locations in relation to our plot maps. This ongoing maintenance of the sewer system has been very successful; we have identified potential problems long before they develop into messy situations.

# **AGENDA ITEM 6b.**

## **Reports to the Board:**

### **b. District Accountant Report**

**INDIAN HILLS GID  
CASH BALANCES  
AS OF 11/30/23**

<b>CASH BALANCES</b>	<b>11/30/2023</b>
Operating	\$ 5,650,907.86
Reserved from rate increase	\$ 2,695,231.38
Reserved for Parks	\$ 25,809.84
Reserved for streets	\$ 1,376,314.42
Reserved for water tank	\$ 34,214.05
<b>Operating Available</b>	<b>\$ 1,519,338.17</b>
<b>Payroll</b>	<b>\$ 49,155.97</b>
Money Market-Nevada State Bnk	\$ 1,641,437.94
Reserve for Infrastructure	\$ 664,536.96
Reserve for Connections	\$ 603,636.66
Reserve for storm water mgt	\$ 45,587.39
Reserve for sewer debt reserves	\$ 58,949.60
Reserve for short lived assets	\$ 48,223.95
<b>Money Market Available</b>	<b>\$ 220,503.38</b>
<b>Money Market-Moreton</b>	<b>\$ 3,047,999.43</b>
<b>Pipeline</b>	\$ 587,749.15
Reserve for USDA debt service	\$ 40,284.00
Reserve for O&M	\$ 67,941.82
Reserve for short lived assets	\$ 340,401.70
Reserve for AB198 capital repl	\$ 122,774.08
Reserve for construction	\$ 16,347.55
<b>Pipeline Available</b>	<b>\$ -</b>
<b>Total</b>	<b>\$ 4,836,996.95</b>
<b>Investment Pool</b>	
IHGID	\$ 9,214.62
IHCIP (2m 2007 Bonds)	\$ 128,356.94
Drinking Revenue Bond	\$ 265,859.66
<b>Total</b>	<b>\$ 403,431.22</b>

**INDIAN HILLS GID  
CASH BALANCES BY FUND  
11/30/2023**

<b>CASH BALANCES</b>	<b>11/30/2023</b>		
	<b>WATER</b>	<b>SEWER</b>	<b>ADMIN</b>
Operating	1,474,876.30	1,943,656.15	2,232,375.41
Reserved from rate increase	1,361,912.25	1,333,319.13	
Reserved for streets	100,000.00		1,276,314.42
Reserved for parks			25,809.84
Reserved for water tank	34,214.05		
<b>Operating Available</b>	<b>-21,250.00</b>	<b>610,337.02</b>	<b>930,251.15</b>
Money Market-Nevada State Bank	432,582.58	749,563.27	459,292.09
Reserve for Infrastructure	153,129.88	219,005.31	292,401.77
Reserve for Connections	314,643.33	288,993.33	
Reserve for storm water mgt			45,587.39
Reserve for sewer debt service		58,949.60	
Reserve for sewer short lived assets		48,223.95	
<b>Money Market Available</b>	<b>-35,190.63</b>	<b>134,391.08</b>	<b>121,302.93</b>
<b>Money Market-Moreton</b>	<b>1,015,999.81</b>	<b>1,015,999.81</b>	<b>1,015,999.81</b>
Pipeline	587,749.15		
Reserve for debt service (fully funded)	40,284.00		
Reserve for O&M	67,941.82		
Reserve for short lived assets	340,401.70		
Reserve for AB198 capital replacement	122,774.08		
Reserve for construction	16,347.55		
	<b>0.00</b>		
<b>TOTAL AVAILABLE</b>	<b>959,559.18</b>	<b>1,760,727.91</b>	<b>2,067,553.89</b>

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**INDIAN HILLS GID  
ATTORNEY EXPENSES  
NOVEMBER 2023**

MONTHLY FEE 3,000.00

TOTAL 3,000.00

INDIAN HILLS GID  
LONG TERM DEBT  
AS OF 11/30/23

DEBT	BALANCE	PAYMENT	FINAL PAYMENT	INTEREST RATE
WATER 2003 BOND	\$ 281,333.70	59,220.37	1/1/2026	3.46%
WATER/SEWER 2007 BOND *	\$ 425,000.00	**	11/1/2026	4.00%
USDA SEWER	\$ 1,115,058.49	4,754.08	1/1/2052	2.75%
USDA PIPELINE	\$ 735,539.23	3,357.00	8/1/2051	3.25%
PIPELINE 2010 STATE	\$ 513,905.65	40,343.06	7/1/2030	2.57%
	<b>\$ 3,070,837.07</b>			

\* (35% WATER, 65% SEWER)

\*\* payment amount varies

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**INDIAN HILLS GID  
ENGINEERING EXPENSES  
NOVEMBER 2023**

ENGINEERING FEES	2,000.00
INDIAN DRIVE	3,744.01
	<u>5,744.01</u>

Indian Hills General Improvement District  
 OVERTIME/CALLOUT HOURS  
 November 2023

Employee	pay date 11/3/2023		pay date 11/17/2023		pay date	Total	
	Hours	0.00	Hours	0.00		Hours	Earnings
WATER TECH		0.00		0.00		0	0.00
WATER TECH		0.00		0.00		0	0.00
PARKS		0.00		0.00		0	0.00
PARKS		0.00		0.00		0	0.00
STREETS	4	137.16		0.00		4	137.16
STREETS		0.00		0.00		0	0.00
WATER SUPER		0.00		0.00		0	0.00
WATER SUPER		0.00	2	140.36		2	140.36
ADMIN SUPPORT	**	588.11		0.00		10.5	588.11
ADMIN SUPPORT		0.00		0.00		0	0.00
SEWER TECH		0.00		0.00		0	0.00
SEWER TECH	2	97.50		164.64		4	262.14
SEWER SUPER		0.00	1	64.88		1	64.88
SEWER SUPER		0.00		0.00		0	0.00
MECHANIC	4	199.80		0.00		4	199.80
MECHANIC		0.00		0.00		0	0.00
<b>TOTALS</b>	<b>20.50</b>	<b>1,022.57</b>	<b>5.00</b>	<b>369.88</b>	<b>0.00</b>	<b>25.50</b>	<b>1,392.45</b>

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**INDIAN HILLS GID  
REVENUE AND EXPENSE  
NOT INCLUDING DEPRECIATION  
FOR THE PERIOD ENDED NOVEMBER 30, 2023  
WATER**

