



# FREQUENTLY ASKED QUESTIONS

## 1 Tell me a little bit about the District's infrastructure specifically its age

IVGID (Incline Village General Improvement District) was created in 1961 under Nevada Revised Statutes (NRS,) specifically Chapter 318, by Washoe County. Following is a summary of some of IVGID's community assets with their age:

Community Asset	Built In	~Age
Administration Building	Pre-1976	34+
Public Works Sewer Plant	1962	48
Public Works Building B	1980	30
Mountain Golf Course Maintenance/Cart Bldg.	1976	34
Ski Administration Building	1980	30
Snowflake Lodge	1976	34
Child Ski Center	1976	34
Ticket Booth Building at Diamond Peak	1979	31
Aspen Grove Senior Center	1988	22
Effluent Export Pipeline (portions thereof)	1973	37
Chateau	2004	6

## 2 ADA seems to be a large part of the plan - why is it such a predominant issue now?

The District has a long standing practice that whenever its facilities are designed, constructed and/or altered to meet the accessibility standards established under the Americans with Disabilities Act (ADA) for both the public (Title III) and employees (Title I). In the past, the District has met its obligations under the ADA when working on small projects and when engaged in large construction projects such as Burnt Cedar Pavilion, Recreation Center, Public Works Building, Chateau, and most recently, the renovation of the Base Lodge at Diamond Peak. Recently, the District requested a survey be conducted on its facilities to identify any remaining deficiencies in regard to compliance with the ADA. The District is obligated to have a plan to correct any identified deficiencies.

## 3 Why does the District have Washoe County bill the Recreation Facility and Beach Facility Fees on our property tax bills? Doesn't that cause confusion? And why doesn't the District do it themselves?

IVGID and the Washoe County Treasurer's Office collaborated, over ten years ago, to do this task. IVGID approached the Treasurer's Office because it was looking for an efficient and effective way to do this collection at a reasonable cost. The Treasurer's Office bills IVGID \$10,000 per year to perform this task. The Treasurer's Office has in place the mechanism to lien a property of non-payment of any of the fees on the property tax bill and a quarterly payment plan. While this might cause some confusion, and it often does, it is really a substantial savings, somewhere around \$40,000 per year, to IVGID. As always, IVGID is consistently revisiting the manner in which it does business and this specific topic is a consideration once again as the District implements its new financial software package.

## 4 I am a second homeowner who doesn't use any of the facilities so why should I pay for them?

Amenities within any community add value to a parcel owner's property value. IVGID works closely with the real estate agents within Incline Village and Crystal Bay to make sure that they are knowledgeable about our amenities and the related fees. During the season in which they operate, these amenities are ready for your utilization one hundred percent of the time whether you are in the community or not. As a result, each parcel owner has a portion of the responsibility to maintain these amenities in the working order that the Board of Trustees has established through their Long Term Goals, Resolutions, Policies or Practices.

## 5 Discuss with me a little bit about the District's responsibilities under Nevada Revised Statutes (NRS) Chapter 318 which governs general improvement districts.

Washoe County created IVGID under NRS Chapter 318 in 1961 (with minor revisions in the subsequent years) to provide water, sewer, trash and recreation services to the parcel owners, residents and visitors. IVGID holds, operates and manages all of the community assets. The Board of Trustees is elected by the registered voters of Incline Village and Crystal Bay. This Board hires a General Manager to lead and manage IVGID for them and their constituents.

## 6 Why do the tourists get to use the facilities that I pay for?

They get to use the facilities because through the Board of Trustees, both past and present, it has been directed, through such actions as long term goals, resolutions, policies and practices, etc. However, the parcel owners and residents are IVGID's number one priority and that means striking a balance with tourist business in order to have the most reasonable Recreation and Beach Facility Fees for each parcel owner. Tourists pay a substantially higher fee to use the amenities than the parcel owner.

