

May 29, 2021

To: Board of Trustees, Indra Winquest, Paul Navazio

cc: Audit Committee - Proper Disclosure Requirements - Note 15 of 2020 CAFR (information only)

From: Clifford F. Dobler

Re: Cash Position of Utility Fund 2020 to 2022

Over several Board of Trustee meetings, nowhere in the array of budget documents was any analysis provided of what is and what will be the AVAILABLE cash position after the Board of Trustee mandated restriction/reserve of cash for the Effluent Pipeline project and the cash held on behalf of the Tahoe Water Suppliers Association which has been set aside from all of the cash accounts (cash and cash equivalents, short term investments and investments - long term).

Attached is a Computation of Available Cash Positions as of 2020, the estimated amount for fiscal year 2020/2021 and the budgeted amount for fiscal year 2021/2022.

June 30, 2020

As stated in the June 30, 2020 CAFR, the cash held in the utility fund was \$14.724 million.

After setting aside cash of and for:

- \$11.570 million for the Effluent Pipeline Project unanimously approved by the Board of Trustees in March and August of 2020
- \$772,000 for the interest earned from investing the Effluent Pipeline money, which under Board Policy is required to be set aside. Nothing was ever done after the IVGID Audit Committee recommended the set aside and the Board of Trustees agreed with the recommendation. No agenda items has been brought to the Board of Trustees to restrict, "reserve" or "designate" these funds for the Effluent Pipeline project.
- \$157,000 for cash held on behalf of the Tahoe Water Suppliers Association

Then.

The remaining cash available after these removals was only \$2.225 million slightly above the appropriate levels described in Board Policy/Practice 7.1.0 and 7.2.0

June 30, 2021 estimate

As stated in the State Budget form 4404LGF, IVGID staff has estimated that the cash used for expenditures will exceed cash flow from operating activities by \$2.458 million for the fiscal year ending June 30, 2021.

As a result, **there will be NO remaining cash available after the restricted set asides and association** funds are separated and according to the Staff estimate, \$233,000 will be required to be drawn from the Effluent Pipeline project restricted/reserved set aside cash. While this misappropriate of funds may not be a direct violation of NRS 354.626, the intent of the Board and Staff is to spend some of the Pipeline set aside. One could be confused by the \$3.033 million indicated as "capital contributions" which would seem money came from some other outside source. These funds are nothing more than transferring cash from the short and long term investments which existed at June 30, 2020. In other words, taking money

from one pocket and putting the same money into another pocket. No new money. Calling these transfers as a "Capital Contribution" is a stretch to anyone's imagination.

June 30, 2022 budget

As stated in the State Budget form 4404LGF for fiscal year ending June 30, 2022 which the Board of Trustees approved on May 26, 2021, expenditures will exceed cash flow from operating activities by \$2.515 million. As there is NO other known resources indicated other than from hope, the Board **approved and intends to use** \$2.515 million of the Pipeline set aside restricted money to spend on other capital projects. To authorize spending money which the Utility Fund does not have is very unorthodox and defies logic. The budget is to appropriate money to spend. The budget alone is an intent to spend. How could this Board approve spending money which is NOT AVAILABLE.

This abuse of using funds set aside for a specific project without any disclosure is a direct violation of any standards required by any Fiduciary holding restricted funds for the public and other entities.

While the budget expenditures for fiscal 2021/2022 have not yet been spent but are intended to be spent thus requiring the use of RESTRICTED FUNDS for other purposes, a violation of NRS may exist. This is for legal counsel to determine and twist. Not kosher to me.

Based on the budget, NRS 354.626 will be violated once the expenditures are made unless immediate action is taken to provide funds for the budgeted expenditures.

Conclusion

It is time to end the parade of misunderstanding, the hocus pocus, the changing of words, the deception, lack of disclosure and irresponsibility. Bring forth an agenda item at a future Board meeting which will clearly state the Board of Trustees decision to release \$2.780 million of the restricted/reserved funds for the Effluent Pipeline which has been authorized to spend on other acquisitions of capital assets.

This Board of Trustees simply, in good conscience, should not approve a budget without having proper resources to fund expenditures.

Intending to obtain unknown future resources is not an acceptable answer to stray from reality.

Make things right and be a fiduciary .

There should be a special meeting of the Board of Trustees as soon as possible

Postscript

Be aware that after removing all cash accounts from working capital on June 30, 2020 , there was **negative** working capital of \$123,015 which is unheard of in the annals of what would be considered prudent management.