<b>INCOME</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>(OVER)/ UNDER</b>	<b>41.67%</b>
FEES	1,405,000.00	690,298.48	714,701.52	49.13%
CONNECTION FEES	0.00	5,130.00	(5,130.00)	0.00%
CRICKET/VERIZON	12,441.60	4,147.20	8,294.40	33.33%
GRANT INCOME	0.00	0.00	0.00	0.00%
INTEREST	4,000.00	24,193.33	(20,193.33)	604.83%
MISCELLANEOUS	0.00	250.00	(250.00)	0.00%
<b>TOTAL REV</b>	<b>1,421,441.60</b>	<b>724,019.01</b>	<b>697,422.59</b>	<b>50.94%</b>
<b>EXPENSES</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>(OVER)/ UNDER</b>	<b>41.67%</b>
SALARIES/BENEFITS	437,246.01	155,342.21	281,903.80	35.53%
OPERATING EXP	452,975.00	192,871.98	260,103.02	42.58%
DEBT PRINCIPAL	236,732.60	53,091.87	183,640.73	22.43%
DEBT INTEREST	55,038.28	25,893.34	29,144.94	47.05%
** CAPITAL OUTLAY	0.00	6,078.45	(6,078.45)	0.00%
<b>TOTAL EXP</b>	<b>1,181,991.89</b>	<b>433,277.85</b>	<b>748,714.04</b>	<b>36.66%</b>
<b>PROFIT</b>	<b>239,449.71</b>	<b>290,741.16</b>	<b>(51,291.45)</b>	
<b>NON-CASH</b>				
infrastructure depletion (DEPRECIATION)	545,000.00	227,083.35	317,916.65	41.67%

\*\* Indian Drive project paid from reserves

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**INDIAN HILLS GID  
REVENUE AND EXPENSE  
NOT INCLUDING DEPRECIATION  
FOR THE PERIOD ENDED NOVEMBER 30, 2023  
SEWER**

<b>INCOME</b>	<b>BUDGET</b>	<b>ACTUAL</b>	<b>(OVER)/ UNDER</b>	<b>41.67% %</b>
FEEs	1,011,000.00	457,389.43	553,610.57	45.24%
CONNECTION FEES	0.00	0.00	0.00	0.00%
INTEREST	120.00	16,117.72	(15,997.72)	13431.43%
MISCELLANEOUS	0.00	250.00	(250.00)	0.00%
<b>TOTAL REV</b>	<b>1,011,120.00</b>	<b>473,757.15</b>	<b>537,362.85</b>	<b>46.85%</b>
<b>EXPENSES</b>				
SALARIES/BENEFITS	426,189.65	155,885.30	270,304.35	36.58%
OPERATING EXP	221,425.00	101,231.58	120,193.42	45.72%
DEBT PRINCIPAL	110,851.63	94,568.49	16,283.14	85.31%
DEBT INTEREST	43,437.33	18,549.95	24,887.38	42.71%
CAPITAL OUTLAY	0.00	0.00	0.00	0.00%
<b>TOTAL EXP</b>	<b>801,903.61</b>	<b>370,235.32</b>	<b>431,668.29</b>	<b>46.17%</b>
<b>PROFIT (LOSS)</b>	<b>209,216.39</b>	<b>103,521.83</b>	<b>105,694.56</b>	
NON-CASH: infrastructure depletion (DEPRECIATION)	383,000.00	159,583.35	223,416.65	41.67%

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**INDIAN HILLS GID  
REVENUE AND EXPENSE  
NOT INCLUDING DEPRECIATION  
FOR THE PERIOD ENDED NOVEMBER 30, 2023  
GENERAL**

<u>INCOME</u>		<u>BUDGET</u>	<u>ACTUAL</u>	<u>(OVER)/ UNDER</u>	<u>41.67% %</u>
	AD VALOREM	1,154,366.00	597,706.52	556,659.48	51.78%
	DOUGLAS CO. CONSOLIDATED TAX	404,710.00	175,696.40	229,013.60	43.41%
	PARK REV	500.00	300.00	200.00	60.00%
	GRANT	0.00	0.00	0.00	0.00%
	DONATIONS	0.00	1,809.84	(1,809.84)	0.00%
	MISCELLANEOUS	0.00	0.00	0.00	0.00%
	INTEREST	2,500.00	17,183.58	(14,683.58)	687.34%
	STORM WATER	21,700.00	9,163.55	12,536.45	42.23%
	<b>TOTAL REV</b>	<b>1,583,776.00</b>	<b>801,859.89</b>	<b>781,916.11</b>	<b>50.63%</b>
<u>EXPENSES</u>		<u>BUDGET</u>	<u>ACTUAL</u>	<u>(OVER)/ UNDER</u>	<u>41.67% %</u>
ADMIN	SALARIES/BENEFITS	101,919.04	36,753.94	65,165.10	36.06%
	OPERATING EXP	223,950.00	62,364.25	161,585.75	27.85%
	CAPITAL OUTLAY	0.00	0.00	0.00	0.00%
PARKS	SALARIES/BENEFITS	220,534.96	64,227.38	156,307.58	29.12%
	OPERATING EXP	153,175.00	60,047.97	93,127.03	39.20%
	** CAPITAL OUTLAY	0.00	4,500.00	(4,500.00)	0.00%
STREETS	SALARIES/BENEFITS	235,533.36	72,331.76	163,201.60	30.71%
	OPERATING EXP	92,118.00	27,748.17	64,369.83	30.12%
	CAPITAL OUTLAY	3,307.00	3,307.00	0.00	0.00%
	<b>TOTAL EXP</b>	<b>1,030,537.36</b>	<b>331,280.47</b>	<b>699,256.89</b>	<b>32.15%</b>
	<b>PROFIT</b>	<b>553,238.64</b>	<b>470,579.42</b>	<b>82,659.22</b>	

NON-CASH:  
infrastructure depletion (DEPRECIATION)                      338,000.00    140,833.35    197,166.65    41.67%

\*\* tennis courts from 22-23 budget reserved

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**INDIAN HILLS GID  
WATER FUND SUMMARY  
11/30/2023**

