



**Incline Village General Improvement District
Audit Committee**

*Sara Schmitz, Trustee
Raymond Tulloch, Trustee
Veto Brandle, Committee Member*

MEETING MINUTES

**INCLINE VILLAGE GENERAL IMPROVEMENT DISTRICT AUDIT COMMITTEE MEETING
HELD IN INCLINE VILLAGE ON March 25, 2024**

*Viewing available by clicking the link and choosing BOT Meeting 03.25.2024 at <https://livestream.com/accounts/11122478>

A. ROLL CALL OF THE AUDIT COMMITTEE MEMBERS

The Audit Committee was called to order at 4:00 PM.
Roll Call of the Audit Committee: Board of Trustees Raymond Tulloch,
Audit Committee Member Veto Brandle, and Trustee Chair Sara Schmitz were present.

B. PUBLIC COMMENTS

Caller 4577 - Cliff Dobler provided public comment regarding the supplemental material for item D.1. and the Auditor not expressing an opinion on the Financial Statements. Then he spoke briefly regarding the financial statements.
Caller 1345 - Caller passed.

C. APPROVAL OF AGENDA

The agenda was approved as submitted.

D. GENERAL BUSINESS ITEMS (for possible action)

- 1. Review, and acknowledge receipt of the Incline Village General Improvement District's Draft Audited Financial Statements, Auditor's report, and report on internal control for the fiscal year ended June 30, 2023 as presented; and, authorize the Assistant Director of Finance to proceed with distribution of the District's Annual**

Comprehensive Financial Report (ACFR), once produced, for public record, as required by law. (Requesting Staff Member: Assistant Director of Finance Adam Cripps)

District General Manager Bobby Magee provided a brief synopsis of the Auditors report, and the Draft Audited Financial Statements and asked the committee to receive the Verbal report that Jennifer Farr will be making to the Committee and then making the recommendation to the Board that Mr. Cripps is authorized by the Board to submit the final ACFER to the state once it is in its completed form. Jennifer Farr with Davis Farr, provided a presentation and summary of the big picture results of where we are with the Audit. She outlined the 4 reasons that led to the delay of the audit. She noted them as follows:

- 1) The implementation of the new accounting system, which created difficulties in reconciling the closing of the Fiscal Year ;
- 2) that the turn-over of the majority of the Financial Department personnel, creating a backlog of work;
- 3) Audit started in December, but the books were not ready for audit and the reconciliations of different account balances continued to occur even after the audit started which resulted in a number of corrections and adjustments;
- 4) The Forensic Due Diligence Audit has not been completed, making it impossible to evaluate the impact of the results of the Forensic audit.

She went through the Audit Communications letter for the Committee and pointed out the exceptions to boilerplate language, and the significant risk section.

Following the Davis Farr presentation, the floor was returned to the Audit Committee for discussion and additional questions.

Following committee and staff discussion: Trustee Chair Schmitz made a motion that the Audit committee acknowledge and receive the Audited Financial Statements as presented with the modifications that have been identified in this meeting as follows: in the communication letter dates are not correct; the board has given direction to move the facility fee to non-operating income; Clarified about parks; and Forensic Audit language to be Changed to Forensic Due Diligence Audit.

There were additional Committee questions followed by additional discussion.

Trustee Schmitz restated the motion, and it was seconded by Committee Member Veto Brandle; the Motion passed 3/0

E. PUBLIC COMMENTS

Caller 4577 - Cliff Dobler provided public comment regarding the motion to accept the Audited Financial Statements.

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.

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F. ADJOURNMENT (for possible action)

The Audit Committee Meeting Adjourned at 5:41 PM.

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