

NOTICE OF MEETING

The Audit Committee Meeting of the Incline Village General Improvement District will be held starting at **4:00 p.m.** on **Tuesday, June 30, 2020** in the Chateau, 955 Fairway Boulevard, Incline Village, Nevada.

In compliance with State of Nevada Executive Department, Declaration of Emergency Directive 006, 016, 018, and 021, this meeting is closed to the public and attendance is limited to members of the Board of Trustees and essential staff. Public comment is allowed and the public is welcome to make their public comment either via e-mail (please send your comments to info@ivgid.org by 1:30 p.m. on Tuesday, June 30, 2020) or via telephone (the telephone number will be posted to our website on the day of the meeting).

- A. ROLL CALL OF THE AUDIT COMMITTEE MEMBERS*
- B. PUBLIC COMMENTS* - Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration.
- C. APPROVAL OF AGENDA *(for possible action)*
- D. GENERAL BUSINESS ITEM *(for possible action)*
 - 1. Verbal Report from Interim District General Manager Indra Winquest: Update on the whistle blower process for anonymous reporting by employees, reporting through the website by the public, and the plans with target dates for communicating to employees and the public.
 - 2. Verbal Report from Director of Finance Paul Navazio: Share with the Audit Committee the spreadsheet developed by IVGID's Controller for reconciling the budget to the 4404 State Forms **and** status of Staff's review of the 2018/2019 CAFR (14 points of errors in the CAFR from Cliff Dobler and Linda Newman dated April 7, 2020) – **pages 3 - 48**
 - 3. Verbal Report from District General Counsel Joshua Nelson: (A) Update on his findings and pending research into Dillion's Rule as it relates to specific District related activities, including but not limited to the email submitted by Ms. Heirshberg **and** (B) Update on how our employee rewards/incentives compare to Washoe County and their compliance with NRS and other applicable laws
 - 4. Review, discuss and possibly take action related to the following communications that have been received and are included: (Requesting Trustee: Sara Schmitz) – **pages 49 - 53**

Incline Village General Improvement District

Incline Village General Improvement District is a fiscally responsible community partner which provides superior utility services and community oriented recreation programs and facilities with passion for the quality of life and our environment while investing in the Tahoe basin.

893 Southwood Boulevard, Incline Village, Nevada 89451 • (775) 832-1100 • FAX (775) 832-1122

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NOTICE OF MEETING

Agenda for the Audit Committee Meeting of June 30, 2020 - Page 2

- a. May 26, 2020 e-mail communication Rec Fee from Joy Gumz (2 pages)
 - b. June 15, 2020 e-mail communication Burnt Cedar Water Disinfection Plant – another budgeting and reporting fiasco from Clifford F. Dobler (2 pages)
 5. Review and discuss implementation of Board Policy 15.1.0 (Audit Committee) as amended by Board action at the meeting of May 6, 2020 – **pages 54 - 60**
 6. Set the date/time for the next Audit Committee Meeting (Requesting Trustee: Audit Committee Chairman Matthew Dent)
- E. APPROVAL OF MEETING MINUTES (for possible action)
1. Audit Committee Meeting Minutes of May 27, 2020 – **pages 61 - 72**
- F. PUBLIC COMMENTS* - Conducted in accordance with Nevada Revised Statutes Chapter 241.020 and limited to a maximum of three (3) minutes in duration.
- G. ADJOURNMENT (*for possible action*)

CERTIFICATION OF POSTING OF THIS AGENDA

I hereby certify that on or before Thursday, June 25, 2020, 2019 at 9:00 a.m., a copy of this agenda (Audit Committee Session of June 30, 2020) was delivered to the post office addressed to the people who have requested to receive copies of IVGID's agendas; copies were either faxed or e-mailed to those people who have requested; and a copy was posted at the Incline Village/Crystal Bay in following six locations within accordance with NRS 241.020:

1. IVGID Anne
2. Incline Village
3. Crystal Bay
4. Raley's
5. Incline Village Branch of Washoe County Library
6. IVGID's Recreation Center

**SUSPENDED – STATE OF
NEVADA EXECUTIVE
DEPARTMENT,
DECLARATION OF
EMERGENCY, DIRECTIVE
006 (SECTION 3) AND 016**

Vorderbruggen Building
(Administrative Offices)
Post Office
Post Office
Shopping Center

/s/ Susan A. Herron, CMC

Susan A. Herron, CMC

Clerk to the Board of Trustees (e-mail: sah@ivgid.org/phone # 775-832-1207)

Audit Committee Members: Matthew Dent – Chairman, Tim Callicrate, and Sara Schmitz

Notes: Items on the agenda may be taken out of order; combined with other items; removed from the agenda; moved to the agenda of another meeting; moved to or from the Consent Calendar section; or may be voted on in a block. Items with a specific time designation will not be heard prior to the stated time, but may be heard later. Those items followed by an asterisk (*) are items on the agenda upon which the Board of Trustees will take no action. Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to call IVGID at 832-1100 at least 24 hours prior to the meeting. Copies of the packets containing background information on agenda items are available for public inspection at the Incline Village Library.

IVGID'S agenda packets are now available at IVGID's web site, www.yourtahoeplace.com; go to "Board Meetings and Agendas". A hard copy of the complete agenda packet is also available at IVGID's Administrative Offices located at 893 Southwood Boulevard, Incline Village, Nevada, 89451.

MEMORANDUM

TO: Audit Committee

THROUGH: Matthew Dent
Audit Committee Chairman

FROM: Paul Navazio
Director of Finance

SUBJECT: Verbal Report to review reconciliation of the budget to the 4404 State Forms and status of review of the 2018/19 CAFR

DATE: June 25, 2020

I. RECOMMENDATION

That the Audit Committee receive a verbal report(s) related to 1) reconciliation of the District's Final FY2020/21 Budget Sources and Uses to the Form4404LGF State Filing, and 2) status of staff's review of concerns referred by the Audit Committee related to the District's CAFR for the year ended June 30, 2019.

II. BACKGROUND

Following adoption of the FY2020/21 Budget, as approved by the Board of Trustees on May 27, 2020, Trustee Schmitz requested that staff provide a reconciliation between the District-wide Sources and Uses summary of the FY2020/21 budget and the figures reflected in the required State filing of the District's budget (via Form4404LGF). Staff has prepared the requested reconciliation and shared this information with Trustee Schmitz who, in turn, has requested that staff provide this information to members of the Audit Committee.

In addition, staff will also take this opportunity to provide the Audit Committee with an status update related to the review of questions and concerns expressed by constituents regarding the District's CAFR for the Fiscal Year ending June 30, 2019.

Attachments

- 1) FY2020/21 Budget Sources and Uses Reconciliation Worksheet
- 2) Final Budget Form 4404LGF, filed with State Dept. of Taxation (June 3, 2020)

Reconciliation of District Wide Sources & Uses to Form 4404LGF

	General Fund	Community Services	Beach Fund	Total Governmental	Utilities Fund	Internal Services	Total Proprietary	State Form All Funds Summary
Revenues & Other Sources	5,343,240	25,238,043	4,717,205	35,298,488	15,856,126	3,228,036	19,084,162	54,382,650
Expenditures & Uses	(5,170,251)	(24,660,782)	(2,367,069)	(32,198,102)	(15,939,293)	(3,256,310)	(19,195,603)	(51,393,705)
Net Sources & Uses	172,989	577,261	2,350,136	3,100,386	(83,167)	(28,274)	(111,441)	2,988,945

Legend			
District Wide Sources	District Wide Uses	District Wide Net Sources & Uses	State Form

	General Fund	Community Services	Beach Fund	Sch A & A-1 Total Governmental	Utilities Fund	Internal Services	Sch A-2 Total Proprietary	2020-21 All Funds Summary
Revenues & Other Sources	5,343,240	25,238,043	4,717,205	35,298,488	15,856,126	3,228,036	19,084,162	54,382,650
Deduct Fund Balance for Capital	(300,000)	(5,594,546)	-	(5,894,546)	(3,032,786)	-	(3,032,786)	(8,927,332)
Add Beginning Fund Balance	3,935,986	12,360,444	2,159,262	18,455,692	-	-	-	-
Transfer from CS Operating	-	5,594,546	-	5,594,546	-	-	-	-
State Form Sources	8,979,226	37,598,487	6,876,467	53,454,180	12,823,340	3,228,036	16,051,376	45,455,318
Expenditures & Uses	(5,170,251)	(24,660,782)	(2,367,069)	(32,198,102)	(15,939,293)	(3,256,310)	(19,195,603)	(51,393,705)
Add Back Capital Expenditures	-	-	-	-	7,140,286	5,000	7,145,286	7,145,286
Add Back Debt Service	-	-	-	-	643,134	-	643,134	643,134
Deduct Depreciation	-	-	-	-	(3,485,000)	(14,300)	(3,499,300)	(3,499,300)
Deduct Interest Expense	-	-	-	-	(104,428)	-	(104,428)	(104,428)
Transfer to CS Capital	-	(5,594,546)	-	(5,594,546)	-	-	-	-
Add Ending Fund Balance	(3,808,975)	(7,343,159)	(4,509,398)	(15,661,532)	-	-	-	-
State Form Uses	(8,979,226)	(37,598,487)	(6,876,467)	(53,454,180)	(11,745,301)	(3,265,610)	(15,010,911)	(47,209,013)
State Form Net Income	-	-	-	-	1,078,039	(37,574)	1,040,465	(1,753,695)

Reconciliation of Net Sources & Uses to Form 4404LGF

Net Sources & Uses	\$ 172,989	\$ 577,261	\$ 2,350,136	\$ 3,100,386	\$ (83,167)	\$ (28,274)	\$ (111,441)	\$ 2,988,945
Deduct Fund Balance for Capital	(300,000)	(5,594,546)	-	(5,894,546)	(3,032,786)	-	(3,032,786)	(8,927,332)
Add Back Capital Expenditures	-	-	-	-	7,140,286	5,000	7,145,286	7,145,286
Add Back Debt Service	-	-	-	-	643,134	-	643,134	643,134
Deduct Depreciation	-	-	-	-	(3,485,000)	(14,300)	(3,499,300)	(3,499,300)
Deduct Interest Expense	-	-	-	-	(104,428)	-	(104,428)	(104,428)
Net Change per Budget Form	\$ (127,011)	\$ (5,017,285)	\$ 2,350,136	\$ (2,794,160)	\$ 1,078,039	\$ (37,574)	\$ 1,040,465	\$ (1,753,695)
Fund Balance, Beginning Sch A	3,935,986	12,360,444	2,159,262	18,455,692	-	-	-	-
fund Balance, Ending Sch A-1	\$ 3,808,975	\$ 7,343,159	\$ 4,509,398	\$ 15,661,532	-	-	-	-

Sch A-2

BUDGET MESSAGE

TO: Board of Trustees

FROM: Paul Navazio
Director of Finance

SUBJECT: Adoption of Incline Village General Improvement District Final Budget for FY2020-21, State of Nevada Form 4404LGF, and related 2020-21 Capital Improvement Project Budget, Recreation Facility Fee and Beach Facility Fee, and the Central Service Cost Allocation for Fiscal Year 2020-21

DATE: May 21, 2020

This memorandum has been prepared for Board of Trustees in conjunction with Board action to approve the District's FY2020-21 Final Budget as well as several specific actions required to implement the budget and ensure compliance with applicable Nevada Revised Statutes and Board of Trustees policies.

The budget process began in late fall with the development of baseline operating budgets to support District operations, programs and services as well as updates to the District's multi-year capital improvement plan that represents a funding required to maintain, upgrade and improve facilities and fixed assets that support District activities and amenities.

The budget has been informed by the District's Strategic Plan and priority objectives as well as financial policies that ensure that the District remains fiscally sound and that resources are available to support activities and investments over a multi-year planning horizon. Moreover, Board of Trustees input has been a key element in the development of the FY2020-21 budgets in several respects. While the Board of Trustees was presented the Preliminary FY2020-21 Operating Budget at its meeting of March 11, 2020 and the Draft Capital Improvement Program Budget at its meeting of April 1, 2020, two Budget Workshops were also held; one on May 7, 2020 and another on May 19, 2020. The two budget workshops served to assist the Board of Trustees in providing direction to Staff to align the budget with Board of Trustees priorities, refine various aspects of the budget and – significantly – consider alternative budget scenarios and prioritization of capital project expenditures in light of the ongoing COVID-19 pandemic that has resulted in closure of District venues and curtailment of programs and services to our residents.

Based on Board of Trustees direction, the Final FY2020-21 budgets have been prepared in recognition of the uncertainty inherent in planning for COVID-19 recovery across District operations, while providing the Board of Trustees and management with flexibility to adapt to circumstances, as they present themselves, throughout the fiscal year beginning July 1, 2020. While we have just recently started to see some level of resumption of activity, consistent with the Governor's Phase 1 "re-opening" of public spaces and facilities, the one certainty in planning for next fiscal year is that activity levels impacting revenues and expenditures will, initially, fall below historical levels, and may remain so for several months into the new fiscal year. Management also acknowledges the need to ensure contingency plans are in place should the public health crisis extend beyond the first quarter of the fiscal year as well as the possibility of a "re-bounce" of the COVID-19 virus this coming fall and winter.

Accordingly, the Final FY2020-21 budget reflect a significant reduction in revenues and expenditures from the Tentative Budget that was presented in March/April, while nonetheless providing for the resources needed to gradually resume programs and re-open facilities – albeit with strict protocols to ensure the health and safety of residents, guests and employees.

The Final FY2020-21 budget, as adopted, authorizes appropriations totaling \$51,393,707 in support of District operations, capital projects and debt, and supports authorized staffing of 258.2 full-time equivalent positions. The spending plan represented by the FY2020-21 budget is supported by available sources of \$54,382,650, including Charges for Services and Facility Fees. The budget also reflects significant appropriations from available fund balances (\$8,927,332), primarily in support of planned capital projects within the District's Community Services funds as well as carry-over appropriations from the current fiscal year supporting ongoing and multi-year projects provided for in the current fiscal year budget.

The State of Nevada Department of Taxation prescribed budget Form 4404LGF also include amounts for the governmental fund type capital projects to be carried over. The State considers the budget authority to lapse each June 30.

BUDGET HIGHLIGHTS

1. The All Funds District-wide FY2020-21 budget totals \$51,393,707 across all funds, and is summarized as follows:

Fund(s)	SOURCES			USES	Net	Change in
	Fund Balance	Revenues	Sub-Total	Expenditures	Sources & Uses	Fund Balance
General Fund	\$ 300,000	\$ 5,043,240	\$ 5,343,240	\$ 5,170,251	\$ 172,989	\$ (127,011)
Utilities	3,032,786	12,823,340	15,856,126	15,939,293	(83,167)	(3,115,953)
Community Services	5,594,546	19,643,497	25,238,043	24,660,782	577,261	(5,017,285)
Beach		4,717,205	4,717,205	2,367,069	2,350,136	2,350,136
Internal Services		3,228,036	3,228,036	3,256,310	(28,274)	(28,274)
Total	\$ 8,927,332	\$ 45,455,318	\$ 54,382,650	\$ 51,393,705	\$ 2,988,945	\$ (5,938,387)

2. The General Fund budget, totaling appropriations of \$5,170,251 is primarily supported by tax revenues distributed by Washoe County (property and sales tax), as well as funding provided via the Central Services Cost Allocation Plan. General Fund revenues (primarily consolidates sales tax) have been down-graded as a result of the COVID-19 pandemic, and baseline expenditures reflect the elimination of 1.5 FTE positions and a savings of \$126,000. A total of \$1,471,440 in revenues reflects General Fund reimbursements for costs incurred in support of District operations funded by the Utility, Community Services and Beach funds, consistent with the requirements of NRS 354.613 as well as Board Policy 18.1.0.

3. While the District's Utility-funded operations are arguably relatively insulated from the economic impacts of the current crisis, the Board has deferred action on a planned annual water and sewer rate adjustment, which has now been factored into the FY2020-21 Final Budget. The revenues for the Utility Fund reflect a reduction of \$670,178 from the levels assumed in the Preliminary Budget, as well as corresponding reductions in services and supplies (\$108,000) and capital project expenditures (\$600,000) that latter have been deferred to future years, and assumes delayed approval of the rate increases required to support ongoing operations and future investments in the District's utility infrastructure. The budget includes funding in support of a comprehensive Utility Rate and Reserve Study to inform long-term financial planning and future rate adjustments.