CASH BALANCES	LOAN BALANCES	REVENUES / EXPENSES
<p>Operating \$1,474,876.30</p> <p>Reserved from rate increase \$1,361,912.25</p> <p>Reserved for water tank \$34,214.05</p> <p><b>Operating Available</b> <u>\$78,750.00</u></p> <p>Money Market \$432,582.58</p> <p>Reserve for Infrastructure \$153,129.88</p> <p>Reserve for Connections \$314,643.33</p> <p><b>Money Market Available</b> <u>-\$35,190.63</u></p> <p>Pipeline \$587,749.15</p> <p>Reserve for debt service (fully funded) \$40,284.00</p> <p>Reserve for O&amp;M \$67,941.82</p> <p>Reserve for short lived assets \$340,401.70</p> <p>Reserve for AB198 capital replacement \$122,774.08</p> <p>Reserve for construction \$16,347.55</p> <p><b>TOTAL AVAILABLE</b> <u>\$43,559.37</u></p>	<p>Water Bond-2003 \$ 281,333.70</p> <p>Water Bond-2012 (35%) \$ 148,750.00</p> <p>Pipeline USDA \$ 735,539.23</p> <p>Pipeline State \$ 513,905.65</p> <p><b>TOTAL LOANS</b> <u>\$ 1,679,528.58</u></p>	<p>User Fees \$ 287,398.65</p> <p>Base Rate Fees \$ 396,447.84</p> <p>Late fees \$ 6,451.99</p> <p>Connection fees \$ 5,130.00</p> <p>Interest \$ 24,193.33</p> <p>Verizon \$ 4,147.20</p> <p>Misc Income \$ 250.00</p> <p><b>TOTAL REVENUE</b> <u>\$ 724,019.01</u></p> <p>Salaries/Benefits \$ 155,342.21</p> <p>Operating Exp \$ 192,871.98</p> <p>Interest Exp \$ 25,893.34</p> <p>Capital Outlay \$ 6,078.45</p> <p><b>TOTAL EXPENSES</b> <u>\$ 380,185.98</u></p> <p><b>INCOME (LOSS)</b> <u>\$ 343,833.03</u></p>

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**INDIAN HILLS GID  
SEWER FUND SUMMARY  
11/30/2023**

<b>CASH BALANCES</b>	<b>LOAN BALANCES</b>	<b>REVENUES / EXPENSES</b>
Operating	Sewer Bond-1999	User Fees
Reserved from rate increase	Sewer Bond-2012 (65%)	Late fees
	USDA sewer bond	Connection fees
		Interest
<b>Operating Available</b>		Misc income
		<b>TOTAL REVENUE</b>
Money Market		Salaries/Benefits
Reserve for Infrastructure		Operating Exp
Reserve for Connections		Interest Exp
Reserve for sewer debt service		Capital Outlay
Reserve for sewer short lived assets		<b>TOTAL EXPENSES</b>
<b>Money Market Available</b>		
<b>TOTAL AVAILABLE</b>	<b>TOTAL LOANS</b>	<b>INCOME (LOSS)</b>

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**INDIAN HILLS GID  
ADMIN, PARKS, STREETS SUMMARY  
(AD VALOREM)  
11/30/2023**

<b>CASH BALANCES</b>	<b>ADMIN</b>	<b>REVENUES / EXPENSES</b>
Operating	\$2,232,375.41	Storm water fees \$9,163.55
Reserved for streets	\$1,276,314.42	Consolidated Tax \$175,696.40
Reserved for parks	\$25,619.87	Ad Valorem Tax \$597,706.52
<b>Operating Available</b>	<b>\$930,441.12</b>	Recreation Fees \$300.00
		Interest Income \$17,183.58
		Grant fund received \$0.00
		Miscellaneous \$1,809.84
Money Market	\$459,292.09	<b>TOTAL REVENUE</b> <u><u>\$801,859.89</u></u>
Reserve for Infrastructure	\$292,401.77	
Reserve for storm water mgt	\$45,587.39	Salaries/Benefits \$173,313.08
		Operating Exp \$150,160.39
		Capital Outlay \$7,807.00
<b>Money Market Available</b>	<b>\$121,302.93</b>	<b>TOTAL EXPENSES</b> <u><u>\$331,280.47</u></u>
<b>TOTAL AVAILABLE</b>	<b>\$1,051,744.05</b>	<b>INCOME (LOSS)</b> <u><u>\$470,579.42</u></u>

**INDIAN HILLS GID  
CASH RESERVES BY FISCAL YEAR  
FROM 2011-2024**

DATE	WATER		WASTEWATER		ADMIN	
	RATE RESERVES	DEPR RESERVES	RATE RESERVES	DEPR RESERVES	RATE RESERVES	DEPR RESERVES
6/30/2011	0.00	27,500.00	0.00	27,500.00	0.00	0.00
6/30/2012	0.00	40,700.00	0.00	37,310.00	18,900.00	18,900.00
6/30/2013	0.00	55,196.00	0.00	46,814.00	37,488.00	37,488.00
6/30/2014	0.00	75,500.00	0.00	59,954.00	64,992.00	64,992.00
6/30/2015	38,637.00	48,174.00	27,364.00	74,546.00	93,696.00	93,696.00
6/30/2016	132,336.00	70,170.00	99,152.00	69,691.00	123,588.00	123,588.00
6/30/2017	267,694.00	73,628.00	221,563.00	85,687.00	142,350.00	142,350.00
6/30/2018	483,052.00	94,628.00	386,987.00	103,687.00	173,450.00	173,450.00
6/30/2019	746,866.00	112,020.00	585,105.00	123,687.00	195,650.00	195,650.00
6/30/2020	623,484.00	133,821.00	799,245.00	143,937.00	219,550.00	219,550.00
6/30/2021	921,247.00	164,820.00	1,023,070.00	165,437.00	253,250.00	253,250.00
6/30/2022	1,116,468.00	106,370.00	1,188,439.00	187,337.00	233,335.00	233,335.00
6/30/2023	1,232,994.39	188,566.39	1,269,027.85	207,546.96	274,235.07	274,235.07
as of 11/30/23	1,361,912.25	153,129.88	1,333,319.13	219,005.31	292,401.77	292,401.77

Reserve amounts will sometimes decrease as we use them for approved expenditures

# **AGENDA ITEM 6c.**

## **Reports to the Board:**

### **c. Engineer Report**



# **AGENDA ITEM 6d.**

## **Reports to the Board:**

### **d. Attorney Report**

# **AGENDA ITEM 7.**

**Discussion and possible action to adopt a performance evaluation form for the General Manager.**

**(Vice Chairman, Bob Stulac, Secretary/Treasurer, Vicky Lufrano and Administrative Services Supervisor/Human Resources, Brooke Thompson)**

