

## Incline Village General Improvement District Accounting Glossary

The District's accounting contains acronyms and terminology that are unique to public finance and budgeting. To assist the reader of the Financial Transparency Website this document has been included.

- **ADA** - Americans with Disabilities Act.
- **Accrual Basis** - Recognition of revenue when earned and expenses when incurred. They are recorded within an accounting period even though cash has not been received or paid.
- **Ad Valorem Tax** - a.k.a. Real Property Tax. Tax levied based upon assessed valuations as set by the Washoe County Assessor. The District receives its share of Ad Valorem Tax distributions from the Washoe County Treasurer.
- **Advertising** - Announcements and displays in newspapers, radio, TV, internet and other forms of media to promote services or provide information.
- **Allowances** – measure of amount of discount or reductions to transaction charges, given to a particular category of customer or applied circumstance.
- **Appropriation** - A specific amount of money that is authorized for the purchase of goods or services.
- **Audit** - An official independent examination and verification of accounts and records, especially of financial accounts.
- **Balanced Budget** - A budget in which revenues and expenses or sources and uses, breakeven for a given period.
- **Banking Fees and Processing** - Bank charges from checking accounts and for merchant processing credit or debit cards.
- **Beach Facility Fee** - An annual fee assessed to all eligible parcels within the Incline Village boundaries for the availability of use of the beach facilities. Synonymous with Standby Charge and Availability Fee.
- **Balance Sheet** - A statement of the financial position including assets, liabilities and net position (equity or fund balance) of an entity at a specified date.
- **Bear Awareness Program** - A joint program to educate citizens about bears. The program consists on education, ordinance and a lead by example/incentive component.
- **Bonds** - A written promise to pay a specified sum of money (principal) of face value at a specified future date (maturity date) along with periodic interest paid at a specified percentage (interest rate) of the principal. Bonds are typically referred to as for long-term debt and are used for long lived assets.
- **Bond Rating** - normally an evaluation of creditworthiness performed by an independent rating service.
- **Board of Trustees** - 5 person elective Board that runs the District. Board members are elected to four year terms. The election of Board members is staggered every two years.
- **Budget** - An estimate of expected sources and uses for a given period in the future. A plan of operations based on delivering defined service levels.
- **Budget Amendment** - A change to the budget as it was originally approved.
- **Budget Augmentation** – A change to the budget based on the availability of additional resources over those originally approved.

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- **Bureau of Land Management** – US Government agency which is responsible for carrying out a variety of programs for the management and conservation, of resources on 256 million surface acres, as well as 700 million acres of subsurface mineral estate.
- **Capital Budget** - A single year plan for acquisition or construction of fixed assets, like infrastructure, facilities and equipment.
- **Capital Carryover** - Capital budget projects not spent in the previous fiscal year(s) that will be spent in a future fiscal year.
- **Capital Grants** - Grants from a specified form in support of a specified capital improvement project.
- **Capital Expenditure** - Spending to acquire or upgrade physical assets such as systems, buildings and, equipment and machinery. By District policy these assets have a useful life beyond 3 years. Also called capital spending or capital expense.
- **Capital Improvement Plan (CIP)** - A five-year plan outlining expenditures related to long-term outlays for property, plant and equipment. All capital expenditures are made within the parameters of the District's rolling Capital Improvement Plan. They are also part of the longer –term Multi Year Capital Plan for planning purposes.
- **Capital Improvement Plan/Project Reports** – Periodic reports on the status of expected spending versus actual as of a reporting date.
- **Capital Improvements** - Acquisition of assets having a cost over \$5000 and a useful life greater than 2 years.
- **Capital Outlay** - Spending to acquire or upgrade fixed assets in the General Fund.
- **Capital Project Committee (CPC)** - The committee that reviews all capital projects before they are included in the CIP or capital budget.
- **Capital Project Fund** – A governmental fund type use to report the flow of resources for capital expenditures including current year and carryover projects.
- **Cash Flow** - A measure of activity based on inflow and outflow of cash. Activity equals cash receipts minus cash payments over a given period of time; or equivalently, based on measured operations adjusted for depreciation, depletion, and amortization, and other non-cash transactions.
- **Central Services Cost Allocation** - The amount allocated between the Utility, Community Service and Beach Funds to cover the cost of services provided by the General Fund under Board Policy.
- **Charges for Services** – Revenues that are based on exchange transactions from providing goods and services and privileges directly between customers and the District.
- **Communications** - Transmission of messages or information including social media, telephone, and other electronic means.
- **Community Relations** - Costs to promote the District and local events.

