

MEMORANDUM

TO: Board of Trustees

THROUGH: Mike Bandelin
Interim General Manager

FROM: Bobby Magee
Interim Director of Finance

SUBJECT: Adopt Resolution Augmenting Budget and Appropriating General Fund Reserves in the amount of \$1,512,949 and Recreational Services Reserves, Beach Utility Reserves, Internal Services Reserves in the cumulative amount of \$3,956,700.

DATE: January 31, 2024

I. RECOMMENDATIONS

That the Board of Trustees:

Adopt a Resolution Augmenting Budget and Appropriating General Fund Reserves in the amount of \$1,512,949 and Recreational Services Reserves, Beach Utility Reserves, Internal Services Reserves in the cumulative amount of \$3,956,700.

II. DISTRICT STRATEGIC PLAN

This action supports Long Range Principle #3, Finance; *“The District will ensure fiscal responsibility and sustainability of service capacities by maintaining effective financial polices for operating budgets, fund balances, capital improvement and debt management.”*

- *Comply with State and Federal regulations.*
- *Develop and maintain a long term plan to sustain financial resources.*

III. BACKGROUND

Overview

Each fiscal year Incline Village General Improvement District sets a budget based on estimated revenue and projected expenditures. The fiscal year 2023-24 budget was approved by the Board on May 25, 2023. (Items G.7, G.8, and G.9) In July and August of 2023, the Finance Department began conducting a self-evaluation of its operations and reported its findings back to the Board at multiple meetings. Several recommendations were made, and approved by the Board using existing

available appropriations. With each item, the Board directed staff return at a later date to augment the Finance Department budget, and related appropriations, to ensure the rightsizing of the overall Districtwide budget and accomplish all of the Board's goals within the 2023/24 expenditure plan. A listing of the previously-approved items is below:

Item	Date(s) Approved	One Time / Ongoing Cost
Contract with Baker Tilly	8/9/23 and 8/24/23	One Time
Internal Auditor	8/9/23	Ongoing
Contract with Tyler Technologies	8/24/23	One Time
Forensic Due Diligence Financial Audit	8/24/23	One Time
Asst Director of Finance	8/24/23 (Conceptual) and 9/19/23 (Ratified)	Ongoing
Management Analyst	8/24/23 (Conceptual) and 9/19/23 (Ratified)	Ongoing
A/P Tech Funding	N/A	Ongoing
Annual Comprehensive Financial Report (ACFR) Preparation	Identified by Staff	One Time

The Finance Department recently conducted a budgetary check based on previous Board direction to add the items above, and to review its ongoing needs in completing all accounting and financial reporting duties, both past and present. Below is a list of the enhanced staffing levels and other items previously approved by the Board, along with related contracts and other identified projects, with recommended funding levels.

Description	Estimated Cost for Remainder of FY 2023/24
Assistant Director Of Finance	\$148,200.00
A/P Tech / Accountant	132,800.00
Revenue Manager	115,600.00
Management Analyst	63,800.00
Central Purchasing Contracts Manager	63,200.00
Internal Auditor	75,000.00
Temporary Staffing	151,200.00
General Fund Salary Totals	\$749,800.00
Baker Tilly Contract	\$265,000.00
Forensic Due Diligence Audit	350,000.00
TYLER Enterprise (Munis) Additional Support	16,000.00
ACFR Prep	10,000.00

Information Technology 2022/23 Carry Forward (Capital)	89,387.00
Information Technology 2022/23 Carry Forward (Expense)	32,762.00
General Fund Expense Totals	\$763,149.00
General Fund Totals	\$1,512,949.00
Tennis Court Reconstruction Project	\$3,000,000.00
Point of Sale Update	290,000.00
Recreation Services Total	\$3,290,000.00
Cost Allocation to Other Funds:	
Utility	\$208,800.00
Championship Golf	81,200.00
Mountain Golf	25,800.00
Facilities	35,200.00
Ski	166,200.00
Recreation Center	43,400.00
Tennis	7,000.00
Community Services Admin	5,200.00
Beach	41,200.00
Internal Services	52,700.00
Cost Allocation Total	\$666,700.00
Grand Total	\$5,469,649.00

Notes:

- In a separate item on today’s agenda, it is recommended to increase the value of the Baker Tilly contract for general accounting assistance by \$100,000. The previously-approved amount of \$165,000, combined with the recommended contract amendment, brings the total value of this contract to \$265,000.
- The Forensic Due Diligence Audit, if approved by the Board as a separate item on today’s agenda, is for a not-to-exceed amount of \$350,000. It is recommended to budget and appropriate the full amount at this time so that the Board can consider the adoption of the item further down the agenda.
- On October 25, 2023 the Board approved the 2022/23 carry-forward appropriations for the entire budget with the exception of the General Fund which required a Public Hearing. (Item G.4) With today’s Public Hearing it is recommended that the final carry-forward amounts be approved.
- The Finance Department has been working with Community Services, Public Works, and the Tennis Committee on the Tennis Court Reconstruction Project. The estimated full cost for the project is \$3 million, which is recommended now in order to begin the design phase work.

