

MEMORANDUM

TO: Board of Trustees

FROM: Paul Navazio
Director of Finance

SUBJECT: Fiscal Year 22/22 First Quarter Budget Update:
Popular CIP Status Report Through September 30, 2022

DATE: November 9, 2022

I. RECOMMENDATION

This is an informational report and therefore no Board action is required.

II. BACKGROUND AND DISCUSSION

This communication represents the FY2022/23 1st Quarter Popular CIP Status Report intended to provide an update for the District's Capital Improvement Program (CIP) Budget for activities for the period from July 1, 2022 through September 30, 2022. This report complies with Board Policy 13.1.0.2 relating to periodic reports on the status of the District's capital projects.

Overview

The District's FY2022/23 approved capital budget adopted by the Board on May 26, 2022 provided for appropriations totaling \$44,748,400 in support of planned capital projects across all District activities, including Administration (\$633,000), Utilities (\$15,588,700), Community Services (\$28,041,700), and Beaches (\$485,000).

The FY2022/23 capital budget was subsequently amended by Board action (8/31/22) to authorize carry-forward of prior year capital budget appropriations, in the amount of \$8,820,050. These Board actions combine to provide for an amended FY2022/23 capital budget of \$53,568,450.

This agenda item, via attachment, provides the Board with the first quarterly Popular Report, reflecting financial results through the first three months of this fiscal year.

	FY2022/23 Final Budget	BOT Approved Carry Forward 8/31/2022	FY2022/23 Amended Budget	FY2022/23 Expenditures (9/30/22)	Available Budget
Capital Budget - CIP Projects					
General Fund	\$ 633,000	\$ -	\$ 633,000	\$ 49,767	# \$ 583,233
Utility Fund	15,588,700	5,532,700	21,121,400	377,893	# 20,743,507
Community Services	28,041,700	2,827,350	30,869,050	1,377,509	# 28,339,889
Beach	485,000	460,000	945,000	12,109	# 932,891
Total All Funds	<u>\$ 44,748,400</u>	<u>\$ 8,820,050</u>	<u>\$ 53,568,450</u>	<u>\$ 1,817,278</u>	<u>\$ 50,599,521</u>

Overall, capital budget expenditures through the first quarter of FY2022/23 (September 30, 2022) totaled \$1,817,278, or 3.4% of the amended CIP budget. A summary of activity, along with project status as of the first quarter of the fiscal year, is provide via Attachment A of this report.

(Note: Projects approved as part of the FY22/23 budget that not meet capitalization criteria are included in the District's various operating budgets, and are therefore not included as part of this report).

Report Modifications for FY2022/23

- Over the course of the fiscal year, additional information will be included with each quarterly CIP Status Report:
 - Project Budget Adjustments - The report will continue to include budget-related activity for each capital project, including budget modifications (cancellations, augmentations, reallocations). No such actions were approved by the Board of Trustees as of 9/30/22. *(These columns have been excluded from this report to facilitate readability).*
 - Project Encumbrances – With the transition to the new Tyler/Munis financial system, the quarterly CIP Popular Status Report will be expanded to include project budget appropriations that are encumbered through approved contracts and authorized purchase orders. Encumbered funds effectively reduce the “available budget” as these reflect contractual funding commitments against projects budget. *This information is not included as part of this first quarter report as staff is in the process of ensuring that all contract and purchase orders tied to specific capital projects are correctly identified.*
 - Project Status – included with this report are brief “project status” labels, reflecting project status as of the end of the first quarter of the fiscal year (September 30, 2022). The status descriptions have been defined by the Board (see Attachment B). As these descriptions do not always provide the best summary of project status, staff recommends that the Board revisit these descriptions, even if only for certain categories of projects (i.e. fleet replacement, equipment purchases).
 - Major Project Status Report – the District has identified the need to develop and regularly update an expanded capital project status report – for “major” projects and Board-priority projects – that provide the Board and community with project updates beyond just a budget/fiscal focus. (This capital project reporting element is discussed as a component of a separate agenda item on tonight’s agenda – see Board Policy 12.1.0 update).

FY2022/23 First Quarter CIP Project Status Report Highlights

The following is intended to supplement the information provided in Attachment A for selected projects. Staff is available to provide additional information on projects included in the District’s FY2022/23 CIP Budget.