Also be aware that the \$2.184 million of "reserves", required by Board policy 7.1.0 does **not exist** and IVGID management has not provided any plan of replenishment .

Attachments

Computation of Cash Positions

- Exhibit A - fiscal year 2020 CAFR
- Exhibit B - State Budget Form - Statement of Cash Flows
- Exhibit C - Investment earnings set aside for Phase II of Effluent Pipeline 2013 to 2020
- Exhibit D - Note 15 of 2020 CAFR - Designated Funds
- Exhibit D-1 - Excerpt of Minutes of March 11, 2020 IVGID Board of Trustee meeting - 3 pages
- Exhibit D-2 - Excerpt of Minutes of August 12, 2020 IVGID Board of Trustee meeting - 3 pages

ATTACHMENT Computation of Cash Positions

Incline Village General Improvement District Utility Fund - Cash Positions 2020 to 2022 in thousands

Fiscal 2020 - CAFR - EXHIBIT A

Cash	\$	9,415	
Short Term Investments		3,772	
Long Term Investments		1,537	
Set Asides Note 15		<u>14,724</u>	
Effluent Pipeline (See note 1 below)		(9,657)	Board restricted on 3-11-2020
Effluent Pipeline (See note 1 below)		(1,913)	Board reserved on 8-12-2020
Other required reductions			
Interest on Pipeline Set Aside		(772)	Board Policy - 13.2.Exhibit C
Tahoe Water Suppliers Association		<u>(157)</u>	Fudiciary Funds
Cash Position - End of Fiscal year 2020	\$	2,225	

Fiscal 2021 - form 4404LGF EXHIBIT B

Operations	5,196		
Acquisition Capital Assets - Note 2 below	(7,140)	includes \$2m for pipeline	
Sale of Assets	6		
Payments on Debt	(538)		
Interest on Debt	(97)		
Interest Earned	<u>115</u>		
	<u>(2,458)</u>		
NEGATIVE - Cash Position End of Fiscal year 2021	\$	(233)	

Fiscal 2022 - form 4404LGF EXHIBIT B

Operations	3,271		
Acquisition Capital Assets	(5,217)	includes \$2m for pipeline	
Sale of Assets	-		
Payments on debt	(554)		
Interest on Debt	(89)		
Interest Earned	<u>74</u>		
	<u>(2,515)</u>		
NEGATIVE CASH POSITION - End of fiscal year 2022	\$	(2,748)	

Note 1 - Note 15 of the 2020 CAFR states these funds are designated funds which is incorrect, Board unamously apporved restricted and reserved funds.

Note 2 - This does not agree with the report on page 130 of Board packet of May 26,2021 which states \$6,975,454 Difference is only \$165,000

EXHIBIT A

INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT PROPRIETARY FUNDS STATEMENT OF NET POSITION JUNE 30, 2020

	Business - type Activities Enterprise Utility Fund	Governmental Activities Internal Services Fund
ASSETS		
Current assets:		
Current Assets other than cash \$1,436,889	\$ 9,415,167	\$ 125,554
	3,791,702	-
	1,268,002	-
	17,560	-
	12,881	-
	151,327	69,919
Total current assets	<u>14,656,639</u>	<u>195,473</u>
Noncurrent assets:		
	1,537,061	-
	100	-
	229,223	-
	93,572	-
	<u>1,859,956</u>	<u>-</u>
Capital Assets		
	6,715,544	-
	1,607,772	-
	15,596,832	-
	114,599,557	-
	3,882,231	253,869
Total capital assets	<u>142,401,936</u>	<u>253,869</u>
Less: accumulated depreciation	(75,114,633)	(189,522)
Total capital assets (net)	<u>67,287,303</u>	<u>64,347</u>
Total noncurrent assets	<u>69,147,259</u>	<u>64,347</u>
Total assets	<u>83,803,898</u>	<u>259,820</u>
LIABILITIES		
Current liabilities:		
	355,031	24,581
	444,160	72,353
	54,080	-
	167,926	-
	538,707	-
Total current liabilities	<u>1,559,904</u>	<u>96,934</u>
Non-current liabilities:		
Non-current long term debt	<u>3,546,231</u>	<u>-</u>
Total liabilities	<u>5,106,135</u>	<u>96,934</u>
NET POSITION		
Net investment in capital assets	63,202,365	64,347
Restricted	322,895	-
Unrestricted	<u>15,172,503</u>	<u>98,539</u>
Total net position	<u>\$ 78,697,763</u>	<u>\$ 162,886</u>

The notes to the financial statements are an integral part of this statement.

