

July 16, 2019

All,

Attached please find replacement pages 90, 108, and 125 to IVGID Board of Trustees Meeting Item General Business Item H.4.A. and H.4.B. Please remove the pages included in your paper packet and replace with the attached.

Replacement pages will also be available at the Board Meeting of July 17, 2019 as well as posted on the IVGID website.

Thank you and we apologize for any inconvenience.

EXECUTIVE SUMMARY

This Indebtedness Report was created to fulfill the requirements of NRS 350.013 for the year ended June 30, 2019. Incline Village General Improvement District (the District) is generally limited in the bonds it can issue by its statutory debt limit and the amount of revenue available to pay debt service on bonds. This policy discusses the outstanding and proposed debt of the District, its ability to afford such debt, and other items relating to the issuance of the bonds of the District.

For the fiscal year ending June 30, 2019, the District has \$1,498,000 of general obligation recreation revenue debt outstanding, and \$3,464,361 in utility general obligation revenue debt. This is a total of \$4,962,361 in general obligation debt. There is also outstanding debt with the State of Nevada Revolving Fund, in the form of revenue pledged loan contracts, of \$1,144,565. The total District debt of \$6,106,926 is all subject to a revenue pledge.

The District presently has approximately \$833,193,000 of statutory debt limit available based on the final 2018-19 Redbook Assessed Valuation of \$1,666,387,475. This results in over \$827,000,000 as available.

Since the District is not involved with providing the types of infrastructure that can utilize substantial portions of a debt limit, the District's Board of Trustees has adopted an internal debt limit. This internal determination is generally based on maintaining a debt service ratio over the term of an issue that reflects affordability within the District's operations. The internal limit establishes minimum debt service coverage for Utilities at 1.75 and for Community Services at 1.5 times coverage. For the year ending June 30, 2020, the Utility Fund budget indicates coverage of 7 times, largely because the District is accumulating an additional \$2,000,000 a year for a future capital project. Without that component of net revenue, the coverage would still be over 4 times. For the year ending June 30, 2020, the Community Services Fund budget indicates coverage of 10 times. There is no separate limit set for the Beach Fund however it is assumed the Community Service minimum of 1.5 applies. For the year ending June 30, 2020, the Beach Fund budget indicates coverage of 81 times. **The budget for the fiscal year ending June 30, 2020, adopted on May 22, 2019, did not contemplate the issuance of any bonds in that year.**

Form 4411LGF as of July 1, 2019, includes the District Five Year Capital Plan (\$54,771,429) and the 2019-20 Carryover List (\$3,509,152) and the Carry Over of the Effluent Pipeline Project of ~~\$11,008,521~~ **\$9,656,890** (\$8,756,603 - **\$1,351,631** + \$2,251,918). ~~These total expenditures of \$69,289,102,~~ **totaling \$67,937,471** including \$16,424,397 for the fiscal year ending June 30, 2020. The use of bonded debt is contemplated in years after June 30, 2020. However, neither those components of the projects nor any related bond is neither authorized as of June 30, 2019 nor budgeted to be issued for the fiscal year ending June 30, 2020. Further consideration and action by the Board of Trustees is required before any bond will be authorized or issued; this is expected after July 1, 2020.

FIVE YEAR CAPITAL IMPROVEMENT PLAN
(Per NRS 354.5945)



Minimum level of expenditure for items classified as capital assets	\$ 5,000	Incline Village General Improv. District
Minimum level of expenditure for items classified as capital projects	\$ 10,000	Period Beginning July 1, 2019

		FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Fund:	General Fund					
Capital Improvement:	5 Year Capital Improvement Plan	\$ 485,445	\$ 443,150	\$ 390,100	\$ 269,950	\$ 3,310,900
	Carry Over Project re-budgeted to 2019-20	\$ 201,000	\$ -	\$ -	\$ -	\$ -
Funding Source:	Property Tax - Gen. Revenues	^^	^^	^^	^^	^^
	Fund Balance					As needed
Completion Date:	Within each fiscal year as scheduled					
Fund Total	General Fund	\$ 686,445	\$ 443,150	\$ 390,100	\$ 269,950	\$ 3,310,900

		FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Fund:	Utility Fund					
Capital Improvement:	5 Year Capital Improvement Plan	\$ 4,363,000	\$ 4,208,500	\$ 4,296,600	\$ 4,439,400	\$ 3,984,500
	Carry Over Project re-budgeted to 2019-20	\$ 1,498,400	\$ -	\$ -	\$ -	\$ -
	Carry Over for Effluent Pipeline Project	\$ -	\$ 1,000,000	\$ 3,000,000	\$ 3,000,000	\$ 2,656,890
Funding Source:	Charges for Services	^^	^^	^^	^^	^^
Completion Date:	Within each fiscal year as scheduled					
Fund Total		\$ 5,861,400	\$ 5,208,500	\$ 7,296,600	\$ 7,439,400	\$ 6,641,390

		FY 2019-2020	FY 2020-2021	FY 2021-2022	FY 2022-2023	FY 2023-2024
Fund:	Internal Services Fund					
Capital Improvement:	5 Year Capital Improvement Plan	\$ -	\$ 19,000	\$ 64,800	\$ 16,000	\$ 10,850
Funding Source:	Charges for Services	^^	^^	^^	^^	^^
Completion Date:	Within each fiscal year as scheduled					
Fund Total		\$ -	\$ 19,000	\$ 64,800	\$ 16,000	\$ 10,850

- List of Funding Sources:**
 Property Tax - Gen. Revenues
 Charges for Services
 Debt
 Grants
 Other (Please Describe)

Incline Village General Improvement District
Reconciliation of 5 Year Capital Plan and Carryover List
to NV Form 4411LGF
As of July 1, 2019

	2019-20	2020-21	2021-22	2022-23	2023-24	Fund Total
Form 4411LGF						
General Fund Total	\$ 686,445	\$ 443,150	\$ 390,100	\$ 269,950	\$ 3,310,900	\$ 5,100,545
Community Services Fund Total	\$ 8,886,502	\$ 4,010,854	\$ 5,681,680	\$ 4,811,900	\$ 3,045,340	\$ 26,436,276
Beach Fund Total	\$ 990,050	\$ 1,624,600	\$ 221,060	\$ 350,000	\$ 657,000	\$ 3,842,710
Utility Fund Total	\$ 5,861,400	\$ 5,208,500	\$ 7,296,600	\$ 7,439,400	\$ 6,641,390	\$ 32,447,290
Internal Service Fund Total	\$ -	\$ 19,000	\$ 64,800	\$ 16,000	\$ 10,850	\$ 110,650
Fiscal Year Total	\$ 16,424,397	\$ 11,306,104	\$ 13,654,240	\$ 12,887,250	\$ 13,665,480	\$ 67,937,471

5 Year Project Summary	\$ 54,771,429
Carry Over for Effluent Project per 6/30/18 Audit	\$ 8,756,603
Carry Over for Effluent Project reallocated to 2018-19	\$ (1,351,361)
Carry Over Projects from 2018-19	\$ 5,761,070
Total	\$ 67,937,741