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- **Consumer Price Index (CPI)** - An inflationary indicator that measures the change in the cost of a fixed basket of products and services, including housing, electricity, food, and transportation. The CPI is published monthly. It is also called cost-of-living index. The District references the Bureau of Labor Statistics Western Region CPI.
- **Contractual Services** - Purchased services from providers, other than employees.
- **Contribution** - Funds given to the District for capital or operating expenses from other governmental agencies and other sources.
- **Contingency** – Under State of Nevada Form 4404LGF, a governmental fund can provide up to 3% of Total Expenditures for use on items subject to subsequent advance approval of the governing body.
- **Cost of Goods Sold** - Direct costs of item or service purchased for resale.
- **Customer Service Training** - An internal training program specifically designed to keep the focus on providing excellent service to our customers.
- **CTX General Sales Tax** - Consolidated Nevada and other government sales tax.
- **Debt Coverage Ratio** - This is determined by dividing the operating or other available revenues less operating expenses other than depreciation and interest by the annual principal and interest payments.
- **Debt Proceeds** - Gross receipts from issuance of Debt.
- **Debt Service** - The payment of principal and interest on borrowed funds such as bonds.
- **Debt Service Fund** – A governmental fund type use to report the flow of resources for the payment of principal and interest on bonds.
- **Depreciation** - A non-cash expense that reduces the value of an asset as a result of its utilization. Most assets lose their value over time based on use and must be replaced once the end of their useful life is reached. There are several accounting methods that are used in order to recognize an asset's depreciation over the period of its useful life. The District uses the straight line and units of production methods. Depreciation expense lowers reported earnings, but does not affect cash flow.
- **Depreciation Add back** - Offsetting entry for expenses not requiring the further use of resources.
- **District** - Incline Village General Improvement District (IVGID) - the governing entity that is the subject of the budget process.
- **Dues & Subscriptions** - Memberships to trade and professional groups for individual staff and for periodicals and trade journals.
- **Dwelling Unit** – Definition under Washoe County Code relating to type of structure that qualifies for facility fee charges.
- **EDU** - Equivalent Dwelling Unit, for example a single family home is one EDU.
- **EPA** - Environmental Protection Agency.
- **Employee Benefits** - Amounts not included as salary or wages, for such items as group insurance, retirement, payroll taxes, unemployment, and workers compensation.

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- **Enterprise Fund** - Accounts for the revenue earned, expense incurred and net income for business-type functions. The Utility Fund is an Enterprise Fund.
- **Employee Relations & Retention** - Staff awards and events and retention incentives.
- **Exchange Transaction** – Where the government and the party to a transaction exchange cash and good or services of essentially the same value.
- **Expense** – Use of assets, generally to acquire services or products in support of the operations of the entity.
- **Expenditures** – Use of assets in the form of expenses paid, payment of liabilities or acquisition of long term assets.
- **Fines** - Fees issued with citations for violation of District Ordinances.
- **Fiscal Agent** - Costs associated with professional debt service management
- **Fixed Assets** - A long-term, tangible asset held for operating purposes and not expected to be converted to cash in the current or upcoming fiscal year, such as plant, infrastructure, equipment and real estate.
- **Food & Beverage Sales** - Sale of food and beverage to consumers.
- **Fuels Management** - Purchase of service work to create or maintain defensible space on District Property, also known as **Defensible Space**.
- **Full Time Equivalent (FTE)** - A term used to quantify labor force. Each FTE equals a standard 2,080 hours of work per year.
- **Full Time Year Round (FTYR)** - An employee that is budgeted for 2,080 hours a year and receives the total benefit package of the District.
- **Fund** - Fiscal accounting with a self-balancing set of accounts recording cash and other financial resources, together with related liabilities and residual equities or balances, and changes therein. Revenue and expenditures become the flow of transactions. Funds are segregated for the purpose of conducting specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. An example is the General Fund.
- **Funded Capital Resources** - As per District Policy, are amounts earned and retained in prior periods for use to acquire specific capital improvements.
- **Fund Balance, Equity or Net Position** – The residual difference between assets and other inflows and liabilities and other outflows, (generally referred to as Fund Balance) for budget purposes.
- **FY** - Fiscal Year of District - July 1 through June 30.
- **Generally Accepted Accounting Principles (GAAP)** - A widely accepted set of rules, conventions, standards, and procedures for reporting financial information as established by the Financial Accounting Standards Board.
- **GFOA** - Government Finance Officers Association.
- **Governmental Fund** - Accounts for all transactions not recorded in other fund types. The General Fund is a Governmental Fund.
- **GASB** – Governmental Accounting Standards Board is the authoritative body that establishes rules, conventions, standards, and procedures for reporting financial information for government.