## IHGID Manager Evaluation

- **Financial Stewardship**
  - Utilizes finances, budgets, facilities, equipment, materials, products, and services to optimize IHGID costs.
  - Develops and oversees District Capital Improvement Projects, and projections; develops and implements short- and long-range, and strategic financial plans for District.
  - Prepares applicable IHGID budget, actively monitors and adheres to it.
- **Communication Skills**
  - Effectively communicates, both orally and written, with individuals and groups.
  - Presents ideas in an organized, clear, and concise manner.
  - Employs tact and discretion and accepts constructive input.
  - Establishes and maintains effective communication and relations with internal and external IHGID customers, staff, public, other entities, organizations, and the Board of Trustees.
  - Ensures full disclosure and transparency to the Board of Trustees.
- **Leadership and Professionalism**
  - Exhibits integrity by being honest, accountable, and trustworthy.
  - Demonstrates initiative, persistence, and ability to meet established IHGID goals.
  - Manage and leads IHGID employees by example and effectively contribute to the development, cohesion, and productivity of the team.
  - Represent the District in a positive manner at all times and attend District sponsored events.
  - Continuously seek ways to improve efficiency, productivity, and processes.
- **Regulatory and Legal Compliance**
  - Manage the District in full accordance with policies, agreements, union, and other contracts. Makes new policy recommendations.
  - Ensures compliance with federal, state, and local code and legal requirements applicable to areas of responsibility.
  - Ensures compliance with safety and OSHA guidelines.
  - Displays understanding and ability to convey current contracts, agreements, ordinances, policies, and regulations.
- **Initiative**
  - Identify District needs in prepared monthly reports to the board; actively develop and collaborate action plans to seek positive or alternative solutions for problems or issues that arise.
  - Develop skills of staff and engage in succession planning.
  - Prudently research and apply new technologies and industry best practices.
  - Take personal responsibility for continuous improvement, learning and growth.

# INDIAN HILLS GENERAL IMPROVEMENT DISTRICT GENERAL MANAGER PERFORMANCE EVALUATION

Name: \_\_\_\_\_ Department: \_\_\_\_\_  
 Position: \_\_\_\_\_ Hire Date: \_\_\_\_\_  
 Period covered by this evaluation: \_\_\_\_\_

**Ratings used in this evaluation:**

- Exceptional:** The employee significantly and consistently surpasses performance expectations and achieves beyond the regular assignment in all areas.
- Exceeds Expectations:** The employee frequently surpasses performance expectations and demonstrates unique understanding of work well beyond job requirements.
- Achieves:** The employee demonstrates solid performance that consistently fulfills expectations and at times may exceed expectations.
- In Development or Needs Improvement:** The employee is either still developing this competency or is not consistently achieving expectations.
- Unsatisfactory:** The employee's performance is consistently below expectations and/or the employee has failed to make reasonable progress toward previously identified area(s) for improvement.
- Not applicable:** Not applicable to specific position.

FINANCIAL STEWARDSHIP	Exceptional	Exceeds Expectations	Achieves	In development or needs improvement	Unsatisfactory	Not Applicable
Utilizes finances, budgets, facilities, equipment, materials, products, and services to optimize IHGID costs.						
Develops and oversees District Capital Improvement Projects, and projections; develops and implements short- and long-range, and strategic financial plans for District.						
Prepares applicable IHGID budget, actively monitors and adheres to it.						
<b>Comments:</b>						

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<b>COMMUNICATION SKILLS</b>	<b>Exceptional</b>	<b>Exceeds Expectations</b>	<b>Achieves</b>	<b>In development or needs improvement</b>	<b>Unsatisfactory</b>	<b>Not Applicable</b>
Effectively communicates, both orally and written, with individuals and groups.						
Presents ideas in an organized, clear, and concise manner.						
Employs tact and discretion and accepts constructive input.						
Establishes and maintains effective communication and relations with internal and external IHGID customers, staff, public, other entities, organizations, and the Board of Trustees.						
Ensures full disclosure and transparency to the Board of Trustees.						
<b>Comments:</b>						

<b>LEADERSHIP AND PROFESSIONALISM</b>	<b>Exceptional</b>	<b>Exceeds Expectations</b>	<b>Achieves</b>	<b>In development or needs improvement</b>	<b>Unsatisfactory</b>	<b>Not Applicable</b>
Exhibits integrity by being honest, accountable, and trustworthy.						
Demonstrates initiative, persistence, and ability to meet established IHGID goals.						
Manage and leads IHGID employees by example and effectively contribute to the development, cohesion, and productivity of the team.						
Represent the District in a positive manner at all times and attend District sponsored events.						
Continuously seek ways to improve efficiency, productivity, and processes.						
<b>Comments:</b>						

REGULATORY AND LEGAL COMPLIANCE	Exceptional	Exceeds Expectations	Achieves	In development or needs improvement	Unsatisfactory	Not Applicable
Manage the District in full accordance with policies, agreements, union, and other contracts. Makes new policy recommendations.						
Ensures compliance with federal, state, and local code and legal requirements applicable to areas of responsibility.						
Ensures compliance with safety and OSHA guidelines.						
Displays understanding and ability to convey current contracts, agreements, ordinances, policies, and regulations.						
<b>Comments:</b>						

INITIATIVE	Exceptional	Exceeds Expectations	Achieves	In development or needs improvement	Unsatisfactory	Not Applicable
Identify District needs in prepared monthly reports to the board; actively develop and collaborate action plans to seek positive or alternative solutions for problems or issues that arise.						
Develop skills of staff and engage in succession planning.						
Prudently research and apply new technologies and industry best practices.						
Take personal responsibility for continuous improvement, learning and growth.						
<b>Comments:</b>						



OVERALL PERFORMANCE RATING	Exceptional	Exceeds Expectations	Achieves	In development or needs improvement	Unsatisfactory	Not Applicable
Overall performance						

FUTURE GOALS AND OBJECTIVES (as applicable)	

**Trustee Comments:**

**Employee's Comments:**

**Employee Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**Trustee Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

# **AGENDA ITEM 8.**

**Discussion only regarding use of district vehicles and equipment on public and private roads and easements within IHGID. (Trustee, Garcia)**

Background: Questions and observations by a resident on Long Drive, communicated to me during Golf Cart Parade coordination. Residents are asking for clarification on the use of Speed Trailer within the Springs HOA.

