

MEMORANDUM

TO: Steven J. Pinkerton
General Manager

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

SUBJECT: Status Report for April 2016 – Finance/Accounting, Risk
Management and Information Technology

DATE: **May 10, 2016**

Finance and Accounting

Audit for the Year Ending June 30, 2016 The auditor's have planned interim work in June and fieldwork in September. The audit report will be assembled in October for delivery in November, and approval expected in December.

Financial Transparency Website The Accounting staff regularly works with opengov.com on utilizing their enhancements and posting data as quickly as possible to allow users access. This has included several refreshes of data as the budget version was updated.

Development of a Popular Report Format A new format was developed to present both functional and object level information on the same page, during the budget process. The feedback was it was close to the idea, but still too cluttered. We will continue to work on using a combination of charts and tables to provide a good overview, which has enough venue detail to apply to general use.

Support for implementation of point of sales systems As the ski season came to a close; we had another round of transactions and reports types to test out in RTP. Generally it worked well and we have learned some lessons that can easily be applied to next year. The integration of the parcel files for punch cards for RTP and Vermont was tested and was in place to support Vermont going live. Multiple department staff participated in planning for a new golf system later in the fall of 2016. A vendor selection has tentatively been made. This delay has affected the EMV chip reader project. That project will be completed ahead of the ski season in 2016.

The Director of Finance has moved into the Accounting Department area The staff and the Director are pleased to be in the same contiguous space.

Capital and Operating Budgets for the Year Ending June 30, 2016 The process of input, review and analysis went through several more cycles during the month. Some venues made revisions as we approach the preliminary budget report. The District completed the TENTATIVE Form 4404LGF and filed it April 13. Almost immediately we began enhancements to the content of the form for the Final budget to be adopted in May. Many of these enhancements will facilitate the audited presentation of comparative results for June 30, 2017.

The Capital Budget process included final review of individual project data sheets and the five year summary. All preparation was focused on the CIP Tour and debrief in early April. Subsequent to that session we reviewed and reconsidered the needs for the Facility Fee. After determining the Beach had other resources, we restored the planned \$10 change to the Community Services Administration discretionary funding for capital projects. Long term this will give the Community Services Fund the flexibility to deal with projects. The analysis of the Asset Replacement Funding will be a constant reflection of inflows and outflows, as well at longer term planning for projects. The more we plan, the more we can also arrive at a predictable and sustainable funding model.

A substantial effort went into predicting carryover projects as they have to be re-budgeted for the General Fund and the Community Services and Beach. The Utility Fund does not have to re-budget carryover projects as technically that item is a matter of cash flow, not a budgeted expenditure. Last year we learned a great deal about the challenge of setting a carryover with 3 months remaining in the fiscal year. We used those lesson learned to be more inquisitive and thorough in the analysis. It took us later into the month to complete the quarterly CIP Report, but allowed a better end report and estimate.

The staff worked on testing our ability to monitor measure and report performance measurement factors. One area especially coming from accounting is for the relationship of depreciation and debt to total capital assets. For the new fiscal year, there will be more historical references for these particular measures.

Consequence of the Diamond Peak Ski Resort increased revenue The success of entire season has given rise to added revenue and the review of the degree of costs increases. These led to preparing a budget augmentation that was approved April 27. We developed estimates from the completed March Financial Report and included additional for the extension of the season. This level of activity has caused increased staffing, ordering of supplies, accruing insurance charges and rent that are factors of revenue. It also had a portion driven by taking back the operations of the Snowflake Lodge.

Risk Management and Safety Initiatives

ARC Flash Labeling

Staff is continuing the process by establishing a detailed inventory of each location and panel. We are formulating the scope of the issues and the possible solutions. It is possible that we can handle much of the labeling ourselves with the purchase of a software calculation and labeling package. We have instituted a protocol for not working on any panel with live power.

Incline Fields Safety Fence

We have scheduled the work on a safety condition at the Incline Fields regarding a retaining wall. Our Engineering staff has designed a solution. Work will be completed in May. We originally thought we'd need to consider asking for use of the Community Services contingency, however, we have identified several projects that will not take place this year and we can fit this spending into the current budget.