4. The District's Community Services funds for FY2020-21 reflect a combined budget of \$24,660,784 supported by Charges for Services, Facility Fees and use of available fund balances. The budgets for each fund within this category have been revised since the approval of the Preliminary Budget to reflect reduced levels of activities resulting from the gradual resumption of activities and anticipated protocols that are being put in place as venues resume operations. It should be noted that funding plan for the Community Services funds continues to assume support from significant net operating revenues from the District's Ski Operations at Diamond Peak. While it is unclear as to whether the COVID-19 pandemic will significantly impact ski operations this winter, the budget has been developed using relatively conservative assumptions for skier visits and revenues as compared to

recent history, including this current year when ski operations were closed roughly one-month early.

5. Beach Fund operations in FY2020-21 are supported by appropriations totaling \$2,367,069 funded primarily through the Beach Facility Fee and Charges and Services paid by guests. Beach fund revenues and appropriations have also been reduced relative to the Preliminary Budget. While the beaches are expected to be open and available to residents and guests, revenues are expected to be impacted by reduced program activities, concessions (rentals) and food and beverage operations throughout the summer of 2020.
6. A significant component of the Final FY2020-21 budget impacting the District's Community Services and Beach funds is the adjustment to the Recreation Facility Fee and Beach Facility Fee assessed on property owners for the coming fiscal year. Board of Trustees direction has been provided to reduce the Recreation Facility Fee from \$705 per parcel to \$330 per parcel while the Beach Facility Fee is proposed to increase from \$125 per parcel to \$500 per parcel, pending final Board of Trustees approval. These fee adjustments will reduce Facility Fee revenues to the Community Services funds by \$3.1 million while increasing Facility Fee revenues to the Beach Fund by \$2.9 million compared to the revenues assumed in the Preliminary Budget. The Board of Trustees direction relative to the Facility Fees established for FY2020-21 are intended to increase funding capacity within the Beach Fund in support of priority capital projects, consistent with the Beach Master Plan, and shift funding for capital program expenditures within the Community Services Funds from new Facility Fee revenues to available excess fund balances. While the Board of Trustees is requested to adopt the Recreation Facility Fee and Beach Facility Fee for FY2020-21 via this agenda item, separate Board action is required (also on tonight's agenda) to provide for the collection of the Facility Fees by the Washoe County Treasurer's office via the property tax bill issued to each property owner within the District.
7. Appropriations supporting FY2020-21 Capital Improvement Program Budget total \$14,377,677 funded through \$9,023,190 in new appropriations and \$5,344,487 in net carry-over appropriations from the current year supporting ongoing projects. Significantly, of the \$9.0 million in new appropriations, \$3,572,845 is proposed to be allocated from available excess fund balances, primarily within the various Community Services Funds. This draw down of fund balances for capital program expenditures is required, and indeed intentional, and informed the Board direction relative to the setting of Recreation and Beach Facility Fees for FY2020-21 (see above).

8. As noted, the Capital Improvement Project budget for FY2020-21 includes a total of \$5,344,487 in net carry-over appropriations from the FY2019-20 budget. Of the \$17,341,377 identified as available for carry-over from FY2020-21, a total of \$11,986,890 will revert to fund balances for use in future years of the capital plan. This includes \$ 11,586,890 in support of the Effluent Pipeline Project and \$400,000 to complete work required to update the District's Use Permit for Diamond Peak, albeit consistent with a reduced scope of the overall Ski Master Plan. Separate Board action is required to approve the proposed level of carry-over appropriations requested for FY2020-21.
9. Lastly, as it relates to the FY2020-21 Capital Improvement Project budget and updated Five-Year Capital Plan, the Board of Trustees has re-affirmed select projects as critical Board of Trustees priorities. These include the reconstruction of the Burnt Cedar Pool and construction of a new Incline Beach House and related improvements identified in the Beach Master Plan, as well as the need to fund reconstruction of Ski Way and Parking Lot. These project priorities, relative to available funding capacity, represent a driving factor in the adjustment to the FY2020-21 Facility Fees. In addition, the Board of Trustees continues to prioritize the construction of a new dog park although no funding has been identified for this project at this time.
10. Several additional revisions have been incorporated into the District's Final FY2020-21 Budget that impact implementation of the budget and spending plan. These include the reestablishment of separate Capital and Debt Service Funds for each Community Services fund and Beach Fund as well as the removal of Food and Beverage operations from the Championship Golf Course activity center and Golf Fund.
11. As we move to finalize the District's FY2020-21 budget consistent with Board of Trustees direction provided throughout the budget process as well as requirements of the State of Nevada and applicable Board Policy, separate action is recommended related to the plan to transition the District's Community Services and Beach fund from Special Revenue fund-types back to Enterprise fund-types, beginning with the FY2021-22 fiscal year. A Resolution of Intent to initiate this process has been prepared and is discussed in a separate agenda item.

Following Board of Trustees action to approve the District's FY2020-21 Budget, Capital Improvement Plan update and related implementing actions, Staff will be submitting the Final Budget to the State of Nevada (filing date June 1, 2020) as preparing the FY2020-21 Adopted Budget document to assist the Board, residents and the public understand the sources and uses, flow of funds, and fund balances

across all District funds and activities. Through this process, Staff aims to increase the level of transparency and understanding of the District's budget, financial position and fiscal practices.

Staff is indebted to the Board of Trustees and residents that provided input throughout this year's challenging budget process and we look forward to continuing to work collaboratively to ensure the District remains financially sound and that resources are available to support ongoing operations, programs, services and capital investments in both the short- and long-term, while at the same time providing prudent financial stewardship of District resources with the ultimate goal of providing sustained value to our residents.

ATTACHMENTS

Budget Summary

Central Services Cost Allocation Plan

Facility Fee(s) – FY2020-21

State Form 4404LFG for the fiscal year ending June 30, 2020

Authorized Positions Summary

FY2020-21 Capital Improvement Project Budget

IVGID Executive Summary based on Form 4404LGF

FYE June 30, 2021

Fund and Function Budgeted Sources and Uses

IVGID	General Fund	Community Services	Beach Fund	Total Governmental	Utilities Fund	Internal Services	Total Proprietary	Budgeted	
								2020-21 All Funds Summary	2019-20 All Funds Summary
Operating Activities:									
Revenues:									
Ad Valorem & Property Tax	\$ 1,770,000	\$ -	\$ -	\$ 1,770,000	\$ -	\$ -	\$ -	\$ 1,770,000	\$ 1,697,807
Consolidated Tax	1,668,000			1,668,000				1,668,000	1,751,692
Charges for Services		16,616,228	831,955	17,448,183	12,402,440		12,402,440	29,850,623	29,588,263
Recreation Facility Fees		1,763,645	658,580	2,422,225				2,422,225	2,709,330
Intergovernmental & Grants		38,700		38,700	31,000		31,000	69,700	40,400
Interfund	1,471,440	98,849		1,570,289	241,400	3,228,036	3,469,436	5,039,725	4,762,317
Miscellaneous	2,400	130,230		132,630				132,630	112,761
Investments	131,400	52,500	11,250	195,150	148,500		148,500	343,650	467,000
Total Operating Sources	5,043,240	18,700,152	1,501,785	25,245,177	12,823,340	3,228,036	16,051,376	41,296,553	41,129,570
Expenditures by Function:									
General Government									
Operations	4,520,101			4,520,101		3,251,310	3,251,310	7,771,411	7,558,041
Utilities									
Operations				-	8,155,873		8,155,873	8,155,873	7,845,217
Recreation:									
Championship Golf		3,717,478		3,717,478			-	3,717,478	4,703,639
Mountain Golf		1,141,209		1,141,209			-	1,141,209	1,027,877
Facilities		1,504,583		1,504,583			-	1,504,583	549,035
Ski		8,075,342		8,075,342			-	8,075,342	7,565,368
Recreation Center		2,212,155		2,212,155			-	2,212,155	2,475,123
Recreation Admin		415,786		415,786			-	415,786	444,071
Parks		856,535		856,535			-	856,535	891,279
Tennis		226,781		226,781			-	226,781	270,423
Beach			1,906,299	1,906,299			-	1,906,299	2,109,190
Total Operating Expenditures	4,520,101	18,149,869	1,906,299	24,576,269	8,155,873	3,251,310	11,407,183	35,983,452	35,439,263
Net Operating Sources & Uses	\$ 523,139	\$ 550,283	\$ (404,514)	\$ 668,908	\$ 4,667,467	\$ (23,274)	\$ 4,644,193	\$ 5,313,101	\$ 5,690,307
Non-Operating Activities:									
Capital Grants & Insurance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 923,800
Facility Fees - Capital Projects		533,195	3,207,672	3,740,867				3,740,867	3,624,387
Facility Fees - Debt Service		410,150	7,748	417,898				417,898	417,898
Use of Fund Balance for Projects	300,000	5,594,546		5,894,546	3,032,786		3,032,786	8,927,332	7,027,765
Capital Project Expenditures	(650,150)	(6,127,741)	(454,500)	(7,232,391)	(7,140,286)	(5,000)	(7,145,286)	(14,377,677)	(16,424,397)
Debt Service Payments		(383,172)	(6,270)	(389,442)	(643,134)		(643,134)	(1,032,576)	(1,033,777)
Net Non-Operating Sources & Uses	(350,150)	26,978	2,754,650	2,431,478	(4,750,634)	(5,000)	(4,755,634)	(2,324,156)	(5,464,324)
Overall Net Sources & Uses	\$ 172,989	\$ 577,261	\$ 2,350,136	\$ 3,100,386	\$ (83,167)	\$ (28,274)	\$ (111,441)	\$ 2,988,945	\$ 225,983

**Incline Village General Improvement District
Central Services Cost Allocation Plan**

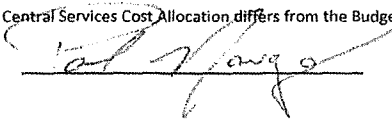
For the Fiscal Year Ending June 30, 2021

	General	Utility	Championship Golf	Mountain Golf	Facilities	Ski	Recreation Center	Parks	Tennis	Comm. Services Admin	Beach	Internal Services	Total District
Base Cost													
Budgeted FTE by Fund Allocation	22.5 8.70%	35.4 13.74%	39.2 15.18%	10.9 4.22%	1.4 0.56%	75.9 29.41%	21.2 8.22%	7.7 3.00%	1.5 0.60%	3.3 1.27%	21.1 8.17%	17.8 6.92%	257.9 100%
Budgeted Wages by Fund Allocation	\$ 2,081,280 14.69%	\$ 2,921,780 20.62%	\$ 1,616,161 11.40%	\$ 409,731 2.89%	\$ 88,583 0.63%	\$ 3,135,849 22.13%	\$ 1,037,021 7.32%	\$ 313,796 2.21%	\$ 108,530 0.77%	\$ 147,970 1.04%	\$ 810,930 5.72%	\$ 1,499,515 10.58%	\$ 14,171,146 100%
Budgeted Benefits by Fund Allocation	\$ 1,105,120 18.99%	\$ 1,449,604 24.91%	\$ 509,946 8.76%	\$ 117,206 2.01%	\$ 47,500 0.82%	\$ 1,050,665 18.05%	\$ 327,605 5.63%	\$ 82,979 1.43%	\$ 28,038 0.48%	\$ 61,384 1.05%	\$ 221,093 3.80%	\$ 819,153 14.07%	\$ 5,820,293 100%
Budgeted Services & Supplies by Fund Allocation	\$ 1,288,700 8.93%	\$ 3,341,969 23.17%	\$ 2,289,792 15.87%	\$ 551,971 3.83%	\$ 394,378 2.73%	\$ 3,450,786 23.92%	\$ 729,896 5.06%	\$ 413,837 2.87%	\$ 79,190 0.55%	\$ 184,372 1.28%	\$ 768,230 5.33%	\$ 932,642 6.47%	\$ 14,425,763 100%
Budgeted Accounting - Invest. Int.	\$ 880,590												
Percentage of Costs Allocated	80%												
Allocation based on Services & Supplies	62,933	163,203	111,820	26,955	19,259	168,517	35,644	20,209	3,867	9,004	37,516	45,545	\$ 704,472
Blended Allocation	14%	20%	12%	3%	1%	23%	7%	2%	1%	1%	6%	11%	
Budgeted Human Resources	\$ 985,735												
HR + 20% Accounting	\$ 1,161,853												
Based on Wages, Benefits & FTE	164,124	229,507	136,887	35,345	7,736	269,526	81,989	25,714	7,156	13,056	68,530	122,283	\$ 1,161,853
Central Services Cost Allocation	\$ 394,885	\$ 392,709	\$ 248,707	\$ 62,301	\$ 26,995	\$ 438,043	\$ 117,633	\$ 45,923	\$ 11,023	\$ 22,060	\$ 106,046		\$ 1,866,325
Annual Billing for Adopted Budget	\$ 392,709	\$ 248,707	\$ 62,301	\$ 26,995	\$ 438,043	\$ 117,633	\$ 45,923	\$ 11,023	\$ 22,060	\$ 106,046			\$ 1,471,440

Prepared and calculated in accordance with NRS 354.613 Subsection 1c and IVGID Board Policy 18.1.0

Note: The basis for Services & Supplies for the Central Services Cost Allocation differs from the Budgeted Services & Supplies by excluding costs for the allocation itself.

By: Paul Navazio, Director of Finance



Incline Village General Improvement District Facility Fee Reconciliation by Parcel

	Historical Recreation Fee Per Parcel				Historical Beach Fee Per Parcel				TOTAL
	Operating	Capital Projects	Debt Service	Total Recreation Fee	Operating	Capital Projects	Debt Service	Total Beach Fee	Combined Fee(s)
2020-21	\$ 215	\$ 65	\$ 50	\$ 330	\$ 85	\$ 414	\$ 1	\$ 500	\$ 830
2019-20	250	405	50	705	85	39	1	125	\$ 830
2018-19	215	440	50	705	85	39	1	125	\$ 830
2017-18	215	330	160	705	85	39	1	125	\$ 830
2016-17	250	320	160	730	75	24	1	100	\$ 830
2015-16	266	308	156	730	75	24	1	100	\$ 830
2014-15	211	303	216	730	65	-	35	100	\$ 830
2013-14	239	277	214	730	63	-	37	100	\$ 830
2012-13	258	199	273	730	66	17	17	100	\$ 830
2011-12	199	242	274	715	98	-	17	115	\$ 830

Allocation of FY2020-21 Facility Fees

Budget for 2020-2021	Facilit Fee Revenues By FUND										Roll-up Total Comm. Svcs	390 Beach
	320	330	340	350	360	370	380	390				
Facility Fee charged to # Parcels:	8,203	7,748	GOLF	Facilities	Ski	Recreation	CS Admin	Paks	Tennis			
Golf - Championship	\$ 4		254,293								254,293	
Golf - Mountain	27										-	
Facilities	5			41,015							41,015	
Diamond Peak Ski	(200)				(1,640,600)						(1,640,600)	
Youth & Family Programming	26					213,278					213,278	
Senior Programming	23					188,669					188,669	
Recreation Center	100					820,300					820,300	
Comm. Services Administration	127						1,041,781				1,041,781	
Parks	89							730,067			730,067	
Tennis	14								114,842		114,842	
Beach		85									-	658,580
Per Parcel Operating Component	215	85	\$ 254,293	\$ 41,015	\$ (1,640,600)	\$ 1,222,247	\$ 1,041,781	\$ 730,067	\$ 114,842		1,763,645	658,580
Per Parcel Capital Exp. Component	65	414				443,195	90,000				533,195	3,207,672
Per Parcel Debt Service Component	50	1					410,150				410,150	7,748
Total Facility Fee Per Parcel	\$ 330	\$ 500	\$ 254,293	\$ 41,015	\$ (1,640,600)	\$ 1,665,442	\$ 1,541,931	\$ 730,067	\$ 114,842		\$ 2,706,990	\$ 3,874,000

Facility Fee - NO Beach Access	\$ 330
	\$ 500
Facility Fee - Beach Access	\$ 830



INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
893 Southwood Boulevard
Incline Village Nevada, 89451

IVGID.ORG

Serving the communities of Incline Village and Crystal Bay, Nevada

Nevada Department of Taxation
1550 College Parkway, Suite 115
Carson City, NV 89706-7937

Incline Village General Improvement District herewith submits the FINAL approved budget for the
fiscal year ending June 30 2021

This budget contains 1 funds including Debt Service, requiring property tax revenues totaling \$ 1,770,000

The property tax rates computed herein are based on preliminary data. If the final state computed revenue limitation permits,
the tax rate will be increased by an amount not to exceed 0. If the final computation requires, the tax rate will be
lowered.