I have some ideas about how we may provide a reference tool for GM/Staff to reinforce when/where/how the district may or may not operate district vehicles and equipment on "private property" or more specifically within an HOA.

The mobile radar sign was purchased through Traffic Logix for \$2,862.00 and has no annual subscription fee. Data from the mobile radar sign must be physically taken off at the site of the sign. The permanent sign was \$2,499.00 when purchased in 2019 and has an annual subscription fee of \$500.00. The cost of that same sign today is \$2,749.00. The data from this sign is obtained through the Traffic Logix cloud.

Traffic Logix has many options available from basic your speed signs to interactive signs displaying custom messages and images. They offer several mounting options from permanently or temporarily mounted signs.

# **AGENDA ITEM 9.**

**Discussion only regarding the District Personnel Policy, NRS 281.210, and Resolution 2009R-02 regarding Trustee concerns of employing family members of existing employees.**

**(General Manager, Chris Johnson)**

**Response from Labor Law Attorney Joel Locke:**

Good afternoon,

I have researched the issue, read NRS 281.210, as well as all of the AGOs on the subject. Here, it is important that Chris has all of the hiring and firing power in the GID; not Brooke. Further, there has been a pre-screening/blocking of any participation by Brooke in the application, hiring process, and future grievance/disciplinary issues. Additionally, Brooke works in administration and not in the field. There will be little overlap and none in work responsibilities. As such, I would disclose it to the Board members so they are aware of it, but she is not his supervisor, did not hire him, did not advocate to hire him, will not work in the same department as him, and both report to the GM.

I think you are good to go-

Joel W. Locke, Esq.  
Allison MacKenzie, Ltd.

encouraged to report incidents of threats or acts of violence of which s/he is aware.

3. Reports of violence or threatening behavior should be made to Human Resources, an employee's immediate supervisor or manager, or any other supervisory or management employee. The District is committed to ensuring that employees reporting real or perceived threats in good faith will not be subject to harassment or retaliation. Nothing in this policy alters any other reporting obligation established in the District's policies or in state, federal, or other applicable law.

#### **2.6.4 Violation of Policy**

Violations of this policy by any employee will lead to disciplinary action, up to and including termination and/or appropriate legal action. The District may also take appropriate disciplinary action against any employee who intentionally makes a false or malicious statement about coworkers or others.

Actions of law enforcement personnel which are necessary in the performance of their duties and are consistent with policies or sound law enforcement procedures shall not be considered to violate this policy. In addition, actions necessary for bona fide self-defense or protection of employees of the District or of District property shall not be considered to violate this policy.

#### **2.6.5 Temporary Restraining Orders**

The District may apply for an order for protection against harassment in the workplace under the terms of NRS 33.200 – 33.360.

### **2.7 Employment of Relatives**

Pursuant to the provisions of NRS 281.210, no officer or appointing authority of the District may employ in any capacity on behalf of the District any relative of such person who is within the third degree of consanguinity or affinity. Existing employees may continue in their current position following the election or appointment of their relative to an appointing authority position.

In addition, no person shall be employed in a position if such employment would require direct or indirect supervision by a relative who is within the third degree of consanguinity or affinity. For purposes of this paragraph, supervision includes all levels in the chain of command.

### **2.8 Code of Ethical Standards**

The elected and appointed officers and employees of District recognize that holding public office and/or employment is a public trust. To preserve that trust, District demands the highest code of conduct and ethical standards. The purpose of this policy is to define and establish the standards of ethical conduct that are required of public officials and employees so as to ensure their professional integrity in the performance of their duties.



## MISCELLANEOUS PROVISIONS AND PROHIBITIONS

### **NRS 281.210 Officers of State, political subdivision and Nevada System of Higher Education prohibited from employing relatives; exceptions; penalties.**

1. Except as otherwise provided in this section, it is unlawful for any person acting as a school trustee, state, township, municipal or county officer, or as an employing authority of the Nevada System of Higher Education, any school district or of the State, any town, city or county, or for any state or local board, agency or commission, elected or appointed, to employ in any capacity on behalf of the State of Nevada, or any county, township, municipality or school district thereof, or the Nevada System of Higher Education, any relative of such a person or of any member of such a board, agency or commission who is within the third degree of consanguinity or affinity.

2. This section does not apply:

(a) To school districts, when the teacher or other school employee is not related to more than one of the trustees or person who is an employing authority by consanguinity or affinity and receives a unanimous vote of all members of the board of trustees and approval by the Department of Education.

(b) To school districts, when the teacher or other school employee has been employed by an abolished school district or educational district, which constitutes a part of the employing county school district, and the county school district for 4 years or more before April 1, 1957.

(c) To the spouse of the warden of an institution or manager of a facility of the Department of Corrections.

(d) To relatives of officers and employees who are blind of the Bureau of Services to Persons Who Are Blind or Visually Impaired of the Rehabilitation Division of the Department of Employment, Training and Rehabilitation when those relatives are employed as automobile drivers for those officers and employees.

3. Nothing in this section:

(a) Prevents any officer in this State, employed under a flat salary, from employing any suitable person to assist in any such employment, when the payment for the service is met out of the personal money of the officer.

(b) Disqualifies any widow with a dependent as an employee of any officer or board in this State, or any of its counties, townships, municipalities or school districts.

4. A person employed contrary to the provisions of this section must not be compensated for the employment.

5. Any person violating any provisions of this section is guilty of a gross misdemeanor.

[1:75:1925; A 1927, 43; 1935, 172; 1951, 22] + [2:75:1925; NCL § 4852] + [3:75:1925; NCL § 4853]—(NRS A 1957, 704; 1960, 369; 1963, 1178; 1967, 549; 1969, 227; 1973, 563, 1406; 1975, 554; 1977, 870; 1989, 1958; 1993, 374, 1550; 1995, 579; 1997, 1171; 1999, 174; 2001 Special Session, 234, 235; 2003, 289, 306, 1131, 1132)



# INDIAN HILLS GENERAL IMPROVEMENT DISTRICT

3394 JAMES LEE PARK RD. #A  
CARSON CITY, NEVADA 89705  
TEL: (775) 267-2805 FAX: (775) 267-3510

## Resolution 2009R-02

**A Resolution of the Board of Trustees to adopt board norms and procedures for meetings, related functions and activities.**

**WHEREAS**, it is the intent and desire of the Indian Hills General Improvement District Board of Trustees to conduct its business in an orderly and fair manner; and

**WHEREAS**, there are certain basic rights of due process and opportunity to address issues with equity, fairness and equal protection of the law; and

**WHEREAS**, certain parliamentary procedures have been found to be useful in order to assure that the communication and process of government are fair, reasonable, and just; and

**WHEREAS**, the Board has a duty to proceed with the business of government in an efficient and orderly fashion; and

**WHEREAS**, the Board desires to establish uniform norms and procedures in order to accomplish these goals.

**NOW, THEREFORE**, the Indian Hills General Improvement District Board of Trustees does hereby resolve as follows:

### **SECTION I: Act in the Public Interest**

- A. Trustees and staff shall recognize that stewardship of the public interest must be the primary concern.
- B. Trustees will work for the common good of the people of Indian Hills.
- C. Trustees will ensure fair and equal treatment of all persons, claims and transactions coming before the Board.