- General Fund/Administration -
 - Replace Xerox Printer (CIP#1099OE1401) – Funding for this project was included in the FY2021/22 CIP budget. The new printer was ordered and expected to be delivered prior to the end of the fiscal year and, as such, carry-over of available budget appropriations was not requested. As the equipment was not received until early July, the expense has been charged to the current fiscal year. Prior to requesting Board action for an FY2022/23 budget augmentation, staff is evaluating the extent to which current year budget appropriations can be re-allocated to this project.
 - HRIS/Payroll/Finance Software Implementation (CIP#1315CO1801) – The report reflects charges of \$25,240 charged to this project in the first quarter of the fiscal

year. These costs, including training and technical support services represent non-capital operating expenses (provided for within the General Fund operating budget) and will be transferred from the capital budget accounts.

- Utilities –
 - Effluent Pipeline (CIP#2599SS1010) – The FY2022/23 budget includes a total of \$12,069,507 in budget appropriations in support of this priority project. Staff is in the process of finalizing a project financing plan to include access a low-interest State Revolving Fund (Clean Water Program) loan, and the required private placement (State Treasurer’s Office) revenue bond. Board action will be required in December to finalize the loan application, and in early February for formal action to approve loan agreement(s) and bond documents. At that time, the Board will also be asked to take action amending the FY2022/23 capital project budget to reflect the financing plan (sources) as well as ensure that the current budget fully-supports all contractual obligations expected to be entered into this fiscal year.
 - Effluent Pond Lining / Storage Tank (CIP#2599SS2010) – The FY2022/23 budget appropriations totaling \$4,069,185 in support of this priority project. Staff has made progress in securing funding commitments from the U.S. Army Corps of Engineers and related cost-sharing agreements. (A presentation is included on tonight’s agenda to update the Board on these positive developments). As these agreements are finalized, staff will be returning to the Board for formal action, including modifications to the current budget, as required, to reflect the grant-funding and local cost share needed to award construction contracts.
- Community Services
 - Skate Park Enhancement (CIP# 4378BD2202) – The District is being awarded a non-competitive grant from Washoe County (ARRA) for the design and construction of improvements to the Skate Park. Board action will be sought to accept the grant and approve budget augmentations reflecting the outside funding being secured for this project.
 - Recreation Center Expansion (CIP#BI23350100) – The FY2022/23 budget includes \$25,435,000 in budget appropriations to support this project, including the companion Recreation Center Tenant Improvements (CIP#BI2350300) project. Funding for this project was to come from a private grant. In early October the District was informed that the donor has withdrawn their funding commitment and, as such this project is effectively cancelled. Staff is finalizing its review of costs incurred prior to termination of the project, which are largely reimbursed through the grant agreement operative during the design phase of the project. Once final accounting and billing has been completed, the project will be closed and Board action will be sought to reduce the FY2022/23 budget consistent with the amount of unexpended appropriations.
- Fleet Replacement (various funds)
 - The annual fleet replacement program continues to be impacted by extended delays in procurement and delivery of vehicles, light and heavy equipment and specialized items. A significant portion of funds carried-forward from the FY21-22 budget support fleet-related procurement that was approved and ordered last fiscal year, with several items as yet not delivered. Among the projects impacted by extended lead-time is the Championship Golf Course Cart fleet (ordered for the

with the 2022 golf season, yet the new golf carts have not yet been delivered). Many of fleet replacement projects included in the FY2022/23 capital budget have already been ordered, however delivery of selected items may extend beyond the end of the fiscal year.

- The FY2022/23 budget includes \$795,000 in funding, carried-forward from prior fiscal year budgets to support replacement of three Caterpillar 9506 Loaders that have been in service for 20+ years (Utilities and Ski). In light of limited availability, and inflationary cost increases, Fleet management is has been evaluating alternatives to pursuing outright purchase of all three pieces of equipment, and anticipated bringing forward options and recommendations to the Board Spring of 2023.

