

Frequently Asked Questions – Updated May 21, 2015

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1. What is the purpose of each Fund, Activity or Function used by IVGID?

General Fund – a governmental fund type that contains District-wide Administration plus Trustees, General Manager, Finance and Accounting, Information Technology, Risk Management, Human Resources, Health and Wellness and Community Relations and Communications.

Utilities Fund – an Enterprise Fund type that contains the operations for water, sewer and solid waste activities. It also includes the administration IVGID provides for the Tahoe Water Supplier Association.

Community Services – a set of governmental fund types in the form of Special Revenue, Capital Expenditure and Debt Service that contains the operations of the Championship and Mountain golf courses, the Chateau and Aspen Grove facilities, Diamond Peak Ski Resort, the Recreation Center and Community Programming, Tennis and Parks. It also administers Ordinance 7 for Recreation Privileges.

Beach – a set of governmental fund types in the form of Special Revenue, Capital Expenditure and Debt Service that contains the operations for Hermit, Ski, Incline and Burnt Cedar Beaches.

Internal Services – a Proprietary Fund type that contains the operations for Engineering, Fleet, Buildings Maintenance and Workers Compensation that provides their services to the other funds. The operating funds pay for these services. They are charged out at cost to be as efficient and effective as possible.

A fund is the individual accounting for a group of activities based on a stated purpose. For IVGID, activities tend to be the venue. We also can refer to a function which is the type of service performed for a particular activity. The Community Services Fund is an aggregation of our recreation activities.

2. What comprises the major Sources, Use and Objects used by IVGID?

The budget items presented on object level financial statements represent the nature of a transaction. Objects for revenue are generally grouped as taxes, charges for services,

standby charges and other (which includes grants, investments, rents and fines). Objects for expenditures general identify what the District accomplishes by its employees through wages and benefits, through professional services or by vendors as services and supplies. We also isolate insurance, utilities and Central Service Cost (allocations for Accounting and Human Resource services provided by the General Fund), as part of operating activities. The separate Capital Expenditure and Debt Service expenditures represent the process of asset acquisition, replacement or upgrade to infrastructure and equipment, paid from current resources or over time.

3. How are the revenue sources determined for IVGID?

The District revenue sources includes taxes, user fees, community support in the form of the standby charge (facility fee), operating grants, internal services, investment income and capital grants and other items. Ad Valorem and State Consolidated taxes are determined and controlled by State formula. The District's received notice of these amounts as an estimate for the coming fiscal year. The District's Trustees set the Facility Fee for Community Service and Beach each May along with adopting the budget. During the budget process the District staff indicates the expected fees and level of usage to arrive at user fees. Staff also identifies expected grants and other sources. The individual venues and the overall District present a variety of metrics and Key Rates, to identify related revenues that are available to finance expenditures one fiscal year at a time.

4. What do Parcel Owners get for paying the Facility Fees?

Each parcel that pays the Recreation Facility Fee can have 5 cards issued either in the form of a picture pass or punch card. The Picture Pass Holder gets Preferred Pricing and or Preferred Access to the District's major venues or programming. Often Key Rates identify those benefits, or you can discuss them with the venue. A Punch Card Holder receives the opportunity to reduce their user fees from the rack rate to Picture Pass Holder Rate, based on an allocated value assigned each June 1.

5. What does Fund Balance represent and why is it presented?

Each fund reports its assets and liabilities for a statement of net position in the annual audit. The remainder difference between assets and liabilities is Fund Balance, also known as net position. For budget purposes an amount is reported representing the non-restricted amounts of that calculation, as a reflection of what is carried to support cash flows to operate and to have emergency funds. It can also represent amounts held for future events, as is the case for Utilities' Effluent Pipeline Project and the Incline Beach Building.

Fund balance is part of the format on the State of NV forms. It is required reporting for all governmental fund types. The General Fund, Community Services and Beach Special Revenue, Capital Expenditure and Debt Service funds all have the requirement. The District chooses to also report a balance for Utilities and Internal Services in its own budget document.

6. How is the presentation of budget and financial statements selected?

The District's budget format is set by Nevada Revised Statutes. In an effort to provide greater detail to the community, the District publishes a budget document and monthly financial statements for individual operating departments and venues. All of these are based

on the same set of accounting records, but utilize a high degree of aggregation for the State requirements (the Fund level), while the District utilizes the venue level. The annual audit is performed on the Comprehensive Annual Financial Report which uses generally accepted government accounting principles, which call for both fund level and district-wide financial presentations.