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- **Grant** - Funds given to the District for capital or operating expenses from other agencies. The District receives operating grants from the State of Nevada and Washoe County, and capital grants from the Federal Government through the Army Corps of Engineers and the State of Nevada.
- **HR** - Human Resources Department.
- **HRIS** - Human Resource Information System. A software solution for the data entry, data tracking, and data information needs of the Human Resources, payroll, management, and accounting functions related to HR. Also known as **HRMS** Human Resource Management System.
- **Insurance** - General liability, property, fidelity and excess limits coverage.
- **Interco Fees** - Internal fees charged to various areas of the District. The fees designed to capture the actual cost of doing business and reimburse the Internal Services Fund for services provided to District operations
- **Interest Expense** - Payment of periodic interest amounts due.
- **Interfund Transfers** - Board authorized transfers between the District's Funds.
- **Intergovernmental Operating Grants** - Grants from specified forms of government in support of a specified operating purpose.
- **Internal Services Fund** - Accounts for the financing of goods and services provided by one department to other departments on a cost reimbursement basis. Fleet, Engineering, Buildings Maintenance and Workers Compensation are part of the Internal Services Fund.
- **Investment Earnings** - Interest income, changes in market value and results from sales of investments.
- **IS&T** - Information Systems & Technology Department.
- **IVGID** - Incline Village General Improvement District (a.k.a. the District).
- **LGIP** - Local Government Investment Pool.
- **LGTA** - Local Government Tax Act of 1991 and 1993.
- **Legal** - Costs of legal services.
- **Long Range Principle** – Adopted by the Board of Trustees, they represent governing elements incorporating the District's Vision, Mission and Value Statements. They are the backbone of the District's Strategic Plan.
- **Long Term 2 Enhanced Surface Water Treatment Rule** - The purpose of the LT2 rule is to reduce illness linked with the contaminant Cryptosporidium and other disease-causing microorganisms in drinking water. The rule will supplement existing regulations by targeting additional Cryptosporidium treatment requirements to higher risk systems. This rule also contains provisions to reduce risks from uncovered finished water reservoirs and to ensure that systems maintain microbial protection when they take steps to decrease the formation of disinfection byproducts that result from chemical water treatment.
- **LT2 Rule** - Long Term 2 Enhanced Surface Water Treatment Rule (LT2 2006). The purpose of the LT2 2006 rule is to build on the SWTR of 1989 and to reduce illness linked with the contaminant Cryptosporidium and other disease-causing microorganisms in drinking water.
- **Mantra** - "One District ~ One Team"