Attachments:

- Attachment A – FY2022/23 Q1 Popular CIP Status Report - through September 30, 2022
- Attachment B – Project “Status” Definitions

FY2022/23 CAPITAL IMPROVEMENT BUDGET

Fund /		New TYLER		FY2022/23 Final	BOT Approved Carry Forward	FY2022/23 Amended	FY2022/23 Expenditures	Available	Project Status
Dept. Div.	Project #	Project #	Project Title	Budget	8/31/2022	Budget	(9/30/22)	Budget	(9/30/22)
General Fund									
Accounting/Information Systems									
	1099OE1401		Replace Xerox Printer	-		-	24,197	(24,197)	CFWD Completed
	1213BD2106		Network Closet Updates (HVAC)	15,000		15,000	-	15,000	
	1213CE2101		Power Infrastructure Improvements	78,000		78,000	-	78,000	
	1213CE2102		Network Upgrades - Switches, Controllers, WAP	285,000		285,000	-	285,000	
	1213CE2104		Fiber Installation/Replacement	25,000		25,000	-	25,000	
	1213CE2105		Security Cameras	100,000		100,000	-	100,000	
	1315CO1801		HRIS, Payroll, & Finance Software Implementation	-		-	25,240	(25,240)	Xfer to Operating
			Sub-Total	503,000	-	503,000	49,437	453,563	
General									
	4378LI2104		IVGID Community Dog Park	100,000		100,000	330	99,670	In-Progress
	1099CE2201	CE23100100	Board Meeting - Technology Upgrades	30,000		30,000	-	30,000	
			Sub-Total	130,000	-	130,000	330	129,670	
			Total General Fund	633,000	-	633,000	49,767	583,233	
Utilities									
Public Works Shared									
	2097CO2101		Public Works Billing Software Replacement	-	20,000	20,000	-	20,000	
	209HE1725		Loader Tire Chains - 2 sets	-	20,000	20,000	-	20,000	
	2097HE1729		2002 Caterpillar 950G Loader #523	-	265,000	265,000	-	265,000	Delayed
	2097HE1730		2003 Caterpillar 950G Loader #525	-	265,000	265,000	-	265,000	Delayed
	2097LE1720		Snowplow #300A	-	19,000	19,000	-	19,000	Delayed
	2097LE1721		Snowplow #307A	-	19,000	19,000	-	19,000	Delayed
	2097LI1701		Pavement Maintenance, Reservoir 3-1 WPS 4-2/5-1	90,000	130,000	220,000	-	220,000	In Progress
	2097LE2221	LV23200100	Medium Duty Truck Plow	16,500		16,500	-	16,500	In Progress
	2097LV2220	LV23200200	Chevy 1/2-Ton Pick-up Truck	37,200		37,200	1,948	35,252	In Progress
			Sub-Total	143,700	738,000	881,700	1,948	879,752	
Water									
	2299DI1707		Burnt Cedar Water Disinfection Plant Emerg. Generator Fuel Tank	-	137,429	137,429	1,684	135,745	In Progress
	2299WS1705		Watermain Replacement - Crystal Peak Road	1,500,000	68,642	1,568,642	6,559	1,562,083	In Progress
	2299WS1802		Watermain Replacement - Alder Avenue	65,000		65,000	-	65,000	In Progress
	2299WS1706		Watermain Replacement Slott Peak Ct		72,230	72,230	2,214	70,016	In Progress
	2299DI1102		Water Pumping Station Improvements	50,000		50,000	-	50,000	Ongoing
	2299DI1401		Burnt Cedar Water Disinfection Plant Improvements	25,000	19,208	44,208	-	44,208	Ongoing
	2299CO2203	SW23200100	LIMs Software	55,000		55,000	-	55,000	
			Sub-Total	1,695,000	297,509	1,992,509	10,457	1,982,052	
Sewer									
	2524SS1010		Effluent Pipeline Project	10,000,000	2,069,507	12,069,507	158,528	11,910,979	In Progress
	2599SS2010		Effluent Pond Lining / Storage Tank	3,000,000	1,069,185	4,069,185	115,403	3,953,781	In Progress
	2599DI1703		Sewer Pump Station #1 Improvements	500,000	1,038,370	1,538,370	412	1,537,958	In Progress
	2599DI1104		Sewer Pumping Station Improvements	50,000		50,000	362	49,638	Ongoing
	2599SS1102		Water Resource Recovery Facility Improvements	100,000	86,607	186,607	40,040	146,567	Ongoing
	2599SS1103		Wetlands Effluent Disposal Facility Improvements	100,000	173,523	273,523	2,494	271,029	In Progress
	2599SS2107		Update Camera Equipment		60,000	60,000	48,249	11,751	Completed
			Sub-Total	13,750,000	4,497,191	18,247,191	365,488	17,881,703	
			Total Utilities	15,588,700	5,532,700	21,121,400	377,893	20,743,507	
Community Services Funds									
Championship Golf									