7. Where can I find more of the detailed information on the budget and annual audit?

It is best to identify user objectives when selecting a report. The budget document is focused on the next fiscal year. The District has past budgets and annual audits posted on its web site at ivgid.org. Beginning in June 2015 users may also access the OpenGov interactive transparency tool <https://inclinevillagegidnv.opengov.com/>.

8. How are Utility Rates determined?

A Utility Rate Study was presented that provided resources for planned infrastructure improvements, along with a 5 year analysis operating conditions. The approval for the ordinance changes was given April 29, 2015, which resulted in an increase in rates of 3%.

9. How are the Combined Recreation and Beach Facility Fee determined?

The operating and capital budget plans plus scheduled debt service drive a total combined facility fee.

Since 2011 the District has planned to accumulate current resources for a point in time of increasing needs for capital expenditures. These expenditures were planned to occur after the District had retired two bond issues. The report on the components of the Facility Fee indicates the changing pattern of less collected for debt service and more for capital expenditure.

Refer to the Facility Fee Reconciliation by Parcel and Venue Component on the District's Transparency website at ivgid.org.

10. What are the differences between the State Budget Forms and the format presented for the Board of Trustees Workshops?

The focus of the budget process is to assure a balance in the flow of resources. Therefore schedules utilized in this process use a format of sources and uses. The State budget forms for governmental fund types follow that exact format, however, their placement of the contingency and carryover CIP is slightly different. For the Utility and Internal Services Funds, the State forms utilize depreciation as an expense, and only report capital expenditure and bond principal repayment under the statement of cash flows. The State forms do not report a fund balance for proprietary fund types. The District's schedule has begun to give these balances to identify a trend and available resources for future periods.



Facility Fee Reconciliation by Parcel and Venue Component

Incline Village General Improvement District			Facility Fee Reconciliation by Parcel and Venue Component						
	Components per Parcel			Per Parcel Facility Fee	Total 2015-16 Facility Fee	Amount per Component			
	Operating	Capital	Debt Service			Operating	Capital	Debt Service	
Recreation (8181 Parcels)									
Golf - Championship	\$ 25	\$ 79	\$ 22	\$ 126	\$ 1,030,806	\$ 204,525	\$ 646,299	\$ 179,982	
Golf - Mountain	34	35	-	69	564,489	278,154	286,335	-	
Facilities	7	19	21	47	384,507	57,267	155,439	171,801	
Diamond Peak Ski	(115)	125	113	123	1,006,263	(940,815)	1,022,625	924,453	
Youth & Family Programming	24	-	-	24	196,344	196,344	-	-	
Senior Programming	19	-	-	19	155,439	155,439	-	-	
Recreation Center	79	10	-	89	728,109	646,299	81,810	-	
Comm. Services Administration	42	15	-	57	466,317	343,602	122,715	-	
Punch Card Allowance	63	-	-	63	515,403	515,403	-	-	
Parks	76	21	-	97	793,557	621,756	171,801	-	
Tennis	12	4	-	16	130,896	98,172	32,724	-	
Recreation Facility Fee	\$ 266	\$ 308	\$ 156	\$ 730	\$ 5,972,130	\$ 2,176,146	\$ 2,519,748	\$ 1,276,236	
Fiscal Year Total Facility Fee:									
2014-15	\$ 199	\$ 315	\$ 216	\$ 730					
2013-14	\$ 226	\$ 291	\$ 213	\$ 730					
2012-13	\$ 246	\$ 211	\$ 273	\$ 730					
2011-12	\$ 199	\$ 242	\$ 274	\$ 715					
2010-11	\$ 128	\$ 304	\$ 298	\$ 730					
Beach Facility Fee									
(7,743 Parcels)	\$ 75	\$ 24	\$ 1	\$ 100	\$ 774,300	\$ 580,725	\$ 185,832	\$ 7,743	
Fiscal Year Total Facility Fee:									
2014-15	\$ 65	\$ -	\$ 35	\$ 100					
2013-14	\$ 63	\$ -	\$ 37	\$ 100					
2012-13	\$ 66	\$ 17	\$ 17	\$ 100					
2011-12	\$ 98	\$ -	\$ 17	\$ 115					
2010-11	\$ 69	\$ -	\$ 31	\$ 100					