- Working with the Information Technology Department, the Point of Sale Upgrade Project is recommended to be funded from the Recreation Services Fund.
- In accordance with Board direction for the Districtwide cost allocation plan (CAP), items that will be appropriated to the General Fund are further recommended for cost recovery through the CAP as identified in the table above. Appropriations are needed to fully fund the CAP.

VI. FINANCIAL IMPACT AND BUDGET

The recommended actions will increase appropriations to the identified funds:

- General Fund - \$1,512,949
- Recreational Services Fund - \$3,654,000
- Beach Fund - \$41,200
- Utility Fund - \$208,800
- Internal Services Funds (ISF) – \$52,700

The appropriated amounts will be funded through a reduction of \$1,512,949 in General Fund Reserves, \$3,904,000 in Recreation Services Reserves, and \$52,700 from the ISF Reserves.

V. ALTERNATIVES

If the Board chooses to not appropriate any portion of the recommended funds, projects and staffing identified above will need to be re-evaluated with future recommendations brought back for Board consideration.



RESOLUTION NO. 1907

A RESOLUTION TO AUGMENT THE 2023-2024 BUDGET OF INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT

WHEREAS, the total resources of the General Fund, Incline Village General Improvement District were budgeted to be \$10,076,699 on July 1, 2023; and

WHEREAS, the total available resources are now determined to be \$2,628,245.

WHEREAS, said additional unanticipated resources are as follows:

Salaries and Benefits	\$749,800
Information Technology FY22-23 Carry Forward	\$122,149
Services and Contracts	\$641,000

Total: \$1,512,949

WHEREAS, there is a need to apply these excess proceeds in the General Fund.

NOW, THEREFORE, IT IS HEREBY RESOLVED, that Incline Village General Improvement District shall augment its

2023-2024 budget by appropriating \$1,512,949.00 for use in the General Fund, thereby increasing its appropriations from \$10,076,699 to \$11,589,648. A detailed schedule is attached to this Resolution and by reference is made part thereof.

IT IS FURTHER RESOLVED, that the Clerk shall forward the necessary documents to the Department of Taxation, State of Nevada.

.....

I hereby certify that the foregoing is a full, true and correct copy of a resolution duly passed and adopted at a Special held meeting of the Board of Trustees of the Incline Village General Improvement District on the 31st day of January, 2024, by the following vote:



AYES:

NAYS:

ABSENT:

APPROVED AS TO FORM:

Sergio Rudin
Legal Counsel

By: _____

Sara Schmitz
Chair, IVGID Board of Trustees

ATTEST: _____

District Clerk



SCHEDULE

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General Fund Carry Forward Totals	\$122,149.00
General Fund Totals	\$1,512,949.00

NOTICE OF PUBLIC HEARING

IVGID is proposing a budget augmentation including a General Fund appropriation increase. The proposed augmentation would increase the total IVGID budget by \$5,469,649 which includes a General Fund increase of \$1,512,949.

The proposed budget increases are due to the following factors:

- Funding of the Tennis Court rehabilitation project
- Funding the Finance Department for additional accounting resources
- Carryforward of the Information Technology General Fund items from Fiscal Year 2022-23
- Funding of the recommended Forensic Due Diligence Audit contract
- Funding of the recommended Point of Sale system
- Funding of the Finance Department staffing additions

The unanticipated revenue sources are:

- General Fund Reserves in the amount of \$1,512,949
- Recreational Services Reserves, Beach Utility Reserves, Internal Services Reserves in the cumulative amount of \$3,956,700.

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Copies of the proposed documents are available at 893 Southwood Blvd., Incline Village, NV 89451

The public hearing will be held:

Wednesday, January 31, 2024 not earlier than 6:00 pm and as soon thereafter as practicable at 893 Southwood Blvd, Incline Village, Nevada

Please check the posted Board of Trustees Notice of Meeting for any changes.

The 2023 Budget, which were presented to the Board of Trustees on May 25, 2023, is available on the website: <https://www.yourtahoepace.com/ivgid/board-of-trustees/archived-agendas-and-packets-2023-january-june>

If you have comments about the proposed changes to the budget augmentation, please contact the IVGID Clerk.

By mail: 893 Southwood Boulevard Incline Village, Nevada 89451 Attn: Department Of Finance

Phone: (775) 832-1100
Fax: (775) 832-1331
E-mail: info@ivgid.org



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