EXHIBIT B

PROPRIETARY FUND	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/22	
	ACTUAL PRIOR YEAR ENDING 6/30/2020	ESTIMATED CURRENT YEAR ENDING 6/30/2021	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	12,352,585	12,492,674	12,783,176	12,796,676
Receipts from interfund services	167,499	144,759	241,400	241,400
Receipts from operating grants	-	31,000	31,000	31,000
Payments to and for employees	(4,051,848)	(4,154,486)	(4,669,314)	(4,723,960)
Payments to vendors	(4,055,051)	(2,825,219)	(3,922,603)	(4,526,170)
Payments for interfund services	-	(492,709)	(536,613)	(547,540)
a. Net cash provided by (or used for) operating activities	4,413,185	5,196,019	3,927,046	3,271,406
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfer from General Fund	45,000	-	-	-
b. Net cash provided by (or used for) noncapital financing activities	45,000	-	-	-
C. CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	(1,529,939)	(7,140,286)	(4,279,000)	(5,216,500)
Proceeds from sale of assets	11,227	6,070	-	-
Payments of capital related debt	(523,988)	(538,707)	(553,841)	(553,838)
Capital contributions <i>this is just using LT & ST cash</i>	-	3,032,786	-	-
Payment of interest	(119,145)	(96,914)	(89,293)	(89,291)
c. Net cash provided by (or used for) capital and related financing activities	(2,161,845)	(4,737,051)	(4,922,134)	(5,859,629)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Restricted investment released (increased)	(6,284)			
Investments purchased	(1,302,993)			
Investments sold or matured	3,749,128			
Investment interest received	312,774	114,540	74,000	74,000
d. Net cash provided by (or used in) investing activities	2,752,625	114,540	74,000	74,000
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	5,048,965	573,508	(921,088)	(2,514,223)
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	4,366,202	9,415,167	9,988,675	9,988,675
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	9,415,167	9,988,675	9,067,587	7,474,452

Incline Village General Improvement District
(Local Government)

SCHEDULE F-2 STATEMENT OF CASH FLOWS

Utility Fund

CIP Budget \$4,279,000
 Carryover Pond 1,550,000
 Expenses Items (612,500)
Total \$5,216,500

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Schedule F-2

To my knowledge, there was never an approval to budget \$1,550,000 for the Pond lining so there could not be a carryover. Not listed on popular report. 45

Exhibit C

**Incline Village General Improvement District
Utility Fund
Investment Earnings set aside for Phase II of Effluent Pipeline
Compliance with Board Policy and Practice 13.2.0 2.3**

Fiscal Year	Expressed in Thousands - From CAFR				Pipeline Portion	% Pipeline	CAFR Investment Earnings	Pipeline Portion
	Cash	Short Term Investments	Long Term Investments	Total				
2013	\$ 418	2,300	5,115	7,833	2,683	34.25%	56	\$ 19
2014	427	950	7,065	8,442	5,251	62.20%	61	38
2015	340	1,000	9,075	10,415	6,506	62.47%	82	51
2016	79	7,826	3,624	11,529	7,900	68.52%	154	106
2017	1,796	6,797	3,985	12,578	9,405	74.77%	60	45
2018	6,764	1,190	3,453	11,407	8,662	75.94%	71	54
2019	4,366	2,248	5,527	12,141	9,657	79.54%	283	225
2020	9,415	3,792	1,537	14,744	11,570	78.47%	298	234
Should be transferred to reserved funds								<u><u>\$ 772</u></u>

Exhibit D

15. DESIGNATED FUNDS

At its meeting of March 3, 2020 the Board of Trustees took action to ¹¹ designate \$9,656,890 for the purpose of earmarking the funds for the Effluent Pipeline Project. On August 12, 2020 the Board designated an additional \$1,912,767 the Effluent Pipeline Project from unexpended appropriations provided for in the FY2019/20 budget. These two Board actions result in a total of \$11,569,657 for this project. The funds designated for the Effluent Pipeline Project represent a portion of funds received by the District from utility rate revenues established and collected specifically for Utility capital improvement projects.