Capital Improvement Projects Report to the Board of Trustees

FY2022/23 CAPITAL IMPROVEMENT BUDGET

Fund /	New TYLER		FY2022/23 Final	BOT Approved Carry Forward	FY2022/23 Amended	FY2022/23 Expenditures	Available	Project Status
Dept. Div.	Project #	Project Title	Budget	8/31/2022	Budget	(9/30/22)	Budget	(9/30/22)
	3141L1202	Cart Path Replacement - Champ Course	55,000	114,667	169,667	-	169,667	In Process
	3141LV1898	Championship Golf Course Electric Cart Fleet and GPS		533,360	533,360	-	533,360	In Process
	3153BD2001	Recoat Chateau F&B Grill and Catering Kitchen Floors	39,700		39,700	-	39,700	
	3142LE1741	2016 Bar Cart #724	20,000		20,000	-	20,000	
	3142LE1742	2016 Bar Cart #725	20,000		20,000	-	20,000	
	3142LE1744	2014 Toro Tri-Plex Mower 3250D #694		42,781	42,781	-	42,781	In Process
	3142LE1745	2017 Toro 3500D Mower #743		36,184	36,184	-	36,184	In Process
	3142LE1746	2012 JD 8500 Fairway Mower #670		93,486	93,486	-	93,486	In Process
	3142LE1747	2011 Toro Groundmaster 4000D #650		66,211	66,211	-	66,211	In Process
	3142LE1750	2013 JD 3235 Fairway Mower #685	98,000		98,000	-	98,000	
	3142LE1759	2014 3500D Toro Rotary Mower #693		40,028	40,028	-	40,028	In Process
	3142LE1760	Replacement of 2010 John Deere 8500 #641	92,000		92,000	-	92,000	
	3143GC2002	Range Ball Machine Replacement		20,000	20,000	4,234	15,766	In Process
	3199OE1501	Championship Golf Printer Copier Replacement 955 Fairway	10,000		10,000	-	10,000	
		Sub-Total	334,700	946,717	1,281,417	4,234	1,277,183	
Mountain Golf			-					
	3241L12001	Mountain Golf Cart Path Replacement - Phase II	1,100,000	-	1,100,000	6,348		In Process
	3241GC1404	Irrigation Improvements	18,000		18,000	-		
	3242LE1726	2016 Bar Cart #726	20,000		20,000	-		
		Sub-Total	1,138,000	-	1,138,000	6,348	-	
Facilities			-					
	3351BD1703	Aspen Grove Outdoor Seating BBQ and Landscaping	10,000	10,000	20,000	-		
	3351BD2101	Dumpster Enclosure Vilage Green / Aspen Grove			-	-		
		Sub-Total	10,000	10,000	20,000	-	-	
Ski			-					
	3453BD1806	Base Lodge Walk In Cooler and Food Prep (Kitchen) Reconfiguration	110,000	31,398	141,398	7,768	133,630	In Process
	3462HE1702	Lakeview Ski Lift Maintenance and Improvements		1,613	1,613	500	1,113	In Process
	3462HE1711	Lodgepole Ski Lift Maintenance and Improvements	18,000		18,000	-	18,000	
	3462HE1712	Red Fox Ski Lift Maintenance and Improvements	75,000		75,000	-	75,000	
	3463HE1722	Loader Tire Chains (1-Set)		9,750	9,750	-	9,750	Delayed
	3463HE1723	2002 Caterpillar 950G Loader #524		265,000	265,000	-	265,000	Delayed
	3464LE1601	Ski Resort Snowmobile Fleet Replacement	17,000	14,295	31,295	-	31,295	In Process
	3464LE1729	Snowplow #304A		19,000	19,000	-	19,000	Delayed
	3464LE1734	2016 Polaris Ranger Crew #723	19,000		19,000	19,384	(384)	Completed
	3467LE1703	Replace Child Ski Center Surface Lift		10,000	10,000	5,082	4,918	In Process
	3468RE0002	Replace Ski Rental Equipment		259,133	259,133	-	259,133	Delayed
	3469HE1740	14-passenger Van	125,000		125,000	-	125,000	In Process
	3469BD2101	Replace Ski Lodge Facility Equipment		115,000	115,000	-	115,000	In Process
	3453FF1706	Replace Main Lodge/Snowflake Lodge Dining Furniture and Fixtures	49,000		49,000	-	49,000	
	3499OE1502	Skier Aervices Printer/Copier		8,870	8,870	-	8,870	In Process
	3499CE2201	CO23340100 Installation RFID - Software and Gantries	410,000		410,000	-	410,000	In Process
		Sub-Total	823,000	734,059	1,557,059	32,734	1,524,325	
Parks								
	4378L11604	Pump Track		78,196	78,196	11,995	66,201	In Process
	4378BD2202	Skate Park Enhancement	10,000		10,000	-	10,000	
	4378LE1742	2015 Ball Field Groomer #706		24,000	24,000	-	24,000	Delayed