Safety Training

Fleet staff is working with several departments, especially in Public Works to refresh training on major items of equipment. They are also doing spring training with golf and parks. The Safety Officer is doing inspections.

Emergency Preparedness

District staff has progressed on our update to our Emergency Operations Plan. Since the Plan was done in 2011, several changes have occurred for facilities in our community. The Emergency Operations Center is now with Washoe County Sherriff and the Fire District. IVGID will no longer have to be ready to assemble a room. However, the Recreation Center is considered the secondary evacuation location. We have taken a few small steps to get the plan current and expect this to be completed and in place to practice with the August Safety Week. Part of this process will be coordinated with the new interim Fire Chief Ryan Summers.

We are also working with Washoe County Heath Dept. and the Incline Village Community Hospital to assess our role or assistance under their Plan of Distribution in case there is a health event requiring a response such as a mass inoculation. Other agencies take the lead, but the District might be asked to provide facilities.

Annual Meeting for the NV Public Agency Insurance POOL The Director of Finance attended the annual meeting. He was re-elected to their Executive Committee for the Workers Compensation program.

Information Technology

Vermont Point of Sales System Data base and interface configurations were substantially finished for the Vermont Point of Sales System.

RTP ONE Point of Sales System Some post-season revisions are being addressed based on lesson learned from this last winter.

EMV Chip Processing The October 2015 Federal Trade Commission deadline was considered a recommendation not a requirement. The District has opened a separate CIP project for the EMV equipment for all venues. Ski has identified a vendor and expects to place an order when given the acceptance by RTP and their merchant processor. Golf has selected a system, but will not actually look to implement it until September 2016. The system for recreation is pending based on our existing relationship with a referral from Vermont. All EMV equipment is expected to be ordered when we can be certain all venues can be served consistently. This now appears that it will be carried over to later in the summer of 2016 to be ready for the ski season.

SysAid Support Ticketing System Implementation We are using the system to schedule purchases and replacements. This has established a process of regular updating and other proactive system management and has been implemented as we install equipment for the summer season.

Fiber Ethernet Connections for the District Work continues by Averill Consulting Group to complete their contract for bringing the entire Ethernet into service. Ski will be last. We have decided to wait until after they close to switch over from radios.

Live Streaming The capacity of the new system requires more internet connection that we can provide until the fiber Ethernet is fully installed. Therefore, we have continued to use the old system. We are in process of reconfiguring the equipment to allow it to be used on the fiber network.

Web Content Our Webmaster continues with the web site project staff on updates, security settings, and various requested enhancements to functionality and content.

Citizen Request Management as a part of Communications The District originally contracted with Citizen Request Management Public Stuff, by Accela, which allows online access to staff by sending e-mails under assigned topics. The implementation of what we have named Talk2IVGID with content and way finding. It is managed by our Communications Coordinator. The system was released for public use in April.

Legislative Management (formerly IQM2) Board Packet Management Software The IT Steering Committee is overseeing a process to re-engage in the development of the automated process for assembling and distribution of Board of Trustee Meeting Packets and related information. The implementation started with a webinar with their sales and training staff. The next step is their discovery and identification of our unique modifiers. The plan is to begin installation in June, with testing in July. We have identified a project team.

Expanded Archive and Back Up System The District added an unbudgeted project to acquire a comprehensive solution to the network back up storage in January. We chose a system from Dell and it was configured by Dell engineers. The appliance is in service. Backups are being performed on a regular basis. The existing equipment will be used for future Utilities Scada system, and will incorporate it in the update scheduled for later in 2016-2017. The new IT Manager is coordinating a more specific schedule with the vendor.

Microsoft Licenses for Office 2016 The District has purchased a software upgrade for current and near term replacements, the District ordered 100 licenses. Installation continues on the first 25 installations.

The new IT Manager started in April Welcome to James Russell as our IT Manager. We are meeting weekly for knowledge transfer and review of overlapping projects. The transition is working out very well and a number of projects are seeing the benefit of someone who has full time to devote to IT.