Notwithstanding the Board's action to ^{restricted and reserved} designate funding for the Effluent Pipeline Project, this funding remains in the unrestricted net position of the District's business-type activities on the government-wide Statement of Net Position. This is due to the determination that the Board's designation does not rise to the level of meeting the criteria set forth in GASB Statement No. 54 for "restricted" net position within proprietary funds.

Who determined that

16. LEASE OBLIGATIONS

Revenue:

Miscellaneous revenue includes rent received for cell towers on District property. Under an agreement with American Tower, \$20,685 was paid for a tower at the Mountain Golf Course. The current five-year term is from April 2017 and ends in 2022, with the option for extensions every five years through 2037, cancelable by either party. Rent increases 3% per year. Under an agreement with AT&T \$19,572 was paid for a tower at the Mountain Golf Course. The current five-year term is from October 2015 and ends in 2020, with automatic extensions every five years, through 2035, cancelable by the tenant. Rent increases 3% per year. Under an agreement with AT&T \$64,155 was paid for a tower at Diamond Peak Ski Resort. The current five-year term is from July 2018 ends in 2023, with extensions every five years, cancelable by the tenant, through 2038. Rent increases 3.5% per year. Revenue in the amount of \$11,197 was also received from T-Mobile (assigned to Crown Castle) for a cell tower lease at Diamond Peak Ski Resort. Its term is June 2017 to 2022 with 1 option to renew for 5 years.

	American Tower Lease	AT&T	AT&T	T-Mobile	Parasol Foundation	Reno-Sparks Convention and
FY 2021	\$ 21,305	\$ 20,159	\$ 66,400	\$ 11,197	\$ 1	\$ 1
FY 2022	21,945	20,764	68,724	11,384	1	1
FY 2023		21,386	71,130		1	1
FY 2024		22,028			1	1
FY 2025		22,689			1	1
FY 2026					1	1
FY 2027					1	1
FY 2028					1	1

District leases 1.5 acres of property adjacent to the Incline Village Middle School to the Parasol Foundation for \$1.00 per year.

District leases property located at 969 Tahoe Boulevard to the Reno-Sparks Convention and Visitor Authority for \$1.00 per year.

Expenses:

Golf Cart Lease – In fiscal year 2019/20 the District entered into an Installment Purchase Agreement with PNC Equipment Finance, LLC for a fleet of replacement golf carts for the Mountain Golf Course. The District's total obligation under this agreement total \$121,605 paid in 48 equal monthly installments. The lease started in July 2020, with the first payment against this obligation made in June 2020 in the amount of \$2,533.

The District holds a Use Permit for Diamond Peak operations and activities on property owned by the U.S. Forest Service adjacent to District-owned property. The District pays an annual permit fee based on revenues generated by selected Ski operations. The fee amount for the fiscal year ending June 30, 2020 was calculated at \$52,000.

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2020/2021 season passes including an Early Bird (Tier 1) through April 30, 2020, a Preseason (Tier 2) May 1 – October 31, 2020, and a Regular Season (Tier 3) rate, beginning November 1, 2020 through the end of the ski season in 2021. Trustee Morris seconded the motion. Chairman Callicrate called the question and the motion carried unanimously.

Trustee Wong moved to approve a Non Resident ski season pass rate increase of twenty dollars (\$20.00) to all pass products included in the Early Bird (Tier 1), Preseason (Tier 2), and Regular Season (Tier 3) categories excluding the 6 & Under and the 80+ products from the increase within all three tiers. Trustee Morris seconded the motion. Chairman Callicrate called the question and the motion carried unanimously.

Trustee Wong moved to approve a zero dollar increase to Resident ski season pass products included in the Early Bird (Tier 1), Preseason (Tier 2), Regular Season (Tier 3) categories as well a zero dollar increase to all Resident daily lift ticket products. Trustee Morris second the motion. Chairman Callicrate called the question and the motion carried unanimously.

F.3. Review, discuss and possibly restrict \$9,656,890 to the Effluent Pipeline Project, Project #2524SS1010 from the Unrestricted Net Position in the Utility Fund effective March 12, 2020 (Requesting Staff Member: Interim District General Manager Indra Winquest)

Interim District General Manager Winquest introduced the item and said there has been a lot of discussion after the workshop. He wanted to make sure we had this discussion in order to restrict funds at this point. He said we didn't include pond-lining project and that there was formal direction on how much to set aside for pond lining.

