

**BOARD OF TRUSTEES
SOUTH TRUCKEE MEADOWS GENERAL IMPROVEMENT DISTRICT
WASHOE COUNTY, NEVADA**

TUESDAY

5:00 P.M.

NOVEMBER 18, 2008

PRESENT:

Bob Larkin, Chairman
Bonnie Weber, Vice Chairperson
Jim Galloway, Trustee
David Humke, Trustee
Kitty Jung, Trustee

Amy Harvey, County Clerk
Katy Simon, County Manager
Melanie Foster, Legal Counsel
John Buzzone, Sr. Licensed Engineer, Water Resources

The Board convened in regular session at 6:02 p.m. in the Commission Chambers of the Washoe County Administration Complex, 1001 East Ninth Street, Reno, Nevada, and conducted the following business:

08-54STM AGENDA ITEM 2

Agenda Subject: “Public Comment. Comment heard under this item will be limited to two minutes per person and may pertain to matters both on and off the STMGID Board of Trustees agenda. The Trustees will also hear public comment during individual action items, with comment limited to two minutes per person. Comments are to be made to the Trustees as a whole.”

There was no response to the call for public comment.

08-55STM AGENDA ITEM 3

Agenda Subject: “Approve minutes for the Board of Trustees Meeting of September 23, 2008. (p. 1)”

On motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, it was ordered that Agenda Item 3 be approved.

08-56STM AGENDA ITEM 4

Agenda Subject: “Consideration of and possible motion to cancel the December 23, 2008 regularly scheduled STMGID Trustees Meeting and to reschedule the meeting to December 16, 2008, and direct staff to post notice of the same. (p. 7)”

On motion by Trustee Humke, seconded by Trustee Weber, which motion duly carried, it was ordered that Agenda Item 4 be approved.

08-57STM AGENDA ITEM 5

Agenda Subject: “Presentation, discussion, and acknowledge receipt of the South Truckee Meadows General Improvement District’s Comprehensive Annual Financial Report for FY 2008 and audit opinion from Kafoury, Armstrong, and Company. (p. 8)”

Felicia O’Carroll, Partner, Kafoury Armstrong, and Company, noted the report consisted of just financial statements and was not a Comprehensive Annual Financial Report for the South Truckee Meadows General Improvement District (STMGID). She said this report was presented to the Local Managing Board (LMB) last night and they recommended approval following approval by the Board of Trustees.

Ms. O’Carroll said STMGID received a clean audit opinion, which was the highest level of assurance offered by the Audit and CPA professions. She noted there needed to be several things read into the record for this to be a formal acceptance of the report under Nevada Revised Statutes. She advised it was a clean opinion and there were no potential statute violations or recommendations noted in the report.

Ms. O’Carroll noted STMGID had an operating income of \$385,000 for the year, its income before capital contributions was \$1,061,744, it had an overall increase in net assets of \$1,652,269, and its unrestricted and restricted cash combined increased by \$1.4 million.

Chairman Larkin stated on page 2A of the report it noted operating revenues increased by \$154,500 or 6.3 percent over the prior year, while operating expenses increased \$153,167 or 7.4 percent. He asked if those numbers should give the Trustees any cause for concern. Ms. O’Carroll replied there was no cause for concern because the operating revenues included depreciation, which was a non-cash expense. She stated even though there was a slight increase from the cash standpoint in operating expenses, a lot of STMGID’s revenue came from non-operating capital contributions and contributions from hookups. She noted that revenue was shown as non-operating revenue. Ms. O’Carroll said there was a modest increase of about \$112,000 paid for the Washoe County contract and there was a well deepening expense of approximately \$42,000, which made up the vast majority of the increase.

On motion by Trustee Humke, seconded by Trustee Jung, which motion duly carried, it was ordered that Agenda Item 5 be acknowledged.

08-58STM AGENDA ITEM 6

Agenda Subject: “Management Report (p. 50)

- (a) Customer Water Usage Report – November 2008 (p. 51)**
- (b) Well Level Report – November 2008 (p. 56)**
- (c) Work Order Summary – November 2008 (p. 63)**
- (d) Financial Report – November 2008 (p. 66)**
- (e) Minutes of Local Managing Board regular meeting of October 20, 2008 (p. 71)”**

There was no action taken on this item.

08-59STM AGENDA ITEM 7

Agenda Subject: “Trustees, LMB, and Staff Comments (limited to announcements, requests for information, statements relating to items not on the agenda or issues for future agendas.)”

Steve Cohen, Local Managing Board (LMB) Chairman, commented that the LMB approved the purchase agreement for the property for Well #12 last night, and it would be on the December 16, 2008 Board of Trustees agenda for final approval. He stated if it was approved then and if everything else fell into place, work would start on December 17th.

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6:10 p.m. There being no further business to come before the Board, on motion by Trustee Humke, seconded by Trustee Jung, which motion duly carried, the meeting was adjourned.

ROBERT M. LARKIN, Chairman
South Truckee Meadows General
Improvement District

ATTEST:

AMY HARVEY, County Clerk and
Ex-Officio Secretary, South Truckee
Meadows General Improvement District

Minutes Prepared by Jan Frazzetta, Deputy County Clerk