This budget contains 7 governmental fund types with estimated expenditures of \$ 31,808,660 and
2 proprietary funds with estimated expenses of \$ 15,010,912

Copies of this budget have been filed for public record and inspection in the offices enumerated in NRS 354.596 (Local
Government Budget and Finance Act)

CERTIFICATION

APPROVED BY THE GOVERNING BOARD

I Paul C Navazio
Director of Finance

certify that all applicable funds and financial
operations of this Local Government are
listed herein

Signed [Signature]

Dated 6/1/2020

[Signatures of Governing Board members]

SCHEDULED PUBLIC HEARING

(Must be held from May 18 2020 to May 31 2020 this year)

Date and Time May 27, 2020

Publication Date: May 15 & May 22, 2020

Place: The Chateau 955 Fairway Blvd, Incline Village, NV 89451

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT
FISCAL YEAR BUDGET FO THE YEAR ENDING JUNÉ 30, 2021
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FULL TIME EQUIVALENT EMPLOYEES BY FUNCTION

	ACTUAL PRIOR YEAR ENDING 06/30/19	ESTIMATED CURRENT YEAR ENDING 06/30/20	BUDGET YEAR ENDING 06/30/21
General Government	41.9	42.4	40.8
Judicial			
Public Safety			
Public Works			
Sanitation			
Health			
Welfare			
Culture and Recreation	193.8	199.1	182.2
Community Support			
TOTAL GENERAL GOVERNMENT	235.7	241.5	223
Utilities	34.6	34.2	35.2
Hospitals			
Transit Systems			
Airports			
Other			
TOTAL	270.3	275.7	258.2

POPULATION (AS OF JULY 1)	9087	9087	9087
SOURCE OF POPULATION ESTIMATE*	2010 Census	2010 Census	2010 Census
Assessed Valuation (Secured and Unsecured Only)	\$ 1,666,387,475	\$ 1,717,224,973	\$ 1,817,882,343
Net Proceeds of Mines			
TOTAL ASSESSED VALUE	\$ 1,666,387,475	\$ 1,717,224,973	\$ 1,817,882,343
TAX RATE			
General Fund	0.1224	0.1267	0.1311
Special Revenue Funds			
Capital Projects Funds			
Debt Service Funds			
Enterprise Fund			
Other			
TOTAL TAX RATE	0.1224	0.1267	0.1311

* Use the population certified by the state in March each year. Small districts may use a number developed per the instructions (page 6) or the best information available.

Incline Village General Improvement District

SCHEDULE S-2 - STATISTICAL DATA

PROPERTY TAX RATE AND REVENUE RECONCILIATION

Fiscal Year 2020-2021

	(1)	(2)	(3)	(4)	(5)	(6)	(7)
	ALLOWED TAX RATE	ASSESSED VALUATION	ALLOWED AD VALOREM REVENUE [(1) X (2)/100]	TAX RATE LEVIED	TOTAL AD VALOREM REVENUE WITH NO CAP [(2, line A)X(4)/100]	AD VALOREM TAX ABATEMENT [(5) - (7)]	AD VALOREM REVENUE WITH CAP
OPERATING RATE:							
A. PROPERTY TAX Subject to Revenue Limitations	0.1172	1,817,882,343	2,130,558	0.1172	2,130,558	548,224	1,582,334
B. PROPERTY TAX Outside Revenue Limitations: Net Proceeds of Mines					XXXXXXXXXXXXXXXXXX		
VOTER APPROVED:							
C. Voter Approved Overrides							
LEGISLATIVE OVERRIDES							
D. Accident Indigent (NRS 428.185)							
E. Indigent (NRS 428.285)							
F. Capital Acquisition (NRS 354.59815)							
G. Youth Services Levy (NRS 62B.150, 62B.160)							
H. Legislative Overrides							
I. SCCRT Loss (NRS 354.59813)							
J. Other:							
K. Other:							
L. SUBTOTAL LEGISLATIVE OVERRIDES	0.014	1,817,882,343	254,504	0.0139	254,504	65,020	189,484
M. SUBTOTAL A, C, L							
N. Debt							
O. TOTAL M AND N	0.1312	\$ 1,817,882,343	\$ 2,385,062	0.1311	\$ 2,385,062	\$ 613,244	\$ 1,770,000

Incline Village General Improvement District

SCHEDULE S-3 - PROPERTY TAX RATE
AND REVENUE RECONCILIATION

The Allowed Revenue required for column 3 can be obtained from the March 15 Final Revenue Projections or manually calculated. If an entity chooses to budget for an amount in column 5 which is lower or higher than the amount produced by the formula, please attach an explanation.

SCHEDULE A - ESTIMATED REVENUES & OTHER RESOURCES - GOVERNMENTAL FUND TYPES, EXPENDABLE TRUST FUNDS & TAX SUPPORTED PROPRIETARY FUND TYPES

Budget For Fiscal Year Ending June 30, 2021

Budget Summary for _____ Incline Village General Improvement District

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS FUND NAME	BEGINNING FUND BALANCES (1)	CONSOLIDATED TAX REVENUE (2)	PROPERTY TAX REQUIRED (3)	TAX RATE (4)	OTHER REVENUE (5)	OTHER FINANCING SOURCES OTHER THAN TRANSFERS IN (6)	OPERATING TRANSFERS IN (7)	TOTAL (8)
General	3,935,986	1,407,000	1,770,000	0.1311	1,866,240	-	-	8,979,226
Community Services Special Revenue	12,360,444	0	0		18,700,152	-	-	31,060,596
Beach Special Revenue	2,159,262	0	0		1,501,785	0	-	3,661,047
Community Services Capital Funds					533,195	5,594,546		6,127,741
Beach Capital Fund					3,207,672			3,207,672
Community Services Debt Funds					410,150			410,150
Beach Debt Fund					7,748			7,748
DEBT SERVICE								
Subtotal Governmental Fund Types, Expendable Trust Funds	18,455,692	1,407,000	1,770,000	0.1311	26,226,942	5,594,546	-	53,454,180
PROPRIETARY FUNDS								
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
	XXXXXXXXXX				XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
Subtotal Proprietary Funds	XXXXXXXXXX	0	0	0	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX
TOTAL ALL FUNDS	XXXXXXXXXX	1,407,000	1,770,000	0.1311	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

SCHEDULE A-1 ESTIMATED EXPENDITURES AND OTHER FINANCING USES

Budget For Fiscal Year Ending June 30, 2021

Budget Summary for Incline Village General Improvement District

GOVERNMENTAL FUNDS AND EXPENDABLE TRUST FUNDS		SALARIES AND WAGES	EMPLOYEE BENEFITS	SERVICES, SUPPLIES AND OTHER CHARGES **	CAPITAL OUTLAY ***	CONTINGENCIES AND USES OTHER THAN OPERATING TRANSFERS OUT	OPERATING TRANSFERS OUT	ENDING FUND BALANCES	TOTAL
FUND NAME	*	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
General	-	2,081,280	1,105,119	1,333,700	650,150	-	-	3,808,977	8,979,226
Community Services Special Revenue	R	6,857,641	2,225,323	9,066,907		0	5,594,546	7,316,179	31,060,596
Beach Special Revenue	R	810,930	221,093	874,276		0	0	1,754,748	3,661,047
Community Services Capital Funds					6,127,741			-	6,127,741
Beach Capital Fund					454,500			2,753,172	3,207,672
Community Services Debt Funds						383,172		26,978	410,150
Beach Debt Fund						6,270		1,478	7,748
TOTAL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS		9,749,851	3,551,535	11,274,883	7,232,391	389,442	5,594,546	15,661,532	53,454,180

* FUND TYPES: R - Special Revenue
 C - Capital Projects
 D - Debt Service
 T - Expendable Trust

** Include Debt Service Requirements in this column

*** Capital Outlay must agree with CIP.

SCHEDULE A-2 PROPRIETARY AND NONEXPENDABLE TRUST FUNDS

Budget For Fiscal Year Ending June 30, 2021

Budget Summary for Incline Village General Improvement District

FUND NAME	*	OPERATING REVENUES (1)	OPERATING EXPENSES (2) **	NONOPERATING REVENUES (3)	NONOPERATING EXPENSES (4)	OPERATING TRANSFERS		NET INCOME (7)
						IN (5)	OUT(6)	
Utility Fund	E	12,674,840	11,640,874	148,500	104,428	-	-	1,078,038
Internal Services Fund	I	3,228,036	3,265,610	-	-	-	-	(37,574)
TOTAL		15,902,876	14,906,484	148,500	104,428	-	-	1,040,464

* FUND TYPES: E - Enterprise
I - Internal Service
N - Nonexpendable Trust

** Include Depreciation

REVENUES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Taxes:				
Property Tax	1,615,540	1,690,000	1,770,000	1,770,000
Personal Property Tax	17,871	12,000	12,000	12,000
Subtotal Taxes	1,633,411	1,702,000	1,782,000	1,782,000
Intergovernmental:				
Consolidated Tax (CTX)	1,440,607	1,489,000	1,494,000	1,407,000
LGTA tax	249,615	249,000	249,000	249,000
State Grants	-	-	-	-
Subtotal Intergovernmental	1,690,222	1,738,000	1,743,000	1,656,000
Miscellaneous:				
Investment income	327,815	275,000	131,400	131,400
Other	2,002	2,000	2,400	2,400
Central Services Cost Allocation	1,169,400	1,367,400	1,471,440	1,471,440
Subtotal Other	1,499,217	1,644,400	1,605,240	1,605,240
SUBTOTAL REVENUE ALL SOURCES	4,822,850	5,084,400	5,130,240	5,043,240
OTHER FINANCING SOURCES				
Transfers In (Schedule T)	-	-	-	-
Sale of capital assets	-	-	-	-
Proceeds of Long-term Debt				
Other				
SUBTOTAL OTHER FINANCING SOURCES	-	-	-	-
BEGINNING FUND BALANCE				
Prior Period Adjustments	800,000			
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	2,522,786	3,765,586	3,935,986	3,935,986
TOTAL AVAILABLE RESOURCES	8,145,636	8,849,986	9,066,226	8,979,226

Incline Village General Improvement District

SCHEDULE B - GENERAL FUND

EXPENDITURES BY FUNCTION AND ACTIVITY	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
GENERAL GOVERNMENT				
General Administration				
Salaries and Wages	40,757	29,100	29,967	29,967
Employee Benefits	17,980	18,700	20,311	20,311
Services and Supplies	524,466	420,000	434,718	479,718
Subtotal General Administration	583,203	467,800	484,996	529,996
General Manager				
Salaries and Wages	244,421	270,000	265,714	265,714
Employee Benefits	105,047	115,000	115,751	115,751
Services and Supplies	69,361	60,000	56,340	56,340
Subtotal General Manager	418,829	445,000	437,805	437,805
Trustees				
Salaries and Wages	102,992	104,000	106,114	106,114
Employee Benefits	27,822	32,400	32,904	32,904
Services and Supplies	45,068	45,000	77,000	77,000
Subtotal Trustees	175,882	181,400	216,018	216,018
Accounting				
Salaries and Wages	572,025	592,500	611,635	611,635
Employee Benefits	252,081	275,000	323,754	323,754
Services and Supplies	60,134	70,000	77,636	77,636
Subtotal Accounting	884,240	937,500	1,013,025	1,013,025
Information Services & Technology				
Salaries and Wages	426,004	484,000	494,412	409,070
Employee Benefits	191,122	250,000	288,096	246,800
Services and Supplies	211,242	300,000	360,817	360,817
Subtotal Information Services	828,368	1,034,000	1,143,325	1,016,687
Risk Management				
Salaries and Wages	81,841	-	-	-
Employee Benefits	40,039	-	-	-
Services and Supplies	15,139	-	-	-
Subtotal Risk Management	137,019	-	-	-
Human Resources				
Salaries and Wages	431,911	532,600	551,976	551,976
Employee Benefits	203,821	304,000	304,561	304,561
Services and Supplies	46,662	115,000	129,196	129,196
Subtotal Human Resources	682,394	951,600	985,733	985,733
Health & Wellness				
Salaries and Wages	18,446	16,500	16,496	14,936
Employee Benefits	5,875	6,900	9,274	6,235
Services and Supplies	4,495	5,000	21,475	21,475
Subtotal Health & Wellness	28,816	28,400	47,245	42,646
Communications				
Salaries and Wages	95,076	96,300	91,868	91,868
Employee Benefits	43,559	48,000	54,803	54,803
Services and Supplies	55,763	84,000	131,518	131,518
Subtotal Communications	194,398	228,300	278,189	278,189
Capital Outlay				
General Government	64,972	340,000	370,150	650,150
Information Services & Technology	56,285			
Subtotal Capital Outlay	121,257	340,000	370,150	650,150
FUNCTION SUBTOTAL	4,054,406	4,614,000	4,976,486	5,170,249

Incline Village General Improvement District

SCHEDULE B - GENERAL FUND

General Government

REVENUES	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Charges for Services				
Championship Golf Course	3,902,689	4,570,000	5,071,084	3,391,290
Mountain Golf Course	740,968	615,000	922,166	818,834
Facilities (Chateau & Aspen Grove)	392,246	450,000	529,421	1,440,299
Ski	11,778,871	10,025,000	10,148,735	10,148,735
Community Programming	1,364,044	1,320,000	1,364,897	1,007,900
Parks	46,580	53,000	65,801	38,700
Tennis	153,435	158,000	158,100	100,400
Recreation Administration	(730,819)	(750,000)	(738,000)	(317,830)
Subtotal Charges for Services	17,648,014	16,439,000	17,522,204	16,628,328
Facility Fee				
Championship Golf Course	805,884	172,000	32,808	32,812
Mountain Golf Course	517,661	328,120	221,454	221,481
Facilities (Chateau & Aspen Grove)	468,584	131,248	41,010	41,015
Ski	238,403	(1,640,600)	(1,640,400)	(1,640,400)
Community Programming	1,307,104	1,173,029	1,222,098	1,222,098
Parks	970,052	730,067	729,978	729,978
Tennis	164,416	114,842	114,828	114,828
Recreation Administration	1,350,671	4,773,996	5,060,634	1,041,833
Subtotal Facility Fees	5,822,775	5,782,702	5,782,410	1,763,645
Other miscellaneous				
Operating Grants	17,000	17,000	17,000	17,000
Investment income	199,322	79,000	52,500	52,500
Sale of Assets	34,567	24,000	-	-
Interfund services (green spaces)	86,060	88,000	99,911	98,849
Intergovernmental (IV high school fields)	14,570	23,000	21,700	21,700
Miscellaneous other & Cell Tower Leases	112,777	110,000	118,130	118,130
Capital Grants	-	1,375,000	-	-
Insurance proceeds	50,300	250,000	-	-
Subtotal Other Miscellaneous	514,596	1,966,000	309,241	308,179
Subtotal	23,985,385	24,187,702	23,613,855	18,700,152
OTHER FINANCING SOURCES (specify)				
Transfers In (Schedule T)	645,000	241,875		
BEGINNING FUND BALANCE	10,645,469	13,333,953	12,360,444	12,360,444
Prior Period Adjustments	(645,000)			
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	10,000,469	13,333,953	12,360,444	12,360,444
TOTAL AVAILABLE RESOURCES	34,630,854	37,763,530	35,974,299	31,060,596