Chairman Callicrate said the Board had a lengthy discussion regarding restricting funds for the effluent pipeline and that as of today, we can only restrict \$9.6 million dollars. Interim District General Manager Winquest said we will bring this back to restrict the funds for the project.

Trustee Dent asked about including future funds to this motion. District General Counsel Velto said he would be hesitant. Chairman Callicrate said both the Interim District General Manager and the Director of Public Works

understands we can bring it back. He said let's take action on specifically what we want to do today and bring back on a future agenda item for future funding. Interim District General Manager Winquest said he wanted to get this on the agenda because there are members of the public who feel these funds are being spent down and we want to restrict them to this project.

Trustee Schmitz asked if we can back out the \$70,000 charged to that project. She said \$70,000 has been used and doesn't know how or when that was approved. The community has been under the impression the two million dollars was for the effluent pipeline. In this particular Fiscal Year, we got another \$70,000. Interim District General Manager Winquest said we can discuss this with Staff and bring it back.

Chairman Callicrate said that \$70,000 of the two million dollars has been spent and that we can rectify that and modify what we have listed so there is no confusion.

Trustee Wong said if \$70,000 was spent on pipeline, it's reasonable that it would be charged against the two million and move forward with \$1.9 million.

Chairman Callicrate said he wants to be more clear.

Hearing no further Board comments, Chairman Callicrate opened the matter to public comments.

Margaret Martini said she strongly supports restricting \$9.6 million to be used solely for the effluent pipeline of the six miles of failing pipeline. She said two million dollars was collected for more than seven years which was supposed to fund this project. It's unfortunate the District repurposed those funds to fund other projects. She said restrict two million dollars for 2020 and subsequent years.

Alexandra Profant agreed with Margaret Martini.

Aaron Katz read and provided a prepared statement.

Mark Alexander said please consider your and their words closely. They were talking about replacement. He spoke about slip lining instead of digging a ditch and dropping in new pipe. He said consider the type of work. He spoke about consequences. He said without consequences, there won't be changed behavior.

Hearing no further public comments, Chairman Callicrate closed public comments and brought the matter back to the Board.

Trustee Morris said he wanted clarification on restriction to a phase or the entire project. Chairman Callicrate said it is restricted for the effluent pipeline project in its entirety from overflow to the wetlands. We are making a commitment of \$9.6 million for the pipeline project. We have additional things we will have to address. He said it's not a bait and switch. If we restricted it to one specific point on the pipeline, and have a break somewhere else, that won't be helpful.

Trustee Schmitz said there were concerns in the community. Funds have been spent from this project for emergency repairs. She said this is for replacement and mitigation and not repairs. Trustee Schmitz spoke about the project summary as replace, upgrade, and remediate in project description. Interim District General Manager Winquest said he can bring this back with updated wording.

Trustee Dent said the capital improvement budget is on the March 25 agenda with project summaries and budget summaries.

Chairman Callicrate said the restriction of funds is on this agenda item.

Trustee Morris made a motion that the Board of Trustees restricts \$9,656,890 to the Effluent Pipeline Project, Project #2524SS1010 from the Unrestricted Net Position in the Utility Fund effective March 12, 2020. Trustee Dent seconded the motion. Chairman Callicrate asked if there were any additional Board comments.

Trustee Wong said that Staff has provided a history of the pipeline and gave a full accounting of what was spent on pipeline.

Chairman Callicrate, hearing no further comments, called the question – the motion was carried unanimously.

Chairman Callicrate called for a brief recess.

- F.4. Review, discuss, and possibly authorize the Audit Committee Chair to engage an independent expert for a sum not to exceed \$35,000 to give an opinion and/or guidance on the issues raised**

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Cedar and reference the project number and focus on the option and then Staff can bring back and clarify the funding and accounting. District General Counsel Nelson said that he agrees as the Board is not obligating any funds which is important to get clarification on which alternative. Chairman Callicrate asked if the Board needed a motion amendment or can we move forward? District General Counsel Nelson said it is a reference to a fund and not an obligation and that can be dealt with when this is brought back to obligate funds. Trustee Morris said that he would like to have the record include the project number rather than the other descriptor. District General Counsel Nelson said that doesn't change the motion.

Hearing no further comments, Chairman Callicrate called the question and the motion was passed unanimously.