Capital Improvement Projects Report to the Board of Trustees

FY2022/23 CAPITAL IMPROVEMENT BUDGET

Fund /		New TYLER		FY2022/23 Final	BOT Approved Carry Forward	FY2022/23 Amended	FY2022/23 Expenditures	Available	Project Status
Dept. Div.	Project #	Project #	Project Title	Budget	8/31/2022	Budget	(9/30/22)	Budget	(9/30/22)
	4378LE2220	HV23370100	Toolcat with Bucket and Snowblower	70,000		70,000	-	70,000	In Process
	4378LV1734		2011 Pick-Up with Lift gate #646	50,000		50,000	-	50,000	In Process
	4378LV1735		2005 Pick-up Truck 4x4 (1-ton) #554		45,166	45,166	45,166	(0)	Completed
	4378RS2103		Village Green Drainage and Park Improvement Project		20,000	20,000	-	20,000	In Process
			Sub-Total	130,000	167,362	297,362	57,161	240,201	
Recreation Center									
	4884BD2201	BI23350100	Recreation Center Expansion Project	25,435,000		25,435,000	614,090	24,820,910	Cancelled
		BI23350300	Recreation Center Tennant Improvments				2,927	(2,927)	Cancelled
	4884BD2202	BI23350200	Rec Center Exterior Wall Waterproofing & French Drain	100,000		100,000	494	99,506	In Process
	4899FF1202		Rec Center Locker Room Improvements		969,212	969,212	659,520	309,692	In Process
	4884BD1804		Chemtrol System for Recreation Center Pool	22,000		22,000	-	22,000	
	4886LE0001		Fitness Equipment	49,000		49,000	-	49,000	
			Sub-Total	25,606,000	969,212	26,575,212	1,277,032	25,298,180	
			Total Community Services	28,041,700	2,827,350	30,869,050	1,377,509	28,339,889	
Beaches									
	3970BD2601		Burnt Cedar Swimming Pool and Site Improvements		350,000	350,000	12,109	337,891	Completed
	3972BD1501		Beaches Flatscape and Retaining Wall Enhancement and Replacement	55,000	110,000	165,000	-	165,000	In Process
	3972BD2101		Ski Beach Boat Ramp Improvement Project	100,000		100,000	-	100,000	In Process
	3999BD1708		Ski Beach Bridge Replacement	120,000		120,000	-	120,000	
	3999FF2201	FF23390100	Beach Furnishings	10,000		10,000	-	10,000	
	3972BD2102		Beach Access Improvements	200,000		200,000	-	200,000	In Process
			Total Beaches	485,000	460,000	945,000	12,109	932,891	
			Total All Funds	\$ 44,748,400	\$ 8,820,050	\$ 53,568,450	\$ 1,817,278	\$ 50,599,521	

IVGID Capital Improvement Project Reporting

Definitions for Status Terms

- **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.
 - **In Progress** – A project which is not completed, and may incur additional costs.
 - **Multi-Year** - A project scheduled to be executed over multiple fiscal years to facilitate each phase (pre-design, design and construction or 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.
 - **Reallocation** - A project added or altered by the addition of spending authority from a specified completed or cancelled project from the same fiscal year.
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