Incline Village General Improvement District

Community Services Special Revenue Fund

EXPENDITURES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Championship Golf Course				
Salaries and Wages	1,509,876	1,635,000	1,739,948	1,258,610
Employee Benefits	383,157	470,000	524,010	364,034
Services and Supplies	2,392,390	2,591,800	2,835,820	2,094,835
Capital Outlay	-	568,200	1,637,000	-
Subtotal Championship Golf Course	4,285,423	5,265,000	6,736,778	3,717,479
Mountain Golf Course				
Salaries and Wages	340,012	355,000	432,056	409,731
Employee Benefits	93,523	103,000	119,791	117,206
Services and Supplies	526,907	562,000	629,239	614,272
Capital Outlay	-	2,188,200	395,791	-
Subtotal Mountain Golf Course	960,442	3,208,200	1,576,877	1,141,209
Facilities (Chateau and Aspen Grove)				
Salaries and Wages	76,190	85,000	88,583	446,134
Employee Benefits	37,739	41,000	47,500	193,412
Services and Supplies	368,598	412,840	429,908	865,037
Capital Outlay	-	180,400	100,000	-
Subtotal Facilities	482,527	719,240	665,991	1,504,583
Ski				
Salaries and Wages	3,072,710	2,970,000	3,135,849	3,135,849
Employee Benefits	925,074	980,000	1,050,665	1,050,665
Services and Supplies	3,833,164	3,600,100	3,868,386	3,888,829
Capital Outlay	-	1,640,850	1,614,000	-
Subtotal Ski	7,830,948	9,190,950	9,668,900	8,075,343
Community Programming (including Rec Center)				
Salaries and Wages	1,156,579	1,210,000	1,260,756	1,037,021
Employee Benefits	321,005	355,000	394,888	327,605
Services and Supplies	819,388	932,300	948,388	847,529
Capital Outlay	-	344,650	489,000	-
Subtotal Community Programming	2,296,972	2,841,950	3,093,032	2,212,155
Parks				
Salaries and Wages	337,927	338,000	342,681	313,796
Employee Benefits	75,544	75,000	86,061	82,979
Services and Supplies	401,968	354,800	459,377	459,760
Capital Outlay	-	2,158,752	172,440	-
Subtotal Parks	815,439	2,926,552	1,060,559	856,535
Tennis				
Salaries and Wages	136,149	135,000	128,372	108,530
Employee Benefits	26,172	26,000	29,635	28,038
Services and Supplies	91,223	101,490	105,270	90,213
Capital Outlay	-	201,950	1,210,600	-
Subtotal Tennis	253,544	464,440	1,473,877	226,781
Community Services Administration				
Salaries and Wages	153,065	170,000	181,948	147,970
Employee Benefits	43,445	55,000	70,030	61,384
Services and Supplies	166,775	177,400	208,972	206,432
Capital Outlay	-	-	90,000	-
Subtotal Comm. Serv. Administration	363,285	402,400	550,950	415,786
Debt Service - G.O. Revenue Supported Bond				
Principal	-	355,188	362,075	-
Interest	-	29,166	21,097	-
Subtotal Debt Service	-	384,354	383,172	-
Subtotal - Comm. Services Expenditures	17,288,580	25,403,086	25,210,136	18,149,871
Transfers Out	3,678,473			5,594,546
Transfers Out	329,848			
ENDING FUND BALANCE	13,333,953	12,360,444	10,764,163	7,316,179
TOTAL COMMITMENTS & FUND BALANCE	34,630,854	37,763,530	35,974,299	31,060,596

Incline Village General Improvement District

Community Services Special Revenue Fund

	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
			(4) TENTATIVE APPROVED	(4) FINAL APPROVED
REVENUES				
Charges for Services	1,492,687	1,550,000	1,596,800	831,955
Facility Fees	975,121	968,500	968,375	658,580
Investment income	36,188	18,000	11,250	11,250
Sales of capital assets	-	-	-	-
Capital Grants	-	-	-	-
Subtotal	2,503,996	2,536,500	2,576,425	1,501,785
OTHER FINANCING SOURCES:				
Operating Transfers In (Schedule 1)	35,000	13,125	-	-
BEGINNING FUND BALANCE	1,413,091			
Prior Period Adjustment(s)	(35,000)			
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	1,378,091	1,810,378	2,159,262	2,159,262
TOTAL RESOURCES	3,917,087	4,360,003	4,735,687	3,661,047
EXPENDITURES				
Salaries and Wages	847,293	870,000	933,632	810,930
Employee Benefits	190,452	210,000	241,006	221,093
Services and Supplies	868,771	914,500	987,569	874,276
Capital Outlay	-	200,000	474,500	
Debt Service - G.O. Revenue Supported Bond				
Principal	-	5,812	5,925	-
Interest	-	429	345	-
Subtotal	1,906,516	2,200,741	2,642,977	1,906,299
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)				
Transfers Out (Schedule 1)	198,558	-		
Transfers Out (Schedule 1)	1,635	-		
ENDING FUND BALANCE	1,810,378	2,159,262	2,092,710	1,754,748
TOTAL COMMITMENTS & FUND BALANCE	3,917,087	4,360,003	4,735,687	3,661,047

Incline Village General Improvement District

Beach Special Revenue Fund

REVENUES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Sale of assets	5,592			
Capital Grants	31,958			
Subtotal	37,550	-	-	-
OTHER FINANCING SOURCES:				
Operating Transfers In (Schedule 1)				
Transfers designated from Facility Fees	2,508,528			533,195
Transfers from operating resources	1,169,945			5,594,546
BEGINNING FUND BALANCE				
Prior Period Adjustment(s)				
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	2,327,477			-
TOTAL RESOURCES	6,043,500	-	-	6,127,741
EXPENDITURES				
Championship Golf - New Projects	450,219			1,535,000
- Carryover Projects	47,158			118,827
Mountain Golf - New Projects	202,180			34,000
- Carryover Projects	135,969			313,380
Facilities - New Projects	21,406			100,000
- Carryover Projects	-			-
Ski - New Projects	3,801,573			1,192,000
- Master Plan	-			-
- Carryover Projects	737,454			1,071,864
Comm. Programming - New Projects	133,838			455,000
- Carryover Projects	126,080			-
Parks - New Projects	135,199			172,440
- Carryover Projects	6,842			-
Tennis - New Projects	54,180			48,600
- Carryover Projects	50,000			996,630
Comm. Services Admin - New Projects	4,180			90,000
- Carryover Projects	137,222			-
Subtotal	6,043,500	-	-	6,127,741
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)				
Transfers Out (Schedule 1)				
ENDING FUND BALANCE				
		No Fund Activity Post June 30, 2019. Reactivated effective 7/1/2020		
TOTAL COMMITMENTS & FUND BALANCE	6,043,500	-	-	6,127,741

Incline Village General Improvement District

Community Services Capital Projects Fund

	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
<u>REVENUES</u>				
Subtotal	-	-	-	-
OTHER FINANCING SOURCES:				
Operating Transfers In (Schedule 1)				
Transfers designated from Facility Fees	198,558			3,207,672
Transfers from operating resources				
BEGINNING FUND BALANCE				
Prior Period Adjustment(s)				
Residual Equity Transfers				
TOTAL BEGINNING FUND BALANCE	85,740			
TOTAL RESOURCES	284,298	-	-	3,207,672
<u>EXPENDITURES</u>				
Beach - New Projects	283,698			454,500
- Carryover Projects	600			
Subtotal	284,298	-	-	454,500
OTHER USES				
CONTINGENCY (not to exceed 3% of total expenditures)				
Transfers Out (Schedule 1)				
ENDING FUND BALANCE	-			
		No Fund Activity Post June 30, 2019. Reactiv		2,753,172
TOTAL COMMITMENTS & FUND BALANCE	284,298	-	-	2,753,172

Incline Village General Improvement District

Beach Capital Projects Fund

EXPENDITURES AND RESERVES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Type: G.O. Revenue Supportec				
Principal	344,365			362,075
Interest	37,036			21,097
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal	381,401	-	-	383,172
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
ENDING FUND BALANCE	-			26,978
TOTAL COMMITMENTS & FUND BALANCE	381,401	No Fund Activity Post June 30, 2019. Reactivated effective 7/1/2020	-	410,150

Incline Village General Improvement District

SCHEDULE C - COMMUNITY SERVICES DEBT SERVICE FUND

THE ABOVE DEBT IS REPAYED BY OPERATING RESOURCES

<u>REVENUES</u>	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Subtotal	-	-	-	-
OTHER FINANCING SOURCES (Specify):				
Transfers In (Schedule T)				
Transfer of designated Facility Fees	1,635			7,748
<u>BEGINNING FUND BALANCE</u>				
Prior Period Adjustment(s)				
Residual Equity Transfers				
<u>TOTAL BEGINNING FUND BALANCE</u>	4,606			
<u>TOTAL AVAILABLE RESOURCES</u>	6,241		No Fund Activity Post June 30, 2019	7,748

Incline Village General Improvement District
 SCHEDULE C - BEACH DEBT SERVICE FUND
 THE ABOVE DEBT IS REPAID BY OPERATING RESOURCES

EXPENDITURES AND RESERVES	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21 (4)	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
Type: G.O. Revenue Supportec				
Principal	5,635			5,925
Interest	606			345
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal	6,241	-	-	6,270
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
Type:				
Principal				
Interest				
Fiscal Agent Charges				
Reserves - increase or (decrease)				
Other (Specify)				
Subtotal				
TOTAL RESERVED (MEMO ONLY)				
ENDING FUND BALANCE		-		1,478
TOTAL COMMITMENTS & FUND BALANCE	6,241	-	No Fund Activity Post June 30, 2019	7,748

Incline Village General Improvement District

SCHEDULE C - BEACH DEBT SERVICE FUND

THE ABOVE DEBT IS REPAYED BY OPERATING RESOURCES

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
OPERATING REVENUE				
Charges for Services	12,552,028	12,500,000	13,072,588	12,402,440
Operating Grants	1,440	-	31,000	31,000
Intergovernmental (Tahoe Water Suppliers Assoc)	121,861			
Interfund (snow removal & work orders)	111,853	180,000	241,400	241,400
Total Operating Revenue	12,787,182	12,680,000	13,344,988	12,674,840
OPERATING EXPENSE				
Salaries & Wages	2,632,951	2,760,000	2,869,080	2,921,780
Employee Benefits	1,288,413	1,320,000	1,424,516	1,449,604
Services & Supplies	2,003,301	2,181,000	2,071,445	2,177,137
Utilities	862,768	925,000	932,594	932,594
Legal & Audit/Professional Fees	78,295	140,000	132,050	182,050
Central Services Cost	308,600	353,700	380,580	392,709
Defensible Space	100,000	100,000	100,000	100,000
Depreciation/Amortization	3,153,809	3,310,000	3,485,000	3,485,000
Total Operating Expense	10,428,137	11,089,700	11,395,265	11,640,874
Operating Income or (Loss)	2,359,045	1,590,300	1,949,723	1,033,966
NONOPERATING REVENUES				
Interest Earned	282,484	165,000	148,500	148,500
Property Taxes				
Subsidies				
Consolidated Tax				
Capital Grants				
Sales of capital assets	15,066	5,000	-	-
Total Nonoperating Revenues	297,550	170,000	148,500	148,500
NONOPERATING EXPENSES				
Interest Expense	126,351	119,000	104,428	104,428
Total Nonoperating Expenses	126,351	119,000	104,428	104,428
Net Income before Operating Transfers	2,530,244	1,641,300	1,993,795	1,078,038
Transfers (Schedule T)				
In	120,000	45,000	-	-
Out			-	-
Net Operating Transfers	120,000	45,000	-	-
CHANGE IN NET POSITION	2,650,244	1,686,300	1,993,795	1,078,038

Incline Village General Improvement District

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

Utility Fund

PROPRIETARY FUND	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
A. CASH FLOWS FROM OPERATING ACTIVITIES:				
Receipts from customers and users	12,264,273	12,500,000	13,072,588	12,402,440
Receipts from intergovernmental services	-			
Receipts from interfund services	111,853	180,000	241,400	241,400
Receipts from operating grants	1,440	-	31,000	31,000
Payments to and for employees	(3,930,319)	(4,080,000)	(4,293,596)	(4,371,384)
Payments to vendors	(3,463,230)	(3,699,700)	(3,616,669)	(3,784,490)
Payments for interfund services				
a. Net cash provided by (or used for) operating activities	4,984,017	4,900,300	5,434,723	4,518,966
B. CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:				
Transfer in 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	(2,816,092)	(3,516,400)	(12,383,500)	(7,140,286)
Proceeds from sale of assets	15,066	5,000	-	-
Payments of capital related debt	(509,678)	(523,988)	(538,707)	(538,706)
Capital contributions	114,787			
Payment of interest	(133,456)	(119,146)	(104,428)	(104,428)
c. Net cash provided by (or used for) capital and related financing activities	(3,329,373)	(4,154,534)	(13,026,635)	(7,783,420)
D. CASH FLOWS FROM INVESTING ACTIVITIES:				
Restricted investments released (increased)	(7,267)	-	-	
Investments purchased	(4,500,000)	(2,500,000)		
Investments sold or matured	255,939	2,000,000	5,000,000	
Investment earnings	198,470	165,000	148,500	148,500
d. Net cash provided by (or used in) investing activities	(4,052,858)	(335,000)	5,148,500	148,500
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(2,398,214)	455,766	(2,443,412)	(3,115,954)
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	6,764,416	4,366,202	4,821,968	4,821,968
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	4,366,202	4,821,968	2,378,556	1,706,014

___ Incline Village General Improvement District

SCHEDULE F-2 STATEMENT OF CASH FLOWS

Utility Fund

PROPRIETARY FUND	(1)	(2)	(3) (4) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE APPROVED	FINAL APPROVED
	OPERATING REVENUE			
Charges for services				
Interfund:				
Fleet Services	1,155,513	1,155,000	1,238,140	1,238,140
Engineering	620,810	825,000	949,500	949,500
Building Services	1,023,990	1,090,000	1,133,996	1,040,396
Workers Compensation	504,549	-	-	-
Total Operating Revenue	3,304,862	3,070,000	3,321,636	3,228,036
OPERATING EXPENSE				
Salaries & Wages	1,282,090	1,470,000	1,552,215	1,499,515
Employee Benefits	617,824	710,000	844,240	819,153
Services & Supplies	1,383,194	872,000	896,822	912,122
Utilities	10,838	11,500	11,520	11,520
Professional Fees	-	5,000	9,000	9,000
Depreciation	12,561	13,560	14,300	14,300
Total Operating Expense	3,306,507	3,082,060	3,328,097	3,265,610
Operating Income or (Loss)	(1,645)	(12,060)	(6,461)	(37,574)
NONOPERATING REVENUES				
Interest Earned	360	-	-	-
Property Taxes				
Subsidies				
Consolidated Tax				
Capital Grants				
Sales of capital assets				
Total Nonoperating Revenues	360	-	-	-
NONOPERATING EXPENSES				
Interest Expense				
Total Nonoperating Expenses	-	-	-	-
Net Income before Operating Transfers	(1,285)	(12,060)	(6,461)	(37,574)
Transfers (Schedule T)				
In				
Out	(474,356)	-	-	-
Net Operating Transfers	(474,356)	-	-	-
CHANGE IN NET POSITION	(475,641)	(12,060)	(6,461)	(37,574)

Incline Village General Improvement District

SCHEDULE F-1 REVENUES, EXPENSES AND NET POSITION

Internal Services Fund

PROPRIETARY FUND	(1)	(2)	(3) BUDGET YEAR ENDING 06/30/21	
	ACTUAL PRIOR YEAR ENDING 6/30/2019	ESTIMATED CURRENT YEAR ENDING 6/30/2020	TENTATIVE	FINAL
			APPROVED	APPROVED
A. CASH FLOWS FROM OPERATING				
ACTIVITIES:				
Receipts from customers and users				
Receipts from Interfund services provided	3,304,862	3,070,000	3,321,636	3,228,036
Payment to and for employees	(1,790,450)	(2,180,000)	(2,396,455)	(2,318,668)
Payments to vendors	(1,526,271)	(888,500)	(917,342)	(932,642)
Final payments on Work Comp Liabilities				
a. Net cash provided by (or used for) operating activities	(11,859)	1,500	7,839	(23,274)
B. CASH FLOWS FROM NONCAPITAL				
FINANCING ACTIVITIES:				
Operating Transfers from Work Comp	(300,000)	-	-	-
Residual Equity Transfer - close Work Comp	(174,356)	-	-	-
b. Net cash provided by (or used for) noncapital financing activities	(474,356)	-	-	-
C. CASH FLOWS FROM CAPITAL AND				
RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	-	-	(5,000)	(5,000)
Sale of capital assets	-	-	-	-
c. Net cash provided by (or used for) capital and related financing activities	-	-	(5,000)	(5,000)
D. CASH FLOWS FROM INVESTING				
ACTIVITIES:				
Restricted investments released (increased)	103,880	-	-	-
Investments Purchased	-	-	-	-
Investments matured or sold	-	-	-	-
Investment earnings	360	-	-	-
d. Net cash provided by (or used in) investing activities	104,240	-	-	-
NET INCREASE (DECREASE) in cash and cash equivalents (a+b+c+d)	(381,975)	1,500	2,839	(28,274)
CASH AND CASH EQUIVALENTS AT JULY 1, 20xx	817,812	435,837	437,337	
CASH AND CASH EQUIVALENTS AT JUNE 30, 20xx	435,837	437,337	440,176	(28,274)

___ Incline Village General Improvement District

SCHEDULE F-2 STATEMENT OF CASH FLOWS

Internal Services Fund

ALL EXISTING OR PROPOSED
GENERAL OBLIGATION BONDS, REVENUE BONDS,
MEDIUM-TERM FINANCING, CAPITAL LEASES AND
SPECIAL ASSESSMENT BONDS

* - Type
1 - General Obligation Bonds
2 - G.O. Revenue Supported Bonds
3 - G.O. Special Assessment Bonds
4 - Revenue Bonds
5 - Medium-Term Financing

