

RESOLUTION 2018R-040

A RESOLUTION ESTABLISHING THE DOUGLAS COUNTY WATER UTILITY FUND

WHEREAS, NRS 354.612 requires the establishment of funds by a resolution of the Douglas County Board of Commissioners (the “Board”); and

WHEREAS, NRS 354.517 defines an “enterprise fund” as a fund established to account for operations that are financed and conducted in a manner similar to the operation of private business enterprises, where the intent of the governing body is to have the expenses, including depreciation and other ordinary costs, of providing goods or services on a continuing basis to the general public, financed or recovered primarily through charges to the users benefitting from those goods or services; and

WHEREAS, Douglas County has previously established separate enterprise funds for the various water utilities owned and operated by the County including the Fairgrounds, West Valley, East Valley, Jobs Peak, Sheridan Acres, Cave Rock/Uppaway, Zephyr Water Utility District, Skyland, and Sierra Country Estates water systems; and

WHEREAS, the Board has previously considered the adoption of Resolution 2010R-031 consolidating all of the County’s water utilities into one consolidated water system and enterprise fund with uniform water rates and charges; and

WHEREAS, on May 3, 2012, the Board adopted Resolution 2012R-029, creating the Carson Valley Water Fund (Fund 326), consolidating the County’s water utility infrastructure in the Carson Valley into one enterprise fund and establishing uniform water rates and charges; and

WHEREAS, in furtherance of the Board’s direction that the County’s water utilities should be fully consolidated, on June 2, 2016, the Board adopted Resolution 2016R-029 fully incorporating a new water system, the Sierra Country Estates Water System, into the Carson Valley Water Utility Fund; and

WHEREAS, on October 16, 2014, the Board adopted Resolution 2014R-039, creating the Lake Tahoe Water Utility Fund (Fund 327), and consolidated the County’s water utilities in the Lake Tahoe Basin but maintaining departments for the Cave Rock/Uppaway, Zephyr Water Utility District, and Skyland water systems; and

WHEREAS, Douglas County’s Fiscal Year 2018-22 Strategic Plan includes a goal to further consider the consolidation of the County’s water systems (Infrastructure Strategic Objective 2.5); and

WHEREAS, the Board desires to continue to fully consolidate the County’s water utility infrastructure into one enterprise fund as permitted under Nevada law; and

WHEREAS, the purpose of creating the Douglas County Water Utility Fund is to achieve greater economies of scale and to consolidate the accounting, budgeting, capital planning, operations, management and rate setting of all County owned and operated water utilities; and

WHEREAS, the existing working capital from the Lake Tahoe Water Utility Fund (Fund 327) and the Carson Valley Water Fund (Fund 326), including all associated departments, will be used to establish the Douglas County Water Utility Fund, and one of the financial objectives of the fund is to recover the full cost of operations for all County operated water utility infrastructure through user charges, without producing any significant amount of ongoing or long term profit; and

WHEREAS, the Douglas County Water Utility Fund will account for all revenues and all charges properly related to the purpose of this enterprise fund including, without limitation, debt service, capital outlays, and operating expenses; and

WHEREAS, the Douglas County Water Utility Fund will follow Douglas County financial policies for enterprise funds to ensure the balance of the fund is reasonable and necessary to carry out the purpose of the enterprise fund.

NOW, THEREFORE, BE IT RESOLVED by the Douglas County Board of Commissioners that the Douglas County Water Utility Fund is hereby established and will be used for all transactions beginning August 1, 2018.

BE IT FURTHER RESOLVED that all other Douglas County enterprise funds related to the construction, maintenance, and operation of water utilities and infrastructure will be dissolved and repealed on or before July 1, 2019.

ADOPTED this 5th day of July, 2018, by the following vote:

| | | |
|-------|----------------|----------|
| Ayes: | Commissioners: | Thaler |
| | | _____ |
| | | Penzel |
| | | _____ |
| | | McDermid |
| | | _____ |
| | | Walsh |
| | | _____ |
| | | Nelson |
| | | _____ |
| Nays: | Commissioners: | N/A |
| | | _____ |
| | | _____ |

Absent:

Commissioners: N/A



Steven J. Thaler, Chairman
Douglas County Board of Commissioners

Attest:



Kathy Lewis, Douglas County Clerk



Clerk to the Board