### **SECTION II: Advocacy**

- A. Trustees shall represent the official policies or positions of the Board when designated as delegates for this purpose.
- B. When representing their individual opinions and positions, Trustees shall explicitly state they do not represent the Indian Hills General Improvement District, nor will they allow the inference that they do.

### **SECTION III: Role of the Chair**

#### **A. Authority of the Chair**

1. The Chair, subject to the appeal of the full Board, shall have the authority to streamline the business of the Board by either seeking clarification of motions which appear to be out of order or by ruling any such motions out of order. In so ruling, the Chair shall be courteous and fair and should presume that the moving party is acting in good faith.
2. The Chair's position is as a leader among equals.

#### **B. Chair to Facilitate Board of Trustee Meetings**

1. The Chair is the presiding officer at all Board meetings. In the Chair's absence, the Vice- Chair shall be the presiding officer. In the absence of the Chair and Vice-Chair the Secretary/ Treasurer shall preside until the assembly elects a temporary chair.
2. All questions and remarks shall be addressed to the Chair.
3. The Chair shall decide all questions of order; subject, however, to an appeal to the Board.
4. The Chair shall recognize the Trustees, staff and citizens desiring to speak.
5. The Chair will allow other Trustees to speak first on items before the Board and will then state his/her summary.
6. The Chair shall not permit unauthorized remarks from the audience including applause, stamping of feet, whistles, yells or shouting, and/ or similar demonstrations.
7. The Chair shall designate a time limit for public comment. Upon expiration of that time, the Chair shall inform the citizen that his or her time has expired and promptly move on to the next speaker or issue on the agenda. In the event a speaker is given additional time to conclude remarks, the Chair shall specify the amount of additional time given.
8. The Chair may call for a short recess in a Board meeting when deemed necessary. If a speaker becomes abusive, boisterous, or discourteous an immediate declaration may be made by the Chair that the Board is in recess. Upon reconvening the meeting, if the prior speaker attempts to resume, he or she can either be informed that his or her three (3) minute speaking opportunity has expired, or be allowed to complete the balance of the three (3) minute speaking opportunity.

9. The Chair will represent the District and the majority opinion of the Board on all actions/ positions taken by the Board.

#### **SECTION IV: Role of the Board of Trustees**

##### A. Trustees Conduct in General

1. Trustees shall treat everyone with courtesy.
2. Inappropriate behavior is derogatory and damages the perception of the District.
3. While the Board is in session the Trustees and District staff shall preserve strict order and decorum. No Trustee shall delay or interrupt the proceedings of the Board or interrupt any member while speaking.
4. Trustees should give a signal to the Chair (by a raised hand) to indicate they want to speak. The Chair will acknowledge them before they begin speaking.
5. Any Trustee shall have the right to express dissent from, or protest to, or comment upon, any action of the Board and have the option to enter the reason into the minutes, such as, "I would like the minutes to show that I am opposed to this action for the following reasons ...."
6. Once a vote is taken on an issue, Trustees will support the law made by the Board. If a Trustee wants it to be reconsidered, he/she will inform the Board. When possible, the Trustees should attempt to reach consensus on an issue. When this is not possible, the majority vote shall prevail. However, the Board shall respect the opinion of the minority.
7. Trustees shall publicly share substantive information, which they may have received from sources outside the public decision-making process that is relevant to a matter under consideration by the Board.
8. When a rumor is involved, it is that Trustee's responsibility to not validate the rumor or repeat it to others. Assess the rumor by addressing the person the rumor involves. If a rumor affects the District or its employees, then the issue should be brought to the attention of the General Manager.
9. Allow for everyone's opinion to be heard and respected, even if they do not win the vote or prevail on the issue. Strive for a win-win situation by respecting diverse opinions.
10. Trustees will allow room for dialogue. When discussing an agenda item, Trustees will allow the opportunity to dialogue with each other to build consensus on an item.

11. Any member of the Board of Trustees may move to require the Chair to enforce the rules and an affirmative vote of a majority of Trustees present shall be required to do so.

B. Trustee Conduct with one another

1. Trustees will value each other's time.
2. All Trustees have the opportunity to speak and agree to disagree.
3. Trustees will avoid negative comments that could offend other Trustees during public meetings, in the press, or any other time.
4. Trustees will practice civility and decorum in discussions and debate.
5. Trustees will honor the role of the Chair in maintaining order.
6. Trustees may disagree on issues and be on different sides of an issue, but they will always respect and value each other as individuals.

C. Trustee Conduct with General Manager and Staff

1. Trustees should speak directly with the General Manager regarding District business.
2. The Board, through a majority vote, directs the General Manager to implement Board policy decisions through the administrative functions of the District.
3. Trustees shall respect and adhere to the District's form of government, which is a District operating through a District Manager. The Board is the visionary policy maker and the legislative body of the District. The General Manager is responsible for implementation of Board policies.
4. When possible, Trustees shall seek answers to questions on an item on the agenda from the General Manager prior to the meeting.
5. Trustees have no greater or different access to District staff or employees than any other member of the general public. Trustees may only use District staff's time to address District business. Personal matters may not be discussed with staff during business hours.
6. District employees are not employed to listen to a Trustee's personal problems not involving the District. Staff time is valuable and precious; inquiries of staff should be brief and related strictly to District business.