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- **Merchandise Sales** - Sale of clothing and equipment.
- **Modified Accrual Accounting** - Governmental accounting method. Revenue is recognized when it becomes available (for use) and measurable. Expenditures are typically recognized in the period in which the liability is incurred except for: (1) inventories of materials and supplies that may be considered expenditures either when bought or used; (2) interest on general and special assessment long-term debt that is recognized on the date due; and (3) use of encumbrances. The District follows the modified accrual method for the General Fund, Special Revenue, Capital Projects and Debt Service Funds.
- **Moody's Investors Services** - An independent rating service that performs evaluation of creditworthiness.
- **Multi Seasonal Year Round (MSYR)** - Year-round employees that move with the season and receive the District's specific benefit packages.
- **Multi Year Capital Plan (MYCP)** - This is the capital plan administered by the Capital Project Committee.
- **Net Promoter Score (NPS)** - The percentage of customers who are promoters of the entity or brand, minus the percentage who are detractors.
- **Nevada Revised Statutes (NRS)** - The current codified laws of the State of Nevada. The NRS is a compilation of all cumulative legislation passed by the Nevada Legislature during its Legislative Sessions.
- **Non-exchange transactions** – were the provider and receiver of resources do not directly exchange equal value from the other party at a point in time
- **North Lake Tahoe Fire Protection District (NLTFPD)** - is responsible for providing both emergency and non-emergency responses to the citizens of Incline Village/Crystal Bay, Nevada.
- **North Lake Tahoe Resort Association (NLTRA)** - Official Visitors and Convention Bureau and Central Reservations Center for North Lake Tahoe.
- **Objective** - An unambiguous statement of the District's intentions, expressed in measurable terms usually with an implied or explicit timeframe.
- **Operating Budget** - A plan that outlines the anticipated revenues, sources, expenditures and uses arising in the normal course of District activities.
- **Operating Expense** - An expense arising in the normal course of running an activity.
- **Ordinance** - An action approved by the Board of Trustees that has the affect of law.
- **Other Consultants** - Professional services from non-employees.
- **Other Taxes** - LGTA is the Local Government Tax Act set by law which by a calculation established in the NRS allows "other taxes" income.
- **Passes & Admissions** - User fees paid to gain access to or use of facilities.
- **Part Time Year Round (PTYR)** - An employee that is budgeted for an average of 24 hours per week that may receive a portion of District benefit package.
- **Performance Management** – Process used by the District to affect results in accordance with a planned outcome or level of activity.

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- **Performance Measure** - Indicates how much or how well the District is doing. They track the District's progress toward achieving its objectives.
- **PERK** - Positive Employee Recognition - Kool (PERK) program. This program is designed to provide recognition to IVGID's valuable non-benefited employees.
- **PERS** - Public Employees' Retirement System of Nevada.
- **Personal Services** - Fees paid for contract service staff.
- **Picture Pass Holder (PPH)** – Synonymous with District parcel owners who hold a defined privilege as established under District Ordinance 7.
- **Point Of Sale (POS) software system** - Software system that captures daily transactions uploaded to the financial system. These systems can also retain customer information and profiles.
- **Policy** - A fundamental statement or position established by the Board of Trustees to set the context for decision making or actions.
- **Postage** - Stamps and metered postage.
- **Practice** – A fundamental statement of defining terms and methodologies established by the Board of Trustees to set the process for implementing a Policy.
- **Principal** - Repayment of principal from past borrowing.
- **Printing & Publishing** - Costs associated with printing and binding publications.
- **Proceeds from sale of capital assets** - Proceeds for the sales of District assets generally taken out of service.
- **Program Registrations** - User fees paid for events and activities.
- **Proprietary Fund** - In Governmental accounting, a fund having profit and loss aspects. The two types of proprietary funds are the Enterprise Fund and the Internal Service Fund.
- **Punch Card** – An alternative form of payment for services in lieu of having a Picture Pass, as established under District Ordinance 7.
- **Punch Cards Utilized** – An accounting measure of the value of Punch Card payments charged to the identified venue or fund when used as a form of payment for services, as established under District Ordinance 7.
- **Recreation Facility Fee** - An annual fee assessed to eligible parcels within the Incline Village and Crystal Bay boundaries for the availability of use of the recreational facilities. Synonymous with NRS 318 references to Standby Charge and Availability Fee.
- **Recreation Roll** - The number of parcels that can be assessed the Recreation Facility Fee and the Beach Facility Fee. The Roll is approved by the Board of Trustees and filed with Washoe County for collection under their regular tax calendar as an assessment.
- **Recruitment** - Costs incurred to obtain employees new to their position.
- **Reno-Sparks Convention and Visitors Authority (RSCVA)** - Acts as a marketing organization for the county to promote convention and tourism business.
- **Rent Income** - Amounts collected for rental of District facilities and equipment.