6 - Medium-Term Financing - Lease Purchase
7 - Capital Leases
8 - Special Assessment Bonds
9 - Mortgages
10 - Other (Specify Type)
11 - Proposed (Specify Type)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9) REQUIREMENTS FOR FISCAL YEAR ENDING 06/30/21		(11)
NAME OF BOND OR LOAN List and Subtotal By Fund	*	TERM	ORIGINAL AMOUNT OF ISSUE	ISSUE DATE	FINAL PAYMENT DATE	INTEREST RATE	BEGINNING OUTSTANDING BALANCE 7/1/2020	INTEREST PAYABLE	PRINCIPAL PAYABLE	(9)+(10) TOTAL
COMMUNITY SERVICES & BEACH FUNDS							\$	\$	\$	\$
Recreation Facilities and Recreation Refunding - 2012	2	10	\$ 3,475,000	7/18/2012	9/1/2022	2.25%	\$	\$	\$	\$
2012 Bond - 98.39% Community Services Fund	2						\$ 1,118,694	\$ 21,097	\$ 362,075	\$ 383,172
							\$	\$	\$	\$
2012 Bond - 1.61% Beach Fund	2						\$ 18,306	\$ 345	\$ 5,925	\$ 6,270
							\$	\$	\$	\$
UTILITY FUND							\$	\$	\$	\$
St of NV Sewer C32-0204	4	20	\$ 1,720,380	10/28/2002	1/1/2023	3.14375%	\$ 365,370	\$ 10,566	\$ 118,012	\$ 128,578
St of NV Water IVGID-1	4	20	\$ 1,687,282	9/9/2004	7/1/2025	3.082%	\$ 570,931	\$ 16,856	\$ 96,792	\$ 113,648
St of NV Sewer CS32-0404	2	20	\$ 3,000,000	8/1/2006	1/1/2026	2.725%	\$ 1,141,608	\$ 29,907	\$ 177,630	\$ 207,537
St of NV Water DW-1201	2	20	\$ 3,000,000	3/16/2012	1/1/2032	2.39%	\$ 2,007,029	\$ 47,099	\$ 146,273	\$ 193,372
Total for the Utility Fund							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
							\$	\$	\$	\$
TOTAL ALL DEBT SERVICE							\$ 5,221,938	\$ 125,870	\$ 906,707	\$ 1,032,577

SCHEDULE C-1 - INDEBTEDNESS

Incline Village General Improvement District Budget Fiscal Year 2020-2021

Transfer Schedule for Fiscal Year 2020-2021

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
GENERAL FUND						
SUBTOTAL			None			
SPECIAL REVENUE FUNDS						
Community Services Special Revenue Funds				Community Services Capital Funds		5594546
SUBTOTAL			None			5594546

Incline Village General Improvement District _____

SCHEDULE T - TRANSFER RECONCILIATION

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
CAPITAL PROJECTS FUND						
Community Services Capital Funds	Community Services Special Revenue Funds		5594546			
SUBTOTAL			5594546			None
EXPENDABLE TRUST FUNDS						
SUBTOTAL			None			None
DEBT SERVICE						
SUBTOTAL			None			None

Incline Village General Improvement District

SCHEDULE T - TRANSFER RECONCILIATION

Transfer Schedule for Fiscal Year 2020-2021

TRANSFERS IN				TRANSFERS OUT		
FUND TYPE	FROM FUND	PAGE	AMOUNT	TO FUND	PAGE	AMOUNT
ENTERPRISE FUNDS						
SUBTOTAL			None			None
INTERNAL SERVICE						
SUBTOTAL			None			None
RESIDUAL EQUITY TRANSFERS						
SUBTOTAL			None			None
TOTAL TRANSFERS			None			None

Incline Village General Improvement District

LOBBYING EXPENSE ESTIMATE

Pursuant to NRS 354.600 (3), **each** (emphasis added) local government budget must obtain a separate statement of anticipated expenses relating to activities designed to influence the passage or defeat of legislation in an upcoming legislative session.

Nevada Legislature: 81st Session; February 1, 2021 to May 31, 2021

1. Activity:	<u>Legislative Advocacy</u>	
2. Funding Source:	<u>General Fund Revenue</u>	
3. Transportation		\$ _____
4. Lodging and meals		\$ _____
5. Salaries and Wages		\$ _____
6. Compensation to lobbyists		\$ <u>24,000</u>
7. Entertainment		\$ _____
8. Supplies, equipment & facilities; other personnel and services spent in Carson City		\$ <u>1,200</u>
Total		\$ <u><u>25,200</u></u>

Entity: Incline Village General Improvement District

Budget Year 2020-2021

Page: 28
Schedule 30

SCHEDULE OF EXISTING CONTRACTS

Budget Year 2020 - 2021

Local Government: Incline Village General Improvement District

Contact: Paul C Navazio

E-mail Address: pcn@ivgid.org

Daytime Telephone: 775-832-1365

Total Number of Existing Contracts: 15

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Proposed Expenditure FY 2020-21	Proposed Expenditure FY 2021-22	Reason or need for contract:
1	Eide Bailly, LLP	7/1/2015	6/30/2020	58,500	TBD	Annual Financial Audit
2	Legal Consel TBD			144,000	144,000	Legal Counsel
3	Marcus G. Faust, PC	5/1/2019	4/30/2022	65,000	65,000	Federal Legislative Advocate
4	Tri-Strategies Ltd	7/1/2020	6/30/2021	24,000	-	Local Government Legislative Advocate
5	CC Cleaning, LLC	10/31/2019	1 yr, plus 4 options	106,340	111,000	Cleaning Services for District venues
6	Wells Fargo Banking Services	7/1/2018	6/30/2021	36,000	36,000	Bank account fees before earnings allowance
7	Provider yet TBD	One time contract		50,000	-	Tahoe Water Suppliers' Water Quality Treatment Services Analysis
8	High Sierra Patrol	10/1/2017	9/30/2021	75,000	77,500	Security Services
9	Sierra Office Solutions	4/1/2018	Annual Renewal	TBD	TBD	LAN, Network, and Desktop Copier Supplies and Maintenance
10	EXL Media Corporation	7/1/2020	6/30/2021	65,000	TBD	Advertising Media Buyer Services
11	AT&T Ethernet	6/29/2015	12/31/2020	28,560	TBD	Ethernet Provider
12	Xerox	1/1/2018	12/31/2020	6,225	TBD	Contract Support for Admin Copier
13	Sierra Office Solutions	1/1/2018	12/31/2020	2,238	TBD	Contract Support for PW Copier
14	ALSCO	7/7/2018	6/30/2022	63,000	63,000	Joinder Contract to St of NV for linen services
15	AT&T High Volume Long Distance	4/1/2019	3/31/2021	3,000	TBD	Long Distance calls
16						
17						
18						
19						
20	Total Proposed Expenditures			726,863	496,500	

Additional Explanations (Reference Line Number and Vendor):

SCHEDULE OF PRIVATIZATION CONTRACTS

Budget Year 2020 - 2021

Local Government: Incline Village General Improvement District

Contact: Paul C. Navazio

E-mail Address: pcn@ivgid.org

Daytime Telephone: 775-832-1365

Total Number of Privatization Contracts: 5

Line	Vendor	Effective Date of Contract	Termination Date of Contract	Duration (Months/ Years)	Proposed Expenditure FY 2020-21	Proposed Expenditure FY 2021-22	Position Class or Grade	Number of FTEs employed by Position Class or Grade	Equivalent hourly wage of FTEs by Position Class or Grade	Reason or need for contract:
1	Incline Spirits, Inc.	5/11/2011	9/30/2022		\$ -	\$ -		2	\$12	District is paid a fee to operate concession
2	Sand Harbor Water Sports LLC	5/15/2019	9/3/2021		\$ -	\$ -		No Staff displaced		District is paid a fee to operate concession
3	Massage Therapist		Fiscal Year		\$ 14,000	\$ -		0.5		Licensed Prof.
4	Umpires		Fiscal Year		\$ 2,800	\$ -		0.09		Contract with Assoc.
5	Art Instructor		Fiscal Year		\$ 1,800	\$ -		0.06		Infrequent schedule
6										
7										
8	Total				\$ 18,600	\$ -		2.65		

Attach additional sheets if necessary.

Incline Village General Improvement District
2020-2021 Budget

Full Time Equivalent (FTE) Personnel Summary
Community Services, Beach and Other Funds

Activity:	2018-2019	2019-2020	2020-2021
	Budget	Budget	Budget
	Total FTE	Total FTE	Total FTE
Golf - Championship	41.2	43.9	30.2
Golf - Mountain	11.3	11.6	10.9
Facilities	1.4	2.5	10.4
Ski	74.4	78.5	75.9
Recreation	25.1	25.0	21.2
Parks	9.7	7.1	7.7
Tennis	1.5	2.5	1.5
Other Recreation	3.2	2.5	3.3
Subtotal Community Svc	167.8	173.6	161.1
Beach	25.9	25.5	21.1
General Fund	23.3	23.8	23.0
Engineering	5.1	5.1	4.9
Fleet	7.0	7.0	7.0
Buildings	6.5	6.5	5.9
Utilities	34.6	34.2	35.2
	76.5	76.6	76.0
Total	270.2	275.7	258.2
Supplemental Breakdowns for informational Puroposes Only			
Marketing	3.2	3.3	2.8
Food and Beverage	26.6	26.3	29.7

Legend

SM = Seasonal Management
S = Seasonal
PT = Part-Time
PTYR = Part-Time Year-Round
FTYR = Full-Time Year-Round
FTE = Full Time Equivalent

Incline Village General Improvement District	Capital Improvement Projects Report to the Board of Trustees			PROPOSED For the Year Ending June 30, 2021				5/21/2020	
			Prior Year	Current Year				Form 4404 Budgeted	
DESCRIPTION	PROJECT #	Original Budget	Carry Forward	Proposed	Projects Cancelled	Adjustments	Reallocation	Future Year Reservation Fund Balance	FY2020-21 CIP Budget
General Fund:									
IT Master Plan - IT Security Devices	1213CE1101	15,000		15,000					15,000
District Wi-Fi Installation Update	1213CE1501	60,000		40,000					40,000
District Communication Radios	1213CE1701	6,000		6,000					6,000
District Wide Update to Voice Over Internet Phone System	1213CE1901	60,000		60,000					60,000
IT Infrastructure	1213CO1505	91,800		91,800					91,800
District Wide PC, Laptops, Peripheral Equipment and Desk Top Printers	1213CO1703	97,050		97,050					97,050
Microsoft Office Licenses	1213CO1803	9,300		9,300					9,300
Windows Server Operating System	1213CO1804	14,000		14,000					14,000
Admin Roof Repairs	1099BD1501	12,000		12,000					12,000
Pavement Maintenance - Administration Building	1099LI1705	5,000		5,000					5,000
Human Resources Management and Payroll Processing	1315CO1801	300,000	300,000	0					300,000
Total General Fund	Total		300,000	350,150	0	0	0	0	650,150
									0
Utility Fund:									
Arc Flash Study - Utilities	2097BD2001	60,000		60,000					60,000
Public Works Billing Software Replacement	2097CO2101	10,000		10,000					10,000
Adjust Utility Facilities in NDOT/Washoe County Right of Way	2097DI1401	145,000		25,000					25,000
Water Reservoir Safety and Security Improvements	2097DI1701	250,000	389,396	200,000					589,396
2011 Chevrolet Service Truck #647 Treatment	2097LV1749	45,000		45,000					45,000
Utility Shared Projects	Total		389,396	340,000	0	0	0	0	729,396
Water Pumping Station Improvements	2299DI1102	70,000		70,000					70,000
Replace Commercial Water Meters, Vaults and Lids	2299DI1103	55,000		55,000					55,000
Water Reservoir Coatings and Site Improvements	2299DI1204	85,000		85,000					85,000
Burnt Cedar Water Disinfection Plant Improvements	2299DI1401	25,000		25,000					25,000
Watermain Replacement - Martis Peak Road vicinity	2299WS1704	990,000		990,000					990,000
Burnt Cedar Water Disinfection Plant Emergency Generator Fuel Tank Upgrades	2299DI1707	200,000	175,000	0					175,000
Water	Total		175,000	1,225,000	0	0	0	0	1,400,000
Effluent Export Pipeline Project	2524SS1010	2,000,000	11,586,890	2,000,000				-11,586,890	2,000,000
Effluent - Pond Lining	2599SS2010	0		0					0
Building Upgrades Water Resource Recovery Facility	2599BD1105	80,000		80,000					80,000
Sewer Pumping Station Improvements	2599DI1104	70,000		70,000					70,000
Sewer Pump Station #1 Improvements	2599DI1703	650,000	390,866	650,000					1,040,866
Water Resource Recovery Facility Improvements	2599SS1102	125,000		125,000					125,000
Wetlands Effluent Disposal Facility Improvements	2599SS1103	100,000		16,500					16,500
Replace & Reline Sewer Mains, Manholes and Appurtenances	2599SS1203	80,000		80,000					80,000
WRRF Aeration System Improvements	2599SS1707	1,766,500	1,598,524	0					1,598,524
Sewer	Total		13,576,280	3,021,500	0	0	0	-11,586,890	5,010,890
Total Utility Fund	Total		14,140,676	4,586,500	0	0	0	-11,586,890	7,140,286
Internal Service:									
Replace 2004 Pick-up Truck 4X4 (1/2-ton) #540 Used Internal	5394LV1722		5,000	5,000					5,000

Incline Village General Improvement District	Capital Improvement Projects Report to the Board of Trustees				PROPOSED For the Year Ending June 30, 2021				5/21/2020
			Prior Year	Current Year					Form 4404 Budgeted
DESCRIPTION	PROJECT #	Original Budget	Carry Forward	Proposed	Projects Cancelled	Adjustments	Reallocation	Future Year Reservation Fund Balance	FY2020-21 CIP Budget
Total Internal Service	Total		0	5,000	0	0	0	0	5,000
Championship Golf Course:									0
Champ Golf Exterior Icebreaker Replacement	3141FF1804	10,500		10,500					10,500
Championship Golf Course Bear Boxes	3141FF1903	6,000		6,000					6,000
Irrigation Improvements	3141GC1103	15,000	5,000	15,000					20,000
Maintenance Building Drainage, Washpad and Pavement	3141GC1501	700,000		700,000					700,000
Pavement Maintenance of Parking Lots - Champ Course & Chateau	3141LI1201	55,000		55,000					55,000
Pavement Maintenance of Cart Paths - Champ Course	3141LI1202	62,500		62,500					62,500
Championship Golf Course Electric Cart Fleet and GPS	3141LV1898	378,000		378,000					378,000
2006 Carryall Club Car #589	3142LE1737	13,000		13,000					13,000
2006 Carryall Club Car #590	3142LE1738	13,000		13,000					13,000
2006 Carryall Club Car #591	3142LE1739	13,000		13,000					13,000
2016 Bar Cart #724	3142LE1741	17,000		17,000					17,000
2016 Bar Cart #725	3142LE1742	17,000		17,000					17,000
Replacement of 2010 John Dere 8500 #641	3142LE1760		92,000						92,000
Driving Range Nets	3143GC1201	90,000		90,000					90,000
2008 Planetair HD50 #616	3197LE1731	38,000		38,000					38,000
2017 TORO Procore 864 Aerator #747	3197LE1735	28,000		28,000					28,000
2017 Deep Tine Aerator #763	3197LE1752	27,000		27,000					27,000
Graden Sand Injection Verticutter	3197LE1902	18,500		18,500					18,500
2017 TORO Procore 864 Aerator #756	3197LE2004	33,500		33,500					33,500
Maintenance Shop Crane and Equipment Lift	3197ME1710	30,000	21,827	0					21,827
Total Championship Golf Course	Total		118,827	1,535,000	0	0	0	0	1,653,827
Mountain Golf Course:									
Mountain Course Greens, Tees and Bunkers	3241GC1101	8,000	15,000	8,000					23,000
Irrigation Improvements	3241gc1101	43,000	18,000						18,000
Mountain Course 58 Cart Fleet acquired by lease	3241LV1899	288,000	113,985	0					113,985
Mountain Golf Cart Path Replacement	3241LI2001	165,000	166,395	0					166,395
2016 Bar Cart #726	3242LE1726	20,000		20,000					20,000
Pavement Maintenance of Parking Lot - Mountain Golf Course	3242LI1204	6,000		6,000					6,000
Total Mountain Golf Course	Total		313,380	34,000	0	0	0	0	347,380
Chateau:									
Resurface Patio Deck - Chateau	3350BD1302	36,000		36,000					36,000
Replace Air Walls Chateau	3350BD1704	56,500		56,500					56,500
Retrofit Chateau Ventilation Ducts	3350ME2001	7,500		7,500					7,500
Total Chateau and Aspen Grove	Total		0	100,000	0	0	0	0	100,000
Diamond Peak Ski Resort:									
Base Lodge Walk In Cooler and Food Prep Reconfiguration	3453BD1806	15,000	25,000	15,000					40,000
Crystal Express Ski Lift Maintenance and Improvements	3462HE1502	55,000		55,000					55,000
Lakeview Ski Lift Maintenance and Improvements	3462HE1702	25,000	239,864	25,000					264,864
Ridge Ski Lift Maintenance and Improvements	3462HE1903	45,000		45,000					45,000
Ski Resort Snowmobile Fleet Replacement	3464LE1601	16,000		16,000					16,000

