

MEMORANDUM

TO: Steven J. Pinkerton
General Manager

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

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

DATE: April 12, 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 being posted in October. The reductions so far have ranged from \$1,628 to \$2,948. The one in March was \$2,948. Similar reductions are expected for remaining periods. The State has indicated the amount may change with each payment. The remaining provision will be adjusted with the last payment.

Audit for the Year Ended June 30, 2019 The Audit Engagement Letter was sent to the Audit Committee Chair for signature. Along with transmitting it back, staff learned interim field work is planned for June. The regular fieldwork is planned for September, with delivery for the December Board meeting.

Governmental Accounting Standards Board Field Test The District's participation in the field test of the potential new reporting model was acknowledged with a thank you letter dated March 5. In addition to getting a good insight into the future reporting requirements, the District's participation allowed us to recognize the opportunity to align our popular reporting format with expenditures by natural classification.

Operating and Capital Budgets for the 2019-2020 Fiscal Year Presentations were made March 13 for operations and March 18 for capital expenditures. Substantial effort and review went into preparing for those presentation. This included arriving at estimates for capital project carryover. The Department of Taxation also looked at the proposed format with our closing the work comp sub fund and inactivating the capital projects and debt services funds. They are pleased with this simplification.

The District received notice of the final tax rate from the State of NV on March 15. As in the past, the District accepted the rate and verified them when the final amount was reported again on March 29. We also received the Washoe County abatement calculations. Our abatement rate is about 22% of the eligible tax.

Risk Management and Safety Initiatives

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. Pricing is difficult given the current bid environment. Contractor availability is also a concern. The POOL is paying two contractors to submit an estimate. Several options for replacement or renewal are being considered depending on total costs. The NV POOL has indicated a willingness to consider a different scope of work other than the insured full replacement. The operating needs for the building have changed from its former layout, and it would be a better use of all resources to rebuild according to future needs. A more concise set of plans is being developed to get a firm quote for the replacement work. A tour of some of the proposal was held at the Clubhouse on March 29. The inventory and contents portion of the claim have been received.

ARC Flash Labeling We have ongoing work under the CIP budgeting for the five-year plan. Various 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. The staff committee on Arc Flash met during the month to review and updated request and scope of work.

Safety Committee continues to promote utilization of TORCH-Learning Management System The safety committee and District staff continue to work on the implementation of the record keeping system for various training and learning opportunities. TORCH-LMS is a member service provided by the Nevada Public Agency Insurance POOL. Department Managers are actively setting up users and making class assignments.

Winter Storms The above average snow fall has set up the possibility of added care and condition work as spring arrives. Staff have begun proactive ways to reduce possible delays and damage.