

MEMORANDUM

TO: Board of Trustees

FROM: Indra Winqest
District General Manager

SUBJECT: General Manager's Status Report
Prepared for the meeting of February 9, 2022

DATE: February 2, 2022

General Manager & Board of Trustees Priority Projects & Tasks

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Effluent Pond Lining Project	90% Design Documents anticipated end-January 2022	GM Winqest/Director PW Underwood/Trustee Dent	Environmental applications have been submitted for review. The on-site meeting with TRPA on 12/16/2021 was cancelled due to weather. The 60% plan set was distributed for review by the agencies. The Nevada Division of Dams has determined that if work is being done within Pond #2 as proposed, improvements to the dam will be required.
Effluent Pipeline Project	Phase I ongoing	GM Winqest/ Director PW Underwood/Trustee Dent	HDR continues to work with Granite Inliner to determine where probable areas for lining exist along the alignment.
Burnt Cedar Pool Project	Completion Date scheduled for June 2022	Engineering Manager Nelson/GM Winqest	Contractor has secured the site for winter. The mechanical pit has been constructed and ADG is due back to the site mid-January to continue working on the piping and equipment installation within the mechanical room. See Board Memo for return to work schedule.

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
<p><u>Internal Controls Project(s)</u> Review of Internal Control Policies and Procedures</p>	<p>Ongoing</p>	<p>Director of Finance Navazio</p>	<p>With the conclusion of the fiscal year 20/21 financial audit, staff has resumed review and update of internal control policies and procedures, consistent with recommendations from the independent auditor as well as recommendations included in 3 separate Moss Adams consultant reports. Staff has engaged the services of Management Partners, LLC to assist in the review and update of the District's Purchasing policy and finance and accounting procedures manual. Next update to Audit Committee Jan/Feb 2022.</p>
<p>Consultant review of four (4) Accounting Practices – Moss Adams 2</p>	<p>Completed</p>	<p>GM Winquest/Director of Finance Navazio/Audit Committee</p>	<p>Final Report by Moss Adams presented at the 1/28/21 BOT meeting. Next steps include updating Board capitalization policy – updated draft presented for discussion at 9/30 BOT mtg. Recommended Capitalization Policy has been reviewed by Moss Adams and scheduled for BOT approval Jan. 2022.</p>
<p>Project & Contract Consultant Review - Moss Adams 1</p>	<p>Ongoing Implementation of Recommendations</p>	<p>GM Winquest/Director of Finance Navazio</p>	<p>Final Moss Adams report presented at BOT meeting held on 1/13/21. Implementation plan for management responses presented at 3/10 BOT mtg.</p>
<p>Review of Board Policies re Budget and Fiscal Management</p> <p>Capitalization (8.1 / 9.1) Fund Balance / Reserves (7.1) Capital Program (12.1 / 13.1)</p>	<p>Fall/Winter 2021</p> <p>Draft Moss Adams report due 11/21; final report to BOT 1/12/22.</p>	<p>Director of Finance Navazio</p>	<p>New Capitalization and Reserve policies completed – approved by BOT 1/12/22. Moss Adams presented final report re Capital Program Planning and Budgeting policies 1/12/22; staff is drafting updated policies,</p>

			practices as well as updating Capital Project reporting informed my recommendations in Moss Adams report. Return to BOT in Feb/March.
2020-21 Annual Audit	Completed	Audit Committee / Director of Finance/Controller	Audit completed 12/3/21; Audit Committee (AC) reviewed draft report 12/8/21; Board received audit report on 12/14/21.

ACTION ITEM	TARGET DATE COMPLETION	RESPONSIBLE PARTY	STATUS
Ordinance 7 GM Advisory Committee	Winter 2021/22	GM Winquest/Board Chairman Callicrate	Three Community Forums took place May 13 & 19, 2021. Parcel Owner Survey was active from July 1 – July 26 th , 2021. Over 2,300 completed surveys were received. Formal recommendations currently being reviewed by special counsel. Next scheduled meeting will be mid-February.
Special Counsel to Review Beach Deed, potential revisions to Ordinance 7, Employee use of District Beaches, Policy 16.1.1, Commercial Operations on District Beaches	Winter 2021/22	GM Winquest, Trustee Schmitz, Legal Counsel Nelson	Solicitation finalized. Interviews of potential qualified firms has taken place and special counsel has been selected and is currently reviewing draft recommendations.
Smith vs IVGID Litigation	Ongoing	Legal Counsel/Board of Trustees/GM Winquest	Update pending
Utilities Performance/Asset Management Review	Final Report Received	GM Winquest/Board	Staff working on implementation plan based on priority recommendations. Currently developing budgeting initiatives based on recommendations.
USFS Parcel Acquisition – Potential Dog Park	Ongoing	GM Winquest	USFS has transitioned the request to the formal review process. IVGID Staff is working to schedule community outreach to neighboring residents and larger community including development of a GM Advisory Committee.