Incline Village General Improvement District	Capital Improvement Projects Report to the Board of Trustees				PROPOSED For the Year Ending June 30, 2021				5/21/2020
			Prior Year	Current Year					Form 4404 Budgeted
DESCRIPTION	PROJECT #	Original Budget	Carry Forward	Proposed	Projects Cancelled	Adjustments	Reallocation	Future Year Reservation Fund Balance	FY2020-21 CIP Budget
2013 Yamaha Rhino (ATV) #674	3464LV1732	21,000		21,000					21,000
Replace Ski Rental Equipment	3468RE0002	200,000	335,000	200,000					535,000
Replace 2010 Shuttle Bus #635	3469HE1739	140,000		140,000					140,000
Replace 2010 Shuttle Bus #636	3469HE1740	140,000		140,000					140,000
Pavement Maintenance, Diamond Peak and Ski Way	3469LI1105	25,000		25,000					25,000
Ski Way and Diamond Peak Parking Lot Reconstruction	3469LI1805	300,000	220,000	300,000					520,000
Diamond Peak Facilities Flooring Material Replacement	3499BD1710	55,000		55,000					55,000
Arc Flash Study - Ski	3499BD2002	20,000		20,000					20,000
Ecommerce/Middleware Software	3499CE1909	202,000	202,000	0					202,000
Replace Staff Uniforms	3499OE1205	135,000		135,000					135,000
Ski Master Plan Implementation (Entitlements)	3653BD1501	750,000	450,000	0				(400,000)	50,000
Total Diamond Peak	Total		1,471,864	1,192,000	0	0	0	(400,000)	2,263,864
Parks:									
Resurface and Coat Incline Park Bathroom Floors	4378BD1603	13,940		13,940					13,940
Rosewood Creek Foot Bridges	4378BD1705	8,000		8,000					8,000
Preston Field Retaining Wall Replacement	4378BD1801	10,000		10,000					10,000
2008 JD Pro-Gator #624	4378LE1731	36,000		36,000					36,000
2015 Ball Field Groomer #706	4378LE1742	24,000		24,000					24,000
Maintenance, East & West End Parks	4378LI1207	7,000		7,000					7,000
Pavement Maintenance, Village Green Parking	4378LI1303	7,500		7,500					7,500
Pavement Maintenance, Preston Field	4378LI1403	5,000		5,000					5,000
Pavement Maintenance, Overflow Parking Lot	4378LI1602	5,000		5,000					5,000
Pavement Maintenance - Incline Park	4378LI1802	3,500		3,500					3,500
2004 Pick-up Truck 4x4 (1-Ton) #541	4378LV1737	45,000		45,000					45,000
Replace Playgrounds - Preston	4378RS1601	7,500		7,500					7,500
Total Parks	Total		0	172,440	0	0	0	0	172,440
Tennis:									
Paint All Court Fences and Light Poles, Replace Wind Screens	4588BD1602	26,000		26,000					26,000
Tennis Center Renovation	4588BD1604	0	996,630	0					996,630
Pavement Maintenance, Tennis Facility	4588LI1201	5,000		5,000					5,000
Resurface Tennis Courts 8-9-10-11	4588RS1401	17,600		17,600					17,600
Total Tennis	Total		996,630	48,600	0	0	0	0	1,045,230
Recreation Center:									
Recreation Center Upstairs Lobby Restrooms Remodel	4884BD1902	170,000		170,000					170,000
Pavement Maintenance, Recreation Center Area	4884LI1102	62,500		62,500					62,500
Fitness Equipment	4886LE0001	45,000		45,000					45,000
Rec Center Locker Room Improvements	4899FF1202	60,000		60,000					60,000
Recreation Center Elevator Modernization	4899ME2001	97,500		97,500					97,500
Recreation Center Printer Copier Replacement 980 Incline Way	4899OE1607	20,000		20,000					20,000
Total Recreation Center	Total		0	455,000	0	0	0	0	455,000
Community Services Administration:									
Arc Flash Study - Community Services	4999BD2001	10,000		10,000					10,000
Web Site Redesign and Upgrade	4999OE1399	80,000		80,000					80,000
Total Community Services Administration	Total		0	90,000	0	0	0	0	90,000

Incline Village General Improvement District	Capital Improvement Projects Report to the Board of Trustees				PROPOSED For the Year Ending June 30, 2021				5/21/2020
			Prior Year	Current Year					Form 4404 Budgeted
DESCRIPTION	PROJECT #	Original Budget	Carry Forward	Proposed	Projects Cancelled	Adjustments	Reallocation	Future Year Reservation Fund Balance	FY2020-21 CIP Budget
Beach:									0
Burnt Cedar Swimming Pool Improvements	3970BD2601	225,000		225,000					225,000
Pavement Maintenance, Ski Beach	3972BD1301	6,000		6,000					6,000
Beaches Flatscape and Retaining Wall Enhancement and Replacement	3972BD1501	55,000		55,000					55,000
Burnt Cedar Dumpster enclosure	3972BD1707	35,000		35,000					35,000
Beach Furnishings	3972FF1704	7,000		7,000					7,000
Pavement Maintenance, Incline Beach	3972LI1201	6,500		6,500					6,500
Pavement Maintenance, Burnt Cedar Beach	3972LI1202	12,500		12,500					12,500
Replace Playgrounds - Beaches	3972RS1701	7,500		7,500					7,500
Incline Beach Facility Replacement	3973LI1302	100,000		100,000					100,000
Resurface Burnt Cedar Pool Patio Deck	3999BD1702								0
Total Beach	Total		0	454,500	0	0	0	0	454,500
District-wide Total			\$17,341,377	\$9,023,190	\$0	\$0	\$0	(\$11,986,890)	\$14,377,677

From: Sara Schmitz
Sent: Wednesday, May 27, 2020 1:07 PM
To: Herron, Susan
Subject: Fw: Rec Fee

Susan,

Would you please add this as a communication to the Audit Committee?

Thank you!

Sara

Sara Schmitz

Incline Village General Improvement District Trustee and Treasurer
893 Southwood Blvd.
Incline Village, NV 89451
925-858-4384



From: Jgumz <jgumz@protonmail.com>
Sent: Tuesday, May 26, 2020 9:21 PM
To: Sara Schmitz; Matthew Dent; Tim Callicrate
Subject: Rec Fee

Dear Trustees:

Before you vote for that rec fee, are you aware of potential personal use of public funds? Do you think Incline resident pay the Rec Fee so IVGID employees can have end-of-season parties?

Examples of "Employee Recruitment and Retention" expenses

Cardholder: Mike Bandelein 2/21/16 ROOKIES SPORTS BAR AND GR \$1,404.94

Cardholder: Matt Hoerth 4/22/19 JT BASQUE \$574.31 End of season Rental party

Cardholder: Stephanie Koehler 4/15/18 SQ BREWFORIA BEER \$1,498.00 SOU SQ BREWFORIA BEER - Purchase

Cardholder: Stephanie Koehler 2/15/19 SQ INCLINED \$1,550.00 Food for employees

The public was not invited to these events.

Did you know Washoe County has a \$2500 limit on light meals and refreshment spending? And that their ordinance dictates when the spending can occur - generally public functions?

This is the TIP of the ICEBERG. And YES it is going on in the CURRENT FISCAL YEAR. IVGID is a LIMITED POWERS Special District - LOCAL GOVERNMENT under Nevada law.

As a "Quasi-municipal corporation" created under NRS 318, **IVGID does NOT HAVE HOME RULE.** THAT MEANS IVGID cannot provide a Business Expense reason - such as Employee recruitment and retention..

PLEASE do not ask the H&S legal firm for their "opinion" on this - they are not impartial or unbiased.

Do you want to be complicit in illegal activity - personal use of public funds?
Voting for the Rec Fee is just that.

Joy Gumz
Incline Village

From: Sara Schmitz
Sent: Tuesday, June 16, 2020 9:16 AM
To: Herron, Susan
Cc: Matthew Dent
Subject: Fw: Inappropriate budgeting and reporting - Burnt Cedar Water Disinfection Plant - 2015 to 2021
Attachments: Utility Fund - Burnt Cedar Water Disinfection Plant - Inappropriate Budgeting and Reporting.pdf

Susan,

Please ask Matthew if this is a correspondence to be included in the Audit Committee correspondence from the public as part of our next Audit Committee packet.

Thanks!

Sara

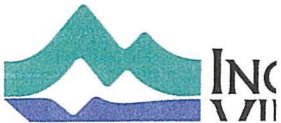
Sara Schmitz

Incline Village General Improvement District Trustee and Treasurer

893 Southwood Blvd.

Incline Village, NV 89451

925-858-4384



From: cfdobler@aol.com <cfdobler@aol.com>
Sent: Monday, June 15, 2020 10:53 PM
To: Sara Schmitz; Matthew Dent; Tim Callicrate; Peter Morris; Wong, Kendra
Cc: Winquest, Indra S.
Subject: Inappropriate budgeting and reporting - Burnt Cedar Water Disinfection Plant - 2015 to 2021

Attached is another research memorandum which again concludes that Staff does not care what this Board requires and continues to manipulate budgets and expenditures to hide facts.

I ask the Audit Committee to review this horrible history of past event and take corrective action.

There is simply no oversight.

Thanks

Cliff Dobler

Memorandum

June 15, 2020

To: IVGID Board of Trustees and Indra Winquest

From: Clifford F. Dobler

Re: Burnt Cedar Water Disinfection Plant - another budgeting and reporting fiasco

In 2015 and again on December 12, 2018, as a result of false accounting on the Effluent Wastewater Pond Lining, the Board of Trustees requested Staff to start accounting and reporting separately each sub project of a major facility or venue. It was brought to the Board's attention that several large sub projects were being combined within one infrastructure facility and with only one account number, thus negating any transparency. The Board recommended that each project should be assigned a separate account number. Of course, nothing happened. Staff knows the Board will not remember anything nor will follow up on anything.

Since 2017, the annual project summaries for the Burnt Cedar Water Disinfection Plant have listed seven different sub projects all under the same account number. Also, the narrative for the current 2021 project summary has not been changed since 2017. From fiscal year 2015 through fiscal year 2019 a total of \$520,594 was spent against \$245,000 in approved budgets. The overage of \$275,000 was hidden by falsely creating a 2016 carryover budget of \$308,245 by transferring budgets from other unrelated projects, which were either delayed or under budget. Of course, this transfer was never approved by the Board. A review of Board meetings agendas over the past 5 years indicate not a single sub project was presented to the Board for approval. Does anyone feel they are being left in the dark? A list of the subprojects and budgets from the project summaries are:

- Electrical, Mechanical, Pumping Improvements - \$40,000 - Fiscal 2015
- Electrical, Mechanical, Pumping Improvements - \$40,000 - Fiscal 2016
- Vertical Turbine Drive Unit - \$40,000 - Fiscal 2017
- Electrical, Mechanical, Pumping Improvements - \$25,000 -Fiscal 2018
- Electrical, Mechanical, Pumping Improvement - \$25,000 - Fiscal 2019
- Sodium Hypochlorite Feed Pumps - \$25,000 - Fiscal 2019 - Never done - now in fiscal 2021
- SCDA Cyber-Security Upgrades - \$50,000 -Fiscal 2019

The amounts spent on any one sub project is unknown. We do know that whatever subprojects were done exceeded the combined budgets by 89%. A review of invoices include the classic task orders to CH2M-Hill for \$106,000. Also, for laughs, some concrete curb work and installing a heater were done costing \$12,000. I suggest these two were not even related to the Plant.

In the fiscal 2021 project summary there is another sub project titled "Washoe 1 water intake line". Design may have already been done since it was budgeted in fiscal 2020. Who knows?

Continuing to remain on the fiscal 2021 project summary is an extension of the Water Intake Pipeline in Lake Tahoe. The 2017 project summary stated: "EPA and State Regulations may require a pipeline extension where it is deeper and farther from the shore and creek mouths where it will be less influenced by disturbances from storms. This should allow us to continue to meet our filtration exemption for our potable system, if it is determined our present system is inadequate. There would be a five year period to comply with this requirement".

This sub project was budgeted in 2017 to begin construction in 2021 with an estimated cost of \$1,250,000. The project keeps getting pushed out and is now scheduled to begin in 2026 with a new budget of \$1,650,000 insuring it would be off the current 2021/2025 capital plan. Does anyone on this Board know anything about this sub project, compliance with EPA and State requirements or when the five year period for compliance may have started or will end? Has Staff (Pomroy) or anyone else made a determination that our present system is inadequate? I doubt it.

Does anyone want to guess why construction of this subproject was extended into 2026? My guess would be Staff's desire to convince the Board that the five year plan in the 2021 Rate Study was adequate. After all without any reserves why make things worse by including a mere \$1,650,000 in capital expenditures. It could be that the water level in the lake is high enough and the project is buried away at the bottom of someone's in basket.

This is an encore and/or a repeat performance of the Effluent Pipeline, the Wastewater Storage Pond, the lousy estimates to replace 6 miles of domestic Water Mains and so many others projects. Joe Pomroy must go. Period.

Any backup information you require will be sent upon request.

Disgusting

Clifford F. Dobler



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

The Incline Village General Improvement District is committed to be proactive, informed, and providing the highest form of financial accountability to its parcel owners. Achieving this goal requires clear rules and procedures for making decisions and their impact on financial results.

The Government Finance Officers Association encourages the effective use of an audit committee in the public sector and considers this committee an integral element of public accountability and governance. The Audit Committee plays a key role with respect to the integrity of the District's financial information by ensuring those responsible for financial management (management, auditors, and the Board of Trustees) meets their respective responsibilities for internal controls compliance and financial reporting.

To be effective, an audit committee should be formally established by the Board of Trustees, be adequately funded, and properly documented.

POLICY: The Audit Committee ("Committee") is to assist the Board of Trustees fulfill its responsibilities in accordance with Nevada Revised Statutes, District Policies, Practices, Ordinances, and Resolutions by providing oversight over the District's financial reports, the systems of internal controls including the internal audit plans and reports, and the independent external auditor's assessment of financial statements.

The Committee will ensure open communication and maintain strong working relationships with the IVGID Board of Trustees, the General Manager, Director of Finance, and internal/external auditors.

The Audit Committee Charter shall be reviewed periodically with recommended changes submitted to the Board of Trustees for approval.

ORGANIZATION: The Committee shall consist of five (5) voting members. This includes two Board appointed Trustees and three Board appointed qualified At-Large Members. The Committee can be expanded to an odd number. Recommendations for expanding the number of voting members will be approved by the Committee and submitted to the Board of Trustees for approval. The Committee is to retain a financial advisor, potentially a resource from the external audit firm, to attend meetings, provide guidance and training, as needed.

Members of the Audit Committee should obtain an understanding of accounting, auditing, financial reporting, and internal control to be able, with the assistance of



Accounting, Auditing, and Financial Reporting Audit Committee Policy 15.1.0

a financial advisor, to deliberate on issues for which the Committee is responsible. Therefore, the Board of Trustees may need to budget for an outside financial advisor to assist the Committee with the independent conduct of its work. The financial advisor will be responsible for ensuring the Committee members receive training relative to internal controls, understanding of financial reports, internal audit processes, governmental regulations, and other pertinent information. The advisor should possess the following qualifications:

- A thorough understanding and experience with Generally Accepted Accounting Principles (GAAP), Government Accounting Standard Board (GASB), and financial reporting for the public sector
- Experience either preparing or auditing financial statements for similar entities
- Experience with accounting estimates and accruals
- Experience with financial internal controls
- An understanding of the function of an audit committee

Committee members shall be independent. They shall not accept any consulting, advisory, or other compensatory fee from the District. All members shall not be an affiliated person with the District.

- Annually, the Board of Trustees will appoint two Trustees to be voting members. Appointing Trustees to serve successive years increases the consistency and allows for knowledge retention. In the event a Trustee is removed or resigns, the Board of Trustees shall appoint a new member to the committee.
- At-Large Members shall be appointed by the Board of Trustees from applicants with appropriate expertise with staggering two-year terms.
 - For the first appointment, one member will serve a one-year term and the other two will serve a two-year term.
 - Each subsequent appointment will serve two-year terms.

