

**MINUTES
MOAPA VALLEY WATER DISTRICT
BOARD OF DIRECTORS MEETING
HELD
THURSDAY, DECEMBER 4, 2020**

PRESENT: Randy Tobler
Jon Blackwell (Absent)
Kenneth Staton
Lindsey Dalley
Ryan Wheeler (Phone)
Susan Rose
Kiley Bradshaw
Joe Davis
Lon Dalley
Jeannie Poynor
Byron Mills
Chad Atkinson - Hinton Burdick (Phone)

ORDER OF BUSINESS: At 3:00 p.m., Chairman Randy Tobler called to order the regular meeting of the Moapa Valley Water District Board of Directors. The agenda items were addressed in the following order:

- 1) **Public Comment (May be limited to five minutes)**
- 2) **Approval of the Minutes of the previous meeting held November 12, 2020 (For Possible Action)**

On motion of Lindsey Dalley and seconded by Ken Staton, the Board voted 4-0 in favor to approve the minutes of the September 10, 2020 meeting.

- 3) **Request refund on previous owner's water bills (For Possible Action)**

This item has been postponed until further notice from the owner.

- 4) **Presentation of the FY20 Audit (For Possible Action)**

Chad Atkinson was on the phone for this item.

This was an on time delivery as it pertains to the NRS so they were happy about that even though they were here in December.

He had a presentation on the audit. Chad covered the audit reports first.

The independent auditors report this year is unmodified so there was a clean opinion. There were no issues or problems there.

Next, he talked about the Report on Compliance and on Internal Control over Financial Reporting. He was happy to report that this year they didn't run into any deficiencies so there were no findings in fiscal year 2020.

They also did a report on State Compliance for fiscal year 2020. There were also no finding on this either.

The District continues to put internal controls in place in order to follow the NRS guidelines and also adapts to legislature changes so there were no findings to report which they were happy about.

Those were the reports for this year.

He then talked about the financial highlights and he had slides for the directors to see what he was talking about.

The first slide was the District's Revenue & Expense Trends. He also had them go to page 12 in the financial statements. That page contained the operating income, operating expenses, total operating expenses, net operating income (loss), non-operating income (expense), change in net position and net position - ending. 2019 and 2020 were on this report.

The next slide shows an increase in operating income from fiscal 2019 and 2020. That income was \$137,000. This was mostly due to a rate increase in 2020. It also looks like water usage was up a little bit.

On the operating expense side, those increased by 302,000 the previous year. He went back thru his files to try to identify some of the main increases there. He had a list of the increases.

1. Salaries and wages were up \$50,000
2. Benefits were up about \$50,000
3. Engineering went up \$40,000
4. There was more media usage which went up \$30,000
5. Legal costs were up \$25,000
6. Building and maintenance was up \$25,000
7. Appreciation was up \$30,000
8. Banked meters closeouts went up \$60,000

Revenues were up \$177,000 and expenses were up 302,000 so change in net position was down from the previous year. It went from a \$800,003 positive to \$669,000 positive so there was a decrease there.

He talked about the non-operating income items. Those went down a little bit from the previous year.

He went to net position next. There were four things they were tracking here. They were net investment in capital assets, restricted, designated and unrestricted. These had an increase the previous year due to some capital asset purchases. The main ones were: \$308,000 for the main on Yamashita, \$123,000 on meter replacements, \$99,000 for a new service truck, and a \$105, 000 for Arrow Canyon Basin and there were some other small items.

Next was unrestricted. The unrestricted net position was down \$58,000 from the previous year so that was pretty consistent for the entire year. There was 13 months of operating reserves on hand which is a positive.

The designated fund balance was the next one he wanted to report on. It's at \$860,791. That's down from the previous year. That was mostly due to a purchase of arsenic media. Part of the designated amount the previous year of a little over \$1,000,000. We have this money set aside because of the grants that we have received.

Cash Trends - Overall the cash position is strong at \$5.7 million from the prior year. There were some things that utilized the cash.

Operating Expenses - There were some banked meters purchases, and some capital purchases.

On motion of Lindsey Dalley and seconded by Ken Staton, the Board voted 4-0 in favor to approve the FY20 Audit.

5) Discussion & possible approval of a 4% - 5% rate increase (For Possible Action)

Ryan said that he would be more comfortable doing this after the holidays. This will be on next month's agenda.

6) Public Comment

None

**7) Director's Preference
- Review Monthly Expenditures**

Randy Tobler disclosed that he has an interest in a small business that is on the monthly expenditures list.

- Litigation (Closed Door Session)
- Other Related Water Rights Issues

On motion of Ken Staton and seconded by Lindsey Dalley, the Board voted 4-0 to call a closed-door session at 3:23 pm.

On motion of Chairman Tobler and seconded by Lindsey Dalley the Board voted 4-0 to reconvene the

open-door session at 3:55 pm.

8) Personnel

Approve the employee Christmas Bonus (For Possible Action)

On motion of Ken Staton and seconded by Lindsey Dalley, the Board voted 4-0 to approve a \$500 employee and management Christmas Bonus.

9) Approval of the January 14, 2021 Board Meeting

The General Consensus was to have the next board meeting on January 14, 2021 at 4 p.m.

10) Public Comment (Maybe limited to five minutes)

None

11) Adjournment

The meeting adjourned at 4:00 p.m.