## 7 Where can I send my public comments so that the Board of Trustees hears what I think?

There are multiple ways to express your opinion and they are as follows:

- Each Trustee has a District e-mail that consists of their first name followed by an underscore and then the word trustee followed by the at symbol and then IVGID.org; as an example Chairman Gene Brockman's e-mail address is [gene\\_trustee@ivgid.org](mailto:gene_trustee@ivgid.org).
- There are two public comment periods during each and every Board meeting; typically Board meetings are held twice a month - on the second and last Wednesday. Each person wishing to speak will have three minutes, unless otherwise limited by the Chair, to speak about any matter that isn't on the agenda.
- IVGID's General Manager is available at 775-832-1206 or via e-mail at [wbh@ivgid.org](mailto:wbh@ivgid.org).
- For this budget period, a special e-mail address has been set up - [budgetfeedback@ivgid.org](mailto:budgetfeedback@ivgid.org) - all of the e-mail sent to this address goes to the Clerk of the Board of Trustees who will electronically forward it to the Board of Trustees and General Manager as well as include it, in hard copy form, in the next Board of Trustees meeting agenda packet.
- You may stop by the IVGID offices at 893 Southwood Boulevard and if the General Manager is available, he will be happy to listen to your suggestions, concerns, answer questions, etc. If he is unavailable, his assistant will set up an appointment.



## 8 What is IVGID's financial condition?

IVGID is in excellent financial shape and it boasts one of the highest credit ratings in Nevada, at Aa2, which is a significant improvement over 2001 when the Board of Trustees and District Staff started to implement long term financial planning and dealing with a challenging capital infrastructure. At the close of business on June 30, 2009, subsequent to meeting our financial



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goals for the eighth consecutive year, IVGID's total assets were \$125,195,848; net assets were \$96,633,210; cash reserves were \$26,271,480; and current liabilities were \$4,153,311. As for the infrastructure, the Chateau was scrapped and rebuilt, the Championship Golf Course was fully renovated, four new tournament tennis courts were added to the Tennis Center, the old Diamond Peak Ski Lodge was renovated, a detachable high speed quad ski lift was added at the ski resort, a new Parks Storage building replaced an aging trailer complex, the Public Works building had been replaced, and over six miles of the Effluent Export Pipeline was replaced. In May of 2009, the Board of Trustee approved unsustainable (one year) operating and capital budgets that included not increasing the utility rates or user fees because it wanted to help its community during challenging and difficult economy times. Several months into this budget, the District Staff was challenged

again because it looked like it would not be able to deliver the promised operating budget. The District Staff presented adjustments to its Board of Trustees and these adjustments were made and it appears that through these excellent financial controls and decisions, the District Staff will meet its budget commitments. As for next year, District Staff is looking at, in detail, all of its fees and increases are being considered.

## 9 What will happen to customer service levels if old infrastructure is not replaced?

This question requires a two pronged answer - the first prong is Public Works or the water, sewer and trash portion of our business. IVGID's responsibilities within Public Works are regulatory and are basically determined by four agencies - the Tahoe Regional Planning Agency, Washoe County, State of Nevada and the Federal Government. Through Federal Rural 595 grants, in the amount of just over \$13,300,000, IVGID has been able to maintain extremely low utility rates because these grant funds were effectively used to replace aging portions of the Effluent Export Pipeline. To give this achievement perspective, this would have translated into a cost, to each sewer hookup, of \$3,166 over the past four years. The second prong is Community Services - these are the amenities or Community Assets, i.e. Chateau, golf courses, ski resort, Recreation Center, etc. that the District maintains. Using as just one example, the former Chateau had maintenance issues which continued to grow and it finally became too expensive, in relationship to the cost of a new building, to maintain and provide outstanding customer service.

Customer service levels are directly tied to the infrastructure (or amenity). IVGID initiated a Customer Service objective a couple of years ago and it is proud to say that this program provides, to our parcel owners and residents, outstanding customer service. IVGID treats each person who visits the amenity with respect and kindness and each and every IVGID employee is empowered with the Power of One.

