

**SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT  
WASHOE COUNTY, NEVADA**

MONDAY

1:45 P.M.

MAY 15, 2000

PRESENT:

Ted F. Short, Chairman  
Jim Shaw, Vice Chairman  
Joanne Bond, Commissioner  
Jim Galloway, Commissioner  
Pete Sferrazza, Commissioner

Pauline Reese, Deputy County Clerk  
Katy Singlaub, County Manager  
Madelyn Shipman, Legal Counsel  
Paul Orphan, Senior Utility Engineer

The Board met in special session in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, and conducted the following business:

**00-13STM BUDGET - STMGID - FISCAL YEAR 2000/2001**

**1:45 p.m.** This time was set in a Notice of Public Hearing published in the Reno Gazette Journal on May 5, 2000, to provide for public comment in the consideration of the adoption of the South Truckee Meadows General Improvement District final 2000/2001 fiscal year budget. Proof was made that due and legal Notice had been given.

Chairman Short opened the public hearing.

Jeff Tessier, Senior Accountant, Department of Water Resources, advised that the *ad valorem* tax is expected to increase by 2.35 cents per \$100 of Assessed Valuation. He explained that this is due to the District using \$100,000 of investment income for the debt payment. He continued that with the heavy cash demands for capital improvement projects, it is expected the \$100,000 will not be available so a reversion back to the *ad valorem* taxes is necessary to make the scheduled bond payments. He noted that a 22 percent increase in revenue over 1999 is expected this year. He explained that there was an actual comparable amount of increase in revenue due to the extended irrigation season. He advised that a 5% increase in the service base is expected next year as well. He noted that the reimbursement to Washoe County of 1.078 million dollars has increased by 25% over the last year.

He said the increase is needed because wages and salaries will increase by about 20%, and then delineated other factors which contribute to that need. Some cited were a significant program for valve turning pressure, meter calibration, and the Local Managing Board's request of the Water Resources Department to investigate their water rights usage on surface and groundwater rights. He noted that there will also be the conduction of a full-book physical audit on infrastructure assets in anticipation of the rate study which will take place next year for the STMGID. Professional services are expected to increase by 16% primarily due to the \$50,000 contingency for the unscheduled repair and replacement and new capital projects and increases in some service contracts due to a 3% inflation factor. He continued that parts and supplies are also expected to increase 16% due to the efforts on the aforementioned pressure reducing valve replacement and repair. Because of the full metering in the STMGID, he noted system losses will have to be abated with repair and maintenance.

He stated that the next year, demand on cash reserves are expected to be significant primarily for the building of the Galena Tank at a cost a little over 2 million dollars, the equipment of two wells at \$650,000, and drilling an additional well for an additional \$325,000. This is also an additional reason to increase the *ad valorem* taxes as there was insufficient investment income to help make debt payments next year.

Ted Rolffs, Fiscal Compliance Officer, Water Resources, answered questions regarding the rate increase, the cash balance, and the support of the debt payment for the sewer bonds. It was reported that the bond issue has a fluctuating mill rate and is a fixed payment per year which includes \$270,000 principal and \$51,765 interest for a total of \$321,165. It was stated that this will be paid off in the year 2003.

Following a question and answer session and a discussion on the debt payment, on motion by Commissioner Bond, seconded by Commissioner Shaw, which motion duly carried, Chairman Short ordered that the final budget of the South Truckee Meadows General Improvement District for fiscal year 2000/2001 be approved. It was further ordered that submission to the Department of Taxation be authorized following execution by all members of the Board.

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There being no further business to come before the Board, the meeting adjourned.

TED F. SHORT, Chairman  
South Truckee Meadows General Improvement District

ATTEST: AMY HARVEY, County Clerk