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- **Rental & Lease** - Payments for use of assets for a specified period.
- **Repairs & Maintenance** – Preventative, corrective and general procedures, including costs of labor and supplies, for buildings, grounds and equipment to be available for use in operations
- **Resolution** - an action by the Board of Trustees to manage, control and supervise the affairs of the District.
- **Revenue** - The increase in assets of government funds that do not increase a liability or are the recovery of expenditure. This revenue is generally obtained from taxes, fees and charges for services.
- **Section 595 Federal Funds** - Federal funds that the District has secured with the help of a Legislative Advocate for the effluent export pipeline. These funds are made available pursuant to Section 595 of the Water Resources Development Act of 1999, Public Law 106-53, as amended (section 595).
- **Self Insured Retention (SIR)** - The deductible amount of insurance the District must provide before insurance attaches.
- **Service Fees** - User fee paid for units of service received.
- **Services and Supplies** – A financial caption used for aggregating all expense categories not individually listed. As used on the State of Nevada budget form 4404LGF, it covers all non-personnel related expenditures and debt service.
- **Sierra Nevada College (SNC)** - A four year liberal arts college located in Incline Village, NV.
- **Special Revenue Fund** – A governmental fund type to account for activities that receive revenues for a specified purpose and any unused portion is retained for that specified purpose. Our Community Services and Beach utilize special revenue accounting.
- **Sources** - All in-flows of resources such as revenue, bond proceeds, transfers or other internal allocations.
- **Southern Nevada Public Land Management Act (SNPLMA)** - It allows the Bureau of Land Management to sell public land within a specific boundary around Las Vegas, Nevada.
- **State of Nevada Department of Taxation (DOT)** - the government division where the tentative and final budgets are filed. They also provide monitoring of compliance with other laws and State regulations and the District's annual audit report and its Indebtedness Report.
- **Strategic Plan** – A two-year plan developed and adopted by the District Board of Trustees to provide direction and a planned pursuit of the mission, vision, long range principles, objectives, and actions for the District through June 30, 2017.
- **Supplies;**
  - ◊ **Office** - Paper products and office supplies including small equipment.
  - ◊ **Computer** - Software, maintenance, ink and small equipment.
  - ◊ **Operating** - Chemicals, fuels, materials and small equipment.

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- **Surface Water Treatment Rule of 1989** - Seeks to prevent waterborne diseases caused by viruses, Legionella, and Giardia lamblia. These disease-causing microbes are present at varying concentrations in most surface waters. The rule requires that water systems filter and disinfect water from surface water sources to reduce the occurrence of unsafe levels of these microbes.
- **Tahoe Center for Environmental Sciences (TCES)** - A collaborative partnership between University of California, Davis and Sierra Nevada College (SNC), to create a world-class environmental science and education center at Lake Tahoe.
- **Tahoe Water Suppliers Association (TWSA)** - is a regional partnership of Nevada and California Water Suppliers serving the Lake Tahoe region.
- **Training & Education** - Costs of classes and certifications.
- **Travel & Conferences** - Costs to attend meetings and events for vendors, trade associations and for education.
- **Uses** - All outflows of resources such as expenditures for operations, asset acquisition, debt service, transfers, or other internal allocations.
- **Utilities** - Electricity, natural gas, water, sewer, trash, cable TV, internet, Ethernet and all forms of telephone.
- **Wages and Salaries** - Paid to full time, part time permanent and temporary employees.
- **Washoe County District 4B Funds** - A residential construction tax that provides funds to build public parks in Washoe County.

### Terminology for Fiscal Year End Capital Improvement Plan/Project Reporting

**Added** – An unbudgeted project that meets capital improvement criteria and established after the start of the fiscal year.

**Cancelled** – A project that was scheduled, but is no longer being considered for construction or acquisition.

**Carried Over** – A project re-scheduled to another fiscal year, and has had its remaining budget updated.

**Completed** – A project that has finished all phases and is set up as a capital asset.

**Delayed** – A project timeline extended for either for a change in scope of work or the conditions, without adjustment to its budget.

**Multi-Year** – A project scheduled to be executed over multiple fiscal years to facilitate each phase (pre-design, design and acquisition).

**Ongoing** – A project that represents a continuous flow of rehabilitation or renewal of an operating system with added revenues and costs over time.

**Opened Early** – A scheduled project that starts ahead of plan due to a change in conditions or assumptions.

**Postponed** – A project with some reason to not be active, but is still intended to be executed at some future time.