



Board of Trustees
Minutes of Special Meeting
Friday, May 16, 2014
12:00 P.M.
Board Room
Minden-Gardnerville Sanitation District
1790 Hwy. 395
Minden, Nevada

Board Members Present:

Robert Allgeier
Mark Dudley
Barbara Smallwood
Raymond Wilson
Michael Henningsen

Staff Members Present:

Frank Johnson
April Burchett
Brian Buffo
Sarah King

Others Present:

Richard Peters

Board Members Absent:

None

Meeting called to order at 12:00 p.m. by Chairman Ray Wilson.

Public Comment – There was no public comment.

Public Hearing for Tentative Budget Fiscal Year 2014-2015 – Frank Johnson presented the revised numbers for the budget, including the reduction to the County Road project budget as well as the corrected operations amount discussed at the May 6 regular Board meeting. Frank also reduced the budget for the Collection System Cleaning by an additional \$10,000. The result is that the Service & Supplies total budget amount is \$761,200, a reduction of \$32,500 from the prior fiscal year. The capital budget was reduced to \$699,032. The result of these deductions will be a net cash increase of \$4528. Discussion followed regarding the current number of full-time employees, as well as current and past part-time employees. Bob noted that the final payment date on Page 8 is shown as 2024 and should be 2029. Frank will double check the payoff date and correct it as needed.

Bob asked Richard to be present at the last board meeting regarding the ARRA reimbursement, but the item did not come up due to the length of the meeting. Discussion followed regarding the history of the Co-gen project. The money that is used to repay the loan comes from the capital funds, which reduces the restricted income by 40%. Looking at the restricted accounts set up by the prior boards, he suggests that the ARRA payment be taken out of the general operating funds, which would keep all the capital income available for capital projects. Richard stated he will work with Frank on doing that, but it doesn't change the budget at this time. Frank reported that we're at about 60% capacity, and he does not see any improvements being made in the next 20 to 30 years. Frank stated that the money earmarked for capital



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projects is coming in, but is not being spent, so the money will be in place at the time the improvements will be needed. Discussion followed regarding approaching the State again to offer to pay off the loan early. Mike asked Richard about the flexibility of moving money from a restricted account to the operating account. Richard replied that by Board resolution, money can be moved in and out of restricted and operating accounts, and the restricted account income percentages changed. Ray asked if it has to be approved at the state level, and Richard said no. Mike wondered what the implications were of repaying the ARRA loan out of the operating account. Richard stated that he would prefer to have restricted accounts for capital projects, and this proposal will leave all the capital income available for capital projects. Barbara asked for a list of restricted accounts on one sheet to make it easy for the Board to understand when this comes to the Board for a vote. Sarah will show all the restricted accounts on the monthly income reports, including the odor control fund which is a fixed amount. **Motion by Michael Henningsen to adopt the final budget for the fiscal year 2014-2015 with a tax rate of 0.1224.** Seconded by Bob Allgeier. Motion carried.

Discussion followed regarding how medical HSA accounts are set up and funded.

Public Comment – Ray will try to have Nu-Systems come in during the July meeting to explain the security system.

Meeting adjourned at 1:00 p.m.

Approved _____ Date _____
By _____