

MEMORANDUM

TO: Indra S. Winquest
Interim General Manager

FROM: Gerald W. Eick, CPA CGMA
Director of Finance

SUBJECT: Status Report for September 2019 – Finance/Accounting and Risk Management

DATE: October 28, 2019

Finance and Accounting

Sales Tax Refund by the State of NV, Affecting District Revenues: Based on earlier information, the District's provision was made to absorb 18 monthly reductions up to \$3,000. The repayment of the District's share of the AT&T sales tax refund started with July 2018 being posted in October 2018. The reductions so far have ranged from \$1,498 to \$3,191. The one in September was \$1,498. The State has indicated the amount may change with each payment. The remaining provision will be adjusted with the last payment for December 2019.

Audit for the Year Ended June 30, 2019: The regular fieldwork began September 3 for two weeks. The work continued over the month involving a new Engagement Partner and new Manager. Issues of note included 1) the Vac Con Truck delivery was delayed enough to result in not being considered an expenditure during the last fiscal year and was charged to September as delivered; 2) the Incline Park ballfield renovation, which is grant funded, was permitted June 27, but since the TRPA permit did not allow work to start until July 9, will now be recorded as current year activity, not for last year, despite a contract and grant award; and 3) the workers compensation transfers were re-sequenced and an item for this was brought to the Board of Trustees. The final delivery of the audit is scheduled for the December Board meeting. Assembly of the final CAFR is in progress pending several updated disclosures.

Janitorial Services Contract Evaluation: For several months, many Staff in each department have been considering a more effective method for achieving the cleaning of our facilities. After considering a number of alternatives, the Senior Team approved an outline to use two separate contract services and propose Staff positions to accomplish the work. A separate Bid Request and Request for Proposals were issued September 20 with replies due October 8.

Capital Improvement Projects Reporting on Budget and Actual for the Year Ending June 30, 2019: As a part of the close of the year and preparation for the audit process, Staff will complete the final year-end report for capital improvement projects. In the past, it was released only after audit fieldwork. Given a number of changes resulting from the close of the year, this will be further delayed to assure both reports agree. That will likely result in the report being released in November. A current year quarterly report will follow shortly thereafter.

Budget Preparation for the Year Ending June 20, 2021: Staff has scheduled the Budget Kickoff for October 24. The ski resort staff began their budgeting the last week in September to allow as much to be completed ahead of the season to avoid time conflicts with getting the resort ready for the holiday startup.

Risk Management

Progress on Insurance Claim for Mountain Course Clubhouse: Staff is actively working with the NV POOL, adjusters, and contractors to finalize the amount of the claim from the August 11 fire. The District has received proceeds for some of the claim and continues to work more details for mechanical and other items. The claim will remain open through the full two years after the fire in the event other conditions are discovered during the renovation.

Capital Projects Management

ARC Flash Labeling: For several years, individual venues have proposed projects to address updating panels. We are continuing a protocol for not working on any panel with live power. In support of the overall process of protocols for Lock Out Tag Out, District venues are inventorying and evaluating conditions for all energized equipment covered by the OSHA regulations. This will lead to other projects or operating adjustments, including establishing procedures specific to locations. This is being implemented through CIP projects affecting those locations as completed. However, our research has also found the need for a District-wide comprehensive project, which will set up a cyclical five-year rotation for checking compliance. The consultant used during the review has provided an updated proposal has been developed the required cabinet warnings. This will result in a District-wide project for 2020-2021 and if approved, will likely be opened early to allow work to progress over the entire summer of 2020.