Chairman Callicrate thanked everyone for their efforts and input. Engineering Manager Chorey asked for clarity on the CMAR process and should Staff continue or abandon. Chairman Callicrate said that there is an opportunity offline to discuss that question as he doesn't want to cloud the issue so let's touch base on this in the next day or so. District General Manager Winquest agreed to take it offline.

At 10:25 p.m., Chairman Callicrate called for a 5-minute break; the Board reconvened at 10:30 p.m.

H.3. Review, discuss and possibly take all or part of the following six (6) actions related to the District's Fund Balances. (Requesting Staff Member: Director of Finance Paul Navazio)

- a. **Acknowledge receipt of an update on Unaudited Fund Balances as of June 30, 2020.**
- b. **Authorize additional reservation of \$1,912,767 in unexpended utility rate revenue collected during Fiscal Year 2019/2020 in support of the District's Effluent Export Pipeline Project.**
- c. **Authorize commitment of \$1,360,000 in available fund balance in the General Fund for anticipated settlement of the property tax dispute filed against Washoe County et al, Nevada State Board of Equalization and the Department of Taxation by the Village League to Save Incline Assets, Inc. (Case No. CV03-06922)**

- d. **Authorize the District's General Manager to direct the District's Director of Finance to reflect allocation of estimated FY2019-20 year-end Community Services Special Revenue Fund fund balances as follows:**
 - i. **Reflect commitment of \$5,594,546 in support current year FY2020-21 Capital Improvement Projects, and**
 - ii. **Affect transfer of additional \$1,100,000 in Community Services Special Revenue fund balance to the Community Services Capital Fund(s) in support of future priority capital improvement projects.**
- e. **Outline and possibly set future agenda items in order to designate additional available fund balances in support of specific future Capital Improvement Projects in conjunction with the Board's ongoing refinement of the District's Capital Improvement Plan priorities for Fiscal Year 2020/2021 through 2024/2025.**

Director of Finance Navazio gave an overview of the submitted materials. Trustee Morris said that he feels comfortable with all of this as we have talked about this and understand the nomenclature and trying to keep us all on board. He understands the valid comment on getting our terminology consistent moving forward and that he would like to put off item e as Staff can bring back that item. Chairman Callicrate said he agrees. Director of Finance Navazio said that the only purpose is that a. through d. is not the end all and be all.

Trustee Morris made a motion as follows:

- a. Acknowledge receipt of an update on Unaudited Fund Balances as of June 30, 2020.
- b. Authorize additional reservation of \$1,912,767 in unexpended utility rate revenue collected during Fiscal Year 2019/2020 in support of the District's Effluent Export Pipeline Project.
- c. Authorize commitment of \$1,360,000 in available fund balance in the General Fund for anticipated settlement of the property tax dispute filed against Washoe County et al, Nevada State Board of Equalization and the Department of Taxation by the Village League to Save Incline Assets, Inc. (Case No. CV03-06922)

- d. Authorize the District's General Manager to direct the District's Director of Finance to reflect allocation of estimated FY2019-20 year-end Community Services Special Revenue Fund fund balances as follows:
 - i. Reflect commitment of \$5,594,546 in support current year FY2020-21 Capital Improvement Projects, and
 - ii. Affect transfer of additional \$1,100,000 in Community Services Special Revenue fund balance to the Community Services Capital Fund(s) in support of future priority capital improvement projects and that there may be additional actions in the future.

Trustee Wong seconded the motion. Chairman Callicrate asked for any further comments, hearing none, he called the question and **the motion was unanimously passed.**

J. APPROVAL OF MINUTES (for possible action)

J.1. Meeting Minutes of July 22, 2020

Chairman Callicrate asked for any changes, hearing none, the minutes were approved as submitted.

K. BOARD OF TRUSTEES UPDATE (NO DISCUSSION OR ACTION) ON ANY MATTER REGARDING THE DISTRICT AND/OR COMMUNITIES OF CRYSTAL BAY AND INCLINE VILLAGE, NEVADA*

Trustee Morris said that this coming Friday he shall be attending the Washoe County Debt Commission meeting.

L. PUBLIC COMMENTS* - Limited to a maximum of three (3) minutes in duration.

Margaret Martini passed on her opportunity to speak.

Yolanda Knaak said you did a great job and one thing on the refund, do it through Washoe County and have it come across on our tax bill as a credit.