One voting member of the Committee shall be appointed by the Committee to be the Chair. The Chair will schedule all Committee meetings and provide Committee members with a written agenda for each meeting. Committee Members may request agenda items for the Chair's consideration and approval.

The voting Committee members are limited to two 2-year terms which may be extended in the event there are no interested and qualified applicants.



**Accounting, Auditing, and Financial Reporting
Audit Committee
Policy 15.1.0**

1.0 Independent auditor reports directly to the Audit Committee

The independent auditor reports directly to the Audit Committee. The Audit Committee is expected to maintain free and open communication with the independent auditor and District Staff. This communication may include periodic executive sessions with each of these parties. The independent auditor is to bring to the attention of the Committee any additional work required, beyond the scope of work contained in the engagement agreement, to fulfill their responsibilities.

2.0 Scope of Audit Committee's Authority and Responsibilities

It is the responsibility of the Committee to provide independent review and oversight of:

1. Financial reporting
2. Internal controls
3. The independent audit of financial statements

To fulfill these responsibilities, the Committee must:

- 2.1 Be independent, effectively communicate, and reinforce accountability.
- 2.2 Manage the external independent audit procurement process.
 - 2.2.1 Ascertain that the Request For Proposal (RFP) for a firm to be retained by the District for the annual financial audit is no more than five fiscal years with those directly supervising audit staff rotating at least every two years and audit engagement partners rotating at least every three years.
 - 2.2.2 Select the independent external auditor.
- 2.3 Make recommendations to the Board of Trustees and take subsequent action to engage an external auditor for the District's Comprehensive Annual Financial Report (CAFR)
 - 2.3.1 Make recommendations on the scope of work including the identification of funds to be audited.



**Accounting, Auditing, and Financial Reporting
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Policy 15.1.0**

- 2.3.2 If deemed necessary, identify and recommend additional services to be performed.
- 2.3.3 By March 31st of each year, the Board of Trustees is to formally designate an external audit firm and inform the Nevada Department of Taxation.
- 2.3.4 When appropriate replace the independent external auditors or auditing firms doing work for the District and initiate the procurement process (2.2).
- 2.3.5 Approve the scope of work and audit plans by June of each year.
- 2.4 Facilitate the external audit process.
 - 2.4.1 Review and approve formal reports or letters to be submitted to the external auditor.
 - 2.4.2 Provide an independent forum for (external and/or internal resources) auditors to report findings or difficulties encountered during the audit.
 - 2.4.3 Review the auditors' report of findings and recommendations with management and the auditor.
 - 2.4.4 Review the CAFR in its entirety, including unaudited sections and letters.
 - 2.4.5 Follow -up on any corrective action identified.
 - 2.4.6 Submit a written annual Audit Committee Report to the District's Board of Trustees in conjunction with the presentation of the annual audit.
 - 2.4.7 Assess the performance of the independent auditors.
- 2.5 Review the financial statements; quarterly and annually for fair and accurate reporting.
 - 2.5.1 Review any changes in accounting policy.
 - 2.5.2 Ensure accounting policies are followed.
 - 2.5.3 Review any off-balance sheet financings.
- 2.6 Review the framework of internal controls; ensuring management establishes, implements and reviews internal controls on a regular basis for functionality and effectiveness.



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- 2.6.1 Review the annual internal control audit plan(s).
- 2.6.2 Review management's annual assessment of their internal controls for prior year's audit plan.
- 2.6.3 Evaluate management's identification of fraud risks, ensure the implementation of anti-fraud measures and that management is setting the tone at the top that fraud will not be accepted in any form.
- 2.6.4 The Committee may identify a need to engage an external Internal Auditor to address a specific area of concern.
 - 2.6.4.1 The Committee will review and approve or modify Management's proposal for the scope of work and selection of the resource.
 - 2.6.4.2 Management is responsible for engaging the resource to perform the scope of work and overseeing contract deliverables.
 - 2.6.4.3 Management will have the responsibility for implementation of identified internal control changes or enhancements.
 - 2.6.4.4 Management will report the findings and resolutions to the Committee.
- 2.7 Periodically review the District's code of conduct that promotes honest and ethical conduct; full, fair, accurate, timely, and understandable disclosure in periodic reports; and compliance with applicable policies to ensure it is adequate and up-to-date.
- 2.8 To review and refine as necessary the procedures for the receipt, retention, and treatment of complaints received by the District, from the public or anonymous submissions by employees of the District, regarding accounting, internal accounting controls, auditing matters, or suspected fraud.
 - 2.8.1 Review and refine as needed the procedures for educating employees on their individual role in ensuring the District's financial integrity.
 - 2.8.2 Ensure employees of the District have an anonymous method for concerns to be submitted.
 - 2.8.3 Publicize the means for the public and employees to submit concerns to the Audit Committee.



**Accounting, Auditing, and Financial Reporting
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Policy 15.1.0**

2.8.4 Review any submissions received, monitor the status of all submissions, ensure their timely resolution, and the document handling or disposition.

2.9 The Audit Committee is to submit an annual report to the Board of Trustees assessing the results of its fulfillment of its duties and responsibilities.

3.0 Meetings

3.1 Meetings are to be conducted in accordance with the state's Open Meeting Law NRS 241. The Board of Trustees will be emailed a copy of the meeting minutes. Meeting minutes will be posted on the District website.

3.2 The committee will hold meetings at a minimum of once per quarter. All members are expected to attend on a regular basis.

3.3 Review correspondence to determine if any action is to be taken. If needed, assign the responsibility to investigate and resolve the concern/question to the appropriate organizational leader. Communicate with the submitter, if known, regarding their submitted concern.

3.4 Review all past correspondence with action outstanding. Ensure responses and/or corrective action is taken in a timely manner.

3.5 The committee may ask members of management or others to attend meetings and provide pertinent information as necessary.

3.6 The committee Chair shall establish the agenda for meetings and provide all briefing materials to members and the public in advance.

3.7 An annual meeting is to be held with the independent external auditors, the General Manager, the Director of Finance, legal counsel and anyone else as desired by the Committee to review the audited annual financial statements including the Comprehensive Annual Financial Report (CAFR) and the auditor's letter of findings.

Audit Committee Transition Plan

1. Board of Trustees approval of the proposed amendments to Policy 15.1.0 subject to the completion of this transition plan
2. Work with the Director of Finance to include the financial advisor role as part of the external audit engagement.
3. Solicit applications for At-Large Audit Committee members. Skills desired include a background in public sector accounting, financial audit experience, financial internal control experience, financial managerial experience, CPA, and/or other relevant experience. Residence in Incline Village/Crystal Bay is not a requirement. Target Date: June 1
4. Board of Trustees review of applications and scheduling of interviews for candidates meeting experience requirements. Target Date: July 1
5. Board appointment of 3 At-Large members to the Audit Committee. Target Date: July 15
6. Training of the 3 At-Large members Target Date: August
7. Transition to the new committee organization with the removal of one Trustee. Target Date: September

MINUTES

AUDIT COMMITTEE MEETING OF MAY 27, 2020 Incline Village General Improvement District

The Audit Committee meeting of the of the Incline Village General Improvement District was called to order by Audit Committee Chairman Matthew Dent on Wednesday, May 27, 2020 at 4:02 p.m. at the Chateau located at 955 Fairway Boulevard, Incline Village, Nevada. This meeting was conducted virtually via Zoom.

A. ROLL CALL OF THE AUDIT COMMITTEE MEMBERS*

On roll call, present were Trustees Tim Callicrate, Matthew Dent, and Sara Schmitz.

Also present was Director of Finance Paul Navazio.

There were no members of the public present (State of Nevada, Executive Directive 006, 016 and 018).

B. PUBLIC COMMENTS*

Margaret Martini read the following statement:

I would like to commend Trustee Treasurer Schmitz for her outstanding commitment to developing an effective Audit Committee Policy and welcoming citizens with accounting and financial expertise to provide valuable assistance to this Committee and the Board. As the Committee Chair will be approving the audit engagement letter for the 2020 audit and the District does not have any written internal controls or any framework that Staff can provide, I strongly urge this Committee to ensure that Internal Controls are placed on the fast track and that an independent internal audit is immediately engaged. In light of the communications included in the committee packet, I strong urge all Trustees to recommend and select the engagement of independent financial experts to render an opinion on the outstanding issues with the 2019 CAFR as well as evaluate the many accounting policies and practices that have been challenged by our citizens – and bring them in compliance with Generally Accepted Accounting Principles. As this District currently lacks competent and honest General Counsel, which was recently terminated, but still appears to be providing legal services, I recommend this committee recommend and select independent legal counsel with familiarity with Special District's and Dillon's Rule to assess whether the District is in compliance with NRS 318 and other Nevada laws. All that being said, I recognize you are now responsible for the unresolved and unexamined and very serious issues that the previous Audit Committee left behind. This is not an easy task and will require a very strong commitment to get the resources you need. Each of you must exercise leadership to the best of your abilities. Please do so now.

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Aaron Katz said that he has been informed that there are seventy-one credit cards that have been issued to IVGID employees, none of them should have such cards. There is a person named Stephanie who is the Diamond Peak Assistant and then there is Matt Hoerth who is an employee at Hyatt sport shop. These are subject to abuse. Stephanie charged \$1500 to Brewforia and then \$1400 to someplace for burgers. These don't show up on the bill pays and no one should have access to a credit card. These expenses were reported as employee recruitment so does anyone think this is a reasonable expense. Fifty-five thousand dollars was budgeted for recruitment and he is asking this committee to eliminate all procurement cards, conduct an audit of all credit cards for the past three years, and demand restitution for charges that are not as this is just an example of a couple little charges and he hopes you will do the right thing.

Dick Warren read the following statement:

So here we have a fairly decent group of Audit Committee members - Matthew Dent, Tim Callicrate, & Sara Schmitz, trying their best to clean up the mess left by former Audit Committee members Horan, Wong & Morris (unfortunately, Morris & Wong are still on the Board). The former Audit Committee failed to exercise any oversight and approved improper and unlawful accounting practices initiated by Eick (former Director of Finance) and Pinkerton (former General Manager). And then Eide Bailly, a truly worthless accounting firm, relied on IVGID's management representations. And then Sara comes along and puts together an effective Audit Committee Charter, and takes the lead in getting a comprehensive written framework of internal controls. But then I wonder if the interim GM and the new Director of Finance really want to do proper accounting, or merely want to return to the ways of Pinkerton & Eick. I found it incredible that the new Director of Finance suggested that Eide Bailly should prepare the financial statements for this year and, we should use Eide Bailly as our Financial Advisor. Really? Eide Bailly is the same firm that did the 2019 CAFR, with 14 issues associated with it, perhaps suggesting that Eide Bailly is incompetent, but Paul Navazio thinks they would make a great Financial Advisor. And I have not heard any comment from Paul Navazio on the 2019 CAFR and the 14 issues associated with it; does our new Finance Director agree, disagree, or has no comment on the 14 points listed? As it stands now, the FY2020 audit will be performed using accounting policies not in accordance with GAAP, and that seems to be just fine with our new Finance Director. I get the feeling that his nickname will be Eick II; he seems quite content with preparing non-compliant financial statements Very interesting, and sad too. And as for you, Audit Committee Chairman Dent, what are you doing to ensure that the District is providing your constituents with complete and accurate financial statements? Are you going to challenge the new Finance Director on this matter of Special Revenue Fund Accounting, or are you going to sit it out until November because you really do not know who is going to be on the Board next year?

Cliff Dobler said that he is glad the current members of the Audit Committee will begin to oversee the accounting. So much accounting has been wrong and glad that you are

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bringing in three at-large committee members because you need the help. Trustee Schmitz was so correct in realizing that having the majority of three Trustees on the Audit Committee could cause considerable misdeeds. By having only two Trustees, a majority will no longer exist. Your first charge will be how you handle Eide Bailly and their improper opinions given on the IVGID financial statements. They will tell you that they relied on management representations; that will not hold water. Beginning in Fiscal Year 2016, the departure away from recreational activities as governmental funds where the law required as continually reporting as enterprise funds necessitated an in-depth review; Eide Bailly did none. As a result, this past four years, and this current year's financial statements will need to be restated costing residents a small fortune. Later on this evening, the Board will be asked to approve to begin the intent of reporting recreational business activities back to enterprise funds. Before June 30, 2020, this committee should request the amending of the 2020 budget to properly comply with Resolution 1838 to report capital projects and debt service expenditures established in the funds described in the resolution. Without this, another inconsistency will occur. The published 2019 financials will also require restatement to correct several bogus accounting treatments. There will also be challenges as Eide Bailly will again say that they relied on management representations. Here is the definition of accounting consistency – in accounting, consistency requires that a company's financial statements follow the following accounting principles and methods and accounting procedures from one accounting period to the next. This allows the readers of the financial statements to make meaningful comparisons between years. The last four years of improper financial statements controlled by Trustees Horan, Morris and Wong has destroyed consistency in reporting which is the number one flag to auditors of trouble. Look no further than Utility Fund. Readers need faith in US financials; please work hard to restore that faith.

Linda Newman read the following statement:

As this Committee must approve the Engagement Letter for the 2020 Audit, I request that this Committee take immediate action with an independent accounting expert to rectify the outstanding issues in the 2019 Audit. I also request that Eide Bailly provide the documentation provided for the \$4200 invoice and the representations Management made to the auditor supporting the use of governmental fund accounting and reporting for the Community Services and Beach Funds. As the Communications on this agenda as well as others which are not in the packet, involve extremely important issues which materially affect the District's financial statements and may involve fraudulent activities, I strongly encourage this Committee to recommend the engagement of a forensic auditor. I also recommend the services of an experienced, independent attorney to review the District's compliance or non-compliance with Dillon's Rule. I trust you will all exercise your best judgment in securing the best qualified and knowledgeable individuals to serve on the audit committee and that you will secure as soon as possible an independent internal auditing firm to assist you in successfully fulfilling your responsibilities. Thank you all for taking a major step forward in providing much needed District oversight with Special Thanks to Trustee Schmitz for

exercising exceptional leadership in developing a charter and prioritizing internal controls.

Frank Wright said that he is a candidate for the Board. If you listen to the people who call in to the Board meeting and this particular meeting, you will find that they are knowledgeable, they have facts, figures and information that is beneficial to all of our community. They are not screaming that we have incompetence any longer rather they are screaming that we need to fix a mess which have been going on for quite a while. The way in which are our financials have been working is to benefit special interests and those that have been stealing from the District and that he thinks that it is well known that up to this point, our financials have been a disaster. Expenditures that shouldn't have been made which Mr. Katz identified some tonight. Someone asked him what is he getting for his rec fee, don't know what he really gets, maybe a reduction for guests that he might bring to the golf course and lower rates at the ski area. How long would it take him to spend \$730 of these discounts over the course of a year. He doesn't think it is a deal at all as he lives in Crystal Bay and the closest venue is 3.5 miles away. He knows the Audit Committee are trying to do the right thing which is monumental task. Fixing will take time, we know that, make it happen and let's do everything that is supposed to be going on. We need to get another auditing firm but we are in the last of a five-year contract and hopefully next year we can find someone who is competent. Appreciate everything you are doing, go get them.

C. APPROVAL OF AGENDA (for possible action)

Audit Committee Chairman Dent asked for any changes to the agenda; none were received so the agenda was approved as submitted.

D. GENERAL BUSINESS ITEM (for possible action)

D.1. Authorize the Audit Committee Chairperson to sign the Engagement Letter with Eide Bailly for the Independent Audit of the District's FY2019-20 Financial Statements (Requesting Trustee: Audit Committee Chairman Matthew Dent)

Audit Committee Chairman Dent gave an update that we have changed a few things in this letter and that he thinks that both of his Audit Committee members have reviewed it or reviewed it with the Director of Finance. Director of Finance Paul Navazio said as clarification that he had submitted, as part of your previous Audit Committee packet, a suggestion that the Audit Committee consider amending the scope to include preparation of the financial statements and a resource. This was discussed with the Chair and Staff has withdrawn the previous item specifically with respect to the preparation of the financial statements as Staff will be preparing them internally. If it is decided to prepare them both ways, Staff is comfortable preparing them internally. There is a provision in the engagement letter and contract to provide additional resources to this committee and the Board.