USACE Grant Funding for Pond Lining/Pipeline Projects	TBD	GM Winqest/ Director PW Underwood	Laura Whitney (USACE) shared new model agreements. Agreements have been reviewed by legal. IVGID Staff is working closely with Laura Whitney to provide necessary input for the agreement and required documentation.
Utility Rate Study	Winter 2021-22	Director of Finance Navazio/Director of PW Underwood	HDR currently performing their work. Initial Board discussion on 11/10; final rate recommendations to Board on 2/9/22.

Diamond Peak Ski Resort Update

The ski venue completed it’s 47th day of operation at the end of January while recording zero snowfall for the month. Through January the total daily visit count was 44,162, 37% below the visit count through January last season although last season included 12 more operating days as the ski area opened in December 4th. The decline in the total visit count season to date is mostly due to the winter storm and travel implications during the Christmas - New Year holiday period although recording 28% less visits in January 2022 as compared to January 2021. The Community Outreach ski program for children began in January including groups from Incline Village Nursery School, Village Christian Pre School, Boy’s and Girls Club and Lake Tahoe School. For the adults, the Skeester’s Women’s ski clinics and 55+ ski Clinics have seen great attendance thus far and are enjoying the conditions. The lack of new snowfall in January has not hindered the skiing conditions on the mountain. The snow has been grooming out very good leaving a quality product for our community and we have been receiving many compliments in regards to the snow conditions. Please visit diamondpeak.com for details on events that are scheduled and as always you may email Mike Bandelin at mlb@ivgid.org for any questions or concerns.

Key Project Updates

For more information on current district capital projects.

Webpage Link:

<https://www.yourtahoeplace.com/ivgid/resources/construction-updates>

Risk and Resilience Assessments and Emergency Response Plan

The Risk and Resilience Assessments (RRA) and emergency response plans (ERPs) have been completed and certified with the EPA as being complete. Farr West Engineering will conduct training for the Public Works staff in January 2022, which is their final task of work. A contract to complete this work was authorized at the December 9, 2020 Board Meeting.

Burnt Cedar Swimming Pool Improvements – 3970BD2601

A 2021 Capital Improvement and Board of Trustees Priority Project, this project will reconstruct the two (2) existing pools (full size and toddler) at Burnt Cedar Beach. CORE Construction has secured the site for winter. ADG will be on-site in mid-January to complete piping and equipment work within the mechanical pit. Construction will begin again once site conditions allow. See Board Memo for additional information regarding the proposed return to work schedule.

CORE Construction Contract Status:

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$3,845,865.00	\$68,077.36	\$3,913,941.36	\$2,755,061.55	\$1,158,879.81

Effluent Pipeline Project – 2524SS2010

The project consists of replacing all of the remaining Segment 3 pipeline (12,385 linear feet) and all Segment 2 pipeline (17,314 linear feet) to mitigate a potential future leaks. The design team has completed the hydraulic analysis and are continuing to work with Granite Inliner to determine probable areas for pipelining. HDR is working to finalize the Basis of Design Report that once complete will be distributed to the Team for review. The Team will provide an update to the Board on February 23, 2022.

Effluent Pond Lining Project – 2599SS2010

Information received from the Nevada Division of Dams indicated the need to bring the dam at Pond #2 up to current standards based upon their review of the 60% design plans. This would cause delay and increased cost to the project. The project Team is currently evaluating other potential options. The Team will provide an update to the Board on February 23, 2022.

Recreation Center Upstairs Lobby Restroom Remodel – 4484BD1902

A 2021 Capital Improvement project that will remodel the men's and women's upstairs lobby restrooms within the Recreation Center. The project includes ADA access, ADA restroom stalls, new tile, fixtures and partitions. The contractor began construction on October 15, 2021 and was slightly delayed with material availability. The restrooms have been open and have received positive comments from the public. PW Engineering Staff is working with the contractor to approve the final pay application with remaining change orders included liquidated damages for not meeting the contractual schedule.

Original Contract Amount	Change Orders	Current Total Contract Amount	Total Payments for Work Completed to Date	Current Balance to Completion (including retainage)
\$159,832.40	(\$653.45)	\$159,178.95	\$44,295.27	\$114,883.68

Financial Transparency

The District's finance and accounting staff has completed the close for the period ending December 31, 2021, and is scheduled to present the Mid-Year Budget Update at the Board meeting of February 23rd. In addition to reporting on revenue and expenditure results through the 2nd quarter of the fiscal year, the Mid-Year Report will also include updated projections through the end of the fiscal year. These projections will also significantly inform ongoing development of the District's FY2022/23 budget.

Pursuant to NRS requirements, following completion of the FY2020/21 audit and publication of the District's Annual Comprehensive Financial Report (ACFR), the report is filed with the State of Nevada, Department of Taxation. Last month, the District received formal notification from the Department of Taxation that it had completed its review of the District's Annual Report and "no violations of statutes and/or regulations were noted."