7. Trustees shall treat staff professionally and be respectful of their time. Trustees who require detailed explanations regarding District business may speak with staff, ask questions, and receive information by appointment only; appointments shall be scheduled through the General Manager. Trustees have no authority to direct staff, nor to rally staff support for the goals of individual Trustees.
8. Trustees shall not publicly criticize an individual employee. Any criticism of staff shall be directed to the General Manager.
9. Trustees shall not involve themselves with administrative functions.
10. Trustees will not get involved in personnel issues except during a closed session where personnel issues may be discussed. This includes labor negotiations, pay and classification issues and all other forms of personnel matters. The single exception is the Board's annual or other performance review of the General Manager, which may include hiring or firing, changing compensation or benefits, disciplining and other forms of personnel matters related to General Manager position.
11. If a Trustee has a concern about a department, District service, staff action, or an employee, he/she should discuss the concern with the General Manager.

#### D. Trustee Conduct with the Public

1. Trustees will make the public feel welcome.
2. Trustees shall not be partial, prejudiced, or disrespectful toward the public.
3. Trustees shall not make snappy or sarcastic comments to the public.
4. Trustees shall treat members of the public equally and refer to the citizens' surnames.
5. Trustees shall make no promises to the public on behalf of the Board.
6. During meetings, no Trustee shall debate issues with members of the public.
7. Trustees shall listen courteously and attentively to all public comments before the Board and the information presented by staff.
8. Matters raised during public comment shall not be discussed at that meeting. The only exception is for placement of the new topic on a future agenda for discussion.

#### E. Trustee Conduct with Other Agencies

1. Trustees shall be clear about representing the District or personal interests to members of other agencies.
2. Trustees shall project a positive image of the District when dealing with other agencies
3. Individual Trustees can lobby or discuss with other legislators, government officials or developers, issues that have been adopted by the Board or are Board policy; Trustees may not represent themselves as a District Trustee if the matter involves an individual issue.
4. Trustees shall show tolerance and respect of other agencies' opinions and issues and agree to disagree with them when necessary.

#### F. Trustee Conduct with Committees

1. The Chair works through the committee chairs.
2. Trustees shall treat all Committee members with appreciation and respect.

#### G. Trustee Conduct with the Media

1. Trustees shall never go "off the record," discuss inside information pertaining to closed session, personnel, litigation, or acquisition of property items when dealing with the media. Providing background information is acceptable.

#### H. Obtaining the Floor

1. Trustees wishing to speak must first obtain the floor by being recognized by the Chair. The Chair must recognize any Trustee who seeks the floor when appropriately entitled to do so. Recognition will be given in the order requested.
2. With the concurrence of the Chair, a Trustee holding the floor may address a question to another Trustee and that Trustee may respond while the floor is still held by the Trustee asking the question. A Trustee may opt not to answer a question while another Trustee has the floor.
3. Once recognized by the Chair, a Trustee shall not be interrupted while speaking unless called to order by the Chair or unless another Trustee raises a point of order or personal privilege. If a Trustee, while speaking, is called to order, they shall cease speaking until the question of order is determined and if determined to be in order, may proceed.



## **SECTION V: Role of District Staff**

- A. District staff will provide written analysis and information on all agenda items prior to the meetings, if needed. Additionally, a copy of the materials, including technical reports, will be available to the public.
- B. Staff, if needed, will be available to answer questions of the Trustees prior to and during Board meetings subject to the direction of the General Manager.
- C. Staff will not be required to debate issues with the public or the Board.
- D. During Board meetings, Trustees and staff shall turn off or switch any electronic equipment such as pagers and cellular telephones to a silent mode.
- E. Trustees and staff who participate in meetings with outsiders should be apprised of any follow up correspondence to that party, if needed, particularly if there is some controversy; the General Manager and all Trustees should get copies of all correspondence.
- F. Staff will remain objective on issues. Staff should not be an advocate for issues unless so directed by the General Manager and/or the Board. Rather, they should promote or assist the efforts of the Board.
- G. Staff will inform the Trustees as soon as possible of upcoming issues, particularly issues that will impact the District significantly and may be coming before the Board on short notice.
- H. If only one or two Trustees feel something is controversial or a “hot” issue and it may be coming before the Board, the General Manager will inform the Chair on the issue. It is up to the Chair to inform other members of the Board.
- I. The General Manager will advise management to become more aware of and sensitive to potentially political or controversial issues coming before the Board.
- J. Staff will implement all Board policies as directed by the General Manager; staff will not implement any actions for the District without prior approval of the Board and General Manager.

## **SECTION VI: Role of the Public**

- A. Members of the public attending the Board meetings shall observe the same rules and decorum applicable to the Trustees and staff.
- B. Members of the public wishing to speak during the public participation portion of the Board meeting shall prepare a presentation of not more than three (3) minutes. Each person addressing the Board is given three (3) minutes to speak. Comments should be complete at this time.

- C. All speakers must approach the podium when recognized by the Chair. Speakers shall sign in and state their name for the record. Members of the public shall only speak from the podium. Applause, stamping of feet, whistles, yells or shouting, and/or similar demonstrations is unacceptable public behavior.
- D. Members of the public shall not make any impertinent and slanderous remarks, or become boisterous while addressing the Trustees or while attending the Board meeting in a manner that impedes the Trustees to conduct an orderly meeting.
- E. Members of the public shall turn/ switch any electronic equipment such as pagers and cellular telephones to off or a silent mode while attending a Board meeting.
- F. Members of the public shall not approach individual Trustees while the meeting is in progress.

#### **SECTION VII: Trustee Requests**

- A. All Trustee requests dealing with policy issues and those requests which may be construed as direction go through the General Manager, except for general inquiries or questions, in which case Trustees may go to department heads or key staff as provided in Section IV.C. Trustees will not direct employees.
- B. Any request from Trustees requiring financing or budget must go through the General Manager.

#### **SECTION VIII: Presentations and Events**

- A. Trustee presentations during a Board meeting are limited to the item or issue being deliberated. To ensure that the appropriate presentation equipment is available, Trustees must provide the General Manager advance notice of the intent to make a presentation.
- B. When there is an accomplishment by one or two Trustees, it is appropriate for them to be at the opening, groundbreaking, ribbon cutting, etc., to accept the recognition and acknowledgment along with the District staff that worked on the project. All Trustees will be informed of the event and given the opportunity to attend. If it is a major event or a District-wide accomplishment, particularly those that are positive and acknowledge the District's efforts, all Trustees will be invited to attend.
- C. During public presentations the Chair will represent the District; however, all Trustees will be consulted prior to the presentation and may be asked to represent the District at various events and meetings.