Staff thought it was premature to work this into this engagement letter with Eide Bailly or any other entity. He is comfortable with executing the engagement letter in the packet. Staff did work with Eide Bailly to clarify some responsibilities of the District; those were the main changes versus a couple of weeks ago. Trustee Schmitz asked for several changes which Director of Finance Navazio made notations of. Trustee Callicrate thanked Trustee Schmitz for going through this letter and making those important catches and that he appreciates the hard work she has done with the Director of Finance and asked the Director of Finance if he was okay with the suggested changes that Trustee Schmitz brought forward. Director of Finance Navazio said that he had no issues or concerns and that there was a general conversation. This is the standard letter that Eide Bailly provides to all of its clients and that Staff asked them to address all the yous so this is not an issue. In practice, the you is meant to mean the District. There is a process for the auditors to reach out to the Board members and the Audit Committee and to be clear, the Board and this committee will have the opportunity to discuss issues and facts on concerns with Eide Bailly. Trustee Schmitz said that she understands that and she will leave that to Chair Dent's discretion. Audit Committee Chairman Dent asked if there were any other questions or concerns with this item. Trustee Callicrate thanked Trustee Schmitz for making this a little tighter.

Trustee Callicrate made a motion to authorize the Audit Committee Chairperson to sign the Engagement Letter, with the necessary amendments offered tonight by Trustee Schmitz, with Eide Bailly for the Independent Audit of the District's FY2019-20 Financial Statements. Trustee Schmitz seconded the motion. Audit Committee Chairman Dent asked for any further comments, none were received so he called the question – the motion passed unanimously.

**D.2. Review, discuss and possibly take action related to the following communications that have been received and are included:
(Requesting Trustee: Sara Schmitz)**

- a. **Memorandum dated April 22, 2020 (12 pages) from Cliff Dobler and Linda Newman; Subject: Second request to amend budget form 4404LGF with the Department of Taxation for the FY 2019/2020 budget to comply with IVGID Board Resolution 1838, GASB 54, and NRS 354**
- b. **April 2, 2020 e-mail communication regarding Dillon's Rule from Ms. Diane Heirschberg (8 pages)**
- c. **May 2, 2020 e-mail communication regarding Attorney General Opinion 2005 from Joy Gumz (5 pages)**
- d. **14 points of errors in the CAFR from Cliff Dobler and Linda Newman dated April 7, 2020 (20 pages)**

e. May 2, 2020 e-mail communication regarding the Engagement Letter, the Audit Committee charter and communications from Mr. Dick Warren (4 pages)

Trustee Schmitz said what we have started is a process that is in our Policy 15.1.0 to have community members submit their concerns, we review and discuss them and determine if any action is required. D.2.a. is one that she and the Director of Finance has discussed and it was not submitted in accordance with Resolution 1838 and that if this budget is revised then our CAFR will not be in compliance because the budget needs to match the CAFR. In thinking about this and handing this off to the Director of Finance, it is not just the budget but we will have an impact in the production of the CAFR and should it be restated or amended to comply with Resolution 1838. Director of Finance Navazio said that he is going to speak broadly to this and the other correspondence. According to the charter and the revised charter, the Audit Committee is the vehicle for a response and also, in consultation with Trustee Schmitz and Audit Committee Chairman Dent, as the Director of Finance, he has a log of these issues and concerns and some of them will be addressed and resolved. There are others, particularly with the issue of Resolution 1838, that the full Board of Trustees can give direction on. He is not sure about addressing through the restatement of the budget and preparing the CAFR. He thinks that the auditor will look at it like the State of Nevada. One of the problems is Resolution 1838 that it said the District will use separate capital and debt service. In adopting the budget, maybe it wasn't as clear and direct as it could have been, with consolidating the two funds and not being consistent with Resolution 1838 because the Board did adopt it. He is hesitant to say restatement and redo the CAFR because to do so would require the Board to amend the budget and then the audit will be done consistent with the budget that the Board approves. We have a couple of meetings to discuss preparing an item to amend the budget. If the Board action was to accept as submitted and implemented, we can go back and redo or we acknowledge that it was not completely in alignment with Resolution 1838. It is an issue and he understands the difficulties and if you are asking his opinion, he is not yet in a place to suggest that we would need to restate but we have the opportunity to do so if the Board so directs. These were on your last agenda and he, as your Director of Finance, would prepare a response on all the issues that are listed and provide a recommendation for resolution and he does understand that the clock is ticking with the restatement. Trustee Schmitz said work with your team and put something in writing so we have things in writing such as what action is being taken or to address the issue. For this specific one, her concern is that she doesn't understand why we didn't do the budget like we had done since we established this. We have budgets and CAFRs that are consistent since the item was created and we should do our best to make sure we have consistency in budgeting, auditing and the CAFR. Her feeling is because this affects the CAFR, we should do this and that she doesn't know if there is any down side other than it will be work. Trustee Callicrate said he brought this up last year and that this was the second time it has been brought up by Linda Newman and

Cliff Dobler and that consistency was mentioned by Mr. Dobler which seems to be the buzz word that we have had in the past. He would support to try and get into compliance with this and answering the questions of what work does this entail, what will it cost, and can we get it done in time. Director of Finance Navazio said because Staff is bringing back capital and debt funds and the budget you will see this evening was refined to reflect the funds, one of the questions that Staff wrestled with was the effective date because we are going to need to go into the funds and do the accounting funds and ascertain what remains to get to the beginning fund balances. At the fiscal year end close, we show the ending fund balances which will give you the ones going forward so rather than restating and because they never went away, we could authorize the transfer of fund balance and be prepared to be consistent with Resolution 1838 and facilitate the transition to next year on this point. If the Board approves the budget tonight, we can implement Resolution 1838 as of the end of the current fiscal year and if we need to do this by June 30, we may bring an item to authorize those transfers which he thinks would accomplish the majority of the intent without the additional work. He would like to come back to the Audit Committee on re-establishing those funds, etc. and facilitate the comparison with next year's financials consistent with how the budget has been prepared. Trustee Callicrate said thank you and that if this is achieving the same results, would it make to ask the Director of Finance, with the suggestion that he just made, if perhaps there is an opportunity to speak with Mr. Dobler and/or Ms. Newman to make sure that it is done to get us closer to how it should have been done. He is not trying to get into a bigger hole but that perhaps a way to do that is by reaching out to Mr. Dobler and/or Ms. Newman and see if we can come to a happy medium while not spinning our wheels and moving us forward. Trustee Schmitz said that she would appreciate that too and thinks the Audit Committee, be it the Chair, should get back to Mr. Dobler and Ms. Newman. We also need to make sure that the State of Nevada Department of Taxation will allow us to do this and allow us to submit the CAFR in the format as we have done in the past year because that is part of the equation. Director of Finance Navazio said that he would like to circle back with his team and see if we can do it to address the underlying concern and that it is not really a restatement rather it is amending the budget in a way to streamline it and that he is happy to reach out to the constituents on a path forward. Trustee Callicrate said that works for him and make sure we are compliant, make it legal, try to get some kind of consistency and reaching out to Mr. Dobler and Ms. Newman. It has been such a critical issue for the past year or more that he would defer to you, the Audit Committee Chairman as we want to get it right. Audit Committee Chairman Dent said that it does come down to consistency and that if we are doing things that aren't compliant with our own resolution, he doesn't know the exact but it sounds like the Director of Finance has a creative idea and that he agrees with circling back to Mr. Dobler and Ms. Newman. The reason we have this item is that we want to show the community members that we are taking action and moving forward. For the last four years and nine months, this has sat and festered and come up over and over again. He doesn't want to address it again next year so let's move forward with your approach

and thus we have nothing further on 2.a. as we gave direction to Staff. Trustee Callicrate said that it looks like items 2.a. and 2.d. have some correlation and those two things should be looked at together as those two items are both from Ms. Newman and Mr. Dobler.

Audit Committee Chairman Dent said that items 2.b. and 2.c. are both on Dillon's rule and that, moving on to item 2.b., he has received a couple of e-mails about Dillon's Rule and he did receive a message from legal counsel and thinks that our newest legal counsel also looked into this matter too. Interim District General Manager Winquest said that he did forward a memorandum prepared by District General Counsel Velto and that about a half hour ago he forwarded one from the Board's General Counsel Nelson. This subject was here ten years ago and was looked at but not discussed in the open. Interim District General Manager Winquest then read both of the responses and said that based on what we were told back then, which was before we created Resolution 1701, he thinks we are in compliance and given that we are hearing from two attorneys, he would just like to confirm that the Audit Committee is comfortable. District General Counsel Velto said he is happy to re-forward the opinion to any of the Trustees. Trustee Schmitz asked that it be resent to her and one of the things we should do is to have something in writing. Ms. Heirschberg did an excellent job of itemizing things and there are so many other nuisances that we should have something in writing addressing the specific issues so if we need to revise policies, create policies, etc. so we need to be more specific than that. District General Counsel Velto said that we can be more precise and responsive and that he would like to communicate offline and get more specifics in order to be in a more precise format. Audit Committee Chairman Dent asked that District General Counsel Velto send the e-mail to Trustee Schmitz and get the second one which talks about the Attorney General opinion then the two of you can work offline and then we can discuss it and move on. Trustee Callicrate said that he agrees and that he remembers when it was addressed ten years ago and that it does come up periodically so let's address it with a written legal opinion and have it come to us at the next Audit Committee meeting. Joy Gumz said to hold off and have it on the next Audit Committee meeting once again as it needs to be heard again in the context of the bigger picture and then have some sort of question and answer piece on the IVGID website. Interim District General Manager Winquest replied that this was good advice and that Staff can work on some of this information; Trustee Schmitz said that she will circle back with the Interim District General Manager to make sure we don't miss anything.

Audit Committee Chairman Dent then moved on to D.2.d. and asked the Director of Finance if he wanted to weigh in. Director of Finance Navazio said, just to be clear, Staff is looking at all of them as all of them warrant review and consideration. What he is hoping to bring back is a recommended resolution of each item that will run the gamut as these are definitely items that we can continue to discuss and that we have responded to. The response might be the same however there are some that may warrant some corrective action and/or explanation. You will see a

recommendation about footnotes in the prior CAFR that will be addressed in the upcoming CAFR. There are a few that will benefit from a written outside review which will inform a resolution. He is happy to have a conversation with the Audit Committee members and he looks forward to bringing forward recommendations. Trustee Schmitz said there are three items about capitalization versus expensed; do we have to modify the CAFR. Director of Finance Navazio said not necessarily because even if they rise to the level it is because of when a project starts. It is not uncommon to be a prior year correction reflected in the current CAFR so we are looking at an accurate financial. It would have to be a significant misstatement to go back and restate a CAFR. Without going into the specifics, there are some that he would argue don't warrant a misstatement but need addressing and resolving. Trustee Schmitz said that the other thing is for number one, change of accounting, what have you learned in doing your research as to the documentation and paper trail for the reasoning for changing back in 2015. Director of Finance Navazio said that was a difficult question to answer and that the core issue was that the District didn't operate purely under enterprise or special revenue funds and that the documentation and what was presented to support the transition was absolutely prepared with a goal to transfer to special revenue. Trustee Schmitz said now that we are going back to them, is this management saying that we are not properly reflecting, in our reporting and accounting, how we run our businesses. Director of Finance Navazio said that is not what we are saying and you can say that a case was made and accepted that the District made a case under special revenue funds and can make a case under enterprise funds. The recommendation tonight is not coming from the basis that we are doing anything wrong nor doing anything wrong in our current accounting. The auditors haven't identified any wrongs and the State of Nevada have again reaffirmed that the District's budget complies with the rules and regulations. It is hard to answer the question under this agenda item, however if the Board wants to discuss it, Staff is comfortable with taking that path tonight and the District is not out of compliance. Interim District General Manager Winquest said that he completely agrees with the Director of Finance on his response and it is really difficult to put either one of us up to try and examine what was said by Staff back in 2015. We have identified the direction we need to go and taken steps to move forward. It would be good to know what was said to the Department of Taxation but we need to move forward. Trustee Schmitz said that when the Director of Finance said one of the things he wanted to understand was the reasoning and what was their case, what was that. She brings this up because it was something that the Director of Finance said. Director of Finance Navazio said that he has reviewed the Staff report and the memorandums that went to the Board, reviewed the memorandum and correspondence that was provided to the State by the former Director of Finance, and what he doesn't have is the complete documentation that was requested and provided to the State for the review of the issue because that would be the complete history. He has requested information from the State but he hasn't received anything yet so he is going on the Board memos and correspondence to the State and GAAP and GASB requirements. Part of him is looking forward to having this discussion and laying it out and if the Board

wants to transfer back, then we should move forward. We can still have the discussion about the why but we don't want that to cause a delay. Staff will be responding to issues but also expediting and transitioning back to enterprise funds and that is appropriate. When we do that change, we need to have a discussion about how we transition back to enterprise as we are not going back to the same structure and we can defer that conversation until we get further along. Trustee Callicrate said that this item was one of the items he had about not accepting the CAFR. He thinks that Staff is on the right track and the more important issue is transitioning back to enterprise funds and when we do that, we have to stick to our agenda, and we will have that discussion so we know what that looks like. Staff has been given direction by the Audit Committee on what we would like to see and in reaching out to Mr. Doblner and Ms. Newman. We are moving in the right direction, communicating to the community, and hearing everyone loudly and clearly that have been sitting on the back burner. Trustee Schmitz asked for a target date of when we will have the response for these items. Interim District General Manager Winqwest said Staff will be providing an in depth response to all fourteen questions. Director of Finance Navazio said that Staff is working on them. Audit Committee Chairman Dent asked if we could have a response to one of them by the next meeting and if not, when. Director of Finance Navazio said that he is happy to prepare a status of all of them for your next meeting whenever that is and contingent on Board priorities, the status will be on the next Audit Committee meeting agenda. Audit Committee Chairman Dent said that he really likes that we are moving forward with going back to enterprise funds, seeing that we are revisiting Dillon's rule and learning as much as we can so future management/Boards don't have to repeat this. It all comes down to consistency and that being able to learn from the past will help us all learn in the present.

Audit Committee Chairman Dent deferred Item D.2.e. to the next meeting.

D.3. Review and discuss implementation of Board Policy 15.1.0 (Audit Committee) as amended by Board action at the meeting of May 6, 2020.

Audit Committee Chairman Dent deferred this item to the next meeting.

D.4. Set the date/time for the next Audit Committee Meeting (Requesting Trustee: Audit Committee Chairman Matthew Dent)

Audit Committee Chairman Dent said this decision will be made at the regular Board meeting tonight.

E. APPROVAL OF THE MEETING MINUTES (for possible action)

E.1. Audit Committee Meeting of May 6, 2020

Audit Committee Chairman Dent asked for changes, none were made, so the meeting minutes were approved as submitted.

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

Linda Newman read the following statement:

Mr. Navazio, with all due respect, you are posing the use of Enterprise Fund Accounting and Governmental Fund Accounting as a choice for the Community Services and Beach Funds. There is no choice. Where is the documentation for the use of governmental fund accounting provided by management to the auditor and the Department of Taxation? You haven't produced anything that substantiates that the Community Services and Beaches qualify as governmental funds. Can you provide your independent analysis validating that these funds qualify as governmental funds? I haven't seen that either. Also, Enterprise fund accounting and reporting is required under GASB 34 Paragraph 67(c) when the costs of providing services including capital projects and debt service are recovered by fees and charges for services. So, I ask you, Mr. Navazio, if fees and charges for services are not covering the costs for the Community Services and Beach Funds, how are we recovering the costs? Please provide your response in writing. I would also like the full Board, not just the members of the Audit Committee to respond in writing to the same question: "If we are not recovering the costs by fees and charges for services, HOW ARE WE RECOVERING THE COSTS OF PROVIDING SERVICES?"

Cliff Dobler said let's get serious and go back to the footnote where they state what the reason for the change was; Mr. Dobler then read that footnote. If you don't change the 2020 budget, we will have in five years, a different CAFR. Now let's be serious about this, you need to look at the entire 107 pages because we only have 25 pages that were audited. The statistical section wasn't looked at, you don't what was being reported, nobody cares about most of it so size it down to something proper.

Frank Wright said he is a candidate to the Board and that after listening to tonight's meeting, it started off on the right note and doing the right thing. As the meeting went on, he started to hear some push back, push off and slide by that way. We want to climb out of that tunnel and do what you should do. Allow Mr. Dobler, Ms. Newman and Mr. Warren to participate and then let them chime in as it is kind of difficult to know there are experts out there that could help you. Suggest big time that you bring these people and let them be a part and open it up further because it is up to the Chair about the three minutes. You can make things work, get into discussion, be brought back in, go onto discussion, etc. Bring in these guys and let them be a part of the discussion, you will get things done.

G. ADJOURNMENT (for possible action)

The meeting was adjourned at 5:42 p.m.

Respectfully submitted,

Susan A. Herron
District Clerk

Attachments*:

*In accordance with NRS 241.035.1(d), the following attachments are included but have neither been fact checked or verified by the District and are solely the thoughts, opinions, statements, etc. of the author as identified below.