Other significant projects currently underway include:

Review and update of selected Board Policies and Practices – new Capitalization, Reserve and Central Services Overhead Allocation policies were approved by the Board on 1/12/22; draft Pricing Practice is scheduled for adoption by Board on 2/9/22; Capital Planning and Budgeting Policies/Practices currently under review.

Ongoing update of Internal Control policies and procedures – staff has engaged the services of Management Partners, LLC to assist management in the review and update of the District's Purchasing Policy and Accounting/Finance Procedures Manual to ensure alignment with best practices as well as recommendations from the District's independent auditor.

Implementation of Tyler/Munis Financial System - the transition to the District's new enterprise-wide financial system (Tyler/Munis) remains on track for a July 1, 2022 "go-live" date. Among the goal of the new financial system project is to streamline budgeting and accounting processes, improve financial reporting capabilities and strengthen internal controls. January and February work effort is focused on review of module capabilities, documentation of current work flows and set-up of test-environment. Extensive effort is also being placed on retention and integrity of 5 years of detailed general ledger history.

Policy 3.1.0, Subparagraph 0.4 – Report to the Board on Contracts Signed by the District General Manager

From January 6, 2022 to January 31, 2021

PO Number	Vendor	Description	PO Amount
22-0165	Elements Mountain Co.	Painting interior of Recreation Center	\$15,500.
22-0171	Jacobs	BCWDP Emergency Generator	\$5,329.

Public Records Requests

Following are the public records requests from January 4, 2022 to January 31, 2021

01/05/2022	Wright, Frank	1099's for 2019, 2020 and 2021 for all legal services	01/13/2022	Complete
01/05/2022	Katz, Aaron	Private party booking at the Chateau – condominium sales event	01/06/2022	Complete
01/07/2022	Katz, Aaron	Mathis Group Billings	01/07/2022	Complete
01/07/2022	Katz, Aaron	Mathis Group Billings – Account Charges	01/07/2022	Complete Account #s where expenses billed to available in weekly check run information on the website.
01/12/2022	Miller, Judith	Dog Park Materials	01/13/2022	Complete
01/13/2022	Wright, Frank	Employee Recreational Privileges, Gold and Silver Cards	01/13/2022	Complete
01/14/2022	Katz, Aaron	Attorney Invoices and Charge Numbers		District General Manager Winquest responded to Mr. Katz
01/16/2022	Dobler, Cliff	USACE Model Agreements		In process
01/16/2022	Dobler, Cliff	Partnership Documents with NLT Boys & Girls Club	01/19/2022	Complete
01/16/2022	Dobler, Cliff	Correspondence to NV Div of Dams re Effluent Pond #2		In process
01/16/2022	Dobler, Cliff	HDR Basis of Design Report	01/19/2022	Complete
01/19/2022	Gumz, Joy	Rules for calculating commissions		In process
01/27/2022	Flanders, Greg	Water and Sewer Bills for 2020 and 2021 for Championship Golf Course and Diamond Peak Ski Resort		Notified Mr. Flanders that he would get a response hopefully by 2/11/2022.
01/28/2022	Gumz, Joy	Credit Card Statements – 2021		Notified Ms. Gumz that a response is coming by 2/11



STEVE SISOLAK
Governor
JAMES DEVOLLD
Chair, Nevada Tax Commission
MELANIE YOUNG
Executive Director

STATE OF NEVADA
DEPARTMENT OF TAXATION

Web Site: <http://tax.nv.gov>
1550 College Parkway, Suite 115
Carson City, Nevada 89706-7937
Phone: (775) 684-2000 Fax: (775) 684-2020

LAS VEGAS OFFICE
Grant Sawyer Office Building, Suite 1300
555 E. Washington Avenue
Las Vegas, Nevada 89101
Phone: (702) 486-2300 Fax: (702) 486-2373

RENO OFFICE
4600 Kietzke Lane
Building L, Suite 235
Reno, Nevada 89502
Phone: (775) 688-1295
Fax: (775) 688-1303

HENDERSON OFFICE
2550 Paseo Verde Parkway, Suite 180
Henderson, Nevada 89074
Phone: (702) 486-2300
Fax: (702) 486-3377

January 13, 2022

Incline Village General Improvement District
Paul Navazio, Finance Director
893 Southwood Boulevard
Incline Village, NV 89451

Re: Annual Audit Report – Fiscal Year 2021

Dear Mr. Navazio:

Pursuant to NRS 354.6245, the Department of Taxation is charged with the review of all annual audits to determine their compliance with statutes and/or regulations. The Department must also identify all violations of statute and/or regulations reported therein.

The Department has completed its review of your audit report and NO violations of statute and/or regulations were noted. The auditor met the statutory provisions required by NRS 354.624 and NRS 354.6241.

If you should have any questions, please do not hesitate to contact me at 775-684-2065 or my e-mail at kgrahmann@tax.state.nv.us.

Sincerely,

A handwritten signature in cursive script that reads "Kellie Grahmann".

Kellie Grahmann
Budget Analyst
Local Government Finance