**SECTION IX: IHGID Agenda**

- A. Any Trustee or the Chair can put items on the agenda.
- B. Either staff or Trustees can present agenda topics.
- C. Items on the consent calendar shall only be those that are:
  - a. Administrative in nature (follows existing rules, procedures, ordinances, regulations, or Board policy direction)
  - b. Do not require a public hearing
  - c. Are not second readings of ordinances
  - d. Are items already approved in the budget
  - e. Are traditional and/or routine items.
- D. The General Manager will endeavor to identify controversial agenda items and associated issues to try and avoid any “surprise” conflicts. It should be recognized that sometimes this is unavoidable.
- E. Trustees will be given sufficient lead and preparation time for reviewing agendas.

**SECTION X: Closed Session Confidentiality**

- A. All proper matters discussed during closed sessions shall be private and confidential, and the disclosure by any Trustee or other person of the topics or details of such matters is expressly prohibited.
- B. If a Trustee feels it is necessary, then preliminary notes should be taken which should not be kept as the Board’s permanent records. All closed session information, verbal or written, is confidential and private.

**SECTION XI: Compliance and Enforcement**

- A. Trustees have the primary responsibility to ensure that ethical standards are understood and met by every Trustee, and that the public can continue to have full confidence in the integrity of government. Trustees shall abide by the terms of Nevada Revised Statutes Section 281 and 281A.
- B. The Chair and the Trustees have the responsibility to intervene when actions of members are in violation of the standard norms and procedures.

**SECTION XII: Administration**

- A. The Trustees will review and revise the Board norms and procedures as needed or every two (2) years.
- B. During Board discussions, deliberations, and proceedings, the Chair has been designated with the primary responsibility to ensure that the Trustees, staff and members of the public adhere to the Board’s norms and procedures.

Adopted this 7th day of September, 2016 by:

Chairman, Chris Johnson  
Board of Trustees

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Vice Chairperson, Denise Pierini  
Board of Trustees

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Secretary/ Treasurer, Brian Patrick  
Board of Trustees

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Trustee, Bill Eisele  
Board of Trustees

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Trustee, Ron Lynch  
Board of Trustees

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# **AGENDA ITEM 10.**

**Discussion and possible action to approve Draft Minutes from the November 15, 2023, 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 15, 2023**  
**Regular Board Meeting 6:00 P.M.**

**Trustees Present:** Chairman Dunham, Vice Chairman Stulac, Secretary/Treasurer Lufrano, Trustee Garcia, and Trustee Siegman.

**Trustees Absent:** none.

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

**Others Present:** District Counsel Chuck Zumpft, District Engineer's Collin Sturge and Tim Russell. Residents Kathy Waters, Ben Walker, Debbie Walker, and Tammy James.

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

1. **Call to Order**  
Request that Cell Phones and Pagers be turned off for recording purposes.  
Chairman Dunham called the meeting to order at 6:00PM.
2. **Pledge of Allegiance:** Led by Trustee Garcia.
3. **Public Interest Comment:** Resident Kathy Waters stated that she lives at 963 Opalite drive. Kathy stated thank you for changing the agenda and placing the reports at the top, it really helps it is hard for her to get through everything before the reports and the reports are also important. Kathy thanked Chris for coming out to her house to do the fire inspection on defensible space. Kathy stated that she got a call from BLM an hour later and he was there two hours later, this was on a totally unrelated matter, but she told him about the inspection visit and he, the BLM employee volunteered to help her out and it should be done by spring. Today the rockery work, they were able to deliver rock and she will be able to finish her yard. She is happy with the progress being made.

4. **Approval of Agenda**

*Vice Chairman Stulac motioned to approve the agenda. Secretary/Treasurer Lufrano seconded. Motion carried unanimously.*

**5. Reports to the Board:**

**a. General Manager Report**

General Manager Chris Johnson reviewed his report with the board.

**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 Collin Sturge stated on the Indian Drive project, we are in contract and construction will start on November 20<sup>th</sup> with the water and sewer portion complete by January 8<sup>th</sup> and the road in May. May 1<sup>st</sup> is the final completion date.

**d. Attorney Report**

District Counsel Chuck Zumpft stated he has nothing to report.

**Public comment: none.**

**6. Discussion only regarding the District's monthly water and sewer rates.**

General Manager Chris Johnson stated that the water rates for the regional water will be increasing 4.0% next fiscal year. Chris stated that he will bring a proposal back to the board in January.

The board briefly discussed this item.

**Public comment:** Resident Kathy Waters stated that she did see an increase in her utility bills between the summer and winter months, it was a 150% increase. The water is a small number on the bill stick with the water and think of things that will help residents offset the increase to balance it out.

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

General Manager Chris Johnson went through a slide show presentation showing accomplishments over the last year with the board. Chris asked for a 7.0% increase.

The board discussed this item at length.

**Public comment:** Resident Tammy James stated that the board knew this evaluation was coming and should have been prepared for it at the time it was given. To wait and think about it is just not



appropriate. As a Manager who worked for Douglas County, if she gave a review to her employees but said she had to think about giving them an increase, her employees would not have been happy, there would have been problems. It is just not right.

Member of the public, Brooke Thompson stated that Chris just received a good review, and the board does not want to give him a raise. It is not fair; he is doing a great job. We have come so far in the last two years, the progress we have made with employee moral from the previous General Manager has increased so much. Not giving Chris a raise will hinder that progress, what it will do to IHGID will not be good. He is not even asking for the same amount that the rest of the employees received. He deserves a raise; we are only talking about a couple thousand dollars.

*Trustee Siegman motioned to approve a 7.0% merit increase to General Manager Chris Johnson's annual salary based on his successful performance evaluation. Vice Chairman Stulac seconded. Motion passed 4-0. Yay by Chairman Dunham, Vice Chairman Stulac, Secretary/Treasurer Lufrano and Trustee Siegman. Trustee Garcia abstained from voting.*

**8. Discussion and possible action to approve Draft Minutes from the October 18, 2023, Board Meeting.**

*Vice Chairman Stulac motioned to approve Draft Minutes from the October 18, 2023, Board Meeting. Chairman Dunham seconded. Motion carried unanimously.*

**9. Chairman and Trustees Reports, Correspondence**

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

**10. Adjournment**

*Trustee Garcia motioned to adjourn the meeting. Chairman Dunham seconded. Motion carried unanimously.*

Meeting adjourned at 8:21P.M.

**FINAL APPROVED MINUTES AS PRESENTED**

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**Secretary/Treasurer  
Vicky Lufrano**