## 10 Why is it important for me to attend IVGID's Budget Workshops and/or submit questions to the Board of Trustees?

The Board of Trustees is a five member board who is elected by its constituents to represent them in the operations and business of the District. The District General Manager is the only employee hired by this Board of Trustees. Communication, via attendance or submittal of questions, is vital to understanding what the constituents want and/or desire from their elected officials and its District leadership. The workshops held by IVGID have a direct impact in your financial planning and budgeting. It is important that we all hear your questions and respond to them in an open, public and transparent manner. This year's capital budgeting has a 20-year capital plan in excess of \$120 million dollars. As noted in the beginning of this section, IVGID has infrastructure that is aging. Each parcel owner and resident has the expectation that when they are ready to play golf or go skiing that the amenity will be ready and available for their use. Each parcel owner and resident has the expectation that when they turn on their kitchen faucet to get a drink of water that they will get fresh, clean, safe drinking water whenever they want it. It is IVGID's mission to provide these services to its parcel owners and residents and it is the parcel owners and residents responsibility to provide the financial means to do so.

WOULD YOU LIKE TO KNOW MORE?



# A word from your Board Chairman Brockman

Each year in late January, IVGID starts to put together its operating and capital budgets for the next fiscal year. So it is now. Budgeting is something that involves nearly every full-time employee, every manager and the board of trustees. It is our intent to make it easy for our parcel owners and residents to tell us their ideas about our operating and capital budgets, and the things that influence them.



During February and March, each board of trustees meeting will be preceded by a workshop on one phase of the budget. These workshop/board meetings are open to the public and it is hoped that interested people will attend and make appropriate comments. The meeting location has been changed from the IVGID administration building to the Chateau, and the starting time is 6 p.m. for all meetings.

The subjects of the workshops will be:

Feb. 10	Water and Sewer Rates
Feb. 24	Capital Improvement budget
March 10	Capital Improvement budget
March 31	Operating budget

For a number of reasons the finances of IVGID are somewhat different from other municipalities and the county. It is not unusual for those other entities to rely on tax sources for 60 to 70% of their revenue. IVGID derives only 5.1% of its revenue from taxes. 62.3% of IVGID's revenue comes from the charges made to use our facilities and services. 13.3% of the revenue comes from the Recreation Facility Fee and 2.3% from the Beach Facility Fee. Other sources of income include capital and operating grants at 16.5%, and to a smaller degree investment earnings at 0.5%. For this fiscal year, total revenues are expected to exceed \$38,500,000.

On the expenditure side of the ledger, IVGID is very much like all other municipalities and many businesses. We have wages, benefits, services and supplies, insurance, cost of goods sold, Workers Comp., utilities, debt service, depreciation, and capital expenses.

We have an infrastructure of buildings, golf, ski and park areas, pipelines and equipment that must be maintained, repaired, and replaced when worn out. Funds must be set aside so they will be available when the infrastructure expenses must be paid.

This fiscal year we have budgeted expenses totaling \$40,833,137 which means that we will dip into our reserves \$2,344,024. This was due to a conscious decision by staff and board to not raise utility rates this fiscal year, knowing full well that rates were not sustainable next year.

All of the facilities that IVGID owns and operates in both Utility and Recreation divisions require funding before anyone uses them. We have invested in the water and sewer systems and they must be maintained. The ski lifts must be maintained for safe operation. We have a huge job to maintain the fairways and greens at the golf courses. The Chateau and its kitchens must be ready for the next event. You get the idea. All of these facilities add to the quality of life in Incline and they also enhance the value of real property here. We rely on fees charged for use of these facilities for the funds to operate them. The funds necessary to have these facilities ready for use is where the Recreation Facility Fee and the Beach Facility Fee come into play. These Facility Fees provide the funds to prepare and maintain the infrastructure. On the Utility side of our business, the equivalent of the Facility Fee is built into the water and sewer rate structure.

There are fewer people using some of our facilities resulting in lower user fee revenue in both recreation and utilities. On the other hand we are faced with constantly rising costs, and we need higher revenues just to break even. We have a huge challenge in front of us to cope with these opposing trends.

We are used to a certain level of service from the IVGID recreation and utility segments. We must weigh very carefully whether we can and should continue these levels of service.

The Trustees have been developing and adopting policies for current and future use that will ensure sustainability of IVGID's finances. We are in good shape, but we must be certain that we stay that way. There is a huge pool of talent in this community that can help guide our efforts. Once again we invite you to join us at our workshops to share your ideas to keep this a wonderful place to live, work, and recreate.

Gene Brockman, Chairman  
IVGID Board of Trustees

WOULD YOU LIKE TO KNOW MORE?

